



The IIUSA PAC: An Incredible Tool Off to an Incredible Start



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A BIG STEP

This year, as part of its ongoing effort to strengthen its presence on Capitol Hill, flatten the EB-5 learning curve for federal legislators, and identify and support an expanded number of EB-5 champions, IIUSA created a federal political action committee (PAC) called the IIUSA PAC. Establishing and managing a PAC requires attention to details, awareness of federal rules, and a willingness among an association’s members to participate and support the PAC. The IIUSA Leadership Circle and board of directors took these realities into account, debated the pros and cons of taking this step, and ultimately decided the benefits far outweigh the concerns or necessary diligence. I believe they are right.

Political action committees are formal organizations committed to supporting political candidates who reflect a PAC’s priorities and values. A PAC receives voluntary financial contributions from those permitted to provide them and uses that money to support selected political candidates. Every PAC must register with the Federal Election Commission (FEC) and follow specific rules regarding how (and to whom) they solicit contributions to their cause and how they make contributions to candidates. IIUSA elected to file its new PAC with the FEC as an “affiliated PAC.” Specifically, IIUSA PAC is “affiliated” with IIUSA, a 501(c)(6) business league/trade association. This type of registration allows IIUSA (the corporate non-profit) to pay for IIUSA PAC’s administrative costs such as IIUSA PAC related events and a separate dedicated accountant to handle the IIUSA PAC’s distinct bank account and all necessary FEC filings. Permitting IIUSA to budget for and underwrite these costs assures 100% of contributions IIUSA PAC receives are provided to its selected candidates.

In exchange, however, rules governing “affiliated” PACs require certain thresholds be met before they are fully functional and demand specific restrictions on how funds are solicited. IIUSA and IIUSA PAC take these rules very seriously and closely monitor any PAC related activities to be sure the association and its affiliated PAC remain compliant.

FULLY FUNCTIONAL

FEC rules limit the amounts PACs can contribute to both of candidates’ elections (primary and general elections). The chart below illustrates the difference between multicandidate PACs’ limitations and non-multicandidate PACs’ limitations. The top line lists the entities to which a PAC may give money. IIUSA PAC is focused on the first column: contributions to “Candidate Committee per Election.” Note multicandidate PACs can provide \$1,700 more to a candidate’s primary election and again to a candidate’s general election.

Contribution Limitations: Multicandidate v. Non-Multicandidate¹

For 2023-24 Elections	Candidate Committee per Election	PAC (SSF & Nonconnected per year)	State, District & Local Party Committee per Year	National Party Committee per Year	Additional National Party Committee Accounts per year
Multicandidate	\$5,000	\$5,000	\$5,000 (combined)	\$15,000	\$45,000
Non-Multicandidate	\$3,300	\$5,000	\$5,000 (combined)	\$41,300	\$123,000

To become a multicandidate PAC and therefore more impactful, a PAC must pass three milestones.

1. It must have received contributions from at least 51 persons.
2. It must have been registered with the FEC for at least six months; and
3. It must have made contributions to at least five federal candidates.



¹ Federal Election Commission, FECTube: FedConnect OnDemand

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The IIUSA PAC was established and registered with the FEC in February 2023. Therefore, it meets the six-month milestone. Further, the IIUSA PAC has already made contributions to three candidates: Congressman Brian Fitzpatrick (R-PA-01), Congressman Greg Stanton (D-AZ-04), and Congresswoman Maria Salazar (R-FL-27). Therefore, the IIUSA PAC need only contribute to two other candidates. Finally, the IIUSA PAC has received contributions from 20 separate people, leaving 31 to go before meeting the final requirement to become a multicandidate PAC.

The IIUSA PAC is very grateful to each of its contributors. Although contributions to a PAC must be personal (corporate contributions are not allowed), they can be of any amount (\$1 to \$5,000) to help a PAC reach its 51-contributor threshold.

SOLICITING FUNDS

Any PAC may only solicit and receive contributions from individuals. FEC rules do not allow corporate contributions. An “affiliated” PAC may only solicit and receive contributions from those people in its “restricted class” and even then, only from those within the restricted class who give permission to be solicited.

The FEC defines “restricted class” for an affiliated PAC as: noncorporate members (such as individuals and partnerships) of the association; the association’s executive and administrative personnel; executive/administrative personnel and stockholders of member corporations (with prior approval); and the families of all three groups.

“Prior approval” is exactly what it says. People in an affiliated PAC’s restricted class may only be solicited if the IIUSA member with which they are associated or employed provides approval for said solicitations. As mentioned, IIUSA and IIUSA PAC take these rules very seriously and therefore only solicit people in its restricted class after their employer submits the association’s prior approval form.

The form, available on the IIUSA website, grants IIUSA PAC permission “to solicit and accept contributions from employees of [our] firm and that permission to do so may be withdrawn at any time.” In other words, IIUSA and IIUSA PAC seek permission to solicit the “executive/ administrative personnel and stockholders of [its] member corporations” before asking for any contribution. Although providing a prior approval form in no way requires anyone to make any contribution, no person who has not submitted the form or whose employer has not done so will be asked to contribute to the IIUSA PAC. To date, 27 IIUSA association member organizations have provided their approval.

THE VALUE & OUR PROGRESS

Anyone can make a political contribution to any candidate they choose. The value a PAC contribution brings is its stated priorities and values. For example, if Citizen Kane contributes \$2,000 to a candidate the candidate must report that contribution to the FEC and Mr. Kane’s name will be listed in FEC records. However, few people will know why Mr. Kane made his contribution or where he stands on any issue.

When IIUSA PAC makes a \$2,000 donation to a candidate the contribution is also reported to the FEC. It also becomes a matter of public record, but rather than simply being tied to one person, the contribution is tied to an organization with stated priorities and policy goals. Candidates that accept PAC contributions understand this and consequently try not to accept campaign funds from organizations with which they do not agree. We can expect, therefore, that the more candidates IIUSA PAC supports, the more support IIUSA can expect.

As stated, IIUSA PAC has already contributed to three candidates. Representatives Fitzpatrick and Stanton were the RIA’s House of Representatives co-sponsors. Representative Salazar introduced the Dignity Act, a bill that eliminates derivative visa counts and limits processing wait times to 10 years.

As the IIUSA PAC grows, becomes more involved in federal candidates’ efforts, and can support more candidates with more meaningful contributions (as a multicandidate PAC), more people, candidates, and their staff, will become more aware of EB-realities: the powerful economic development and job creation it provides and the investors and regional centers face. Sharing that information will underpin a more informed Congress, one which IIUSA will soon ask for a new reauthorization, if not permanent authorization. To this very critical end, the IIUSA PAC is an incredible tool off to an incredible start. ■



If you’d like to know more about the IIUSA PAC, please send a message to IIUSA’s Executive Director, Aaron Grau at aaron.grau@iiusa.org. If you are a member of IIUSA and would like to review the IIUSA PAC prior approval form, you can do so [here](#).