

# Tennessee Now Allows Corporate Campaign Contributions

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July 2011

On June 1, 2011, Tennessee Governor Bill Haslam signed into law former Senate Bill 1915, which addresses Tennessee campaign finance law. The law took effect upon the governor's signature.

The law makes two significant changes to Tennessee's campaign finance laws. First, with enactment of the new law, corporations are considered PACs under Tennessee law (officially called "political campaign committees" in Tennessee) and may now make direct campaign contributions. A corporation, however, that makes aggregate candidate contributions of more than \$250 in a calendar quarter must register and report as a PAC with the Tennessee Registry of Election Finance.

Second, the law also increases contribution limits for individuals, PACs (which now include corporations) and political parties. The new legislation adjusts the limits for inflation retroactively to January 1, 1996. Going forward, these contribution limits will also be adjusted for inflation every two years, with the next adjustment scheduled for January 2013. All of the new contribution limits are available at [http://tn.gov/tref/Contribution%20Limit%20Increase%202011\\_7.pdf](http://tn.gov/tref/Contribution%20Limit%20Increase%202011_7.pdf). The effect of these changes is that a PAC may contribute \$10,700 per election to statewide and Senate candidates, and \$7,100 per election to House and local candidates. The PAC aggregate contribution limit per election is \$107,200. An individual may contribute \$3,600 per election to statewide candidates and \$1,400 per election to legislative and local candidates. Finally, the new law eliminates the biennial individual aggregate contribution limit of \$109,100.

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