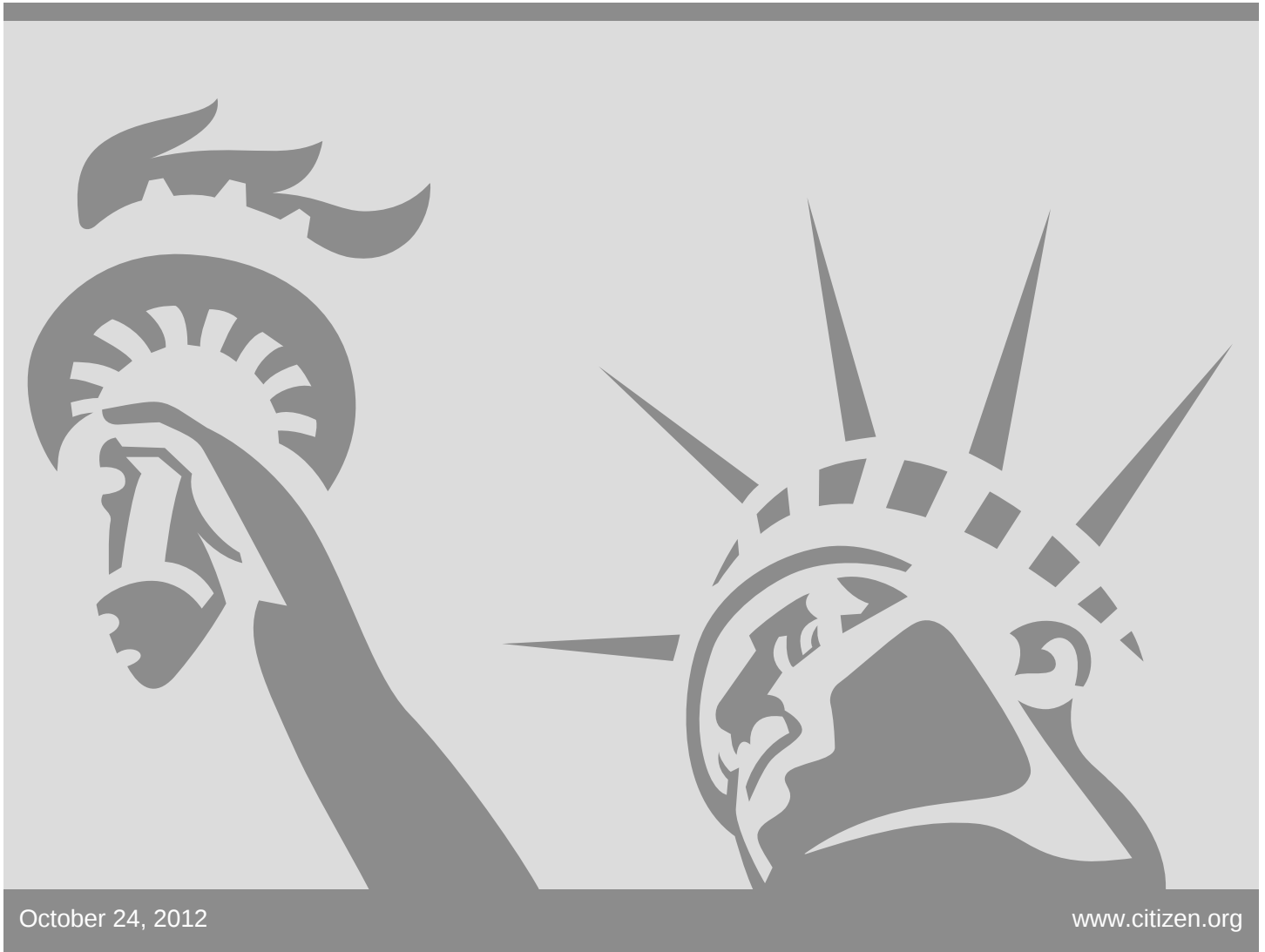




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Super Connected

Super PACs' Devotion to Individual Candidates Undercuts Assumption in *Citizens United* That Outside Spending Would Be 'Independent'

Acknowledgments

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About Public Citizen

Public Citizen is a national non-profit organization with more than 300,000 members and supporters. We represent consumer interests through lobbying, litigation, administrative advocacy, research, and public education on a broad range of issues including consumer rights in the marketplace, product safety, financial regulation, worker safety, safe and affordable health care, campaign finance reform and government ethics, fair trade, climate change, and corporate and government accountability.

Methodology

Data analyzed in this report were drawn from the Center for Responsive Politics (www.opensecrets.org) and the Sunlight Foundation (<http://sunlightfoundation.com>). Except where indicated, expenditure and contribution data are as of Oct. 16, 2012.



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I. Most Super PACs Back a Single Candidate

The Supreme Court's chief rationale in its decision to permit unlimited corporate spending to influence elections in *Citizens United v. Federal Election Commission* was its judgment that third-party expenditures do not threaten to cause corruption because they are independent.

"We now conclude that independent expenditures, including those made by corporations, do not give rise to corruption or the appearance of corruption," the court wrote.¹

But many "Super PACs"²—which have arisen in the wake of *Citizens United* and are allowed to accept unlimited contributions—cannot plausibly be deemed independent. Public Citizen's analysis shows that more than 60 percent of Super PACs active in this election cycle (through Oct. 16) are devoted to aiding a single candidate,³ and many of these single-candidate Super PACs are founded, funded and/or managed by friends and political allies of the candidate they support.

The close relationships between these Super PACs and the candidates they seek to assist indicates that contributions to single-candidate Super PACs are virtually the same as contributions to candidates themselves. And because many of these Super PACs have received massive contributions from single donors (in one case \$16.5 million from a single family), their actions closely parallel the sort of spending that the Supreme Court has long recognized as posing a risk of *quid pro quo* corruption.

In this study, Public Citizen analyzed the expenditures of the 108 Super PACs that reported spending at least \$100,000 as of Oct. 16, 2012, to influence the 2012 elections. Of these, 65 (60.1 percent) devoted themselves to advancing the prospects of a single candidate.⁴ Through mid-October, these 108 Super PACs cumulatively spent \$369.5 million, of which \$203 million (54.9 percent) was spent by Super PACs devoted to a single candidate. [See Figure 1]

¹ *Citizens United v. FEC*, 558 U.S. 310 (2010).

² 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—*Speechnow.org v. FEC*—that was based on the *Citizens United* precedent.

³ Filings on independent expenditures with the Federal Election Commission disclose amounts of money spent to "support" or "oppose" given candidates. For the purposes of this report, unless otherwise indicated, these totals are added to yield a cumulative total spent to help a given candidate, *i.e.*, either by praising one or criticizing the favored candidate's opponent(s).

⁴ One of the Super PACs included in this study spent a tiny amount on two congressional races, equal to one-tenth of one percent as much as it spent in the contest upon which it was primarily focused.

**Figure 1: Breakdown of Spending by Super PACs
(2012 Election Cycle, Through Oct. 16, 2012)**

Super PACs Target	Number of Super PACs Spending Over \$100,000	Amount Spent
Spent Money to Aid a Single Candidate	65	\$203,025,147
Spent Money to Aid Multiple Candidates	43	\$166,481,060
Total	108	\$369,506,207

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

The phenomenon of single-candidate Super PACs received significant attention during the Republican presidential primaries, when Super PACs devoted to Republican presidential candidates Mitt Romney,⁵ Newt Gingrich,⁶ Rick Santorum,⁷ Rick Perry,⁸ Jon Huntsman,⁹ and others spent tens of millions of dollars. A major Super PAC was also formed to support President Obama's reelection.¹⁰

But less publicized than their role in the presidential campaign, Super PACs also are taking on an outsized role in many congressional campaigns. Here, they have the potential to be even more influential because congressional campaigns receive smaller overall contributions and get less free media attention. A review of 69 Super PACs that reported spending only on congressional races found that 39 (56.5 percent) were devoted to helping a single candidate. Multi-candidate Super PACs that worked solely on congressional races have spent more money (\$76.8 million) than those devoted to a single candidate (\$21.7 million), which is not surprising, given that the multi-candidate committees are spending money in more races. [See Figure 2]

⁵ Nicholas Confessore, *Lines Blur Between Candidates and PACs with Unlimited Cash*, THE NEW YORK TIMES (Aug. 28, 2011), <http://nyti.ms/Tyffzn>.

⁶ Jeff Zeleny, *Staying Competitive: Gingrich Aide Joins 'Super PAC'*, THE NEW YORK TIMES (Dec. 21, 2011), <http://bit.ly/QV7Unf>.

⁷ 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>.

⁸ 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>.

⁹ 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>.

¹⁰ Jim Rutenberg, *Now, Liberals Offer Donors A Cash Cloak*, THE NEW YORK TIMES (April 30, 2011).

Figure 2: Breakdown of Super PACs That Have Spent Solely on Congressional Contests, Single-Candidate v. Multi-Candidate Focus (2012 Election Cycle, Through Oct. 16, 2012)

Single- Multi-Candidate Focus?	Number of Super PACs Spending	
	Over \$100,000	Amount Spent
Dedicated to Single Candidate	39	\$21,740,800
Spent Money to Aid Multiple Candidates	30	\$76,808,700
Total	69	\$98,549,500

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

II. Super PACs Tied to Individual Candidates Undercut the Supreme Court's Rationale in *Citizens United*

Since 1976, the Supreme Court has held that it is constitutional to place limits on campaign contributions on the basis that unlimited contributions pose a threat of causing corruption. The court maintained that view in its *Citizens United* decision.

"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 passed in the wake of the Watergate scandal.¹¹ "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."¹²

The *Citizens United* court did not determine that limiting political expenditures to stem corruption is constitutionally impermissible. "When Congress finds that a problem exists, we must give that finding due deference; but Congress may not choose an unconstitutional remedy. 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 *Citizens United* court acknowledged.¹³ "We must give weight to attempts by Congress to seek to dispel either the appearance or the reality of these influences."¹⁴

But the *Citizens United* court concluded that the threat of corruption posed by third-party expenditures was not sufficiently demonstrated to warrant restricting them. "Limits on independent expenditures have a chilling effect extending well beyond the Government's

¹¹ *Buckley v. Valeo*, 424 U.S. 1, 26-27 (1976).

¹² *Id.*

¹³ *Citizens United v. FEC*, 558 U.S. 310 (2010).

¹⁴ *Id.*

interest in preventing *quid pro quo* corruption. The anticorruption interest is not sufficient to displace the speech here in question,” the court wrote in *Citizens United*.¹⁵

This report contends that the sort of unregulated third-party spending the court permitted in *Citizens United* is closely analogous to that which the Supreme Court has long recognized as representing a potentially corrupting influence because many contributions to Super PACs essentially are contributions. This view is supported by U.S. Court of Appeals Judge Richard Posner, who is widely regarded as a conservative jurist.

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.”¹⁶

Legally, a contribution to a Super PAC differs from a contribution to a candidate committee because the candidate can not decide how to spend the Super PAC’s money or coordinate with the Super PAC. However, that distinction does not likely make much of a difference in cases in which the Super PAC and candidate’s goals are aligned. For example, Rick Tyler, a former Newt Gingrich aide who led a pro-Gingrich Super PAC called Winning Our Future during the presidential primaries, explained that he could fulfill Gingrich’s wishes just by studying the campaign. “I follow my lead from Newt Gingrich,” Tyler said. “I watch what he says on TV. I read about him in the newspaper.”¹⁷

Campaigns are sending signals to their allied Super PACs to help them stay on message, said Steven Law, who leads the American Crossroads Super PAC, which has spent the most among non-candidate specific Super PACs. “People have just gotten a lot better about telegraphing their intentions in a way that doesn’t create any legal problems, and doesn’t give away too much to the other side,” Law said.¹⁸

This report’s focus on single-candidate Super PACs should not be construed as a tacit acceptance that multi-candidate Super PACs do not pose a threat to corruption. Indeed, the proliferation of multi-candidate Super PACs that are managed by high-ranking elected officials (such as Speaker of the House John Boehner, R-Ohio) and political party operatives

¹⁵ *Id.*

¹⁶ Richard Posner, *Unlimited Campaign Spending—A Good Thing?* THE BECKER-POSNER BLOG (Apr. 8, 2012), <http://bit.ly/S1c8xU>, as quoted in 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. Teve Bullock*, Attorney General of Montana, *et al.*, in the Supreme Court of the United States (May 2012), <http://bit.ly/QFTuta>. [Hereinafter AMICUS BRIEF]

¹⁷ *Attack of the Super PACs*, TIME (Jan. 23, 2012), as quoted in AMICUS BRIEF, *supra*.

¹⁸ *Cash-Rich Republicans Prepare to Attack*, FINANCIAL TIMES, (May 9, 2012), <http://bit.ly/QT2CZi> as quoted in as quoted in AMICUS BRIEF, *supra*.

essentially marks the return of “soft money”—the unlimited contributions to political parties that were banned by the Bipartisan Campaign Reform Act of 2002.

But examination of single-candidate Super PACs is particularly compelling because it provides a lens of insight that undercuts the theory of independence that the Supreme Court relied on in its *Citizens United* decision. The growth of single-candidate Super PACs in this election cycle leaves little doubt of what is to come if Super PACs are permitted to continue spending at will. It is difficult to imagine that setting up *de facto* campaign committees outside the boundaries of the campaign finance system will not become standard practice for congressional and presidential candidates in coming elections if *Citizens United* is not reversed or negated by a constitutional amendment.

III. Review of Selected Super PACs Devoted to Single Congressional Candidates

The narratives in this report focus on single-candidate Super PACs that work on congressional contests because such Super PACs have received comparatively less attention than those dedicated to the presidential election.¹⁹

This report separates single-candidate Super PACs into three general categories: those founded and/or funded by individuals with personal or political ties to the candidate they support; those financed by longstanding mega donors to the political parties; and those managed and financed by the candidates’ friends and family members. These categories are imprecise, as some Super PACs led by individuals with long-standing political ties to a candidate may, for instance, also receive contributions from well-known mega donors.

Super PACs With Personal and Political Ties to the Candidates

Freedom Fund for America’s Future

Freedom Fund for America’s Future reported spending \$175,145 in opposition to Tom Smith in Pennsylvania’s Republican Senate primary.²⁰ The Super PAC failed in its effort to derail Smith, but it did succeed in masking the source of most of its contributions.

¹⁹ Public Citizen tabulated 26 Super PACs focused solely on the presidential election. Among them, Restore Our Future, a Super PAC dedicated to eventual Republican nominee Mitt Romney, has spent \$96.6 million to further Romney’s prospects. It is run by Carl Forti, who was political director of Romney’s 2008 presidential campaign and Charles R. Spies, Romney’s general counsel in 2008. It has received \$10 million from casino magnate Sheldon Adelson and his wife, and \$7 million from Texas developer Bob Perry. Winning Our Future, a Super PAC committed to the presidential campaign of former Speaker of the House Newt Gingrich, raised \$23.8 million, of which \$16.5 million came from the Adelson and his family. (Note: Higher figures have been reported, but typically have failed to account for a \$5 million refund.) Priorities USA, a Super PAC committed to President Obama’s reelection that was founded by former Obama aides Bill Burton and Sean Sweeny, has reported receipts of \$51 million. It has received contributions of at least \$1 million from 12 donors. (All data through Oct. 16.)

At the time the election was held, the Super PAC had only been required to disclose \$5,000 in contributions because of widely spaced reporting dates.²¹ 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 Fight for the Dream had disclosed little information other than 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 primary.²² Woodman also contributed the maximum \$2,500 to Welch's campaign committee.²³

Fight for the Dream did not file a required report disclosing its donors by a July deadline.²⁴ After some prodding from Dan Glaun, a blogger for the Center for Responsive Politics, Fight for the Dream's report was posted to the Federal Election Commission's Web site. But the report merely revealed that its 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 sources of Freedom Funds' funds.²⁵

Asked if the elaborate 501(c)-to-Super PAC-to-Super PAC transfer scheme was intended to evade disclosure, Fight for the Dream's lawyer told 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."²⁶

Two Freedom Fund officials said the Super PAC would continue to engage in political races after the Pennsylvania primary. But, as of Oct. 16, the Super PAC had made no further expenditures.²⁷

Citizens 4 Ethics in Government and Congressional Elections PAC

These two Super PACs spent a combined \$320,616 against Rep. Diane Black (R-Tenn.) in her primary against Lou Ann Zelenik, whom Black had defeated by fewer than 400 votes in 2010.²⁸

²⁰ Web site of the Center for Responsive Politics (viewed on Oct 16 ,2012), <http://bit.ly/I2DgFz>.

²¹ Dan Glaun, *Stealthy Super PACs Influenced Primaries Without Disclosing Donors*, OPEN SECRETS BLOG (July 2, 2012), <http://bit.ly/NWiDfg>.

²² 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/IQPmEF>.

²³ The Center for Responsive Politics, www.opensecrets.org.

²⁴ *Id.*

²⁵ Dan Glaun, *Mystery Super PAC and Nonprofit Network Spent Big In PA Senate Race*, OPEN SECRETS BLOG (July 18, 2012), <http://bit.ly/PiSICH>.

²⁶ *Id.*

²⁷ Web site of the Center for Responsive Politics (viewed on Oct. 16, 2012), <http://bit.ly/I2DgFz>.

Of the group's receipts, \$121,000 came from Andrew Miller, who served as finance chair of Zelenik's campaign earlier this year. Miller previously worked with Zelenik on the Tennessee Freedom Coalition, a group that lists "Educat[ing] citizens on the realities of Sharia and stop[ping] the growth of Radical Islam" at the top of its list of advocacy goals.²⁹ An additional \$130,000 came from the Campaign for Primary Accountability, to which Miller has given \$60,000.³⁰ Miller also gave the maximum \$2,500 to Zelenik's campaign committee.³¹

Black won the August primary by about a two-to-one margin over Zelenik.³²

In late July, Miller said he would use Citizens 4 Ethics in Government to help other conservative candidates.³³ But the Super PAC has reported no expenditures since the Black-Zelenik primary.³⁴

Conservatives Acting Together

Conservatives Acting Together reported spending \$164,921 to support Michael Williams in his primary bid in Texas's 25th congressional district seat but had not disclosed the sources of its money when the election was held.³⁵

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 of Williams' campaign.³⁶ Collins also contributed \$5,000 to Williams campaign committee.³⁷ Williams finished sixth in the primary.³⁸

²⁸ 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 Oct. 16, 2012), <http://bit.ly/QnJ6Uy> (Citizens for Ethics in Government) and <http://bit.ly/SZ36RY> (Congressional Elections PAC).

²⁹ *Id.*

³⁰ Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Oct. 16, 2012), www.sunlightfoundation.com.

³¹ The Center for Responsive Politics, www.opensecrets.org.

³² Diane Black, *Bob Corker Win*, TENNESSEAN (Aug. 2, 2012).

³³ Fredreka Schouten and Ray Locker, *Anti-incumbent Super PAC's Leader Starts Second Super PAC*, USA TODAY (July 27, 2012).

³⁴ Web site of the Center for Responsive Politics (viewed on Oct. 16, 2012), <http://bit.ly/QnJ6Uy>.

³⁵ 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 (Oct. 16, 2012), www.sunlightfoundation.com.

³⁶ Dan Glaun, *Sunlight for Stealth PACs: Late-Disclosing Groups Report Donors*, OPEN SECRETS BLOG (July 17, 2012), <http://bit.ly/MAclB6>.

³⁷ The Center for Responsive Politics, www.opensecrets.org.

³⁸ *Roger Williams Appears Headed for Runoff in District 25 Congressional Race*, FORT WORTH STAR TELEGRAM (May 29, 2012).

Indiana Values

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.³⁹ Longtime Lugar aides Chip Andrae and Andrew Klingenstein helped found and operate Indiana Values, according to news reports.⁴⁰ Additionally, Andrae gave \$500 to Lugar's campaign committee.⁴¹ Klingenstein gave \$25,350 to Indiana Values.⁴²

The largest contributions that Indiana Values reported (totaling \$137,000) were from Indiana Values Inc.,⁴³ which the Center for Responsive Politics concluded is likely a non-disclosing 501(c)(4) organization. Indiana Values' address is on K Street in Washington, D.C.⁴⁴

The Committee to Elect an Effective Valley Congressman

This Super PAC has spent \$1.1 million to aid Rep. Howard Berman (D-Calif.), who is locked in a fierce contest against Rep. Brad Sherman (D-Calif.) in a match-up prompted by redistricting.⁴⁵ The Super PAC was created by Marc Nathanson, a friend of Berman's who has contributed \$100,000 to it.⁴⁶ Nathanson also contributed \$5,000 to Berman's campaign committee.⁴⁷

"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."⁴⁸

Sherman filed a complaint with the Federal Election Commission alleging that the Super PAC illegally coordinated with Berman's campaign. The Super PAC and Berman's campaign

³⁹ Web site of the Center for Responsive Politics (viewed on Oct. 16, 2012), <http://bit.ly/RAbgfX>.

⁴⁰ 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).

⁴¹ The Center for Responsive Politics, www.opensecrets.org.

⁴² Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Oct. 16, 2012), www.sunlightfoundation.com.

⁴³ *Id.*

⁴⁴ *New FEC Filings Show Super PAC Strength Can Be Relative, and Pro-Lugar Super PAC Takes Shadow Money*, OPENSECRETS BLOG (July 17, 2012) and Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Oct. 16, 2012), www.sunlightfoundation.com.

⁴⁵ Web site of the Center for Responsive Politics (viewed on Oct. 16, 2012), <http://bit.ly/TtLjOT>.

⁴⁶ 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 (Oct. 16, 2012), www.sunlightfoundation.com.

⁴⁷ The Center for Responsive Politics, www.opensecrets.org.

⁴⁸ Dan Eggen, *Friends and Family Plan: Super PACs Often Personal Campaign Fundraising Affairs*, THE WASHINGTON POST (June 10, 2012)

committee have used the same consultant, Jerry Seedborg.⁴⁹ *The Los Angeles Times* reported that Seedborg has a long association with Berman's brother and campaign overseer, Michael, and Carl D'Agostino, Michael Berman's business partner.⁵⁰

Restoring Our Community

This Super PAC reported spending \$201,325 supporting Redlands Democratic Mayor Pete Aguilar in his bid for California's 31st district congressional seat.⁵¹ The Super PAC received \$250,000 of its reported \$325,000 in contributions from the California Credit Union League. The remainder came from San Manuel Band of Mission Indians.⁵² The California Credit Union league PAC separately contributed \$5,000 to Aguilar.⁵³

The *Huffington Post's* Paul Blumenthal reported that Restoring Our Community was formed by the California & Nevada Credit Union League and that Aguilar previously worked as head of government relations for Arrowhead Credit Union.⁵⁴

Aguilar finished third in the primary, in which the two top finishers qualified for spots on the general election ballot.⁵⁵

Super PACs Funded by Party Mega Donors or Run by Party Operatives

Conservative Renewal and Texas Conservatives Fund

These two Super PACs reported spending \$6.4 million combined to further the prospects of Republican Texas Lt. Gov. David Dewhurst, who unsuccessfully sought his party's nomination for this fall's U.S. Senate election.⁵⁶

The Texas Conservative Fund has received \$1 million from Harold Simmons, sometimes described as a nuclear waste management entrepreneur, and \$400,000 from Texas developer Bob Perry. Conservative Renewal received \$500,000 from Simmons and \$250,000 from casino mogul Sheldon Adelson.⁵⁷ Simmons and his wife have given \$18.8 million to Republican Super PACs this election cycle; Perry has given \$20.5 million; Adelson

⁴⁹ Jean Merl, *Sherman Campaign Seeks Review of Hire by Rival Berman's 'Super Pac'*, THE LOS ANGELES TIMES (May 7, 2012), <http://lat.ms/QqdtMt>.

⁵⁰ *Id.*

⁵¹ Web site of the Center for Responsive Politics (viewed on Oct. 16, 2012) <http://bit.ly/TbNFI3>.

⁵² Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Oct. 16, 2012), www.sunlightfoundation.com.

⁵³ The Center for Responsive Politics, www.opensecrets.org

⁵⁴ Paul Blumenthal, *Gary Miller vs. Pete Aguilar: Super PACs of Realtors, Credit Union Spend Big in California Primary Election*, HUFFINGTON POST (May 26, 2012), <http://huff.to/Tu6lrv>.

⁵⁵ *CU Super PAC Candidate Loses Congressional Bid*, CREDIT UNION JOURNAL (June 11, 2012).

⁵⁶ Web site of the Center for Responsive Politics (viewed on Oct. 16, 2012), <http://bit.ly/WwyIzB> (Texas Conservatives Fund) and <http://bit.ly/TtMoWX> (Conservative Renewal).

⁵⁷ Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Oct. 16, 2012), www.sunlightfoundation.com.

and his wife have given \$36.5 million.⁵⁸ Perry and Simmons both gave \$5,000 to Dewhurst's campaign committee.⁵⁹ Dewhurst advanced to a run-off election, but lost his bid for the nomination to Ted Cruz.

Freedom PAC

Freedom PAC reported spending \$1.1 million to aid Rep. Connie Mack, the Republican nominee for the U.S. Senate in Florida. The Super PAC has disclosed \$1.6 million in contributions, including \$1 million from Adelson and \$250,000 from Perry.⁶⁰

Hoosiers for Jobs

Hoosiers for Jobs, based in Sacramento, Calif.,⁶¹ spent \$175,185 to aid Lugar in his primary against Mourdock. It received \$25,000 from Sam Fox and 50,000 from Roy Pfautch. Fox and his wife gave another \$100,000 to Indiana Values, a Super PAC that also aided Lugar.⁶² Fox was a fundraising "bundler" for President George W. Bush in 2000 and 2004. He also helped fund the Swiftboat Veterans for Truth attacks on Democratic presidential nominee John Kerry in 2004.⁶³ Fox has contributed nearly \$250,000 to Republican committees this election cycle in addition to his gifts to the pro-Lugar Super PACs. Pfautch has contributed nearly \$100,000 to GOP causes so far this election cycle, aside from his contribution to Hoosiers for Jobs.⁶⁴ Both Pfautch and Fox were maximum donors to Lugar's campaign committee.⁶⁵

Independence Va.

Independence Va. has spent \$743,444 (through Oct. 16) in messages opposing former Virginia Gov. Tim Kaine (D) who is involved in a tight race for the U.S. Senate against former Virginia Gov. and Sen. George Allen (R).⁶⁶

For months, voters were not provided any information about the sources Independence Va.'s money. But on Oct. 15, the Super PAC disclosed \$1.1 million in contributions. Of this,

⁵⁸ 2012 Top Donors to Outside Spending Groups, the Center for Responsive Politics (viewed Oct. 23, 2012), <http://bit.ly/SfZVVo>.

⁵⁹ The Center for Responsive Politics, www.opensecrets.org.

⁶⁰ Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Oct. 16, 2012), www.sunlightfoundation.com.

⁶¹ Brian Francisco, *Senate Campaigns Decry, Defend PACs Filings Show Depth of Non-Hoosier Money*, FORT WAYNE JOURNAL-GAZETTE (April 19, 2012).

⁶² Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Oct. 16, 2012), www.sunlightfoundation.com.

⁶³ *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>.

⁶⁴ The Center for Responsive Politics, www.opensecrets.org.

⁶⁵ The Center for Responsive Politics, www.opensecrets.org.

⁶⁶ Web site of the Center for Responsive Politics (viewed on Oct. 16, 2012), <http://bit.ly/QVidgl>.

\$1 million came from Perry.⁶⁷ Independence Va. was formed in March by Paul Bennecke, former political director of the Republican Governors Association.⁶⁸

USA Super PAC

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 helped lead the legal fight that resulted in the *Citizens United* decision. The group was not required to disclose the sources of any of its money before the primary election, which Mourdock won.⁶⁹

Eventual filings revealed that the group received \$150,000 from prominent GOP donor Richard Uihlein and \$50,000 from Foster Friess. Uihlein has given \$1.3 million to Republican Super PACs this cycle; Friess has given \$2.5 million, including \$1.8 million to Red White and Blue Fund, which supported Republican Presidential Candidate Rick Santorum.⁷⁰

Maine Freedom

An observer of ads broadcast by Maine Freedom would likely assume that its backers are 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. Through Oct. 16, it had spent \$359,000, evenly split between messages that either praised Dill or criticized Independent candidate Angus King, a former Maine governor and one of Dill's opponents in a three way race.⁷¹

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

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 at the

⁶⁷ Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Oct. 16, 2012), www.sunlightfoundation.com.

⁶⁸ Wesley Hester, *Super PAC to Help GOP's Allen in Senate Bid in Virginia*, RICHMOND TIMES DISPATCH (March 13, 2012).

⁶⁹ 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 (Oct. 16, 2012), www.sunlightfoundation.com.

⁷⁰ Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Oct. 16, 2012), www.sunlightfoundation.com.

⁷¹ Web site of the Center for Responsive Politics (viewed on Oct. 16, 2012), <http://bit.ly/QVtQzV>.

Republican State Leadership Committee, according to her LinkedIn profile, the Center for Public Integrity reported.⁷²

RGA spokesman Mike Schrimpf denied having involvement with the group. “We are not funding it, helping with strategy, anything,” RGA spokesman Mike Schrimpf said in an e-mail to the Center for Public Integrity. “The only connection is the RGA’s counsel, Mike Adams.”⁷³

No information about Maine Freedom’s PAC’s funders was available until Oct. 15. New filings revealed that the Super PAC has 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.⁷⁴ Malone has given \$40,800 this election cycle to national Republican Party committees and to Romney’s campaign committee.⁷⁵ Paul Coulombe has given \$2,500 to Summers and \$10,000 to the Maine Republican Party.

Prosperity First

Prosperity First Inc. is a Super PAC devoted to aiding Republican Randy Altschuler in his quest to defeat Rep. Tim Bishop (D-N.Y.) to win New York’s first district congressional seat. Altschuler lost to Bishop by 594 votes in 2010.⁷⁶

This Super PAC reported spending \$763,257 (through Oct. 16).⁷⁷ It has reported raising just over \$1 million, \$750,000 of which has come from hedge fund manager Robert Mercer.⁷⁸ Mercer has given \$3.8 million this election cycle to support Republican causes, including \$1 million to Restore Our Future, a Super PAC dedicated to Romney. Mercer has given \$5,000 to Altschuler’s campaign committee.

Treasure Coast Jobs Coalition

Treasure Coast Jobs Coalition has reported spending of \$990,392 to pay for messages attacking Patrick Murphy in the race pitting Murphy and Rep. Allen West (R) for Florida’s 18th district congressional seat.

⁷² Rachel Marcus, *GOP Not Giving Up on Maine Senate Race*, THE CENTER FOR PUBLIC INTEGRITY (Aug. 27, 2012), <http://bit.ly/RgAiiQ>.

⁷³ *Id.*

⁷⁴ Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Oct. 16, 2012), www.sunlightfoundation.com.

⁷⁵ The Center for Responsive Politics, www.opensecrets.org.

⁷⁶ *Altschuler & Bishop Debate Economy, Super PACs, Campaign Messages*, SAG HARBOR EXPRESS (Oct. 17, 2012), <http://bit.ly/RzCd3o>.

⁷⁷ Web site of the Center for Responsive Politics (viewed on Oct. 16, 2012), <http://bit.ly/RAXB8L>.

⁷⁸ Paul LaRocco, *Super PACs Prop Up House Race*, NEWSDAY (Oct. 12, 2012) and Public Citizen analysis of Federal Election Commission data downloaded from the Sunlight Foundation (Oct. 16, 2012), www.sunlightfoundation.com.

Treasure Coast Jobs Coalition did not disclose information about its funders until Oct. 15, when it revealed the sources of \$1.1 million in contributions. Of its receipts, \$1 million came from Richard Roberts, who recently sold his family's pharmaceutical business, Mutual Pharmaceutical Co., to a Japanese company for \$800 million.⁷⁹

Roberts has separately given \$2,500 to West's campaign committee. He also has given \$750,000 to Romney Super PAC Restore Our Future and \$250,000 to American Crossroads.⁸⁰

Family-Funded Super PACs

American Sunrise

American Sunrise has spent \$118,578 for messages aiding Murphy in his effort to unseat West in Florida's 18th district congressional race.⁸¹ The Super PAC has reported contributions of \$350,000, \$250,000 of which came from the candidate's father, Thomas Murphy.⁸²

America Shining

America Shining describes itself as a "Bi-partisan civic organization focused on reinvigorating America. We sponsor and support policies and candidates for federal office."⁸³

In practice, the group has supported just one candidate in any significant measure: Democrat Jay Chen, who is seeking to defeat Republican incumbent Rep. Ed Royce in California's 39th congressional district. The Super PAC spent \$446,689 to further Chen's chances through Oct. 16. (It had also spent \$520 on two other contests.)⁸⁴

One America Shining advertisement attracted press coverage for its over-the-top depiction of "a detached monster hand grabbing the neck of a woman who lets out a blood-curdling scream. The end shows a ghostly looking portrait of Royce floating over the Capitol Dome." Chen said he had no knowledge of the commercial until he saw it on YouTube.⁸⁵

For months, voters had no idea who was behind the ads. But on Oct. 15, the Super PAC disclosed that all of its contributions (\$565,000) came from a single donor, Shaw Chen, the

⁷⁹ George Bennett, *Pharmaceutical Exec Gives \$1 Million to Pro-West Super PAC*, PALM BEACH POST (Oct. 16, 2012), <http://bit.ly/P1gaWy>.

⁸⁰ The Center for Responsive Politics, www.opensecrets.org

⁸¹ Web site of the Center for Responsive Politics (viewed on Oct. 16, 2012), <http://bit.ly/QVR74D>.

⁸² Keven Cirilli, *Allen West Punches Back Over Attack Ad*, POLITICO (Aug. 10, 2012), <http://politi.co/RiH0ry>.

⁸³ Facebook page of America Shining, <http://www.facebook.com/AmericaShining/info>.

⁸⁴ Web site of the Center for Responsive Politics (viewed on Oct. 16, 2012), <http://bit.ly/S1SnWe>.

⁸⁵ 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/RI9C5a>.

candidate's brother.⁸⁶ Shaw Chen separately contributed \$5,000 to Jay Chen's campaign committee.⁸⁷

American Foundations

American Foundations has disclosed spending \$535,082 in support of George Holding, who sought the Republican nomination for North Carolina's 13th congressional seat in a primary in May.⁸⁸

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.⁸⁹ Separately, Holding received \$36,890 from individuals with the last name Holding who reside in North Carolina.⁹⁰

Holding, who initiated the campaign finance corruption case against former Democratic presidential candidate John Edwards, won the primary.⁹¹

Progress for Washington

Residents of Washington's 1st congressional district were flooded with mailings in July assailing congressional candidate Suzan DelBene (D) from an anonymous Super PAC, "Progress for Washington."

Controversy over the mailings grew. Sen. Patty Murray (D), for instance, called for the Super PAC to cease its attacks. "The shadowy Super PAC attacks in the 1st District congressional race represents an unfortunate, ugly, apparently Democrat vs. Democrat assault, and I hope they stop," Murray said in a statement.⁹²

Laura Ruderman, one of DelBene's challengers in the Democratic primary, professed having no knowledge of the PAC's origins.⁹³ Then Federal Election Commission filings revealed that the source of Progress for Washington's money was Ruderman's mother,

⁸⁶ 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>.

⁸⁷ The Center for Responsive Politics, www.opensecrets.org.

⁸⁸ Web site of the Center for Responsive Politics (viewed on Oct. 16, 2012), <http://bit.ly/RyT32u>.

⁸⁹ Dan Eggen, *Friends and Family Plan: Super Pacs Often Personal Campaign Fundraising Affairs*, THE WASHINGTON POST (June 10, 2012), <http://wapo.st/LSp1EI>.

⁹⁰ The Center for Responsive Politics, www.opensecrets.org.

⁹¹ Dan Eggen, *Friends and Family Plan: Super Pacs Often Personal Campaign Fundraising Affairs*, THE WASHINGTON POST (June 10, 2012), <http://wapo.st/LSp1EI>.

⁹² *Murray to Anonymous PAC: Stop the Smears*, SEATTLE POST-INTELLIGENCER (July 15, 2012), <http://bit.ly/SsMwbs>.

⁹³ Joel Connelly, *Ruderman and Mom: High Road and Low Road*, SEATTLE POST-INTELLIGENCER (July 16, 2012), <http://bit.ly/TdxRTf>.

Margaret Rothschild, and that vendors in charge of producing the mailing had past political ties to Ruderman.⁹⁴ The Super PAC was quickly dubbed the “mamaPAC” and Ruderman soon denounced its activities.⁹⁵

“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.”⁹⁶

Ruderman’s mother contributed \$355,000 to the Super PAC, all of which was spent on Ruderman’s race. Ruderman finished third in the August primary, which DelBene won.⁹⁷

IV. Conclusion

Readers of these brief profiles might see a pattern of candidates backed by Super PACs losing in the primaries. This is perhaps to be expected, as Super PACs backing only one candidate are probably more likely on the whole to support long-shots than those that support multiple candidates and must generally rely on contributions from a broader base of people. More importantly, the defeat of Super PAC-backed candidates does nothing to undercut this report’s core claim that *Citizens United* has permitted spending that is not independent.

Likewise, some might question the potential of family-funded Super PACs to corrupt candidates. After all, such candidates likely already have an allegiance to their family or close friends. Here, too, the takeaway should be that the *Citizens United* has led to unregulated spending that is blatantly not independent.

This report documents that the majority of Super PACs operating in this election cycle are devoted to a single candidate. The fact that many of the biggest donors to Super PACs also gave to the candidate’s campaign committees bolsters the thesis that Super PACs are tantamount to unregulated campaign committees as opposed to independent entities.

The findings in this report lead to an almost inescapable conclusion that coming election cycles will spell the end of meaningful limits on campaign contributions without a reversal of *Citizens United* or passage of a constitutional amendment to restore the right of Congress to regulate campaign spending.

⁹⁴ *Id.*

⁹⁵ *Id.*

⁹⁶ Jonathan Martin, *Ruderman Denounces Attack Ad Paid by Her Mom*, SEATTLE TIMES (July 18, 2012), <http://bit.ly/RzxwYp>.

⁹⁷ *Suzan DelBene Wins Big in WA-01, Will Face John Koster in November*, NORTHWEST PROGRESSIVE INSTITUTE ADVOCATE (Aug. 7, 2012), <http://bit.ly/ONxaOH>.

Appendix: Independent Expenditures by Single Candidate Super PACs

Super PAC	Independent Expenditures (as of Oct 16*)	Candidate Supported**
Restore Our Future	\$96,796,280	Mitt Romney (R)
Priorities USA Action	\$44,279,410	Barack Obama (D)
Winning Our Future	\$17,002,762	Newt Gingrich (R)
Red, White & Blue	\$7,529,554	Rick Santorum (R)
Texas Conservatives Fund	\$5,511,601	David Dewhurst (R)
Make Us Great Again	\$3,959,824	Rich Perry (R)
Our Destiny PAC	\$2,804,234	Jon Huntsman (R)
Restore America's Voice PAC	\$1,489,336	Mitt Romney (R)
America's Next Generation	\$1,263,756	Mitt Romney (R)
Freedom PAC	\$1,133,626	Connie Mack (R)
Friends of the Majority	\$1,120,000	Ben Quayle (R)
Government Integrity Fund	\$1,099,950	Andrew Roraback (R)
End the Gridlock	\$1,091,084	Bob Kerrey (D)
Treasure Coast Jobs Coalition	\$990,392	Allen West (R)
Republican Union PAC	\$950,000	Mitt Romney (R)
Conservative Renewal	\$903,500	David Dewhurst (R)
Cmte to Elect Effective Valley Congressman	\$902,055	Howard Berman (D)
Prosperity First	\$763,257	Randy Altschuler (R)
Independence Virginia PAC	\$743,444	George Allen (R)
Women Speak Out PAC	\$722,366	Mitt Romney (R)
Prosperity for Michigan	\$644,847	Clark Durant (R)
Campaign for American Values	\$563,275	Mitt Romney (R)
American Foundations Cmte	\$535,082	George Holding (R)
Ohio Families United	\$512,737	Sherrod Brown (D)
NEA Advocacy Fund	\$500,000	John Tierney (D)
National Right to Life Victory Fund	\$480,566	Mitt Romney (R)
Indiana Values Super PAC	\$459,606	Richard Lugar (R)
America Shining	\$447,209	Jay Chen (D)
Santa Rita Super PAC	\$427,375	Ron Paul (R)
9-9-9 FUND	\$411,055	Herman Cain (R)
Maine Freedom	\$359,000	Charlie Summers (R)
Defenders of Wildlife Action Committee	\$343,210	Martin Heinrich (D)
Progress for Washington	\$341,108	Laura Ruderman (D)
FSA PAC	\$304,718	Barack Obama (D)
New Directions for America	\$282,147	Dan Roberti (D)
Freedom & Liberty PAC	\$280,000	Gary Johnson (R)
America 360 Cmte	\$279,166	Scott Brown (R)
Crossroads Generation	\$267,068	Mitt Romney (R)
Winning Freedom	\$264,795	Newt Gingrich (R)
American Jobs PAC	\$259,691	Newt Gingrich (R)
Protect Our Schools Fund	\$227,879	John Tierney (D)

Super PAC	Independent Expenditures (as of Oct 16*)	Candidate Supported**
Strong America Now	\$220,145	Newt Gingrich (R)
Americans for Rick Perry	\$202,865	Rick Perry (R)
Restoring Our Community	\$201,325	Pete Aguilar (D)
Texans for America's Future	\$197,338	Barack Obama (D)
Citizens for Ethics in Government	\$193,316	Lou Ann Zelenik (R)
USA Super PAC	\$190,085	Richard Mourdock (R)
Black Men Vote	\$180,944	Barack Obama (D)
Hoosiers for Jobs	\$175,185	Richard Lugar (R)
Freedom Fund for America's Future	\$175,145	Steve Welch (R)
Revolution PAC	\$172,141	Ron Paul (R)
Republican Super PAC	\$169,265	Arthur B. Robinson (R)
Conservatives Acting Together PAC	\$164,921	Michael Williams (R)
Connecticut's Future PAC	\$159,319	Christopher S. Murphy (D)
Rethink PAC	\$156,000	Elizabeth Warren (D)
Painters & Allied Trades District Council 50	\$139,856	Mazie Hirono (D)
Leaders for Families	\$135,468	Rick Santorum (R)
Conservative Values Project	\$134,525	Trey Radel (R)
Character Counts PAC	\$131,890	Chauncey Goss (R)
Congressional Elections PAC	\$127,300	Lou Ann Zelenik (R)
Real Street Conservatives PAC	\$120,000	Craig James (R)
1911 United	\$119,381	Barack Obama (D)
American Sunrise	\$118,578	Patrick Murphy (D)
Americans for Accountability in Leadership	\$112,680	Kim Dolbow Vann (R)
Californians for a Stronger America	\$100,000	Mary Bono Mack (R)

Source: The Center for Responsive Politics (www.opensecrets.org).

* Some Super PACs that were dedicated to single candidates through Oct. 16 may have broadened their focus in the election cycle's final week. Such efforts are not reflected in this report.

** Determining which candidate a Super PAC aims to help is not always obvious. The names in this column reflect Public Citizen's judgment on which candidate the Super PAC sought to assist.