How the Workplace Affects Employee Political Contributions[1]

Online Appendix

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A Data Appendix

A1 Donation Limits, Disclosure, and Enforcement

Limits: Donations in the United States are tightly regulated since the 1976 *Buckley vs. Valeo* Supreme Court decision. Companies are banned from using corporate funds to donate directly to political candidates. However, they can set up Political Action Committees (PACs) which can solicit donations from company employees, and these can in turn be used to donate directly ('hard money') to political candidates, other PACs, as well as local, state, or national party committees (Milyo, Primo and Groseclose, 2000, p.77). Donations to different recipients are limited in each election and year. Figure A1 shows the contribution limits for the 2018 electoral cycle, for each kind of donor and recipient. Parties or interest groups may also raise 'soft money' that is not used to directly fund campaigns, and for which there are no limits. Before 2010, independent expenditures that are not coordinated with a campaign but in support or opposition of a candidate faced the same donation limits as direct contributions. However, since the 2010 *Citizens United vs. Federal Election Commission* decision of the Supreme Court, companies can use their own funds to independently support or oppose candidates, as long as this activity is not coordinated with those candidate's campaigns (Whitaker, 2018).

Disclosure: All PAC donations regardless of the amount donated must be reported to the FEC. Reports must identify the recipient, amount, as well as the name and address of the donating committee. Individual contributions that exceed 200 $US must be itemized and reported. In those cases where the aggregate donations by an individual exceed 200 $US in a given calendar year, each subsequent donation most be itemized. Itemized individual donations must include the name, address, as well as the self-reported employer and (since 2003) occupation of the donor. All smaller donations that do not exceed 200 $US in sum do not need to be itemized (with name, employer, etc.) and are usually summed up in the committee accounts.

Enforcement: Political committees must make their "best effort" to fulfil the filing requirements under the Federal Election Campaign Act of 1971, which requires reporting accurate full names, occupations, employers, and addresses of itemized individual donations. The FEC regularly reviews financial reports submitted by committees, gives penalties and administra-

	Recipient			
Contributor	**Principal Campaign Committee**	**Multicandidate Committee (most PACs, including leadership PACs)**	**National Party Committee (DSCC; NRCC, etc.)**	**State, District, Local Party Committee**
Individual	$2,700 per election[a]	$5,000 per year	$33,900 per year[a] *Additional $101,700 limit for each special party account*[ab]	$10,000 per year (combined limit)
Principal Campaign Committee	$2,000 per election	$5,000 per year	Unlimited transfers to party committees	Unlimited transfers to party committees
Multicandidate Committee (most PACs, including leadership PACs)[c]	$5,000 per election	$5,000 per year	$15,000 per year *Additional $45,000 limit for each special party account*[b]	$5,000 per year (combined limit)
State, District, Local Party Committee	$5,000 per election (combined limit)	$5,000 per year (combined limit)	Unlimited transfers to party committees	Unlimited transfers to party committees
National Party Committee	$5,000 per election	$5,000 per year	Unlimited transfers to party committees	Unlimited transfers to party committees

Figure A1: Contribution Limits, 2018 Electoral Cycle. This figure shows contribution limits for donations of different types of donors (left panel) to recipients (upper panel), for federal elections running in the 2018 electoral cycle. Source: (Whitaker, 2018, p.6).

tive fines for non-submissions and late submissions, and can audit political committees who appear not to fulfil the requirements for substantial compliance. In audits, the FEC checks donor names, occupations, and addresses in financial reports. For example, the FEC conducted an audit of Marsha Blackburn (R-TN) who ran for Tennessee's 7th electoral district during the 2015-2016 electoral cycle. The FEC found that Blackburn's principal campaign committee had "inadequately disclosed occupation and name of employer information for 180 individual contributions totalling $US160,880" (FEC, 2019, p.11). While no penalty was given in this case, Blackburn's committee needed to undertake substantive "corrective action" to include the missing occupation and employer names for 165 contributions totalling $US156,900.

A2 Matched versus Non-Matched Donations

Below in Table A1 and Figure A2, I provide information on how the 3,890,332 transactions of individuals matched to publicly traded companies used in this paper, compare to the overall distribution of 36,921,484 transactions between 2003 and 2018.

- *Donation Amounts*: The average donation amounts in the matched transactions are slightly lower than in the overall population of transactions. This is most likely due to the lower number of donations to Super-PACs (which tend to be large) and party committees (which are larger than candidate- or PAC-centred donations). The difference in transaction amounts is smaller for Republican donations, compared to Democratic donations, which reflects the fact that matched donations are larger for Republican Candidates. This confirms the conservative bias in US corporate donations (Bonica, 2014). These patterns are also visible in Figure A2, which compares transaction amounts from the matched sample to the overall population of itemized donations. Overall, matched donations are a bit smaller than overall donations (Figure A2a).

- *Types of Committees*: Transactions matched to publicly traded firms are less likely to go to candidate and party committees, and much more likely to go to other committees. This is driven by more donations to corporate PACs. Publicly traded companies are more likely to have a PAC. Matched donors are also less likely to donate to trade associations, membership organizations, labor unions, or Super PACs. Matched transactions are more likely to go to out-of-state committees.

- *Types of Candidates and Elections*: matched donations are less likely to go to candidates (House, Senate, President), but are more likely to go to candidates running in primary elections.

Variable Name	N	Overall Donations				Matched Donations				Comparison				
		Mean	SD	Min	Max	Mean	SD	Min	Max	Ratio	Diff.	t-value	p-value	CI
Transaction Amount	36921484	584.76	18443.21	-750000	50000000	389.78	19161.63	-240000	15000000	0.67	-194.98	-19.72	< 0.01	(-214.36, -175.6)
Democratic Amount	36921484	188.23	4719.31	-426362	23787000	83.86	673.13	-40000	242300	0.45	-104.37	-41.26	< 0.01	(-109.33, -99.41)
Republican Amount	36921484	182.85	1805.55	-240000	5000000	101.30	1429.21	-240000	1500000	0.55	-81.55	-84.27	< 0.01	(-83.45, -79.65)
Independent Amount	36921484	0.73	57.29	-2700	250000	0.23	18.26	-2300	5400	0.32	-0.50	-16.40	< 0.01	(-0.56, -0.44)
Candidate Committee	36921484	0.49	0.50	0	1	0.21	0.41	0	1	0.43	-0.28	-1051.88	< 0.01	(-0.28, -0.28)
Party Committee	36921484	0.19	0.38	0	1	0.05	0.22	0	1	0.26	-0.14	-685.85	< 0.01	(-0.14, -0.14)
Organization Committee	36921484	0.17	0.42	0	1	0.69	0.46	0	1	4.06	0.52	2535.98	< 0.01	(0.52, 0.52)
In-State Donation	36921484	0.29	0.46	0	1	0.43	0.49	0	1	1.48	0.14	576.12	< 0.01	(0.14, 0.14)
Out-of-State Donation	36921484	0.71	0.46	0	1	0.57	0.49	0	1	0.80	-0.14	-576.12	< 0.01	(-0.14, -0.14)
Corporation PAC	36921484	0.08	0.34	0	1	0.65	0.48	0	1	8.12	0.57	3617.38	< 0.01	(0.57, 0.57)
Trade Association PAC	36921484	0.03	0.17	0	1	0.02	0.15	0	1	0.67	-0.01	-80.45	< 0.01	(-0.01, -0.01)
Membership Org. PAC	36921484	0.03	0.17	0	1	0.00	0.08	0	1	0.00	-0.03	-279.03	< 0.01	(-0.03, -0.03)
Labour Union PAC	36921484	0.03	0.17	0	1	0.02	0.14	0	1	0.67	-0.01	-122.09	< 0.01	(-0.01, -0.01)
Super PAC	36921484	0.01	0.09	0	1	0.00	0.04	0	1	0.00	-0.01	-136.31	< 0.01	(-0.01, -0.01)
Presidential Candidate	36921484	0.21	0.40	0	1	0.11	0.31	0	1	0.52	-0.10	-485.28	< 0.01	(-0.1, -0.1)
Senate Candidate	36921484	0.14	0.34	0	1	0.05	0.22	0	1	0.36	-0.09	-484.71	< 0.01	(-0.09, -0.09)
House Candidate	36921484	0.16	0.36	0	1	0.06	0.24	0	1	0.38	-0.10	-510.67	< 0.01	(-0.1, -0.1)
Incumbent Candidate	36921484	0.69	55.28	-2700	250000	0.25	16.10	-2300	4900	0.36	-0.44	-14.87	< 0.01	(-0.5, -0.38)
Challenger Candidate	36921484	0.10	0.29	0	1	0.04	0.19	0	1	0.40	-0.06	-403.29	< 0.01	(-0.06, -0.06)
Open Seat Candidate	36921484	0.22	0.41	0	1	0.11	0.31	0	1	0.50	-0.11	-531.64	< 0.01	(-0.11, -0.11)
Primary Election	36921484	0.61	0.49	0	1	0.67	0.47	0	1	1.10	0.06	213.57	< 0.01	(0.06, 0.06)
General Election	36921484	0.19	0.38	0	1	0.08	0.27	0	1	0.42	-0.11	-521.35	< 0.01	(-0.11, -0.11)

Table A1: Comparing Individual Donations linked to Firms to non-linked Contributions, 2003-2018. The table shows how individual contributions matched to publicly listed company identifiers compare to the overall distribution of individual transactions between 2003 and 2018. Overall, linked transactions seem to go more often to corporate PACs, are more directed towards general elections, and tend to be more within-state.
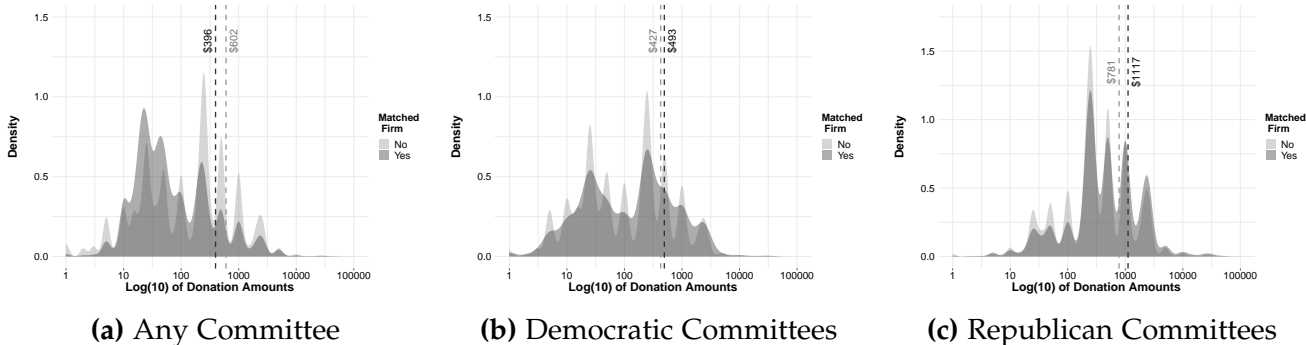
(a) Any Committee   **(b)** Democratic Committees   **(c)** Republican Committees

Figure A2: Matched Donations vs. Non-Matched Individual Donations, 2003-2018. These figures compare the donation amounts at the transaction-level, between those (non-negative) 3,861,182 individual transactions that were matched to a publicly traded company, and the overall distribution of 36,921,484 individual transactions between 2003 and 2018. Note that 6,367 very large transactions of over 100,000 USD to Super-PACs are not shown, as they would not be visible in the graph.

A3   Amount Size of Aligned and Non-Aligned Donations, by Occupation

(a) All Employee Donations   **(b)** Rank and File Donations

(c) Top Executive Donations   **(d)** Government Affairs Donations
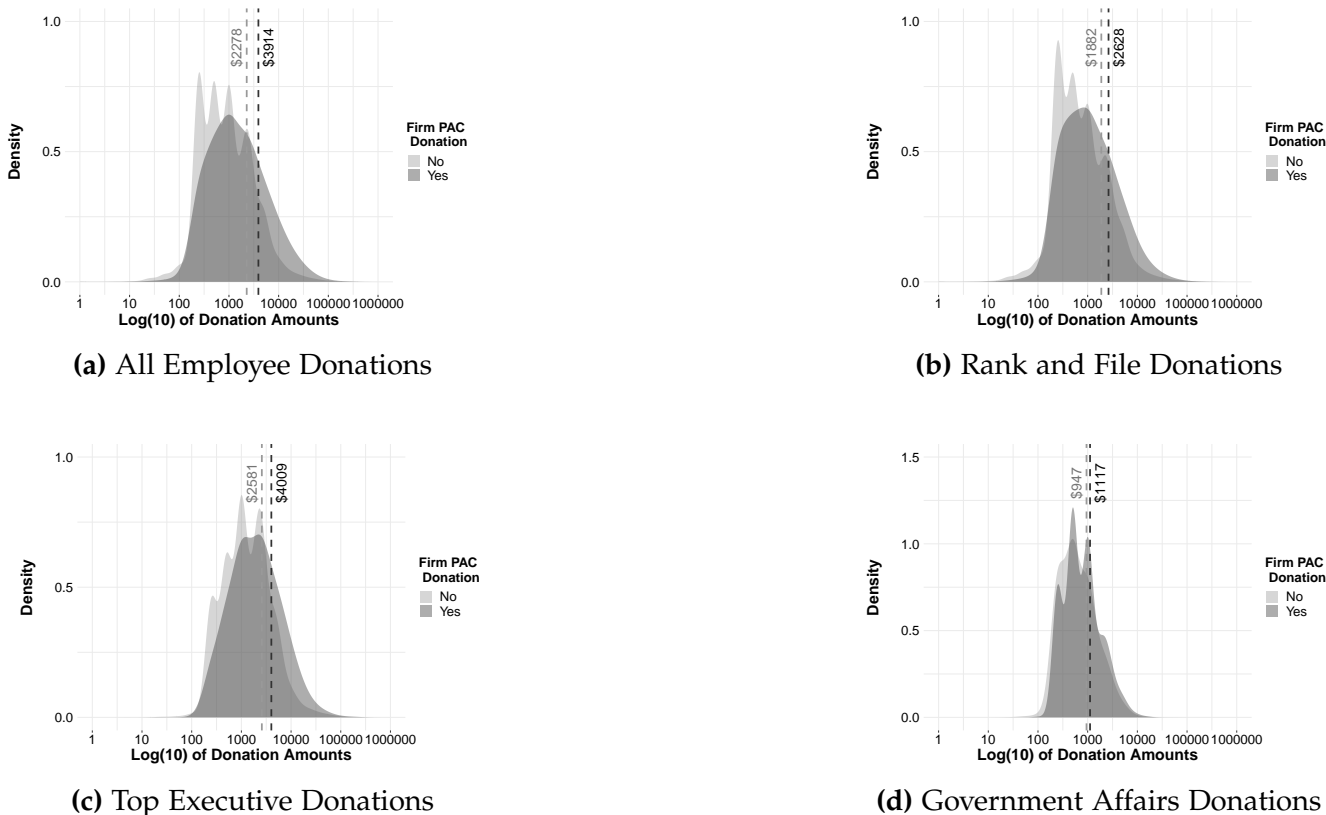
Figure A3: Alignment and Donation Amounts by Employees, by Occupation. This figure shows the logged $US amount of employee donations to Federal candidates between 2003 and 2018, by whether the company PAC donated to the same candidate or not.

A4 Number of Donors per Firm

Measuring the number of donors in a given firm is difficult due to the lack of individual IDs in the FEC data. To find how many employees per company donate, I assign simple IDs to individual donors. After an initial cleaning of donor names (strip white spaces, separate first, last, and middle names, delete pre- and suffixes like "Mr.", "Ms.", or "Jr."), I assign unique IDs to donors according to their (1) employer, (2) first name, (3) last name, and (4) first middle name initial. This still creates some duplicates, since some donors switch between using or not using their middle name, and it also does not permit to follow individual donors who change firms.

Table A2: Frequency and Employee Share of Individual Donors, by Occupation, in Companies with over 100 Employees

Occupation	Donor Freq.	Donor Share	Transactions, 1000s	Donations, Mio. USD	Mean Empl. Share
All Donation Types					
Rank & File	374782	0.77	374.8	452.5	0.0151
Executives	108246	0.22	108.2	899.2	0.0067
Gov. Relations	4715	0.01	4.7	8.0	0.0001
All Employees	487743		487.7	1359.7	0.0219
Donatons to Federal Candidates					
Rank & File	188881	0.75	188.9	206.6	0.0101
Executives	60248	0.24	60.2	273.4	0.0047
Gov. Relations	2586	0.01	2.6	3.5	0.0001
All Employees	251715		251.7	483.4	0.0150

I find 530,672 individual donors between 2003 and 2018, out of which 406,006 (76.5%) are rank and file, 119,716 are executives (22.6%), and 4,950 (1%) are government relations employees. Calculating the share of employee donors in a company is further complicated because of the partly un-reliable reporting of employee numbers. Some companies report none or too low numbers of employees (e.g., 1 or 2). Therefore, I limit this analysis to firms with more than 100 employees. Table A2 shows the number of employee donors and donor shares for companies with more than 100 employees. This covers 487,734 donors (from 9614 companies) making any political donations, and 251,715 employees (from 8923 firms) donating to federal candidates. Overall, 2.2% of company employees make political contributions, and 1.5% of employees donate to federal candidates, on average. Rank and file employees make up 1.5% and 1% of employees, respectively.

A5 Properties of Aligned and Non-Aligned Employee Donations

	Same Legislator	Same Legislator + Cycle	Average % Change Donation Amount	Total Empl. Donations (Mio. $)	Total PAC Donations (Mio. $)
Occupations					
Rank and File	27.7	22.3	+35.7%	102.6	134.2
Executives	30.8	25.8	+37.9%	126.6	93.5
Gov. Affairs	46.5	40.5	+14.5%	6.4	9.1
All Employees	29.7	24.6	+44.3%	234.4	235.4

Table A3: Percent of Employee Donations to same Elected Politicians as Corporate PAC, by Occupation. This table shows the extent to which PAC and employee donations of publicly traded companies go to the same elected federal politicians. Between 2003 and 2018, 29.7 percent of employee donations go to the same candidate, and 24.6 percent to the same politicians in the same electoral cycle. Executives and government affairs officers are more likely to donate to candidates supported by their company PAC than rank and file employees. Conditional on donating, employees contribute 44.3 percent more to company-supported politicians in the same electoral cycle, on average.

	Same Candidate	Same Candidate + Cycle	Out-of-State Total Donations	Same Candidate Out-of-State	Same Candidate + Cycle Out-of-State	Total Empl. Donations (Mio. $)
Occupations						
Rank and File	12.9	10.0	69.5	54.6	56.4	304.6
Executives	21.1	17.5	62.3	58.1	59.2	228.9
Gov. Affairs	38.8	32.9	81.8	80.9	80.9	9.9
All Employees	16.7	13.5	66.7	57.4	58.8	541.6

Table A4: Percent of Employee Donation Amounts to Company-Supported Candidates, Out-of-State. This table shows the share of PAC and employee donation amounts going to the same federal candidates supported by their company, within or outside of the donor's state of residence. In line with existing work (Gimpel, Lee and Pearson-Merkowitz, 2008), about two thirds of donations are out-of-state. Among aligned employee donations, about 57% of donations are outside of a donor's state.

| | | Employee $ Aligned | | | | | | Employee $ Non-Aligned | | | | | |
| | | | Party | | Seat Type | | | | Party | | Seat Type | | |
Occupation	Total	Share	Dem.	Rep.	I	C	O	Share	Dem.	Rep.	I	C	O
Same Candidate													
All Employees	541.8	0.167	0.40	0.60	0.82	0.07	0.11	0.833	0.48	0.51	0.46	0.25	0.29
Rank and File	304.7	0.129	0.45	0.55	0.79	0.08	0.13	0.871	0.55	0.45	0.38	0.27	0.34
Executives	228.9	0.211	0.35	0.65	0.85	0.06	0.09	0.789	0.39	0.60	0.56	0.23	0.21
Gov. Affairs	9.9	0.388	0.43	0.57	0.83	0.05	0.11	0.612	0.48	0.52	0.61	0.15	0.24
Same Canddate+Cycle													
All Employees	541.8	0.135	0.38	0.62	0.84	0.06	0.10	0.865	0.48	0.51	0.47	0.25	0.28
Rank and File	304.7	0.099	0.42	0.58	0.82	0.06	0.12	0.901	0.55	0.45	0.39	0.27	0.34
Executives	228.9	0.175	0.34	0.65	0.85	0.06	0.09	0.825	0.39	0.60	0.57	0.22	0.21
Gov. Affairs	9.9	0.328	0.42	0.58	0.84	0.05	0.11	0.672	0.48	0.52	0.62	0.14	0.23

Table A5: Individual Aligned and Non-Aligned Donation Amounts, by Party and Seat Type. The table shows the share of party donations and seat types across aligned and non-aligned donation amounts, occupations, and whether alignment is on the same candidate or in the same cycle. Dem. = Democrats, Rep = Republicans, I = incumbent, C = challenger, O = Open Seat.

| | Donor Share Aligned | | | Donor Share Non-Aligned | | |
| | | Firm PAC Don. | | | Firm PAC Don. | |
Occupation	Overall	No	Yes	Overall	No	Yes
Same Candidate						
All Employees	0.134	0.114	0.020	0.866	0.851	0.014
Rank and File	0.097	0.090	0.006	0.903	0.896	0.008
Executives	0.241	0.179	0.061	0.759	0.725	0.034
Gov. Affairs	0.366	0.313	0.053	0.634	0.607	0.027
Same Canddate+Cycle						
All Employees	0.111	0.093	0.018	0.889	0.873	0.016
Rank and File	0.075	0.069	0.005	0.925	0.917	0.009
Executives	0.212	0.156	0.056	0.788	0.748	0.040
Gov. Affairs	0.320	0.273	0.046	0.680	0.646	0.033

Table A6: Number of Aligned Donors and Contributions to Firm PACs ($N = 278,963$ Donors)

A6 Counterfactual Simulation of Aligned Donation Amounts

I conduct a simulation study to see how likely the observed shares of aligned contribution amounts would be under different counterfactual scenarios. First, I randomly sample 20,000 individual transactions from the 815,906 transactions matched to employers in my data. Second, for each transaction, I randomly draw from the population of all possible candidates who ran in the same cycle. I use six possible scenarios with increasingly stringent criteria, drawing from candidates who ran for: (1) the same office as in the original transaction, (2) same office and party, (3) same office and state, and (4) same office, party, and state, (5) same office, party, and being an incumbent, and (6) same office, party, state, and being an incumbent. Third, I link employer PAC donations to the simulated data and calculate the share of aligned donation amounts. Finally, I repeat this for 1,000 simulations and calculate average shares of aligned donation dollars, along with 95% confidence intervals. I show the results in Table A7 below for different occupations. The observed aligned shares are unlikely to occur by chance or collocation of donors and candidates. For example, the last column shows that if individual rank and file donors had randomly donated to candidates in their state running for the same party and for the same office, one would observe a share of aligned donation dollars of around 2%. For comparison, I observe 12.9% of aligned rank and file donation dollars in the data, over six times as large. Further limiting recipients to incumbents results in aligned shares of 6.2%, still less than half of 12.9% observed in the data.

	Observed	Simulated Shares Aligned ($m = 1000$, $n = 20000$)					
Occupation	Share Aligned	Office	+Party	+State	+Party/State	+Party/Inc.	+Party/State/Inc.
Same Candidate							
All Employees	0.167	0.007 (0.004, 0.009)	0.009 (0.006, 0.012)	0.012 (0.009, 0.015)	0.025 (0.02, 0.03)	0.04 (0.033, 0.048)	0.079 (0.069, 0.089)
Rank and File	0.129	0.006 (0.004, 0.009)	0.008 (0.005, 0.011)	0.01 (0.007, 0.016)	0.02 (0.015, 0.025)	0.035 (0.028, 0.042)	0.062 (0.053, 0.071)
Executives	0.211	0.007 (0.001, 0.012)	0.009 (0.003, 0.015)	0.014 (0.008, 0.018)	0.03 (0.02, 0.04)	0.045 (0.03, 0.06)	0.098 (0.078, 0.118)
Gov. Affairs	0.388	0.018 (0.000, 0.024)	0.023 (0.002, 0.043)	0.029 (0.007, 0.035)	0.059 (0.026, 0.092)	0.115 (0.07, 0.161)	0.199 (0.143, 0.256)
Same Candidate and Cycle							
All Employees	0.135	0.007 (0.004, 0.009)	0.009 (0.006, 0.012)	0.012 (0.009, 0.015)	0.024 (0.019, 0.029)	0.039 (0.032, 0.047)	0.076 (0.066, 0.086)
Rank and File	0.100	0.006 (0.004, 0.009)	0.008 (0.005, 0.011)	0.01 (0.007, 0.014)	0.019 (0.014, 0.024)	0.034 (0.027, 0.041)	0.059 (0.05, 0.067)
Executives	0.175	0.006 (0.001, 0.012)	0.009 (0.003, 0.015)	0.014 (0.007, 0.02)	0.029 (0.019, 0.039)	0.044 (0.029, 0.059)	0.094 (0.074, 0.114)
Gov. Affairs	0.329	0.017 (0.000, 0.035)	0.023 (0.002, 0.043)	0.029 (0.006, 0.051)	0.058 (0.026, 0.09)	0.113 (0.068, 0.158)	0.194 (0.138, 0.25)

Table A7: Simulation of Aligned Donation Shares versus Observed Aligned Shares. Each of 1,000 simulations (1) draws a random sample of 20,000 observations from all 815,906 matched individual transactions, and then (2) randomly draws recipients from all possible candidates in the same cycle who ran for the same office, the same party, state and/or were incumbent, compared to the original transaction recipient. It then (3) links PAC donations and calculates the average shares of aligned donation amounts and 95% confidence intervals across simulations. For comparison, column 2 shows the shares of aligned donation amounts observed in the data.

A7 Share of Aligned Donation Amounts, Company Examples

Figure A4 depicts the share of employee donations going to firm-supported candidates for 30 large publicly traded US companies.[58] The length of the bars indicates the share of total donation amounts that goes to company-supported candidates, and the blue and red parts indicate the shares of aligned donations going to Democrats or Republicans, respectively. While some large corporations like Nike, Lockheed Martin, or Comcast show an alignment of over 60% of their employees' donations with their company's PAC, other such as Bank of America, United Airlines, or Blackstone show alignment of under 40% of their employees' contributions.
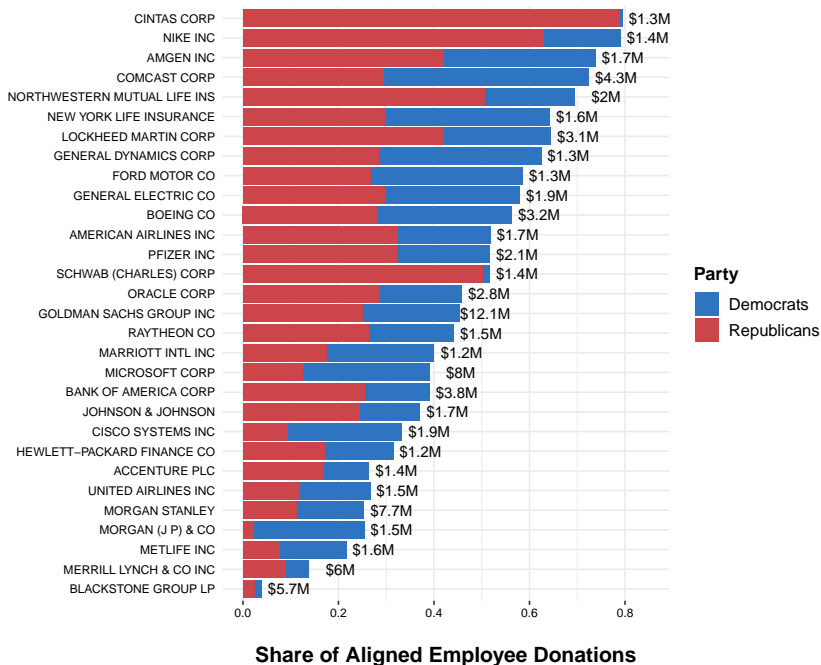

Figure A4: Alignment on the Same Candidate and Partisanship, Examples of Firms. This figure shows the percentage of employee donation amounts going to candidates supported by the company PAC, by partisanship of supported candidates. The companies are the 30 firms with the largest employee donations and more than 15 single donations by both PAC and employees. The numbers to the right of the bars indicate the sum of employee donations between 2003 and 2018, in million $US. The employees of the 30 firms donated to 865 candidates, on average, with a minimum of 174 candidates (Cintas Corp) and a maximum of 1,419 candidates (Microsoft Corp).

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[58]I observe only 950 out of 12,737 publicly traded companies in both in the employee donations data and can therefore only calculate potentially positive alignment for these companies. Consequently, there is zero candidate-alignment for 11,787 companies.

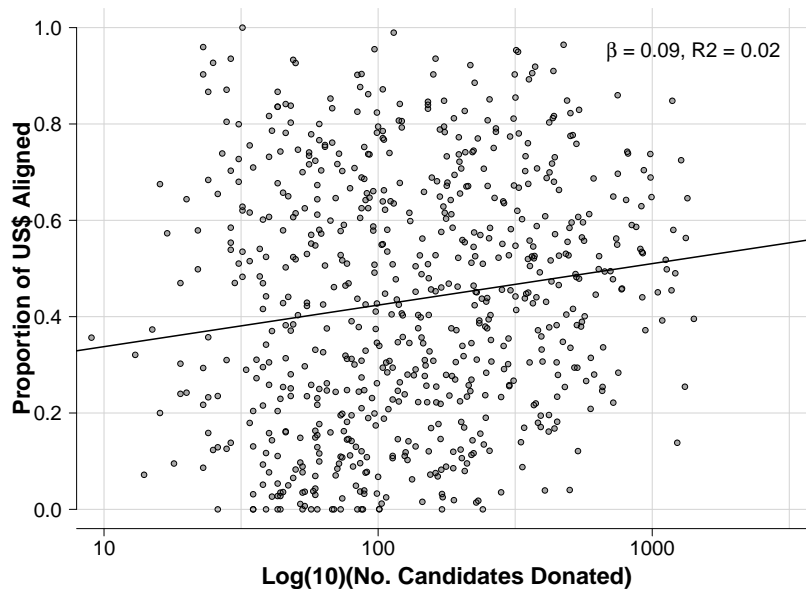## A8   Share of Aligned Donation Amounts and No. of Supported Candidates

Figure A5: Firm Alignment and Number of Candidates Supported. This figure shows the relationship between the number of candidates donated to (log base 10) and the share of aligned donation amounts across 690 firms with more than 15 individual and PAC donations, 2003 to 2018.

## A9   Alignment Timing between Employee Donors and PACs

Below in Figure A6, I show the precise timing of employee and PAC donations for different industries in the data. Each row indicates a firm-politician dyad, and each column a year between 2003 and 2017. For ease of interpretation, the figure depicts only firm-employee combinations for which I observe both employee and company donations. The red tiles indicate the presence of a corporate PAC donation (1/0), blue tiles indicate of employee donations (1/0), and green tiles indicate the presence of simultaneous donations by both PAC and employees (1/0). Candidate-specific alignment between firm PACs and employees is happens relatively frequently. Moreover, there are many instances where either firms and employees start donating to a politician at the same time.
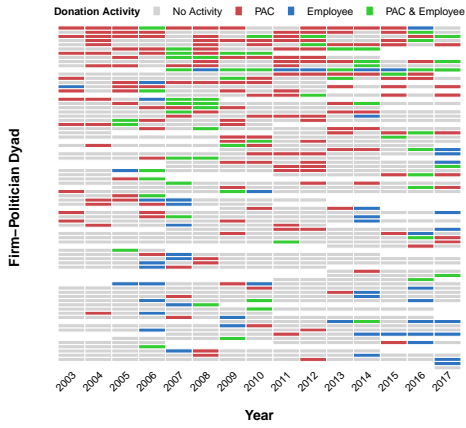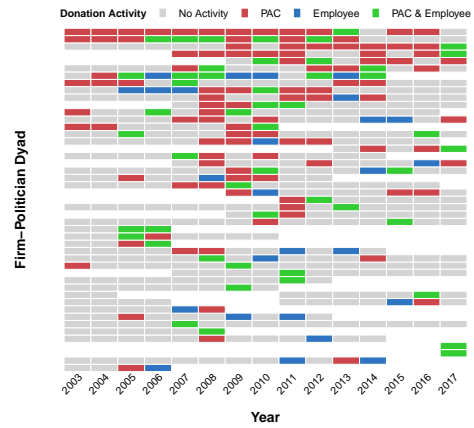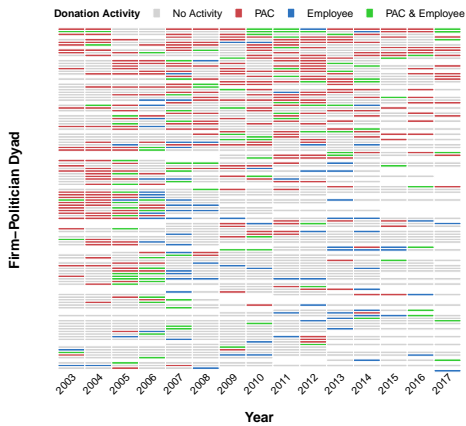
(a) NAICS 311: Food Manufacturing
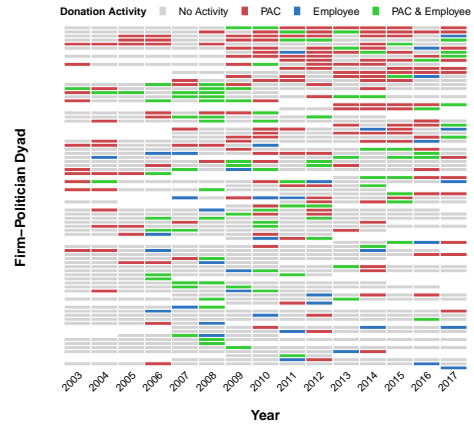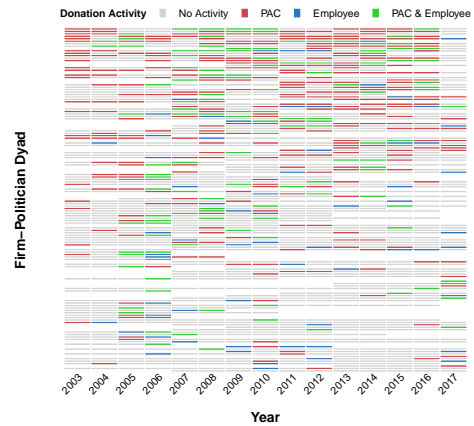

(b) NAICS 339: Miscellaneous Manufacturing
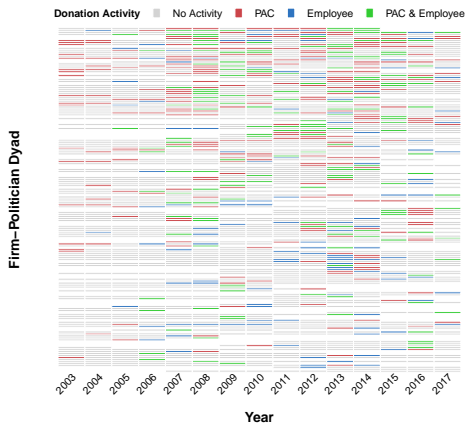
(c) NAICS 211: Oil and Gas Extraction

(d) NAICS 212: Mining (except Oil and Gas)

(e) NAICS 517: Telecommunications

(f) NAICS 541: Professional Services

Figure A6: Timing of Employer PAC Donations and Employee Donations to U.S. Senators. *Each row is a firm-senator pair* and *each column indicates a year*. Blue tiles indicate the presence of an employee donation to a senator, red tiles indicate the presence of a PAC donation, and green tiles indicate that both employees and employer PAC donate to the Senator.

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A10 Ideology of Aligned and Non-Aligned Candidates by Occupation

(a) All Employee Donations

(b) Rank and File Employee Donations

(c) Top Executive Donations
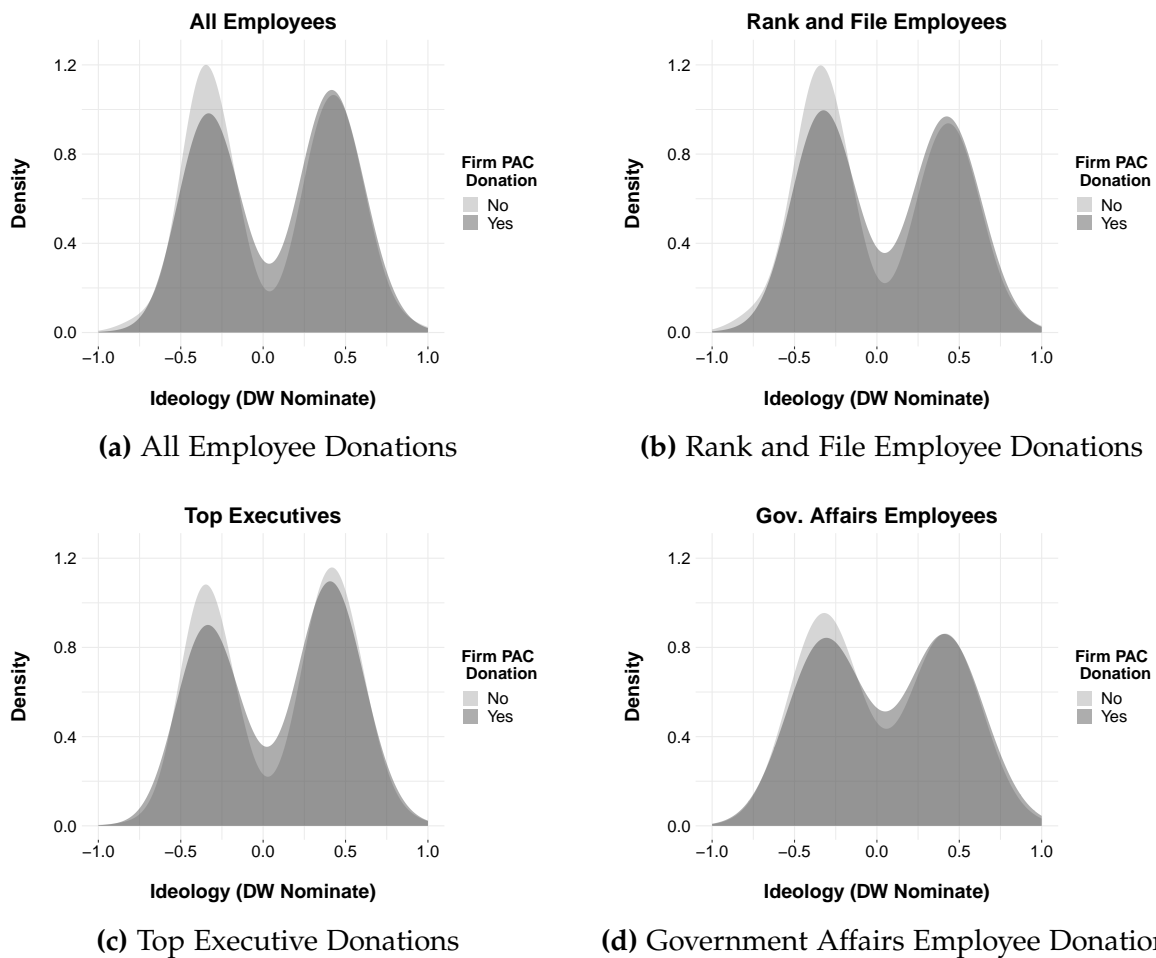
(d) Government Affairs Employee Donations

Figure A7: PAC and Employee Donations and Politician Ideology, by Occupation. This figure shows the first dimension of the DW-Nominate scores of Members of Congress who employees donate to, by whether the company PAC also donates to the legislator or not. DW-Nominate scores are from Lewis et al. (2021).

B   Panel Analysis Appendix

B1   Panel Estimates across Industries

The campaign finance literature would expect that firm-employee alignment is larger in highly regulated industries such as energy, transportation, and healthcare, as employees might realize that their employment depends more on government regulation (Fouirnaies and Hall, 2014, 2018). I divide the data into 18 two-digit NAICS sectors, estimating separate regressions using the same specification as in Table 2. The results in Figure B1 show that except for one sector (71: Arts & Entertainment) there is a positive impact of PAC donations on employee donations to the same candidate. The impact ranges from a 45.3% increases in Agriculture[59] to 8.8% in Utilities. The expectation that highly regulated industries should see larger alignment, is for the most part also reflected in Figure B1. As an exception, utilities companies show relatively less alignment of employee donations.
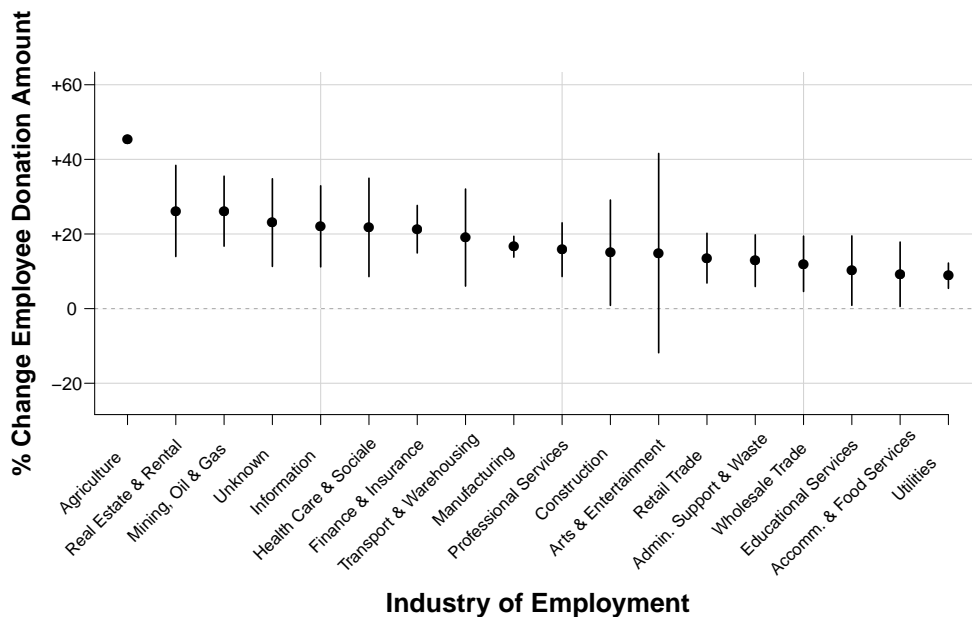

Figure B1: Alignment of PAC Donation and Contemporaneous Employee Donations, by Industry. This figure shows the relationship between employer PAC donations (1/0) to a politician on the total logged $US amount of employee donations to the same politician, for 18 different two digit NAICS industries. The coefficients are the result of separate regressions with firm-politician and year fixed effects as in Table 2 above.

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[59]Confidence intervals for agricultural firms are estimated but not visible. The codes 92 (Public Administration) and 55 (Management of Companies) are missing because there are either no employee or PAC donations.

B2 Panel Robustness Checks

Table B1: Employee Donation Amounts and PAC-Donations, House/Senate, 2003-2018, Robustness

	Employee Donations, logged $US						
	All Employees						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
$PAC-Donation_{ijt}$	0.263***	0.260***	0.254***	0.174***	0.178***	0.174***	0.160***
	(0.015)	(0.015)	(0.015)	(0.011)	(0.011)	(0.011)	(0.010)
Controls	✓	✓	✓	✓	✓	✓	✓
Year FEs	✓	✓		✓	✓		
Firm FEs	✓	✓	✓				
Legislator FEs		✓					
Legislator-Year-FEs			✓				
Firm-Legislator-FEs				✓	✓	✓	✓
NAICS2-Year Trend					✓		
NAICS3-Year FEs						✓	
NAICS3-Legislator-Year FEs							✓
Observations	79,594,059	79,594,059	79,594,059	79,594,059	76,298,899	79,594,608	79,594,608
Adjusted R^2	0.020	0.022	0.024	0.182	0.182	0.182	0.187

*p<0.1; **p<0.05; ***p<0.01. Standard errors clustered by firm.

Table B2: Employee Donations (1/0) and PAC-Donations, House/Senate, 2003-2018, Occupations

	Employee Donations (1/0)						
	All Employees				Rank & File	Exec.	Gov.Affairs
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
$PAC-Donation_{ijt}$	0.036***	0.036***	0.035***	0.023***	0.013***	0.014***	0.003***
	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)	(0.0004)
Controls	✓	✓	✓	✓	✓	✓	✓
Year FEs	✓	✓		✓	✓	✓	✓
Firm FEs	✓	✓	✓				
Legislator FEs		✓					
Legislator-Year-FEs			✓				
Firm-Legislator-FEs				✓	✓	✓	✓
Observations	79,594,059	79,594,059	79,594,059	79,594,059	79,594,059	79,594,059	79,594,059
Adjusted R^2	0.020	0.021	0.024	0.175	0.159	0.144	0.125

*p<0.1; **p<0.05; ***p<0.01. Standard errors clustered by firm.

Table B3: Employee Donation Alignment, Controls for Firm Size, Logged $US and Binary Donation

	Employee Donations, logged $US			Employee Donation (1/0)		
	(1)	(2)	(3)	(4)	(5)	(6)
PAC Donation$_{ijt}$	0.207***	0.205***	0.205***	0.028***	0.027***	0.027***
	(0.014)	(0.014)	(0.014)	(0.002)	(0.002)	(0.002)
Log(Sales)$_{it}$	0.00000***		0.00000***	0.00000***		0.00000***
	(0.00000)		(0.00000)	(0.00000)		(0.00000)
Log(Employees)$_{it}$		0.0002***	0.0001		0.00003***	0.00001
		(0.0001)	(0.0001)		(0.00001)	(0.00001)
Controls	✓	✓	✓	✓	✓	✓
Year FEs	✓	✓	✓	✓	✓	✓
Legislator-Firm-FEs	✓	✓	✓	✓	✓	✓
Observations	30,871,855	28,776,802	28,736,126	30,871,855	28,776,802	28,736,126
Adjusted R^2	0.181	0.180	0.180	0.176	0.174	0.174

Note: *p<0.1; **p<0.05; ***p<0.01. Standard Errors Clustered By Firm

C   Difference-in-Differences Analysis Appendix

C1   Difference-in-Differences Balance and Parallel Trends

In Figure C1 below, I show how employee donations to the two major U.S. parties react to changes in Congressional majorities. While employee donations also follow changes in legislative control, they do so much less strongly than PAC donations. Compared to PAC donations, employee donations also exhibit a substantial delay, on average.
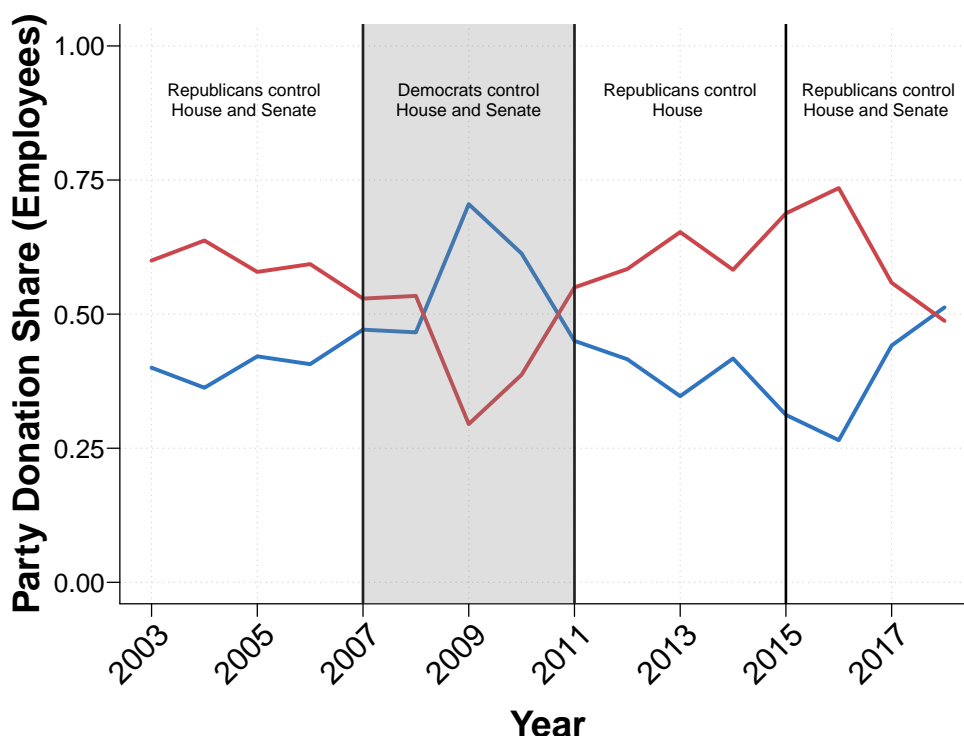

Figure C1: Partisan Donations of Employee Donors and Changes in Majority Status. This Figure shows the partisan donation shares of employees of 1,027 publicly traded firms between 2003 and 2018. Compared to PACs, employees react more slowly to the change in Congressional majorities than corporate PACs.

In Figure C2 and C7 below, I provide evidence in favor of the parallel trends assumption. I look at the impact of changes in PAC Democratic donations on Democratic employee donation shares over time. At the firm-level, government relations donations to Democrats increase after 2006, but do not become significantly different from zero until 2009. Before 2007, the impact of changes in Democratic PAC donations on employee donations is not significantly different from zero, though. At the individual level, executive donations only become significantly different

	Control (N=445)		Treatment (N=582)			
	Mean	Std. Dev.	Mean	Std. Dev.	Diff. in Means	p
DEM Share, all Employees	0.36	0.39	0.34	0.33	-0.01	0.62
REP Share, all Employees	0.64	0.39	0.66	0.33	0.01	0.62
DEM Share, Rank and File	0.35	0.41	0.35	0.36	0.01	0.87
REP Share, Rank and File	0.65	0.41	0.65	0.36	-0.01	0.87
DEM Share, Executives	0.37	0.41	0.34	0.36	-0.03	0.38
REP Share, Executives	0.63	0.41	0.66	0.36	0.03	0.38
DEM Share, Gov. Relations	0.37	0.47	0.35	0.40	-0.02	0.80
REP Share, Gov. Relations	0.63	0.47	0.65	0.40	0.02	0.80
NAICS 11: Agriculture	0.00	0.00	0.00	0.04	0.00	0.32
NAICS 21: Mining	0.05	0.22	0.05	0.21	-0.01	0.62
NAICS 22: Utilities	0.05	0.22	0.09	0.29	0.04	0.02
NAICS 23: Construction	0.03	0.16	0.02	0.12	-0.01	0.31
NAICS 31-33: Manufacturing	0.33	0.47	0.33	0.47	0.00	0.94
NAICS 42: Wholesale Trade	0.03	0.18	0.02	0.12	-0.02	0.10
NAICS 44-45: Retail Trade	0.03	0.17	0.04	0.20	0.01	0.24
NAICS 48-49: Transportation and Warehousing	0.04	0.20	0.04	0.20	0.00	0.95
NAICS 51: Information	0.10	0.30	0.08	0.26	-0.02	0.21
NAICS 52: Finance and Insurance	0.19	0.39	0.16	0.37	-0.02	0.37
NAICS 53: Real Estate and Rental	0.03	0.16	0.02	0.13	-0.01	0.42
NAICS 54: Professional and Scientific	0.03	0.18	0.05	0.22	0.02	0.13
NAICS 56: Administrative and Support	0.03	0.18	0.02	0.16	-0.01	0.49
NAICS 61: Education	0.01	0.11	0.00	0.06	-0.01	0.16
NAICS 62: Health Care	0.03	0.16	0.04	0.19	0.01	0.22
NAICS 71: Arts and Entertainment	0.00	0.07	0.01	0.07	0.00	0.87
NAICS 72: Accommodation and Food	0.02	0.13	0.02	0.15	0.01	0.43

Table C1: Balance Table for Difference-in-Differences, Pre-2007 Differences between Treated and Control Firms: This table shows the mean differences in donation patterns prior to 2007 between treated and control firms, for the DiD estimation in Table 3. In Table 3, $\Delta DEM\ PAC\ Share_i$ is the change in the share of Democratic PAC donation amounts of firm i between the two years prior and after the change in Congressional majorities in November 2006. In this table the treatment is coded as 1 for firms with a positive $\Delta DEM\ PAC\ Share_i$, and 0 otherwise. All variables are measured prior to 2007.

from zero after 2006.

(a) All Employee Donations   **(b)** Rank and File Donations   **(c)** Chief Executive Donations   **(d)** Gov. Relations Donations
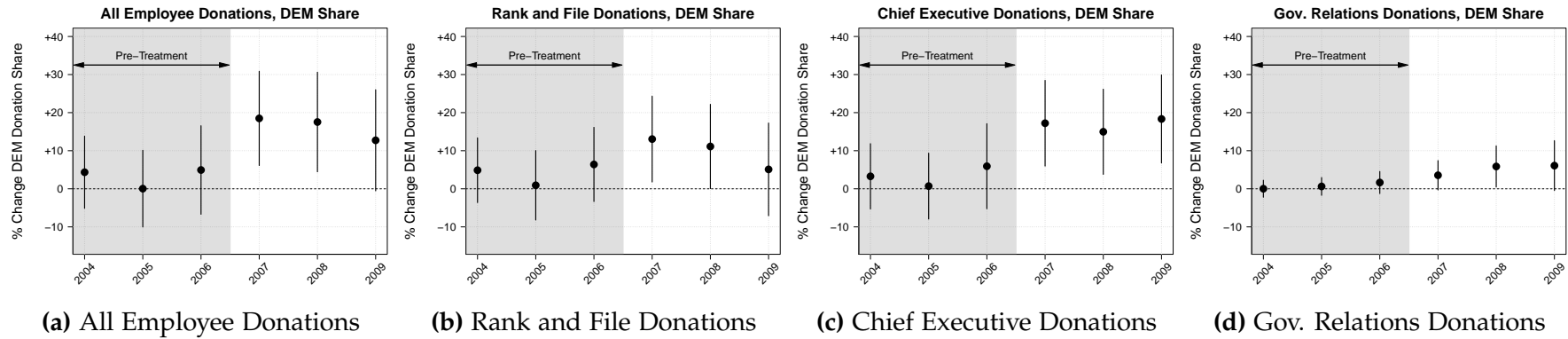
Figure C2: Firm-level Employee Donation Shares to Democrats and Changes PAC Donations, Pre- and Post 2006. The Figure shows the partisan donation shares of employees to Democrats in reaction to changes in PAC donations to Democrats over time, before and after the change in majority status in Congress in November 2006, for different occupations.The baseline year is 2003.
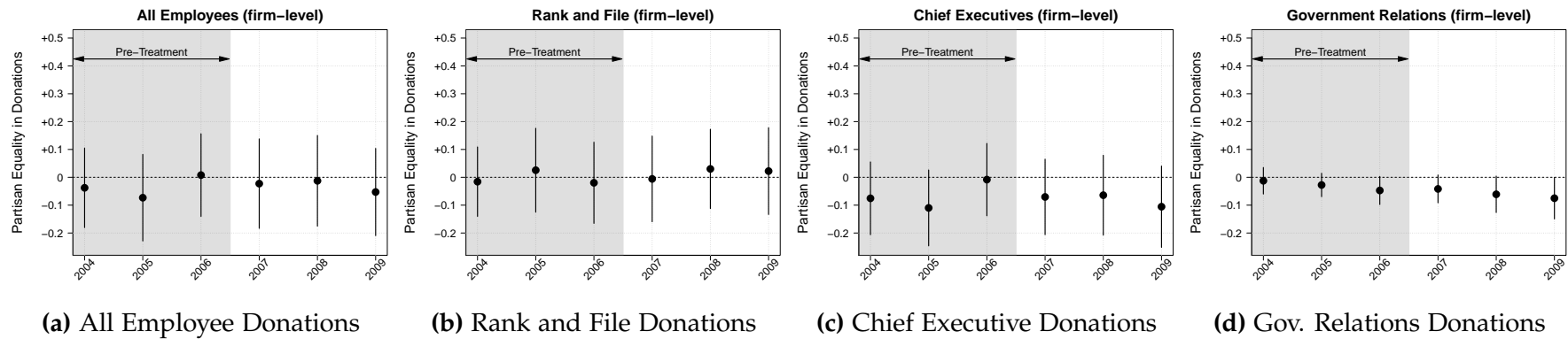

(a) All Employee Donations   **(b)** Rank and File Donations   **(c)** Chief Executive Donations   **(d)** Gov. Relations Donations

Figure C3: Equal Allocation of Firm-level Employee Donations between Parties and Changes PAC Donations, Pre- and Post 2006. The Figure shows whether firms donate more equally before and after the change in Congressional majorities in November 2006. The dependent variable is calculated as $1 - |DEM_{it} - REP_{it}|$. Higher values indicate a more equal distribution of employee donations across parties, and lower values a more skewed distribution towards one party.
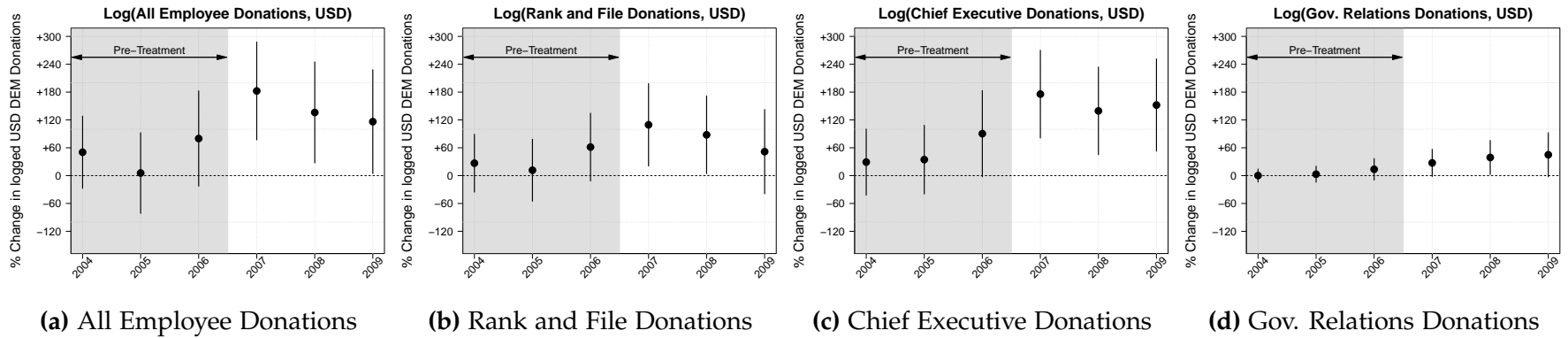
(a) All Employee Donations **(b)** Rank and File Donations **(c)** Chief Executive Donations **(d)** Gov. Relations Donations

Figure C4: Firm-level Employee Donations in logged $US to Democrats and Changes PAC Donations, Occupations. The Figure shows the donation shares of employees to Democrats in reaction to changes in PAC donations to Democrats over time, before and after the November 2006 change in majority status in Congress. The baseline year is 2003.
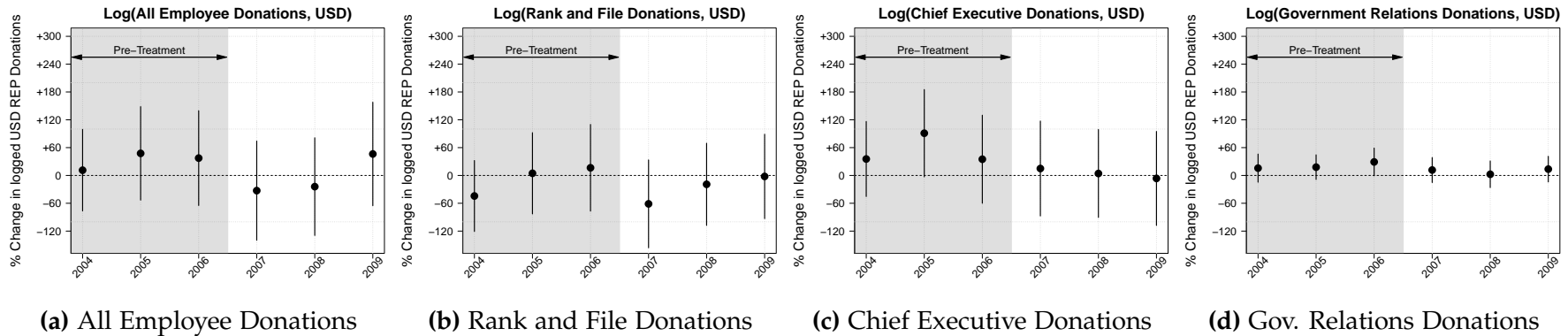
(a) All Employee Donations **(b)** Rank and File Donations **(c)** Chief Executive Donations **(d)** Gov. Relations Donations

Figure C5: Firm-level Employee Donations in logged $US to Republicans and Changes PAC Donations, Occupations. The Figure shows the partisan donation shares of employees to Republicans as a function of changes in PAC donations to Democrats over time, before and after the November 2006 change in majority status in Congress. The baseline year is 2003.

C2 Difference-in-Differences Effect Size

I follow Mummolo and Peterson (2018) to better evaluate the substantive effects of the difference-in-differences analysis in Table 3 ($\delta_{All} = 0.128$, $\delta_{Rank \ \& \ File} = 0.07$, $\delta_{Executives} = 0.131$, $\delta_{Gov. \ Relations} = 0.051$). First, I plot the range of the within-firm treatment size. The change in the Democratic donation shares is zero for 27.1% of the firms (n=1,027). Using these within-firm ranges, an average change in the Democratic PAC share within firms (0.174) implies a $0.174 \times 0.128 = 0.022$, or a 2.2 percentage point change in the share of employee donations going to Democrats. A large shift at the 95th percentile of the within-firm ranges (0.533) would yield a $0.533 \times 0.128 = 0.068$, or a 6.7 percentage point increase in the employee Democratic donation share. Second, I residualize the treatment with respect to the fixed effects employed, by regressing the treatment interaction on firm- and year fixed effects. Using the residualized treatment, a one-standard deviation change in the treatment yields a $0.119 \times 0.128 = 0.015$, or a 1.5 percentage point increase in employee donation share going to Democrats. A two-standard deviation change yields a $0.119 \times (2 \times 0.128) = 0.031$, or a 3.1 percentage point change.
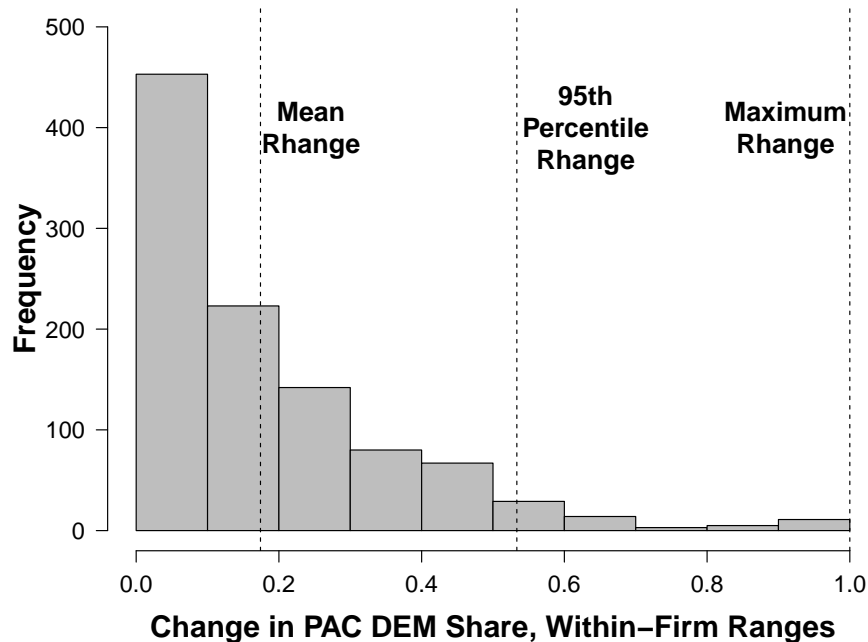

Figure C6: Ranges of Within-Firm Variation in Treatment. The figure shows the ranges of the treatment size for 1,027 firms in Table 3. The treatment is $\delta(\Delta DEM \ PAC \ Share_{it} \times Post \ 2006_t)$.

C3 Difference-in-Differences Robustness Checks

Table C2: Difference-in-Differences, Shorter Time Frame of 2005-2008 (firm-level)

	Dependent variable:			
	All Employees	Rank & File	Executives	Gov.Relations
	(1)	(2)	(3)	(4)
$\Delta DEM\ PAC\ Share_i \times Post\ 2006_t$	0.155***	0.084	0.128***	0.036*
	(0.056)	(0.053)	(0.047)	(0.020)
Firm FEs	✓	✓	✓	✓
Year FEs	✓	✓	✓	✓
Observations	4,108	4,108	4,108	4,108
Adjusted R^2	0.372	0.336	0.343	0.271

Note: *p<0.1; **p<0.05; ***p<0.01. Standard errors clustered by firm.

Table C3: Difference-in-Differences Robustness Checks (firm-level)

	Dependent variable:			
	All Employee DEM Share			
	(1)	(2)	(3)	(4)
$\Delta DEM\ PAC\ Share_i \times Post\ 2006_t$	0.128***	0.138***	0.130***	0.131***
	(0.042)	(0.042)	(0.042)	(0.044)
Firm FEs	✓	✓	✓	✓
Year FEs	✓	✓	✓	
NAICS2-Year Trend		✓		
NAICS3-Year Trend			✓	
NAICS3-Year FEs				✓
Observations	8,216	8,040	8,040	8,040
Adjusted R^2	0.351	0.351	0.353	0.342

Note: *p<0.1; **p<0.05; ***p<0.01. Standard errors clustered by firm.

Table C4: Difference-in-Differences Robustness Checks, Occupations (firm-level)

	Dependent variable:											
	Rank and File DEM Share				Executive DEM Share				GovRels DEM Share			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
$\Delta DEM\ PAC\ Share_i \times Post\ 2006_t$	0.070*	0.079*	0.071*	0.075*	0.131***	0.137***	0.134***	0.134***	0.051***	0.053***	0.049***	0.050**
	(0.040)	(0.040)	(0.041)	(0.043)	(0.033)	(0.034)	(0.034)	(0.036)	(0.018)	(0.018)	(0.018)	(0.019)
Firm FEs	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Year FEs	✓	✓	✓		✓	✓	✓		✓	✓	✓	
NAICS2-Year Trend		✓				✓				✓		
NAICS3-Year Trend			✓				✓				✓	
NAICS3-Year FEs				✓				✓				✓
Observations	8,216	8,040	8,040	8,040	8,216	8,040	8,040	8,040	8,216	8,040	8,040	8,040
Adjusted R^2	0.316	0.318	0.319	0.302	0.322	0.323	0.324	0.314	0.248	0.250	0.251	0.223

Note: *p<0.1; **p<0.05; ***p<0.01. Standard errors clustered by firm.

C4   Difference-in-Differences using Individual Executives

I match a third of the board members identified by Bonica (2016*a*), or 1590 executives, to the PAC donations of 248 publicly traded companies, resulting in an unbalanced panel of 7,489 executive-years between 2003 and 2010. I use the same DiD setup as at the *firm level*. $\Delta PAC\ DEM\ Share_i$ indicates the change in the share of PAC donations of company *i* going to Democrats in year *t*, interacted with *Post* 2006_t, a dummy that equals one after 2006, as well as individual α_i and year fixed effects γ_t. Constituent terms of the interaction term $\Delta DEM\ PAC\ Share_i \times Post\ 2006_t$ are absorbed by the fixed effects.

$$Individual\ Executive\ DEM\ Share_{it} = \delta(\Delta DEM\ PAC\ Share_i \times Post\ 2006_t) + \alpha_i + \gamma_t + \epsilon_{it}$$

**Table C5:** Individual Executive Difference-in-Differences

	Democratic Donation Share			
	All Executives			
	(1)	(2)	(3)	(4)
$\Delta DEM\ PAC\ Share_i \times Post\ 2006_t$	0.108**	0.089*	0.079	0.105
	(0.051)	(0.051)	(0.061)	(0.066)
Individual FEs	✓	✓	✓	✓
Year FEs	✓	✓	✓	
NAICS2-Year Trend			✓	
NAICS3-Year Trend				✓
NAICS3-Year FEs				✓
Observations	7,489	6,920	6,920	6,920
Adjusted R^2	0.611	0.614	0.612	0.613

*Note:* *p<0.1; **p<0.05; ***p<0.01. Standard errors clustered by firm.

Table C6: Individual Executive Difference-in-Differences, Robustness Checks

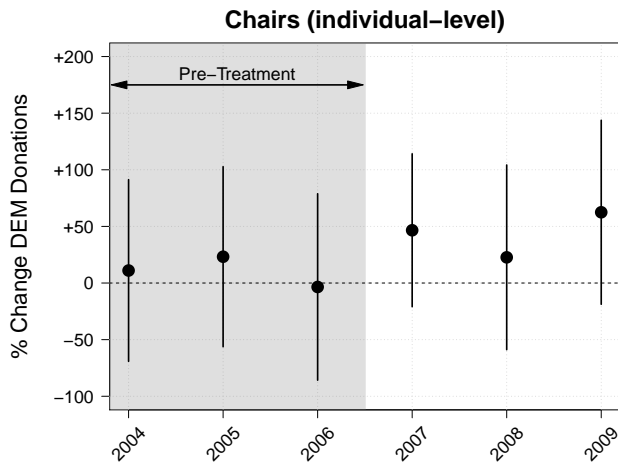|	Democratic Donation Share											
	Chief Executives				Chairs of Boards				Chief Executives and Chairs of Boards			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
$\Delta DEM\ PAC\ Share_i \times Post\ 2006_t$	0.443**	0.438**	0.410**	0.464*	0.396**	0.369*	0.300	0.381	0.418***	0.393**	0.298*	0.352*
	(0.194)	(0.193)	(0.202)	(0.269)	(0.180)	(0.190)	(0.213)	(0.265)	(0.159)	(0.164)	(0.178)	(0.213)
Individual FEs	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Year FEs	✓	✓	✓		✓	✓	✓		✓	✓	✓	
NAICS2-Year Trend		✓				✓				✓		
NAICS3-Year Trend			✓				✓				✓	
NAICS3-Year FEs				✓				✓				✓
Observations	889	811	811	811	956	881	881	881	1,240	1,128	1,128	1,128
Adjusted R^2	0.439	0.450	0.446	0.408	0.436	0.450	0.452	0.444	0.444	0.459	0.455	0.451

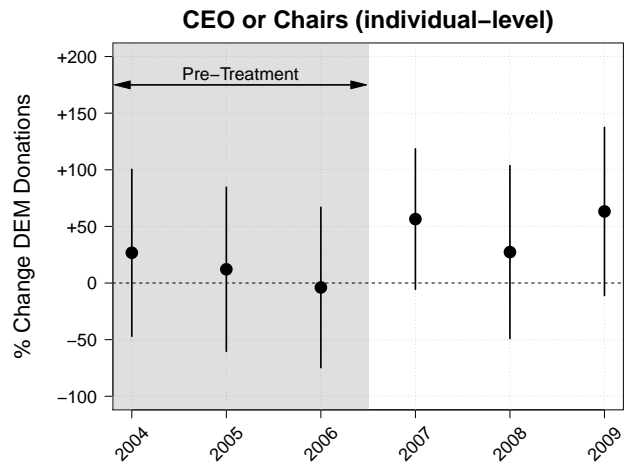*Note:* *p<0.1; **p<0.05; ***p<0.01. Standard errors clustered by firm.
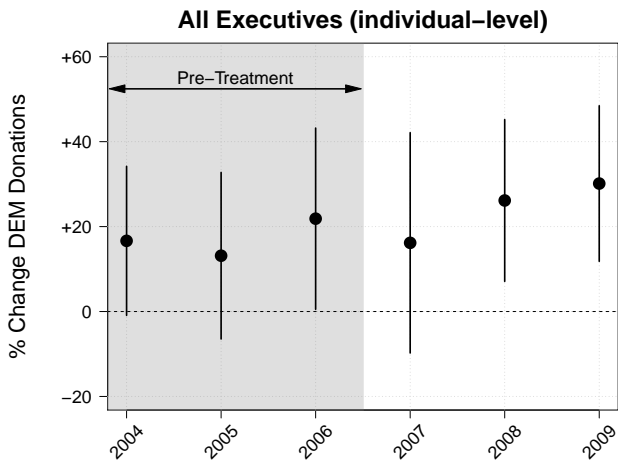
(a) All Employee Donations
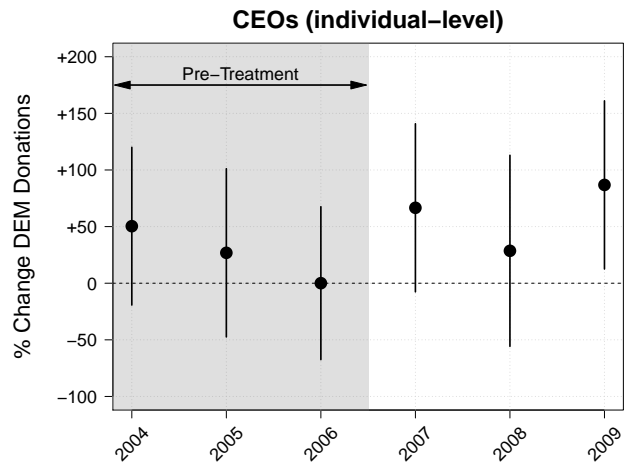
(b) CEO

(c) Chair

(d) CEO or Chair

Figure C7: Individual-level Executive Donation Shares to Democrats and Changes PAC Donations, Pre- and Post 2006. The figure shows the partisan donation shares of employees to Democrats as a function of changes in PAC donations to Democrats over time, before and after the November 2006 change in majority status in Congress, for different types of executives. The baseline year is 2003.