

Political Action Committee & Personal Political Contributions Become the Next Reputational Challenge for Law Firms & Their Clients

Article By:

Bruce M. Hennes

Aesop perhaps said it best: “You are known by the company you keep.” It appears many organizations are learning the true meaning of that phrase in the wake of the Republican vote against certification of the Electoral College results and the January 6 U.S. Capitol riots.

In a mere week’s time, corporate giants including Marriott International, Dow, JPMorgan, American Express, Nike, Google, Facebook and Microsoft have publicly declared they are pausing contributions from their political action committees (PACS). They are joined by a [growing](#) chorus that contains some of the world’s most well-known brands. While most of these organizations have targeted the members of Congress who voted against certification, many are making larger declarations, including Charles Schwab, which announced it is shutting down its PAC and donating the money to charity and to historically Black colleges and universities.

Since the [first PAC](#) was established in 1943 by the Congress of Industrial Organizations after Congress prohibited unions from donating directly to political candidates, PACs have been a strategic tool to help law firms, corporations, banks, unions, trade associations and others achieve strategic business objectives affected by the laws and regulations that govern – or hinder – their growth. Corporate PACs, at companies like those listed above, rely on voluntary contributions from employees – and that is likely one of the reasons the decisions announced this past week came so swiftly. It is challenging to keep employees motivated – or to keep them at all – if they suddenly find that their own values are diametrically opposed to those held by the organization they work for.

For an example of how employee values can shape corporate decision making, read [this piece](#) we wrote when household goods retailer Wayfair ran into an employee buzz saw after it was discovered the company was supplying bedroom furniture to a federal detention center in Texas. Note too, [this story](#) describing the pullback by law firms including Porter Wright and Jones Day after colleagues in the firms raised concerns about their work on the 2020 election challenges.

Aside from employee pushback, the values of other stakeholders that organizations prize no doubt factored into the decisions regarding PAC contributions as well. Those important audiences include customers and clients, investors, suppliers and even the communities in which these organizations operate. Here, social media’s power to harness and broadcast stakeholder outrage are important

factors for the PAC distribution committee to consider.

No doubt some of the PAC decisions also were colored by the fact that PAC contributions are now relatively easy to uncover. The Center for Responsive Politics, for instance, hosts a [website](#) that makes it easy to discover, by year, how much individual organizations have donated to which parties and to which House and Senate candidates or incumbents. Access to comparable information at the state level varies, but likely will move toward more transparency given recent events. All the above is true, as well, for individuals making political contributions, apart from their PAC contributions. A quick visit to www.fec.gov/data/ opens a page with a simple enter-a-name-here search box and within seconds, one can see campaign donations made by co-workers, friends, competitors, spouses, children, extended relatives and celebrities. Similar easy-to-search databases are available at the state level and most counties across the country.

Combine this access to information with social media's role as the global town crier and it's naïve at best to assume no one will notice an individual or PAC's significant contribution to a recipient of note – especially one with a highly controversial position on high profile issues or a questionable voting record.

While there are many reasons why an individual or organization might decide to support a specific lawmaker, those reasons may not be as readily apparent to stakeholders (including employees), the media or the public. If yours is not one of the many organizations that have publicly announced that they are withdrawing some or all of their PAC support, now would be a good time to get ready to explain why you've supported the individuals you have, and what your path going forward may be. Here are some messages to consider:

- How does this recipient's voting record and position align with your organization's mission and values? How have your contributions helped your organization grow and thrive so it can better serve its stakeholders?
- If your organization has a strong commitment to corporate social responsibility, how do these contributions support that work?
- If there are other reasons you support this individual, what are they?
- If there are reasons why you no longer support this individual, what prompted you to end your support?

In a similar manner, if your organization took a public position in support of hot-button issues like Black Lives Matter and #MeToo, but your political contributions speak otherwise, how will you address that discrepancy (which is likely to be defined by others as hypocrisy)?

If your organization stands behind its record of political support, be prepared to defend that record with transparency and honesty. And, be prepared to do so before media and social media seize the advantage they have in galvanizing opinion quickly. While your PAC – or the personal checks you've written - may be only one small portion of your organization's government affairs program, these days, it's the one everyone seems to be talking about.

Read a follow-up on this subject: [Political Action Committee & Personal Political Contributions](#)

[Revisited – Only of Passing Interest?](#)

The views and opinions expressed in posting are those of the author and do not necessarily reflect the views or position of the National Law Review, the National Law Forum LLC or any of its affiliates.

© 2025 Hennes Communications. All rights reserved.

National Law Review, Volume XI, Number 16

Source URL: <https://natlawreview.com/article/political-action-committee-personal-political-contributions-become-next-reputational>