

2015

PACing a Punch: The Rise in Power of Super PACs and the 2016 Election

Kevin Coroneos

Follow this and additional works at: <https://scholarship.shu.edu/pa>



Part of the [Political Science Commons](#)

Recommended Citation

Coroneos, Kevin (2015) "PACing a Punch: The Rise in Power of Super PACs and the 2016 Election," *Political Analysis*: Vol. 16 , Article 3.

Available at: <https://scholarship.shu.edu/pa/vol16/iss1/3>

PACing a Punch: The Rise in Power of Super PACs and the 2016 Election

Kevin Coroneos

It is 2016, the height of the Presidential election, and no one escape the political ads that have taken up every second of the commercial breaks on television. The ads, however, are not just from the candidates themselves, but from other, interested organizations. After an ad officially endorsed by the Republican candidate another pro-Republican ad comes along, but this one is created by a group called American Crossroads. During the next break, the viewer notices an advertisement supporting the Affordable Care Act, but this ad is also from a mysterious source called Priorities USA. With each commercial break, more and more political ads appear, either from the candidate or another source.

Tired of watching the television due to all the ads, the viewer decides to browse social media and YouTube for a short period of time, but he notices the ads before the videos are also very political. It is an aspect of the election the public cannot escape—an all-out attack of the advertisements.

This bombardment of ads, however, would not be possible without the behind-the-scenes role of super PACs in the election. Super PACs have been raising money since the end of the 2012 election, and have committed themselves to making sure they get their way in state and national elections since—including the 2016 Presidential Election. Throughout the election, the voter notices more and more ads put out by unknown groups who are significantly impacting the decision of who to vote for in the electoral contest. The groups have promoted or demonized a specific candidate or issue, to sway the voter's choice for president.

This is the future of electioneering. There will not be just parties attempting to sway voters, but super Political Action Committees putting out hundreds of ads attempting to get their

candidates elected in the United States. These big donor drawing organizations will do everything in their power to ensure their candidate is gaining office, and eventually, the man or woman they support is changing their address to 1600 Pennsylvania Avenue on the 20th of January, 2016.

The question, “How will super PACs impact the 2016 presidential election?” is of interest to the public and the researcher because it delves into the world of campaigning and explores a growing aspect of elections. As a democracy, the public must be informed of the candidates and issues during an election and with the growth of super PACS, the public must be informed of the new element of campaigns.

Campaigning has truly become a passion for this writer, especially since he is entering the field in a time where tactics and regulations are changing constantly. Whether it is the laws that designate what candidates or organizations can do or the actual practice of advertisements, fundraising, use of social media, or the changes to the system, the writer has developed a deep passion and believes the public should be informed of the way elections are run.

The research question is motivated by curiosity and almost terror about what super PACs can become. Citizens United was ruled on only two years before presidential elections were in full swing, so with more time and a better understanding of the system, what are the organizations really capable of doing? There are already super PACs, in an off election year, focusing their attention on the few statewide races and creating advertisements regarding the government shut down and who to blame, opposing the Affordable Care Act, and many others. It is important to examine what super PACs are doing during their off season and what their plans are for the future in order to understand what is in store for the United States in the next elections.

This paper will argue that Super PACs will become more powerful and play a greater role in the 2016 presidential election because of their fundraising, organization, and Democrats creating more super PACs. Asking the question, “just how powerful can they be and what impact will that have on the election?” is important to ask when looking at the future of campaigning. This paper will prove that super PACs are growing significantly, in number, in funding, and in power. Super PACs can be thought of like mogwais from the movie Gremlins. Like the creature in the movie, they started out looking innocent and seemed as if they would not do much. But like a mogwai that has water poured over it, the super PACs multiplied at a rapid pace. After multiple super PACs appeared, they were fed after midnight, turning into monsters, able to change the entire landscape. While it may be ridiculous to compare super PACs to mythical creatures in a movie, the evolution between the two is very similar. Super PACs will make a difference come 2016 due to the time they have leading up to the election, the limitless spending and lack of control the government has over them, the fact that Democrats are starting to get more involved in the super PAC spectrum, and the stronger organization of the super PACs.

Important terms used throughout this paper include the term “super Political Action Committee, or super PACs,” This paper follows the definition according to the Oxford Dictionary which states a super PAC is “a type of independent political action committee which may raise unlimited sums of money from corporations, unions, and individuals but is not permitted to contribute to or coordinate directly with parties or candidates.”⁶²

Another term used throughout the paper is the “FEC,” or Federal Election Commission, an organization of the government which oversees the laws and regulations of elections. The case *Citizens United v. Federal Election Commission* will be used significantly throughout the paper. This major Supreme Court case stated “Political spending is a form of protected speech

⁶² “Super PAC.” Oxford Dictionaries. Accessed November 8, 2013.

under the First Amendment, and the government may not keep corporations or unions from spending money to support or denounce individual candidates in elections.”⁶³

The District of Columbia Court of Appeals case *SpeechNow v. FEC* will also be used throughout this paper, which ruled “that limit the contributions that individuals may make to SpeechNow.org, and the contributions that SpeechNow.org may accept from them, violate the First Amendment.”⁶⁴ The decision of the case ruled that by limited expenditures of individuals, free speech was being prevented.

The timeline for the paper will be mainly from the *Citizens United* ruling of 2010 to the present day. However, this paper will briefly look at the 2008 presidential election to really show the impact of the *Citizens United* case on elections. Since the research question involves the 2016 election, the paper will clearly focus on the future as well. Super PACs really are a creation of recent times, so the time period will only focus on their creation to their brief past, present, and future effects on society and campaigning.

Some of the most important sources that will be used in this paper are from the Federal Election Commission. All super PAC organizations must register with the FEC and report to them every time they spend money, and must submit reports on the amount of money raised. The reports from the FEC are important because they show exactly what super PACs did in the past in the 2012 election and show the amount of money they are raising during the off election year. By looking at the reports, it will give the paper exact information directly from the organizations and the government.

Online sources such as the Center for Responsive Politics and the Center for Public Integrity will also be used. These sources give information about the super PACs and their

⁶³ *Citizens United v. Federal Election Commission*. SCOTUS Blog. Accessed November 8, 2013.

⁶⁴ *SpeechNow v. Federal Election Commission*. Federal Election Commission. Accessed November 8, 2013.

spending during the 2012 election. The data from the site will assist in comparing the spending between Republican super PACs, Democrat super PACs, and the candidates themselves. The financial impact these organizations had on the election, as well as a breakdown of funding by political ideology.

This paper will use newspaper and online articles covering super PACs that are currently active and raising money, and those that have just started up. The role they played in advertising during the 2012 election will also be important to understanding the role of super PACs. Current news articles show that the organizations have not taken a break from their campaigning and fundraising, and that they are very active even during an off year. The articles from the 2012 election give explanations for actions taken by organizations and give comparisons of the different super PACS.

Other major sources used in the paper will be the *Citizens United v. Federal Election Commission* ruling, as well as the *SpeechNow v. Federal Election Commission Ruling*. When looking at super PACs, it is important to understand their origin, which stems from the cases. The rulings will be studied because they specifically state what the organizations are capable of doing, and shows some of the loopholes the super PACS utilize in order to really get away with whatever they want. Citizens United and SpeechNow are really the start of everything and are easily one of the most important sources to examine while writing this paper.

Looking forward in the paper, there will be a major focus on the money of super PACs. Money plays a key role in the world of super PACs, no matter if it is money spent by organizations, or money raised and donated by individuals. The organization of super PACS, including the creation of organizations already planning for 2016, and the rise in Democrat super PACs since the 2012 election will also be looked at in the paper. By examining each aspect

super PACs, this paper will prove the growth of power of organizations towards the 2016 Presidential Election.

This paper will also analyze the questions, “Will super PACs have more of an influence on the voter than the candidates’ campaigns?” “Will super PACs rival one another and compete like political parties?” and “Do regulations and laws need to be put in place to restrict the power of super PACs?” Through a deep analysis of these questions, this paper will show what the growth in power of super PACs means to the United States

Through the 2002 passage of the Bipartisan Campaign Reform Act (McCain-Feingold Act), new laws were created that stated that advertisements “may no longer be funded by corporations or labor organizations.”⁶⁵ However, in the 2010 Supreme Court case *Citizens United v. FEC*, the court ruled that by preventing corporations from creating advertisements, the law was limiting free speech given by the First Amendment of the Constitution. In addition to the ruling, another court case, *SpeechNow v. FEC* ruled that corporations and independent expenditure groups could not be limited in the amount of money used for advertisements because it was a form of political speech and could not be prevented through the First Amendment. With the two court rulings came the political monsters now known as super PACs. Since the only regulations on super PACs are they must not coordinate with a candidate directly and must file reports regularly with the Federal Election Commission, big spenders pour money into their funds, creating very wealthy organizations that can promote or degrade issues or candidates as they please. Through looking at the contribution limits set in place by the FEC, it is clear why these big spenders spend most of their money donating to super PACs. By looking at a comparison between the spending by candidate campaigns and super PACs and the big donors

⁶⁵ “Electioneering Communications.” Federal Election Commission. Accessed November 8, 2013.

that help fuel them, along with the loopholes within the system, it is clear that by the 2016 super PACs will raise and spend a lot more money, contributing to their growth in power.

According to data from the Center for Responsive Politics at opensecrets.org, which records expenditures of candidates and outside organizations, there was a huge increase in spending by outside organizations in the presidential elections from 2008 to 2012. The data shows that in 2008, the election between Barack Obama and John McCain, outside organizations spent around \$304 million dollars.⁶⁶ However in the 2012 election, the first presidential election in the post-*Citizens United* era, outside organizations spent over one billion dollars on the campaign between Mitt Romney and Barack Obama.⁶⁷ In just one presidential election cycle, spending by outside organizations increased by over 306%. The high increase in spending by outside organizations during the elections is made possibly largely in part by the birth of super PACs in 2010. Since there is such a stark increase in the spending in just four years, it is very clear that by 2016 outside organizations will be contributing well over one billion dollars during the campaign, ultimately giving them a lot more power.

One of the main reasons these big donors are spending on super PACs rather than the actual candidate campaigns is due to the limits created by the Federal Election Commission. In 2011-2012 during the presidential elections, individuals could donate only \$2,500 dollars to each individual candidate and \$30,800 dollars to the national party.⁶⁸ While donors get around these limits by bundling their whole family's contributions together, they can still donate a lot more money through super PACs supporting their desired candidate. Through these limitless organizations, big donors are able to funnel as much money as they want in order to try to sway voters to follow their beliefs.

⁶⁶ "Outside Spending." Center for Responsive Politics. Accessed November 15, 2013.

⁶⁷ *Ibid.*

⁶⁸ "Contribution Limits for 2011-2012." Federal Election Commission. Accessed September 21, 2013.

President Barack Obama stated that he does not “think American elections should be bankrolled by America’s most powerful interests,”⁶⁹ but it is clear by looking at the spending by individuals to super PACs that that is exactly what is happening. According to data from publicintegrity.org, the largest donors, individual men and women, have donated mass amounts of money to the super PACS. For example, the leading donor to super PACs is Sheldon Adelson, who donated over \$93.3 million dollars to different super PACs⁷⁰. Adelson, the largest donor by far to any super PAC, is able to escape the limits of the Federal Election Commission through his donations to the outside organizations. With the lack of limits on super PAC donations, it is clear why large donors put the majority of their money into the outside organizations rather than the candidate campaigns.

Large donors like Adelson were critical in the 2012 election, and will play a greater role in future presidential elections, made clear by an interaction between New Jersey Governor Chris Christie and Adelson in August of 2013. Christie, an early favorite to be the Republican candidate for president in 2016, attended a fundraiser in Las Vegas hosted by Adelson to raise money for his gubernatorial election. While the event was to raise money for his gubernatorial campaign, a University of Nevada Reno political science professor, Eric Herzik, stated in the Las Vegas Sun that he believes that both men might have different intentions. “He’s (Governor Christie) giving every indication that even though he’s running for re-election as governor, he could be tempted to run for president. It wouldn’t surprise me if this is a get-to-know-you session on behalf of both sides.”⁷¹ While Governor Christie has denied any rumors of a 2016 bid for president, his interaction with Adelson appears to be an attempt to win his support if he were to

⁶⁹ Robert Barnes. “Super PAC Mania.” *Columbia Law Magazine*. Spring 2012.

⁷⁰ “Top 25 super PAC donors for 2012 election cycle.” The Center for Public Integrity. Accessed November 15, 2013.

⁷¹ Andrew Doughman. “Christie finds a reason to visit Las Vegas in the dead of summer.” *Las Vegas Sun*. August 1, 2013.

run. Kathleen Hall Jamieson of the University of Pennsylvania stated that candidates likely learned lessons from the 2012 election and now “Candidates, before they decide to run, will cultivate billionaires,” which appears true in the case of Governor Christie and Adelson.⁷² According to the National Journal, Adelson even had Governor Christie on a short list of people (including Marco Rubio, Paul Ryan, and Scott Walker) he believes to be the candidates in 2016.⁷³ The fact that the fifteenth richest person in the world is already considering the potential candidates for president means he is planning on spending big.⁷⁴ Adelson even plans on getting involved in midterm elections, stating that he and his wife will be “involved in more primary races than before.”⁷⁵ With this big donor already planning to influence Senate races, his plans for the presidential race can only be imagined. With a potential candidate like Governor Chris Christie already appearing to attempt to woo a man like Sheldon Adelson, it is very evident that big money and super PACs will play an extremely large role in the 2016 election.

Super PACs influence on the 2012 election can be seen through a comparison of funds raised and spent by the outside organizations to the funds spent by the actual candidates’ campaigns. For example, the Mitt Romney campaign raised around \$446 million dollars, more than any Republican presidential candidate in history.⁷⁶ Yet one super PAC, Restore Our Future, founded by Charles Spies, raised almost \$150 million dollars alone.⁷⁷ Just one of the many super PACs supporting the Republican agenda was able to obtain almost a quarter of the candidates own campaign funds. The top two Republican super PACS, Restore our Future and American

⁷² Jeanne Cummings. “Super-PACs Kept Romney-Obama Even in \$1 Billion Ad Race.” *Bloomberg*. November 1, 2012.

⁷³ Shane Goldmacher. “Billionaire Sheldon Adelson Assesses the 2016 Field.” *National Journal*. September 11, 2011.

⁷⁴ “The World’s Billionaires.” *Forbes*. Accessed November 15, 2013..

⁷⁵ Op. Cit. Goldmacher

⁷⁶ “2012 Presidential Race.” Center for Responsive Politics. Accessed November 15, 2013.

⁷⁷ “Top PACs.” Center for Responsive Politics. Accessed September 15, 2013.

Crossroads raised a combined \$318 million dollars, nearly three-quarters of the total amount raised by the Romney campaign.⁷⁸ With these organizations nearly equaling the candidate-run campaigns themselves, they will only grow in 2016 as more of America's richest throw their hats into the political game.

While the money raised by super PACs is remarkable, the money spent is equally incredible. According to opensecrets.org, President Barack Obama and Mitt Romney spent \$763.3 million dollars on media alone, where super PACs, which only spend on media, spent a combined \$567 million dollars on the race.^{79,80} While it is a \$200 million dollar difference, super PACs still spent a very large amount of money on the election and prove to be right behind the campaigns in spending. With such significant statistics in 2012, the rapid growth of spending of super PACs, and numerous billionaires gearing up for the future presidential election, 2016 will feature almost equal spending between the candidate's campaigns and super PACs.

Though the money behind super PACs is instrumental to their influence in the American political system, the groups are nothing without the organization running them. The foundation of super PACs began in 2010, only about two years before the presidential election, forcing the organizations to learn on the fly about how to operate. But now, with the lessons learned from the Obama-Romney campaign, a better understanding of the system, and more time to create an organization, super PACs and their founders are gearing up for a monumental 2016 presidential election.

Though super PACs are large and influential organizations, they are relatively easy to create. Bill Burton, one of the founders of Priorities USA Action, the large super PAC supporting

⁷⁸ *Ibid.*

⁷⁹ "Expenditures." Center for Responsive Politics. Accessed November 15, 2013.

⁸⁰ "How Much are Super PACs Spending?" *Wall Street Journal*. Accessed September 21, 2013..

President Obama, stated “It is not rocket science to start a super PAC.”⁸¹ For one to create a super PAC, all he or she needs to do is fill out a few papers given from the Federal Election Commission website. The first paper to file is the Statement of Organization, which only requires the founder to include the name of the organization, the mailing address, email address and website, along with the names of the treasurer, custodian of records, and bank the organization plans on using.⁸² Along with the Statement of Organization, the founders must submit a cover letter, which the FEC has already prepared.⁸³ All the founders must do is insert their information to the PDF template and include it with the Statement of Organization. That is it. As simple as that, an organization as powerful as a super PAC can be founded, pending approval from the FEC. Once the super PAC is approved, the organization can then begin raising its unlimited amount of funds and spend it as it pleases—just as long as it does not coordinate with the candidates.⁸⁴

While the process of creating a super PAC seems to be a bit too easy, it can be further exemplified by the number of young political activists jumping into the super PAC game. In an article from August 2013 from the site Politico, the writer Andrea Drusch tells the story of several of the young Americans forming super PACs that plan on influencing the American system. According to Drusch, in the month of July 2013, “four super PACs were formed by people younger than 35 with the intention of advocating for young people.”⁸⁵ These organizations are so easy to form that people of all ages are able to make their voices heard through the unlimited funds raised. One organization mentioned in the article is “College Democrats in Ohio,” clearly formed by young, college-age Democrats who want to make a

⁸¹ Andrea Drusch. “20-somethings jump into super PACs.” *Politico*. August 24, 2013.

⁸² “Statement of Organization.” Federal Election Commission. Accessed November 8, 2013.

⁸³ “Independent Expenditure Group Cover Letter.” Federal Election Commission. Accessed November 8, 2013.

⁸⁴ Tom Murse. “How to Start a Super PAC.” *About US Politics*. Accessed September 21, 2013.

⁸⁵ Op. Cit. Drusch

difference, shows that even students, still learning are able to create powerful organizations with ease.⁸⁶ Though these organizations were founded with ease by the young activists, they are still able to raise money and gain support from older donors. The fact that even the youth of America are able to create and operate super PACs shows the easiness of forming such a group and the understanding society is gaining on them.

Another example of the simplicity of forming a super PAC comes from Comedy Central's political satirist, Stephen Colbert. Colbert, host of the award winning Colbert Report, proved just how easy it is to form a super PAC by creating his own, Americans for a Better Tomorrow, Tomorrow, which mocked the power that the organizations can wield. Colbert filed the paperwork for the super PAC, but ultimately had to meet with the Federal Election commissioners before getting approved due to disclosure rules concerning promoting the super PAC on air.⁸⁷ The commissioners, however, approved his super PAC with a five to one vote, stating that it would not violate any rules for the parent company of Comedy Central, Viacom.⁸⁸ Even with a meeting with the commissioners, the satirist was approved and granted permission to operate his own super PAC, ultimately proving his point that they are simple to create and even a man in his position has the power to found one. After its foundation, Colbert stated, "There will be others who say, 'Stephen Colbert, what will you do with the unrestricted Super PAC money?' To which I say, I don't know. Give it to me and let's find out."⁸⁹ Colbert's mockery of the system led to his organization raising over one million dollars, which was used to create advertisements that mocked candidates like Mitt Romney, Newt Gingrich, and even super

⁸⁶ Ibid.

⁸⁷ Michael D. Shear. "Colbert Gets Permission to Form Super PAC." *New York Times: The Caucus*. June 30, 2011.

⁸⁸ Ibid.

⁸⁹ Op. Cit. Shear

PACs in general.⁹⁰ While the organization is now defunct, Colbert was able to prove that even though he took its foundation as a joke, super PACs are still easy to create and operate, which exemplifies to the public “That anyone, no matter who they are if they determined, if they are willing to work hard ...someday they can go on to create a legal entity which can then collect unlimited funds.”⁹¹ This lesson, a warning for 2016, along with the loose FEC requirements and young men and women forming super PACs shows that if a wealthy person wants to get involved and influence the election by creating a super PAC, they can accomplish their goal very easily.

With super PACs being very easy to form, some have already been created to support candidates who are suspected to run for president in 2016, but have not formally announced their intentions. While for the 2012 presidential election, super PACs had a little under two years to form and raise funds after the rulings *Citizens United* and *SpeechNow* in 2010, super PACs now have a lot more time to organize and accept donations for 2016. For example, Priorities USA, the major Obama super PAC was founded in April of 2011 while Restore our Future, the Romney supporting super PAC, was founded in June of 2011, both being created a little over a year before the election.⁹²⁹³ However, over three years before the 2016 election, Americans are already seeing new organizations like Ready for Hillary and Ready for Christie launching campaigns to support candidates. In January of 2013, Ready for Hillary was officially launched,

⁹⁰ Videos from www.Colbertsuperpac.com/episodeiv-anewhope/index.php. Accessed November 16, 2013.

⁹¹ Jeff Winkler. “Stephen Colbert appears in Washington to file his super PAC with the FEC.” *Daily Caller*. May 13, 2011.

⁹² Beth Fouhy. “Priorities USA, Outside Fundraising Group, Launched by Democrats.” *Huffington Post*. April 29, 2011.

⁹³ Chris Cillizza and Dan Eggen. “Romney backers launch ‘super PAC’ to raise and spend unlimited amounts.” *Washington Post*. June 23, 2011

according to the *Washington Post*.⁹⁴ The founder of the super PAC, Allida Black, stated “Our purpose is simple: We are ready to work for Hillary to be president when she is ready to run.”⁹⁵ According to the official filings to the Federal Election Commission, between its foundation and July 31, 2013, Ready for Hillary raised over \$1.25 million dollars.⁹⁶ The organization also hired key players in the Obama campaign, like Mitch Stewart, the battleground state strategist, to develop campaign tactics.⁹⁷ With a heavy strategy already set in place three years in advance, super PACs will be in full force in 2016.

Ready for Hillary is not the only early super PAC to be formed supporting a single candidate. On November 6th, 2013, the day after Governor Chris Christie won reelection in New Jersey, two men out of Ohio announced the creation of the super PAC named Ready for Christie, dedicated to make the tough decision to run for president “easier for Governor Christie.”⁹⁸ The group, which became an official super PAC in early November, has not yet filed its earnings yet with the FEC, but has been making headlines all over the new, stating “Ready for Hillary, meet Ready for Christie.”⁹⁹ The group insists that it will “support him (Governor Christie) if he chooses to launch a campaign,”¹⁰⁰ meaning that it is just sitting around earning money, ready to launch an all-out ad assault if Governor Christie announces his intentions to run for President. With super PACs like Ready for Christie and Ready for Hillary created so early in the election cycle, they will gain a lot of money and be able to launch massive campaigns, much larger than

⁹⁴ Matea Gold. “Super PACs, other independent political groups already setting pace for 2016 presidential race.” *Washington Post*. July 22, 2013.

⁹⁵ *Ibid.*

⁹⁶ Report of Receipts and Disbursements: Ready for Hillary. Federal Election Commission. Accessed November 8, 2013.

⁹⁷ Myra Adams. “Why Republicans Should Fear ‘Ready for Hillary’.” *The Daily Beast*. November 13, 2013.

⁹⁸ “Announcing Ready for Christie PAC.” Ready for Christie. November 6, 2013.

⁹⁹ Aaron Blake. “Christie supporters launch ‘Ready for Christie’ PAC.” *Washington Post*. November 7, 2013.

¹⁰⁰ *Op. Cit.* Ready For Christie

any single candidate supporting super PAC in history due to the longer time they have to raise funds and organize.

While new super PACs are already being formed to back specific candidates, it is impossible to forget the already established super PACs from the previous election that are already raising money. The large super PACs from the 2012 election like Priorities USA, American Crossroads, and Restore our Future are already preparing for the 2016 elections, made clear by their actions leading up to the next campaign. The new super PACs had to form and must establish themselves among supporters, but big name super PACs are already well known and established, ready to move forward towards 2016. For example, Restore our Future strictly supported Mitt Romney during the 2012 election, but did not dissolve after the election. On the website for the super PAC, they have the statement “Thank you for your support of Restore Our Future and Governor Romney. The fight to protect America from the growing debt, higher taxes and attacks on our job creators is not over. Please check back for an update on what Restore Our Future will be doing next,” a clear indication that they are in the works of a new plan and strategy to advance their agenda or promote a Republican candidate.¹⁰¹

While Restore our Future remains silent in its next steps, Priorities USA has already been making noise by attempting to recruit major Democratic strategists to join the team to further advance the super PAC. According to an article from Politico, Priorities USA has been in talks with former Obama campaign manager, Jim Messina, and Bill Clinton’s former chief of staff, John Podesta.¹⁰² With the super PAC recruiting two top Democratic officials, it is clear that they are attempting to make a big push for the 2016. Even Paul Bengala, an important member of the Priorities USA team, stated that “We at Priorities USA Action are proud of the role we played in

¹⁰¹ Restore Our Future. Accessed September 15, 2013.

¹⁰² Maggie Haberman. “Jim Messina, John Podesta to Priorities USA?” *Politico*. November 13, 2013.

helping to reelect President Obama in 2012 and we are committed to playing a pivotal role in the 2016 election.”¹⁰³ With the clear intention of playing a big role in the next election, it is very obvious that these already established super PACs like Priorities USA are trying to advance their organization skills to the next level to make an even greater impact on the next election.

While the previously established super PACs are planning and making internal changes, they are also still raising a lot of money or still have cash on hand. American Crossroads, the super PAC created by Karl Rove, earned over three million dollars between January 2013 and July 2013, letting competitors know that it is gaining coal to throw into the fire of the 2016 election.¹⁰⁴ The super PAC, though in its off season, is still earning a lot of money, allowing organization and preparation easier for its next plans.

Restore our Future and Priorities USA are not currently taking donations, but according to the FEC filings, still have a good amount of money left in the tanks. According to the FEC filings, Priorities USA has around 3.3 million dollars cash on hand, while Restore our Future has a little over one million dollars.^{105 106} Though the groups are not taking donations, they have enough funds to easily jump right into the elections and make a difference.

With a better understanding of the system, the relative ease to start a super PAC, and the amount of time these organizations have to garner funds, it is clear that through their organizational skills, super PACs will be more powerful and make a huge impact on the 2016 election for president.

¹⁰³ Ibid.

¹⁰⁴ Report of Receipts and Disbursements: American Crossroads. Federal Election Commission. Accessed November 8, 2013.

¹⁰⁵ Report of Receipts and Disbursements: Priorities USA. Federal Election Commission. Accessed November 8, 2013.

¹⁰⁶ Report of Receipts and Disbursements: Restore Our Future. Federal Election Commission. Accessed November 8, 2013.

Though super PACs will gain more power through their money raised and improved organization, the entry of more Democrat-supporting super PACs will be a huge impact in the 2016 election. After the *Citizens United* case, Democrats stood against the Supreme Court's ruling. Immediately following the decision, President Obama stated "With its ruling today, the Supreme Court has given a green light to a new stampede of special interest money in our politics. It is a major victory for big oil, Wall Street banks, health insurance companies and the other powerful interests that marshal their power every day in Washington to drown out the voices of everyday Americans."¹⁰⁷ The President went as far as to request Congress to consider an amendment to overturn the decision because of the negative impact on campaigning.¹⁰⁸ Though Democrats took a firm stance against big money organizations, some liberals still founded and funded super PACs to support candidates and issues during previous elections. However, in all 2012 elections, conservative outside spending groups severely outspent liberal groups by over \$427 million dollars. While the Democrats could not compete in outside spending in the last election, the party is making new strides to prove that in every election moving forward, they will be a force to be reckoned with.

Democrats have already been gearing up for 2016. With new super PACs like Ready for Hillary, organized and backed by big names, Democrats are plotting to make a big move in the next election. Along with new super PACs comes the revamping of previous Democrat powerhouses like Priorities USA Action. The recruitment of big democratic strategists like Jim Messina, Obama's former campaign manager, shows growth in the organization towards the 2016 Presidential Election. Yet while the Democrats are preparing for the next presidential election, they have already begun flexing their muscles in the 2014 midterm elections. In 2012,

¹⁰⁷ "Statement from the President on Today's Supreme Court Decision." The White House. January 21, 2010.

¹⁰⁸ Byron Tau. "Obama calls for constitutional amendment to overturn Citizens United." *Politico*. August 29, 2012.

... of the top ten donors to super PACs were liberal.¹⁰⁹ Now, for the 2014 midterm
...s, six of the top ten donors are liberal.¹¹⁰ This swing in top donors shows that Democrats
... more willing to enter into the world of super PACs and use big money to influence
...s.

While the change in top donors is proof of the Democrats getting more involved in the
... PAC game, Democrats are currently outspending Republicans in the 2014 midterm
...s. According to USA Today, "Liberal super PACs have spent \$10.8 million on federal
...s year —twice as much as conservative super PAC."¹¹¹ After being exponentially
...t in 2012, Democrats appear to be shifting to rely on super PACs. "For better or worse,
... are getting comfortable with the new campaign-finance landscape," according to Sheila
...lz, the executive director of the Center for Responsive Politics.¹¹² Democrats have
...so comfortable with the new campaign financing that they "accounted for more than half
...ending on independent television commercials" in the Virginia gubernatorial race, and
...an two-thirds of all outside spending in the New Jersey gubernatorial and legislative

While Democrats used super PACs to help win elections in Virginia and New Jersey,
... also using the super PACs to demonize already elected Republicans. The House
...y PAC created a massive advertising campaign to blame the Government shutdown on
... Republicans in Congress. According to the House Majority PAC's website, "the ads will
...hat as voters are searching for information about their respective member's role in

... The Center for Public Integrity

... Top Donors to Outside Spending Groups." Center for Responsive Politics. 16 November 2013.

... ka Schouten. "Pro-Democratic super PACs outspend conservatives." *USA Today*. Accessed November 17,

causing the Republican government shutdown, they'll be able to learn more and register their disapproval through target-specific websites and petitions."¹¹⁴ By disgracing and blaming Republicans for the shutdown through the super PAC, Democrats prove that they are learning to play the field when it comes to the new style of campaign financing and continue to do so in future elections.

Democrats joining the campaign finance revolution changes the landscape of the entire system. Democrats are conforming to the new style of campaigning in order to compete against the Republican super PACs and continue to hold office. As proven by the top donors and Democrat super PACs outspending the Republicans, the party knows that in order to continue its success in elections, it must equal Republicans in spending. Democrats still have many wealthy donors out in the country, but according to the Daily Beast, "the idea of super PACs still has the stench of corruption."¹¹⁵ However, if those big Democrat spenders who help raise money for President Obama through large events and bundling conform and donate to outside spending groups, Democrat super PACs will have an even bigger impact in future elections. If Democrat super PACs continue to grow in power and outspend Republicans towards the 2016 election, conservatives will be forced to funnel a lot more money into super PACs, surpassing the 2012 elections in spending

With increasing wealth, stronger organization, and greater Democratic participation, super PACs will inevitably be more powerful and have a greater impact on the 2016 election. Through high monetary donations that are only going to grow, super PACs will ultimately gain more money to spend on advertising, allowing them to have a bigger influence on the

¹¹⁴ "House Majority PAC Launches Multimedia Campaign Targeting Republicans For Shutting Down The Government, Playing Games With The Economy." House Majority PAC. October 3, 2013. www.housemajoritypac.com/news

¹¹⁵ David Freedlander. "Super PACs Will Be Back In 2016." *The Daily Beast*. November 15, 2012.

presidential election. Super PACs are also easy to form, which is becoming a known fact to the public, allowing new super PACs to appear three years prior to the presidential election. New super PACs, as well as previously established super PACs will have more time to organize and strategize, as well as raise more money to impact the election and sway the minds of the voters. While super PACs are now more organized and wealthier than before, Democrats are also beginning to compete against Republicans for control of outside spending. With new competition, Democrats are challenging Republicans to funnel even more money into elections, which will further expand spending from outside spending in elections, surpassing spending in 2012 election. Through their extreme growth in power, super PACs will play a role in 2016, and ultimately every election thereafter.

The growth of super PACs in the United States is a sure thing, but what exactly does that mean for the United States? When analyzing super PACs, one must ask the question, “Can super PACs influence the decision of a voter more than a candidate’s own campaign?” Through recent events, super PACs are proving that through unlimited funds and spending, they are able to make a large impact on voters, ultimately influencing the outcome of the election.

In the 2013 gubernatorial election in Virginia between Ken Cuccinelli and Terry McAuliffe, McAuliffe, the Democrat, beat the Republican Cuccinelli 48% to 45.5%.¹¹⁶ Super PACs played a big role in the election, but the most important of these organizations did not support the two major candidates, but rather the Libertarian third party candidate, Robert Sarvis. In such a tightly contested election, Sarvis was able to win 6.6% of the vote, “the third-highest vote total for a Libertarian gubernatorial candidate in history, in any state.”¹¹⁷ This substantial percentage acquired by the third party candidate accounted for 145,000 votes in a race that was

¹¹⁶ “Election 2013: Va. Governor.” *New York Times*. November 5, 2013.

¹¹⁷ Michael Beckel. “Libertarians declare ‘mission accomplished’ in Virginia—after super PAC help.” *The Center for Public Integrity*. November 7, 2013.

separated by about 50,000. Clearly, Sarvis was able to take some of the votes away from the major candidates, but according to the Center for Public Integrity, this was caused by the aid of two Libertarian super PACs.¹¹⁸ Purple PAC, creatively named for its Libertarian combination of Republican red and Democrat blue, played a major role in the election through its high spending. In the final days of the election, Purple PAC spent close to \$300,000 dollars on ads supporting the Libertarian candidate.¹¹⁹ This figure carries even more significance because Purple PAC spent \$100,000 dollars more than Sarvis's campaign raised throughout the entire election.¹²⁰ Yet out of the \$200,000 dollars Sarvis actually raised, the largest donor was another super PAC, the Libertarian Booster PAC. While super PACs are generally not allowed to coordinate and donate directly to candidates, Virginia's campaign laws allow candidates to accept unlimited funds from any source.¹²¹ While Virginia's campaign laws are very loose, the most significant part of the situation is that although Purple PAC could have donated the money directly to the campaign, they decided instead to run their own ads. This proves that even when given the option to donate to candidates, these big money organizations would rather keep matters in their own hands to influence the voters. By the spending comparison, it is clear that the super PAC was able to influence voters and change their minds and their actual vote. While Sarvis did not win, he definitely took key votes away from the major candidates, to the point where the Libertarian National Committee Executive Director Wes Benedict stated "Mission accomplished."¹²² While Purple PAC was able to spend a lot on the election, the President of the organization, Ed Crane, claims that "if Purple PAC had started earlier and had \$5 million at its disposal, instead of a few

¹¹⁸ *Ibid.*

¹¹⁹ *Ibid.*

¹²⁰ *Ibid.*

¹²¹ Paul Blumenthal. "In Virginia Governor's Race, Super PAC-Candidate Coordination Can Occur Legally." *Huffington Post*. February 14, 2013.

¹²² *Op. Cit.* Beckel

hundred thousand, Sarvis could have got a quarter of the vote.”¹²³ While the hypothetical situation Crane proposed cannot be confirmed, the influence of the super PAC on the election is clear. This case in Virginia shows the power the organizations have in influencing elections and ultimately deciding the outcome. No one can determine conclusively what percent of the vote Sarvis would have received if it was not for Purple PAC and the Libertarian Booster PAC, but it would not have been as significant of a margin if it was not for the two organizations. Through the money raised by super PACs and the decision of Purple PAC to take matters into its own hands when it had the option to donate, the election in Virginia is clear proof of the power super PACs have in 2013, and the inevitable influence they can have after they grow by the next election.

Another important question to analyze when understanding the growth in power of super PACs is “Will super PACs rival one another and compete like political parties?” By researching the activities of super PACs, as well as the formation of new organizations, it is clear that super PACs are beginning to rival one another, which will only escalate as years pass. The creation of the Ready for Hillary super PAC in January 2013 led to several rivals stepping forward to challenge the group directly. The super PAC, supporting Hillary Clinton, the early favorite to be the 2016 Democratic nominee for president, needed a challenger, so Ready for Christie stepped forward. The article from the Washington Post announcing the arrival of the Christie super PAC states, “Ready for Hillary, meet Ready for Christie,” insinuating that a rivalry has begun.¹²⁴ The almost mocking title of the super PAC Ready for Christie stands up and says to Democrat leaders that the Republicans have a strong candidate too. Ready for Hillary began raising money in January 2013 in support of Clinton’s possible run and could evolve into larger organization if she

¹²³ *ibid.*

¹²⁴ *Op. Cit.* Blake

wins the nomination, so the Republicans needed to strike back with their own group. With the creation of Ready for Christie, Republicans prove they know Clinton is a possibility for the Democratic Presidential Nomination, and they cannot sit back and allow a group to raise money in support of her. Through founding the super PAC, the conservatives created a rival organization, capable of raising unlimited funds to compete against Hillary Clinton, should both she and Christie win their respective nominations.

However, the rivalries do not just extend to individual candidates. In June of 2013, the super PAC American Rising, in response to Ready for Hillary, created a website titled stophillary2016.org, solely dedicated to raising money to ensure Hillary Clinton does not win in 2016.¹²⁵ While the site was created months after the birth of Ready for Hillary, it was clearly created in response because American Rising announced it after “Sen. Claire McCaskill (D-Mo.) offered a high-profile endorsement of both former Secretary of State Hillary Clinton and the super PAC, Ready for Hillary.”¹²⁶ Clearly, American Rising saw the imminent threat of the super PAC and decided it needed to create a site to rival the organization. By creating stophillary2016.org, American Rising proves that even three years in advance, competition between super PACs is in full swing, only to grow towards the next election.

While the Republicans have shown they are willing to compete with Democrat super PACs, Democrats responded with the creation of Correct the Record, a group that “will aggressively challenge false right-wing attacks before they take hold and expose the fraudulent sources of these attacks to the public.”¹²⁷ This new organization shows that Democrats are ready to take the defensive and take a stand against the ads from Republican super PACs. The site is up and running, waiting to defend any Democrats attacked by Republicans, though it has not done

¹²⁵ Stop Hillary 2016. Accessed October 30, 2013.

¹²⁶ Katie Glueck. “Super PAC launches anti-Hillary Clinton site.” *Politico*. June 21, 2013.

¹²⁷ Zeke Miller. “Democratic Super PAC Begins Hillary Defense Effort.” *Time*. November 1 2013.

so yet. The creation of Correct the Record shows that the rivalry between super PACs is real and both parties are willing to attack or defend against the opposition.

Three years before the Presidential Election, the public is already witnessing rivalries form between super PACs. Though they have not started to fully compete against each other, there is clear evidence that these groups have been created in response to one another. Moving forward, future super PACs will feature an opponent founded directly to counter their actions. With the formation of rivalries, there will be a need for more money in order to defeat their opponent, similar to political parties. The Republican Party and the Democratic Party only compete against one another, but in the case of Ready for Hillary, the super PAC will face numerous groups with contrasting objectives. These groups were created to directly compete against one another and will thus create contrasting ads, bashing the other organization's points. As seen with the creation of Correct the Record, super PACs are already being founded not just to attack, but to defend against opposing super PACs. With unlimited money and spending, super PACs will ultimately turn their attention on one another, acting like opposing political parties in an attempt to take down the other.

The final question that must be asked when examining the growth in power of super PACs is "Does legislation need to be put in place to limit the power of super PACs." Through loopholes in the system and a lack of disclosure, it is clear that there must be legislation created so super PACs become too powerful.

One of the key reasons legislation is needed to prevent super PACs from completely taking over elections comes from some of the loopholes resulting from Citizens United. One of the few limits on super PACs is that they must not coordinate directly with candidates...but where exactly is that line drawn? Or is there a line at all? In the 2012 Republican presidential

primary, Jon Huntsman Jr. was supported by the super PAC Our Destiny. While it is acceptable for Huntsman to be backed by the organization, the lead contributor was his own father, who donated two million dollars of the \$2.7 million dollars raised by the group.¹²⁸ So there can be no coordination between a candidate and a super PAC, yet the candidate's own father is allowed to sneak through the loop hole and fund the majority of the operation. According to propublica.org a candidate may ask donors to donate to a specific super PAC, but can only ask them to donate up to five thousand dollars.¹²⁹ Marian Wang of ProPublica mocks the situation by making up a quote from Huntsman Jr., "Dad, will you support me by giving this Super PAC \$5,000?" — followed by a wink, a nudge, and a follow-up conversation with a super PAC staffer."¹³⁰ A situation like a father donating the majority of the money to a super PAC directly supporting his son should raise red flags with the FEC, yet the family received no backlash from the government and little attention from the media. The situation with the Huntsman family shows that there needs to be new regulations put in place to ensure that super PACs and candidates are not coordinating, or candidates will ultimately be able to control hundreds of millions of dollars however "their super PAC" pleases.

Another issue with the coordination is that candidates are allowed to attend fundraisers put on by super PACs supporting them, as long as the candidate does "not make a direct appeal for money."¹³¹ An example of this occurred with President Barack Obama during the 2012 election. Though President Obama has publically taken a stance against super PACs, he attended

¹²⁸ John Dunbar. "Huntsman Sr. backed son's super PAC." The Center for Public Integrity. January 31, 2012.

¹²⁹ Marian Wang. "Uncoordinated Coordination: Six Reasons Limits on Super PACs are Barely Limits at All." ProPublica. November 21, 2011.

¹³⁰ Ibid.

¹³¹ Michael Scherer. "Book: Obama Attended Super PAC Fundraiser, Violating 2012 Campaign Pledge." *Time*. November 4, 2013.

an event put on at the home of Jeffrey Katzenberg, a Hollywood producer.¹³² This is a clear example of the loose rules on coordination given by the FEC. Though Barack Obama is not allowed to directly tell the super PAC what it should do, it is perfectly legal for him to make an appearance at a large fundraiser. According to the article from Time, Mitt Romney also made several appearances at events put on by Restore our Future.¹³³ Though the candidates did not directly ask for money or give the organizations instructions, they still appear to be coordinating with the groups. This very thin line between legal and illegal coordination is proof that there must be legislation enacted in order to assure that if super PACs exist, they do not coordinate with the candidates.

Another major reason there needs to be new legislation regarding super PACs is because of the lack of disclosure of the organizations. Supreme Court Justice Anton Scalia, who voted in favor of Citizens United, stated that “Thomas Jefferson would have said the more speech, the better,” the high court justice said. “That’s what the First Amendment is all about – so long as the people know where the speech is coming from,”¹³⁴ or in other words, corporations and big donors should have freedom of speech, but the groups they are donating to must disclose the information. Citizens United forced super PACs to disclose all their donors through filings with the FEC, made clear by the Supreme Court. Yet while even the conservative Justice Scalia believes in disclosure, super PACs have found loopholes that allow them to hide the identities of majority of donors. Through the use of 501(c)(4) organizations, which according to the Washington Post are “nonprofit organizations including civic leagues or local volunteer fire departments that in theory are designed to promote social welfare causes”¹³⁵, donors are able to

¹³² Ibid.

¹³³ Ibid.

¹³⁴ “Scalia vs. the GOP line on disclosure.” MSNBC, July 19, 2012.

¹³⁵ Sean Sullivan. “What is a 501(c)(4), anyway?” *Washington Post*. May 13, 2013.

donate money without any of their information being revealed. The founders of super PACs are also founding the nonprofit organizations to influence elections, with the only difference being that 501(c)(4) groups can only spend 50% of their money on politics. An example of a super PAC/501(c)(4) combo comes from Karl Rove, founder of American Crossroads, and also founder of Crossroads GPS, the 501(c)(4). The nonprofit group is allowed to donate money directly to the super PAC, essentially tearing away the disclosure required by super PACs. By using 501(c)(4) groups, donors can ultimately donate to super PACs without disclosing any information. Through this loophole, super PACs directly disregard the disclosure requirements. Without legislation, disclosure will not exist when it comes to super PACs because people can continue to donate to 501(c)(4) groups, therefore, against Justice Scalia's wishes, the people will never know where the speech is coming from.

There is a clear need for legislation among super PACs due to the lack of coordination and disclosure laws. As evidenced by the cases with the Huntsman family and attendance of super PAC fundraisers, coordination is so loosely defined by the FEC that candidates are getting away with the act. Without legislation on super PAC-candidate coordination, candidates will continue to walk the thin line of the FEC's regulations, despite how unethical some of their actions may seem. Disclosure legislation must also be put in place in order to allow the public to know who is funding the elections. Without strict disclosure laws, the rich will continue to funnel money into the 501(c)(4) groups and hide in the shadows of the elections. Through new legislation, super PACs would ultimately decline in power, returning control of elections to candidates.

The rise in power of super PACs is inevitable. Through their funds raised, stronger organizational skills, and more Democratic participation, the organizations are on the rise and

will continue to grow as the 2016 election approaches. To the American voter, these groups are going to make a huge appearance in their everyday lives. If there is no legislation put in place, super PACs will continue to grow and evolve into an even larger force. Whether through their advertisements all over the television, to the intense rivalries that will blow up the media, super PACs are destined to make a difference in the 2016, and they are PACing a powerful punch.