

Off to the Races

First Quarter Reports Show that 50 Top “527” Organizations Collected Almost \$11 Million in Soft Money; Disclosure Problems Continue

Shadowy 527 political organizations were a major conduit for unlimited “soft money” contributions in the first three months of 2002 as donors, officeholders and political groups geared up to influence the November congressional elections.

Unfortunately, financial disclosure by 527 organizations remained spotty. Financial reports for one-fifth of the 50 groups believed to be most active in federal politics could not be found in the Internal Revenue Service (IRS) web-based disclosure system one month after the first 2002 reporting deadline.

As for financial reports that could be located in the IRS system, Public Citizen found that 50 of the 527 organizations most active in federal politics collected \$10.8 million in soft money contributions in the first three months of 2002.

These 50 groups are important for two reasons. First, they offer a glimpse of 527 groups controlled by members of Congress (“politician 527s”) gobbling up soft money before such contributions are banned by the McCain-Feingold reform law, which takes effect after the November 2002 election. The tobacco, pharmaceutical and telecommunications industries, as well as lawyers and law firms, were among the leading contributors in 2002’s first quarter to 527 groups controlled by members of Congress. (Politician 527s accounted for 27 of the 50 most active groups in 2002’s first quarter.)

At the same time, the first quarter 2002 disclosure reports provide a view of the post-reform future in which other highly partisan 527 groups not controlled by federal officeholders or national political parties (“non-politician 527s”) will still be able to collect soft money, and will likely become surrogates for political party committees.

Such “non-politician 527s” include the top four collectors of soft money in 2002’s first quarter. (See Table 1) Leading the way among all 527 groups (so-called because they are governed by Section 527 of the Internal Revenue Code) in 2002’s first 90 days was Impac 2000, a group that exists to fight for Democrats in congressional redistricting battles. The group garnered \$1.4 million in three months, with most of that coming from the Democratic National Committee (\$700,000) and the Democratic Congressional Campaign Committee (\$250,000). Most (58 percent) of Impac 2000’s spending was for lawyers who litigate redistricting cases.

Second in first quarter receipts was the New Democrat Network (NDN), which strives to elect pro-business Democrats to Congress. The single biggest contributor to the NDN’s bounty of \$595,000 was the Pharmaceutical Research and Manufacturers of America (PhRMA), the drug industry’s lobbying group, which gave \$50,000. In all, over the 21 months that 527 groups have been required to disclose their finances, the NDN has received \$475,000 from drug companies. Perhaps this is because some of the NDN’s leading members in Congress have spoken out

against price controls for prescription drugs and have sponsored legislation to protect and extend monopoly patents for pharmaceuticals.¹ The NDN's top expenditure in early 2002 was a transfer of \$289,427 to its federal account.

Third in first quarter 2002 receipts was EMILY's List, which supports pro-choice Democratic women candidates. EMILY's List collected more than \$525,000 from donors such as Houston philanthropist Maconda O'Connor (\$125,000) and *The Nation* magazine editor Katrina vanden Heuvel (\$25,000). EMILY's List transferred \$617,383 in soft money to its federal account, where it was used mainly for election activities, including direct mail (\$266,736), TV and radio ad buys (\$181,037) and polling (\$34,430).

The Republican Leadership Council (RLC) had the fourth largest haul with \$510,750 in contributions. The RLC, which advocates for socially-moderate GOP candidates, spent \$214,980, or 40 percent of its expenditures, on telemarketing services and an addition \$150,000 for media consulting.

Because 527 groups were not required to disclose their finances during the comparable period in the last election cycle there is no way to know with certainty if 527s increased their activity in the first quarter of 2002. But evidence does suggest that some groups were more aggressive in their efforts to collect soft money as they moved from 2001 into an election year.

For example, the top 50 527 groups collected \$14.1 million in the second half of 2001 (groups report just twice in odd-numbered years, but quarterly in even-numbered years). These same 50 groups snagged \$10.8 million in the first three months of 2002 – a pace that projects to \$21.6 million over six months, or a 53 percent increase over 2001 fundraising.

Similarly, it would be interesting to know if 527 groups boosted their solicitations for soft money after the McCain-Feingold legislation was signed into law on March 27, 2002. Unfortunately, 527 groups are not required to report the specific dates of contributions, so it is impossible to track contributions as pre- or post-reform.

Edwards, DeLay, Blunt Have Most Successful Politician 527s

The leading politician 527 was New American Optimists (\$471,000), created by Sen. John Edwards (D-N.C.). Edwards, a former trial lawyer who co-sponsored a patients' rights bill last year that was backed by the Association of Trial Lawyers of America and consumer groups, received his biggest donations from trial lawyers John Williams (\$100,000) and Wade Byrd (\$100,000).

As for expenditures, Edwards may be using his 527 to lay the groundwork for his presidential candidacy in 2004. His 527 contributed \$18,000 to the Democratic Party of Iowa and \$10,000 to the New Hampshire Democratic Party. New American Optimists spent mostly soft money to acquire a \$65,000 list of voters from the Iowa Democratic Party.²

Edwards wasn't the only member of Congress who had a big first-quarter haul. The 527 of Rep. Tom DeLay (R-Texas), ARMPAC, collected \$397,517 with most of the receipts coming from

corporate donors such as Philip Morris (\$50,000), U.S. Tobacco (\$25,000) and BellSouth (\$25,000). Public Citizen's February 2002 report on politician 527s showed that DeLay's ARMPAC had received large contributions from tobacco and regional Bell telephone companies and he had supported legislation favorable to both those interests.

DeLay's chief deputy whip, Rep. Roy Blunt (R-Mo.), garnered \$275,309 – all of it from corporations such as Verizon (\$50,000) and BellSouth (\$25,000). Public Citizen's February 2002 report also outlined the role Blunt played in pushing legislation key to regional Bell companies.

Politicians Fill Their 527s with Large Corporate Contributions

Influential members of Congress relied on corporations (as opposed to individuals or unions) for most of their 527 contributions in early 2002. For the top 30 527 organizations affiliated with members of Congress, 54 percent of their first quarter 2002 receipts came from corporations and trade associations, as opposed to individuals (27 percent), party committees (17 percent) and much smaller sources, such as unions (1 percent) and political action committees (1 percent).³

Many of these groups were almost entirely dependent on large corporate contributions. For example, the 527 of Sen. Conrad Burns (R-Mont.) collected 97 percent of its first quarter receipts in corporate contributions of \$5,000 or more. Others with a similar taste for big corporate money were Senate Minority Leader Trent Lott (R-Miss., 95 percent), Rep. DeLay (92 percent), House Speaker Dennis Hastert (R-Ill., 92 percent), Rep. Collin Peterson (D-Minn., 90 percent) and Sen. Don Nickles (R-Okla., 90 percent).⁴

Jim Ellis, the executive director of ARMPAC, predicted that members of Congress will boost their efforts to collect soft money while they can. "Everyone is going to be making a push to get the last of the soft money dollars...between now and the time of the election because it is going to be the last time that people ask," Ellis told Public Citizen.⁵

See Jane Write ... Big Checks

Non-politician 527s tend to collect their soft money from different sources than politician 527s. Public Citizen's earlier reports found that non-politician 527s get more of their money from individuals, unions and party committees.

Thus, it was not surprising to see that the biggest first quarter contributors to 527s believed to be active in federal politics were the Democratic National Committee (\$700,000 to Impac 2000) and the United Food and Commercial Workers union, which contributed \$423,000 to its own 527.

After that came two individuals already prominent in 527 activities. Actress/activist Jane Fonda gave \$400,000 to Pro-Choice Vote, a group that financed advertising and direct mail campaigns by several abortion rights groups during the 2000 election. Fonda remains by far the single biggest contributor to 527 groups since disclosure was first required in July 2000. Since then, Fonda has given more than \$12.7 million to Pro-Choice Vote.

The next biggest individual contributor was Jay Harris, an investor who gave \$334,000 to the League of Conservation Voters (LCV). That donation came on top of \$1 million Harris gave to LCV in the first 18 months of 527 disclosure. Another green-tinted contributor was Paul Brainerd, a Washington state philanthropist (he invented PageMaker and made \$120 million when he sold Aldus Corporation to Adobe⁶), who gave \$250,000 to Conservation Strategies, a Seattle-based 527 organization.

21-Month Haul of 100 Top 527 Groups = \$129 Million

Since July 1, 2000, the 100 groups believed to be most active in federal politics have garnered \$129 million in soft money. (See Table 2) By way of context, this \$129 million is more than 25 percent of all the soft money collected by the Republican and Democratic federal party committees in 24 months during the 1999-2000 election cycle.

In that 21-month period, the richest 527 group was operated by the American Federation of State, County and Municipal Employees (AFSMCE), a public employees' union. The "AFSCME Special Account" 527 has collected \$16.5 million.

Issue Ads Coming

Public Citizen's earlier reports revealed that the single biggest category of spending by 527 groups was for "issue ads." After that, the largest spending categories were contributions to other 527 groups, transfers to federal accounts of these 527 organizations, contributions to national party committees, staff, and direct mail.

Spending during 2002's first quarter looked different, as issue ad campaigns were not yet in full swing. The Club for Growth, a free-market advocacy group, accounted for most of the mass media spending with an ad clobbering Senate Majority Leader Tom Daschle (D-S.D.) and ads in two GOP congressional primaries. In Indiana, the Club took a shot at former Fort Wayne Mayor Paul Helmke in a race against incumbent Rep. Mark Souder (R-Ind.). (The ad said Helmke was "pro-tax, pro-Clinton.") In Iowa, the Club ran an ad touting state Sen. Steve King's record as he makes a run for an open congressional seat in the state's fifth district.

Disclosure Problems: Katherine Harris Disappears in IRS's Bermuda Triangle

Problems in first quarter disclosure to the IRS suggest how difficult it may be to track 527 organizations in this election year.

Difficulties start with reports that cannot be found on the IRS's web-based disclosure system. (527 groups report their contributions and expenditures to the IRS office in Ogden, Utah. The only ways to access these reports are to search the IRS's web-based disclosure system at http://eforms.irs.gov/search_result.asp, or to ask groups to make their reports available for inspection.) In its earlier reports, Public Citizen studied 50 groups believed to be most active in federal politics in the period July 1, 2000-December 31, 2001. Of those 50 groups, only 40 had reports for the first three months of 2002 that could be found on the IRS website on May 15 – one month after the reporting deadline.

For the 10 groups with “missing” reports, it’s not clear whether the groups failed to file or whether the IRS lost their reports, or failed to put them on the web in timely fashion. The IRS itself can’t say with certainty why the reports are missing. But there is historical evidence that the missing reports could be the IRS’s fault. For instance, the AFL-CIO created a 527 group called “Working Families 2000” for which the IRS website showed no 8871 form (statement of organization) on file. Yet the AFL-CIO provided Public Citizen with an IRS document showing that the IRS had indeed received the group’s 8871 report on October 23, 2000.

Another problem is that reports appear and then mysteriously disappear without explanation from the IRS website. Because these problems occur, and sometimes are corrected without notification, they may not exist at the time you read this. But trust us, on May 16, 2002 one could see a link on the IRS website to a disclosure report for “American Values in Democracy Project, Inc.,” a group whose chairwoman was “The Hon. Katherine Harris,” Florida’s secretary of state and a current candidate for Congress. When we clicked on the link, however, all we got was four entirely blank pages.

Yet another problem with the IRS site is the lag between the time when disclosure reports are filed and when they become visible on the IRS site. For example, the first quarter report for Rep. DeLay’s ARMPAC is dated April 15, 2002. The IRS stamped the document as having been received on April 26. Yet it did not become available on the IRS website until May 9. This kind of delay could become crucial in the fall. Then, third quarter disclosure reports (covering July 1-September 30, 2002) will be due on October 15. If a three-week delay ensues, some reports may not be accessible on the IRS system until after the November 5 election day.

“Pre-election” reports covering the period of October 1-October 18 are due by October 24, 2002. Obviously, if it takes the IRS three weeks to get these reports on the web then this information will not be known until after the election.

Other notable disclosure problems include:

- The IRS requires that 527 groups submit 8871 forms “both electronically and in writing” within 24 hours of a group’s formation. This allows new groups to be quickly identified because electronic reports can be queried through the IRS’s advanced search engine. But few groups are meeting this requirement: only 2,415 groups (15 percent of the 15,743 different groups posted to the basic IRS search engine) have submitted electronic 8871 forms.⁷
- Searching for groups in the IRS system is hampered by seemingly bogus information. Several postings – such as the group “abc,” which is directed by “cc,” and another group, “fund,” located at “108 somepalce [sic] rd 8, anywhere, PA” – highlight this problem.⁸
- A computer programming error has made it difficult to locate groups. The problem is seen when searching for a group like the Sierra Club. A user must search for “*The Sierra Club*.” Searching for “club” or “sierra” or “Sierra Club” will not produce any results. The programming error lies in a “wildcard” that is missing from the beginning of the query code.⁹ A “wildcard” placed correctly at the beginning of the query code would provide search

results when a user submits only part of a group's name. The IRS currently lists 206 groups with the preface "the" in their names. The result: disclosure reports for these groups will not be found if "the" is not placed before the name.

- Three top 527 groups continued in 2002 to ignore the IRS requirement that employer and occupation be disclosed for all donors who give more than \$200. The Republican Leadership Coalition did not list the employer or occupation for any of its 24 contributors who gave a total of \$90,343 – bringing the coalition's total number of such disclosure omissions to 2,043 over 21 months. The Club for Growth disclosed no employer or occupation information for 37 percent of its individual donors. The Republican Majority Issues Committee failed to report donor details for 10 of its 15 individual contributors.
- Some new groups also failed to disclose meaningful "stated purposes" when they filed their initial reports that should describe the organization. For example, Rep. Bob Ney's (R-Ohio) American Liberty group, formed May 1, 2002, described its purpose as "Non federal political action committee."

Compliance At Last?

In a May 2 press release, the IRS finally acknowledged that some 527 groups have skirted the disclosure rules by failing to file entire reports.¹⁰ Unfortunately, the problems won't be fixed soon.

In its release, the IRS announced an amnesty program. The agency will waive penalties and interest for late-filing 527 groups if they submit missing forms by July 15. (By law, the IRS can levy fines equal to 35 percent of a group's total contributions and expenditures in a given reporting period if the group's disclosure report is late.) "The intent of the voluntary compliance offer is to educate 527 organizations about the filing requirements and to enhance public disclosure prior to elections," said IRS spokesman Anthony Burke. "Taxes, penalties and interest will be assessed after July 15 for those failing to meet filing requirements."¹¹

If the IRS follows through on its promise, it would mark the first time that the IRS has enforced Section 527 disclosure requirements. Never mind the fact that the IRS could enrich the federal treasury with such action. (Earlier this year Public Citizen identified 10 groups that filed late reports and could have been fined more than \$4 million as a result.) More importantly, the IRS could determine whether some groups – such as the Congressional Black Caucus – have brazenly failed to file reports, or their reports are lost in the IRS system.

**Table 1:
Top 527 Groups by Contributions with Largest Donors, January 1 to March 31, 2002**

527	Affiliated Politician or Group Description	1st Quarter Contributions	1st Quarter Expenditures	Top Contributor and Amount
Impac 2000	Democratic redistricting project	\$1,383,634	\$1,032,358	Democratic National Committee: \$700,000
New Democrat Network	“Moderate,” business-friendly party faction	\$595,300	\$562,945	Pharmaceutical Research & Manufacturers of America: \$50,000
EMILY’s List	Fundraising for Democratic, pro-choice women candidates	\$525,355	\$680,683	Maconda O’Connor: \$125,000
Republican Leadership Council	Socially-moderate election advocacy group	\$510,750	\$543,475	Paula Brooks: \$199,000; Jerry Perenchio: \$199,000
New American Optimists	Sen. John Edwards (D-N.C.)	\$471,000	\$173,456	Wade Byrd: \$100,000; John Williams: \$100,000
Untd. Food & Commercial Workers	Labor organization	\$423,000	\$458,470	UFCW: \$423,000
League of Conservation Voters	Pro-environmental group	\$423,000	\$410,960	Jay Harris: \$334,000
Bob Ehrlich for Maryland Cmte.	Rep. Bob Ehrlich (R-Md.)	\$414,087	\$90,291	Virginia Bowen: \$10,000
AFSCME People	Labor organization	\$402,000	\$402,479	AFSCME: \$402,000
Pro-Choice Vote	Abortion-rights group	\$400,000	\$91,985	Jane Fonda: \$400,000
ARMPAC	Rep. Tom DeLay (R-Texas)	\$397,517	\$168,771	Philip Morris: \$50,000
Republican Main Street Partnership	“Moderate” legislators’ think tank	\$352,250	\$173,104	AETNA: \$25,000
Rely on Your Beliefs	Rep. Roy Blunt (R-Mo.)	\$275,309	\$187,735	Verizon: \$50,000
GOPAC	Republican campaign trainers	\$260,704	\$290,156	K. Tucker Andersen: \$40,000
Conservation Strategies	Pro-environmental group	\$250,000	\$136,484	Paul Brainard: \$250,000
Sheet Metal Workers Intl. Assn.	Labor organization	\$226,050	\$81,386	Sheet Metal Workers Intl. Assn.: \$225,000
The Club for Growth	Free-market ideologues	\$194,135	\$491,863	Joseph DiMenna: \$50,000
National Tax Limitation Committee	Tax cutting Reagan devotees	\$175,548	\$147,942	Russo, Marsh and Assoc.: \$70,000
Gay and Lesbian Victory Fund	Candidate recruitment and training	\$156,228	\$266,636	Harry van Ameringen: \$75,000
National Leadership PAC	Rep. Charles Rangel (D-N.Y.)	\$153,750	\$83,151	Marzul Charters: \$20,000
Republican Majority Fund (RMF)	Sen. Don Nickles (R-Okla.)	\$152,000	\$4,292	Mortgage Insurance Cos. of Am.: \$50,000
Together For Our Majority PAC	Rep. Tom Reynolds (R-N.Y.)	\$149,858	\$217,795	Russ Carson: \$40,000
Campaign for America’s Future	Sen. Orrin Hatch (R-Utah)	\$136,350	\$47,349	Select Medical Corp.: \$15,000
Sierra Club Voter Education Fund	Pro-environmental group	\$135,000	\$25,014	Louise Gund: \$100,000
Mainstream America PAC	Sen. John Breaux (D-La.)	\$134,225	\$72,031	Northrup Grumman: \$30,000
Total – Top 25		\$8,697,050	\$6,840,811	

Source: Public Citizen analysis of IRS form 8872 disclosure reports available at <http://eforms.irs.gov>

Other Top 527 Groups by Contributions with Largest Donors, January 1 to March 31, 2002

527	Affiliated Politician or Purpose	1 st Quarter Contributions	1 st Quarter Expenditures	Top Contributor and Amount
WISH List	GOP women candidate recruitment	\$124,532	\$207,280	Deborah Carstens: \$21,882
Glacier PAC	Sen. Max Baucus (D-Mont.)	\$112,500	\$78,515	American International Group: \$25,000
Lone Star Fund	Rep. Martin Frost (D-Texas)	\$112,500	\$112,540	Stanford Financial Group: \$25,000
New Century Project	Ex-Rep. John Kasich (R-Ohio)	\$111,364	\$9,000	Mark Kvamme: \$65,000
Blue Dog PAC	Rep. Collin Peterson (D-Minn.)	\$108,376	\$112,744	Golden Rule Insurance: \$20,000
Cmt. For Leadership and Progress	Rep. Nita Lowey (D-N.Y.)	\$106,000	\$133,000	Fred Eychaner: \$25,000
Democrats 2000 (21st Century Democrats)	Progressive-candidates backer and trainers	\$105,870	\$98,051	Service Employees International Union: \$25,000
Republican Leadership Coalition	Minority-vote seekers for GOP	\$102,088	\$74,289	Woodland Group: \$80,000
Reform Voter Project	Campaign finance reformers	\$100,000	\$57,657	Arnold Hiatt: \$100,000
DASHPAC	Sen. Tom Daschle (D-S.D.)	\$95,000	\$160,385	Davita Total Renal Care: \$10,000
National Federation of Republican Women	GOP candidate recruitment and training	\$93,450	\$387,505	Anne Batchelder: \$5,000
KOMPAC State Victory Fund	Rep. Dennis Hastert (R-Ill.)	\$92,257	\$76,683	SBC (Southern Bell): \$25,000
Citizen Soldier Fund	Sen. John Kerry (D-Mass.)	\$79,000	\$37,938	American International Group: \$10,000
Friends of the Big Sky	Sen. Conrad Burns (R-Mont.)	\$77,000	\$9,773	Coushatta Tribe of Louisiana: \$25,000
Majority Leader's Fund	Rep. Richard Armev (R-Texas)	\$75,500	\$28,714	Bob Perry: \$50,000
Republicans Abroad	Party building in foreign countries	\$74,584	\$96,249	Republican National Committee: \$30,000
New Republican Majority Fund	Sen. Trent Lott (R-Miss.)	\$74,500	-\$1,000	WorldCom: \$25,000
Democratic Majority PAC	Rep. Frank Pallone, Jr. (D-N.J.)	\$71,800	\$74,319	Igor Khalatian: \$5,500
Effective Government Committee	Rep. Richard Gephardt (D-Mo.)	\$66,500	\$95,650	Pamela Liapakis: \$25,000
Daschle Democrats, Inc.	Supports Senate Majority Leader	\$65,000	\$8,095	Peter Bittenwieser: \$50,000
Searchlight Leadership Fund	Sen. Harry Reid (D-Nev.)	\$62,000	\$136,213	Howard Hughes Properties: \$15,000
Battle Born State PAC	Sen. John Ensign (R-Nev.)	\$55,091	\$37,765	International Game Technology: \$25,000
Superior California State Leadership PAC	Rep. John T. Doolittle (R-Calif.)	\$43,750	\$38,187	A. Teichert and Son: \$5,000
Restore America	Sen. Sam Brownback (R-Kan.)	\$42,000	\$10,000	Coushatta Tribe of Louisiana: \$25,000
Cmte. for a United Rep. Team	Rep. Curt Weldon (R-Pa.)	\$41,250	\$17,383	Milner Corp.: \$6,000
Total – Top 50		\$10,788,962	\$8,937,746	

Source: Public Citizen analysis of IRS form 8872 disclosure reports available at <http://eforms.irs.gov>

**Table 2:
527 Groups Active in Federal Elections by Total Contributions,
July 1, 2000 to March 31, 2002**

527	Affiliated Politician or Group Description	Total Contributions, 6/1/00-3/31/02	Total Expenditures, 6/1/00-3/31/02
AFSCME Special Account	Labor organization	\$16,535,943	\$16,532,319
Pro-Choice Vote	Abortion-rights group	\$12,720,350	\$12,355,885
Planned Parenthood Votes	Abortion-rights group	\$7,247,102	\$7,426,806
EMILY's List	Fundraising for Democratic, pro-choice women candidates	\$6,152,414	\$8,144,298
Impac 2000	Democratic redistricting project	\$5,977,694	\$5,940,532
Prairie State Committee	Rep. Rod Blagojevich (D-Ill.)	\$4,505,136	\$810,335
Republican Leadership Council	Socially-moderate election advocacy group	\$4,415,307	\$5,028,181
AFSCME People	Labor organization	\$3,809,981	\$3,618,639
Working Families 2000	Labor-backed election advocacy organization	\$3,766,498	\$3,969,329
Gore/Lieberman Recount Cmte.	Fmr. Vice President Gore & Sen. Joe Lieberman (D-Conn.)	\$3,697,030	\$3,227,052
New Democrat Network	"Moderate," business-friendly party faction	\$3,551,496	\$3,490,015
United Food and Commercial Workers	Labor organization	\$3,511,427	\$2,886,471
League of Conservation Voters	Pro-environmental group	\$3,401,300	\$1,616,110
The Club for Growth	Free-market ideologues	\$2,956,423	\$3,107,578
Republican Leadership Coalition	Minority-vote seekers for GOP	\$2,863,907	\$3,760,659
GOPAC	Republican campaign trainers	\$2,246,808	\$2,318,921
AFL-CIO	Labor organization	\$2,108,126	\$2,718,324
Republican Main Street Partnership	Think tank for "moderate" GOP legislators	\$1,856,674	\$1,419,711
Sierra Club Voter Education Fund	Pro-environmental group	\$1,697,525	\$7,296,640*
Congressional Black Caucus	Congressional Black Caucus	\$1,685,084	\$1,217,403
ARMPAC	Rep. Tom DeLay (R-Texas)	\$1,682,492	\$1,062,144
Campaign for a Progressive Future	Gun-control proponents	\$1,648,000	\$3,068,570
KOMPAC State Victory Fund	Rep. Dennis Hastert (R-Ill.)	\$1,500,628	\$1,655,924
Voters for Choice	Abortion-rights group	\$1,499,142	\$1,491,798
Sheet Metal Workers International Association	Labor organization	\$1,306,095	\$1,171,084
Communication Workers of America	Labor organization	\$1,204,815	\$3,299,575
DASHPAC	Sen. Tom Daschle (D-S.D.)	\$1,163,400	\$1,206,401
Bob Ehrlich for Maryland Cmte.	Rep. Bob Ehrlich (R-Md.)	\$1,150,188	\$217,122
Issues Advisory Group	Sen. Clinton attack group	\$1,076,500	\$1,226,498
Rely on Your Beliefs	Rep. Roy Blunt (R-Mo.)	\$972,284	\$840,163
Republican Majority Issues Cmte.	GOP voter-mobilization group	\$970,753	\$1,240,888
Searchlight Leadership Fund	Sen. Harry Reid (D-Nev.)	\$951,500	\$881,665
Laborers' Political League	Labor organization	\$871,149	\$994,977

Conservation Strategies	Pro-environmental group	\$800,000	\$924,609
Majority Leader's Fund	Rep. Richard Armey (R-Texas)	\$794,333	\$736,136
Lone Star Fund	Rep. Martin Frost (D-Texas)	\$777,304	\$801,864
WISH List	GOP women recruitment and training	\$749,005	\$784,663
New Century Project	Ex-Rep. John Kasich (R-Ohio)	\$642,114	\$82,500
Together For Our Majority PAC	Rep. Tom Reynolds (R-N.Y.)	\$549,958	\$426,854
Mainstream America PAC	Sen. John Breaux (D-La.)	\$518,313	\$256,412
Gay and Lesbian Victory Fund	Candidate recruitment and campaign training	\$511,004	\$908,130
Democrats 2000 (21st Century Democrats)	Progressive-candidates backer and trainers	\$505,674	\$1,199,322
New American Optimists	Sen. John Edwards (D-N.C.)	\$471,000	\$173,456
National Tax Limitation Cmte.	Tax cutting Reagan devotees	\$461,094	\$434,869
National Federation of Republican Women	GOP candidate recruitment and training	\$451,430	\$2,649,150*
Campaign for America's Future	Sen. Orrin Hatch (R-Utah)	\$442,332	\$257,682
Americans for Equality	Civil rights organization; NAACP's election advocacy arm	\$441,871	\$7,342,872*
Blue Dog Non-Federal PAC	Rep. Collin Peterson (D-Minn.)	\$436,134	\$257,437
Glacier PAC	Sen. Max Baucus (D-Mont.)	\$433,442	\$377,652
Republicans Abroad	GOP party building in foreign countries	\$423,325	\$458,798
Alabama Republican Majority	Sen. Richard Shelby (R-Ala.)	\$411,000	\$103,000
Republican Majority Fund	Sen. Don Nickles (R-Okla.)	\$385,450	\$183,275
Democratic Majority PAC	Rep. Frank Pallone, Jr. (D-N.J.)	\$380,153	\$430,419
New Republican Majority Fund	Sen. Trent Lott (R-Miss.)	\$337,547	\$296,518
Cmte. for a Democratic Majority	Sen. Ted Kennedy (D-Mass.)	\$326,016	\$439,180
National Leadership PAC	Rep. Charles Rangel (D-N.Y.)	\$310,415	\$136,812
American Renewal PAC	Rep. J. C. Watts (R-Okla.)	\$295,696	\$349,510
Participation 2000	Trains Democratic campaign workers	\$287,593	\$116,261
Keep Hope Alive PAC	Rev. Jesse Jackson's political group	\$268,000	\$435,720
Cmte. for Honest Politics	Election monitors	\$264,728	\$241,728
Unity 21	Minority rights advocates at 2000 Democratic convention	\$259,500	\$282,204
Arena PAC	Pro-gun; connected to NRA	\$255,000	\$262,438
Solutions for a New Century	New Jersey state policies advocates	\$244,276	\$1,447,617*
Coalition to Protect Americans Now	Missile defense advocates	\$220,000	\$268,187
Rhode Island PAC	Rep. Patrick Kennedy (D-R.I.)	\$219,150	\$46,918
Friends of the Big Sky	Sen. Conrad Burns (R-Mont.)	\$212,161	\$63,801
America's Foundation	Republican party building activities	\$207,938	\$123,149
ED XL PAC	Reps. Hoekstra (R-Mich.) & Schaffer (R-Colo.)	\$202,614	\$188,982
Million Mom PAC	Gun-control proponents	\$200,000	\$1,050,979
American Success PAC	Rep. David Dreier (R-Calif.)	\$194,028	\$188,933
Florida 19 PAC	Rep. Robert Wexler (D-Fla.)	\$188,450	\$170,347
Effective Government Cmte.	Rep. Richard Gephardt (D-Mo.)	\$174,500	\$151,068
Citizens for a Competitive America	Sen. Ernest Hollings (D-S.C.)	\$169,500	\$124,125
Superior California State Leadership PAC	Rep. John T. Doolittle (R-Calif.)	\$165,980	\$183,989

American Dream PAC	Rep. Henry Bonilla (R-Texas)	\$164,250	\$199,065
Holding Onto Oregon's Priorities	Sen. Ron Wyden (D-Ore.)	\$157,350	\$238,196
Battle Born State PAC	Sen. John Ensign (R-Nev.)	\$156,591	\$91,015
Reform Voter Project	Campaign finance reformers	\$150,000	\$57,657
Restore America	Sen. Sam Brownback (R-Kan.)	\$147,900	\$65,352
Holt PAC For Responsive Government (Holt Post-Election Fund)	Rep. Rush Holt (D-N.J.)	\$147,100	\$144,903
Women Vote 2000	Voter outreach; connected to EMILY's List	\$147,000	\$80,250
Cmte. for a United Republican Team	Rep. Curt Weldon (R-Pa.)	\$145,853	\$99,958
Alliance for the West	Sen. Larry Craig (R-Idaho)	\$136,535	\$191,095
Cmte. For Leadership and Progress	Rep. Nita Lowey (D-N.Y.)	\$136,000	\$133,000
Great Plains Leadership Fund	Sen. Byron L. Dorgan (D-N.D.)	\$118,400	\$89,646
Pioneer PAC	Rep. Dave Hobson (R-Ohio)	\$114,565	\$111,101
Citizen Soldier Fund	Sen. John Kerry (D-Mass.)	\$104,000	\$37,938
M-PAC	Sen. Patty Murray (D-Wash.)	\$102,500	\$46,450
Building Our Leadership Diversity (BOLD) PAC	Rep. Joe Baca (D-Calif.)	\$99,500	\$15,759
Fund for American Opportunity	Ex-Sen. Spencer Abraham (R-Mich.)	\$96,300	\$95,888
Leadership in the New Century	Sen. Blanche Lincoln (D-Ark.)	\$94,642	\$88,602
Fund for a Free Market America	Rep. Philip Crane (R-Ill.)	\$92,500	\$71,602
BACKPAC	Ex-Sen. Bob Kerrey (D-Neb.)	\$91,254	\$444,229
Saving America's Families Everyday	Rep. J.C. Watts (R-Okla.)	\$91,000	\$123,143
Keep California Golden	Rep. Gary Condit (D-Calif.)	\$89,000	\$18,797
Women's Campaign Fund	Non-partisan, pro-choice candidate advocates	\$78,298	\$36,479
For Dems	Rep. Harold Ford (D-Tenn.)	\$78,100	\$71,584
Common Sense Leadership Fund	Rep. Saxby Chambliss (R-Ga.)	\$66,899	\$66,937
Gumbo PAC	Rep. Chris John (D-La.)	\$66,825	\$40,639
Clean Water Action	Pro-environmental group	\$65,119	\$35,606
Subtotal for Top 100 Groups		\$129,228,680	\$143,294,474
Daschle Democrats Inc.	Supports Senate Majority Leader	\$65,000	\$8,095
Fund for Florida's Future	Rep. Dave Weldon (R-Fla.)	\$56,500	\$54,491
Northern Lights	Sen. Ted Stevens (R-Alaska)	\$56,000	\$38,451
Citizens for Better Medicare	Industry-funded Rx drug-benefit opponents	\$54,983	\$8,908,210*
DAKPAC	Sen. Kent Conrad (D-N.D.)	\$53,759	\$34,931
Florida Republican Leadership Coalition	Rep. Mark Foley (R-Fla.)	\$53,733	\$59,490
Black America's PAC	Minority rights organization	\$52,500	\$61,639
Working Joe Baca	Rep. Joe Baca (D-Calif.)	\$51,275	\$25,703
Patriot PAC	Ex-Rep. James Rogan (R-Calif.)	\$50,950	\$55,911
Ameripac	Rep. Steny Hoyer (D-Md.)	\$49,500	\$9,060
Republican Mainstream Cmte.	Voter outreach to women, moderate voters	\$45,638	\$35,469
Leadership 21	Rep. John Tanner (D-Tenn.)	\$45,412	\$11,641

Sandhills PAC	Sen. Chuck Hagel (R-Neb.)	\$43,195	\$32,872
Commonwealth Leadership Fund	Rep. Eric Cantor (R-Va.)	\$42,600	\$36,438
Cmte. for Republican Leadership	Rep. Bob Goodlatte (R-Va.)	\$35,000	\$12,197
Future Leaders State PAC	Rep. Jerry Lewis (R-Calif.)	\$29,000	\$25,000
American Prosperity PAC	Rep. Randy "Duke" Cunningham (R-Calif.)	\$28,000	\$21,103
TLC PAC	Rep. Karen Thurman (D-Fla.)	\$26,550	\$2,599
Peace Voter Fund	Grassroots anti-military peace organization	\$25,341	\$51,095
PETE'S PAC	Sen. Pete Domenici (R-N.M.)	\$22,000	\$68,711
Silver State	Rep. Shelley Berkley (D-Nev.)	\$21,406	\$31,516
American Forest Defense Fund	Pro-environmental group	\$20,000	\$20,008
Democrats for the Future	Rep. Ellen Tauscher (D-Calif.)	\$15,500	\$0
VIEW PAC	GOP candidate recruitment and training	\$14,273	\$2,120
Next American Century PAC (Promoting Republicans You Can Elect)	Rep. Deborah Pryce (R-Ohio)	\$10,250	\$3,040
Impact Oregon	Sen. Gordon Smith (R-Ore.)	\$7,500	\$85,031
Live Free or Die	Rep. Robert Smith (R-N.H.)	\$6,200	\$36,195
West PAC	Rep. George Radanovich (R-Calif.)	\$5,000	\$7,881
People for the American Way Voters Alliance	Liberal advocacy group	\$0	\$1,000
Prairie Leadership Cmte.	Sen. Tim Johnson (D-S.D.)	\$0	\$7,000
Republicans for Clean Air	Wyly brothers "issue ads" vehicle	\$0	\$74,740
Total for All Groups		\$130,215,745	\$153,116,111

* Expenditures are larger than contributions for some groups because disclosure of financial activity began only in July 2000. These groups raised money prior to July 2000 and saved the funds to spend closer to the November election.

Source: Public Citizen analysis of IRS disclosure reports available at <http://eforms.irs.gov>.

Endnotes

¹ Public Citizen, “Addicting Congress, July 2000. Pages 6 and 7, in particular, detail the efforts of New Democrats such as Rep. Cal Dooley, (D-Calif.), Rush Holt (D-N.J.) and David Price (D-N.C.) against legislation that would give Medicare recipients price discounts on prescription drugs. Dooley, for instance, argued that such legislation would be “an arrow in the heart” of the drug industry. See also Public Citizen’s “Patently Offensive,” November 2001. This report details how Rep. Anna Eshoo (D-Calif.) was the leading Democratic House sponsor of legislation that gave drug companies monopoly patent extensions in exchange for testing the safety of their drugs in children.

² Public Citizen interview with New American Optimist staff member, May 23, 2002.

³ Public Citizen analysis of IRS 8872 forms.

⁴ Ibid.

⁵ Public Citizen interview with Jim Ellis, executive director of ARMPAC, May 22, 2002.

⁶ <http://www.pbs.org/wnet/moneyshow/cover/122200.html>

⁷ PL 106-230 requires groups to submit a statement of organization electronically and in writing. Querying all the electronically-filed 8871 forms (known as a statement of organization), shows 2,415 submissions. But on the basic search engine the IRS has created electronic files for 15,743 different groups. The number of electronically-submitted forms can be determined by querying all groups’ reports at: http://eforms.irs.gov/IRS_Adv_Search_F8871.asp. The number of total groups available through the IRS basic search engine can be found by manipulating the end of this URL until the end of the alphabetical listing is located: http://eforms.irs.gov/search_result.asp?searchString=&itemPointer=15741.

⁸ http://eforms.irs.gov/IRS_Report_8871.asp?F8871_Index=3091073

⁹ Public Citizen interview with computer programming expert, May 17, 2002.

¹⁰ IRS news release no. IR-2002-57, May 2, 2002.

¹¹ E-mail to Public Citizen from IRS spokesman Anthony Burke, May 15, 2002.