

DEFINITIONS FOR MONEY IN POLITICS TERMS

Introduction

Official definitions for many terms are found in the statutes dealing with campaign finance reporting. For example, many terms are defined in the Federal Election Commission's (FEC) compilation and index of federal election campaign laws at <http://www.fec.gov/law/feca/feca.pdf>. Those include: "election," "candidate," "political committee," "campaign committee," "national committee," "state committee," "political party" "contribution," "expenditure," "independent expenditure," "coordination," and "public communication."

For convenience, unofficial definitions of some of these terms and others follow, but it is important to know that for legal purposes many of these have detailed and well-established meanings in law that are only approximated here.

Terms

Candidate's Committee or Party Committee. These have the purpose of aiding an individual candidate or a particular political party respectively.

Contribution. Gifts, money, loans, or anything of value given for the purpose of influencing an election (candidate or ballot initiative), including services paid for by a third party. Services provided by volunteers are excluded.

Coordination. An expenditure for express advocacy made in "cooperation, consultation or concert" with or at the request of a candidate, or an agent of the candidate's committee or of a political party committee. However, the FEC's interpretations exclude many common-sense examples of cooperation.

Corruption. In *Buckley v. Valeo* (1976), the Supreme Court ruled that corruption or the appearance of corruption is a justification for limiting free speech rights in campaign finance law. The current Court has continuously narrowed the definition of corruption as a quid pro quo exchange. This fails to recognize the corruption of the political process when millionaires and billionaires can spend unlimited sums in an election. It also fails to recognize the subtle influence or favored access granted to a large donor by an elected official who was supported by big spending. (See *quid pro quo*.)

Dark Money. Political spending, the source of which is not disclosed under current regulations. This is typically accomplished through an arrangement whereby the originating donor contributes to a nonprofit corporation (that is not required to disclose) and that in turn makes an expenditure disclosed under the name of the corporation rather than the originating donor.

Electioneering Communication. Broadcast, cable or satellite transmissions that refer to a clearly identified candidate, targeted to the relevant electorate and made within 30 days before a primary election or 60 days before a general election.

Expenditure. Any purchase, payment or other use of money or anything of value for the purpose of influencing an election. It includes the transfer of money or anything of value between political committees. It does not include any news story, or editorial; any nonpartisan voter registration or get out the vote activity; or communications by an organization to its members.

Express Advocacy. Political communications that explicitly advocate for the defeat or election of a clearly identified federal candidate. *Citizens United v. FEC (2010)* allowed corporations, unions and non-profit groups to use their general treasuries to fund express advocacy so long as it was not done in coordination with a candidate. (See *coordination* and *independent expenditure*.)

Federal Election Commission (FEC). The six-member, bi-partisan federal commission with enforcement, regulatory and interpretative authority over federal campaign finance law. Four votes are required for the FEC to act.

Hard Money. Direct contributions to a political candidate. These contributions may only come from an individual or a political action committee, and are limited to \$2,600 per election for an individual. They are subject to broad disclosure rules set by the FEC. Corporations and unions may not contribute directly to federal candidates. (See *soft money*.)

Independent Expenditure. An expenditure that is not coordinated with any candidate or political party committee. (See *coordination* and *express advocacy*.) See, Money in Politics “Independent Expenditure” issue paper.

Issue Advocacy. Political communications in the form of advertising that is framed around an issue. Outside the election cycle, many groups use issue ads as part of their lobbying campaigns, but close to an election they can point a voter toward or against a candidate even if the ad doesn’t contain express advocacy. Congress and the Court have not been able to agree what constitutes a “true” issue ad and a “sham” one for regulating contributions and expenditures in elections. Issue ads that explicitly mention or depict a candidate that are broadcast within 30 days of a primary election or 60 days of a general election must be reported to the FEC as electioneering communications.

Political Action Committee (PAC). A political committee organized for the purpose of raising and spending money to elect and defeat candidates. Most PACs represent business, labor or ideological interests. PACs can give \$5,000 to a candidate committee per election. (See *hard money*.)

Public Financing. Money provided by local state, or federal governments to candidates to fund their campaigns. Public financing is a way to reduce the dependence on private money from individuals and organizations that characterizes our current campaign finance system. For decades, the presidential public financing system worked to reduce corruption, protect the election process and move toward greater political equality. Inflation, the rise of soft money and unlimited independent expenditures sounded the political death knell for the presidential system.

Legislation has been introduced to reestablish the presidential system and to provide for congressional public financing

Quid Pro Quo. A Latin phrase that literally means “this for that.” In the context of political campaign finance, it refers to the kind of corruption that justifies limits on First Amendment rights. The Supreme Court has been narrowing its definition of quid pro quo corruption so it is virtually the same as bribery -- an explicit agreement by a candidate or elected official to perform a specific act in exchange for something of value. Hence the Court ignores the subtle influence or favored access granted to a large donor, and rejects the notion of corrupting the election process or achieving greater political equality. (See *corruption*.)

Soft Money. Prior to the Bipartisan Campaign Reform Act (BCRA, 2002), soft money consisted of huge contributions to a political party for "party-building activities." Such contributions had no limits but could not lawfully be used for express advocacy. They did, however, provide access and special treatment for donors. Soft money is still barred by BCRA, but *Citizens United* opened a similarly large loophole by providing for unlimited independent expenditures by corporations, unions and non-profit organizations.

SuperPAC. A political action committee that makes unlimited independent expenditures that are not coordinated with any candidate or party. SuperPACs run ads, send mail or communicate in other ways with messages that may advocate the election or defeat of a particular candidate. There are no limits or restrictions on the sources of funds or on the amounts of SuperPAC expenditures. However, both PACs and Super PACs are required to file timely financial reports with the FEC that include the names and amounts from donors above a base level (generally \$200), along with the amounts of their expenditures.