# How Do Super PACs Distribute Their Money?

Evelyn Braz California State University, Chico ebraz@mail.csuchico.edu

Diana Dwyre California State University, Chico ddwyre@csuchico.edu

## Abstract

We suspect that super PACs differ from traditional PACs in the way they distribute their money. In this paper, we examine how super PACS allocated their money in the 2012 federal elections. What principles guided super PAC spending strategies? Do they follow strategies similar to traditional PACs? We argue that their spending patterns have changed the dynamics of federal campaign finance by directing more funds to individual candidate races than in the past, particularly through candidate-specific super PACs. We hypothesize that super PACs spend their money differently than conventional PACs in that they are less interested in access and more focused on an electoral strategy to change the composition of government. Thus, super PACs may behave more like political parties than like traditional PACs.

Prepared for presentation at the Annual Meeting of the Western Political Science Association, Seattle, Washington, April 17-19, 2014.

*Working draft – please do not cite without permission.* 

## How Do Super PACs Distribute Their Money?

In the past two election cycles, we have witnessed the emergence of super PACs (often called independent expenditure-only committees) and a tremendous growth in the number of these new fundraising and spending vehicles. From a regulatory perspective, super PACs are different from traditional PACs in that super PACs may raise and spend unlimited amounts of money from virtually any source, as long as they do not coordinate with candidates or parties, while traditional PACs must raise and spend money in limited amounts. However, traditional PACs may also contribute money, in limited amounts, directly to candidates, while Super PACs cannot. Both types of PACs are required to publicly disclose their fundraising and spending, including the identity of their donors.<sup>1</sup>

We suspect that super PACs differ from traditional PACs in other ways as well. In this paper we examine how super PACs distribute their money in federal elections, what principles guide super PAC spending strategies, and whether super PACs follow strategies similar to traditional PACs. Here we examine how super PACs spent their money in the 2012 federal elections. We argue that their spending patterns have changed the dynamics of federal campaign finance by directing more funds to individual candidate races than in the past, particularly through candidate-specific super PACs.

We also hypothesize that super PACs spend their money differently than conventional PACs in that super PACs are less interested in access and more focused on an electoral strategy to change the partisan composition of government. Thus, super PACs may behave more like political parties than like traditional PACs. Indeed, some super PAC behavior may actually be

<sup>&</sup>lt;sup>1</sup> Note that 501(c) non-profit organizations are not required to disclose the identity of their donors, and since most of them do not, this lack of transparency has become quite controversial.

"orchestrated" by the parties (Dwyre and Kolodny 2014). We also expect that some super PACs may pursue an ideological strategy to change the ideological focus of one party or the other. And super PACs created to support a single candidate, such as Priorities USA Action, the super PAC established in 2012 to support President Obama's reelection, are fundamentally different than traditional PACs, which are, by definition, multi-candidate committees. Single candidate super PACs have raised some concerns because their connection to only one candidate may challenge the requirement that super PACs are not permitted to coordinate with or contribute to candidates or their parties (Farrar-Myers and Skinner 2012).

### The Emergence of Super PACs

Super PACs are the first new campaign finance vehicle to emerge in quite some time, and the only type of fundraising and spending organization that has emerged *because of* the 2010 *Citizens United* and *SpeechNow.org* cases. These cases challenged certain limits on fundraising and spending as violations of the First Amendment right to freedom of expression. In January 2010, the Supreme Court held in *Citizens United v. Federal Election Commission* (558 U. S. 310 [2010]) with a 5 to 4 decision along ideological lines that limits on independent expenditures made by corporations violate the First Amendment. The *Citizens United* decision ended over 60 years of prohibitions on direct corporate and union spending in federal elections in effect since the 1947 Taft-Hartley Act. With *Citizens United*, the Supreme Court overruled its 1990 decision in *Austin v. Michigan Chamber of Commerce* (494 U.S. 652) prohibiting corporate independent expenditures and the portion of their 2003 *McConnell v. Federal Election Commission* (540 U.S. 93) decision that upheld the Bipartisan Campaign Reform Act's (BCRA, aka the McCainFeingold Act) ban on the use of corporate general treasury funds for electioneering communications close to an election.

The Court's conservative majority argued that "government may not suppress speech on the basis of the speaker's corporate identity," and that "independent expenditures, including those made by corporations, do not give rise to corruption or the appearance of corruption" (558 U. S. 310 [2010], 913, 909). The *Citizens United* ruling allows corporations to spend unlimited amounts on independent expenditures during elections, as long as those expenditures are not coordinated with candidates or their parties. Independent expenditures can be made by individuals, political parties, groups, and now corporations, and by extension, unions. These expenditures expressly advocate for the election or defeat of a candidate by, for example, urging voters to "vote for" or "defeat" a particular candidate. Independent expenditure advertisements are known as express advocacy ads.

Just a few months after the *Citizens United* ruling, in March 2010, the U.S. Court of Appeals for the District of Columbia Circuit decided *SpeechNow.org v. Federal Election Commission* (599 F.3d 686 D.C. Cir. [2010]). SpeechNow, a non-profit association organized under section 527 of the Internal Revenue Code, was formed to make only express advocacy independent expenditures. SpeechNow argued that the \$5,000 limit on contributions from individuals to their group, as well as the requirement that the group register as a political committee and disclose its fundraising and spending, were unconstitutional requirements. The D.C. Circuit Court agreed in part and ruled that limits on individual contributions to independent expenditure groups such as SpeechNow are unconstitutional, because in *Citizens United* the Supreme Court held that there is no governmental anti-corruption interest in limiting nonparty independent expenditures because independent expenditures do not cause corruption or the

appearance of corruption. The nine-judge panel ruled unanimously that "contributions to groups that make only independent expenditures cannot corrupt or create the appearance of corruption . . . that there is no corrupting 'quid' for which a candidate might in exchange offer a corrupt 'quo'" (Ibid., 694-95). In November 2010, the Supreme Court declined to grant *certiorari* in the *SpeechNow* case (i.e., it decided not to take the case), which means that the D.C. Circuit Court's decision stands. Thus, because of the *Citizens United* and *SpeechNow* decisions, there are now no limits on either the money raised or the money spent by independent expenditure-only committees, which became known as super PACs.

Then, in July 2010, the Federal Election Commission issued two advisory opinions to implement the *Citizens United* and *SpeechNow* decisions. The first confirmed that as a result of the *SpeechNow* decision, independent expenditure-only political committees are not subject to contribution limits in federal elections (Federal Election Commission 2010a – FEC Advisory Opinion 2010-09, Re: Club for Growth). In the second opinion, the FEC actually exceeded the ruling in *SpeechNow*, which allowed *individuals* to make unlimited contributions to independent expenditure-only committees (Federal Election Commission 2010b – FEC Advisory Opinion 2010-11, Re: Commonsense Ten). The FEC went beyond the court's ruling by arguing that *Citizens United* allows independent expenditure-only committees to receive unlimited contributions from political committees, corporations and unions, as well as from individuals. Within weeks, *Citizens United, SpeechNow*, and the related FEC decisions gave rise to perhaps the most significant change in the campaign finance landscape since the 1970s – the development of this new type of independent expenditure committee, the super PAC.

#### How Do Super PACs Spend Their Money?

Super PACs spent over \$609 million on independent expenditures during the 2011-2012 election cycle, as well as over \$100 million on overhead expenses (Center for Responsive Politics 2013). Figure 1 shows that super PACs are now the biggest outside spenders in federal elections. Given that super PACs now do most of the outside (non-candidate) spending in federal elections, understanding how these organizations behave is an important goal for citizens and policy makers, as well as for scholars. Thus we ask, how did super PACs distribute all of this money in 2012? What strategies did they pursue with their allocations? Do they follow the same strategies as traditional PACs? And do they all behave the same way?

#### [Figure 1 about here]

Most of the research on non-candidate, non-party political committee electoral spending has examined the contributions that conventional PACs make directly to candidates. However, super PACs are not permitted to make direct contributions to candidates, but instead spend money independent of candidates in an effort to influence the outcome of elections. Thus while research on traditional PAC behavior can provide some guidance for our analysis, we expect that super PACs will not spend their money in the same ways as traditional PACs even though they may pursue some of the same strategies. Indeed, we argue that most super PACs pursue partisan electoral strategies, either for a single candidate or group of candidates, while access to lawmakers is often seen as the primary goal of most conventional PACs. This would be consistent with Dwyre and Kolodny's finding that the national parties may be "orchestrating" the spending strategies of super PACs and other outside independent groups (Dwyre and Kolodny 2014). Indeed, these groups spend in the same races the parties have identified as targets, and many super PACs and other outside spending groups were developed by and/or employ former party, congressional and presidential staff (Ibid.).

Scholars who study traditional PAC contributions to candidates have found that PACs pursue an access strategy, an electoral strategy or some combination of both (Sorauf 1992, 70; Rudolph 1999; Lowery and Brasher 2004, 133; Rozell, Wilcox and Franz 2012, 64; Holyoke 2014, 253-254). PACs, especially corporate and trade association PACs, follow an access strategy that is linked to their lobbying efforts. Thus these PACs distribute the vast majority of their contribution money (79% in 2007-2008) to incumbents "in order to improve their relationship with a sitting government decision-maker," and most of that money is directed to party leaders and lawmakers on committees and subcommittees important to the PAC's interests (Nownes 2013, 162; see also Holyoke 2014, 255-256). Conway, Green and Currinder assert that PACs have a "maintaining strategy" or an "expanding strategy" (Conway, Green and Currinder 2002, 126). Both strategies focus on access to lawmakers, one to maintain access to specific legislators, and the other to increase the number of friendly legislators to which the group has access. In either case, for most PACs access is seen as more important than changing the partisan or ideological composition of Congress. Wright reported in 1989 that most PACs, twothirds of them, pursued a maintaining strategy (Wright 1989).

Some traditional PACs *do* pursue an *electoral strategy* to influence the outcome of elections. These PACs *are* interested in changing the make-up of Congress. Thus at least some of their contribution decisions are influenced by a candidate's party affiliation or political ideology. Indeed, Brunell found that even corporate and union PACs that give money to candidates from both parties favor either one party or the other (Brunell 2005). While recognizing that access is perhaps the primary factor that drives most PAC contributions to

candidates, Brunell found that "both labor and corporate groups have a strong preference for which party controls the U.S. Congress. By maximizing the electoral utility of dollars given to candidates from their preferred party, both of these types of interest organizations are pursuing an underlying electoral and ideological strategy" (Ibid., 685). We expect to find that most super PACs that are not established to support a single candidate pursue an electoral strategy more so than conventional PACs.

David Magleby has offered a typology of super PACs that we find useful for understanding what guides super PAC spending decisions (Magleby 2013). Magleby classifies super PACs into three general types: candidate-centered, party-centered, and interest group based (Ibid., 13). Single candidate super PACs were established to assist all of the GOP presidential nomination contenders, incumbent candidate Obama, and a few Senate and House candidates. For example, in 2012 Restore Our Future made independent expenditures totaling \$142.1 million to promote Mitt Romney's presidential bid, and Priorities USA Action spent \$65.2 million on independent expenditures to help Barack Obama win reelection (Center for Responsive Politics 2013).

These *candidate-specific super PACs* are different than leadership PACs, because leadership PAC funds cannot be spent on the lawmaker who is the sponsor of the leadership PAC, while candidate-specific super PACs can make unlimited independent expenditures that support the candidate or oppose his/her opponent, as long as there is no coordination with the candidate or the party. Magleby notes that candidate-specific super PACs were used as "... an extension of a candidate's campaign, essentially opening up access to large donors ..." (Ibid.).

These candidate-specific super PACs raise concerns about how independent these organizations really are because they challenge the requirement that these organizations not

coordinate with candidates or their parties when making independent expenditures. Farrar-Myers and Skinner ask "even if such expenditures are technically independent, are they functionally coordinated with campaigns so as to provide direct benefits to candidates?" (Farrar-Myers and Skinner 2012, 111). They argue that such "functional coordination of Super PACs' independent expenditures with candidate campaigns threatens to eradicate nearly 40 years of a campaign finance system premised on permissible restrictions on contributions to candidates" (Ibid., 116).

Moreover, although super PACs are not permitted to coordinate with candidates or parties, candidates, party leaders and elected and appointed officials may appear and speak at fundraisers as long as they do not actually solicit more than \$5,000, the limit for direct contributions to candidates and traditional PACs (Federal Election Commission 2011, 4). Appearing at a super PAC fundraiser and asking for money does seem to require some level of coordination between the candidate and the super PAC.

Additionally, candidates are now uploading video clips (called "b-roll footage") to their websites and to YouTube to make the footage available to friendly super PACs and 501(c) nonprofit groups for use in their ads (Sullivan 2014; Blumenthal 2014). Campaign finance watchdog groups argue that such "republication" of the footage by an independent group violates federal law because it constitutes an in-kind contribution to the candidate's campaign, which super PACs and 501(c) groups are prohibited from making, and because use of the footage by outside groups violates the prohibition on coordination between candidates and independent groups (Ibid.). To date, the Federal Election Commission has not commented on this practice. These examples of new tactics illustrate a willingness of super PACs and other independent groups to test the limits of the contribution and coordination prohibitions that are meant to restrict their activities.

Magleby's second type of super PAC is the *party-centered super PAC*. Magleby further divides these into two sub-types. First, super PACs that work to elect partisans at potentially all levels of government, such as American Crossroads, which made independent expenditures aimed at electing Republicans to the House, the Senate and the White House (Center for Responsive Politics 2014a). Second, super PACs devoted to electing partisans to a specific chamber of Congress that are identified with congressional leaders, such as the Congressional Leadership Fund affiliated with Speaker John Boehner, the Young Guns Network with House Majority Leader Eric Cantor, the House Majority PAC with Minority Leader Nancy Pelosi, and the Majority PAC with Senate Majority Leader Harry Reid (Magleby 2013, 17). Thus far, Senate Republicans do not appear to have a dedicated super PAC, but American Crossroads spent a good deal to help elect and reelect Republicans to the Senate in 2012.

The third type of super PAC in Magleby's typology is the *interest group centered super PAC*. There are two types: super PACs that are an extension of established groups or traditional PACs, such as the National Right to Life Victory Fund, which made \$1.3 million in independent expenditures in the general election presidential contest and 70 House and Senate races (Center for Responsive Politics 2014b); and super PACs created since the *Citizens United* and *SpeechNow* decisions in 2010 with no affiliation to other groups (Magleby 2013, 22), such as the conservative Ending Spending Action Fund, which made \$13.3 million in independent expenditures in 2012 for and against presidential and senate candidates to help elect Republicans (Center for Responsive Politics 2014c).

Magleby further distinguishes interest group super PACs into those with economic interests, such as business and labor groups, and those focused on some issue or ideology. A

number of labor unions spent large sums in 2012, such as the AFL-CIO Workers' Voices PAC, which spent almost equal amounts on independent expenditures for Democrats (\$3.2 million) as against Republicans (\$3.1 million) in 2012 (Center for Responsive Politics 2014e). The National Association of Realtors super PAC spent \$3.2 million on independent expenditures for three Democrats and 12 Republicans in 12 House races and one Senate race (Center for Responsive Politics 2014d).

*Ideological super PACs* aim to change the ideological composition of government. Examples include FreedomWorks for America, which made \$19.6 million in independent expenditures in 2012 aimed at electing more conservative Republicans (Center for Responsive Politics 2014f). FreedomWorks spent in primary elections to help the GOP candidate they deemed more conservative. For example, FreedomWorks spent nearly \$1 million against longtime incumbent Orrin Hatch (R-Utah) in an unsuccessful primary challenge, and \$1.6 million on Richard Mourdock's successful primary bid to unseat five-term senator Richard Lugar (R-Indiana) (Ibid.). Mourdock later went on to lose to Democrat Joe Donnelly.

We utilize some of Magleby's typological distinctions to analyze how super PACs distributed their money in the 2012 elections. Specifically, we expect to find a greater inclination among super PACs to follow electoral, that is, partisan strategies than traditional PACs, which are mostly inclined to pursue access to lawmakers through campaign contributions to candidates. We also expect to find that even those super PACs with an economic focus, whose conventional PACs are thought to be the most access-oriented, are also motivated to elect more friendly partisans and thus change the partisan and/or ideological make-up of the federal government, as Brunell suggests (Brunell 2005). Indeed, as Dwyre and Kolodny have found, the national parties may actually be "orchestrating" the spending strategies of super PACs and other

outside groups (Dwyre and Kolodny 2014). Thus, super PACs may be part of the extended party networks rather than truly independent groups (Ibid.).

#### **Data and Analysis**

To test these hypotheses, we built various data sets by merging Federal Election Commission data for overall fundraising and spending with detailed independent expenditure and other spending data from the Center for Responsive Politics. Our data sets allowed us to examine what types of spending super PACs did in 2012, who they spent for or against (including the candidate's name, state, party, whether the candidate was an incumbent, challenger or open seat, and whether the funds were spent during a primary or general election), and how much they spent for or against each candidate.

We first examined the various types of super PAC spending in 2012. Of course, these socalled independent expenditure committees spent most of their money on independent expenditures. However, as Figure 2 shows, super PACs also spent significant amounts in other ways. All super PACs together spent \$108 million on "Operating Expenditures," \$45.4 million on "Other Disbursements," \$22 million on "Contributions to Other Federal Committees," and \$4.6 million on "Transfers to Affiliated or Other Committees."

#### [Figure 2 about here]

Note that these categories are not absolutely discreet, but a closer examination of which super PACs spent significant amounts in these categories revealed some interesting variation in super PAC spending. We would expect any organization to spend on operating expenditures, and super PACs did. For example, American Crossroads spent \$104.7 million on independent expenditures and \$11.5 million on operating expenditures. Yet some super PACs spent most of their money on operating expenditures. The best example is America Bridge 21<sup>st</sup> Century, which had operating expenditures of over \$9 million, while making only \$332,994 in independent expenditures. American Bridge was created to do independent opposition research "to help Democratic candidates and other allied super PACs," a task usually taken on by the party committees (Duszak 2012). American Bridge employs a number of former Hill staffers who are knowledgeable about the party's goals and strategies. Moreover, creating a super PAC for this purpose allowed Democratic independent groups to avoid coordinating with the party or candidates. The Republicans set up their own opposition research super PAC, America Rising, after the 2012 elections.

Some groups made "Other Disbursements," which totaled \$45.4 million in 2012 (see Figure 2). The biggest spender in this category was RGA Right Direction PAC, a super PAC affiliated with the Republican Governors Association, which spent \$9.9 million on "other disbursements" and nothing on independent expenditures. Most of the money was spent on media expenses, yet, thus far, we have not been able to ascertain where that spending was targeted. Workers' Voice, affiliated with the AFL-CIO, spent \$11.4 million in this category, and also made \$6.3 million in independent expenditures. Most of these "Other Disbursements" were for transfers to other labor groups, and spending on media and research (Center for Responsive Politics 2014g). America Votes Action Fund, a union-backed group, spent only \$84,632 on independent expenditures but over \$3 million in other disbursements, and almost \$1 million was given to other federal committees, mostly other union groups. The "Transfers to Affiliated or Other Committees" and "Contributions to Other Federal Committees" shown on Figure 2 represent similar spending patterns, whereby groups made independent expenditures and also sometimes spent more in these other ways.

Although the media, the Federal Election Commission and others have come to call super PACs *independent expenditure-only committees*, these spending patterns challenge the accuracy of that label. Super PACs are being used as vehicles to spend money collected in unlimited amounts in a variety of ways, including shifting funds to other groups and spending directly on research and media. When funds are directed to other groups, the original source of the funds is lost, and it is not always possible to tell how that money is eventually spent, which reduces the level of transparency of these campaign finance activities. Further analysis is needed to better understand these super PAC spending patterns, but we expect to see more non-independent expenditure spending by super PACs in future elections.

## Super PAC Independent Expenditure Spending

Figure 3 shows that in the 2012 election cycle, most super PACs (601 of the 851 registered super PACs) made no independent expenditures at all, and most of those that made independent expenditures spent less than \$500,000 on them (181 of the 250 super PACs making independent expenditures). A majority of those super PACs that made independent expenditures spent between \$1,000 and \$500,000. Only 69 super PACs spent more than \$500,000 on independent expenditures, and only 17 made independent expenditures totaling more than \$5 million. There were only two real big spenders that made over \$100 million in independent expenditures: Restore our Future, which spent \$142.1 million to help elect Mitt Romney to the White House; and American Crossroads, which spent \$104.7 million on independent expenditates. The next highest spender was the pro-Obama super PAC Priorities USA Action, which spent \$65.2 million against Mitt Romney.

## [Figure 3 about here]

Although media accounts may have led one to believe that super PACs were taking over the campaign finance world, Figure 3 shows that at least in 2012, there were very few truly bigspending super PACs. We do expect the number of big spenders to increase in future election cycles, especially in the 2016 presidential election, but we think that much of this spending is likely to focus on single candidates.

What goals do super PACs pursue with their independent expenditure spending? Do they follow the same strategies as traditional PACs? Based loosely on Magleby's typologies of super PACs but mostly on our close examination of the targets of super PAC independent expenditures, we developed a coding scheme of five types of super PACs: single candidate, electoral/party, issue oriented, ideological and access oriented. While these categories are not completely discreet, they serve to allow us to make meaningful distinctions among the various super PACs. We followed the following general definitions of each type of super PAC when coding each group:

- *Single candidate* super PACs focus their independent expenditures primarily on one candidate. Some may also give small amounts to other candidates, but most of the organization's expenditures are targeted to help one candidate by either spending for that candidate or against his or her opponent.
- *Electoral/party* super PACs are similar to traditional PACs that support candidates from
  one party to influence the partisan make up of government. We distinguish these super
  PACS from *ideological* super PACs in that electoral/party super PACs favor mainstream
  partisans who are most likely to win, while ideological super PACs aim to change the
  ideological make-up of a particular party.

- *Ideological* super PACs try to change the ideological tilt of a party in government by helping to elect either more liberal or more conservative lawmakers, even if it means opposing a candidate of the same party in a primary election. Ideological super PACs target some candidates who have little chance of winning a primary or general election.
- *Issue-oriented* super PACs generally assist candidates from just one party, but their spending is focused on electing lawmakers who may influence policy on their issue of interest.
- Access-oriented super PACs, like their traditional PAC counterparts, work to gain access
  to lawmakers who can help them achieve their policy goals. Thus access-oriented super
  PACs generally direct spending to help candidates from both parties, while they may still
  prefer one party over the other.

We coded all super PACs that spent more than \$100,000 on independent expenditures in 2012 as belonging to one of these five categories, and the distribution of the groups is shown on Figure 4. More than half of all super PACs were single-candidate super PACs (77 of the 139 in the sample). Among these, 32 made independent expenditures to help presidential candidates, 27 to help Senate candidates, and 18 to help House candidates. Some spent during the primary election, some during the general election, and some spent in both types of contests.

## [Figure 4 about here]

Of those that were *not* single-candidate groups, most were electoral/party super PACs, and only three of the 139 were access-oriented super PACs, clear support for our hypothesis that super PACs are more inclined to follow an electoral strategy aimed at helping one party than an access strategy followed by most traditional PACs. Indeed, most of the issue-oriented and ideological super PACs also directed most of their spending in ways that helped candidates from

one party. The clearest case of an access-oriented super PAC was the National Association of Realtors Congressional Fund, which spent \$3.2 million on independent expenditures supporting 12 House (9 Republicans and 3 Democrats) and one Senate Republican candidate. And as Brunell found was the case for traditional PACs, this access-oriented super PAC expressed a preference for candidates from one party over the other (Brunell 2005). This analysis suggests that most super PACs are either partisan electoral organizations or partisan single-candidate organizations.

#### Conclusion

We hypothesized that in the 2012 federal elections, super PACs spent their money differently than conventional PACs in that super PACs would be less interested in access to sitting lawmakers and more focused on an electoral strategy. That is, we expect that super PACs behave more like political parties than access-oriented traditional PACs. We found that in the 2012 federal elections most super PACs did follow an electoral strategy by overwhelmingly supporting single candidates and candidates from one party, rather than the candidate or candidates with the most access potential. This party-centered approach may be the result of some measure of "orchestration" by the national parties (Dwyre and Kolodny 2014).

Indeed, many super PACs were created by former high-ranking party operatives, such as Karl Rove and Ed Gillespie, who established American Crossroads. Moreover, as Dwyre and Kolodny found, many super PACs spent their money in the same races targeted by the national parties (Ibid.). American Crossroads was the biggest-spending multi-candidate super PAC active in the 2012 elections, with \$104.7 million spent on independent expenditures to help GOP congressional candidates and Mitt Romney, and most of the congressional candidates targeted by American Crossroads were candidates targeted by National Republican Congressional

Committee (Ibid.). Other super PACs were designed to assist partisans running for one chamber of Congress, such as Majority PAC set up to elect Democrats to the Senate and House Majority PAC to do the same for Democratic House candidates. These types of super PACs almost mirror the work of the congressional campaign committees. A good deal of super PAC activity was really party activity in 2012, and as long as control of the House and the Senate remains truly up for grabs, we expect to continue to see this type of super PAC activity in future elections.

We also expected that some super PACs would pursue an ideological strategy to change the ideological center of one party or the other, and our results support this expectation as well. In particular, some super PACs backed one candidate over the other in a party primary election. Indeed, ideological super PACs behaved much like minor parties that have little chance of replacing one of the major parties in the U.S. system but sometimes can motivate a party to lean more in its ideological direction or address its particular issue focus. Most ideological super PAC spending was directed at helping conservative Republicans defeat more moderate Republicans, such as the spending done by FreedomWorks. In this case, FreedomWorks' strategy was usually opposed to the national party's strategy (Dwyre and Kolodny 2014). We found very few super PACs followed a clear ideological strategy in 2012, but we expect to continue to see these types of super PACs in the next few election cycles as the GOP works through its factional differences.

Additionally, we learned that many of the big-spending super PACs were established to assist just one candidate. The top spending super PAC, Restore our Future, spent \$142.1 million to help Mitt Romney win the presidential primary and general elections. A full 55% of super PACs in our sample of groups that made over \$100,000 in independent expenditures were devoted to a single candidate. That so many super PACs are focused on a single candidate raises

concern about the actual independence of these groups. The regulations governing super PACs have developed piecemeal with no input to date from Congress, but one thing is quite clear—that super PACs are not permitted to coordinate with or contribute to candidates or their parties. Yet some super PAC activities, such as candidate appearances at super PAC fundraisers and candidates publicly sharing video footage for super PACs to use in their express advocacy ads, suggest some level of "functional coordination" that seems contrary to the rules against coordination as well as the prohibition against direct super PAC contributions to candidates (Farrar-Myers and Skinner 2012).

We also found that super PACs are not exclusively independent expenditure-only committees, for some of them spend money in other ways, such as providing opposition research or transferring funds to other groups. In fact, most, 71% of registered super PACs, made no independent expenditures at all for the 2012 elections, and only some of those spent in other ways. Indeed, many super PACs registered with the FEC but never spent any money, as it was quite easy to register as a super PAC, which Stephen Colbert demonstrated by signing the papers to establish a super PAC on his nationally televised fake news show *The Colbert Report*. Yet, we may see more super PACs using their organizations for purposes other than making independent expenditures. When super PACs are used as a pass-through to direct funds to other groups, such transfers may mask the original identify of donors. We know that some 501(c) nonprofit organizations, which are not required to report their donors, transferred money to super PACs in 2012, and if those super PACs then transferred money to other groups, the source of that money is virtually impossible to trace, raising real concerns about the transparency of super PAC activity.

We plan to continue our investigation of 2012 super PAC activity to develop a more comprehensive model for studying super PAC activity in 2014 and 2016. For instance, we are working to better specify the types of super PACs to take account of our observations here. We need, for example, to have a better understanding of super PACs that make no independent expenditures. We also want to explore how candidate-specific super PACs may differ not just by office, but also by level of competition, leadership ambitions of the candidate, and other factors. Finally, we hope to gain a better understanding of those super PACs that pursue an ideological strategy.

## References

- Blumenthal, Paul. 2014. "Senate Candidates Find A Way To Give Those Friendly Super PACs A Helping Hand." *HuffingtonPost.com*, March 27 at <u>http://www.huffingtonpost.com/2014/03/27/2014-senate-super-pacs\_n\_5036277.html</u> (accessed April 2, 2014)
- Brunell, Thomas L. 2005. "The Relationship between Political Parties and Interest Groups: Explaining Patterns of PAC Contributions to Candidates for Congress." *Political Research Quarterly* 48, 4: 681-688.
- Center for Responsive Politics. 2013. "2012 Outside Spending, by Super PAC" at <u>http://www.opensecrets.org/outsidespending/summ.php?cycle=2012&chrt=V&type=S</u> (accessed March 29, 2014).

\_\_\_\_\_. 2014a. "American Crossroads: Targeted Candidates" at <u>http://www.opensecrets.org/outsidespending/recips.php?cmte=C00487363&cycle=2012</u> (accessed March 30, 2014).

\_\_\_\_\_. 2014b. "National Right to Life Victory Fund: Outside Spending – Targeted Candidates" at <u>https://www.opensecrets.org/outsidespending/recips.php?cmte=C00509893&cycle=2012</u> (accessed March 30, 2014).

\_\_\_\_\_. 2014c. "Ending Spending Action Fund: Summary" at <u>https://www.opensecrets.org/outsidespending/detail.php?cmte=C00489856&cycle=2012</u> (accessed March 30, 2014).

\_\_\_\_\_. 2014d. "National Assn of Realtors: Independent Expenditures" at <u>https://www.opensecrets.org/pacs/indexpend.php?cycle=2012&cmte=C00488742</u> (accessed March 30, 2014).

. 2014e. "AFL-CIO Workers' Voices PAC: Independent Expenditures" at <u>https://www.opensecrets.org/pacs/indexpend.php?cycle=2012&cmte=C00484287</u> (accessed March 30, 2014).

\_\_\_\_\_. 2014f. "FreedomWorks for America: Targeted Candidates" at <u>https://www.opensecrets.org/outsidespending/recips.php?cmte=C00499020&cycle=2012</u> (accessed March 30, 2014).

\_\_\_\_\_\_. 2014g. "AFL-CIO Workers' Voices PAC" at <u>http://www.opensecrets.org/pacs/expenditures.php?cycle=2012&cmte=C00484287</u> (accessed April 2, 2014).

- Conway, Margaret, Joanne Connor Green and Marian Currinder. 2002. "Interest Group Money in Elections," in Allan Cigler and Burdett Loomis, eds., *Interest Group Politics*. Washington, D.C.: CQ Press.
- Duszak, Anexandra. 2012. "PAC Profile: American Bridge 21<sup>st</sup> Century," *Center for Public Integrity* February 16 at <u>http://www.publicintegrity.org/2012/02/16/8177/pac-profile-american-bridge-21st-century</u> (accessed April 11, 2014).
- Dwyre, Diana and Robin Kolodny. 2014. "Political Party Activity in the 2012 Elections: Sophisticated Orchestration or Diminished Influence?" in Daniel Coffey, David Cohen and John Green, Eds. *State of the Parties*, 7<sup>th</sup> Ed. Lanham, MD: Rowman and Littlefield (forthcoming).
- Farrar-Myers, Victoria and Richard Skinner. 2012. "Super PACs and the 2012 Elections." *The Forum*, 10(4): 105–118.
- Federal Election Commission. 2010a. "Advisory Opinion 2010-09" regarding Club for Growth, Inc. July 22.

\_\_\_\_\_. 2010b. "Advisory Opinion 2010-11" regarding Commonsense Ten. July 22.

\_\_\_\_\_. 2011. Advisory Opinion 2011-12, June 30.

. 2013. "Committee Summary 2012" at http://www.fec.gov/data/DataCatalog.do?format=html (accessed on October 2, 2013).

Lowery, David and Holly Brasher. 2004. Organized Interests and American Government. New York McGraw Hill.

Magleby, David. 2013. "A Classification of Super PACs into Three Types: Candidate, Party and

Interest Group." Paper presented at "The State of the Parties: 2012 and Beyond" conference, University of Akron, Akron, Ohio. November 7-8, 2013. (Forthcoming in the next edition of *State of the Parties*, 2014).

- Rozell, Mark, Clyde Wilcox and Michael Franz. 2012. Interest Groups in American Campaigns: The New Face of Electioneering. New York: Oxford University Press.
- Rudolph, Thomas. 1999. "Corporate and Labor PAC Contributions in House Elections: Measuring the Effects of Majority Party Status." *Journal of Politics* 61, 1: 195-206.
- Sorauf, Frank. 1992. *Inside Campaign Finance: Myth and Realities*. New Haven, CT: Yale University Press.
- Strasser, Annie-Rose. 2012. "Senate Candidate Who Made Controversial Rape Comment Blames Liberal Media for Loss" *ThinkProgress.org*, December 12, at http://thinkprogress.org/health/2012/12/12/1322671/mourdock-rape-liberal-media/ (accessed March 30, 2014).
- Sullivan, Sean. 2014. "McConnell-aligned Group Launces Seven-figure Ad Campaign Footage with His Footage" *Washington Post*, March 18 at <u>http://www.washingtonpost.com/blogs/post-politics/wp/2014/03/18/mcconnell-aligned-group-launches-seven-figure-ad-campaign-with-his-footage/?wprss=rss\_politics</u> (accessed April 2, 2014).
- Wright, John R. 1989. "PAC Contributions, Lobbying and Representation." *Journal of Politics* 51: 713-729.







