



Why Fundraisers Matter

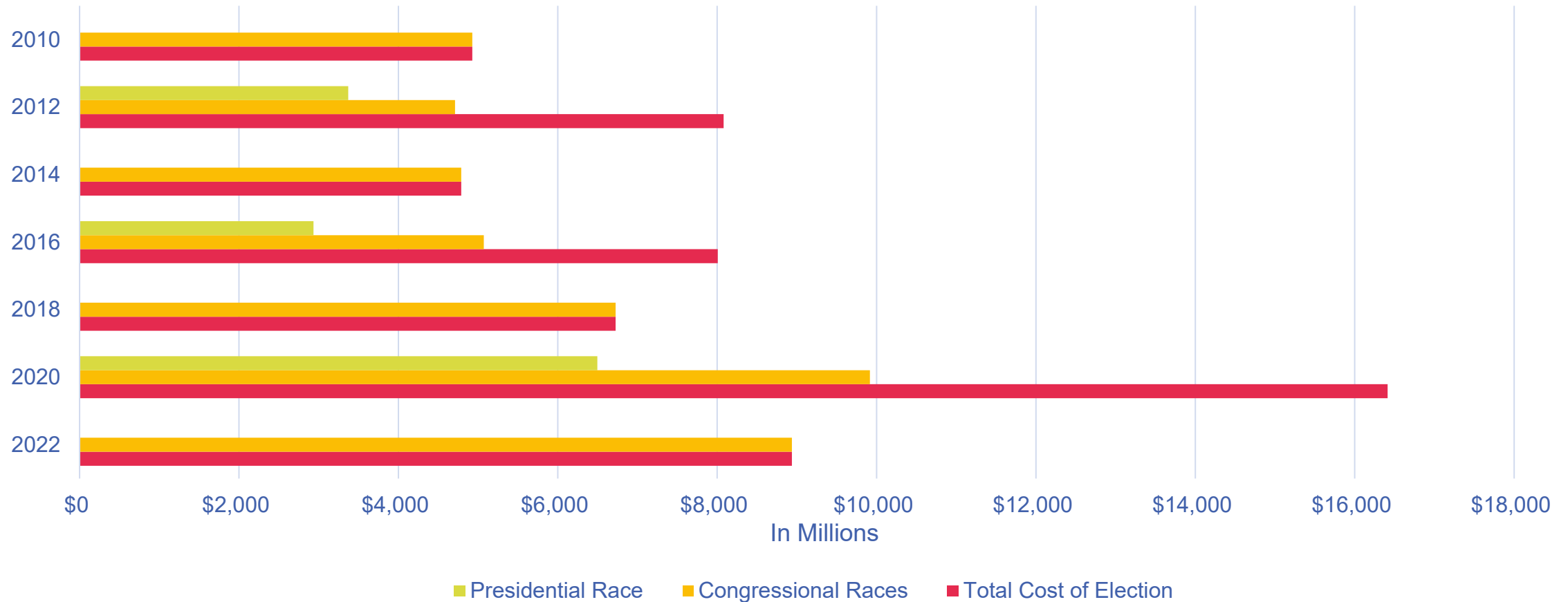
Jamie Gregorian, DLA Piper



Politics and Money are Intertwined

Whatever one's opinion on the role of money in politics, its importance has only increased each year.

Campaign Expenditures



Political Committees

There are three main types of political committees that raise monies:

Candidate Committees	Party Committees	Political Action Committees (PACs)
<ul style="list-style-type: none">• Automatically created when a candidate declares an intention to run.• Money donated goes directly to the candidate's campaign and must be disclosed to the FEC.	<ul style="list-style-type: none">• Fundraise each election cycle in the same way that candidates do.• Parties may only raise "hard money," which is given by individuals and political action committees and is subject to federal contribution limits.	<ul style="list-style-type: none">• Political Action Committees pool donations from people with similar views or goals to then spend on election activities; PACs are regulated by the FEC, which limits contributions to and from each PAC.• Super PACs similarly pool money from like-minded individuals and are regulated by the FEC; Super PACs do not have contribution or donation limits, but unlike regular PACs, they cannot donate directly to a candidate.

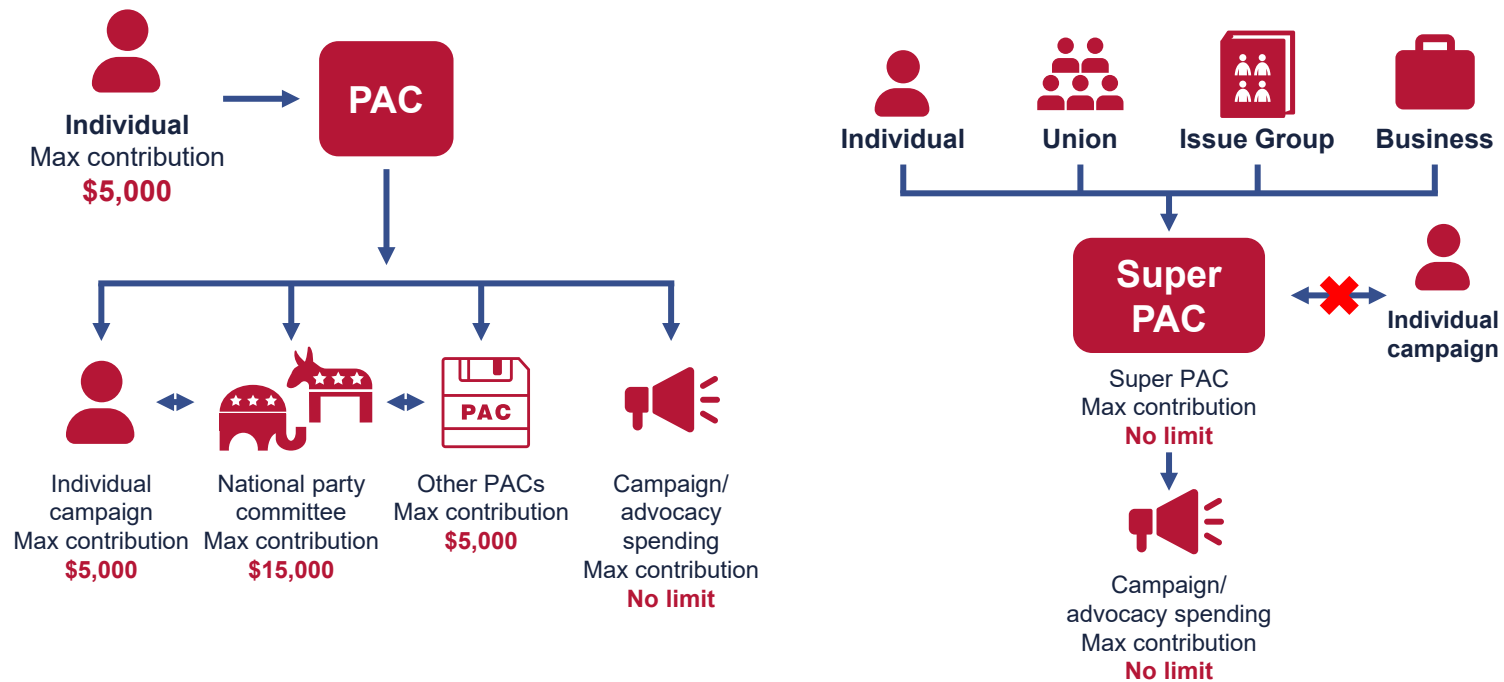
Non-Profits

- **501(c)(3)** groups cannot contribute monetarily to campaigns, nor can they endorse candidates or parties. 501(c)(3) groups can engage in nonpartisan activities that encourage political engagement.
- Issue groups often have a non-profit **501(c)(4)** arm. They can engage in some political activity, as long as such activities do not constitute the group's main purpose.

Differences Between PACs and Super PACs

Traditional PACs are groups that spend money on elections and are not run by the candidate or committee. They can donate money to parties or candidates they support and are either associated with a company or association that funds administration of the PAC and raises money from its employees/members, or they can be Nonconnected PACs that can raise from anyone and use part of their donations to fund the PAC's operational costs.

Super PACs can accept unlimited contributions and spend an unlimited amount supporting or opposing federal election candidates, but **they cannot directly donate** to federal candidates or parties.

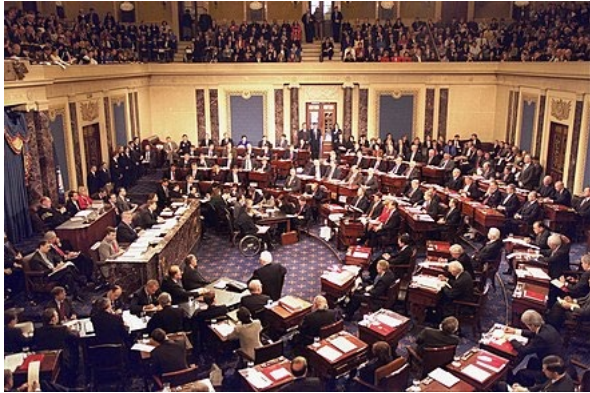


Why Do Fundraisers Matter?

- Access
 - Donors get varying levels of access to elected officials and their staffs through fundraisers.
 - The demand for access far outstrips its supply.
 - Facilitates engagement between organization/company leadership and elected officials.
- Message amplification
 - Demonstrates institutional support/opposition.
 - Breaks through message clutter.
- Electing friendly candidates
 - Elections are expensive.
 - Sympathetic candidates cannot govern if they do not win.
- Competitors and opponents have PACs.

Access

535 individuals are elected to vote on behalf of 333 million Americans.



- Governing is a 24/7/365 job with little downtime for elected officials.
- On a typical day, a Member of Congress is expected to
 - Vote on matters in their respective body;
 - Participate in hearings based on their committee assignments;
 - Meet with constituents and stakeholders, and/or;
 - Raise money for their re-election, their colleagues, and their party.
- PAC engagement helps ensure the time to get a company or organization's priorities attention from elected officials and makes advocates more effective at their jobs.
- Utilizing the engagement that comes from PAC activity helps establish entities as resources for future issues.
- PACs can give more money than individuals.

Contribution Limits

RECIPIENT	LIMIT
Candidate committee	\$3,300 per election*
PAC: multicandidate	\$5,000 per year
State/district/local party committee: multicandidate	\$10,000 per year (combined)
National party committee	\$41,300 per year*
Additional national party committee accounts	\$123,900 per account, per year*
Super PAC	Unlimited

*Indexed for inflation in odd-numbered years

Individual vs. PAC

- In a House race, an individual can give a total of \$6,600 (\$3,300 each for the candidate's primary and general elections), whereas a PAC can give \$10,000 (\$5,000 per year for a two-year election cycle).
- In a Senate race, the difference is more pronounced—the individual limit is still \$6,600, but because a Senate cycle is six years, a PAC can give \$30,000 over that same period.

Message Amplification

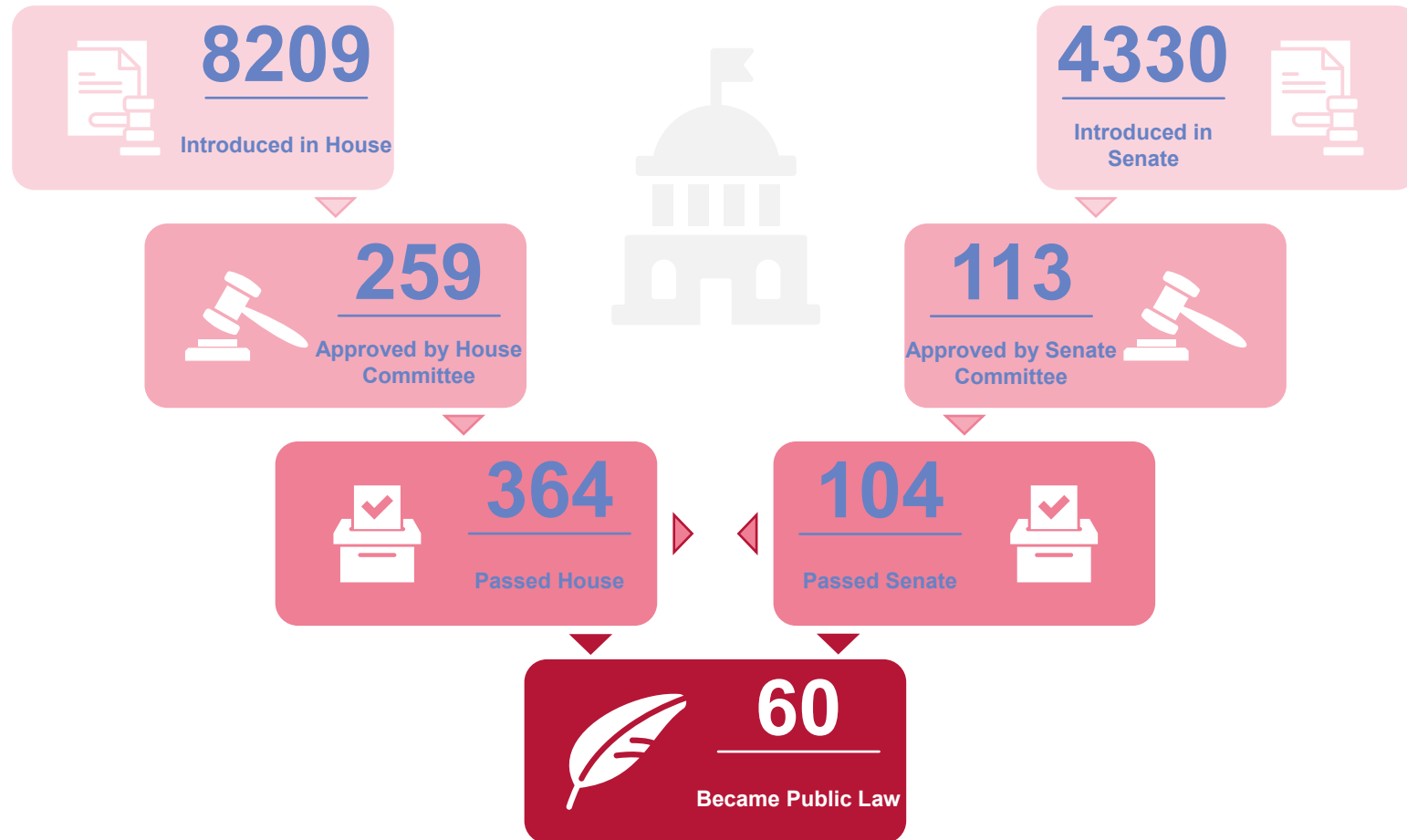


- On any given day, there are thousands of advocates reaching out to their federal representatives on hundreds of issues.
- Participation in fundraisers allows not just access, but the ability to demonstrate consensus opinions within industries or companies.
- On major issues, there will be arguments and advocacy from all sides.
- Fundraiser participants get the opportunity to break through the endless barrage of messaging that elected officials and their staffs receive on countless matters.
- Fundraisers also afford participants the opportunity to educate members on issues, programs, and regulations that they may not otherwise be aware of.

Importance of Amplifying the Message

Translating an issue into lawmaking requires substantial effort and time

118th Congress by the numbers:



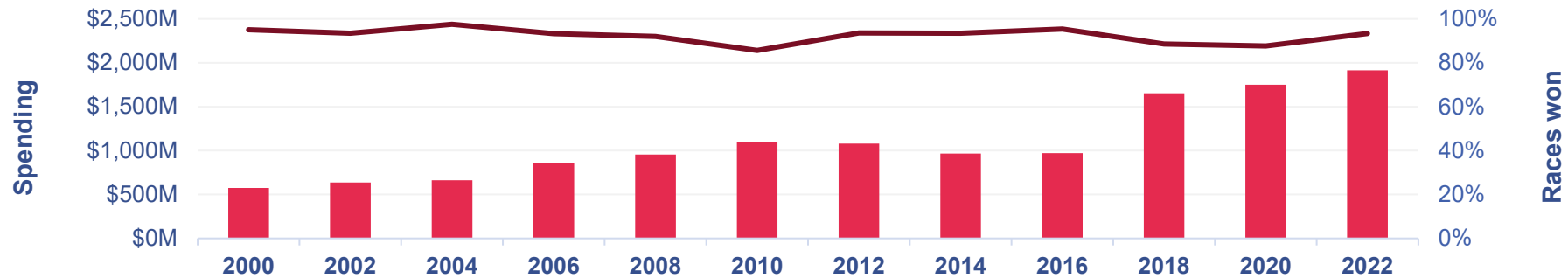
Electing Friendly Candidates

Winning candidates are usually the top-spenders

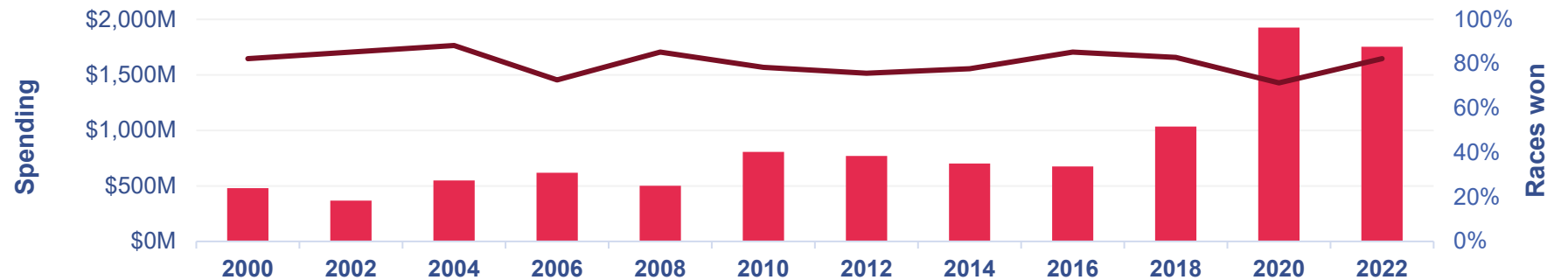
CANDIDATE SPENDING AND PERCENT OF WINNERS WHO WERE TOP SPENDERS, 2000-2022

- Spending by candidates
- Percent of races won by the top spending candidates

HOUSE RACES

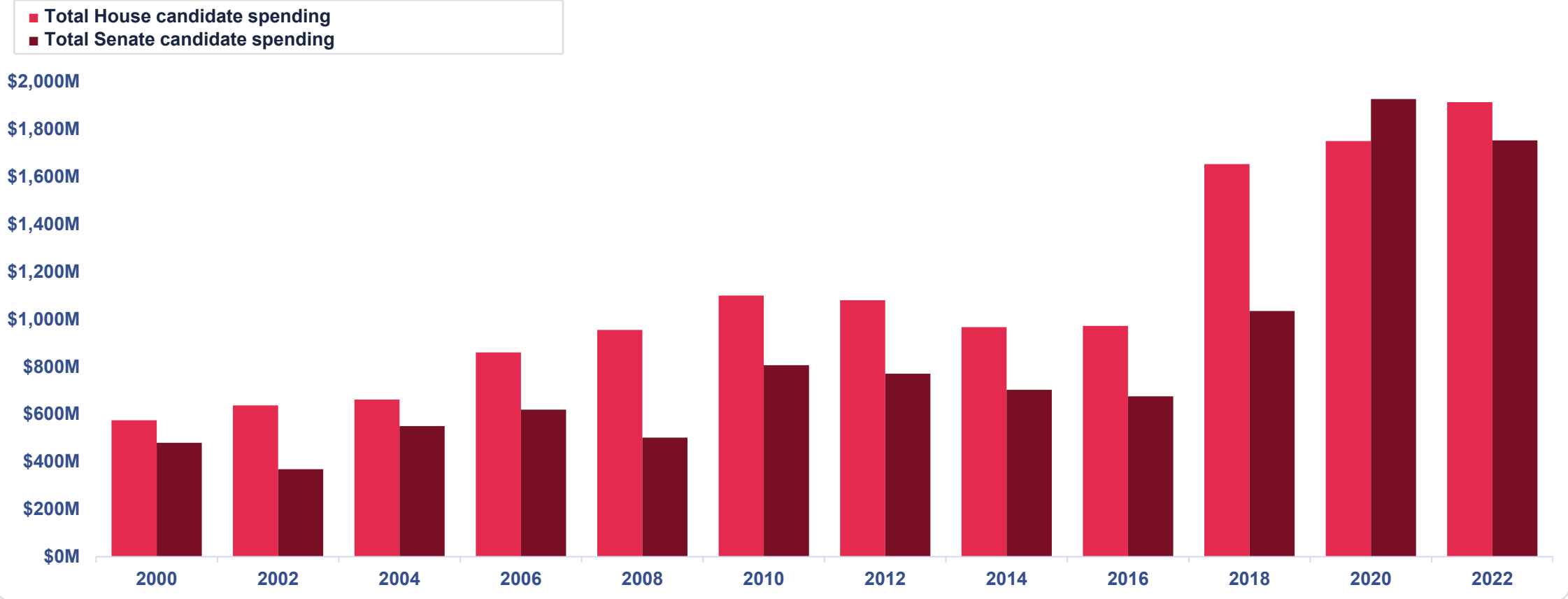


SENATE RACES



Electing Friendly Candidates

TOTAL SPENDING BY CONGRESSIONAL CANDIDATES, 2000-2022

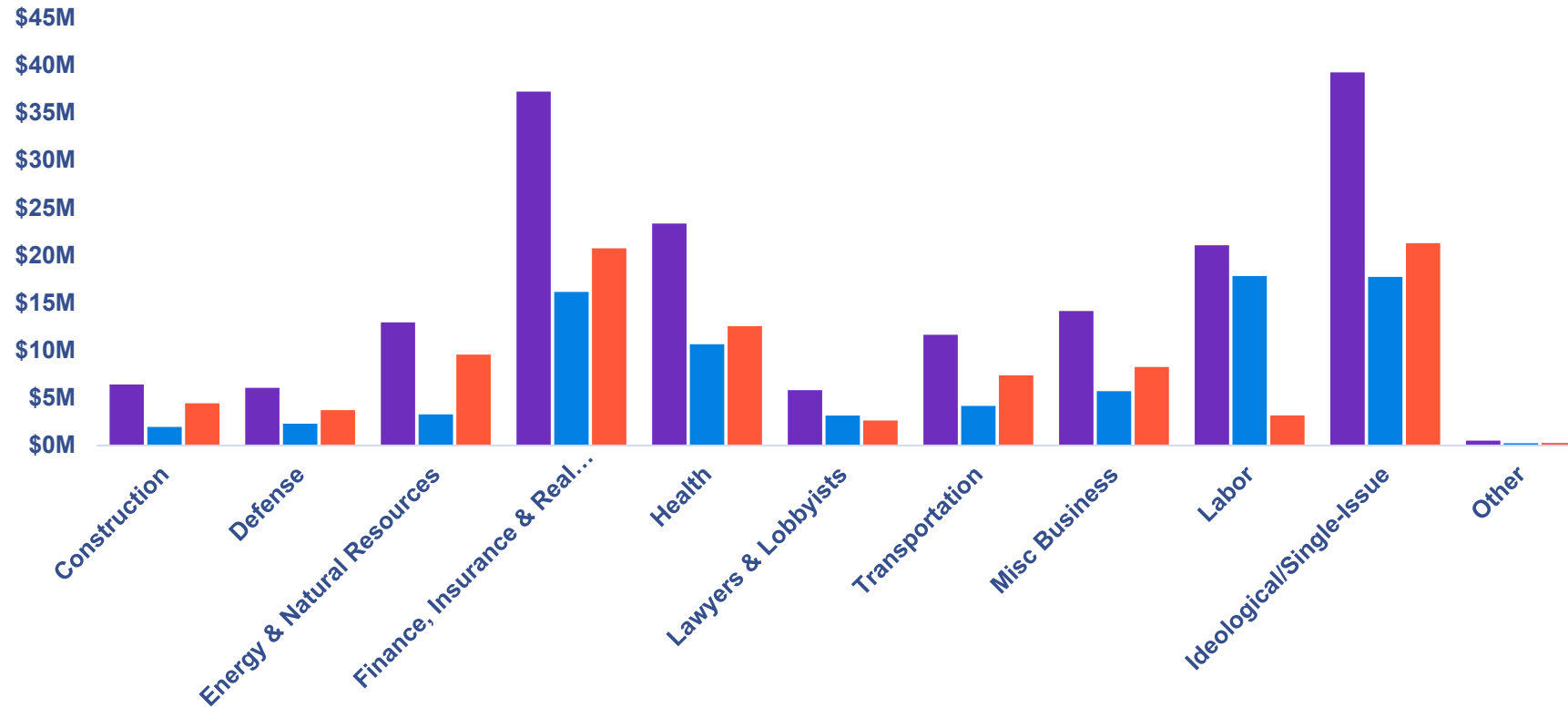


Competitors and Opponents Have PACs

You're either at the table or on the menu.

SECTOR TOTALS, 2023-2024 CYCLE

■ Total ■ Democrats total ■ Republicans total



Case Study: Inflation Reduction Act

Background

- On August 7th, the measure passed the Senate in a 51-50 vote, with Vice President Harris casting the tiebreaking vote
- The House approved the package in a 220-207 vote with all Democrats voting in support and all Republicans voting in opposition
- President Biden signed the bill into law on August 16, 2022

Key provisions



Includes \$369 billion for transition to clean energy and increases to domestic energy production. Climate change goals also including lowering carbon emissions by 40% by 2030.



Increase to corporate taxes that is expected to raise \$313 billion in new revenue. Approximately 40% of the bill's funding is anticipated to come from this source.



Allows Medicare to negotiate prescription drug prices with drug manufacturers. If drug prices increase faster than inflation, Medicare patients will be provided with rebates on the difference. Taxpayer savings estimated at \$265 billion.

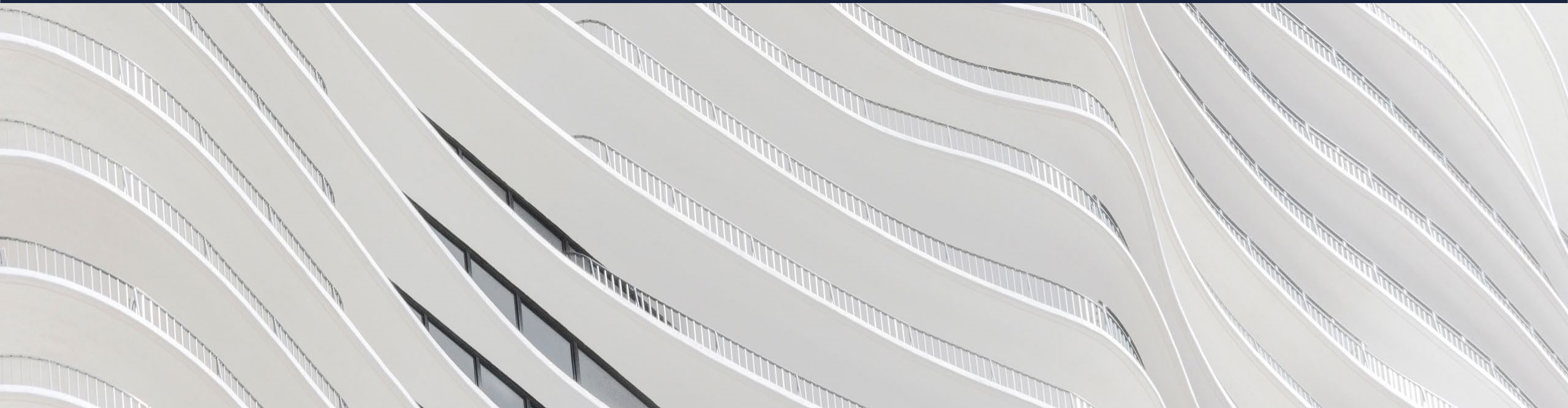
Over 2,000 unique organizations registered to lobby on this bill

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Thank you