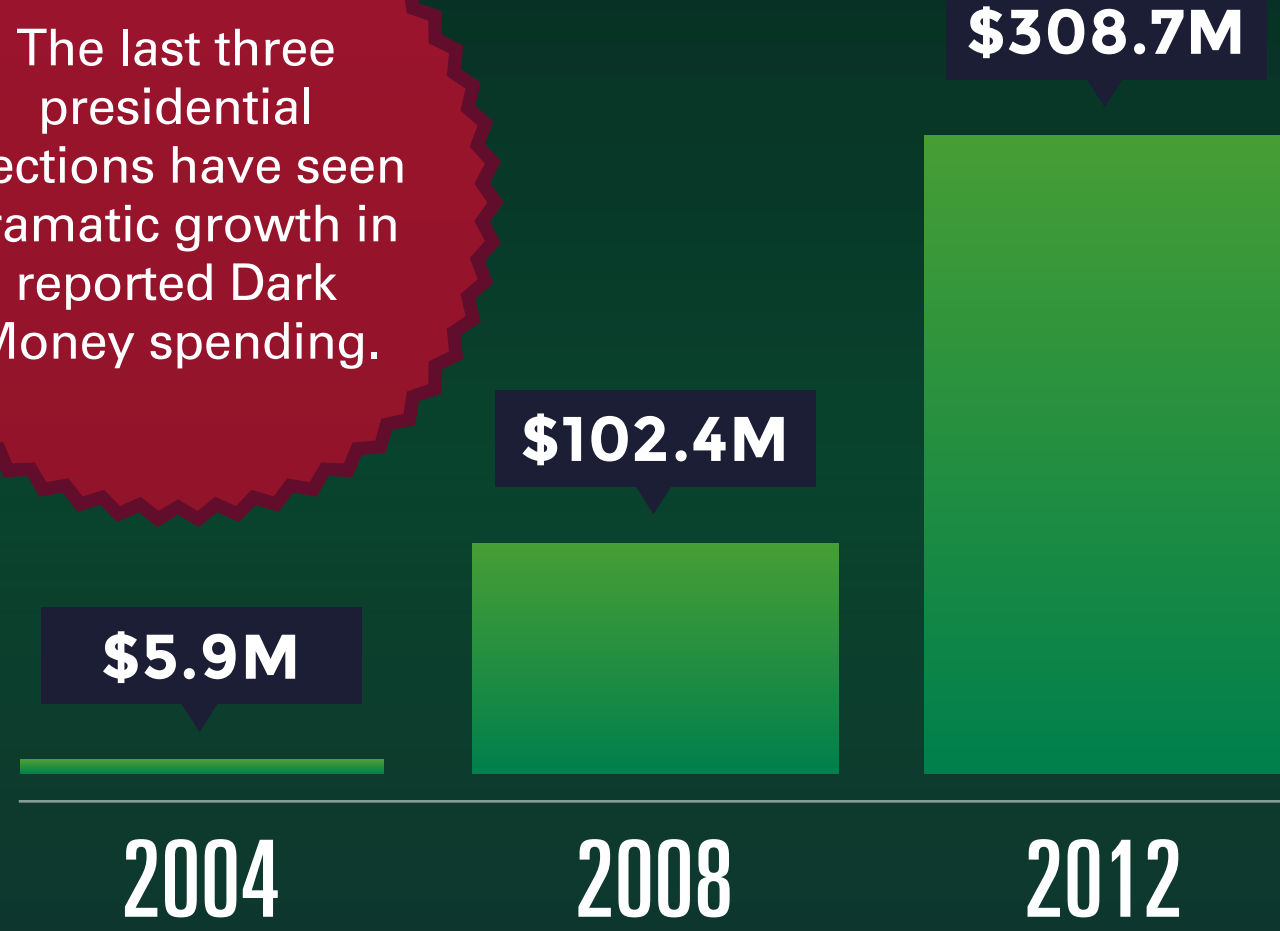


# FOLLOW THE SHADOW OF DARK MONEY

Dark Money refers to funding spent independently of campaigns to influence elections. Funds from anonymous donors flow through tax-exempt nonprofits, super PACs and LLCs.



## ON THE RISE



## A NEW RECORD

Reported Dark Money spending in the first year of the **2016 presidential election cycle was**

**10x more** than it was at that point in 2012.

## UNREPORTED

These figures don't include political ads run during periods when ads don't need to be reported to the Federal Election Commission (FEC).

For example in the last half of 2015, a Dark Money group formed to support Marco Rubio spent at least \$8M on ads that weren't reported to the FEC. That activity likely won't be reported to the IRS until spring of 2017, long after the elections are over and the winner has been inaugurated.



## HOW WE GOT HERE



Several major court rulings have led to decreased campaign finance regulations and paved the way for the influx of Dark Money in elections.

- 2007** **FEC V. WISCONSIN RIGHT TO LIFE**  
A Supreme Court decision that allowed issue ads to be aired in the months leading up to an election.
- 2010** **CITIZENS UNITED V. FEC**  
A Supreme Court decision that tossed out restrictions on corporate spending making it possible for groups to ramp up their independent expenditures.
- 2010** **SPEECHNOW V. FEC**  
An Appeals Court decision that allowed unlimited contributions by individuals to political action committees organized for the exclusive purpose of making independent expenditures.

## CHANNELS FOR DARK MONEY

### 501(C) GROUPS

The primary source of Dark Money Spending, 501(c) groups are nonprofits that can raise unlimited sums of money, engage in some political activity and do not have to disclose their donors to the public.

### SUPER PACS

Super PACs can raise unlimited sums of money to advocate for or against political candidates. These organizations must disclose their donors, but they can accept unlimited contributions from political nonprofits who do not disclose their donors.

### LIMITED LIABILITY CORPORATIONS (LLCS)

LLCs can also be used for political purposes, including hiding donors and obscuring large payments to consultants and media firms. LLCs are even more opaque than 501(c)s, because they leave a short paper trail.

## BY THE NUMBERS

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### OUTSIDE SPENDING\*

Of the top 10 Senate races in 2014, nearly **60%** of the money spent was from Outside Groups

**>22%** of that came directly from Dark Money Groups.

### THE DARK MONEY CHURN

Since 2008, grants between nonprofits have facilitated

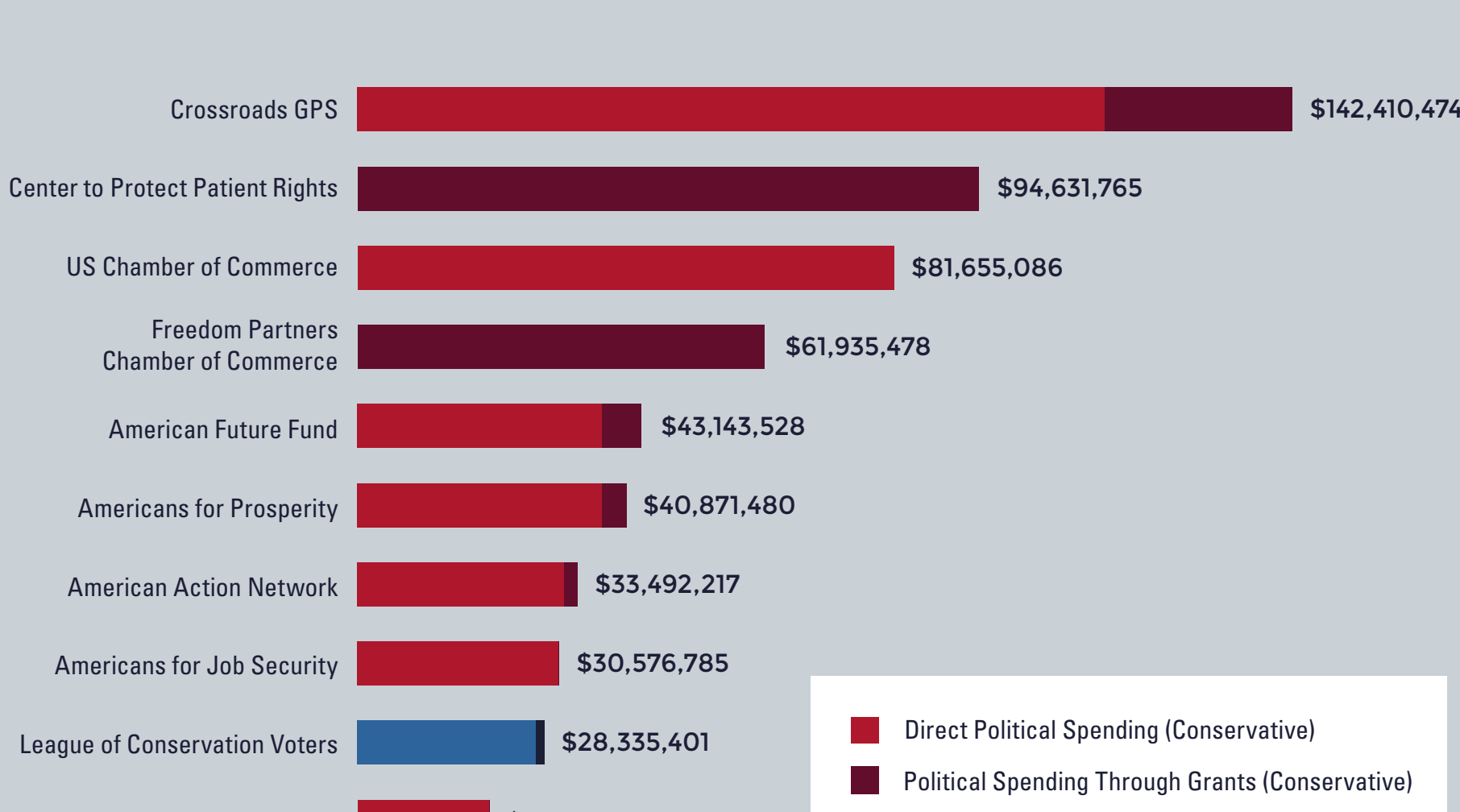
**>\$278M**

in reported Dark Money political spending.



## TOP 10 DARK MONEY SPENDERS (2008-2014)

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Legend:  
■ Direct Political Spending (Conservative)  
■ Political Spending Through Grants (Conservative)  
■ Direct Political Spending (Liberal)  
■ Political Spending Through Grants (Liberal)

\*Outside spending refers to money not spent by a political candidate or campaign