



The Need for Campaign Finance Reform

Zoe Rawheiser - UAPP225

Campaign Finance: Past

- Tillman Act of 1907
 - Prohibited monetary contributions to candidates by corporations or nationally chartered banks
- Federal Election Campaign Act (FECA) of 1971
 - Added limits on campaign spending on communication media, created penalties for election law violations, and established disclosure requirements
 - A later 1974 amendment created the Federal Election Commission (FEC)
- Bipartisan Campaign Reform Act (BCRA) of 2002
 - Further amendment to FECA
 - Decreased the role of soft money in political campaigns
 - “Stand by Your Ad” provision



Citizens United v Federal Election Commission

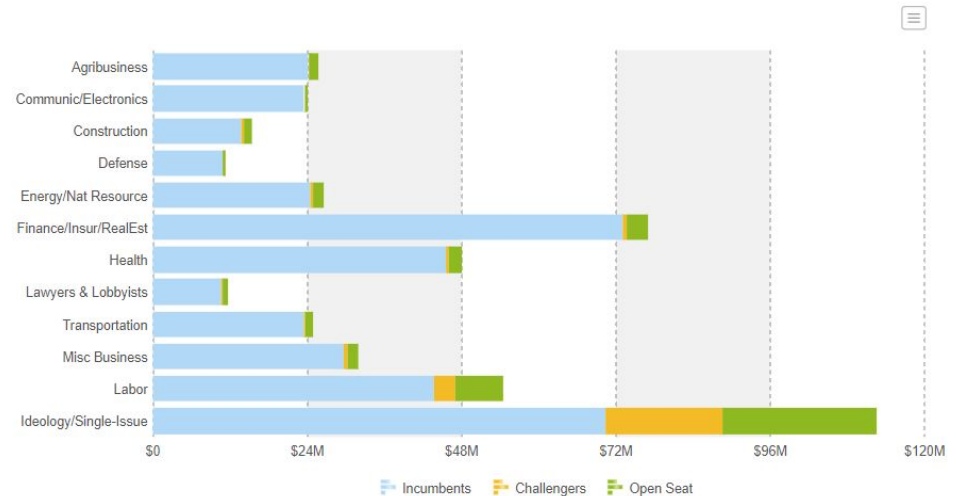
- Landmark case decided in 2010
- “Electioneering Communications”
- 5-4 decision in favor of Citizens United
- Determined that the free speech clause of the First Amendment prohibited limitations on political campaign spending by corporate, non-profit, labor union, etc groups



Implications of *Citizens United*

- Those with the most money have the loudest voices
 - The creation of super PACs and “Dark Money Groups”
 - Campaign spending by corporations and other outside groups increased by nearly 900% between 2008 and 2016

PAC contributions by sector, 2021 - 2022

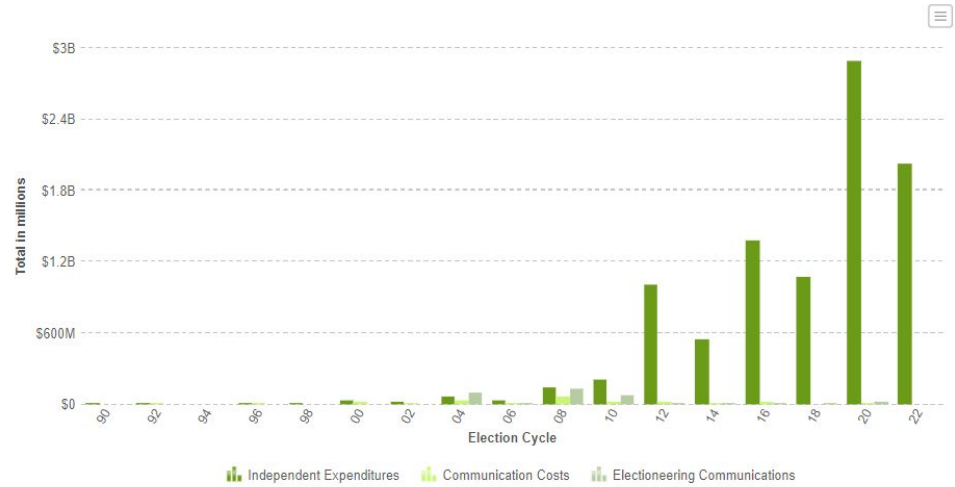


Shady Sources of Financing

- Political Action Committees (PACs)
 - Limitations on amount of contributions by individuals
 - Cannot accept funds from unions or corporate treasuries - must disclose contributors
 - No limit on aggregate amount of contributions to campaigns
 - Must register with the FEC
- Super PACs
 - Like regular PACs, but it may accept unlimited contributions from any non-foreign source, including unions or corporate treasuries
- “Dark Money Groups”
 - 501(c)(4) and (c)(6) organizations

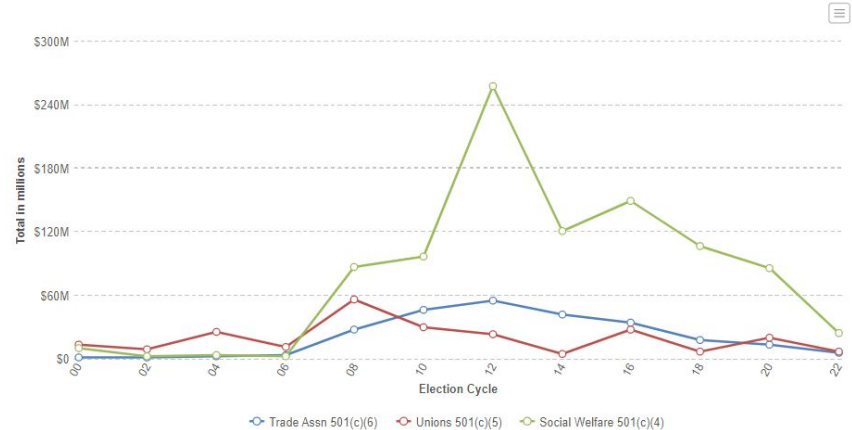
After *Citizens United*, super PACs and Shell Corporations have risen in use, diminishing the voice of American citizens and eroding trust in democratic institutions

Outside Spending by Cycle, Excluding Party Committees



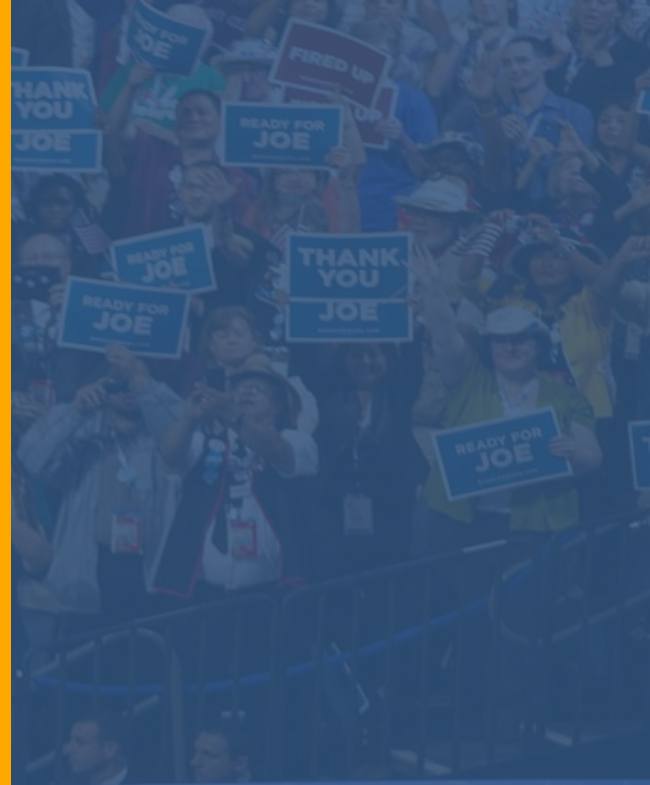
Political Nonprofits Spending, by Type of Group


Totals only include political spending from nonprofit treasuries that is reported to the FEC



What's Next?

- Erosion of the powers and capabilities of the FEC require rectification
 - Failure of the For the People Act of 2021
 - Would have restored the FEC's ability to take substantive enforcement actions
- Overturning Supreme Court Cases
 - *Buckley v Valeo* (1976), *FEC v Akins* (1998), *McConnell v FEC* (2003), *FEC v Wisconsin Right to Life, Inc* (2007), *Davis v FEC* (2008), *Citizens United v FEC* (2010), and *McCutcheon v FEC* (2014)
- Congressional Acts to support increased campaign finance reform
 - Political Accountability and Transparency Act, unsuccessful





Thanks!
Any questions?

References

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