



# Super Connected

Outside Groups' Devotion to Individual Candidates and Political Parties Disproves the Supreme Court's Key Assumption in *Citizens United* That Unregulated Outside Spenders Would Be 'Independent'

(UPDATED VERSION OF OCTOBER 2012 REPORT, WITH REVISED DATA AND DISCUSSION OF THE 'SOFT MONEY' IMPLICATIONS OF *CITIZENS UNITED*)

## **Acknowledgments**

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## **About Public Citizen**

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### Methodology and Definitions

- This report represents a substantial update of a report published in October 2012, available at <http://www.citizen.org/documents/super-connected-candidate-super-pacs-not-independent-report.pdf>.
- Most of the data used in this report was drawn from the Center for Responsive Politics ([www.opensecrets.org](http://www.opensecrets.org)) or the Sunlight Foundation (<http://sunlightfoundation.com>).
- Unregulated outside groups are defined as those permitted to accept unlimited contributions. These include super PACs, which are required to report their donors, and 501(c) groups, which are not. Unregulated groups exclude conventional political action committees (PACs) and the official committees of the national political parties.
- Calculations of expenditures by outside groups consist of independent expenditures and electioneering communication expenditures reported to the Federal Election Commission. Calculations do not include communications costs, which represent expenditures by an organization to disseminate messages to its members. Calculations also do not include expenditures that may serve electioneering purposes but are not required to be reported.
- The data analyzed in this report regard groups that reported spending at least \$100,000 on the 2012 elections. Such groups accounted for 99 percent of total spending by unregulated outside groups.
- Filings on independent expenditures disclose amounts of money spent to “support” or “oppose” given candidates. For the data component of this report, these totals are summed to yield a cumulative total spent to assist candidates, either by supporting the group’s favored candidate or opposing the candidate’s opponent or opponents.
- All groups reported as opposing President Obama are treated as supporting Republican presidential nominee Mitt Romney. Some anti-Obama messages, especially before the Republican primaries were concluded, likely were motivated by a desire to defeat Obama, regardless of his opponent. Thus, this report may slightly overstate spending intended to aid Romney.
- Many outside groups consist of informally affiliated entities. Calculations in this analysis treat each legal entity distinctly.
- This analysis deemed groups that spent at least 99 percent of their resources aiding one candidate as “single-candidate” groups. Seven groups categorized as devoted to a single-candidate spent less than 1 percent of their money on other contests.
- Determinations of which groups operated in service of a national party are based on the groups’ mission statements, analysis of their personnel and their spending practices. Groups that acted both in service of a single-candidate and a party are categorized as single-candidate entities.

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## I. Introduction and Top Level Data Findings

Nearly half of the unregulated outside groups that sought to influence the 2012 elections spent their money to aid just one candidate. These single-candidate groups accounted for more than one-third of spending by unregulated groups in 2010. [See Figure 1] Many of these groups were operated by individuals with close ties to the candidate they assisted.

Ten additional groups, which accounted for nearly 30 percent of spending by unregulated entities in the 2012 elections, existed to aid either the official Democratic or Republican parties. Their personnel largely hailed from the national parties' hierarchies or the staffs of lawmakers in the congressional leadership. In most cases, these groups declared missions of helping to elect Democrats or Republicans. As such, these groups were much more closely tied to the parties than longstanding interest groups that provided exclusive support a single party.

In total, candidate-specific and party-allied groups accounted for more than 65 percent of all spending by unregulated outside groups in the 2012 elections. Such groups made up seven of the top eight unregulated outside spenders in 2012. [See Figure 2]

**Figure 1: Electioneering Spending by All Unregulated Groups (2012 Election Cycle)**

Description of Group	Number of Groups Spending Over \$100,000	Pct. of Groups	Amount Spent	Pct. of Money Spent
Dedicated to a single candidate	112	49.3%	\$353,686,625	36.5%
Determined by Public Citizen to be allied with a national party	10	4.4%	\$280,566,533	29.0%
<b>Subtotal: Single candidate or party allied</b>	<b>122</b>	<b>53.7%</b>	<b>\$634,253,158</b>	<b>65.5%</b>
Aided multiple candidates and not designated as party allied	105	46.3%	\$333,582,201	34.5%
<b>All Unregulated Outside Groups</b>	<b>227</b>	<b>100.0%</b>	<b>\$967,835,359</b>	<b>100.0%</b>

Source: Public Citizen analysis of data provided by the Center for Responsive Politics ([www.opensecrets.org](http://www.opensecrets.org)).

**Figure 2: Top 10 Spending Unregulated Groups (2012 Election Cycle)**

Group	Amount Spent	Group's Legal Status	Single-Candidate/ Party-Allied/Other	Candidate Supported
Restore Our Future	\$142,655,218	Super PAC	Single-candidate	Mitt Romney
American Crossroads	\$104,772,098	Super PAC	Party-allied	Republicans
Priorities USA Action	\$66,182,126	Super PAC	Single-candidate	Barack Obama
Crossroads GPS	\$70,940,377	501(c)	Party-allied	Republicans
Americans for Prosperity	\$39,448,456	501(c)	Single-candidate	Mitt Romney
Majority PAC	\$37,536,489	Super PAC	Party-allied	Democrats
U.S. Chamber of Commerce	\$36,177,665	501(c)	Other	Republicans
House Majority PAC	\$30,761,234	Super PAC	Party-allied	Democrats
American Future Fund	\$25,587,431	501(c)	Other	Republicans
Club for Growth Action	\$20,382,571	Super Pac	Other	Republicans

Source: Public Citizen analysis of data provided by the Center for Responsive Politics ([www.opensecrets.org](http://www.opensecrets.org)).

These findings undercut the key premise relied upon by the Supreme Court in its 2010 decision in *Citizens United v. Federal Election Commission*, which paved the way for outside groups to use unlimited contributions from individuals, corporations or unions to influence elections.<sup>1</sup>

The court based its *Citizens United* decision on its assumption that the new electioneering spending it permitted would be by organizations that acted independently of candidates and parties. The court concluded that independent expenditures do not threaten to engender corruption, which is the basis on which the court has traditionally permitted regulation of campaign expenditures. Thus, the court ruled, independent expenditures cannot be regulated without violating the First Amendment.

<sup>1</sup> *Citizens United v. Federal Election Commission*, 130 S.Ct. 876 (2010), <http://1.usa.gov/9Hn7y5>. [Hereinafter *Citizens United*] *Citizens United* outlawed restrictions on the ability of outside entities, including corporations and unions, to spend money from their treasuries to make independent expenditures (expenditures expressly intended to influence the outcomes of elections). A subsequent decision by the U.S. Court of Appeals for the District of Columbia determined that limitations on the size of contributions to groups engaging in independent expenditures could not be justified in the wake of *Citizens United*. See *SpeechNow.org v. Federal Election Commission*, 599 F.3d 686 (D.C. Cir. 2010), <http://1.usa.gov/sPC9tI>. The Federal Election Commission then ruled that independent expenditure groups may accept unlimited contributions from corporations and unions, as well as individuals. See Federal Election Commission, Advisory Opinion 2010-11 (July 22, 2010), <http://bit.ly/lK6LUX>. The cumulative effect of these decisions was to permit outside entities to use unlimited contributions from corporations, unions and individuals to influence the outcomes of elections. Entities that acknowledge a primary purpose of using unlimited contributions to influence elections are known as independent expenditure-only committees, or super PACs.

“Limits on independent expenditures have a chilling effect extending well beyond the Government’s interest in preventing *quid pro quo* corruption,”<sup>2</sup> the court wrote in *Citizens United*. “We now conclude that independent expenditures, including those made by corporations, do not give rise to corruption or the appearance of corruption.”<sup>3</sup>

But reality has not comported with the court’s vision. Many of the outside groups that have availed themselves of permissions flowing from *Citizens United* cannot plausibly be deemed independent. In the 2012 elections, many groups’ absence of independence was shown by a variety of factors besides their decisions to devote their resources to aiding a single candidate or party.

Other factors, depending on the group, included the existence of close professional relationships between the groups’ principals and the candidates or parties they aided; statements by the groups indicating a mission to aid a specific candidate, party, or subset of a party; the transfer of personnel from campaigns to outside groups aiding the same campaigns; the provision of fundraising assistance by candidates, campaign officials or party leaders to outside groups serving their agendas; high-ranking party officials making themselves available to donors in exchange for large contributions to their allied outside groups; endorsements by candidates or their campaigns of outside groups aiding them; and acknowledgements by candidates or party leaders that they countenanced the establishment of unregulated groups aiding them.

The emergence of entities using unlimited contributions to aid candidates and parties with which they have close relationships threatens to gut the anticorruption policy underlying campaign finance laws, which the court claimed it did not intend to weaken.

The *Citizens United* decision left intact—and even appeared to endorsed the thrust of—the court’s precedents of upholding laws that limit direct contributions to candidates and the national parties. The court has long permitted such limits on the basis that unlimited direct contributions pose an unacceptable risk of causing corruption.

But in cases in which close relationships exist between the leaders of unregulated groups and the candidates or parties they serve, the unregulated groups essentially constitute extensions of official candidate and party committees. Unlimited contributions to such groups are tantamount to direct contributions, thereby evading contribution limit laws.

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<sup>2</sup> *Id.*, at 908.

<sup>3</sup> *Id.*, at 909.



### Synopsis of Activities by Single-Candidate Groups

Nearly half (49.3 percent) of the unregulated outside groups operating in the 2012 elections devoted themselves entirely or virtually entirely to aiding a single candidate.<sup>4</sup> Single-candidate groups accounted for more than one-third (36.5 percent) of the total dollars spent by unregulated groups. Beyond their spending decisions, many single-candidate groups were founded, funded or managed by friends, family members, or recent campaign aides of the candidate they supported.

Contributions to these groups are akin to direct contributions to the candidates they aided. Section V of this report provides profiles of several of these groups.

### Synopsis of Activities by Party-Allied Groups

Ten groups that were unambiguously allied and intertwined with one of the major parties accounted for 29 percent of total spending by unregulated groups. These groups did not spend any money supporting a candidate from the “other” party.<sup>5</sup> Most of these groups explicitly expressed a goal of electing Democrats or Republicans (and sometimes only Democrats or Republicans running for a certain house of Congress). Further, nearly all of these groups were led by individuals who recently held important positions in the national Democratic or Republican hierarchies or who recently worked for elected officials who hold leadership posts in the House or Senate.

Contributions to these entities closely parallel “soft money,” the unlimited contributions to that national parties that Congress banned, with the Supreme Court’s subsequent assent, in 2002.<sup>6</sup> Section VII of this report includes profiles of these new soft money groups.

### Nearly 75 Percent of Super PACs’ Spending Was by Single-Candidate or Party-Allied Groups

Super PACs, which arose in the wake of the *Citizens United* decision, are permitted to accept unlimited contributions and spend unlimited sums to influence elections.<sup>7</sup> Analysis of their activities is particularly important because these are the committees arising from *Citizens United* that expressly exist to influence elections. More than half (56.4 percent) of the super PACs operating in 2012 were either devoted to a single candidate or closely allied with a

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<sup>4</sup> Seven groups categorized here as serving a single candidate devoted up to 1 percent of their spending on an additional race or races. The rest concentrated their spending entirely on a single race.

<sup>5</sup> A Republican group, YG Action Fund, reported spending \$22,100 in support of Rep. Mark Critz (D-Pa.), but this filing was almost certainly in error. The group reported spending \$239,000 for messages opposing Critz that were disseminated on the same day as the reported pro-Critz expenditure. YG Action Fund and its affiliated YG Network Inc. cumulatively reported spending \$958,505 opposing Critz. See Sunlight Foundation, *Critz, Mark D.* (viewed on Dec. 5, 2012), <http://bit.ly/TFR0hB> and Sunlight Foundation, *YG Action Fund* (viewed on Dec. 5, 2012), <http://bit.ly/YPg1Ka>.

<sup>6</sup> See *McConnell v. FEC*, 540 U.S. 93, <http://1.usa.gov/WKx9Ph>.

<sup>7</sup> Super PACs are a type of political committee that was permitted by the *Citizens United* decision and a subsequent 2010 decision by the U.S. Court of Appeals for the District of Columbia that was based on the *Citizens United* precedent. See *Speechnow.org v. FEC* 599 F.3d 686 (D.C. Cir. 2010).

national party. These single-candidate and party-allied super PACs accounted for nearly three-quarters (74.4 percent) of all dollars spent by super PACs in 2012. [See Figure 3]

**Figure 3: Electioneering Spending by Super PACs (2012 Election Cycle)**

Description of Super PAC	Number of Super PACs Spending Over \$100,000	Pct. of Super PACs	Amount Spent	Pct. of Money Spent
Dedicated to a single candidate	75	52.4%	\$288,472,195	45.1%
Determined by Public Citizen to be allied with a national party	6	4.2%	\$187,581,876	29.3%
<b>Subtotal: Single candidate or party allied</b>	<b>81</b>	<b>56.6%</b>	<b>\$476,054,071</b>	<b>74.4%</b>
Aided multiple candidates and not designated as party allied	62	43.4%	\$163,946,537	25.6%
<b>Total</b>	<b>143</b>	<b>100.0%</b>	<b>\$640,000,608</b>	<b>100.0%</b>

Source: Public Citizen analysis of data provided by the Center for Responsive Politics ([www.opensecrets.org](http://www.opensecrets.org)).

### **Nearly Half of Non-Super PACs Were Single-Candidate or Party-Allied Groups**

The share of outside groups that were devoted to single candidates or allied with a party was not as great for non-super PACs as for super PACs. This would be expected because more than 98 percent of outside spending by non-super PACs was by organizations that operate under section 501(c) of the tax code, which is reserved for social welfare groups, unions and business trade associations. Such organizations are prohibited from devoting the majority of their efforts to influencing elections.<sup>8</sup> Therefore, one would assume that they would be less likely to show overt loyalty to a single candidate or party.

Nonetheless, nearly half (48.8 percent) of the non-super PACs involved in the 2012 elections either devoted themselves to aiding a single candidate or were clearly allied with one the major parties. Non-super PACs that were devoted to a single-candidate or were party-allied accounted for 48.3 percent of all election spending by non-super PACs. [See Figure 4]

<sup>8</sup> See, e.g., Internal Revenue Service, Tax Exempt Organizations (last reviewed Aug. 8, 2012) (viewed on Dec. 17, 2012), <http://1.usa.gov/T4jpgB>. Although not the subject of this report, there is an abundance of evidence that many 501(c) entities have involved themselves in election spending to a degree that violates the terms of their tax exempt status.

**Figure 4: Electioneering Spending by Unregulated Groups Besides Super PACs  
(2012 Election Cycle)**

Description of Group	Number of Non-Super PACs Spending Over \$100,000	Pct. of Non-Super PACs	Amount Spent	Pct. of Money Spent
Dedicated to a single candidate	37	44.0%	\$65,214,430	19.9%
Determined by Public Citizen to be allied with a national party	4	4.8%	\$92,984,657	28.4%
<b>Subtotal: Single candidate or party allied</b>	<b>41</b>	<b>48.8%</b>	<b>\$158,199,087</b>	<b>48.3%</b>
Aided multiple candidates and not designated as party allied	43	51.2%	\$169,635,664	51.7%
<b>Total</b>	<b>84</b>	<b>100.0%</b>	<b>\$327,834,751</b>	<b>100.0%</b>

Source: Public Citizen analysis of data provided by the Center for Responsive Politics ([www.opensecrets.org](http://www.opensecrets.org)).

## II. The Supreme Court Continues to Endorse Laws Limiting the Size of Contributions to Candidates

Since 1976, the Supreme Court has held that placing limits on campaign contributions is constitutionally acceptable on the basis that unregulated contributions threaten to cause corruption and undermine the integrity of our democratic system.

“To the extent that large contributions are given to secure a political *quid pro quo* from current and potential office holders, the integrity of our system of representative democracy is undermined,” the court wrote in *Buckley v. Valeo* (1976), which upheld contribution limits that Congress imposed in the wake of the Watergate scandal.<sup>9</sup> “Although the scope of such pernicious practices [from large contributions] can never be reliably ascertained, the deeply disturbing examples surfacing after the 1972 election demonstrate that the problem is not an illusory one.”<sup>10</sup>

The *Citizens United* court appeared to endorse the thrust of the court’s 1976 conclusion. “If elected officials succumb to improper influences from independent expenditures; if they surrender their best judgment; and if they put expediency before principle, then surely there is cause for concern,” the court wrote in *Citizens United*.<sup>11</sup> “We must give weight to attempts by Congress to seek to dispel either the appearance or the reality of these influences.”<sup>12</sup>

Thus, the *Citizens United* court did not conclude that the threat of corruption was an invalid justification for restricting the size of contributions in general. It simply found that independent expenditures, specifically, do not pose a sufficient risk of engendering corruption to warrant regulating them.

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<sup>9</sup> *Buckley v. Valeo*, 424 U.S. 1, at 26-27 (1976).

<sup>10</sup> *Id.*

<sup>11</sup> *Citizens United*, *supra* note 1, at 911.

<sup>12</sup> *Id.*

### III. The Supreme Court's Logic in Lifting Regulations Covering 'Independent Expenditures' Relied on an Assumption That Such Expenditures Would Truly be Independent

Statements concerning "independent expenditures," whether by the Supreme Court or others, can be ambiguous because the phrase is both a legal term<sup>13</sup> and a common sense expression based on the words' meanings in English. Although the legal definition is intended to ensure that actual practices bear some resemblance to the common sense definition, there are limitations in the ability of laws to bring about desired results. There is a possibility (as was shown in the 2012 elections) for expenditures that are legally categorized as "independent" to be other than independent in practice.

The disparity in these interpretations leaves open a slight possibility that the court in *Citizens United* was referring only to the legal definition in its determination that independent expenditures do not pose a risk of causing corruption. Under this reading, the court would have found spending in 2012 by entities that clearly were not independent of candidates or parties to be benign so long as the spending met the legal criteria for "independent expenditures."

But the weight of evidence strongly suggests that the court did not take this view. Instead, the court almost certainly believed that the new independent expenditures it permitted in *Citizens United* would truly be independent, not just as a matter of law.

The *Citizens United* decision relied on language in the court's 1976 *Buckley* decision (which struck down restrictions on the amounts that independent expenditure groups could spend, but not on the size of contributions they could receive) to characterize the nature of independent expenditures.<sup>14</sup> Quoting from *Buckley*, the *Citizens United* court declared that in independent expenditures, "[t]he absence of prearrangement and coordination of an expenditure with the candidate or his agent not only undermines the value of the expenditure to the candidate, but also alleviates the danger that expenditures will be given

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<sup>13</sup> An independent expenditure is legally defined as "an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate; and that is not made in concert or cooperation with or at the request or suggestion of such candidate, the candidate's authorized political committee, its agents, or a political party committee or its agents."<sup>13</sup> See 2 U.S.C. § 431(17). Legally defined independent expenditures may not be made in "coordination" with the candidate or political party they concern. The Federal Election Commission summarizes the legal definition of a coordinated expenditure as one "made in cooperation, consultation or concert with, or at the request or suggestion of, a candidate, a candidate's authorized committee or an agent or the candidate, or a political party committee or its agents." See Federal Election Commission, *Coordinated Communications and Independent Expenditures* (June 2007; updated February 2011), <http://1.usa.gov/mz0j2m>, summarizing 11 CFR 109.21, <http://1.usa.gov/WiEhy6>.

<sup>14</sup> *Buckley v. Valeo*, 424 U.S. 1, at 26-27 (1976).

as a *quid pro quo* for improper commitments from the candidate.”<sup>15</sup> This phrasing indicates that the *Citizens United* court did not expect candidates to have influence over independent expenditures or for the expenditures to be administered by individuals with close relationships to the candidates. Otherwise, the court’s belief that the value of the expenditures would be undermined would not apply would not make sense.

An additional sentence in the *Buckley* decision reinforces this conclusion. The *Buckley* decision includes an understanding that independent expenditures are made “*totally independently* of the candidate and his campaign” [emphasis added] such that they “may well provide little assistance to the candidate’s campaign, and indeed may prove counterproductive.”<sup>16</sup> These words reflect an ironclad understanding that candidates or their allies do not influence independent expenditures. Although the *Citizens United* court did not quote this passage, its reliance on *Buckley* to characterize the nature of independent expenditures suggests that it is fair to assume that it embedded the earlier court’s expectation of “total” independence into its calculus.

Beyond the language used to describe independent expenditures, the court must have expected the new spending it permitted to be truly independent for its decision to make logical sense. If the new spending it permitted were only “independent” as a matter of legalisms, its conclusion that such spending would not pose a risk of fomenting *quid pro quo* corruption would not be justified. The court’s conclusion relies on the existence of actual independence.

It is possible that most independent expenditures at the time of *Buckley*—and even in the years leading up to *Citizens United*—truly were independent.

Prior to *Citizens United*, most independent expenditures could only be made by individuals or by regulated political action committees, which are prohibited from accepting contributions of more than \$5,000 year and may not accept any contributions from corporations or unions. Thus, a political action committee that was set up with the intent of aiding a single candidate or party would have been subject to contribution limits similar to those covering the campaigns or parties themselves. This would have been impractical. Under the old rules, such a committee’s ability to raise substantial sums would have been frustrated by the necessity of luring massive numbers of relatively small contributions without being permitted to portray itself as being associated with the candidate.

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<sup>15</sup> *Citizens United*, *supra* note 1, quoting from *Buckley v. Valeo*, 424 U. S. 1, at 47 (1976).

<sup>16</sup> *Buckley v. Valeo*, 424 U. S. 1, at 47 See also Brief Of Amici Curiae Former Federal Election Commission Officials and Former State and Local Election And Campaign Finance Officials in Opposition to Petition for a Writ of Certiorari, at 25-26, *American Tradition Partnership Inc., et al. v. Bullock*, in the Supreme Court of the United States, at 5-6 (May 2012), <http://bit.ly/QFTuta>. [Hereinafter *Amicus Brief*]

Most independent expenditure groups prior to *Citizens United* likely were PACs affiliated with ideological, business or labor entities. They likely chose which candidates to aid based on their policy objectives, not because of personal connections. As such, they would have been far less likely to devote themselves solely to helping a single candidate or to serving a party's agenda.

This conclusion is buttressed by an examination of the activities of the relatively few independent expenditure groups that have continued to operate as regulated political action committees, subject to contribution limits. Of 37 regulated PACs that spent more than \$100,000 on independent expenditures in the 2012 elections, only 7 devoted themselves to a single candidate.<sup>17</sup> This 18.9 percent ratio for regulated PACs is dwarfed by the 49.3 percent of unregulated groups that were devoted to a single candidate. Of regulated PACs that worked only on congressional races, only 3 out of 16 (18.6 percent) were devoted to a single candidate, in contrast to 52.8 percent of unregulated groups.<sup>18</sup> [See Figure 5] This disparity stands to reason. Groups that derive their funds from a broader base are more likely to spend their resources on a slate of candidates who comport with their objectives rather than focusing their efforts on a single candidate.

**Figure 5: Single Versus Multi-Candidate Focus of Regulated PACs (2012 Election Cycle)**

Description of Group	Number of PACs Devoted Solely to Congressional Contests	Number of PACs Devoted Solely to the Presidential Race	Number of PACs Devoted to Both Presidential and Congressional Races	Total
Dedicated to a single candidate*	3	4	0	7
Dedicated to Multiple Candidates	13	1	16	30
<b>Total</b>	<b>16</b>	<b>5</b>	<b>16</b>	<b>37</b>

Source: Public Citizen Analysis of data provided by the Center for Responsive Politics ([www.opensecrets.org](http://www.opensecrets.org))

\* One PAC spent less than 1 percent of its money on a second contest. In keeping with the methodology employed in this report, it is categorized as a single-candidate PAC.

<sup>17</sup> Public Citizen analysis of data provided by the Center for Responsive Politics ([www.opensecrets.org](http://www.opensecrets.org)), (viewed on Jan. 2, 2013).

<sup>18</sup> *Id.*

The comparison of behaviors by unregulated groups and regulated PACs in 2012 suggests that the ability to accept unlimited contributions that emerged as a result of *Citizens United* created new incentives to evade rules against coordination. In essence, the decision had the effect of invalidating assumptions that were based on past independent expenditure practices.

Inveterate defenders of the *Citizens United* decision who accept that spending in 2012 conflicted with the court's vision might attempt to shift blame to inadequate rules to police coordination. James Bopp, a campaign finance lawyer who advised the plaintiff in the *Citizens United* case, suggested such an argument during a debate in November 2012. "If [independence] is your complaint, it has nothing to do with super PACs, it has to do with the coordinated spending regulations that have applied for decades, so talk about those," Bopp said.<sup>19</sup>

Indeed, the 2012 elections exposed numerous areas in which coordination rules are far too porous. The Federal Election Commission's decision to permit candidates to raise money for super PACs, referred to in Section VI of this report, is a glaring example.

But better coordination rules cannot reasonably be expected to ensure that outside groups will truly act independently. The field of campaign finance has long been a breeding ground for methods to comply with the letter of laws while trampling on their intent. A topic as subtle as coordination would likely prove no match for creative campaign finance lawyers.

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<sup>19</sup> *Campaign Finance and the Citizens United Decision*, American University, Washington College of Law, starting at 22:30 (Nov. 14, 2012), <http://bit.ly/TKOwgV> (video) and <http://bit.ly/Z0SBCW> (announcement). It is doubtful that Bopp would support coordination rules aimed at ensuring actual independence. In June 2012, Bopp said he was "thrilled" about a Federal Election Commission decision that permitted candidates to raise money for super PACs as long as they refrained from asking for more than \$5,000. The limitation on solicitations was "meaningless," Bopp said, because "candidates will be able to endorse [outside groups] and ask donors to contribute to them." See Brody Mullins and Katie Glueck, *FEC Lets Candidates Solicit Funds for Outside Groups*, THE WALL STREET JOURNAL (June 30, 2011), <http://on.wsj.com/leLpS3>. Any super PAC and candidate acting on the permissions Bopp celebrated could not reasonably be deemed independent of one another.



## IV. The Phenomenon of Unregulated Groups Serving Single Candidates Disproves the Supreme Court's Assumption of Independence and Undermines Campaign Contributions Limits

Legally, outside groups differ from official campaign committees because outside groups are not permitted to coordinate their activities with candidates.<sup>20</sup> But the 2012 elections showed that such rules do not necessarily mean much in the real world. Even if they did not cross legal lines of coordination, nearly half of all ostensibly outside groups active in the 2012 elections spent their resources to aid just one candidate, and many of these groups were operated by people with close ties to the candidate.

These facts lead to a conclusion that many unregulated outside groups active in the 2012 election cycle were essentially extensions of candidates' official campaign committees. Contributions to these groups were tantamount to contributions to the candidates they aided.

### Spending Practices Point to Ties Between Groups and Candidates

The percentage of single-candidate groups in the 2012 cycle might have been somewhat inflated because 2012 was a presidential cycle. A group that solely sought to influence the presidential election (especially at the general election stage of the campaign) could be expected to devote its resources to assisting just one candidate. But dedication to singlecandidates also was common among those groups that were involved solely in congressional contests. More than half (52.8 percent) of groups that worked only on congressional contests made expenditures in just one race. [See Figure 6]

**Figure 6: Single v. Multi-Candidate Focus of Groups According to Types of Races Groups They Sought to Influence (2012 Election Cycle)**

Type of Races Groups Sought to Influence	Number of Groups with Single-Candidate Focus	Number of Groups with Multi-Candidate Focus
<b>Worked Solely on Congressional Races</b> (108 groups total)	57 groups (52.8% of solely congressional groups)	51 groups (47.2% of solely congressional groups)
<b>Worked Solely on Presidential Race</b> (56 groups total)	55 groups (98.1% of solely presidential groups)	1 group (1.8% of solely presidential groups))
<b>Worked on Both Congressional and Presidential Races</b> (63 groups total)	0 groups (0% of congressional and presidential groups)	63 groups (100% of congressional and presidential groups)
<b>Total</b>	112 groups (49.3% of all groups)	115 groups (50.7% of all groups)

Source: Public Citizen analysis of data provided by the Center for Responsive Politics ([www.opensecrets.org](http://www.opensecrets.org)).

<sup>20</sup> See Section II of this report for elaboration.

### **The Backgrounds of Many Groups' Principals Reinforce the Conclusion That They Did Not Operate Independently**

A group that devoted all of its resources to aiding a single candidate could conceivably have truly acted independently. It is plausible that some groups that spent on behalf of only one candidate sprang up without the candidate's prior knowledge, had no previous connection to the candidate's campaign and had no interaction with the candidate or the candidate's staff during the election season. (Conversely, many groups that aided more than one candidate likely could not pass a common sense test of independence, although they are not covered in this report.<sup>21</sup>) Still, a group's practice of aiding just one candidate should raise suspicions that it was not truly independent.

Ample additional evidence confirms that many single-candidate groups that were active in the 2012 elections were not plausibly independent, as most people would define the word. All of the major presidential candidates, for example, were assisted by a quasi-official super PACs that were devoted exclusively to furthering their candidacies. Most of the marquee super PACs for the presidential candidates were operated by the candidates' political allies, who were typically former staffers. Some presidential campaigns, including those of President Obama and Republican presidential nominee Mitt Romney, endorsed and raised money for the super PACs supporting them. Many single-candidate groups that operated solely in congressional races also had demonstrably close relationships with their candidate. For instance, many were run by former campaign aides of the candidate they assisted.

### **Spending by Unregulated Groups Serving Single Candidates Undermines Laws Limiting Campaign Contributions**

It stands to reason that contributions to groups that are devoted to a single candidate (and especially those managed by people with close relationships to the candidate) are virtually equivalent to contributions made directly to the candidate. And because some donors in 2012 made massive contributions to single-candidate groups (in one case \$30 million from

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<sup>21</sup> For instance, Republican congressional candidate Shmuley Boteach (R-N.J.) referred to Patriot Prosperity PAC as "my super PAC" and praised casino magnate Sheldon Adelson and his wife as "heroes of our community." The Adelsons gave \$500,000 to the committee. Boteach said he had no involvement with the super PAC, as it was "set up by the professionals who run my campaign." Although Patriot Prosperity PAC spent \$918,789 assisting Boteach and Boteach acknowledged that the committee was established by his campaign employees, it is not categorized in this analysis as a candidate-specific super PAC because it also spent \$478,745 aiding a separate candidate. See Web site of Center for Responsive Politics (viewed on Nov. 27, 2012), <http://bit.ly/UGT1Kk> and Michael Isikoff, *GOP Rabbi Calls Adelsons 'Heroes to Our Community' After Getting \$500,000 for Super PAC*, NBC POLITICS (Aug. 30, 2012), <http://nbcnews.to/PALnj8>.

a single family),<sup>22</sup> their contributions closely paralleled those that the Supreme Court has long recognized as posing a risk of engendering *quid pro quo* corruption.

U.S. Court of Appeals Judge Richard Posner, widely regarded as a conservative jurist, appears to share this view. It “is difficult to see what practical difference there is between super PAC donations and direct campaign donations, from a corruption standpoint,” Posner wrote in April 2012. “A super PAC is a valuable weapon for a campaign... ; the donors to it are known; and it is unclear why they should expect less *quid pro quo* from their favored candidate if he’s successful than a direct donor to the candidate’s campaign would be.”<sup>23</sup>

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<sup>22</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>23</sup> Richard Posner, *Unlimited Campaign Spending—A Good Thing?* THE BECKER-POSNER BLOG (April 8, 2012), <http://bit.ly/S1c8xU>, as quoted in *Amicus Brief*, *supra* note 16, at 25-26.

## V. Profiles of Groups Devoted to Individual Candidates

This section provides brief profiles of groups that were devoted to individual candidates. These groups are broken into four categories. Discussed first are super PACs that were devoted to the campaigns of President Obama and Republican presidential nominee Mitt Romney. Ensuing discussions concern groups devoted to single congressional candidates. They include those founded, funded or operated by individuals with personal or political ties to the candidate they supported; those financed by major donors to the political parties; and those financed by the candidates' friends and family members.

These categories are imprecise, as some groups led by individuals with long-standing ties to a candidate may, for instance, also have received contributions from major party donors.

### Groups Devoted to Presidential Candidates

According to reports filed with the Federal Election Commission, 56 outside groups devoted their spending entirely to aiding a single presidential candidate. While it is possible that many of these groups could meet a reasonable test of independence, several high profile super PACs clearly could not because they were formed and managed by allies or former campaign aides of the candidate they assisted.

The super PACs most closely associated with President Obama and presidential candidates Mitt Romney,<sup>24</sup> Newt Gingrich,<sup>25</sup> Rick Santorum,<sup>26</sup> Rick Perry,<sup>27</sup> and Jon Huntsman,<sup>28</sup> spent \$240.1 million in the 2012 elections.<sup>29</sup> This section discusses the two that spent the most: those aiding Obama and Romney.

#### *Priorities USA Action: President Obama*

Priorities USA Action spent \$66.2 million in the 2012 election cycle, entirely for messages opposing Republican presidential nominee Mitt Romney.<sup>30</sup> The group was founded by Bill Burton and Sean Sweeney. Burton served as press secretary for Obama's 2008 campaign

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<sup>24</sup> Nicholas Confessore, *Lines Blur Between Candidates and PACs with Unlimited Cash*, THE NEW YORK TIMES (Aug. 27, 2011), <http://nyti.ms/Tyffzn>.

<sup>25</sup> Jeff Zeleny, *Staying Competitive: Gingrich Aide Joins 'Super PAC'*, THE NEW YORK TIMES (Dec. 21, 2011), <http://bit.ly/QV7Unf>.

<sup>26</sup> Nicholas Confessore and Jim Rutenberg, *PACs' Aid Allows Romney's Rivals to Extend Race*, THE NEW YORK TIMES (Jan. 13, 2012), <http://nyti.ms/zNj2g3>.

<sup>27</sup> Richard A. Oppel Jr., *As Polls Slip, Perry Gets First Bounty of 'Super PAC' Ads*, THE NEW YORK TIMES (Nov. 2, 2011), <http://nyti.ms/vkgAd4>.

<sup>28</sup> Jim Rutenberg and Nicholas Confessore, *Major Ad Blitz for Huntsman in New Hampshire, by Group Backed by His Father*, THE NEW YORK TIMES (Nov. 15, 2011), <http://nyti.ms/w364NU>.

<sup>29</sup> Public Citizen analysis of data provided by The Center for Responsive Politics (viewed on Dec. 30, 2012).

<sup>30</sup> The Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/HKM4y7>.

and as deputy press secretary in the Obama White House.<sup>31</sup> Sweeney was chief of staff to Rahm Emanuel while Emanuel served as the White House chief of staff under Obama.<sup>32</sup>

The Obama campaign signaled the president's support for Priorities USA's efforts in an e-mail sent to supporters on Feb. 6, 2012, hours after Obama blasted super PACs during a *Today Show* interview.<sup>33</sup>

"The campaign has decided to do what we can, consistent with the law, to support Priorities USA in its effort to counter the weight of the GOP super PAC[s]," Obama campaign manager Jim Messina said in the e-mail. "Senior campaign officials as well as some White House and Cabinet officials will attend and speak at Priorities USA fundraising events."<sup>34</sup>

That evening, in a conference call with top Democratic donors, Obama campaign manager Jim Messina expressed support for the Priorities USA's efforts.<sup>35</sup> Priorities USA saw its receipts soar from \$58,000 in January to \$2 million in February.<sup>36</sup>

In September 2012, Emanuel stepped down as Obama's national campaign co-chairman to raise money for Priorities USA.<sup>37</sup> "We're not going to bring a butter knife to a gun fight," Obama campaign spokeswoman Jen Psaki said of the move.<sup>38</sup>

During the course of the campaign, top Obama aide David Plouffe appeared at Priorities USA events.<sup>39</sup>

Speaking at a fundraiser for his campaign in September 2012, Obama tiptoed up to the line of soliciting money for Priorities USA, although in a jesting tone. He lamented that his opponents "have super PACs that are writing \$10 million checks and have the capacity to just bury us under the kind of advertising that we've never seen before ... If somebody here

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<sup>31</sup> *PAC Profile: Priorities USA Action*, THE CENTER FOR PUBLIC INTEGRITY (Jan. 30, 2012; updated Jan. 17, 2012), <http://bit.ly/Q8W5P2>.

<sup>32</sup> *Id.*

<sup>33</sup> *Obama Super PAC Decision: President Blesses Fundraising for Priorities USA Action*, POLITICO (Feb. 6, 2012), <http://politi.co/wKvVRM>.

<sup>34</sup> Jim Messina, *We Will Not Play by Two Sets of Rules*, BarackObama.com (blog) (Feb. 6, 2012), <http://bit.ly/yOWH1f> as quoted in *Amicus Brief*, *supra* note 16.

<sup>35</sup> *Democratic Operatives Seeking Million-Dollar Checks for Super PACs*, THE CENTER FOR PUBLIC INTEGRITY (Feb. 8, 2012), <http://bit.ly/XX1icc>.

<sup>36</sup> *PAC Profile: Priorities USA Action*, THE CENTER FOR PUBLIC INTEGRITY (Jan. 30, 2012; updated Nov. 14, 2012), <http://bit.ly/Q8W5P2>.

<sup>37</sup> Jack Gillum, *Rahm Emanuel Leaving Obama Campaign to Raise Money for Priorities USA Action*, HUFFINGTON POST (Sept. 5, 2012), <http://huff.to/Q7HnrB>.

<sup>38</sup> *Id.*

<sup>39</sup> Paul Blumenthal, *Barack Obama's Super PAC Comments at Jay-Z Fundraiser Sidle Up to Red Line*, HUFFINGTON POST (Sept. 19, 2012), <http://huff.to/RtV98k>.

has a \$10 million check—(laughter)—I can't solicit it from you, but feel free to use it wisely."<sup>40</sup>

Top donors to Priorities USA were hedge fund managers James Simons (\$5 million) and Chicago media entrepreneur Fred Eychaner (\$4 million).<sup>41</sup>

*Restore Our Future: Mitt Romney*

Restore Our Future spent \$142.7 million, solely to pay for messages supporting Romney or opposing his rivals. The group was co-founded by Carl Forti, who served as political director of Romney's 2008 presidential campaign.<sup>42</sup> Forti also served as the political director of American Crossroads and as advocacy director for Crossroads GPS during the 2012 elections.<sup>43</sup> The Crossroads groups spent \$113.5 million in messages to aid Romney.<sup>44</sup>

Restore Our Future's treasurer was Charles Spies, who was chief financial officer and counsel for Romney's 2008 presidential campaign. Spies' wife, Lisa, ran "PAC fundraising and Jewish outreach for the [2012] Romney campaign," the Center for Public Integrity reported.<sup>45</sup>

The group was clear in its mission of supporting Romney. "While there are multiple other groups doing important work to assist Republicans up and down the ticket, ROF is the only group dedicated solely to electing Mitt Romney, and targeting every dollar that we raise towards supporting him," Spies said in May 2012.<sup>46</sup>

A fundraiser for the Restore Our Future was Steve Roche, who served as the top fundraiser both for the 2008 Romney campaign and through August of 2011 for the 2012 Romney campaign. Other personnel included Larry McCarthy, who developed ads for Romney's 2008 campaign.<sup>47</sup>

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<sup>40</sup> President Obama, *Remarks at the Waldorf Astoria*, White House Transcript (Sept. 18, 2012), <http://1.usa.gov/PSVvn0>.

<sup>41</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>42</sup> Andy Kroll, *Mitt Romney's \$12 Million Mystery Man*, MOTHER JONES (January-February 2012) <http://bit.ly/zLZNjc>.

<sup>43</sup> *Id.*

<sup>44</sup> Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/QWBC0H>.

<sup>45</sup> Peter H. Stone, *Loophole Lets Big Political Donors Wear Multiple Fundraising Hats*, THE CENTER FOR PUBLIC INTEGRITY (Aug. 9, 2011), <http://bit.ly/NLfOTj>.

<sup>46</sup> Mike Allen and Jim VandeHei, *GOP Groups Plan Record \$1 Billion Blitz*, POLITICO (May 30, 2012), <http://bit.ly/LedsqA>.

<sup>47</sup> *PAC Profile, Restore Our Future*, THE CENTER FOR PUBLIC INTEGRITY (Jan. 30, 2012; revised Nov. 14, 2012), <http://bit.ly/VxczRh> and Nicholas Confessore, *At Convention, Lines Blur for Party and 'Super PACs'*, THE NEW YORK TIMES (Aug. 30, 2012), <http://nyti.ms/PU1hlF>.

Romney attended several Restore Our Future fundraisers.<sup>48</sup> In at least one instance, Romney characterized a contribution to Restore Our Future as being “to me.”<sup>49</sup>

In a January 2012 debate in South Carolina, Romney referred to Restore Our Future as his own committee: “I haven’t spoken to any of the people involved in my super PAC in months,” Romney said.<sup>50</sup>

Restore Our Future and the Romney campaign used the same company, Tiger Point Consulting, for direct mail work.<sup>51</sup> Alexander Gage, the founder of Tiger Point Consulting, conceded that his firm’s performance of service for the two purportedly independent entities looked “ridiculous.”<sup>52</sup> Gage said his firm had constructed a fire wall between employees working on the two accounts to avoid violating coordination laws.<sup>53</sup>

Gage’s wife, Katie Packer Gage, was a senior strategist for Romney’s 2008 campaign.<sup>54</sup> Katie Packer Gage also is the co-founder of WWP Strategies, a consulting firm that operates from the same offices as Tiger Point Consulting and received \$335,000 from the Romney campaign through February 2012.<sup>55</sup>

Restore Our Future received \$30 million from casino magnate Sheldon Adelson and his wife and \$9 million from Texas developer Bob Perry.<sup>56</sup>

### **Groups Run by Friends or Political Allies of Congressional Candidates**

#### *Connecticut’s Future PAC: Christopher Murphy (D-Ct.)*

Connecticut’s Future PAC was formed in July 2012 to assist Rep. Christopher Murphy (D-Ct.) in his race against Republican Linda McMahon to represent Connecticut in the U.S. Senate.<sup>57</sup> The group eventually spent \$495,734 for messages supporting Murphy, who ended up winning the election.<sup>58</sup>

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<sup>48</sup> *Id.*

<sup>49</sup> *Romney \$1 Million Mystery Corporate Donation* (You Tube video, uploaded Aug. 25, 2011), <http://bit.ly/UmQvWC> as quoted in *Amicus Brief*, *supra* note 16\_, at 20.

<sup>50</sup> *Fox News Channel & Wall Street Journal Debate in South Carolina*, FOX NEWS (Jan. 17, 2012), <http://bit.ly/zmi70V>.

<sup>51</sup> Mike McIntire and Michael Luo, *Fine Line Between ‘Super PACs’ and Campaigns*, THE NEW YORK TIMES (Feb. 25, 2012), <http://nyti.ms/XjNbRz>.

<sup>52</sup> *Id.*

<sup>53</sup> *Id.*

<sup>54</sup> *Id.*

<sup>55</sup> *Id.*

<sup>56</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2012), [www.sunlightfoundation.com](http://www.sunlightfoundation.com). (Itemized reports of Perry’s contributions add up to \$10 million but the most recent contribution record indicates that Perry’s total contributions at that time equaled \$9 million.)

<sup>57</sup> Susan Haigh, *Pro-Murphy Super PAC Created in Conn. Senate Race*, ASSOCIATED PRESS (July 16, 2012), <http://bo.st/1079hrV>.

<sup>58</sup> Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/13zKNr2>.



The chairman of Connecticut's Future PAC was Chris VanDeHoef, a state lobbyist who was a groomsman in Murphy's wedding.<sup>59</sup> Other principals in the group included Kevin Graff, who had previously served as chief of staff to the Democratic caucus in the Connecticut Senate, as Joseph Taborsak, a Democratic representative in the Connecticut General Assembly.<sup>60</sup>

*The Committee to Elect an Effective Valley Congressman: Howard Berman (D-Calif.)*

The Committee to Elect an Effective Valley Congressman, a super PAC, spent \$1.3 million to aid Berman against Sherman.<sup>61</sup> The super PAC was created by Berman's friend Marc Nathanson, who contributed \$100,000 to it.<sup>62</sup> Nathanson also contributed \$5,000 to Berman's campaign committee.<sup>63</sup>

"Howard and I have been friends for 30 years," Nathanson said. "It's a friendship beyond what I call political friendships—it's a personal relationship. When it was clear he needed help, I figured out a way to do that."<sup>64</sup>

The super PAC and Berman's campaign committee used the same consultant, Jerry Seedborg.<sup>65</sup> The *Los Angeles Times* reported that Seedborg has a long association with Berman's brother and campaign overseer, Michael, and with Carl D'Agostino, Michael Berman's business partner.<sup>66</sup>

*Freedom Fund for America's Future: Steve Welch (R-Pa.)*

Freedom Fund for America's Future reported spending \$175,145 in opposition to Tom Smith in Pennsylvania's Republican Senate primary.<sup>67</sup> Its efforts were apparently aimed at aiding Steve Welch, who enjoyed the endorsement of Pennsylvania Gov. Top Corbett (R).<sup>68</sup> The super PAC failed in its effort to derail Smith, but did succeed in masking the source of most of its contributions.

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<sup>59</sup> Neil Vigdor, *Pac-Man*, CT POLITICS (Oct. 15, 2012), <http://bit.ly/13zL9ho>.

<sup>60</sup> Susan Haigh *Pro-Murphy Super PAC Created in Conn. Senate Race*, ASSOCIATED PRESS (July 16, 2012), <http://bo.st/1079hrV> and Graff Public Solutions LLC, *About Us* (viewed on Jan. 15, 2013), <http://bit.ly/11xjKNM>.

<sup>61</sup> Web site of the Center for Responsive Politics (viewed on Jan. 3, 2013), <http://bit.ly/TtLjOT>.

<sup>62</sup> Dan Eggen, *Friends and Family Plan: Super PACs Often Personal Campaign Fundraising Affairs*, THE WASHINGTON POST (June 10, 2012) and Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>63</sup> The Center for Responsive Politics, Donor Lookup, [www.opensecrets.org/indivs/index.php](http://www.opensecrets.org/indivs/index.php).

<sup>64</sup> Dan Eggen, *Friends and Family Plan: Super PACs Often Personal Campaign Fundraising Affairs*, THE WASHINGTON POST (June 10, 2012).

<sup>65</sup> Jean Merl, *Sherman Campaign Seeks Review of Hire by Rival Berman's 'Super PAC'*, LOS ANGELES TIMES (May 7, 2012), <http://lat.ms/QqdtMt>.

<sup>66</sup> *Id.*

<sup>67</sup> Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/I2DgFz>.

<sup>68</sup> *Gov. Corbett Endorses Pa. Sen. Candidate Welch*, THE MORNING CALL (Jan. 21, 2012), <http://bit.ly/V7idMT>.



At the time of the primary election, the super PAC had only been required to disclose \$5,000 in contributions because of widely spaced reporting deadlines.<sup>69</sup> When the committee finally disclosed the bulk of its contributions, it reported that 92 percent of its money came from Fight for the Dream, another super PAC. But, up to that point, Fight for the Dream had disclosed little information except that it operated out of a UPS mailbox registered to a man named Wayne Woodman. Woodman was the former finance co-chairman of Steve Welch, one of the main contenders in the GOP primary.<sup>70</sup> Woodman also contributed \$2,500 to Welch's campaign committee.<sup>71</sup>

Fight for the Dream was required to disclose the sources of its contributions in a report that was due in July 2012. But that report either was not filed or, a representative of the group suggested, failed to appear on the Federal Election Commission's Web site due to an error.<sup>72</sup> After Center for Responsive Politics' blogger Dan Glaun inquired to the group, its report was posted to the FEC's Web site. But the newly posted report merely revealed that most of Fight for the Dream's money came from another group, called Restore the Dream, which shared a mailbox with Fight for the Dream. Restore the Dream is a 501(c)(4) organization and keeps its donors secret, thereby stifling any ability for the public to learn the root source of most of Freedom Funds' money.<sup>73</sup>

Asked if the 501(c)-to-super PAC-to-super PAC transfer scheme was intended to evade disclosure, Fight for the Dream's lawyer told CRP's Glaun: "This was set up within federal election laws ... I would disagree that there's anything to question about transfers between super PACs. In fact, the Democrats are coordinating between their super PACs."<sup>74</sup>

Two Freedom Fund officials said the super PAC would continue to engage in political races after the Pennsylvania primary. But it made no further expenditures in the 2012 elections.<sup>75</sup>

*Congressional Elections PAC and Citizens 4 Ethics in Government: Lou Ann Zelenik (R-Tenn.)*

Congressional Elections PAC devoted all of its spending (\$127,300) to opposing Rep. Diane Black (R-Tenn.) in her primary against Lou Ann Zelenik, whom Black had defeated by fewer

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<sup>69</sup> Dan Glaun, *Stealthy Super PACs Influenced Primaries Without Disclosing Donors*, OPEN SECRETS BLOG (July 2, 2012), <http://bit.ly/NWiDfg>.

<sup>70</sup> Dan Glaun, *Mystery Super PAC and Nonprofit Network Spent Big in PA Senate Race*, OPEN SECRETS BLOG (July 18, 2012), <http://bit.ly/PiSICH> and Sean Sullivan, *Tom Smith Sporting Double-Digit Lead in Own Poll*, THE HOTLINE (April 18, 2012), <http://bit.ly/IQPMfF>.

<sup>71</sup> The Center for Responsive Politics, Donor Lookup, [www.opensecrets.org/indiivs/index.php](http://www.opensecrets.org/indiivs/index.php).

<sup>72</sup> Dan Glaun, *Mystery Super PAC and Nonprofit Network Spent Big in PA Senate Race*, OPEN SECRETS BLOG (July 18, 2012), <http://bit.ly/PiSICH>.

<sup>73</sup> *Id.*

<sup>74</sup> *Id.*

<sup>75</sup> Web site of the Center for Responsive Politics (viewed on Nov. 27, 2012), <http://bit.ly/I2DgFz>.

than 400 votes in 2010.<sup>76</sup> The group received \$51,000 from Andrew Miller, who had served as finance chair of Zelenik's campaign earlier in the year. Miller also had previously worked with Zelenik on the Tennessee Freedom Coalition, an issue-advocacy group.<sup>77</sup> The group also received \$130,000 from the Campaign for Primary Accountability. The Campaign for Primary Accountability, in turn, received \$60,000 from Miller. Miller also gave the maximum \$2,500 to Zelenik's campaign committee.<sup>78</sup>

A separate group, Citizens 4 Ethics in Government, devoted all of its primary season spending (\$196,815) opposing Black. Citizens 4 Ethics in Government received \$180,100 from Miller during the primary season.<sup>79</sup> Black won the August primary by about a two-to-one margin over Zelenik.<sup>80</sup>

(Note: Citizens 4 Ethics in government is not categorized as a single-candidate group in this report's quantitative analysis because it spent \$10,000 to influence a separate contest late in the general election campaign. However, its efforts during the primary support the thesis of this report that many single-candidate groups essentially acted as unregulated campaign committees for the candidate in question.)

*Conservatives Acting Together: Michael Williams (R-Texas)*

Conservatives Acting Together reported spending \$172,720 to support Michael Williams in the Republican primary for Texas's 25th congressional district seat but had not disclosed the sources of its money when the primary election was held.<sup>81</sup>

More than a month after the election, the super PAC revealed that two-thirds of its money came from one individual, Richard Collins, a Dallas businessman and former finance chairman for Williams' campaign.<sup>82</sup> Collins also contributed \$5,000 to Williams' campaign committee.<sup>83</sup>

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<sup>76</sup> Lucas L. Johnson II, *Black, Zelenik Battle for 6th District Again*, ASSOCIATED PRESS (July 29, 2012) and Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/Qnl6Uy> (link to Citizens for Ethics in Government) and <http://bit.ly/SZ36RY> (link to Congressional Elections PAC).

<sup>77</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>78</sup> The Center for Responsive Politics, Donor Lookup, [www.opensecrets.org/indivs/index.php](http://www.opensecrets.org/indivs/index.php).

<sup>79</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2012), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>80</sup> Diane Black, *Bob Corker Win*, TENNESSEAN (Aug. 2, 2012).

<sup>81</sup> Dan Glaun, *Stealthy Super PACs Influenced Primaries Without Disclosing Donors*, OPEN SECRETS BLOG (July 2, 2012), <http://bit.ly/NWiDfg> and Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>82</sup> Dan Glaun, *Sunlight for Stealth PACs: Late-Disclosing Groups Report Donors*, OPEN SECRETS BLOG (July 17, 2012), <http://bit.ly/MAclB6>.

<sup>83</sup> The Center for Responsive Politics, Donor Lookup, [www.opensecrets.org/indivs/index.php](http://www.opensecrets.org/indivs/index.php).

*Indiana Values: Richard Lugar (R-Ind.)*

Indiana Values reported spending \$459,606 to aid Sen. Richard Lugar (R-Ind.) in his unsuccessful effort to repel a primary challenge from Richard Mourdock.<sup>84</sup> Longtime Lugar aides Chip Andreae and Andrew Klingenstein helped found and operate Indiana Values, according to news reports.<sup>85</sup> Additionally, Andreae gave \$500 to Lugar's campaign committee.<sup>86</sup> Klingenstein gave \$25,395 to Indiana Values.<sup>87</sup>

The largest contributions reported by Indiana Values (totaling \$137,000) were from Indiana Values Inc.,<sup>88</sup> which the Center for Responsive Politics concluded was likely a non-disclosing 501(c)(4) organization.<sup>89</sup> Indiana Values' address is on K Street in Washington, D.C.<sup>90</sup>

**Groups Funded by Party Mega-Donors That Aided Single Congressional Candidates***Conservative Renewal and Texas Conservatives Fund: David Dewhurst (R-Texas)*

Conservative Renewal and Texas Conservatives Fund, both super PACs, reported spending \$6.8 million combined to further the prospects of Republican Texas Lt. Gov. David Dewhurst, who unsuccessfully sought his party's nomination for the U.S. Senate.<sup>91</sup> Dewhurst's former chief of staff, Rob Johnson, served as the executive director of the Texas Conservatives Fund, which spent \$5.9 million.<sup>92</sup>

The Texas Conservative Fund received \$1.1 million from Harold Simmons, sometimes described as a nuclear waste management entrepreneur,<sup>93</sup> and \$500,000 from Texas

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<sup>84</sup> Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/RAbgfX>.

<sup>85</sup> Luke Rosiak, *Voters Vs. Cash: Races Could Be Turned by Out-Of-State Money Ad Surges Give Warped Reflection of True Support*, WASHINGTON TIMES (Aug. 9, 2012) and Kate Ackley, *Lugar Leaves Behind 'Kitchen Cabinet' on K Street Serving the Longtime Senator Has Made Careers for Many Lobbyists Who Call Experience*, ROLL CALL (May 9, 2012).

<sup>86</sup> The Center for Responsive Politics, Donor Lookup, [www.opensecrets.org/indivs/index.php](http://www.opensecrets.org/indivs/index.php).

<sup>87</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>88</sup> *Id.*

<sup>89</sup> *New FEC Filings Show Super PAC Strength Can Be Relative, and Pro-Lugar Super PAC Takes Shadow Money*, OPENSECRETS BLOG (July 17, 2012).

<sup>90</sup> *Id.*

<sup>91</sup> Web site of the Center for Responsive Politics (viewed on Jan. 3, 2013), <http://bit.ly/WwylzB> (link to Texas Conservatives Fund) and <http://bit.ly/TtMoWX> (link to Conservative Renewal).

<sup>92</sup> David Tonyan, *Dewhurst No. 1 in Single-Candidate Super PAC Donations*, TEXAS TRIBUNE (Oct. 25, 2012), <http://bit.ly/XpszWp>.

<sup>93</sup> Robert T. Garrett, *Third-Party Groups Ramp Up Spending in U.S. Senate Race*, DALLAS MORNING NEWS (May 20, 2012), <http://dallasne.ws/K2afv5>.

developer Bob Perry.<sup>94</sup> Conservative Renewal received \$500,000 from Simmons and \$250,000 from casino mogul Sheldon Adelson.<sup>95</sup>

Simmons and his wife gave \$26.9 million to Republican super PACs in the 2012 election cycle; Perry gave \$23.5 million; and Adelson and his wife gave \$92.8 million. (Figures reflect reported contributions only.<sup>96</sup> (These figures do not include possible contributions to 501(c) groups that engaged in electioneering activities.) Perry and Simmons both gave \$5,000 to Dewhurst's campaign committee.<sup>97</sup> Dewhurst advanced to a run-off election, but lost his bid for the nomination to Ted Cruz.

*Hoosiers for Jobs: Richard Lugar (R-Ind.)*

Hoosiers for Jobs, a super PAC based in Sacramento, Calif.,<sup>98</sup> spent \$175,185 to aid Lugar in his primary against Mourdock. It received \$50,000 from Roy Pfautch and \$25,000 from Sam Fox. Including his contribution to Hoosiers for Jobs, Pfautch gave more than \$300,000 to GOP causes in the 2012 election cycle.<sup>99</sup>

Fox and his wife also gave \$100,000 to Indiana Values, the super PAC founded by Lugar associates to aid him.<sup>100</sup> Fox was a fundraising "bundler" for President George W. Bush in 2000 and 2004 and helped fund the Swiftboat Veterans for Truth attacks on Democratic presidential nominee John Kerry in 2004.<sup>101</sup> Fox contributed at least \$364,000 to Republican causes in the 2012 election cycle, including his gifts to the pro-Lugar super PACs.<sup>102</sup> Both Pfautch and Fox were maximum donors to Lugar's campaign committee.<sup>103</sup>

*Independence Va.: George Allen (R-Va.)*

Independence Va., a super PAC, spent \$4.9 million attacking former Virginia Gov. Tim Kaine (D) in the Virginia U.S. Senate contest in which Kaine narrowly defeated former Virginia Gov. and Sen. George Allen (R).<sup>104</sup>

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<sup>94</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com)

<sup>95</sup> *Id.*

<sup>96</sup> *2012 Top Donors to Outside Spending Groups*, the Center for Responsive Politics (viewed on Nov. 28, 2012), <http://bit.ly/SfZVVo>.

<sup>97</sup> The Center for Responsive Politics, Donor Lookup, [www.opensecrets.org/indivs/index.php](http://www.opensecrets.org/indivs/index.php).

<sup>98</sup> Brian Francisco, *Senate Campaigns Decry, Defend PACs Filings Show Depth of Non-Hoosier Money*, FORT WAYNE JOURNAL-GAZETTE (April 19, 2012).

<sup>99</sup> The Center for Responsive Politics, Donor Lookup, [www.opensecrets.org/indivs/index.php](http://www.opensecrets.org/indivs/index.php).

<sup>100</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>101</sup> *New FEC Filings Show Super PAC Strength Can be Relative, and Pro-Lugar Super PAC Takes Shadow Money*, OPENSECRETS BLOG (July 17, 2012), <http://bit.ly/Ozxdsv>.

<sup>102</sup> The Center for Responsive Politics, Donor Lookup, [www.opensecrets.org/indivs/index.php](http://www.opensecrets.org/indivs/index.php).

<sup>103</sup> *Id.*

<sup>104</sup> Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/QVjdgl>.

Top contributors to the super PAC were Adelson (\$4 million) and Perry (\$1 million).<sup>105</sup> Independence Va. was founded by Paul Bennecke, former political director of the Republican Governors Association.<sup>106</sup>

*USA Super PAC: Richard Mourdock (R-Ind.)*

USA Super PAC spent \$190,085 to aid Mourdock against Lugar. It was formed just over a month before the Indiana primary election by James Bopp, an Indiana lawyer who advised the plaintiff in the *Citizens United* case. Reporting timelines did not require the group to disclose the sources of any of its money before the primary election, which Mourdock won.<sup>107</sup>

Eventual filings revealed that the group received \$100,000 from prominent GOP donor Richard Uihlein, \$50,000 from Steven Chazen and \$35,000 from Foster Friess.<sup>108</sup> Uihlein and his wife gave \$1.8 million to Republican causes in the 2012 cycle;<sup>109</sup> Chazen gave more than \$500,000;<sup>110</sup> and Friess gave \$2.5 million, including \$1.8 million to Red White and Blue Fund, which supported Republican presidential candidate Rick Santorum.<sup>111</sup>

*Maine Freedom: Charles Summers (R-Maine)*

An observer of ads by super PAC Maine Freedom in the 2012 election cycle would likely have assumed that its backers were committed to furthering the electoral prospects of Cynthia Dill, the Democratic nominee to represent Maine in the U.S. Senate. The super PAC's initial messages praised Dill. It eventually spent \$359,000, evenly split between messages that either supported Dill or opposed Independent candidate Angus King, a former Maine governor and eventual winner of the three-way race.<sup>112</sup>

But the makeup of the group's donors and personnel strongly suggests that the actual objective of Maine Freedom was to boost the chances of Republican nominee Charles Summers by shifting votes from King to Dill.

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<sup>105</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>106</sup> Wesley Hester, *Super PAC to Help GOP's Allen in Senate Bid in Virginia*, RICHMOND TIMES DISPATCH (March 13, 2012).

<sup>107</sup> Dan Glaun, *Stealthy Super PACs Influenced Primaries Without Disclosing Donors*, OPEN SECRETS BLOG (July 2, 2012), <http://bit.ly/NWiDfg> and Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>108</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>109</sup> The Center for Responsive Politics, Donor Lookup, [www.opensecrets.org/indivs/index.php](http://www.opensecrets.org/indivs/index.php).

<sup>110</sup> *Id.*

<sup>111</sup> *Id.* and Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>112</sup> Web site of the Center for Responsive Politics (viewed on Oct. 27, 2012), <http://bit.ly/QVtQzV>.

The group's treasurer, Michael Adams, is general counsel of the Republican Governors Association and a member of the Republican National Lawyers Association. Its assistant treasurer, Erin Berry, is also a former lawyer for the RGA and previously worked for the Republican State Leadership Committee, according to her LinkedIn profile, the Center for Public Integrity reported.<sup>113</sup>

RGA spokesman Mike Schrimpf denied that the RGA had involvement with the group. "We are not funding it, helping with strategy, anything," Schrimpf wrote in an e-mail to a reporter. "The only connection is the RGA's counsel, Mike Adams."<sup>114</sup>

The super PAC received \$100,000 each from four donors, including telecommunications mogul John Malone, White Rock Distilleries CEO Paul Coulombe and an entity called the G Coulombe Trust.<sup>115</sup> Malone gave \$183,009 in the 2012 election cycle to Republican causes.<sup>116</sup> Paul Coulombe gave \$2,500 to Summers and \$10,000 to the Maine Republican Party.<sup>117</sup>

*Treasure Coast Jobs Coalition: Allen West (R-Fla.)*

Treasure Coast Jobs Coalition spent \$2.4 million to pay for messages attacking Democrat Patrick Murphy in Florida's 18th district congressional race, in which Murphy narrowly defeated Rep. Allen West (R-Fla.)

Treasure Coast received \$1 million from Richard Roberts, who recently sold his family's pharmaceutical business, Mutual Pharmaceutical Co., to a Japanese company for \$800 million.<sup>118</sup> Roberts separately gave \$2,500 to West's campaign committee.<sup>119</sup>

Roberts also gave \$750,000 to Restore Our Future, the pro-Romney super PAC, and \$250,000 to American Crossroads, a super PAC that spearheaded efforts among pro-Republican groups in 2012 (discussed in the next section).<sup>120</sup> Treasure Coast also received \$1 million from Adelson and his wife.<sup>121</sup>

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<sup>113</sup> Rachel Marcus, *GOP Not Giving Up on Maine Senate Race*, THE CENTER FOR PUBLIC INTEGRITY (Aug. 27, 2012), <http://bit.ly/RgAiiQ>.

<sup>114</sup> *Id.*

<sup>115</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>116</sup> The Center for Responsive Politics, Donor Lookup, [www.opensecrets.org/indivs/index.php](http://www.opensecrets.org/indivs/index.php).

<sup>117</sup> *Id.*

<sup>118</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com) and George Bennett, *Pharmaceutical Exec Gives \$1 Million to Pro-West Super PAC*, PALM BEACH POST (Oct. 16, 2012), <http://bit.ly/P1gaWy>.

<sup>119</sup> The Center for Responsive Politics, Donor Lookup, [www.opensecrets.org/indivs/index.php](http://www.opensecrets.org/indivs/index.php).

<sup>120</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>121</sup> *Id.*



### Family-Funded Groups Devoted to a Single Congressional Candidate

#### *American Sunrise: Patrick Murphy (D-Fla.)*

American Sunrise spent \$118,578 for messages aiding Murphy in his effort to unseat West in Florida's 18th district congressional race.<sup>122</sup> The super PAC reported contributions of \$350,000, \$250,000 of which came from the candidate's father, Thomas Murphy.<sup>123</sup> Aside from its payments for advertisements, which are reported to the Federal Election Commission as independent expenditures, the group reported \$231,467 in other operating expenditures, much of which were for consulting services.<sup>124</sup>

#### *America Shining: Jay Chen (D-Calif.)*

America Shining is a "Bi-partisan civic organization focused on reinvigorating America," the group's Web site said during the 2012 elections. "We sponsor and support policies and candidates for federal office."<sup>125</sup>

In practice, the group supported just one candidate in any significant measure: Democrat Jay Chen, who unsuccessfully sought to defeat Republican incumbent Rep. Ed Royce in California's 39th congressional district race. (America Shining also devoted less than 1 percent of its budget to two other U.S. House contests.)<sup>126</sup>

One America Shining advertisement attracted press coverage for its depiction of "a detached monster hand grabbing the neck of a woman who lets out a blood-curdling scream."<sup>127</sup> The ad ended by showing "a ghostly looking portrait of Royce floating over the Capitol dome."<sup>128</sup> Chen said he had no knowledge of the commercial until he saw it on YouTube.<sup>129</sup>

For months, voters had no idea who was behind the ads. But on Oct. 15, 2012, the super PAC disclosed that all of its contributions (\$565,000) had come from a single donor, Shaw Chen, the candidate's brother.<sup>130</sup> Eventually, the group reported receiving \$765,000 from

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<sup>122</sup> Web site of the Center for Responsive Politics (viewed on Jan. 3, 2013), <http://bit.ly/QVR74D>.

<sup>123</sup> Keven Cirilli, *Allen West Punches Back over Attack Ad*, POLITICO (Aug. 10, 2012), <http://politi.co/RiH0ry>.

<sup>124</sup> 2012 Committee Information, American Sunrise, Federal Election Commission (viewed on Jan. 3, 2013).

<sup>125</sup> Facebook page of America Shining, <http://www.facebook.com/AmericaShining/info> (viewed in October 2012).

<sup>126</sup> Web site of the Center for Responsive Politics (viewed on Jan. 3, 2013), <http://bit.ly/S1SnWe>.

<sup>127</sup> Steve Scauzillo, *Super PAC Calls Rep. Ed Royce 'Monster from Washington' in Ad for Challenger Jay Chen*, SAN GABRIEL VALLEY NEWS (Oct. 10, 2012), <http://bit.ly/Rl9C5a>.

<sup>128</sup> *Id.*

<sup>129</sup> *Id.*

<sup>130</sup> Steve Scauzillo, *Ad That Calls Rep. Ed Royce A Monster Paid for by Challenger Jay Chen's Brother*, INLAND VALLEY DAILY BULLETIN (Oct. 17, 2012), <http://bit.ly/RbB83o>.

Shaw Chen and \$350,000 from Nain Lai Chen, the candidate's mother.<sup>131</sup> Shaw and Nain Lai Chen each separately contributed \$5,000 to Jay Chen's campaign committee.<sup>132</sup>

*American Foundations: George Holding (R-N.C.)*

American Foundations spent \$535,082 supporting the successful effort of George Holding in the Republican primary for North Carolina's 13th congressional seat.<sup>133</sup>

American Foundations might more accurately be described as a family enterprise than a super PAC. "The group was funded almost entirely by members of Holding's wealthy banking family, including \$100,000 each from an aunt and uncle and \$250,000 from a group of cousins," *The Washington Post* reported.<sup>134</sup>

Holding, who initiated the campaign finance corruption case against former Democratic presidential candidate John Edwards, won the primary and subsequent general election.<sup>135</sup>

*Progress for Washington: Laura Ruderman (D-Wash.)*

In July 2012, residents of Washington's 1st congressional district were flooded with mailings from anonymous super PAC Progress for Washington assailing congressional candidate Suzan DelBene (D).

Controversy over the mailings quickly grew. Sen. Patty Murray (D-Wash.), for instance, called on the super PAC to cease its attacks. "The shadowy super PAC attacks in the 1st District congressional race represent an unfortunate, ugly, apparently Democrat vs. Democrat assault, and I hope they stop," Murray said in a statement.<sup>136</sup>

Laura Ruderman, one of DelBene's challengers in the Democratic primary, professed having no knowledge of the super PAC's origins.<sup>137</sup> Federal Election Commission filings soon revealed that the sole source of Progress for Washington's money was Margaret Rothschild, Ruderman's mother. Filings also revealed that vendors in charge of producing

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<sup>131</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>132</sup> The Center for Responsive Politics, Donor Lookup, [www.opensecrets.org/indivs/index.php](http://www.opensecrets.org/indivs/index.php).

<sup>133</sup> Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/RyT32u>.

<sup>134</sup> Dan Eggen, *Friends and Family Plan: Super PACs Often Personal Campaign Fundraising Affairs*, THE WASHINGTON POST (June 10, 2012), <http://wapo.st/LSp1EI> and Laura Oleniacz, *Republican Holding Takes 13th District Congressional Seat*, THE HERALD-SUN (Nov. 7, 2012).

<sup>135</sup> Dan Eggen, *Friends and Family Plan: Super PACs Often Personal Campaign Fundraising Affairs*, THE WASHINGTON POST (June 10, 2012), <http://wapo.st/LSp1EI>.

<sup>136</sup> *Murray to Anonymous PAC: Stop the Smears*, SEATTLE POST-INTELLIGENCER (July 15, 2012), <http://bit.ly/SsMwbs>.

<sup>137</sup> Joel Connelly, *Ruderman and Mom: High Road and Low Road*, SEATTLE POST-INTELLIGENCER (July 16, 2012), <http://bit.ly/TdxRTf>.



the mailing had past political ties to Ruderman.<sup>138</sup> The super PAC was dubbed the “mama PAC” in the press and Ruderman soon denounced its activities.<sup>139</sup>

“I am calling on Progress for Washington to immediately take down the television ad that began airing today,” Ruderman said. “I would encourage voters to visit my website and see the positive messages about my positions on issues that our campaign is talking about.”<sup>140</sup>

Ruderman’s mother contributed \$355,000 to the super PAC, which devoted all of its resources to Ruderman’s race.<sup>141</sup> Ruderman finished third in the August primary, which DelBene won.<sup>142</sup>

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<sup>138</sup> *Id.*

<sup>139</sup> *Id.*

<sup>140</sup> Jonathan Martin, *Ruderman Denounces Attack Ad Paid by Her Mom*, SEATTLE TIMES (July 18, 2012).

<sup>141</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>142</sup> *Suzan DelBene Wins Big in WA-01, Will Face John Koster in November*, NORTHWEST PROGRESSIVE INSTITUTE ADVOCATE (Aug. 7, 2012), <http://bit.ly/ONxaOH>.

## VI. Activities of Unregulated Party-Allied Groups Mark the Return of ‘Soft Money’

Most of the unregulated outside groups that spent money to influence the 2012 elections invested their money exclusively, or nearly exclusively, in support of Democratic or Republican candidates. This, in itself, does not mean that all of these groups were captives of the national parties, given that the partisan outlines of our politics tend to push all but the most determinedly bipartisan political actors in the direction of one party or another.

But several groups that were active in the 2012 elections—including some of the biggest spenders—essentially were of, for, and by one of the two major parties. As such, these groups’ spending can fairly be characterized as a new form of “soft money.” Soft money was the term used to describe unregulated contributions—predominantly from corporations or unions—to the national parties in the 1990s and early 2000s. Congress banned soft money contributions to the parties in 2002 and the Supreme Court upheld the ban in 2003.<sup>143</sup> The prohibition remains in place.

This report singles out 10 groups that cannot be deemed anything other than party instruments. [See Figure 7]

**Figure 7: Party-Connected Electioneering Groups (2012 Election Cycle)**

Group	Group’s Legal Status	Amount Spent	Party Supported*
American Crossroads	Super PAC	\$104,772,098	Republican
Crossroads GPS	501(c)	\$70,940,377	Republican
Majority PAC	Super PAC	\$37,536,489	Democratic
House Majority PAC	Super PAC	\$30,761,234	Democratic
American Action Network	501(c)	\$11,660,232	Republican
Congressional Leadership Fund	Super PAC	\$9,450,236	Democratic
Patriot Majority*	501(c)	\$7,509,558	Democratic
YG Action Fund	Super PAC	\$4,722,335	Republican
YG Network	501(c)	\$2,874,490	Republican
American Bridge 21st Century	Super PAC	\$339,484	Democratic

Source: Public Citizen analysis of data provided by the Center for Responsive Politics ([www.opensecrets.org](http://www.opensecrets.org)).

\* For the purposes of this report, Patriot Majority’s companion organization, a super PAC, is categorized as a single-candidate group because it spent solely on the presidential race.

Much reporting has suggested that the network of electioneering groups that are intertwined with the national parties is far more extensive than the list presented here, and

<sup>143</sup> *McConnell v. FEC*, 540 U.S. 93. (2003).

that may be the case.<sup>144</sup> This study applies the soft money label only to the most blatant and indisputable cases of groups that acted in service of a national party's agenda.

Most of the groups included here declared an explicit mission of helping elect candidates from a single party. A leader of one super PAC, for instance, said her group was “a great complement” to the Democratic Congressional Campaign Committee and would become “a permanent part of the Democratic infrastructure.”<sup>145</sup>

The groups' loyalties to their parties also are illustrated by their leaders' backgrounds. The groups were primarily led by individuals who recently served as staffers for House or Senate leadership figures or who previously occupied prominent positions in one of the national political parties.

Former staffers who served as principals for the groups include former top aides to Senate Majority Leader Harry Reid (D-Nev.), Senate Minority Leader Mitch McConnell (R-Ky.) and House Majority Leader Eric Cantor (R-Va.). Former party officials include two former chairman of the Republican National Committee, and former executive directors of the National Republican Senatorial Committee and the Democratic Senatorial Campaign Committee. Other principals in the groups include a former chairman of the National Republican Congressional Committee and a former chairman of the Republican Governors Association.

### **‘Soft Money’ Era Illustrated the Corrupting Effects of Unregulated Contributions to the Parties**

In 1995, the Federal Election Commission ruled that the national parties could use money not subject to contribution and source limits (that is, soft money) to pay for advocacy advertisements that referred to candidates but stopped short of advocating for the victory or defeat of a candidate.<sup>146</sup> The FEC's ruling ushered in an era of electioneering messages that dodged being regulated under election laws because they did not include certain “magic” words, such as “vote for.” These messages were sometimes referred to as sham issue ads because they made a pretense of attempting to influence their audiences' views on issues rather than candidates. The parties paid for the ads with massive amounts of soft money.

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<sup>144</sup> See, e.g., Kenneth P. Vogel and Tarini Parti, *Democratic Super PACs Get Jump on 2014, 2016*, POLITICO (Nov. 16, 2012), <http://bit.ly/TuOYQd>; Kenneth P. Vogel, *Crossroads: The ATM of the Right*, POLITICO, April 18, 2012, <http://politi.co/1kZzqy>; Mike Allen, *Sheldon Adelson: Inside the Mind of the Mega-donor*, POLITICO (Sept. 23, 2012), <http://politi.co/OkJ9FE>; Karen Tumulty, *Karl Rove and His Super PAC Vow to Press On*, THE WASHINGTON POST (Nov. 10, 2012), <http://wapo.st/W0lfgp>; Mike Allen and Jim VandeHei, *GOP Groups Plan Record \$1 Billion Blitz*, POLITICO (May 30, 2012), <http://bit.ly/LedsqA>.

<sup>145</sup> *50 Politicos to Watch: Political Operatives*, POLITICO (July 2012), <http://politi.co/NkXZJa>.

<sup>146</sup> *McConnell v. FEC*, 540 U.S. 93, 123 (2003), citing FEC Advisory Opinion 1995-25 (Aug. 24, 1995), <http://bit.ly/WulMGz>.

Combined soft money fundraising by the Democratic and Republican parties rose from \$88.1 million in 1992 to \$243.6 million in 1996, and to \$456.9 million in 2000. In 2002, receipts continued to rise, to \$457.6 million, even though it was just a mid-term cycle.<sup>147</sup>

There was little dispute that soft money was being used to dodge restrictions in campaign finance laws. Lawmakers and donors alike saw soft money contributions as proxies for contributions directly to the parties.

A six-volume 1998 report by the Senate Committee on Governmental Affairs reached a bipartisan consensus that “the ‘soft money loophole’ had led to a ‘meltdown’ of the campaign finance system that had been intended ‘to keep corporate, union and large individual contributions from influencing the electoral process,’ ” the Supreme Court later recounted.<sup>148</sup>

Sen. Susan Collins (R-Maine) said that hearings held by the Senate “provided overwhelming evidence that the twin loopholes of soft money and bogus issue advertising have virtually destroyed our campaign finance laws, leaving us with little more than a pile of legal rubble.”<sup>149</sup>

In 2002, Congress passed the Bipartisan Campaign Reform Act (BCRA), commonly known as the McCain-Feingold law. BCRA prohibited the national parties from soliciting or spending soft money. In 2003, the U.S. Supreme Court upheld the soft money ban.<sup>150</sup>

### **The *Citizens United* Decision Undermined the Ban on Soft Money Contributions to Parties**

In *Citizens United*, the court acknowledged that the record in the legal challenge to BCRA “establishes that certain donations to political parties, called ‘soft money,’ were made to gain access to elected officials.”<sup>151</sup> But, here, the court made a key distinction: “This case, however, is about independent expenditures, not soft money.”<sup>152</sup>

Although the questions at hand in *Citizens United* may not have concerned soft money, the decision in the case had profound soft-money implications. The contributions received by many party-allied groups that have arisen from *Citizens United* have at a minimum closely paralleled to soft money. By a definition implicitly put forth by the Supreme Court in its

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<sup>147</sup> The Center for Responsive Politics, Soft Money Backgrounder (viewed on Jan. 3, 2013), <http://bit.ly/clhL4k>.

<sup>148</sup> *McConnell v. FEC*, 540 U.S. 93, 129 (2003), citing FEC Advisory Opinion 1995-25.

<sup>149</sup> *Id.*

<sup>150</sup> *Id.*, at 123 (2003).

<sup>151</sup> *Citizens United*, *supra* note 1, at 910. The description in the *Citizen United* decision understated the findings in the judicial record on the corrupting power of soft money. The *McConnell* decision is replete with evidence that soft money contributions shaped policy, in addition to facilitating access to lawmakers. *See, e.g., McConnell v. FEC*, 540 U.S. 93, at 147-154 (2003).

<sup>152</sup> *Id.*, at 910-911.

2003 decision that upheld the soft money ban, many contributions in 2012 literally constituted soft money.

“Candidates often directed potential donors to party committees *and tax-exempt organizations* that could legally accept soft money,” the Supreme Court recounted in its 2003 *McConnell* decision.<sup>153</sup> [Emphasis added] Unlimited contributions to tax-exempt organizations that engage in electioneering epitomize the activities that *Citizens United* ended up permitting.

There are differences between the new groups’ activities and the old soft money regime. For instance, the new groups may not legally coordinate with the parties. But, by all appearances, the new soft money groups have largely managed to replicate the parties. In this way, the unregulated groups essentially are becoming the parties. The new groups are led by individuals with roots in the parties’ leadership structures, and many of the groups worked closely among themselves during the 2012 election cycle.

Republican groups gloated during the 2012 campaign about their success in coordinating their spending—with chief funder Sheldon Adelson policing their discipline. “If word got back to [Adelson] that a group wasn’t cooperating, he’d cut them off,” *Politico* reported a top official at one of the Republican groups saying. “It’s to maximize the dollars. You don’t want repetition. You don’t people doubling up. He doesn’t want to feel like his money is wasted.”<sup>154</sup> Many of the most prominent Democratic groups, meanwhile, aligned themselves under an umbrella “joint fundraising committee.”<sup>155</sup>

The groups also appear to be reconstituting the national parties’ programs of selling access for large soft money contributions. During the old soft money days “the six national party committees actually furnish[ed] their own menus of opportunities for access to would-be soft-money donors, with increased prices reflecting an increased level of access,” the Supreme Court wrote in 2003.<sup>156</sup> Fast forward to 2012. During the Democratic convention, the joint fundraising committee consisting of Democratic super PACs published a menu of rewards for would-be donors, with \$100,000 donors receiving “an intimate gathering of Senior Democratic policy leaders from Capitol Hill and Democratic institutions.”<sup>157</sup>

Republican election lawyer Robert Kelner summarized the outside groups’ access-selling policies to the *New York Times*: “Super PACs on both sides of the aisle are more

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<sup>153</sup> *McConnell v. FEC*, 540 U.S. 93, 125 (2003).

<sup>154</sup> Mike Allen, *Inside the Mind of the Mega-Donor*, POLITICO (Sept. 23, 2012), <http://politi.co/OkI9FE>.

<sup>155</sup> See, e.g., *Super O Rama, Unity Convention 2012, Official Calendar of Events* (promoting events on Sept. 4, 2012–Sept. 6, 2012). Published by POLITICO, <http://bit.ly/MZPwgG>.

<sup>156</sup> *McConnell v. FEC*, 540 U.S. 93, 51 (2003).

<sup>157</sup> *Super O Rama, Unity Convention 2012, Official Calendar of Events*. (promoting events on Sept. 4, 2012–Sept. 6, 2012). Published by POLITICO, <http://bit.ly/MZPwgG>.

aggressively exercising the latitude that they already had under existing law but had not yet fully exploited,” Kelner said. “If there’s been any shift, I would say it is more with respect to providing policy briefings either to members or to major donors.”<sup>158</sup>

The ban on groups coordinating with candidates and party leaders proved ineffective in 2012. “The intermingling of outside groups and politicians has become so routine that even a meeting in the Capitol led by a party’s top outside operative barely raises an eyebrow. The rules governing their interactions are in their infancy, so it’s all but pointless for either side to cry foul,” *Politico* wrote in August.<sup>159</sup>

The Federal Election Commission helped erode the wall between super PACs and elected officials in 2011, when it ruled that candidates could attend super PAC fundraisers and raise money for super PACs as long as they did not personally request contributions in excess of \$5,000 (the maximum donation to a conventional PAC) or ask for contributions from sources that may not give money to conventional PACs, such as unions or contributions.<sup>160</sup>

Campaign finance lawyer James Bopp, who aided the plaintiff in the *Citizens United* case, deemed the restrictions imposed by the FEC “meaningless” because “candidates will be able to endorse [outside groups] and ask donors to contribute to them.”<sup>161</sup>

In sum, the party-allied groups’ connections and objectives render them almost indistinct from the national party operations, except that the groups are not bound by the contribution limits of the campaign finance system. As such, contributions to them pose much the same threat of causing corruption, thereby undermining Congress’s action to ban soft money and the Supreme Court’s decision to uphold that ban.

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<sup>158</sup> Nicholas Confessore, *At Convention, Lines Blur for Party and ‘Super PACs,’* THE NEW YORK TIMES (Aug. 30, 2012), <http://nyti.ms/PU1hlF>.

<sup>159</sup> Jake Sherman, John Bresnahan and Kenneth P. Vogel, *A Super PAC-Politician Firewall? Not Quite*, POLITICO (Aug. 23, 2012), <http://politi.co/PxgaKq>.

<sup>160</sup> Brody Mullins and Katie Glueck, *FEC Lets Candidates Solicit Funds for Outside Groups*, THE WALL STREET JOURNAL (June 30, 2011), <http://blogs.wsj.com/washwire/2011/06/30/fec-lets-candidates-solicit-funds-for-outside-groups/>.

<sup>161</sup> *Id.*

## VII. Profiles of ‘Soft Money’ Groups

This section provide profiles of groups operating in the 2012 election cycle that existed for clear purpose of aiding the national parties or elected leaders within the parties.<sup>162</sup>

### Democratic Soft Money Groups

#### *Majority PAC, Patriot Majority, American Bridge 21st Century*

Majority PAC (a super PAC), Patriot Majority (consisting of a 501 (c)(4) entity and a super PAC) and American Bridge (a super PAC) were three interconnected groups that devoted themselves entirely to electing Democrats in the 2012 election cycle. They revealed their loyalties to the Democratic party in overt statements and in their staff members’ connections to Senate Majority Leader Harry Reid (D-Nev.)

Majority PAC was founded by Susan McCue, a former chief of staff for Reid.<sup>163</sup> Other leaders of Majority PAC included Rebecca Lambe, described by *Politico* as a longtime strategist for Reid, and Craig Varoga, a prominent Democratic strategist with ties to Reid. The Center for Public Integrity reported that Jim Jordan, manager for a portion of the 2004 presidential campaign of Sen. John Kerry (D-Mass.) and a former executive director of the DSCC, served as a strategist for the group.<sup>164</sup> Harold Ickes, a deputy chief of staff in the Clinton White House and president of super PAC Priorities USA Action (which championed President Obama’s reelection), was an advisor to Majority PAC.<sup>165</sup>

Majority PAC advertised on its Web site that it was “fighting to protect the Democratic majority in the U.S. Senate in 2012.”<sup>166</sup> The group promised to run “a transparent, low-overhead, take-no-prisoners Independent Expenditure campaign” to “aggressively contest critical open seats, exploit opportunities to take over Republican seats and expand our firewall.”<sup>167</sup>

Democratic leaders raised money for Majority PAC. Early in the spring of 2012, for instance, Reid and Sen. Charles Schumer (D-N.Y.) “made a pitch to billionaire hedge fund

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<sup>162</sup> The choice of groups included in this section should not be taken as a suggestion that other groups did not have close ties to one of the national parties or even work primarily in service of one of them. The groups selected simply represent the most clear-cut cases of those that fundamentally exist to further a party’s efforts.

<sup>163</sup> Manu Raju, *Senate Dems Launch ‘Super PAC,’* POLITICO (Feb. 22, 2011), <http://politi.co/gX3XlB>.

<sup>164</sup> *Profile: Majority PAC*, THE CENTER FOR PUBLIC INTEGRITY (Feb. 16, 2012), <http://bit.ly/TWB7AN>.

<sup>165</sup> *Id.*

<sup>166</sup> *Majority PAC, Home: Our Mission* (viewed on Nov. 20, 2012), <http://bit.ly/RRTTJO>.

<sup>167</sup> *Id.*



manager James Simons, who quickly turned around and cut a check on March 29 to Majority PAC for \$1 million,” *Politico* reported.<sup>168</sup>

During the summer of 2008, Reid, Schumer and Senate Majority Whip Richard Durbin (D-Ill.) attended Majority PAC fundraisers in New York, Chicago, Phoenix, Los Angeles, Washington and Dallas, *Politico* reported.<sup>169</sup>

Sen. Al Franken (D-Minn.) and Sen. John Kerry (D-Mass.) each sent out e-mails to financial supporters urging them to back Majority PAC. They restricted their requests to asking for \$5,000, the maximum annual contribution to a regulated PAC, according to Majority PAC’s executive director.<sup>170</sup>

Reid and Durbin essentially acknowledged that Majority PAC was serving as an unofficial party committee. “The whole situation is too bad,” Reid said in May 2012. *Citizens United* “is a terrible decision. But we can’t disarm unilaterally, so we’re going to do whatever we can to be competitive.”<sup>171</sup>

Durbin spoke in similar terms. “What are you going to do ... when the other side has a nuclear bomb and you’re fighting with rifles?” Durbin asked. “What the president has said is, ‘I have no choice,’ and the Democrats in the Senate have reached the same conclusion if we don’t have a super PAC fund. We are just going to be steamrolled in some of these states.”<sup>172</sup>

Majority PAC reported spending \$37.5 million to influence elections in 2012. With the exception of \$282,500 dedicated to the presidential election, all of its work went toward aiding Democrats in U.S. Senate contests.<sup>173</sup>

Patriot Majority, which consisted of both a super PAC and 501(c) entity, was less overt than Majority PAC about its partisan underpinnings. The super PAC’s Web site says it was founded to “work independently to elect Senate and congressional candidates in targeted races who support these patriotic policies.”<sup>174</sup> The groups’ 501(c)(4) arm, which accounted for the bulk of expenditures by the Patriot Majority entities, portrays itself as an issue-advocacy group aiming to advance such goals as protecting voter rights, investing in

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<sup>168</sup> John Bresnahan, Manu Raju and Jake Sherman, *Democrats Rush into Arms of Super PACs*, POLITICO (May 16, 2012), <http://politi.co/L4kpc9>.

<sup>169</sup> *Id.*

<sup>170</sup> Peter H. Stone, *Democrats and Republicans Alike Are Exploiting New Fundraising Loophole*, CENTER FOR PUBLIC INTEGRITY (July 27, 2011), <http://bit.ly/YRQCzp>.

<sup>171</sup> John Bresnahan, Manu Raju and Jake Sherman, *Democrats Rush into Arms of Super PACs*, POLITICO (May 16, 2012), <http://politi.co/L4kpc9>.

<sup>172</sup> *Id.*

<sup>173</sup> Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/UTS2s7>.

<sup>174</sup> Patriot Majority PAC, *About* page (viewed on Nov. 20, 2012), <http://bit.ly/cRzNN7>.



education and improving the infrastructure of the United States.<sup>175</sup> The 501(c)(4) also claims to advocate “comprehensive campaign finance reform that increases transparency,” although it did not disclose its donors in 2012.<sup>176</sup>

But the groups’ intentions were clear despite their vague statements of purpose. The president of the Patriot Majority groups is Varoga, a leader of Majority PAC.<sup>177</sup> The Web site for Varoga’s consulting firm credits Patriot Majority with running “the successful independent-expenditure campaign to re-elect Senate Majority Leader Harry Reid” in 2010.<sup>178</sup> Varoga’s Web site also lists myriad other Democratic candidates he has assisted.<sup>179</sup>

Majority PAC and Patriot Majority were often reported as being affiliated,<sup>180</sup> and they clearly worked together. For instance, in July 2012, Majority PAC and Patriot Majority issued a press release touting a coordinated advertising campaign aiding Democratic senatorial candidates in North Dakota and Nevada.<sup>181</sup>

Patriot Majority’s 501(c)(4) arm spent \$7.5 million in the 2012 election cycle for messages supporting Democrats or opposing Republicans.<sup>182</sup> Its super PAC spent \$404,975, all in opposition to Republican presidential nominee Mitt Romney.<sup>183</sup>

American Bridge, the logo of which resembles the red, white and blue swoop of the Obama campaign insignia, describes itself as “a progressive research and communications organization committed to holding Republicans accountable for their words and actions and helping you ascertain when Republican candidates are pretending to be something they’re not.”<sup>184</sup>

American Bridge lists Majority PAC founder McCue as a director, along with Chairman Kathleen Kennedy Townsend (a former Democratic Maryland Lt. Governor and eldest daughter of Robert F. Kennedy) and David Brock (a Republican operative turned

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<sup>175</sup> Web site of Patriot Majority [(501)(c)(4) entity], *Patriot Majority Action Plan* (viewed on Nov. 20, 2012), <http://bit.ly/QYpzcW>.

<sup>176</sup> *Id.* and Russ Choma, *Liberal Group with Ties to Unions Ends Donor Disclosure*, OPEN SECRETS BLOG (Aug. 23, 2012), <http://bit.ly/OYMLqJ>.

<sup>177</sup> Manu Raju, *Senate Dems Launch ‘Super PAC,’* POLITICO (Feb. 22, 2011), <http://politi.co/gX3XlB>

<sup>178</sup> Varoga & Associates, *About Us* (viewed on Jan. 3, 2013), <http://bit.ly/URLowN>.

<sup>179</sup> *Id.*

<sup>180</sup> *See, e.g.*, Russ Choma, *Liberal Group with Ties to Unions Ends Donor Disclosure*, OPEN SECRETS BLOG (Aug. 23, 2012), <http://bit.ly/OYMLqJ>.

<sup>181</sup> Press Release, Majority PAC, *Majority PAC and Patriot Majority Launch New TV Ads: North Dakota, Nevada Ads Part of Sustained Nationwide Campaign to Fight Back Against Right Wing Attacks* (July 10, 2012), <http://bit.ly/RXpqcB>.

<sup>182</sup> Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/UTS978>.

<sup>183</sup> Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/TagHn6>.

<sup>184</sup> American Bridge, *Who We Are* (viewed on Nov. 20, 2012), <http://bit.ly/UVBBpZ>.

Democratic advocate who founded the group Media Matters).<sup>185</sup> American Bridge spent \$339,484, all to oppose Republicans. Two-thirds of its spending served to oppose Republican presidential nominee Mitt Romney.

#### *House Majority PAC*

House Majority PAC describes itself “an independent-expenditure only committee ... that is designed to hold Republicans accountable and help win back the House Majority for Democrats. House Majority PAC is committed to building a long-term organization that can take on the Republican outside groups in the battle for the House Majority.”<sup>186</sup>

In 2012, the super PAC spent \$30.8 million, exclusively to either oppose Republicans or support Democrats, almost entirely in House races.<sup>187</sup>

House Majority PAC was run by Ali Lapp, described by *Politico* as a “top aide at the Democratic Congressional Campaign Committee (DCCC) under then-Chairman Rahm Emanuel in 2006, when Democrats regained the majority.”<sup>188</sup>

“I do see House Majority PAC as a great complement to the DCCC,” Lapp said. “We have set up House Majority PAC to become a permanent part of the Democratic infrastructure. It is not going away anytime soon.”<sup>189</sup>

The Sunlight Foundation reported that House Majority PAC distributed invitations for an Oct. 23, 2012, fundraiser dubbed a “Special Reception with Nancy Pelosi and Steve Israel.”<sup>190</sup> Pelosi is the House Minority Leader. Israel is the chairman of the Democratic Congressional Campaign Committee. Ali Lapp’s husband, John, is a “top adviser” to Israel, *Politico* reported.<sup>191</sup>

Separately, House Minority Leader Nancy Pelosi (D-Calif.) participated in events for House Majority PAC in New York, California and Texas, *Politico* reported.<sup>192</sup>

During the Democratic convention, a joint fundraising committee calling itself “Unity Convention 2012,” which described itself as a Joint Fundraising Committee established by

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<sup>185</sup> Press Release, American Bridge 21st Century, *American Bridge 21st Century Names McCue to Board* (April 21, 2011), <http://bit.ly/ScjNms>.

<sup>186</sup> House Majority PAC, *About Us* (viewed on Nov. 20, 2012), <http://bit.ly/MdPrE7>.

<sup>187</sup> Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/SPcB30>.

<sup>188</sup> *50 Politicos to Watch, Political Operatives*, POLITICO (July 12, 2012), <http://politi.co/NkXZJa>.

<sup>189</sup> *Id.*

<sup>190</sup> *Special Reception with Nancy Pelosi and Steve Israel for House Majority PAC*, Political Party Time Project, Sunlight Foundation (Oct. 23, 2012) (date reflects expected date of fundraising event, as disclosed on invitation), <http://bit.ly/VleZ1C>.

<sup>191</sup> *50 Politicos to Watch: Political Operatives*, POLITICO (July 2012), <http://politi.co/NkXZJa>.

<sup>192</sup> John Bresnahan, Manu Raju and Jake Sherman, *Democrats Rush into Arms of Super PACs*, POLITICO (May 16, 2012), <http://politi.co/L4kpc9>.

House Majority PAC, Majority PAC, and Priorities USA. held a fundraising event it dubbed “Super O Rama.”<sup>193</sup>

The invitation for the event sought contributions ranging from \$25,000 to \$100,000, with various rewards for each. For instance, \$100,000 contributors were promised six tickets to a “Brunch with Democratic Leaders,” which the solicitation described as “an intimate gathering of Senior Democratic policy leaders from Capitol Hill and Democratic institutions.”<sup>194</sup>

“Contributions to Unity Convention 2012 are unlimited and do not count against an individual or group’s federal limit,” the invitation said.<sup>195</sup>

### **Republican Soft Money Groups**

#### *The Crossroads Groups*

The seed for what became American Crossroads was planted in a 2008 *Wall Street Journal* op-ed by Karl Rove, the chief strategist for George W. Bush’s presidential campaigns. The op-ed lamented what Rove perceived as a shortage of Republican outside groups to counter Democratic-leaning labor and advocacy groups. “GOP fund-raisers and allies must create cost-effective independent expenditure groups for House and Senate races, or Republicans will sink under the weight of negative ads, mail, calls and canvassing,” Rove wrote.<sup>196</sup>

American Crossroads creators were Rove and Ed Gillespie, a longtime Republican operative and lobbyist who served as chairman of the Republican National Committee from 2003 to 2005<sup>197</sup> and as a White House strategist during the second term of George W. Bush’s presidency.<sup>198</sup>

In 2010, following the *Citizens United* decision, representatives of 18 conservative groups met at Rove’s Washington, D.C., house to discuss a budget for American Crossroads, which became a super PAC.<sup>199</sup> Shortly after American Crossroads was formed, its leaders created an offshoot, Crossroads GPS, which operates under Section 501(c)(4) of the tax code and, thus, may keep its donors secret. The Crossroads groups reported spending a combined

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<sup>193</sup> *Super O Rama, Unity Convention 2012, Official Calendar of Events*. Published by POLITICO, <http://bit.ly/MZPwgG>.

<sup>194</sup> *Id.*

<sup>195</sup> *Id.*

<sup>196</sup> Karl Rove, *How the GOP Should Prepare for a Comeback*, THE WALL STREET JOURNAL (Dec. 11, 2008), <http://on.wsj.com/VHOC5P>. See also, Karen Tumulty, *Karl Rove and His Super PAC Vow to Press On*, THE WASHINGTON POST (Nov. 10, 2012), <http://wapo.st/W0lfgp>.

<sup>197</sup> *RNC Chairman: Democrats Increasingly ‘Liberal, Elitist, Angry,’* CNN (Dec. 4, 2003), <http://bit.ly/ScKiNl>.

<sup>198</sup> Michael A. Fletcher, *As Rove Departs, President Again Turns to Gillespie*, THE WASHINGTON POST (Aug. 16, 2007), <http://wapo.st/UgrblW>.

<sup>199</sup> *Id.*

\$38.2 million to influence the 2010 elections.<sup>200</sup> In 2012, they reported spending \$175.7 million combined, about 60 percent of which was by the super PAC.<sup>201</sup> All of the groups' spending in both elections was to aid Republicans.

The groups' president is Steven Law, a former executive director of the National Republican Senatorial Committee.<sup>202</sup> Law also previously served as a campaign manager and chief of staff for Senate Minority Leader Mitch McConnell (R-Ky.).<sup>203</sup> The chairman of the board of American Crossroads is Mike Duncan, a former chairman, treasurer and general counsel of the Republican National Committee.<sup>204</sup>

American Crossroads' political director during the 2012 election cycle was Carl Forti. In 2006, Forti managed the \$82 million independent expenditure campaign of the National Republican Congressional Committee.<sup>205</sup> He also served as political director for Mitt Romney's 2008 presidential campaign, and as vice president of Freedom's Watch, a group that spent \$17.5 million to aid Republicans in the 2008 elections.<sup>206</sup> During the 2012 election cycle, Forti co-founded Restore Our Future,<sup>207</sup> the Romney super PAC.

Jo Ann Davidson, a director of American Crossroads, is a former co-chair of the Republican National Committee.<sup>208</sup> Haley Barbour, a former governor of Mississippi and recent chairman of the Republican Governors Association, was reportedly a fundraiser for American Crossroads<sup>209</sup> as was former Florida Gov. Jeb Bush (R).<sup>210</sup>

Jonathan Collegio, who previously served as press secretary for the National Republican Congressional Committee, acted as communications director for both groups.<sup>211</sup>

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<sup>200</sup> Public Citizen, *Stealth PACs Project* (2010), <http://bit.ly/a67DvY>.

<sup>201</sup> Web site of the Center for Responsive Politics (viewed on Nov. 20, 2012), <http://bit.ly/QWBC0H>.

<sup>202</sup> American Crossroads, *Leadership Team* (viewed on Nov. 20, 2012), <http://bit.ly/RemaZ5> and Crossroads GPS, *Leadership Team* (viewed on Nov. 20, 2012), <http://bit.ly/PESxOh>.

<sup>203</sup> Karen Tumulty, *Karl Rove and His Super PAC Vow to Press On*, THE WASHINGTON POST (Nov. 10, 2012), <http://wapo.st/W0lfgp>.

<sup>204</sup> American Crossroads, *Leadership Team* (viewed on Nov. 20, 2012), <http://bit.ly/RemaZ5>.

<sup>205</sup> Andy Kroll, *Mitt Romney's \$12 Million Mystery Man: Meet Carl Forti, The Super-PAC Whiz Helping the GOP Front-Runner and Conservative Groups Rake in Piles of Dark Money*, MOTHER JONES (January-February 2012), <http://bit.ly/zLZNjc>.

<sup>206</sup> Web site of the Center for Responsive Politics (viewed on Nov. 20, 2012), <http://bit.ly/TepBTB>.

<sup>207</sup> Andy Kroll, *Mitt Romney's \$12 Million Mystery Man: Meet Carl Forti, The Super-PAC Whiz Helping the GOP Front-Runner and Conservative Groups Rake in Piles of Dark Money*, MOTHER JONES (January-February 2012), <http://bit.ly/zLZNjc>.

<sup>208</sup> American Crossroads, *Leadership Team* (viewed on Nov. 20, 2012), <http://bit.ly/RemaZ5>.

<sup>209</sup> *PAC Profile: American Crossroads*, THE CENTER FOR PUBLIC INTEGRITY (updated Nov. 14, 2012), <http://bit.ly/RI0P2R>.

<sup>210</sup> Sheelah Kolhatkar, *Exclusive: Inside Karl Rove's Billionaire Fundraiser*, BUSINESS WEEK (Aug. 31, 2012), <http://buswk.co/OAXDff>.

<sup>211</sup> American Crossroads, *Leadership Team* (viewed on Nov. 20, 2012), <http://bit.ly/RemaZ5> and Crossroads GPS, *Leadership Team* (viewed on Nov. 20, 2012), <http://bit.ly/PESxOh>.

Rob Collins was a director of Crossroads GPS during the 2012 election cycle. Collins is a former president of the American Action Network (another pro-Republican outside spending group, discussed later), a former chief of staff to House Majority Leader Eric Cantor (R-Va.) and a former staffer for both the Republican National Committee and National Republican Senatorial Committee.<sup>212</sup> American Crossroads reportedly shared offices with the American Action Network at one time, although official filings of the groups disclose separate addresses.<sup>213</sup>

Befitting its name, American Crossroads was often reported as being at the nexus of an effort by Republican outside groups to coordinate their messages. For instance, *Politico* reported that Forti “helps lead a monthly meeting known as the Weaver Terrace Group, where officials from a variety of conservative groups, like the American Action Network, gather at the Crossroads offices to plan their political spending.”<sup>214</sup> The Weaver Terrace Group was named after Rove’s house, where American Crossroads was born.<sup>215</sup>

#### *YG (Young Guns) Groups*

A trio of groups including the initials YG (after Young Guns) was created in 2011 to “build off the Young Guns movement”<sup>216</sup> of House Majority Leader Eric Cantor (R-Va.), House Majority Whip Kevin McCarthy (R-Calif.) and House Budget Committee Chairman (and eventual vice presidential nominee) Paul Ryan (R-Wis.)

The groups were the YG Action Fund, a super PAC that promised to “play offense using a muscular communications and advocacy apparatus to positively define Republicans,”<sup>217</sup> the YG Action Network, a 501(c)(4) group purporting to be “dedicated to supporting conservative center-right policies”<sup>218</sup> and the YG Policy Center, which was to “commission studies and run educational programs.”<sup>219</sup>

Cantor, McCarthy and Ryan adopted the “Young Guns” label after they were billed as such on the cover of the *Weekly Standard* in September 2007.<sup>220</sup> The trio supported other “Young Guns” in the 2008 elections, according to a timeline published on the YG Action Fund Web site.<sup>221</sup> Subsequently, “the National Republican Congressional Committee

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<sup>212</sup> Crossroads GPS, *Leadership Team* (viewed on Nov. 20, 2012), <http://bit.ly/PESxOh>.

<sup>213</sup> Michael Crowley, *The New GOP Money Stampede*, TIME (Sept. 16, 2010), <http://ti.me/Pok9bb>.

<sup>214</sup> Nicholas Confessore, *Ex-Romney Aide Steers Vast Machine of G.O.P. Money*, THE NEW YORK TIMES (July 21, 2012), <http://nyti.ms/OQKwVR>.

<sup>215</sup> Karen Tumulty, *Karl Rove and His Super PAC Vow to Press On*, THE WASHINGTON POST (Nov. 10, 2012), <http://wapo.st/W0lfgp>

<sup>216</sup> YG Action, *About YG* (Timeline) (viewed on Nov. 20, 2012), <http://bit.ly/SPgFQI>.

<sup>217</sup> YG Action, *About YG* (viewed on Nov. 20, 2012), <http://bit.ly/QWCPVM>.

<sup>218</sup> YG Network, *About YG* (viewed on Nov. 20, 2012), <http://bit.ly/T2eKsm>.

<sup>219</sup> YG Action, *About YG* (Timeline) (viewed on Nov. 20, 2012), <http://bit.ly/SPgFQI>.

<sup>220</sup> *Id.*

<sup>221</sup> *Id.*

adopted the Young Guns program as the candidate recruitment and training program,” according to YG Action’s account.<sup>222</sup> In 2010, the three congressmen published a book titled *Young Guns: A New Generation of Conservative Leaders*.<sup>223</sup>

YG Action spent \$4.7 million aiding Republican House candidates in 2012.<sup>224</sup> The YG Network, the purported lobbying group, spent \$2.9 million on the elections, almost entirely in support of Republicans House candidates.<sup>225</sup> The Web site of the YG Policy Center, the groups’ charitable arm, provides a link to “research materials.” But the only material presented is a survey concerning Americans’ view on government health care reform. YG Policy Center also took credit for the survey in a press release, which said the survey’s results demonstrated Americans’ disapproval with the Affordable Healthcare Act, the health care reform law championed by President Obama.<sup>226</sup>

The groups are led by John Murray and Brad Dayspring, both former deputy chiefs of staff for Cantor.<sup>227</sup> YG Network Vice President Nick Bouknight previously served as deputy chief of staff to McCarthy.<sup>228</sup>

Murray acknowledged that he frequently talks to Cantor in service of his responsibilities for the YG groups. “I see Eric as a function of me raising money, and in the course of conversation, does he ask me about my thoughts on communications things? Sure,” Murray told *Politico* in August 2012. “I’ve talked to Eric because I have a relationship with him through YG Action Fund and fundraising just like the rest of the folks who do what I do for a living.”<sup>229</sup> Dayspring also continued to advise Cantor on communications strategy while working for the YG groups, *Politico* reported.<sup>230</sup>

Cantor himself “made phone calls and attended several events to raise money on behalf of the YG Action Fund,” *Politico* reported.<sup>231</sup>

YG Action reported \$5.9 million in contributions. Of that \$5 million came from casino mogul Sheldon Adelson and his wife, Miriam. The affiliated YG Network, which does not disclose donors, ran an initiative called “Woman Up” during the 2012 campaign to “research,

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<sup>222</sup> *Id.*

<sup>223</sup> *Id.*

<sup>224</sup> Web site of the Center for Responsive Politics (viewed on Nov. 20, 2012), <http://bit.ly/ScMWTk>.

<sup>225</sup> Web site of the Center for Responsive Politics (viewed on Nov. 20, 2012), <http://bit.ly/10pavw8>.

<sup>226</sup> YG Policy Center, *Research Materials*, <http://bit.ly/AENQG5>.

<sup>227</sup> YG Action, *About YG* (Timeline) (viewed on Nov. 20, 2012), <http://bit.ly/SPgFQI>.

<sup>228</sup> *Id.*

<sup>229</sup> Jake Sherman, John Bresnahan and Kenneth P. Vogel, *A Super PAC-Politician Firewall? Not Quite*, POLITICO (Aug. 23, 2012), <http://politi.co/PxgaKq>.

<sup>230</sup> *Id.*

<sup>231</sup> John Bresnahan, Manu Raju and Jake Sherman, *Democrats Rush into Arms of Super PACs*, POLITICO (May 16, 2012), <http://politi.co/L4kpc9>.



communicate and prioritize the issues most important to women.”<sup>232</sup> During the 2012 Republican convention, Woman Up operated a pavilion named in honor of Miriam Adelson.<sup>233</sup>

*American Action Network and Congressional Leadership Fund*

These two groups, which share office space and personnel, are run by individuals with backgrounds in the upper echelons of the Republican Party leadership structure.

The American Action Network, a 501(c)(4) organization, reported to the Federal Election Commission that it made \$11.7 million in independent expenditures to influence the 2012 elections.<sup>234</sup> The group’s efforts were entirely devoted to furthering the prospects of Republican candidates or hurting Democrats’ chances.<sup>235</sup>

The group was founded in 2010 by former Sen. Norm Coleman (R-Minn.) and Fred Malek, a former official in the Nixon administration and longtime GOP fundraiser.<sup>236</sup> Brian Walsh, former political director for the National Republican Congressional Committee, is the group’s president.<sup>237</sup> Walsh succeeded Rob Collins, a former top aide to Cantor, who moved to Crossroads GPS.

The American Action Network was conceived in 2010 as a successor to the National Council for a New America. The National Council was a project spearheaded by Republican “to help redefine the tarnished [GOP] party brand after the 2008 elections,” *The Wall Street Journal* reported.<sup>238</sup>

American Action Network’s directors include former Rep. and National Republican Congressional Committee Chairman Tom Reynolds (R-N.Y.)<sup>239</sup>; Boyden Gray, former counsel to President George H.W. Bush and a longtime Republican fundraiser; former Sen. George Allen (R-Va.); and former Rep. and longtime lobbyist Vin Weber (R-Minn.).<sup>240</sup>

The American Action Network reported to the Federal Election Commission 2010 that it spent \$4 million on independent expenditures (which expressly advocate for the election or defeat of a candidate) and \$15.4 million on electioneering communications (which cover

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<sup>232</sup> YG Network ‘Woman Up!’ Pavilion to be Named in Honor of Miriam Adelson, M.D., YG Network (blog) (Aug. 24, 2012), <http://bit.ly/NP07Hh>.

<sup>233</sup> *Id.*

<sup>234</sup> Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/UH4DZP>.

<sup>235</sup> Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/QtaYwK>.

<sup>236</sup> American Action Network / American Action Forum, FACT CHECK.ORG (Sept. 18, 2011), <http://bit.ly/Lzvjcl>

<sup>237</sup> American Action Network, *President* (viewed on Nov. 20, 2012), <http://bit.ly/T2frSt>.

<sup>238</sup> Susan Davis, *Republican Leaders Forming New Political Group*, THE WALL STREET JOURNAL (Jan. 29, 2010), <http://on.wsj.com/9oQJ5M>.

<sup>239</sup> American Action Network, *About* (viewed on Nov. 20, 2012), <http://bit.ly/nCGk73> and Celeste Katz, *Reynolds Out*, NEW YORK DAILY NEWS (March 19, 2008), <http://nydn.us/8eg64T>.

<sup>240</sup> American Action Network, *About* (viewed on Nov. 20, 2012), <http://bit.ly/nCGk73>.

messages broadcast in the run-up to elections that refer to a candidate but do not include express advocacy).<sup>241</sup> The combined total of \$19.8 million represented the vast majority of the \$25.7 million in overall spending for 2010 that the group reported to the IRS.<sup>242</sup> This creates a strong impression that the group violated rules prohibiting a 501(c) group from devoting the majority of its efforts to influencing elections.

But the American Action Network reported to the IRS that it made only \$5.5 million in “political expenditures” in 2010.<sup>243</sup> The IRS defines political expenditures as those financing “all functions that influence or attempt to influence the selection, nomination, election, or appointment of any individual to any federal, state, or local public office ...”<sup>244</sup> For the group’s representation of its political expenditures in its filing with the IRS to be accurate, only \$1.5 million of the \$15.4 million it spent on advertisements mentioning candidates in the run-up to the 2010 elections could have been intended to influence the outcomes of elections.

The Congressional Leadership Fund, a super PAC, bills itself as “an independent expenditure fund focused solely and exclusively on maintaining the Republican majority in the House of Representatives.”<sup>245</sup> It spent \$9.5 million in the 2012 election cycle, entirely for messages opposing Democratic House candidate.<sup>246</sup>

News reports often characterize the fund as being linked to Speaker of the House John Boehner (R-Ohio).<sup>247</sup> The super PAC’s Web site reports that its inaugural event featured House Republican luminaries including Boehner, Cantor, McCarthy and National Republican Congressional Committee Chairman Pete Sessions (R-Texas). More than 80 Republican House members also attended the event, according to the super PAC’s account.<sup>248</sup>

Boehner attended at least one Congressional Leadership Fund fundraiser, according to *Politico*.<sup>249</sup> Barry Jackson, chief of staff to Boehner, appeared at an event with Pete Mechum, chief fundraiser for the group.<sup>250</sup>

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<sup>241</sup> Kim Barker, *How Nonprofits Spend Millions on Elections and Call it Public Welfare*, PROPUBLICA (Aug. 24, 2012), <http://bit.ly/PoFNid>.

<sup>242</sup> American Action Network Form 990 (2010).

<sup>243</sup> *Id.*

<sup>244</sup> Internal Revenue Service, *Instructions for Schedule C* (Form 990 or 990-EZ) (2010), <http://1.usa.gov/USDEv8>.

<sup>245</sup> Congressional Leadership Fund, *About* (viewed on Nov. 20, 2012), <http://bit.ly/lh58X1>.

<sup>246</sup> Web site of the Center for Responsive Politics (viewed on Dec. 30, 2012), <http://bit.ly/TOKCzB>.

<sup>247</sup> See, e.g., David M. Drucker, *Congressional Leadership Fund Reports \$8.7M on Hand*, ROLL CALL (Oct. 25, 2012), <http://bit.ly/WuVIRd>.

<sup>248</sup> Congressional Leadership Fund, *About* (viewed on Nov. 20, 2012), <http://bit.ly/lh58X1>.

<sup>249</sup> John Bresnahan, Manu Raju and Jake Sherman, *Democrats Rush into Arms of Super PACs*, POLITICO (May 16, 2012), <http://politi.co/L4kpc9>.



The Congressional Leadership Fund reported receiving a \$2.5 million contribution from oil giant Chevron in October 2012.<sup>251</sup> That was the largest reported contribution from a publicly traded corporation to a super PAC.<sup>252</sup> The contribution also violated a federal law prohibiting government contractors from contributing money to federal political committee, Public Citizen charged in a complaint filed with the Federal Election Commission in January 2012.<sup>253</sup>

The Congressional Leadership Fund is chaired by Coleman, who serves the same function for the American Action Network. Malek, Reynolds, and Weber serve on the boards of the Congressional Leadership Fund and American Action Network. Brian Walsh, former political director for the NRCC, serves as president of both groups.<sup>254</sup>

“The Congressional Leadership Fund is an opportunity for center-right voices throughout America to support our House Republican majority,” Malek said in a statement announcing the group's formation in 2011.<sup>255</sup>

Terry Holt, a former spokesman for Boehner (R-Ohio), served as a spokesman for the Congressional Leadership Fund. “The idea here is to leverage the political and fundraising support that there is for the Republican majority in the House and to get the resources it’s going to take to defend against the other outside special interests that are intent on wresting control from the Republican majority and putting the House back in the hands of Nancy Pelosi,” Holt told the *Huffington Post*.<sup>256</sup>

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<sup>250</sup> *Id.*

<sup>251</sup> Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Jan. 3, 2013), [www.sunlightfoundation.com](http://www.sunlightfoundation.com).

<sup>252</sup> Dan Eggen, *Chevron Donates \$2.5 Million to GOP Super PAC*, THE WASHINGTON POST (blog) (Oct. 26, 2012), <http://wapo.st/P8SzmM>

<sup>253</sup> Public Citizen v. Chevron USA Inc. and Congressional Leadership Fund, Complaint filed with the Federal Election Commission (March 2013), <http://bit.ly/14NazlY>.

<sup>254</sup> Congressional Leadership Fund, *About* (viewed on Nov. 20, 2012), <http://bit.ly/1h58X1> and American Action Network, *About* (viewed on Nov. 20, 2012), <http://bit.ly/nCGk73>.

<sup>255</sup> Paul Blumenthal, *House Republican Super PAC Ready to Raise Unlimited Funds to Retain GOP Majority*, THE HUFFINGTON POST (Dec. 13, 2012), <http://huff.to/qwoeFS>.

<sup>256</sup> *Id.*

## VIII. Conclusion: *Citizens United* Has Failed on Its Own Terms

The *Citizens United* decision relied on the assumption that the new expenditures it permitted would be independent. The facts in this report demonstrate that much of the spending in 2012 that flowed from the decision was by groups that plainly were not independent of the candidates or parties they aided.

The manifest absence of independence leaves little room to avoid concluding that the *Citizens United* decision has failed on its own terms.

One possible defense of the decision in light of the events of the 2012 elections would be to argue that the justices who signed it believed that any expenditure that passed legal muster as an “independent expenditure” must not threaten to cause corruption. Therefore, if the outside spending in 2012 complied with the law (meaning it did not run afoul with coordination laws), it must not have threatened to cause corruption even if much of the spending violated the intent of anti-coordination laws.

But such a rationalization would invalidate the court’s logic in concluding that spending by independent entities is not potentially corrupting. That logic relied on the assumption that outside groups’ spending would be “independent” as the word is defined in reality, not just in law.

Another possible way to exonerate the decision would be to place the blame for the absence of independence on overly permissive rules governing coordination.

Indeed, the 2012 elections showed coordination rules to be far too porous. But it is doubtful that tighter rules could guarantee truly independent behavior by outside spending groups. Coordination finance lawyers have long shown themselves to be masters at devising methods to comply with the letter of laws while trampling on their intent. It is doubtful they would be stymied by laws governing behavior as subtle as coordination.

There are plenty of reasons to dispute the court’s core assumption that truly independent expenditures financed with large contributions (or funded from the treasuries of established businesses) do not pose a risk of causing corruption.

But one does not need to prove the danger of truly independent activities to conclude that the theory put forth in the *Citizens United* decision is fatally flawed. The inability to ensure that outside groups will truly act independently renders the *Citizens United* experiment unsalvageable.

## Appendix

### Independent Expenditures by Single Candidate Super PACs

Group	Group's Legal Status	Amount Spent	Candidate Supported
Restore Our Future	Super PAC	\$142,655,218	Mitt Romney
Priorities USA Action	Super PAC	\$66,182,126	Barack Obama
Americans for Prosperity	501(c)	\$39,448,456	Mitt Romney
Winning Our Future	Super PAC	\$17,007,762	Newt Gingrich
Red, White & Blue	Super PAC	\$7,529,554	Rick Santorum
Texas Conservatives Fund	Super PAC	\$5,872,431	David Dewhurst
Independence Virginia PAC	Super PAC	\$4,921,410	George Allen
Republican Jewish Coalition	501(c)	\$4,595,671	Mitt Romney*
Make Us Great Again	Super PAC	\$3,959,824	Rick Perry
Our Destiny PAC	Super PAC	\$2,804,234	Jon Huntsman
American Energy Alliance	501(c)	\$2,622,200	Mitt Romney
Treasure Coast Jobs Coalition	Super PAC	\$2,436,141	Allen West
New American Energy Opportunity Fndtn.	501(c)	\$2,033,250	Mitt Romney
Restore America's Voice PAC	Super PAC	\$1,797,419	Mitt Romney
Republicans for a Prosperous America	Super PAC	\$1,758,321	Mitt Romney
People for the American Way	527	\$1,737,566	Barack Obama*
America's Next Generation	Super PAC	\$1,730,444	Mitt Romney
Ending Spending 501	Super PAC	\$1,718,090	Richard Mourdock
End the Gridlock	Super PAC	\$1,706,952	Bob Kerrey
Super PAC for America	Super PAC	\$1,508,678	Mitt Romney
Rightchange.com	527	\$1,500,000	Mitt Romney
Americans Elect	501(c)	\$1,428,495	Angus King
Cmte to Elect Effective Valley Congressman	Super PAC	\$1,302,294	Howard Berman
America 360 Cmte	Super PAC	\$1,250,727	Scott Brown (Mass)
Local Voices	Super PAC	\$1,232,610	Barack Obama
Rethink PAC	Super PAC	\$1,158,830	Elizabeth Warren
America Shining	Super PAC	\$1,090,214	Jay Chen*
Special Operations OPSEC Education Fund	501(c)	\$982,000	Mitt Romney
Texans for America's Future	Super PAC	\$953,302	Barack Obama
Republican Union PAC	Super PAC	\$950,000	Mitt Romney
Conservative Renewal	Super PAC	\$903,500	David Dewhurst
Michigan League of Conservation Voters	501(c)	\$860,237	Gary McDowell
Black Men Vote	Super PAC	\$842,761	Barack Obama
Hispanic Leadership Fund	501(c)	\$838,419	Mitt Romney
Veterans for a Strong America	501(c)	\$762,122	Mitt Romney
Friends of the Majority	Super PAC	\$745,755	Ben Quayle
Republican State Leadership Cmte.	Other/Unknown	\$692,076	Barack Obama
SecureAmericaNow.org	501(c)	\$670,660	Mitt Romney

Group	Group's Legal Status	Amount Spent	Candidate Supported
Fund for Freedom	Super PAC	\$670,000	Linda Lingle
American Chemistry Council	501(c)	\$648,600	Tommy Thompson
Prosperity for Michigan	Super PAC	\$645,410	Clark Durant
Campaign for American Values	Super PAC	\$582,362	Mitt Romney
Faith & Freedom Coalition	501(c)	\$542,650	Mitt Romney
American Foundations Cmte.	Super PAC	\$535,082	George Holding
Crossroads Generation	Super PAC	\$513,588	Mitt Romney
Republican Super PAC	Super PAC	\$512,095	Art Robinson
Filangieri Society 4 Justice & Good Govt.	501(c)	\$509,906	Mitt Romney
California for Integrity in Government	Super PAC	\$502,817	Brad Sherman*
Freedom & Liberty PAC	Super PAC	\$500,000	Gary Johnson
Connecticut's Future PAC	Super PAC	\$495,734	Chris Murphy
Hispanic Leadership Fund Action	Super PAC	\$495,484	Mitt Romney
Fight for the Dream	Super PAC	\$483,800	Tom Smith
Indiana Values Super PAC	Super PAC	\$459,606	Richard Lugar
SEIU Local 1199 United Healthcare Workers	501(c)	\$451,061	Barack Obama
Republican Senate Campaign Committee	Other/Unknown	\$444,429	Mitt Romney
Santa Rita Super PAC	Super PAC	\$427,375	Ron Paul
9-9-9 FUND	Super PAC	\$411,055	Herman Cain
Concerned Women for American Leg. Act.	501(c)	\$405,350	Mia Love
Patriot Majority	Super PAC	\$404,975	Barack Obama
Protect the Harvest	Other/Unknown	\$395,532	Steve King
Ohio Families United	Super PAC	\$385,000	Sherrod Brown
Protect Our Schools Fund	Super PAC	\$367,974	John Tierney
Maine Freedom	Super PAC	\$359,000	Charles Summers
Mayors Against Illegal Guns Action Fund	501(c)	\$351,183	Barack Obama
Defenders of Wildlife Action Committee	Super PAC	\$343,082	Martin Heinrich
Progress for Washington	Super PAC	\$341,107	Laura Ruderman
The Catholic Assn.	501(c)	\$332,175	Mitt Romney
Saving Florida's Future	Super PAC	\$306,818	Bill Nelson
NRDC Action Fund	501(c)	\$286,750	Martin Heinrich
Believe in Indiana	Other/Unknown	\$284,976	Joe Donnelly
New Directions for America	Super PAC	\$282,147	Dan Roberti
Citizens for Community Values Action	Other/Unknown	\$274,367	Mitt Romney
New Jersey Education Assn. (501c)	501(c)	\$268,381	John Adler
American Jobs PAC	Super PAC	\$259,691	Newt Gingrich
Strong Economy for Massachusetts	Super PAC	\$255,142	Richard Tisei
Let Freedom Ring	501(c)	\$224,086	Mitt Romney
Strong America Now	Super PAC	\$220,145	Newt Gingrich
Marylanders for Marriage Equality	501(c)	\$220,000	Barack Obama
Louisiana Prosperity	Super PAC	\$214,407	Charles Boustany

Group	Group's Legal Status	Amount Spent	Candidate Supported
Central Valley Independent PAC	Super PAC	\$210,929	Brian Whelan
Melaleuca Inc.	Other/Unknown	\$204,479	Mitt Romney
Americans for Rick Perry	Super PAC	\$202,865	Rick Perry
Fair Wisconsin	Other/Unknown	\$190,898	Tammy Baldwin
USA Super PAC	Super PAC	\$190,085	Richard Mourdock
People's Majority	Super PAC	\$183,165	Barry Hinckley
Painters & Allied Trades Union	501(c)	\$182,758	Barack Obama
Hoosiers for Jobs	Super PAC	\$175,185	Richard Lugar
Freedom Fund for America's Future	Super PAC	\$175,145	Oppose Tom Smith
Conservatives Acting Together PAC	Super PAC	\$172,720	Michael Williams
Revolution PAC	Super PAC	\$172,141	Ron Paul
Winning Freedom	Super PAC	\$170,134	Newt Gingrich
American Postal Workers Union	Other/Unknown	\$167,398	Barack Obama*
Environment America	501(c)	\$162,663	Martin Heinrich*
1911 United	Super PAC	\$157,323	Barack Obama
Painters & Allied Trades District Council 50	Super PAC	\$139,853	Mazie Hirono
Leaders for Families	Super PAC	\$135,468	Rick Santorum
Conservative Values Project	Super PAC	\$134,525	Trey Radel
Montana League of Rural Voters	501(c)	\$133,555	John Tester
Fidelis	501(c)	\$133,519	Rick Santorum
Character Counts PAC	Super PAC	\$131,890	Oppose T. Radel
Congressional Elections PAC	Super PAC	\$127,300	Lou Ann Zelenick
Natural Guardian LLC	Other/Unknown	\$122,767	Mitt Romney
Californians for a Stronger America	Super PAC	\$120,000	Mary Bono
Real Street Conservatives PAC	Super PAC	\$120,000	Craig James
American Sunrise	Super PAC	\$118,578	Patrick Murphy
America vs. Obama	Super PAC	\$118,449	Mitt Romney
Liberty Action PAC	Super PAC	\$117,506	Mitt Romney
Our Community Votes	501(c)	\$105,795	Robert Menendez
Arizonans for Jobs	Super PAC	\$103,417	Jeff Flake
FedUp PAC	Super PAC	\$102,544	Mitt Romney*
Critical Choice for America PAC	Super PAC	\$100,480	Mitt Romney
Cmte. for an Effective & Trusted Cngrsman	Super PAC	\$100,000	Henry Waxman

Source: The Center for Responsive Politics ([www.opensecrets.org](http://www.opensecrets.org)). Figures as of Dec. 30, 2012.

\* Group spent less than 1 percent of its resources on race(s) involving other candidates.