

# **Coordinated Party Expenditures in Federal Elections: An Overview**

**name redacted** Specialist in American National Government

**name redacted** Legislative Attorney

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### Summary

A provision of federal campaign finance law, codified at 52 U.S.C. §30116(d) (formerly 2 U.S.C. §441a(d)), allows political party committees to make expenditures on behalf of their general election candidates for federal office and specifies limits on such spending. These "coordinated party expenditures" are important not only because they provide financial support to campaigns, but also because parties and campaigns may explicitly discuss how the money is spent. Although they have long been the major source of direct party financial support for campaigns, coordinated expenditures have recently been overshadowed by independent expenditures.

In a 1996 ruling, *Colorado Republican Federal Campaign Committee v. Federal Election Commission (FEC) (Colorado I)*, the U.S. Supreme Court found that political parties have a constitutional right to make unlimited independent expenditures. Federal campaign finance law defines an independent expenditure to include spending for a communication that expressly advocates the election or defeat of a clearly identified candidate, and is not made in cooperation or consultation with a candidate or a political party. In a subsequent case, *Colorado II*, however, the Court ruled that a political party's coordinated expenditures—that is, expenditures made in cooperation or consultation with a candidate—may be constitutionally limited in order to minimize circumvention of contribution limits. According to the Court, in contrast to independent expenditures, coordinated party expenditures have no "significant functional difference" from direct party candidate contributions.

Despite limited legislative activity on the topic in recent Congresses, coordinated party expenditures remain a component of the debate over the strength of modern political parties. In recent Congresses, provisions in some appropriations bills would have increased or abolished coordinated party expenditure limits, as would some public financing bills (H.R. 20; H.R. 424; H.R. 2143; S. 1176; S. 1910; S. 2132; and S. 3250 in the 114<sup>th</sup> Congress; and H.R. 20, H.R. 268, H.R. 269, H.R. 270, and S. 2023 in the 113<sup>th</sup> Congress).

Those who support existing limits on coordinated party expenditures argue that the caps reduce potential corruption and the amount of money in politics. Opponents maintain that the limits are antiquated, particularly because political parties may make unlimited independent expenditures supporting their candidates. If the caps were lifted and fundraising patterns remained consistent with those discussed here, it appears that neither party would have a substantial resource advantage over the other. It is important to note, however, that individual circumstances would determine particular fundraising and spending decisions.

This report will be updated occasionally as events warrant.

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### What Are Coordinated Party Expenditures?

Federal campaign finance law provides political parties with three major options for providing financial support to House, Senate, and presidential candidates: (1) direct contributions, (2) coordinated expenditures, and (3) independent expenditures.<sup>1</sup> With *direct contributions*, parties give money (or in the case of in-kind contributions, financially valuable services) to individual campaigns, but such contributions are subject to strict limits; most party committees are limited to direct contributions of \$5,000 per candidate, per election.<sup>2</sup> Since the 1996 *Colorado I* Supreme Court ruling (discussed below), parties may make *independent expenditures*, which are not limited, on anything allowable by law, but may not coordinate those expenses with candidates. *Coordinated expenditures*<sup>3</sup> allow parties (notwithstanding other provisions in the law regulating contributions to campaigns) to buy goods or services on behalf of a campaign, and to discuss those expenditures with the campaign. Candidates may request that parties make coordinated expenditures, and may request specific purchases, but parties may not give this money directly to campaigns. Because parties are the spending agents, they (not candidates) report their coordinated expenditures to the Federal Election Commission (FEC).

Coordinated party expenditures are subject to limits based on office sought, state, and voting-age population (VAP). Exact amounts are determined by formula and updated annually by the FEC.<sup>4</sup> Limits for Senate candidates in 2016, adjusted for inflation, ranged from \$96,100 in states with the smallest VAPs to approximately \$2.9 million in California.<sup>5</sup> In 2016, parties may make up to \$48,100 in coordinated expenditures in support of each House candidate in multi-district states, and \$96,100 in support of House candidates in single-district states.<sup>6</sup> State party committees may authorize their national counterparts to make coordinated party expenditures on their behalf (or vice versa). If such agreements exist, one party could essentially assume the spending limit for another in particular states, in which case the designated party could spend up to its own limit and

<sup>&</sup>lt;sup>1</sup> For a discussion of campaign finance policy generally, see CRS Report R41542, *The State of Campaign Finance Policy: Recent Developments and Issues for Congress*, by (name redacted)

<sup>&</sup>lt;sup>2</sup> 52 U.S. C. §30116(a), (formerly codified at 2 U.S.C. §441a(a)). Effective September 1, 2014, the Office of Law Revision Counsel announced that parts of federal election law were being "reclassif[ied]" to a new Title 52 of the U.S. Code. The citations in this updated report reflect the new and former citations for reader convenience. For background on the reclassification, see Office of Law Revision Counsel, "Editorial Reclassification," at http://uscode.house.gov/editorialreclassification/t52/index.html.

<sup>&</sup>lt;sup>3</sup> Federal Election Commission (FEC) regulations define "coordinated" as "cooperation, consultation or concert with, or at the request or suggestion of, a candidate, a candidate's authorized committee, or a political party committee." 11 C.F.R. §109.20.

<sup>&</sup>lt;sup>4</sup> Senate limits are based primarily on VAP, whereas House limits are based primarily on a flat allocation. Specifically, the limits for Senate candidates and House candidates in single-district states are the greater of 2 cents multiplied by the VAP, adjusted for inflation, or \$20,000, adjusted for inflation. The limit for House candidates in multi-district states is \$10,000 (the 1974 base amount) plus adjustments for inflation, which have greatly increased the current limits over base amounts. *See* 52 U.S. C. \$30116(d)(3), (formerly codified at 2 U.S.C. \$441a(d)(3)).

<sup>&</sup>lt;sup>5</sup> For 2016 limits, see Federal Election Commission, "Price Index Adjustments for Expenditure Limitations and Lobbyist Bundling Disclosure Threshold," 81 *Federal Register* 7101-7103, February 10, 2016. If a joint expenditure designation between state and national parties were in place, the spending party, relying on both parties' limits, could spend \$192,200 and \$5.8 million respectively.

<sup>&</sup>lt;sup>6</sup> 52 U.S. C. §30116(d)(3), 30116(c), (formerly codified at 2 U.S.C. §§441a(d)(3), 441a(c)). If a joint expenditure designation between state and national parties were in place, the spending party, relying on both parties' limits, could spend \$96,200 and \$192,400 respectively.

up to the other party's limit. Parties may also make coordinated expenditures on behalf of presidential candidates. For 2016, the presidential limit is \$23.8 million.<sup>7</sup>

### **Overview of Relevant Supreme Court Precedent8**

#### Independent Spending Limits Found Unconstitutional and Contribution Limits Upheld: *Buckley v. Valeo*

In its 1976 decision, *Buckley v. Valeo*,<sup>9</sup> the Supreme Court considered the constitutionality of the Federal Election Campaign Act (FECA),<sup>10</sup> and determined that limits on independent expenditures were unconstitutional, while it upheld reasonable limits on contributions.<sup>11</sup> FECA defines an "independent expenditure" to include spending for a communication that expressly advocates the election or defeat of a clearly identified candidate, and is not made in concert or cooperation with or at the request or suggestion of a candidate or a political party.<sup>12</sup> In contrast, a "contribution" is generally given to a candidate or party, and is defined to include any gift of money or anything of value made by any person for the purpose of influencing a federal election.<sup>13</sup>

Most notably, the *Buckley* Court determined that the spending of money, whether in the form of contributions or expenditures, is a form of "speech" protected by the First Amendment. However, according to the Court, contributions and expenditures invoke different degrees of First Amendment protection.<sup>14</sup> Recognizing contribution limitations as one of FECA's "primary weapons against the reality or appearance of improper influence" on candidates by contributors, the Court found that these limits "serve the basic governmental interest in safeguarding the integrity of the electoral process."<sup>15</sup> On the other hand, the Court determined that FECA's expenditure limits on individuals, political action committees (PACs), and candidates impose "direct and substantial restraints on the quantity of political speech" and are not justified by an overriding governmental interest.<sup>16</sup>

<sup>&</sup>lt;sup>7</sup> Federal Election Commission, "Price Index Adjustments for Expenditure Limitations and Lobbyist Bundling Disclosure Threshold," 81 *Federal Register* 7103, February 10, 2016.

 $<sup>^{8}</sup>$  This portion of the report was written by (name redacted), Legislative Attorney ~ .

<sup>&</sup>lt;sup>9</sup> 424 U.S. 1 (1976). For further discussion of *Buckley, see* CRS Report R43719, *Campaign Finance: Constitutionality of Limits on Contributions and Expenditures*, by (name redacted) .

<sup>&</sup>lt;sup>10</sup> 52 U.S. C. §30101, (formerly codified at 2 U.S.C. §431 et seq).

<sup>&</sup>lt;sup>11</sup> For further discussion, see CRS Legal Sidebar WSLG909, Campaign Finance Law: What is a "Coordinated Communication" versus an "Independent Expenditure"?, by (name redacted).

<sup>&</sup>lt;sup>12</sup> 52 U.S. C. §30101(17), (formerly codified at 2 U.S.C. §431(17)).

<sup>&</sup>lt;sup>13</sup> 52 U.S. C. §30101(8)(A)(i), (formerly codified at 2 U.S.C. §431(8)(A)(i)).

<sup>&</sup>lt;sup>14</sup> Buckley, 424 U.S. at 24.

<sup>&</sup>lt;sup>15</sup> *Id.* at 59.

<sup>&</sup>lt;sup>16</sup> *Id.* at 39.

#### Independent Party Spending Limits Found Unconstitutional and Coordinated Party Expenditure Limits Upheld: *Colorado I* and *II*

In *Colorado Republican Federal Campaign Committee v. Federal Election Commission (FEC) (Colorado I (1996))*,<sup>17</sup> the Supreme Court found that political parties have a constitutional right to make unlimited independent expenditures. The Court determined that FECA's coordinated party expenditure limit<sup>18</sup> was unconstitutionally enforced against a party's funding of radio advertisements directed against a likely opponent.

Specifically, this case concerned the constitutionality of the coordinated party expenditure limit as applied to expenditures for radio ads by the Colorado Republican Party (CRP) that criticized the likely Democratic Party candidate in the 1986 U.S. Senate election.<sup>19</sup> The Court's ruling turned on whether CRP's ad purchase was an "independent expenditure," a "campaign contribution," or a "coordinated expenditure."<sup>20</sup> The Court found that the CRP's ad purchase was an independent expenditure deserving constitutional protection, emphasizing that the "constitutionally significant fact" of an independent expenditure is the absence of coordination between the candidate and the source of the expenditure.<sup>21</sup> Independent expenditures, the Court held, do not raise heightened governmental interests in regulation because the money is deployed to advance a political point of view separate from a candidate's viewpoint and, therefore, cannot be limited.<sup>22</sup>

The Court's opinion in *Colorado I* was limited to the constitutionality of the application of FECA's coordinated party expenditure limit to an independent expenditure by the CRP. Later, in *FEC v. Colorado Republican Federal Campaign Committee (Colorado II)*,<sup>23</sup> the Court considered a facial challenge<sup>24</sup> to the constitutionality of the limit on coordinated party spending. In *Colorado II*, the Supreme Court ruled that a political party's coordinated expenditures—unlike genuine independent expenditures—may be constitutionally limited in order to minimize circumvention of FECA contribution limits. As the Court explained, coordinated party expenditures have no "significant functional difference" from direct party candidate contributions.<sup>25</sup>

Relying on its holding in *Colorado I*, in a case evaluating the constitutionality of the Bipartisan Campaign Reform Act of 2002 (BCRA),<sup>26</sup> the Court invalidated a statutory provision that essentially required political parties to choose between making coordinated or independent expenditures after nominating a candidate.<sup>27</sup> In *McConnell v. FEC*,<sup>28</sup> the Court determined that

<sup>&</sup>lt;sup>17</sup> 518 U.S. 604 (1996).

<sup>&</sup>lt;sup>18</sup> 52 U.S. C. §30116(d)(3), (formerly codified at 2 U.S.C. §441a(d)(3)).

<sup>&</sup>lt;sup>19</sup> See Colorado I, 518 U.S. at 612.

<sup>&</sup>lt;sup>20</sup> *Id.* at 614, 615, 618, 622-623.

<sup>&</sup>lt;sup>21</sup> Id. at 617 (citing Buckley, 424 U.S. at 45-46; NCPAC, 479 U.S. at 498).

<sup>&</sup>lt;sup>22</sup> See id. at 614-615 (citing FEC v. National Conservative Political Action Committee (NCPAC), 479 U.S. 238 (1985)).

<sup>&</sup>lt;sup>23</sup> 533 U.S. 431 (2001).

<sup>&</sup>lt;sup>24</sup> Generally, when a statute is challenged "facially," a plaintiff is arguing that under all circumstances, the statute operates unconstitutionally. By contrast, an "as-applied" challenge involves a plaintiff arguing that a statute is unconstitutional as applied to the facts of a particular case or to a party.

<sup>&</sup>lt;sup>25</sup> Colorado II, 533 U.S. at 464.

<sup>&</sup>lt;sup>26</sup> P.L. 107-155.

<sup>&</sup>lt;sup>27</sup> Codified at 52 U.S. C. §30116(d)(4), (formerly codified at 2 U.S.C. §441a(d)(4)).

<sup>&</sup>lt;sup>28</sup> 540 U.S. 93, 213 (2003), *overruled in part by* Citizens United v. FEC, 558 U.S. 310, 365-66 (2010) (finding that the portion of *McConnell* that upheld BCRA's restriction on independent spending for "electioneering communications" (continued...)

the statute burdened the right of parties to make unlimited independent expenditures and therefore, was unconstitutional.<sup>29</sup>

In *Citizens United v. FEC*,<sup>30</sup> the Court overruled a separate portion of *McConnell* and invalidated BCRA's restriction on corporate and union spending for electioneering communications, as well as the long-standing ban on such spending for independent expenditures.<sup>31</sup> As the U.S. Court of Appeals for the Fifth Circuit has found,<sup>32</sup> it does not appear that *Citizens United* affected the Supreme Court's holding in *Colorado II*. In contrast to the coordinated party expenditure limit addressed in *Colorado II*, *Citizens United* evaluated the constitutionality of limits on *independent*—not coordinated—spending. Reiterating its holding in *Buckley*, the Court in *Citizens United* found that while large campaign contributions create a risk of quid pro quo candidate corruption, large independent expenditures do not. Therefore, in *Buckley*, the *Citizens United* Court observed, it determined that limiting independent expenditures fails to serve any substantial government interest in stemming either the reality or the appearance of such corruption.<sup>33</sup>

### **Recent Legislative Activity**

Reconsidering coordinated party expenditure limits is a consistent part of the debate over the role of political parties compared with other political committees and "outside groups." However, bills devoted specifically to altering the limits have not been considered recently. Perhaps most notably, H.R. 6286 (Cole) during the 111<sup>th</sup> Congress, and S. 1091 (Corker) and H.R. 3792 (Wamp) during the 110<sup>th</sup> Congress, would have eliminated existing caps on coordinated party expenditures. On April 18, 2007, the Senate Committee on Rules and Administration held a hearing on S. 1091; it was not subject to additional legislative action. H.R. 3792 was introduced on October 10, 2007; it did not receive additional action.

Since that time, legislative activity concerning coordinated party expenditures has been limited. During this period, most proposals to alter coordinated party expenditure limits have been components of other bills. As **Table 1** below shows, public financing and appropriations legislation considered during the 114<sup>th</sup> Congress would increase or eliminate limits on coordinated party expenditures in some cases. As of this writing, only one such bill, S. 1910, has advanced beyond introduction, but this appropriations bill was superseded by another measure that excluded the coordinated party expenditure language.

<sup>(...</sup>continued)

relied on an anti-distortion interest that the Court rejected as unconvincing and insufficient).

<sup>&</sup>lt;sup>29</sup> See id. at 217.

<sup>&</sup>lt;sup>30</sup> 558 U.S. 310 (2010). For further discussion of *Citizens United*, see CRS Report R41045, *The Constitutionality of Regulating Corporate Expenditures: A Brief Analysis of the Supreme Court Ruling in Citizens United v. FEC*, by (na me redacted) .

<sup>&</sup>lt;sup>31</sup> 52 U.S. C. §30118, (formerly codified at 2 U.S.C. §441b).

<sup>&</sup>lt;sup>32</sup> See Cao v. FEC, 619 F.3d 410, 431 (5<sup>th</sup> Cir. 2010), *cert. denied* 131 S. Ct. 1718 (2011) (holding, among other things, that in accordance with the Supreme Court's decision in *Colorado II*, limits on coordinated party expenditures are constitutional).

<sup>&</sup>lt;sup>33</sup> See Citizens United, 558 U.S. at 345 (quoting Buckley, 424 U.S. at 47).

#### Table 1. Legislation Affecting Coordinated Party Expenditures, 114th Congress

Congress	Bill Number	Short Title	Primary Sponsor	Brief Summary of Relevant Provision	Most Recent Major Legislative Action
<b>4</b> th	S. 3250	Empowering Citizens Act	Udall	<pre>§114 would increase presidential coordinated party expenditure limit to \$100 million, with future indexing for inflation; § 202 would permit unlimited coordinated party expenditures on behalf of publicly financed presidential candidates</pre>	Referred to Committee on Rules and Administration, 07/14/2016
<b>4</b> th	S. 2132	An Act Making Appropriations to Stop Regulatory Excess and for Other Purposes, 2016 (FY2016 Financial Services appropriations bill)	Cochran	§630 would amend FECA to permit parties to make unlimited coordinated expenditures on behalf of their candidates if the candidate did not control or direct such spending	Placed on Senate Legislative Calendar 10/06/2015. Provision not contained in FY2016 omnibus appropriations law P.L. 114-113
<b>4</b> th	S. 1910	Financial Services and General Government Appropriations Act, 2016	Boozman	§630 would amend FECA to permit parties to make unlimited coordinated expenditures on behalf of their candidates if the candidate did not control or direct such spending	Reported in the Senate, 07/30/2015 (S.Rept. 114-97). Provision not contained in FY2016 omnibus appropriations law P.L. 114-113

Most bills are primarily related to other topics, such as public financing of campaigns.

Congress	Bill Number	Short Title	Primary Sponsor	Brief Summary of Relevant Provision	Most Recent Major Legislative Action
<b>4</b> th	S. 1176	EMPOWER Act	Udall	§205 would increase presidential coordinated party expenditure limit to \$100 million, with future indexing for inflation	Referred to Committee on Rules and Administration, 04/30/2015
<b>4</b> th	H.R. 2143	EMPOWER Act	Price (N.C.)	§205 would increase presidential coordinated party expenditure limit to \$100 million, with future indexing for inflation	Referred to Committee on House Administration, 04/30/2015
<b>4</b> th	H.R. 424	Empowering Citizens Act	Price (N.C.)	<pre>§114 would increase presidential coordinated party expenditure limit to \$100 million, with future indexing for inflation; § 202 would permit unlimited coordinated party expenditures on behalf of publicly financed presidential candidates</pre>	Referred to Committees on House Administration and Ways and Means, 01/21/2015
<b>4</b> th	H.R. 20	Government by the People Act of 2015	Sarbanes	§202 would permit unlimited coordinated party expenditures on behalf of publicly financed House candidates	Referred to Committees on House Administration, Energy and Commerce, and Ways and Means, 01/21/2015

Source: CRS analysis of bill texts.

Notes: The table does not include legislation addressing coordination generally.

# Financial Overview and Analysis<sup>34</sup>

Although coordinated expenditures played a large role in party financial activity throughout the 1970s and 1980s, recent elections suggest that party reliance on coordinated expenditures is changing. As **Table 2** and **Figure 1** (below) show, although the *Colorado I* decision permitted parties to make unlimited independent expenditures during and after the 1996 cycle, those expenditures remained relatively modest through 2002. From 1996 to 2002, total party coordinated expenditures outpaced independent expenditures—often by large amounts.

Beginning in 2004, however, party spending shifted dramatically, with far more total independent expenditures than coordinated expenditures. In 2004, the two major parties made more than four times in independent expenditures what they did in coordinated expenditures. That allocation of resources continued thereafter, albeit in some cases less dramatically than in 2004. In 2014, the two major parties spent more than eight times on independent expenditures what they did in coordinated party expenditures (approximately \$229 million versus about \$28 million). These data do not establish why independent expenditures were so heavily favored compared with coordinated party expenditures in 2014. However, some disparity would be expected because spending would be naturally lower without a presidential race on which to make coordinated expenditures. It also is possible that parties are relying on "outside" spending, such as by super PACs, and are instead focusing their efforts on other activities (including their own independent expenditures). The decrease also could reflect party decisions about whether to support particular House or Senate campaigns. As the table also shows, at various points since 1996, each major party has outspent the other in coordinated expenditures. Despite some exceptions, Democrats and Republicans generally have allocated similar amounts to coordinated party expenditures.

	Coordinated Expenditures			Indepe	endent Expendit	tures
Election Cycle	Democrat	Republican	Total	Democrat	Republican	Total
1996	\$22,576,000	\$30,959,151	\$53,535,151	\$1,495,090	\$10,026,541	\$11,521,631
1998	\$18,643,156	\$15,696,145	\$34,339,301	\$1,489,707	\$263,646	\$1,753,353
2000	\$20,989,872	\$29,598,965	\$50,588,837	\$2,310,175	\$1,556,802	\$3,866,977
2002	\$7,057,291	\$15,951,023	\$23,008,314	\$1,701,292	\$1,944,116	\$3,645,408
2004	\$33,113,799	\$29,101,396	\$62,215,195	\$176,491,696	\$88,032,382	\$264,524,078
2006	\$20,694,359	\$14,156,926	\$34,851,285	\$108,100,265	\$115,646,387	\$223,746,652
2008	\$37,988,558	\$31,952,985	\$69,941,543	\$156,191,039	\$124,682,649	\$280,873,688
2010	\$24,907,052	\$27,135,226	\$52,042,278	\$107,366,866	\$76,138,018	\$183,504,884

Table 2. National Part	y Coordinated	and Independent	Expenditures

<sup>34</sup> Some of the data in this version of the report may vary from previously released FEC data. This discrepancy is due to changes in the way in which the FEC calculates various receipts and disbursements in current statistical releases compared with previous election cycles. In March 2014, the FEC adjusted the cited data table and affixed the following explanation to the table: "To maintain consistency with how they had been calculated in prior years, the totals in this table ... were revised on March 27, 2014 to include transfers between party committees and transfers between party committees' federal and nonfederal accounts that had been inadvertently excluded from the original calculations, and to exclude sums representing the Levin share of Federal Election Activity that had been inadvertently included in the original calculations." CRS takes no position on these changes and will continue to monitor the data for future amendments.

Coordinated Expenditures			Indepe	endent Expendit	ures	
Election Cycle	Democrat	Republican	Total	Democrat	Republican	Total
2012	\$39,511,028	\$36,307,810	\$75,818,838	\$113,752,700	\$140,306,195	\$254,058,896
2014	\$13,097,687	\$14,520,139	\$27,617,826	\$123,646,628	\$105,346,285	\$228,992,912

**Source:** CRS analysis of FEC data in files accompanying "Table I, National Party Financial Activity" in the respective 24-month national-party financial activity summary for the listed election cycles, http://fec.gov/press/campaign\_finance\_statistics.shtml.

**Note:** Individual party totals include expenditures from the Democratic National Committee, Democratic Senatorial Campaign Committee, Democratic Congressional Campaign Committee, and state and local Democratic committees; and Republican National Committee, National Republican Senatorial Committee, National Republican Congressional Committee, and state and local Republican committees, as reflected in the FEC data. The FEC data include only federal activity.



Figure 1. National Party Coordinated and Independent Expenditures

**Source:** CRS analysis of FEC data in files accompanying "Table I, National Party Financial Activity" in the respective 24-month national-party financial activity summary for the listed election cycles, http://fec.gov/press/campaign\_finance\_statistics.shtml.

**Notes:** Individual party totals include expenditures from the Democratic National Committee, Democratic Senatorial Campaign Committee, Democratic Congressional Campaign Committee, and state and local Democratic committees; and Republican National Committee, National Republican Senatorial Committee, National Republican Congressional Committee, and state and local Republican committees, as reflected in the FEC data. The FEC data include only federal activity.

One potential concern about lifting the caps on party coordinated expenditures could be that one party would have an inherent advantage over the other. Recent fundraising totals suggest that the historic fundraising gap between Democrats and Republicans has narrowed, although disparities between the two parties still exist. As **Table 3** and **Figure 2** show, since 1996, local, state, and national Republican Party committees have accumulated more receipts than their Democratic counterparts, as has generally occurred since at least the 1970s. Although Republicans raised approximately 88% more than Democrats in 1996 (\$416.5 million versus \$221.6 million), beginning in 2004, the two parties began to raise roughly similar amounts. Despite a 24% Republican advantage in 2006 (\$599 million versus \$483.1 million), differences between the parties have been smaller since 2008. In 2012, the Democratic and Republican parties both raised about \$800 million. In 2014, however, Democrats raised 16% more than Republicans (\$657.2 million versus \$565.7 million).<sup>35</sup> On their own, these data do not suggest particular outcomes if caps on party coordinated expenditures were lifted, but they do indicate that one party might not necessarily have a major total financial advantage over the other if the caps are lifted in the near future. Although the parties would not choose to spend all those funds on coordinated party expenditures, the data suggest that they would likely be working with roughly equal resources.

Election Cycle	Democratic Party Committees	Republican Party Committees
1996	\$221,613,028	\$416,513,249
1998	\$159,961,869	\$285,007,168
2000	\$275,230,680	\$465,840,139
2002	\$217,245,185	\$424,140,589
2004	\$688,767,334	\$782,410,369
2006	\$483,141,404	\$599,008,498
2008	\$763,340,182	\$792,867,579
2010	\$618,065,814	\$542,143,412
2012	\$800,   37,906	\$803,531,878
2014	\$657,176,112	\$565,650,122

Table 3. Total Receipts of Democratic and Republican Party Committees

**Source:** CRS analysis of FEC data in files accompanying "Table I, National Party Financial Activity" in the respective 24-month national-party financial activity summary for the listed election cycles, http://fec.gov/press/campaign\_finance\_statistics.shtml.

**Notes:** Individual party totals include the Democratic National Committee, Democratic Senatorial Campaign Committee, Democratic Congressional Campaign Committee, and state and local Democratic committees; and Republican National Committee, National Republican Senatorial Committee, National Republican Congressional Committee, and state and local Republican committees, as reflected in the FEC data. The FEC data include only federal activity.

<sup>&</sup>lt;sup>35</sup> CRS calculated these percentages from the data in **Table 3**. Percentages are rounded.



Figure 2. Total Receipts of Democratic and Republican Party Committees

**Source:** CRS analysis of FEC data. Data for 2006-2012 appear in files accompanying "Table I, National Party Financial Activity" in the "2011-2012 Election Cycle Data Summaries through 12/31/12," statistical summary, http://fec.gov/press/summaries/2012/ElectionCycle/24m\_NatlParty.shtml. Data for 1996-2004 appear in files accompanying "Table I, National Party Financial Activity" in the respective 24-month national-party financial activity summary, http://fec.gov/press/campaign\_finance\_statistics.shtml.

**Notes:** Individual party totals include the Democratic National Committee, Democratic Senatorial Campaign Committee, Democratic Congressional Campaign Committee, and state and local Democratic committees; and Republican National Committee, National Republican Senatorial Committee, National Republican Congressional Committee, and state and local Republican committees, as reflected in the FEC data. The FEC data do not count transfers among committees and include only federal activity.

For those who support lifting the caps on coordinated party expenditures, current limits impinge on parties' abilities to orchestrate unified campaigns with their candidates after the limits are reached. Unrestricted *coordinated* party expenditures could shift party spending away from *independent* expenditures, although each option would retain unique characteristics. Parties might continue to choose independent expenditures if they wish to distance campaigns from what many political professionals and some candidates view as necessary, but politically unpopular, purchases (e.g., for political advertising attacking opponents).<sup>36</sup> On the other hand, coordinated expenditures would be more attractive for parties wishing to communicate freely with campaigns about campaign-related spending. Raising or eliminating coordinated party expenditure limits might also provide parties with additional resources to compete against independent expenditures from super PACs or other "outside" groups.<sup>37</sup> Additional coordinated expenditures could, therefore, strengthen arguably weakening ties between parties and campaigns.

<sup>&</sup>lt;sup>36</sup> On relationships between campaign actors, see, for example, David A. Dulio, *For Better or Worse? How Political Consultants are Changing Elections in the United States* (Albany: State University of New York Press, 2004); Paul S. Herrnson, *Congressional Elections: Campaigning at Home and in Washington* (Washington: Congressional Quarterly Press, 2004); and Robin Kolodny, *Pursuing Majorities: Congressional Campaign Committees in American Politics* (Norman, OK: University of Oklahoma Press, 1998).

<sup>&</sup>lt;sup>37</sup> For additional discussion, see CRS Report R42042, *Super PACs in Federal Elections: Overview and Issues for Congress*, by (name redacted)

Proponents of limits on party coordinated expenditures contend that the caps reduce the amount of money in politics. They also potentially prevent circumvention of individual contribution limits by donors who may seek to indirectly support campaigns by making contributions to political parties. (However, it should be noted that FECA already restricts "earmarked" contributions.)<sup>38</sup> For those who generally support regulating political money, lifting or raising the caps on party-coordinated expenditures would likely be objectionable on principle, could appear to undercut similar regulatory efforts adopted since the 1970s, and could go against public sentiment generally favoring limiting the amount of money in politics.

Finally, revisiting coordinated party expenditure limits might also be relevant following a 2014 U.S. Supreme Court decision, *McCutcheon v. FEC.*<sup>39</sup> The *McCutcheon* case, which concerned now-invalidated aggregate limits on contributions to political parties, is not centrally related to coordinated party expenditures. However, post-*McCutcheon*, some might argue that providing parties with increased limits (or none) on coordinated party expenditures is a logical extension of their newfound ability to solicit donors who previously would have been unable to contribute to as many party committees as they wished. Additional discussion of *McCutcheon* and potential party fundraising implications appears in other CRS products.<sup>40</sup>

#### **Author Contact Information**

(name redacted) Specialist in American National Government fedacted@crs.loc.goy7-.... (name redacted) Legislative Attorney fedacted@crs.loc.gov, 7-....

<sup>&</sup>lt;sup>38</sup> 52 U.S. C. §30116(a)(8), (formerly codified at 2 U.S.C. §441a(a)(8)).

<sup>&</sup>lt;sup>39</sup> See 134 S. Ct. 1434 (2014).

<sup>&</sup>lt;sup>40</sup> See CRS Report R43334, *Campaign Contribution Limits: Selected Questions About McCutcheon and Policy Issues for Congress*, by (name redacted) CRS Legal Sidebar WSLG873, Supreme Court Strikes Overall Limits on Campaign Contributions in McCutcheon, by (name redacted); and CRS Report R43719, *Campaign Finance: Constitutionality of Limits on Contributions and Expenditures*, by (name redacted).

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