

Political Law Alert



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RAGA Registers Main Account as Virginia PAC

The Republican Attorneys General Association (RAGA), a 527 political organization under the Internal Revenue Code, has informed donors that it recently registered its main account (the general operating account) as a political action committee (PAC) with the Commonwealth of Virginia. While it appears from RAGA's filing with Virginia that the registration was triggered by a \$250,000 contribution to a candidate for attorney general, it is unclear whether RAGA will make additional contributions to Virginia candidates or make independent expenditures (i.e., act as a SuperPAC) out of that account. As a Virginia PAC, RAGA must publicly disclose to the state all contributors that made aggregate contributions of \$2,500 or more to its general operating account since January 1, 2017.

While it is common for certain 527 organizations to establish state PACs and support them with transfers of certain unrestricted funds from their general operating accounts, it is unusual for a 527 organization to register its main operating account as a PAC, thus subjecting that account to applicable election law restrictions and disclosure requirements. Indeed, RAGA and some other 527 organizations have routinely made written representations to donors that it will not make political contributions or independent expenditures from, or otherwise trigger PAC status for, the main operating account.

Given that Virginia law allows corporations and individuals to contribute an unlimited amount to state PACs, RAGA's registration as a PAC should not affect the legal permissibility of contributions that already have been made to its main operating account. However, if a contribution was made to RAGA based on an understanding that the main operating account would not trigger PAC status, either for policy or other non-legal reasons, such as voluntary agreements a company may have made with shareholders in response to a proxy proposal, then a follow-up with RAGA may be advisable.

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