



Dear Commissioners,

U.S. PIRG Education Fund, a 501(c)(3) organization, works to protect consumers and promote good government. We investigate problems, craft solutions, educate the public, and offer meaningful opportunities for civic participation. With public debate around important issues often dominated by special interests pursuing their own narrow agendas, U.S. PIRG Education Fund offers an independent voice that works on behalf of the public interest.

In the wake of the 2014 elections, which once again broke records and became the most expensive midterms in our nation's history, it has become clear beyond dispute that the tide of big money unleashed by the Supreme Court's *Citizens United* decision risks drowning out the voices of ordinary Americans. With campaign fund-raising dominated by megadonors and Super PACs, our elections are increasingly becoming the playground of an elite few, with the \$50 or \$100 contributions that average citizens can give growing decreasingly relevant. Last year's *McCutcheon* decision doubled down this misguided jurisprudence, and by striking down aggregate limits, has given large donors even more power to channel big money into our elections.

While the Commission must, of course, abide by the Court's decisions, at the same time, it is clear that this Commission has an opportunity to strengthen its regulations to better protect our democracy. Indeed, implicit in both *Citizens United* and *McCutcheon* is the premise that adequate disclosure will allow the public to know the source of all electoral spending, and that safeguards are in place to prevent the rules from being too easily gamed. We urge the Commission to update its regulations to bring them more closely in line with that premise, which currently falls too far short of reality.

On transparency, the Commission should modify its regulations to bring so-called "dark money" expenditures into the light of day. As the court in *Van Hollen v. FEC* recently ruled, the current regulations make it too easy for special interests to funnel their electoral spending through innocuous-seeming organizations that cloak the true origin of their funds. The Commission should use the opportunity provided by the court's ruling to close loopholes in the current disclosure regime so that all electoral spending is subject to the same disclosure rules.

The *McCutcheon* and *Citizens United* rulings pose special dangers to the extent that they allow large donors to circumvent per-candidate contribution limits by taking advantage of Super PACs and joint fundraising committees that can accept larger contributions, and are able to funnel these increased contributions to the intended candidate. The current per-candidate limit of \$5,200 (counting primary and general limits together) is already unreachably high for most Americans;

the additional contributions made possible by these alternate fundraising vehicles make their voices even less relevant.

To reduce the risk of these vehicles being used to create an end-run around the per-candidate contribution limits, the Commission should revisit its treatment of single- or few-candidate Super PACs to ensure that they provide more than a fig leaf of reassurance that a particular contribution is not necessarily going to a particular candidate. This could involve setting bright lines for the number of candidates such Super PACs support, as well as creating a more searching, context-based analysis that could look, for example, at the identity of a particular Super PAC's officers or staff. Similarly, parties should not be permitted to participate in joint fundraising committees along with candidates, as this provides another easily-gamed loophole by which funds in excess of the per-candidate limits can be directed to a favored politician.

The Commission has the opportunity to play an important role in helping to protect our democracy from the tide of big money unleashed by recent Supreme Court decisions, and we urge you to take strong action to require broader disclosure, and eliminate the easiest-to-game loopholes in current regulations. We thank you for the opportunity to submit our comments, and further, request the opportunity to testify at the rulemaking hearing on February 11, to make these points to the Committee in person.

Respectfully submitted,

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