

General Rules for Political Action Committees

You may conduct “raffles” and auctions as long as you adhere to the specific rules listed below.

- 1) The only people asked to purchase raffle tickets or participate in the auction are members of the National Association of Insurance and Financial Advisors who are U.S. Citizens or green card holders, their immediate family members and association executives. Non-members (i.e. company representatives, exhibitors, administrative staff who don’t pay dues, MDRT & AALU members who are not also NAIFA members, guests and the like) may not be solicited to purchase raffle tickets or asked to bid on auction items.
- 2) You observe the Federal Election Commission “one-third rule” that the “prize” costs no more than one-third of the total cost of the ticket sales. (For example, if the prize costs \$2,500, then you would need to raise *at least* \$7,500 [3 x \$2,500] in IFAPAC funds.) You will need to scrupulously track the receipts in order to calculate the “one-third rule” formula. The cost of the prize must be its fair market value.
- 3) The raffle or auction does not violate any *state* election, gaming or other laws.
- 4) All check and credit card contributions are made payable directly to IFAPAC.
- 5) The funds raised are sent to the National IFAPAC office within 10 days of the raffle.
- 6) You ask each contributor to include his/her member number along with his/her name, address so the funds can properly credited. Otherwise the funds will be lumped together and deposited into the administrative account under the name of the local or state association, as applicable.
- 7) The raffle prize or auction item is paid for by a state association or local association or is donated by a *current, dues-paying* member of the association. The prize or item may not be donated by a non-NAIFA person or a company. Simply put, if the person is ineligible to participate in the raffle (see 1), then he/she is ineligible to donate a raffle item/prize.
- 8) You must inform every contributor that “Contributions to IFAPAC are voluntary and contributed to candidates for elective office. Your contributions will be divided between your state association IFAPAC and IFAPAC National, if you have directed NAIFA to do so. Club types listed above are merely suggestions. You can contribute more or less than the suggested amount. The amount contributed will not benefit or disadvantage you in any way. You have the right to refuse to contribute without reprisal. Corporate contributions to IFAPAC’s political fund are prohibited. Contributions to IFAPAC are not deductible for federal income tax purposes.”
- 9) You do not accept over \$100 *in cash* from any one individual contributor if you are raising money for the political fund.
- 10) In regards to “auctions,” they may be subject to state and local election laws, as well as other applicable legal restrictions. Some jurisdictions, for example, restrict auctions to sealed bids only, or require the hiring of a licensed auctioneer.
- 11) Be mindful if the event at which you are having the fundraising event includes non-NAIFA members, such as a state convention jointly hosted by NAIFA and another trade association. You may not, in any way, solicit non-NAIFA members for IFAPAC contributions.