

UTRECHT, KLEINFELD, FIORI, ZEGGLIS & PARTNERS

ATTORNEYS AT LAW

1900 M Street, NW Suite 500 Washington, DC 20036

Main (202) 778-4000

Facsimile (202) 842-5825

www.up-law.com

March 5, 2013

Office of the General Counsel

Federal Election Commission

999 E Street, NW, 6th Floor

Washington, DC 20463

Re: MUR 6775, Secretary Hillary Clinton, Friends of Hillary, and Shelly Moskwa, as Treasurer

This response is submitted on behalf of former Secretary of State Hillary Rodham Clinton, Friends of Hillary (the "Committee" or "FOH"), and Shelly Moskwa, as Treasurer (collectively, the "Respondents")<sup>1</sup> to the complaint filed in the above-referenced Matter Under Review (MUR 6775). For the reasons explained herein, this Complaint is wholly without merit. Respondents respectfully request that the Federal Election Commission ("Commission" or "FEC") find no reason to believe that any violation of the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. Section 431 et seq. (the "Act") occurred and dismiss this Complaint forthwith.

SUMMARY OF RESPONSE

This complaint is based on a faulty recitation of facts and erroneous application of the law to those facts.

1. Secretary Clinton has taken no steps that trigger her candidacy for any federal office. She has not, in fact, made any determination as to whether or not she will run for a future federal office, and the Complaint cites no information suggesting in any way that she has made such a decision or announced it. No other individual has announced their candidacy for the Office of President in 2016.
2. The commercial transaction by FOH, her former principal campaign committee for the Office of U.S. Senator from the State of New York, licensing part of her list to a

<sup>1</sup> The Complaint also names Hillary Clinton for President (HCFP) as a respondent, regardless of the fact that HCFP terminated as a committee over a year ago. As the Commission noted in its Letter to Respondents dated February 7, 2014, HCFP is not a respondent. We agree with the Commission that HCFP should not be a respondent as a terminated committee, however, should the Commission's position change at any point in this proceeding, we deem this response as filed also on behalf of HCFP.

RECEIVED  
FEDERAL MAIL CENTER  
MAR 5 2013

UNRECORDED

registered political committee, Ready for Hillary<sup>2</sup>, is a usual and normal practice specifically sanctioned by the Commission which does not result in the receipt by, or the making of any contribution to or expenditure by the committee owning the list, provided that the leasing committee pays fair market value for the use of the list. Ready for Hillary paid fair market value for its use of the list, and the Complaint does not allege, much less provide, any evidence to the contrary.

3. Respondents had no input whatsoever into the content of the communication made by Ready for Hillary. While providing no evidence to the contrary, the Complaint's suggestion of such approval or input is completely inaccurate. Complainant cites a "red herring," i.e., the use of the Committee's URL on the communication, to imply some connection beyond a standard arms length list rental. In fact, as described herein, this is simply a standard industry best practice, as advised by the Committee's technology vendor, in order to avoid licensee email being blocked by SPAM filters. The URL was used on all Committee list rentals as standard recommended practice and is irrelevant and unrelated to possible, albeit still undecided, candidacies of the future.

4. Nothing about the licensing of the list by FOH to Ready for Hillary -- or for that matter, any factor mentioned or not mentioned by Complainant -- triggered the threshold for candidacy for Secretary Clinton. Even had Secretary Clinton or her agent been involved in the direct raising of funds for Ready for Hillary, rather than a market value commercial transaction, this would not have triggered her candidacy. As explained below, in June 2011, the Commission held that Federal candidates may attend and speak at fundraising events and raise funds (subject to Federal limitations) for so-called SuperPACs that benefitted those candidates. *See FEC Advisory Opinion ("AO") 2011-12*. Under this AO, those activities did not constitute authorization or acceptance of the SuperPAC's communications or other independent activities by the candidate or his or her agent.

## SUMMARY OF FACTS

When Secretary Clinton exited the 2008 presidential race, HCFP, her principal campaign committee for the 2008 presidential campaign, had significant debts remaining, which HCFP desired and was obligated to pay. However, in January 2009, Secretary Clinton herself was nominated to become and served four years as Secretary of State. This role effectively precluded Secretary Clinton not only from raising debt retirement funds for HCFP, but from being involved personally in that committee's debt retirement activities. Without help from its principal, HCFP struggled to retire its significant debts, and, of necessity, engaged in permissible licensing of its list, in whole or part, to other political committees in arms length commercial transactions. HCFP was able to extinguish its debts and terminate on February 4, 2013.

---

<sup>2</sup> It is a matter of public record that Ready for Hillary is an independent expenditure committee or "SuperPAC" registered with the FEC. Despite the use of the Secretary's first name, Ready for Hillary has not been authorized by Secretary Clinton or any person on her behalf.

At that time, all remaining assets were consolidated in Friends of Hillary, her still existing former authorized Senate campaign committee from 2006. Post termination of HCFP, however, FOH incurred unforeseen and significant costs related to prior elections. The Department of Justice was conducting investigations into a number of matters in which FOH is viewed solely as a witness and a victim and issued subpoenas for witness documents and testimony. FOH and its Treasurer assumed responsibility as custodian of records for HCFP. As a result of these investigations, FOH continued to incur significant expenses for legal and accounting services which continue to this date. Accordingly, FOH has continued the practice of HCFP and FOH of leasing their various lists in order to cover expenses of these ongoing investigations.

FOH's list transactions have been solely for the purpose of defraying these legal and accounting expenses and not for any campaign activity. *See Affidavit of Shelly Moskwa, Treasurer, Exhibit A.* These have been commercial transactions in which the entity procuring the list paid fair market value, as based on valuations provided by outside unrelated sources at the inception of the list rental activity. *Id.* Consequently, the rentals have been conducted in the ordinary course of business. There have been a total of eighty eight list renters. List rentals are arranged by the FOH Treasurer and fulfilled by the FOH technology vendor.

In the case of Ready for Hillary, it paid the same rate for its rental of the FOH email list as the other entities that previously rented the list, including other nonpolitical organizations. *Id.* Because this was a rental of the list and not a sale, meaning that Ready for Hillary had only the right to a one-time use of the names, the email itself had to be sent out by the vendor that holds the list for FOH in order to protect FOH's ownership of the list. The contents of the email was provided by Ready for Hillary to the vendor and was not approved, agreed to or edited by anyone at FOH and certainly not by Secretary Clinton. *Id.*

## LEGAL RESPONSE

### 1. Former Secretary Hillary Clinton is not a candidate for any office.

Under the Act and Commission regulations, an individual is a candidate if he or she "seeks nomination for election, or election...to Federal Office." *11 CFR section 100.3.* Secretary Clinton is not seeking nomination or election to any office and has taken no steps that would make her a candidate. She has repeatedly stated that she has not decided whether or not to run for President and that such a decision is not imminent. The press is rife with speculation as to whether she will run, but there is nothing that the Complaint could or has cited to that indicates that she is seeking any office or has decided or will decide to become a candidate in the future.<sup>3</sup>

<sup>3</sup> Any pundit or other person who has speculated that she will run has not been authorized to make such speculation. Moreover, no person is under any obligation to publicly disavow all speculation, rumor or innuendo, nor could she or he practically do so.

The statutory framework regarding candidacy is clear that a decision to "seek nomination or election" to become a Federal officeholder is a key part of determination of candidacy. This is bolstered by the "testing-the-waters" regulation at 11 CFR section 100.72, under which an individual – even one who is raising money for a potential campaign into an authorized account or an account controlled by herself – does not become a candidate until making the decision to actually run for office. In reviewing the examples of activities indicative that an individual "has decided to become a candidate," as set forth therein at subsection 100.72(b), such as publicly indicating an intent to run, amassing campaign funds, referring to herself publicly as a candidate, or taking action to qualify for the ballot, Secretary Clinton has taken none of the actions that would constitute candidacy under these regulations. To the contrary, she has taken great pains to avoid such actions or statements, as evidenced by the actual public record in this case.

Under 11 CFR section 100.3, an individual may become a candidate if he or she raises or spends or authorizes the raising or spending in excess of \$5,000 on her behalf. However, the actions of Ready for Hillary, as an independent expenditure committee, cannot by operation of law be used to trigger the "events" of 11 CFR section 100.3. Ready for Hillary has not been designated or authorized by Secretary Clinton, so the raising and spending of money by that committee is insufficient to be attributed to Secretary Clinton under 100.3(a)(1) or (2). She has not received any funds for a candidacy nor has she given her consent to any person to receive funds on behalf of a candidacy on which she has yet to decide.<sup>4</sup> Complainant's unsupported assertions cannot make this so. As far as these Respondents are aware, Ready for Hillary is a duly established independent expenditure committee. Their actions are not under the direction of, authorized by, or with the consent of Secretary Clinton, and thus, cannot be said to be on her behalf for purposes of converting her unwillingly into a candidate for office.

Attached is a selection of articles clearly indicating that Secretary Clinton is not a candidate and that she has taken no action that makes her a candidate. *See Exhibit B.*<sup>5</sup> There is simply no legal or other basis for taking a commercial transaction by her former

<sup>4</sup> Clearly, she has also not been sent a notification by the Commission which is necessary to disavow under this section.

<sup>5</sup> Shabad, Rebecca. Hillary Clinton 'not thinking' about 2016. <http://thehill.com/blogs/ballot-box/presidential-races/196501-hillary-clinton-not-thinking-about-2016>  
Effron, Lauren. Hillary Clinton on 2016 Presidential Run: 'I'll Make that Decision Sometime Next Year'. <http://abcnews.go.com/Politics/hillary-clinton-2016-presidential-run-make-decision-year/story?id=21267459>  
Lavender, Paige. Hillary Clinton: 'I'm Both Pragmatic and Realistic' About Running For President in 2016. [http://www.huffingtonpost.com/2013/09/22/hillary-clinton-president\\_n\\_3971576.html](http://www.huffingtonpost.com/2013/09/22/hillary-clinton-president_n_3971576.html)  
Dann, Carrie. Hillary Clinton talks Benghazi, Gates, 2016. <http://nbcpolitics.nbcnews.com/news/2014/01/27/22468690-hillary-clinton-talks-benghazi-gates-2016>  
Frumin, Aliyah. Hillary Clinton insists on 2016: 'I don't know'. <http://www.msnbc.com/hardball/hillary-clintons-biggest-regret-revealed>  
Knowlton, Brian. Bill Clinton Says He's Unsure of Wife's 2016 Plans. <http://thecaucus.blogs.nytimes.com/2012/09/23/bill-clinton-unsure-of-wifes-2016-plans/>

Senate Committee necessary to defray legal and accounting costs of cooperation in ongoing government investigations as the reason to involuntarily declare her a candidate.

**2. Sale or lease of a campaign asset does not trigger a new candidacy.**

The FEC has long recognized that sale or lease of campaign assets at fair market value after a campaign is over does not result in a contribution or expenditure that triggers candidacy. *See 11 CFR Sections 100.52(d); 110.11(e). See also 11 CFR Section 9034.9* (Even fundraising assets may be sold after a campaign.) It is purely a commercial transaction. List transactions themselves for fair market value have been specifically sanctioned by the FEC almost since its inception. *See, e.g., FEC AOs 1979-18 and 1981-53.* Proceeds from list rentals are not reported as contributions on FEC reports, in accordance with longstanding Commission guidance, but rather as income generated by an asset.

Attached is the license agreement executed between FOH and Ready for Hillary. *See Exhibit C.* This agreement contains a fee for fair market value of the list, as determined by consultation with outside vendors at the inception of the Committee's leasing activities. *Affidavit of Shelly Moskwa, Exhibit A.* The Complainant provides no evidence whatsoever to the contrary indicating that fair market value was not paid for the list. Accordingly, Respondents did not "receive" any contribution from this commercial transaction.

Similarly, this commercial transaction did not constitute authorization by anyone else -- in particular, Ready for Hillary -- to receive any contribution on behalf of Secretary Clinton. As more fully explained below, neither FOH nor Secretary Clinton approved, agreed to or edited the content of the email sent and indeed did not know whether the message requested contributions or whether or not any were received by Ready for Hillary. Because there was no involvement, other than the logistics of the aforementioned commercial list rental, there is no basis to find or impute authorization by Secretary Clinton to receive contributions.

In addition, this transaction took place after the FEC opined in AO 2011-12 (A candidate appearance at a fundraising event does not constitute authorization of receipt of contributions or making of expenditures by an independent expenditure committee). If that is so, then a commercial arms length list rental cannot possibly be construed as authorizing receipt of contributions or making of expenditures for purposes of triggering candidacy by someone who has not decided to seek nomination for election. Certainly, the facts surrounding this list rental are one step (or more) further removed than an actual declared candidate speaking directly at a SuperPAC-sponsored event.

Thus, there are simply no facts to support a conclusion that FOH or Secretary Clinton received or authorized a contribution, thereby making her a candidate, and it certainly cannot be concluded that Secretary Clinton has become a candidate by virtue of the commercial lease of one of her lists to Ready for Hillary.

**3. Respondents had no input into any email communication sent to the FOH list.**

As stated in the Affidavit of Shelly Moskwa at Exhibit A, neither FOH nor Secretary Clinton, nor any agent on their behalf, approved, agreed to, or edited the content of the email sent by Ready for Hillary to this list. While the Complaint provides no evidence to the contrary, it argues that somehow the reference to the hillaryclinton.com URL in the email indicates some type of implicit authorization or approval. However, as explained below and supported by the Affidavit of Eric Wilfong at Exhibit D, there are a number of non-political technical and practical reasons for this, none of which have any relevancy or bearing on whether Secretary Clinton is a candidate for office.

First, as part of its list rental activities, the Committee was advised by its technology vendor that a significant potential SPAM email issue existed. *Id.* As explained to the Committee, email application providers, such as Gmail, Hotmail, and Yahoo, require authentication standards to ensure that the email is legitimate.<sup>6</sup> For example, the email application provider will look at the IP address of the sent mail and verify that the domain from which it is sent is allowed to send from that IP address. *Id.* Sending from the hillaryclinton.com domain is an industry best practice to ensure that emails sent reach the intended target and not get blocked in significant numbers as SPAM.

If mail were sent from another domain -- readyforhillary.com, for example -- and that domain was not approved to send from the sending IP address, the message would likely be blocked or marked as SPAM by the email application provider.<sup>7</sup> Further, email application providers would likely flag such messages as illegitimate due to a non-standard practice. *Id.*

In short, the current method of sending email marked hillaryclinton.com -- even for a list rental -- is the best way to ensure that emails sent are correctly identified as legitimate emails and make it to the intended recipients. The Committee did not want to be in a position of renting its email list, accepting a rental fee, and then learning that a significant number of the lessee's emails were undelivered, thus resulting in possible adverse consequences, such as unhappiness by the lessee or requests for refunds of the rental fee.

---

<sup>6</sup> HCFP was aware of this, since during the 2007-8 campaign, it had to go to great lengths to ensure that its own emails did not get blocked by these providers as SPAM.

<sup>7</sup> While it would be possible to set up the authentication standards for each rental domain, i.e., list renter, it would take a significant amount of work for each renter, and the Committee was advised that such work would be costly and time consuming if done for each renter and serve as a strong disincentive to renting the list. Thus, because it was in need of the rental income to pay the aforementioned expenses, the Committee made the determination when it first started licensing its list not to do this.

CONFIDENTIAL

Second, presuming then that the email is not blocked as SPAM and makes it to the intended recipients on the list, the Committee's lessee has an interest in making sure that the email is opened and read. Regardless of what action the lessee might be asking for, e.g., signing a petition, contributing money, signing up for the lessee's own list, the Committee, in turn, has an interest in the lessee, as stated above, not asking for a refund of the rental fee.

Keeping the hillaryclinton.com URL on the message is not meant to convey that the message is for the benefit of the Committee. The Committee itself does not receive any response or information from the new recipient. The Committee is not alone in this approach. Attached to this response is another example of a former candidate's email list being used for unrelated purposes, but yet, retaining the former candidate's URL. See *Exhibit E*.

Finally, this is a list rental, not a sale. The practice recommend by the Committee's technology vendor for all list rentals was to continue the reference to the hillaryclinton.com URL in the emails, because the Committee did not want any actual or implicit message that the list belonged to the licensee. This was, in other words, essential to maintaining ownership in the list and standard industry practice. This is the same practice that was followed in every other rental of this list – none of which constituted authorization of the lessor's activities.

Thus, as demonstrated above, the appearance of the hillaryclinton.com URL is an industry best practice which has no relevance to whether Secretary Clinton is a candidate for office. The use of the hillaryclinton.com URL cannot reasonably be used to imply that Secretary Clinton, or anyone on her or on the Committee's behalf had input into the content of the Ready for Hillary communication before it went out, because they did not. In other words, even if the use of the hillaryclinton.com URL was relevant to the analysis of whether Secretary Clinton should involuntarily be declared a federal candidate, neither FOH nor Secretary Clinton "approved" or "authorized" the content of Ready for Hillary's message, and it is wrong for Complainant to imply otherwise.

**4. The Complainant is incorrect in its implication that individuals who are not yet candidates can have no contact, in the form of a list rental, with independent expenditure committees.**

The Complaint implies that an individual -- who is not yet a candidate -- can be made into a candidate through contacts, however, minimal or amorphous, with an independent expenditure committee. That assertion is wrong and unsupported by the law.

Apart from pure speculation, the only contact at issue here is between the Committee and Ready for Hillary for the rental of the email list. While the concept of "coordination" under the Act and FEC regulations requires a candidate and a campaign to be applicable, there is certain guidance that can be illustrative and helpful here under the coordination rules. Importantly, the FEC has not prohibited all contact between a

candidate and a SuperPAC working on her behalf, so certainly, the rules would not bar all contacts between a non-candidate and a SuperPAC that wishes the individual was a candidate. Nearly three years ago, the FEC issued Advisory Opinion 2011-12 making clear that members of Congress could appear in person at fundraising events for SuperPACs that would support the candidacies of those Members and that this activity and appearance did not constitute consent or authorization of the fundraising or expenditures by the SuperPAC. If this did constitute authorization or consent, then those receipts and disbursements by the SuperPAC would constitute in-kind contributions to the candidates appearing at the SuperPAC events. Certainly no one in the regulated community interpreted the Advisory Opinion as raising an authorization or consent issue resulting in in-kind contributions to all of these candidates because they authorized the raising or spending of SuperPAC funds through speaking at the events..

In fact, directly as a result of this Opinion, in the 2012 election cycle, Senate and House candidates encouraged contributions to and even raised funds for their respective Senate and House independent expenditure committees that were established expressly for the purpose of supporting their candidacies independently. *See Exhibit F.*<sup>8</sup> And, most notably, both Mitt Romney and the Obama campaign (including its campaign manager) attended events and raised funds for SuperPACs specifically benefitting their candidacies alone. *See Exhibit G.*<sup>9</sup>

<sup>8</sup> Bresnahan, John, et al. Democrats rush into arms of Super PACs.

<http://www.politico.com/news/stories/0512/76363.html>

Raju, Manu, et al. Outspent Democratic super PAC made dollars count.

<http://www.politico.com/news/stories/1112/83699.html>

Palmer, Anna, et al. Eric Cantor plays super PAC man.

<http://www.politico.com/news/stories/1111/68988.html>

Burns, Alexander. Bob Perry gives \$1 million to Congressional Leadership Fund.

<http://www.politico.com/blogs/burns-haberman/2012/07/bob-perry-gives-million-to-congressional-leadership-128991.html>

Levinthal, Dave, et al. PI Scooplet: Top Dems to boost super PAC at fundraiser – New lobby shop in town – O'Donnell ends obligations with Cassidy, signs six clients.

<http://www.politico.com/politicoinfluence/1012/politicoinfluence371.html>

Eggen, Dan. Friends and family plan: Super PACs often personal campaign fundraising affairs.

[http://www.washingtonpost.com/politics/friends-and-family-plan-super-pacs-often-personal-campaign-fundraising-affairs/2012/06/10/gJQAi8hLTV\\_story.html](http://www.washingtonpost.com/politics/friends-and-family-plan-super-pacs-often-personal-campaign-fundraising-affairs/2012/06/10/gJQAi8hLTV_story.html)

Sherman, Jake. Republican super PACs ramp up spending in House races.

<http://www.politico.com/news/stories/0912/81272.html>

Palmer, Anna. Senate Democrats: Don't forget our super PAC.

<http://www.politico.com/news/stories/1211/69943.html>

<sup>9</sup> Kranish, Michael. In a world of super PACs, Mitt Romney rules.

[http://www.boston.com/news/politics/articles/2012/06/10/in\\_a\\_world\\_of\\_super\\_pacs\\_mitt\\_romney\\_rules/](http://www.boston.com/news/politics/articles/2012/06/10/in_a_world_of_super_pacs_mitt_romney_rules/)

Conroy, Scott. Obama, Romney getting cozier with super PACs. <http://www.cbsnews.com/news/obama-romney-getting-cozier-with-super-pacs/>

McIntire, Mike, et al. Fine Line Between 'Super PACs' and Campaigns.

<http://www.nytimes.com/2012/02/26/us/politics/loose-border-of-super-pac-and-romney-campaign.html?pagewanted=all>

Importantly, these past permissible contacts were all active candidates in the midst of their hard-fought candidacies. Yet, in this matter, we have (1) an individual who is not, by her own words or by operation of law, a candidate for any office, (2) who has not decided to become a candidate for office, (3) who herself did not speak to the SuperPAC or have any personal contact about the list rental, and (4) whose Committee for a former election had significant ongoing costs and rented its list at fair market value. This is no basis for imputing candidacy to an individual who has stated publicly that she has not made a decision to run, who has taken no steps toward raising or spending money of her own, and whose committee is simply involved in paying costs related to ongoing legal -- rather than political -- processes.

The list rental at issue is -- by all objective standards -- a permissible contact and commercial transaction long-sanctioned by the Commission. Only a warped interpretation of speculative assertions could make it into anything else. Simply put, the list rental did not create a candidacy here.

Thus, for the foregoing reasons, this Complaint is wholly without merit. Respondents respectfully request that the Office of General Counsel recommend to the Commission that they find no reason to believe that any violation of the Act or Commission regulations has occurred and dismiss this Complaint forthwith.

Respectfully submitted,



Lyn Utrecht



Eric Kleinfeld

Exhibits

---

Zeleny, Jeff, et al. Obama Yields in Marshaling of 'Super PAC'. <http://www.nytimes.com/2012/02/07/us/politics/with-a-signal-to-donors-obama-yields-on-super-pacs.html?pagewanted=all>

Roarty, Alex. In reversal, Obama Urging Super-PAC Donations. <http://www.nationaljournal.com/2012-presidential-campaign/in-reversal-obama-urging-super-pac-donations-20120207>

# EXHIBIT B

MUR 6775, Friends of Hillary and Shelly Moskwa, as Treasurer

14024111-11111



January 27, 2014, 01:28 pm

## Hillary Clinton 'not thinking' about 2016

Hillary Clinton said Monday she's not even thinking about running for president.

Clinton, who is considered the front-runner for the Democratic nomination for the White House in 2016, made the comments at a conference for the National Automobile Dealers Association in New Orleans.

Asked about her plans, Clinton said, laughing: "I have to say I don't know. Not a very satisfactory answer, I know.

"I'm not thinking about it," she added, "I am trying to get other people not to think about it. I will think about it in the future sometime, but right now let's think about what we have to do to continue building on our success."

Clinton said she's more concerned about current issues facing the country. For example, she said she was "very pleased" Congress was able to pass a budget deal for the first time in four years. She said she also hopes Congress can overcome "this next debt limit challenge."

Her comments about a future presidential bid took place as the Ready for Hillary super-PAC arranged meetings over the weekend in Iowa, the state that begins the primary season with its caucuses.

President Obama's 2012 campaign manager, Jim Messina, also joined the largest Democratic super-PAC, Priorities USA, last week as co-chairman. The group announced it has begun raising money for Clinton's potential campaign.

At the New Orleans event, Clinton also said the 2012 attack in Benghazi, Libya, was her "biggest regret" during her time as secretary of State.

She also commented on the new controversial book about the Obama administration by former Defense Secretary Bob Gates. Clinton said the real take-away is Gates wound up "admiring" both Obama and former President George W. Bush.

**TAGS:** Hillary Clinton

Like Share Tweet: {37}

The Hill 1625 K Street, NW Suite 900 Washington DC 20006 | 202-628-8500 tel | 202-628-8503 fax  
The contents of this site are ©2014 Capitol Hill Publishing Corp., a subsidiary of News Communications, Inc.

1103521-1103521

1103521-1103521

# Hillary Clinton on 2016 Presidential Run: 'I'll Make That Decision Sometime Next Year'

Clinton Named Barbara Walters' Most Fascinating Person of 2013

By LAUREN EFFRON

Dec. 18, 2013—

Hillary Clinton is Barbara Walters' Most Fascinating Person of 2013.

Although speculation and rumors have been swirling for months over whether Clinton will make another run for the White House in 2016, she said she hasn't decided yet.

"I haven't made up my mind," Clinton told Walters in the ABC News special "Barbara Walters Presents: The 10 Most Fascinating People of 2013."

"Obviously, I will look carefully at what I think I can do and make that decision sometime next year."

After losing her 2008 bid for the White House to President Barack Obama, only to be picked to serve in his cabinet as secretary of state, Clinton has been dogged by questions over whether she will make another presidential run in the upcoming 2016 election. Just last week, more than 450 Hillary Clinton supporters gathered at the pro-Clinton super PAC Ready for Hillary for a D.C. kickoff event. But she said it's too soon to tell.

"It's such a difficult decision, and it's one that I'm not going to rush into ... and I don't think we should be looking at the next election," Clinton said. "I think we should be looking at the work that we have today. Our unemployment rate is too high. We have people getting kicked off food stamps who are in terrible economic straits. Small business is not getting credit, I could go on and on, so I think we ought to pay attention to what's happening right now."

Walters' choice of Hillary Clinton as the Most Fascinating Person of 2013 for Walters' last installment of "The 10 Most Fascinating People of the Year" is a poignant one. When the ABC News annual special debuted 20 years ago in 1993, then-first lady Hillary Clinton was the first person to top Walters' list.

Today, for the first time in decades, neither Hillary Clinton nor her husband, former President Bill Clinton, who also appeared on the top of Walters' list twice, are in public office, which the former secretary of state called a "relief."

"I knew that I wanted to get off this high wire that I had been on for so long," she said. "To spend time just doing things that give us a lot of joy, playing with our dogs, going to movies, just hanging out."

As for what Bill Clinton thinks about his wife making another presidential run, Clinton said, "He wants me to do

11/18/13 11:45 AM

what I think is right."

And if she ran and became president, what would that make her husband? "I have no idea," Clinton said, laughing. "First mate, I don't know."

While she remained coy about her own thoughts of heading to the White House, Clinton acknowledged that she thought it was "important" that the United States have a female president, noting that Michelle Bachelet, whom Clinton called "my friend," was just re-elected president of Chile, and that Brazil also has a female head of state, President Dilma Rousseff, whom Clinton said she "admired greatly."

"It matters. It matters because we have half the population that has given so much to building this country, to making it work, raising children and, of course, I want to see women eventually in the White House," Clinton said. "If you look at my friends and former colleagues, who are now in the Senate, it was the women senators, on both sides of the aisle, who finally broke the fever over the government shutdown and the debt limit. ... They have been working across party lines, and we need more of that."

Looking back on her political career and life in public service, Clinton said the worst times for her were the "personal times," such as when her parents died.

"When you're in the political public arena, you know you're going to get credit you probably don't deserve and blame you probably don't deserve," she said. "And you have to chart your own course."

Copyright © 2014 ABC News Internet Ventures

UNSUBMITTED

# Thrive



JOIN US  
AT THE  
NEXT  
THIRD METRIC  
LIVE EVENT



ON SALE NOW:  
NYC: APRIL 24-25  
DC: MAY 1-2  
LA: MAY 8-9

March 4, 2014

HUFF  
POST

## POLITICS

### Hillary Clinton: 'I'm Both Pragmatic And Realistic' About Running For President In 2016

The Huffington Post | By Paige Lavender  
Posted: 09/22/2013 9:59 am EDT | Updated: 09/23/2013 5:12 pm EDT

Former Secretary of State Hillary Clinton opened up to New York Magazine about a potential presidential run, saying she's both "pragmatic and realistic" about aiming for the nation's top office.

"I'm not in any hurry. I think it's a serious decision, not to be made lightly, but it's also not one that has to be made soon," Clinton said, noting she plans to work in "whatever position I find myself in to advocate for the values and the policies I think are right for the country."

Clinton also dismissed 2016 speculation, saying she doesn't "think it's good for the country."

"It's like when you meet somebody at a party and they look over your shoulder to see who else is there, and you want to talk to them about something that's really important; in fact, maybe you came to the party to talk to that particular person, and they just want to know what's next," Clinton said. "I feel like that's our political process right now. I just don't think it is good."

Clinton said she's currently enjoying more quality time with her husband, former President Bill Clinton.

"We get to be at home together a lot more now than we used to in the last few years," Clinton said. "We have a great time; we laugh at our dogs; we watch stupid movies; we take long walks; we go for a swim. You know, just ordinary, everyday pleasures."

Clinton said her husband is also largely ignoring talk of her potential 2016 presidential run.

"Right now, we're trying to just have the best time we can have doin' what we're doin'."

Despite the Clintons' reluctance to seriously speculate about 2016, others are confident Clinton's the right person to represent the Democratic party in the next presidential race.

On "State of the Union" Sunday, House Minority Leader Nancy Pelosi (D-Calif.) said Clinton is "one of the best-equipped, best-prepared people to enter the White House in a very long time," saying she's "more prepared" than the last three presidents to enter the White House. On "Meet The Press" on Sunday, conservative pundit Bill Kristol said Clinton is "a good candidate for Republicans to run against."

[Click here](#) to read more from New York Magazine.

09/22/2013 9:59 AM EDT



# NBC POLITICS (HTTP://WWW.NBCNEWS.COM/POLITICS)

[Articles \(http://www.nbc.com/3/3066137/m66n-k00\)](http://www.nbc.com/3/3066137/m66n-k00)

[Ad Choices \(http://nbc.com/AP/TV/en-us\)](http://nbc.com/AP/TV/en-us)

DISCUSS AS: Sign in ▾

## Hillary Clinton talks Benghazi, Gates, 2016

Monday Jan 27, 2014 9:15 AM

EMAIL (MAILTO:?&SUBJECT=HILLARY CLINTON TALKS BENGHAZI, GATES, 2016&BODY=%0D%0A%0D%0AVIA%20HILLARY CLINTON TALKS BENGHAZI, GATES, 2016 - NBC POLITICS%20DISCUSSIONS%0D%0A%0D%0AHTTP://NBCPOLITICS.NBCNEWS.COM/\_NEWS/2014/01/27/22468690-HILLARY-CLINTON-TALKS-BENGHAZI-GATES-2016%0D%0A%0D%0ANBCNEWS.COM)

Like  Tweet

By Carrie Dann, NBC News

Former Secretary of State Hillary Clinton said Monday that the "biggest regret" from her time as the nation's top diplomat was the 2012 attack on Americans in Benghazi.

During a question-and-answer session at a meeting of the National Automobile Dealers Association, Clinton called the loss of four Americans in the attacks "a terrible tragedy" and a "great personal loss."

Clinton did not address criticism by former Defense Secretary Robert Gates, who wrote in a new memoir that Clinton opposed the troop surge in Iraq for political reasons. But she did appear to defend President Barack Obama, whose administration Gates paints as micromanaging and overly concerned with domestic politics.



advertisement



Former U.S. Secretary of State Hillary Clinton talks about the 2012 attack on the U.S. consulate in Benghazi, Libya, while speaking Monday in New Orleans, La.

"I think the real takeaway from Bob's book ... is that he ended up admiring both President Bush and President Obama," she said, saying that both presidents had different styles but admirable conviction in their decision-making.

PHOTOGRAPH BY AP/WIDEWORLD

The possible presidential contender continued to say that she is "not thinking about" her plans for 2016.

"I have to say, I don't know," she said when asked about her political future. "Not a very satisfactory answer, I know."

"I'm not thinking about it," she said. "I am trying to get other people not to think about it. I will think about it in the future sometime, but right now let's think about what we have to do to continue building on our success."

One title that she is looking forward to, however, is one far removed from the Oval Office.

"I really can't wait, to be honest," she said of the possibility of becoming a grandmother. "But that's not my decision."

In her remarks to the auto dealers group, Clinton waxed eloquent about her own family's love of cars, but conceded that she hasn't been behind the wheel since she was first lady.

"The last time I actually drove a car myself was 1996, and I remember it very well," she said. "Unfortunately, so does Secret Service, which is why I haven't driven since then."

#### RECENTLY POPULAR DISCUSSIONS

Six Things to Watch in Texas Tuesday

([http://nbcpolitics.nbcnews.com/\\_news/2014/03/04/22955477-six-things-to-watch-in-texas-tuesday?lite](http://nbcpolitics.nbcnews.com/_news/2014/03/04/22955477-six-things-to-watch-in-texas-tuesday?lite)) 143 comments

First Read's Morning Clips

([http://nbcpolitics.nbcnews.com/\\_news/2014/03/04/22955414-first-reads-morning-clips?lite](http://nbcpolitics.nbcnews.com/_news/2014/03/04/22955414-first-reads-morning-clips?lite)) 36 comments

Congress Prepares Response to Ukraine Crisis

([http://nbcpolitics.nbcnews.com/\\_news/2014/03/03/22946378-congress-prepares-response-to-ukraine-crisis?lite](http://nbcpolitics.nbcnews.com/_news/2014/03/03/22946378-congress-prepares-response-to-ukraine-crisis?lite)) 153 comments

Obama: Allies Agree Russia Broke International Law

([http://nbcpolitics.nbcnews.com/\\_news/2014/03/03/22945088-obama-allies-agree-russia-broke-international-law?lite](http://nbcpolitics.nbcnews.com/_news/2014/03/03/22945088-obama-allies-agree-russia-broke-international-law?lite)) 846 comments

Republicans Make Push for Hard-line Stance with Putin

([http://nbcpolitics.nbcnews.com/\\_news/2014/03/03/22943849-republicans-make-push-for-hard-line-stance-with-putin?lite](http://nbcpolitics.nbcnews.com/_news/2014/03/03/22943849-republicans-make-push-for-hard-line-stance-with-putin?lite)) 521 comments

20 MORE...

DISCUSSIONS 1738 comments from 573 people

547 previous comments VIEW

[Advertiser \(<http://www.msnbc.msn.com/id/31066137/media/1>\)](http://www.msnbc.msn.com/id/31066137/media/1)

[AdChecker \(<http://www.irs.gov/AIPRV/en-us/>\)](http://www.irs.gov/AIPRV/en-us/)

SJS-851376 (<http://stephensanborn.newsvine.com/>) commented Jan 27, 2014 #558

Hardball with Chris Matthews (/hardball) / Democrats (/democrats) / Signata / Legistes  
(/elections) / National Security (/national-security)



Hillary Clinton watches during the Clinton Global Initiative 2013 (CGI), Sept. 24, 2013, in New York, N.Y. CARLO ALLEGRI/REUTERS

## Hillary Clinton insists on 2016: 'I don't know'

01/27/14 01:30 PM - UPDATED 01/27/14 03:09 PM

4 save share 20 (http://

By **Aliyah Frumin** (/person/aliyah-frumin)

Hillary Clinton is insisting once again that she doesn't know if she's running for president in 2016. But that's not stopping her from acting like it.

The former secretary of state delivered the keynote address at the annual National Automobile Dealers Association convention in New Orleans on Monday. She used the giant platform to applaud auto dealers for playing a major role in the U.S. economic recovery, and to not so subtly remind the audience that she supported both the auto bailout and the TARP program designed to prevent the failure of large banks.



LP



watch now

NEWSNATION WITH TAMRON HALL, 1/27/14, 2:55 PM ET  
**Clinton raises suspicions about 2016 run**

---

During a Q&A portion, Clinton was asked about her 2016 plans, to which she said "I don't know – not a very satisfactory answer I know." She added, "We have a lot of issues right now that need to be dealt with...I'm not thinking about it. I'm trying to get other people not to think about it. I will think about it in the future sometime, but right now let's think about what we have to do to continue building on our success"

But the momentum certainly seems to be building. "Ready for Hillary," the independent super PAC that's working on building a national grass-roots support network for Clinton should she decide to run, held five events in Iowa on Saturday. The former first lady also graced the cover ([http://publiceditor.blogs.nytimes.com/2014/01/24/the-hillary-clinton-covers-planetary-disruption/?\\_php=true&\\_type=blogs&\\_r=0](http://publiceditor.blogs.nytimes.com/2014/01/24/the-hillary-clinton-covers-planetary-disruption/?_php=true&_type=blogs&_r=0)) of the New York Times Magazine, with her face depicted as a planet and the piece describing the "gravitational pull of a possible 2016 campaign."

The paid speech in front of the auto association, which represents more than 16,000 new car and truck dealerships around the country, was not without controversy. When it was announced last summer that Clinton would headline the event, several members threatened (<http://editorial.autos.msn.com/blogs/post--nada-sticks-by-hillary-clinton-despite-dealer-outcry>) to quit the organization because of her political views and speaking fees, which rumored upward of \$200,000. It was not disclosed how much Clinton was paid, but several presidents, including Bill Clinton, George H.W. Bush and George W. Bush have given speeches to NADA.



September 23, 2012, 11:33 am

## **Bill Clinton Says He's Unsure of Wife's 2016 Plans**

By **BRIAN KNOWLTON**

WASHINGTON — Former President Bill Clinton said Sunday that he had “no earthly idea” whether his wife might decide to run for the presidency in 2016, but that he had never met a more qualified public servant and that she would have his full support no matter what she decides.

So if it was not a “yes” or a “maybe” from the former president — who just might be expected to have some inside knowledge of the matter — it was certainly not a “no.”

The future career path of Secretary of State Hillary Rodham Clinton has been a matter of fervid speculation since she made clear that she planned to step down at the end of President Obama's current term. Mr. Clinton's strong defense of Mr. Obama in his speech at the Democratic National Convention fueled a sense that he might be helping keep the Clinton brand before the public eye, and not just for his own sake.

Asked on CBS's “Face the Nation” about his wife's plans, Mr. Clinton replied, “I don't know.” After eight years in the White House, eight years as New York senator and now four years as secretary of state, he said, “She's tired.”

(He did not mention the many months she spent battling Mr. Obama for the 2008 presidential nomination.)

Mr. Clinton went on: “She's really worked hard. I think she's

done a fabulous job. I'm very proud of her. But she wants to take some time off, kind of regroup. Write a book, I hope we'll be working together," presumably on the charitable and philanthropic efforts of his Clinton Global Initiative.

Asked by CBS's Bob Schieffer whether Mrs. Clinton was in fact the most qualified person to run in 2016, Mr. Clinton at first deferred to what he suggested was a large potential field of Democrats, including "bright young governors" and members of Congress.

But then he turned back to his wife.

"I know I'm biased," he said, "but I think she demonstrated as senator and as secretary of state that she has extraordinary ability, a lot of common sense, a lot of, you know, stick-to-itiveness. She'll push a rock up a hill as long as it takes to get it up the hill."

So "whatever she decides, I'll support it."



SCOTT BROWN

Dear Patriot,

I thought you might be interested in the offer below from our sponsor Newsmax Health.

Thank you,

Senator Scott Brown

## 5 Signs You'll Get Alzheimer's Disease

By S.A. Nickerson

Could you be on the fast track to Alzheimer's — or another brain problem such as Parkinson's disease, memory loss, or dementia?

Brain degenerative diseases that used to be seen in the 70s and 80s age groups are now showing up in 50- to 60-year-olds — and sometimes as early as the 30s and 40s.

And compounding the problem, doctors often mistakenly dismiss the early stages of Alzheimer's, dementia, Parkinson's and other brain diseases as "normal aging."

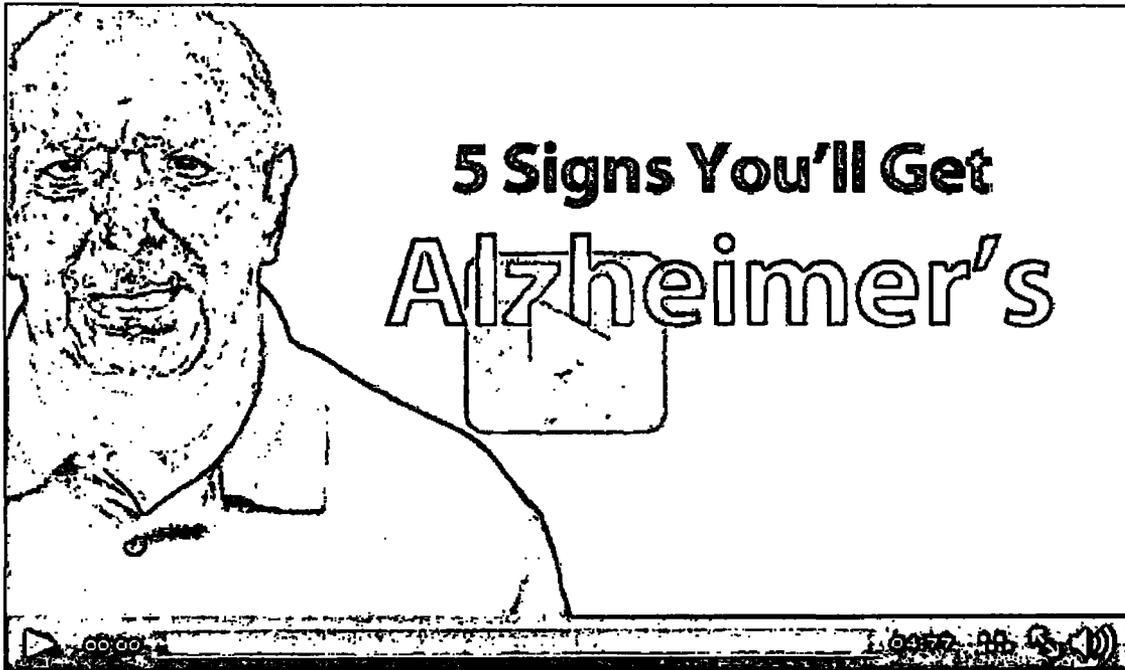
Renowned neurosurgeon and nutritionist Dr. Russell Blaylock will tell you there's nothing "normal" about brain degeneration. He watched both his parents die from Parkinson's disease and then dedicated his career to studying these conditions.

And in an unprecedented **FREE** video documentary presentation showcasing Dr. Blaylock's findings, you'll discover:

- 5 signs you could get Alzheimer's (or another brain disorder) . . .
- Simple strategies and natural therapies to prevent, treat, and reverse

memory loss, Alzheimer's, dementia, Parkinson's, and other neurodegenerative disorders . . .

- Why everyone over age 40 needs to be very concerned about these conditions . . .
- How to avoid or neutralize common triggers for brain inflammation . . .
- Items in your home pantry that have been linked to Parkinson's and Alzheimer's . . .
- How over-exercising can harm your brain . . .
- And much, much more . . .



**CLICK HERE NOW TO WATCH THIS FREE VIDEO  
PRESENTATION ABOUT PROTECTING YOUR BRAIN!**

This video is crucial and groundbreaking, so Newsmax Health pulled out all the stops to bring it directly to you at *no charge*. You can start watching this video right now — just click here.

The good news is that these brain-destroying maladies do not have to happen to you or your loved ones as you grow older.

And even if you already have symptoms of one of these dreaded diseases, you can use Dr. Blaylock's strategies to help repair the damage — if you get started right away.

Thomas Edison once said, "The chief function of the body is to carry the brain around." Our brains are crucial — so let's care for them the best we can for a full, happy, and successful life.

**Editor's Note: Find out these 5 signs of Alzheimer's and other brain diseases before it's too late. Click here now to watch this powerful video.**

**Read More at [ScottBrown.com](http://ScottBrown.com)**



This email is never sent unsolicited. You have received this **Scott Brown** email because you subscribed to it or someone forwarded it to you. To opt out, see the links below.

Manage your subscription or unsubscribe from Senator Scott Brown's newsletter. We respect your right to privacy. View our policy.

This email was sent by:  
**Senator Scott Brown**  
2020 Commonwealth Ave.  
Newton, MA 02466

150

---

No virus found in this message.  
Checked by AVG - [www.avg.com](http://www.avg.com)  
Version: 2014.0.4259 / Virus Database: 3684/7054 - Release Date: 02/02/14

# Scott Brown rents out e-mail list to spammer

By Noah Bierman | GLOBE STAFF FEBRUARY 05, 2014



Dear Patriot,

I thought you might be interested in the offer below from our sponsor Newsmax Health.

Thank you,

Senator Scott Brown

**5 Signs You'll Get  
Alzheimer's Disease**

A screen shot of the e-mail sent from Scott Brown's e-mail address.

WASHINGTON — Scott Brown has been a fashion model, a lawyer, a national guardsman, and United States senator from Massachusetts. Now he has added a new job description: e-mail spammer.

A marketing pitch sent by a promotional company that rented Brown's mailing list was blasted from his e-mail account to thousands of supporters Wednesday. "5 Signs You'll Get Alzheimer's Disease" came with links to a video from a doctor warning against flu vaccines, fluoridated water, and excessive exercising, among other questionable medical claims.

CONTINUE READING BELOW ▼

The e-mail was topped by a Brown's logo, followed by a short note: "Dear Patriot, I thought you might be interested in the offer below from our sponsor Newsmax Health. Thank you, Senator Scott Brown."

The e-mail was not the first of its kind. It followed an e-mail earlier in the week promoting a sponsored article about the IRS with another link: "Seniors Scoop Up Unclaimed \$20,500 Checks? (See If You Qualify)."

By Wednesday afternoon, after some unflattering media attention, Brown abruptly announced that he would cut ties with the vendor — Newsmax, a conservative media company — which rented his e-mail list and created the marketing content distributed under Brown's name.

CONTINUE READING BELOW ▼

Brown acknowledged to WMUR in New Hampshire that he rents his list to vendors.

But Brown said he did not authorize the e-mail, even though it is on his letterhead, signed with his name, and was sent from his usual political e-mail, [scottbrown@reply.scottbrown.com](mailto:scottbrown@reply.scottbrown.com).

"While the issue of Alzheimer's is personal to me and an issue I have been working on for years, I did not approve or authorize the sending of this particular e-mail," Brown told the television station. "Due to this and other issues, I am terminating my relationship with this vendor effective immediately."

"Let the Dems have their fun," Brown added. "No biggie."

Neither Newsmax nor Brown responded to multiple requests for comment.

Aside from their commercial content, Brown's e-mail ads look no different than other messages he has sent to his supporters in recent weeks, including those that reprint his political speeches or a romantic column written by his wife. All carry a portrait of Brown in a barn jacket beside a red, white, and blue logo, and then a message.

Brown, a lawyer and paid contributor to Fox News, has been weighing a run for the US Senate against Jeanne Shaheen, a New Hampshire Democrat, which has brought him added scrutiny. New Hampshire Republicans have been eager for him to make a decision following months of increased political activity in state. Brown moved to Rye in December.

Paul S. Ryan, senior counsel at the Campaign Legal Center, said there are few if any legal restrictions on what political candidates and groups can do with their lists of supporter e-mails, one of their most valuable assets.

Brown has built his reputation as a plain-spoken everyman. New Hampshire Republicans say they are not worried that image will suffer because Brown used his supporters' e-mail addresses to market products.

"It's much ado about nothing," said Jim Merrill, a New Hampshire political consultant. "He took appropriate action."

The doctor promoted in the e-mail, Dr. Russell Blaylock, boasts on his website that "He doesn't parrot what the New England Journal of Medicine — which receives heavy subsidies in advertisements — claims." He crusades against "killer vaccines."

Blaylock could not be reached for comment Wednesday. But public health officials have long worried that physicians who say vaccines are harmful can undermine public health efforts.

"This is total conspiracy theory," said Dr. Sean Palfrey, past president of the Massachusetts chapter of the American Academy of Pediatrics and a professor of pediatrics and public health at Boston University School of Medicine. "The CDC has a whole website on these kind of hoaxes. There is absolutely no evidence that the flu vaccine, nor any other vaccines, nor exercise is associated with Alzheimer's or Parkinson's."

Campaign reports show Brown began collecting money from his e-mail list last year, when he converted his campaign account into a political action committee known as The People's Seat PAC.

The committee took in \$55,600 for renting out its e-mail list to two vendors in 2013, Conservative Connectors out of Virginia and Granite Lists out of New Hampshire, according to recently filed campaign finance reports.

Conservative Connectors, whose services include brokering political e-mail lists, according to its website, declined to comment.

Newsmax, the sponsor of the newest ads, was not among the groups paying Brown in 2013, suggesting the latest arrangement is new. Candidates and political committees have not yet filed reports disclosing their 2014 finances.

Brown is not the first political candidate to let commercial interests have a crack at his e-mail list. In July, Herman Cain, the former presidential candidate, regaled subscribers to his e-mail list with a particularly racy offer: "Breakthrough remedy for ED!" That was a reference to erectile dysfunction.

Ryan, the Campaign Legal Center lawyer, said the law is unclear on whether proceeds can be for Brown's personal use. Candidates and politicians may not profit from campaign accounts, but he said "there's basically no constraints with what a PAC can do with the funds it raises."

Regardless, "having money sitting in a PAC is very beneficial" to Brown, he said.

Noah Bierman can be reached at [nbierman@globe.com](mailto:nbierman@globe.com). Follow him on Twitter [@noahbierman](https://twitter.com/noahbierman).



## POLITICO

### Democrats rush into arms of Super PACs

By: John Bresnahan and Manu Raju and Jake Sherman  
May 16, 2012 12:11 AM EST

Congressional Democrats who publicly proclaimed that super PACs are the scourge of modern politics are now going all out to chase the big money that's fueling the 2012 campaign.

With little fanfare, Senate Majority Leader Harry Reid (D-Nev.) and his top lieutenants are crisscrossing the country from the Southwest to the Big Apple, meeting with billionaires, high-level business executives and union leaders in a mad scramble to raise money for Majority PAC — and perhaps save their slim Senate majority.

Their efforts are already paying dividends. Earlier this spring, Reid and Sen. Chuck Schumer (D-N.Y.) made a quick trip to New York, where they made a pitch to billionaire hedge fund manager James Simons, who quickly turned around and cut a check on March 29 to Majority PAC for \$1 million, according to campaign finance reports. That's on top of the \$500,000 Simons donated to Majority PAC last year, making him the biggest donor to the group so far.

Reid, Schumer and Majority Whip Dick Durbin (D-Ill.) have recently attended Majority PAC fundraisers in New York, Chicago, Phoenix, Los Angeles, Washington and Dallas, according to Democratic sources. But the efforts have been made quietly, and their offices have been generally mum on the details given the sensitivity of the issue.

Top Democrats are also expected to be featured at fundraising events for super PACs on the sidelines of the party's national convention this summer in Charlotte, N.C., including an "intimate brunch and discussion," according to documents and interviews.

In a brief interview, Reid said Democrats have no choice in the aftermath of the Supreme Court's *Citizens United v. Federal Election Commission* decision, which loosened campaign finance laws. In the wake of that ruling, Republican super PACs dumped tens of millions of dollars into the 2010 elections, a sum largely unmatched by Democrats that helped the GOP win the House and pick up six Senate seats.

"The whole situation is too bad," Reid told POLITICO. "It is a terrible decision. But we can't disarm unilaterally, so we're going to do whatever we can to be competitive."

The extraordinary cross-country fundraising efforts by Reid and other high-ranking Democrats to play catch-up with the GOP on super PAC money shows just how pervasive and influential the new fundraising organizations have become, supplanting traditional party committees on many fronts.

And it also underscores how lawmakers will go to great lengths in navigating the byzantine maze of campaign finance restrictions, talking to big money donors without explicitly asking for more than the \$5,000 that lawmakers can legally solicit.

Here's how it works behind the scenes: Lawmakers hold one-on-one meetings with rich donors and also appear at fundraisers, while someone else with the super PAC — often a former congressional aide with ties to those same leaders — makes the direct ask for large sums of cash.

Democratic sources note that Reid, Schumer and Durbin adhere closely to FEC rules and make a point of seeking contributions of \$5,000 so there is no confusion of what they are

doing. If the lawmaker does not solicit the money, and the donor turns around and gives \$1 million to the super PAC, that's fine under the rules.

"That's absurd," Paul Ryan, senior counsel at the watchdog group Campaign Legal Center, said when asked about lawmakers attending super PAC fundraisers but not directly soliciting contributions.

For Democrats, the battle for super PAC cash is particularly sensitive. For the better part of the past two years, Democrats have demonized super PACs and the *Citizens United* decision, which gave rise to them. The mixed message — publicly calling for super PACs to be reined in while quietly helping the Democratic groups — has only made it harder to raise money, Democrats privately acknowledge.

Schumer, for instance, has called for hearings and co-sponsored legislation that would require super PACs and other outside groups to disclose their biggest donors. Schumer's office declined to comment on his involvement in Majority PAC's fundraising.

Democrats picked up the pace after a New York Times report last week that a group of liberal donors, including financier George Soros, are planning to pour as much as \$100 million into the liberal umbrella group Democracy Alliance for get-out-the-vote operations this year.

Reid and other top Democrats would rather see those funds go to super PACs or other organizations already aligned with the party, although they cannot directly ask for donors to do so. Soros donated \$100,000 to Majority PAC last year, as well as \$75,000 to House Majority PAC, a super PAC tied to House Democrats.

In an interview, Durbin said the growth of super PACs "isn't going to help our democracy."

"Having said that, what are you going to do?" Durbin said. "When the other side has a nuclear bomb and you're fighting with rifles? What the president has said is, 'I have no choice,' and the Democrats in the Senate have reached the same conclusion if we don't have a super PAC fund. We are just going to be steamrolled in some of these states."

When asked for specifics on his super PAC fundraising, Durbin spokesman Max Gleichman would only say the congressman has attended "more than one and less than 10" events. The spokesman added that Durbin appeared recently with Reid in Chicago and dropped by similar events in Washington.

Majority PAC has raised \$4.2 million this cycle, far below the \$100 million raised by American Crossroads and its affiliated nonprofit, but the pace of the Democratic PAC's fundraising has picked up in recent weeks with more direct involvement by Reid, Schumer and Durbin.

Democrats are certainly feeling a sense of urgency on super PAC fundraising heading into the summer campaign stretch.

Ohio Sen. Sherrod Brown, who once had a double-digit lead in his race against Republican Josh Mandel, has seen his lead dwindle to 6 points after as much as \$5 million in TV ads funded by outside GOP groups aired in the state. Majority PAC has responded with a \$300,000 TV buy to hammer Mandel, but Democrats are still likely to be dramatically outspent by Republican super PACs.

Majority PAC is also going up with several hundred thousand dollars' worth of ads to help vulnerable Democratic Missouri Sen. Claire McCaskill.

"Majority PAC is working hard to have the resources necessary to fight Karl Rove's Crossroads and the nefarious Koch Brothers," said J.B. Poersch, senior strategist for Majority PAC. Poersch is the former executive director of the Democratic Senatorial Campaign Committee. "We're grateful to have robust and appropriate support."

Other Hill leaders have waded into the super PAC fundraising race. In the House, Speaker

DOWN-UNUSUAL

John Boehner (R-Ohio) appeared with former Sen. Norm Coleman (R-Minn.) at an event in Arizona for the Congressional Leadership Fund.

Barry Jackson, Boehner's famously secretive chief of staff, appeared alongside Pete Mechum, the Congressional Leadership Fund's chief fundraiser, to raise money.

Majority Leader Eric Cantor (R-Va.), meanwhile, has made phone calls and attended several events to raise money on behalf of the YG Action Fund — which was started by two former Cantor aides — as has Majority Whip Kevin McCarthy (R-Calif.).

Minority Leader Nancy Pelosi (D-Calif.) has done events for the House Majority PAC in New York, California and Texas.

The one congressional leader who appears to be holding back from the super PAC fundraising game is Senate Minority Leader Mitch McConnell (R-Ky.). While he's appeared at events sponsored by the powerful group American Crossroads, McConnell hasn't done any fundraising for its super PAC given that it's had little trouble raising funds.

© 2014 POLITICO LLC

UNCLASSIFIED

# POLITICO

## Outspent Democratic super PAC made dollars count

By: Manu Raju and John Bresnahan  
November 11, 2012 10:55 PM EST

Democrat Elizabeth Warren and Republican Sen. Scott Brown made a highly publicized pledge in Massachusetts: Neither candidate would allow super PACs or other outside groups to dump unlimited — and anonymous — money into their hotly contested Senate race.

But one Democratic super PAC got into the race anyway.

Majority PAC, founded by several operatives close to Senate Majority Leader Harry Reid — along with several allied organizations — ended up spending about \$2 million in the final weeks of the race on direct mail, a field operation and other under-the-radar activities to help Warren, a liberal icon, defeat the well-funded Brown.

It was just a fraction of the \$60 million-plus that Majority PAC and its nonprofit sister organization Patriot Majority — which does not disclose its donors — would raise for Senate races nationwide.

The two groups' involvement in these key Senate battles — despite the public disapproval of super PACs and secret money by Democratic leaders — would prove critical in the stunning Democratic Senate sweep in last week's elections.

"No matter what people think about super PACs, their role in protecting the Senate majority was undeniable," said Susan McCue, a former top Reid aide and co-founder of the Majority PAC. "We had to go into the states and serve as a firewall and hold ground."

Majority PAC was created and run by a small group of Reid loyalists seeking to counter Karl Rove's high-spending American Crossroads and other Republican super PACs that fueled GOP wins during the 2010 midterm elections.

It's also a window into the brave new world of virtually unlimited campaign fundraising, in which anyone with a checkbook and a lawyer can create his or her own super PAC and flood the airwaves with attack ads. The Center for Responsive Politics tracked more than 1,000 super PACs that raised \$660 million-plus this cycle, most of it pro-GOP money.

For much of 2011, Majority PAC — like House Majority PAC, which backed House Democrats, and Priorities USA, a pro-Obama super PAC — had trouble getting off the ground. Skeptical Democratic senators and liberal donors despised the rise of super PACs following the Supreme Court's January 2010 *Citizens United* decision.

But one by one, Democratic senators started to jump on the super PAC bandwagon.

Reid and New York Sen. Chuck Schumer for months cajoled big donors to pony up, and the Senate super PAC landed huge personal checks from the likes of Wall Street billionaire James Simons and Sen. Jay Rockefeller (D-W.Va.), as well as Richard Blum, husband of Sen. Dianne Feinstein.

Reid's leadership fund kicked in \$255,000, and California Sen. Barbara Boxer's gave \$205,000. Virginia Sen. Mark Warner's Forward Together PAC gave \$200,000. Democratic Sens. Tim Johnson of South Dakota, Chris Coons of Delaware, Al Franken of Minnesota, Mark Begich of Alaska and Tom Carper of Delaware shelled out tens of thousands more in campaign funds.

Even former President Bill Clinton helped out, headlining a late September Park Avenue luncheon fundraiser for the House, Senate and Obama super PACs at the home of New York philanthropists Donald and Shelley Rubin at which about 30 donors gave millions more to the group's war chest.

Majority PAC's role became almost as important as the Senate Democrats' traditional campaign apparatus — the Democratic Senatorial Campaign Committee. The two organizations played an inside-outside game; one would go dark and the other would put TV ads in a critical state. Democrats, like their Republican counterparts, avoided legal restrictions on coordinating the efforts of super PACs and parties, but it was clear where the various national committees and super PACs would focus their efforts.

The DSCC's "independent expenditure" arm, funded but not controlled by the committee, received more than \$33 million by mid-October, campaign records show. The DSCC, chaired by Washington Sen. Patty Murray, a close ally of Reid and Schumer, transferred more than \$14 million to state parties — much of which went to TV ads — and tens of millions more went for field operatives and DSCC-run media blitzes.

Yet when Democrat Tim Kaine was dark in Virginia in midsummer, Majority PAC jumped in, unleashing more than \$5 million worth of blistering ads attacking Kaine's Republican opponent, George Allen, while promoting Kaine's record as governor. As Democrat Heidi Heitkamp strove to project an above-the-fray image in North Dakota, Majority PAC — like the DSCC — went hard after Republican Rick Berg. And as Republican Tommy Thompson was replenishing his war chest after a brutal Wisconsin Republican primary, Majority PAC and its allies in the labor world unleashed a barrage of assaults that helped Democrat Tammy Baldwin.

"There was a lot of philosophical aversion to accepting the reality. Whether you like *Citizens United* or not, it was the law of the land, and unless you adapted to the new legal and financial realities, you would fall behind," said Craig Varoga, a Reid confidant of three decades who now runs Patriot Majority, Majority PAC's nonprofit. "We were frankly in some cases swimming upstream."

Majority PAC's origins go back to 2009, when McCue arranged an introductory meeting between Varoga and Reid's political guru, David Krone, now chief of staff in the majority leader's office, over coffee at a Capitol Hill Starbucks.

That meeting helped lay the foundation for the PAC Patriot Majority's \$10 million involvement in Reid's 2010 Senate race. The group first helped tear down Reid's strongest GOP opponent in the primary — Sue Lowden — and followed with a barrage of attacks on the tea party favorite, Sharron Angle, who ended up losing the general election to Reid.

Other key players include Rebecca Lambe, an engineer of Reid's political machine in Nevada; Jake Perry, the senator's chief fundraiser; and J.B. Poersch, the former DSCC executive director and a Schumer confidant.

The Senate map looked bad for Democrats in 2012, with 23 Democratic seats up for reelection versus only 10 Republican seats, and a narrow six-seat majority to protect in the wake of the GOP landslide of 2010.

Republicans would have a big financial edge, too, although Democrats hoped to blunt it. Democratic strategists believed if they could keep the GOP super PAC advantage to no more than 3 to 1, they could compete.

"They spent \$162 million on their side, in Senate races, just on television," Poersch said Saturday. "On the Democratic side, the collective number was \$80 million. As outsized as it sounds, there was a wider percentage difference than in 2010. And when you look at how they spent it, [Republicans] spent way too much money early."

Democrats slowly wore down their potential donors as the election cycle unfolded.

As the GOP ads began to dominate the airwaves and the races grew tighter, the pressure

grew from Reid and Schumer — along with the Reid confidantes. The biggest break came when Simons cut a \$1 million check to the group, which was the recipient of \$3 million of his cash for the cycle. Majority PAC used the Simons' donation to woo other big names.

Fred Eychaner, owner of Newsweb Corp., a Chicago media company, gave more than \$3.8 million to Majority PAC, similar to what he gave to the pro-Obama and House Democratic efforts. Franklin L. Haney, a big real-estate developer, gave \$1 million. Labor unions kicked in millions more.

Unlike in most cycles, the Senate map expanded in the final month, with 10 seats in play. New Democratic opportunities arose in Indiana and Arizona, but GOP began to attack in Connecticut and Pennsylvania; Reid's team competed in all of them. Eventually, Democrats would lose just one of the 23 seats it was defending.

"It's true that it was the biggest Senate battleground that any of us can remember that late in the cycle," Varoga said.

Majority PAC ended up spending millions across the country — including \$2.8 million in Connecticut; \$4.5 million in Indiana; \$4.1 million in Missouri; \$5 million in Nevada; \$4 million in North Dakota; \$3.3 million in Ohio; \$6.2 million in Virginia; \$4.2 million in Montana; and \$5 million in Wisconsin. Nearly all of it was in attack ads pummeling Republicans.

But sometimes, it took action in under-the-radar ways. In Maine, when independent Angus King came under attack from the U.S. Chamber of Commerce and the National Republican Senatorial Committee, Majority PAC and Patriot Majority conducted a private poll to inform allies there that the attacks were having an effect and the Republican candidate, Charlie Summers, needed to be defined. The effort was particularly sensitive because Democrats in Washington refused to endorse their own party's long-shot nominee, hoping privately that King would win and caucus with them.

And after Labor Day, as the Warren-Brown race remained tight, Majority PAC and Patriot Majority — along with labor, environmental groups and abortion rights groups — put together an extensive mail, phone and field operation to attack Brown, identify Democratic voters and woo swing voters to back Warren. The Reid-affiliated groups dropped \$354,000 in the race — and it had a very blunt message for Bay State voters.

"Don't let Scott Brown give Republicans control of the U.S. Senate," Majority PAC warned in a mailer to voters there.

© 2014 POLITICO LLC

CONFIDENTIAL



## POLITICO

### Eric Cantor plays super PAC man

By: Anna Palmer and Robin Bravender  
November 22, 2011 11:24 PM EST

The No. 2 House Republican, Rep. Eric Cantor, plans to help the establishment this cycle — and himself.

The star fundraiser is throwing his weight behind a powerful new GOP super PAC backed by Speaker John Boehner, the Congressional Leadership Fund, and a second one, the YG Action Fund, launched by former Cantor deputy chief of staff John Murray. Both groups support the goal of bolstering the Republican House majority, but the group founded by Cantor's aide also plans to focus on the Young Guns brand of insurgent candidates not afraid to challenge the establishment.

Some Republican leaders see Cantor's branching out as a boon for overall fundraising, but GOP establishment players question whether Cantor is looking out for his own brand at the expense of the broader party effort after tensions have arisen repeatedly between the top two House Republicans during the past year.

Even GOP-ers who believe competition for dollars will bolster the overall fundraising effort concede there's a limited resource pool, even though super PACs can rake in unlimited amounts of cash from corporations, unions and individuals.

"They will lean on some of the same interest groups," former National Republican Congressional Committee Chairman Tom Davis said. But Davis also said the rise of super PACs could ultimately lead to more money flowing to the Republican cause.

But others are wary that support for the Young Guns PAC could spark tensions next year when the fundraising competition for the White House, Senate and House begins in earnest.

"There's some concern that Eric's super PAC is a little too Eric-centric and that donors will support him," said one Republican strategist, who is not linked to either of the groups. "The real fight is because the House is always third. There's the presidential fundraising, the Senate, which is kind of sexy. Raising money for Illinois 15, for example, is very pedestrian."

Another Republican lobbyist echoed those fears, noting that the GOP leadership-backed Congressional Leadership Fund is going to be funding get-out-the-vote efforts and other ground game political tactics, while the Cantor-backed group is expected to have a narrower set of goals that will ultimately benefit the Virginia Republican by expanding his fundraising base.

Murray said the super PAC won't detract from the overall effort to build the House majority because it's centered on expanding the Republican brand to a new generation focused on center-right issues.

"All of these various groups are going to work in their own lanes and be very effective," Murray said. "It's incumbent on those asking for the money to have a very smart, strategic approach that they can present to the donor they are speaking to, and that person is going to have to decide for themselves."

Further, Murray said Cantor has already been involved in fundraising for the Congressional Leadership Fund and earlier this month attended the super PACs kickoff event. He also contributed \$5,000 through his leadership fund to the super PAC just days after it was

110251111000



## Burns & Haberman Blog

Enter your email address

SIGN UP

RSS Feed

### Bob Perry gives \$1 million to Congressional Leadership Fund

By ALEXANDER BURNS |  
7/15/12 5:13 PM EDT

Texas billionaire Bob Perry donated \$1 million to the Congressional Leadership Fund, according to disclosure documents shared with POLITICO, giving the super PAC linked to House Speaker John Boehner its biggest financial boost of the second quarter.

Perry, a Houston real estate developer who is one of the country's most prolific Republican political donors, made the seven-figure contribution on April 23. His check made up the great bulk of the CLF's receipts in the most recent reporting period.

The Boehner-backed super PAC took in just under \$1.3 million between April and June, the CLF's quarterly report said. It finished the month of June with \$6.3 million on hand.

Of the \$6.4 million the CLF has raised so far in 2012, the vast majority has come from two conservative billionaires: Perry and Las Vegas Casino mogul Sheldon Adelson, who gave \$5 million to the group (<http://www.politico.com/news/stories/0412/75173.html>) in the first quarter of the year.

Perry isn't the only familiar name, however, to appear on the CLF's second-quarter filing.

The Anschutz Corporation, helmed by Colorado billionaire Philip Anschutz, made a contribution of \$50,000. The Columbus, Ohio-based company White Castle – as in the burgers – gave \$25,000.

Two dairy concerns, Blue Bell Creameries and Borden Dairy Company, gave \$40,000 and \$25,000, respectively.

There were several big donations from individuals, in addition to Perry: financier Marc Rowan of Apollo Global Management also cut a substantial check of \$50,000, while Bluff Points Associates investor Thomas McInerney gave \$35,000.

The CLF is only one of the Republican-aligned independent expenditure groups involved in the battle for control of the House. The chairman of the group, former Minnesota Sen. Norm Coleman, and its president, Brian Walsh, are also in charge of the powerful conservative nonprofit group, the American Action Network.

AAN doesn't disclose its fundraising on a quarterly basis but announced last week that it is putting \$10 million (<http://www.politico.com/news/stories/0712/78211.html>) into House races in a number of states where local GOP organizations are weak.

Read more about: Bob Perry (<http://dyn.politico.com/tag/bob-perry>) , 2012 Elections (<http://dyn.politico.com/tag/2012-elections>) , Congressional Leadership Fund (<http://dyn.politico.com/tag/congressional-leadership-fund>)

## **PI Scooplet: Top Dems to boost super PAC at fundraiser - New lobby shop in town - O'Donnell ends obligations with Cassidy, signs six clients**

By DAVE LEVINTHAL & ANNA PALMER | 10/18/12 1:57 PM EDT

Text Size

*With Tarini Parti*

**PI SCOOPLET ... TOP DEMS TO BOOST SUPER PAC AT FUNDRAISER:** House Minority Leader Nancy Pelosi and Democratic Congressional Campaign Committee Chairman Steve Israel (D-N.Y.) are heading to the Park Avenue home of Evercore senior managing director Charles Myers on Tuesday, where they'll attend a major last-minute fundraiser benefiting liberal super PAC House Majority PAC.

Illustrating the often odd legal dance lawmakers do with super PACs, with which they may not directly coordinate, an invitation obtained by PI noted that the two prominent Democrats are "appearing at this event only as special guests" and "are not asking for funds or donations." All the same, the minimum donation to attend the affair is \$500. And people may donate unlimited amounts of money to House Majority PAC, which federal records indicate has spent about \$15 million so far this election cycle primarily to attack Republican House candidates, as they please. See the invite: <http://bit.ly/Rbgbp6> (<http://bit.ly/Rbgbp6>)

**NEW LOBBY SHOP IN TOWN:** Burton Eller Associates, which specializes in advocacy, government affairs, and issue and crisis management for businesses, associations and not-for-profits, has opened its doors in Washington, D.C. Burton Eller, founder and managing partner of the firm, previously served as a deputy under secretary of agriculture at the Agriculture Department, senior VP of the National Cattlemen's Beef Association, executive VP and CEO of the then-National Cattlemen's Association, president and CEO of the Textile Rental Services Association of America, and senior government relations counsel at McLeod, Watkinson & Miller.

**O'DONNELL ENDS OBLIGATIONS WITH CASSIDY, SIGNS SIX CLIENTS:** Veteran tax lobbyist Dawn Levy O'Donnell signed six clients for D Squared Tax Strategies, which opened its doors last year in partnership with Alliantgroup.

O'Donnell had been prohibited from signing new clients, because of her contract with former employer Cassidy & Associates, but this was her "emancipation day," she told PI, signing Alliantgroup, American Airlines Inc., American Superconductor Corporation, Bayer MaterialScience LLC, Greater Kansas City Community Foundation and Hunt Consolidated Inc. O'Donnell previously worked for the Senate Finance Committee and led Cassidy & Associates's \$1 million tax practice.

**NAPEO SELECTS NEW CHAIRMAN:** Dale Hageman, president of Accord Human Resources in Oklahoma City, was selected to serve as the chairman of the National Association of Professional Employer Organizations. Hageman played a key role in the passage of a bill in Oklahoma that outlines the legal rights and responsibilities of PEOs, their clients and their work site employees. He is also a member of the Allied Arts Board and is on the board of trustees with the Foundation for Oklahoma City Public Schools.

A linear Thursday to you, PI readers, as it was 245 years ago that Charles Mason and Jeremiah Dixon finished surveying the boundary between Pennsylvania and Maryland, which led to the creation of the Mason-Dixon Line that serves as a de facto divider between north and south.

Drop us a line with a hint, tip or suggestion — we're at [dlevinthal@politico.com](mailto:dlevinthal@politico.com) (<mailto:dlevinthal@politico.com>) and [apalmer@politico.com](mailto:apalmer@politico.com) (<mailto:apalmer@politico.com>). Please follow us on Twitter, too, where we're at @apalmerd

WWW.POLITICO.COM

and @daveevinthal. Tarini's at [tparti@politico.com](mailto:tparti@politico.com) (mailto:tparti@politico.com) / @tparti.

Thanks for reading, and now, back to the day's top influence industry news ...

**COAL, SMALL BUSINESS GROUPS HEAD TO OHIO:** The American Coalition for Clean Coal Electricity and the National Federation of Independent Business/Ohio hosted a panel in Zanesville, Ohio, with Ohio Republican Reps. Bill Johnson and Pat Tiberi, American Electric Power's Bruce Baine and Jeremiah Clegg of Casting Solutions to discuss the economic impact of EPA regulations in Ohio.

**WHAT WOULD YOU DO WITH THIS KIND OF CHANGE?** A cool \$212.8 million. It's enough to buy every resident of Flint, Mich., or Green Bay, Wis., a high-end LED flat screen television. It's also how much the nation's outside political groups have spent from Oct. 1 through Tuesday to flood the airwaves, fill mailboxes, burn up the phones and otherwise directly advocate for or against federal political candidates as Election Day nears, according to Dave's analysis of federal campaign spending disclosures. Read it here: <http://politi.co/V8emsl> (<http://politi.co/V8emsl>)

**ADELSON, KOCH BOOST GOP CONVENTION HOST COMMITTEE:** The host committee for the Republican National Convention in Tampa, Fla., raised more than twice as much as the Democrats did for Charlotte, N.C., helped by big-name donors including billionaires Sheldon Adelson and David Koch, new federal filings show. Tarini has the details: <http://politi.co/TwfTYI> (<http://politi.co/TwfTYI>)

**DNC HOST COMMITTEE OWES DUKE ENERGY MILLIONS:** The host committee for the Democratic National Convention owes nearly \$8 million after tapping a line of credit from Duke Energy, Tarini reports: <http://politi.co/RJr2sp> (<http://politi.co/RJr2sp>)

**SEARCH ENGINE WARS, PAC STYLE:** If recent history is any gauge, Google's political action committee will reveal spending some big bucks on politics when it files its monthly campaign finance report before Saturday's deadline. (It dished out \$154,000 in August, for example.)

In the meantime, its de facto search engine competitor, Yahoo, didn't exactly have a notable September on the campaign finance front. The Yahoo! PAC filed its September financials early, revealing that it spent just \$67.90 for the month and made no donations to political candidates.

**CHAMBER'S JOHNSON FETED:** Randy Johnson, U.S. Chamber senior vice president for labor, immigration and employee benefits, received Upwardly Global's prestigious outstanding leadership award for his impact on the integration of skilled immigrants into the U.S. work force Wednesday night in New York City. Johnson, who joined the chamber in 1997, currently serves on the board of directors of the National Immigration Forum and the Lutheran Immigration Refugee Services agency.

\*\* A message from the Alliance for Home Health Quality & Innovation: Ensuring patients receive care in the most clinically appropriate and cost-effective setting can significantly reduce Medicare spending and extend the solvency of the Medicare program. Find out more at [www.ahhq.org](http://www.ahhq.org) (<http://www.ahhq.org>) \*\*

**FOR YOUR CALENDARS:** The American Association of Political Consultants' Mid-Atlantic Chapter is asking — nay, demanding! — that you rock out with its members at 7 p.m. tonight during its Karaoke in the Capital event at the Rock & Roll Hotel on H Street in D.C. Say the organizers: "Democrats, Republicans, the media, special interests — and even people who could care less about politics — come together, leave their differences at the door and unite for a common purpose: to have fun, sing poorly and donate to a worthwhile cause."

Tickets are \$15, and proceeds benefit the Mr. Holland's Opus Foundation, which promotes music education in underfunded schools. The event is hosted by CNN's Brianna Keilar and sponsored by a number of familiar influence industry firms, including Aristotle, CampaignGRID, Jackson Group Media, Lobbyists.Info and Extreme Reach. Full details: <http://bit.ly/9bfHm3> (<http://bit.ly/9bfHm3>)

**BIPARTISAN POLICY CENTER DRAWS CROWD:** The Bipartisan Policy Center's financial regulatory reform initiative launch last Thursday morning drew a big crowd of Hill, administration and downtown folks, including Laricke Blanchard of PBGC, Bank of America's John Collingwood, Rob Getzoff of Bank of New York Mellon, Ed Silverman of TD Bank, Izzy Klein of Podesta Group and Andrew Vermilye of FMR. Also spotted: Senate Banking Committee staffers Dwight Fettig, Laura Swanson, Catherine Galicia, among others.

UNSUBSCRIBED

**AUDIO ... PI ON THE AIRWAVES:** New York's 27th congressional district race between Rep. Kathy Hochul (D-N.Y.) and Republican challenger Chris Collins is attracting significant outside political money and attention. Dave explains why with John Zach and Susan Rose on **WBEN-AM 930** in Buffalo, N.Y.: <http://bit.ly/R2g7Y3> (<http://bit.ly/R2g7Y3>)

**DAILY FUNNY:** Who knew presidential campaign fundraising was so darned fun? Seems like the Obamas are flat giddy over it: <http://ow.ly/i/12fT6> (<http://ow.ly/i/12fT6>)

#### **ELSEWHERE IN THE INFLUENCE WORLD:**

**Koch-linked groups are attacking President Barack Obama** for what they call his "war on coal," reports Rachael Marcus of the **Center for Public Integrity**. <http://bit.ly/Pct12M> (<http://bit.ly/Pct12M>)

Sen. **Scott Brown** is pulling in more PAC cash than **Elizabeth Warren**, reports **Steve LeBlanc** of the **Cape Cod Times**. <http://bit.ly/R2GsFr> (<http://bit.ly/R2GsFr>)

The **Center for Responsive Politics** profiles the **Republican Jewish Coalition**, the pro-Israel advocacy group that is backed by Sheldon Adelson. <http://bit.ly/TuTf2k> (<http://bit.ly/TuTf2k>)

Majority PAC is spending \$8.4 million on nine races, reports **Paul Blumenthal** of **Huffington Post**. <http://huff.to/RXa2MS> (<http://huff.to/RXa2MS>)

Some hosts of **Mitt Romney** fundraisers have faced legal complaints, reports **Andy Kroll** of **Mother Jones**. <http://bit.ly/QsCvKQ> (<http://bit.ly/QsCvKQ>)

#### **NEW POLITICAL ACTION COMMITTEE REGISTRATIONS:**

America's Liberty Political Action Committee of Springfield, Va. — Treasurer: Elizabeth Newberry (super PAC)

Forward United Campaign Committee of Charlottesville, Va. — Treasurer: Clifford B. Rowland (super PAC)

Freedom Fund North America of Washington, D.C. — Treasurer: Michael G. Adams (super PAC)

#### **NEW LOBBYING REGISTRATIONS: (Firm: Client)**

Barbour Griffith & Rogers, LLC d/b/a BGR Government Affairs: Huntington Ingalls Incorporated

Barbour Griffith & Rogers, LLC d/b/a BGR Government Affairs: L88 Investments LLC

Beacon Consulting Group: Voice of the People

Ben Barnes Group LP: Pinnacle Potash International Ltd.

Ben Barnes Group LP: Texas Salamander Coalition

Bracewell & Giuliani, LLP: Hunter Douglas Inc.

Brownstein Hyatt Farber Schreck LLP: McDonald's Corporation

Carlyle Consulting: Seminole Tribe Of Florida Incorporated

Cassidy & Associates Inc.: National Trauma Institute

Cassidy & Associates Inc.: Wright Ginsberg Bruslow P.C.

Cornerstone Government Affairs LLC: The Cherokee Nation

D Squared Tax Strategies LLC: Alliantgroup L.P.

D Squared Tax Strategies LLC: American Airlines Inc.

D Squared Tax Strategies LLC: American Superconductor Corporation

D Squared Tax Strategies LLC: Bayer MaterialScience LLC

1-800-444-4444

D Squared Tax Strategies LLC: Greater Kansas City Community Foundation

D Squared Tax Strategies LLC: Hunt Consolidated Inc.

Duane Morris Government Strategies: McGuire Memorial Foundation

Duane Morris Government Strategies: Wall-to-Wall Studios

GlennView Strategies: St. Johns Levee and Drainage District

Lewis-Burke Associates LLC: Boston University

McBee Strategic Consulting, LLC: American Society for the Prevention of Cruelty to Animals

McBee Strategic Consulting LLC: National Venture Capital Association

Patton Boggs LLP: Morpho Detection Inc.

Services Sustainable Strategies DC: City of Beaverton

The Cormac Group: FiberTower Corporation

The Raben Group: Jobs with Justice on behalf of National Domestic Workers Alliance

Thompson Smith Consulting Group: The Pew Charitable Trusts

Washington Partners LLC: National Association of Elementary School Principals

Washington Partners LLC: National Association of Secondary School Principals

A message from the Alliance for Home Health Quality & Innovation:

According to estimates, the Medicare Trust Fund will become insolvent by 2024. New landmark research from the Clinically Appropriate and Cost-Effective Placement (CACEP) Project demonstrates that innovative models for Medicare post-acute care delivery could potentially reduce spending by as much as \$100 billion and extend the Medicare Trust Fund by two and a half years.

Reforms to ensure that Medicare patients discharged from the hospital are served in the most clinically appropriate, cost-effective settings can improve quality and efficiency, streamline care transitions and strengthen care coordination across care settings.

The CACEP final report also points out opportunities for Medicare savings through better care management to reduce avoidable hospitalizations and readmissions.

Visit [www.ahhq.org](http://www.ahhq.org) (<http://www.ahhq.org>) to access the study and learn more about opportunities for strengthening the Medicare program for America's seniors, fostering the delivery of quality care and reducing Medicare costs.

Close

**Send to a friendPI Scooplet: Top Dems to boost super PAC at fundraiser - New lobby shop in town - O'Donnell ends obligations with Cassidy, signs six clients**

Your E-mail

Friends E-mail(s) Separate emails with a comma. Maximum of 5 emails allowed.

# The Washington Post

[Back to previous page](#)

---

## Friends and family plan: Super PACs often personal campaign fundraising affairs

By Dan Eggen, Published: June 10, 2012

The Committee to Elect an Effective Valley Congressman has one particular congressman in mind: Howard L. Berman, a 15-term California Democrat who is struggling to hold on to his redistricted San Fernando Valley seat.

The political fundraising committee is essentially the creation of one man trying to keep a close friend and political ally in office.

"Howard and I have been friends for 30 years," said Marc Nathanson, a cable TV magnate and investor who founded the super PAC and has given it \$100,000. "It's a friendship beyond what I call political friendships — it's a personal relationship. When it was clear he needed help, I figured out a way to do that."

Amid the hundreds of super PACs created to help favored candidates and causes, Nathanson's group is part of an even more specific class — highly customized, highly personalized political action committees, often created overnight when a relative or friend writes a check.

The phenomenon began in the Republican presidential primary, when a handful of millionaires lined up to support their candidates through specially targeted super PACs, including one funded by Jon Huntsman Jr.'s billionaire father.

The same kinds of very personalized groups have sprouted in House and Senate races across the country, inundating voters with ads and mailings and testing the limits of federal rules forbidding coordination between fundraising committees and candidates.

The trend has alarmed watchdogs who say the groups make a mockery of federal contribution limits, which are supposed to guard against corruption by capping the amount of money supporters

can give to a campaign. But with a personalized super PAC, supporters can write as big a check as they wish as long as they do not technically coordinate with the campaign.

"They are essentially undermining the whole rationale behind contribution limits," said Craig Holman, government affairs lobbyist for the Public Citizen watchdog group. "These are the exact same people who work with the campaign or are close to the campaign setting up a second, unlimited funding source."

The pattern is evident in California, which held a revamped primary contest Tuesday allowing the first two candidates of any party to proceed to the general election. At least a dozen primary races in the state featured super PACs founded or funded by close allies and associates of the candidates, according to Federal Election Commission filings.

In the High Desert east of Los Angeles, for example, Republican Paul Cook was aided by more than \$200,000 worth of ads and mailers from two super PACs in the newly created 8th Congressional District. The groups were formed by the same lawyer within a month of the primary and have not yet had to disclose their donors.

The Golden State is hardly alone in its fondness for custom-crafted super PACs.

In Texas, Dallas billionaire Harold Simmons has dumped \$1 million into two super PACs focused solely on the GOP Senate primary there. One group is running ads supporting Lt. Gov. David Dewhurst (R) while the other is attacking his tea party opponent, Ted Cruz.

But the prize for the most personalized super PAC must surely go to North Carolina, where GOP congressional candidate George Holding was aided by a group funded almost entirely by his family.

Holding, a former U.S. attorney who launched the corruption case against Democrat John Edwards, defeated well-known former Raleigh mayor Paul Coble in the May GOP primary, making Holding the de facto representative of the deep-red district in 2013. Starting behind in the polls and lower in name recognition, Holding went on to win in part thanks to more than \$500,000 in television ads from the American Foundations Committee super PAC.

Formed in late February, the group was funded almost entirely by members of Holding's wealthy banking family, including \$100,000 each from an aunt and uncle and \$250,000 from a group of cousins, FEC records show.

Representatives of the Holding and Coble campaigns did not respond to requests for comment last week. During the campaign, Coble complained of the "disadvantage when one individual can afford to buy an election," while Holding representatives characterized the group as a simple gesture of support from family and friends.

"In North Carolina, this was probably one of the first clear examples of what a super PAC is and how it completely changes the rules of the game," said Bob Phillips, executive director of the state's Common Cause chapter. He said Coble was "overcome by the money, and I don't imagine that the average voter probably knew that it was from his opponent's family."

One common thread in many of the races is allegations that super PACs are improperly coordinating their activities with candidates. In the San Fernando Valley race, the campaign manager for Rep. Brad Sherman (D) filed an FEC complaint alleging that the pro-Berman group and the Berman

campaign were illegally coordinating by using the same political consultant. The Berman campaign denied the allegations.

Parke Skelton, a Sherman political adviser, said there are "multiple overlaps" between the Berman super PAC and the campaign that call into question the group's independence. The group has spent about \$550,000 on Berman's behalf, helping him survive the primary to face Sherman this fall.

"He's counting on the super PAC to be able to raise a lot of money very quickly for him because he's at a huge cash disadvantage to Brad going into November," Skelton said, referring to \$3 million that Sherman has in the bank. Funding from the super PAC, he said, "is going to be enough money to impact the race."

Elliot S. Berke, a Republican campaign finance lawyer at McGuireWoods in Washington, said super PACs and other independent groups have wide flexibility as long as they avoid direct contact with candidates or their campaigns.

"The legal question really isn't who is behind the super PAC from a relationship perspective," Berke said. "Friends or relatives setting up a super PAC to support someone's candidacy may create political questions and even trigger an FEC complaint by political opponents, but it doesn't on its face violate any law or regulation."

Nathanson, the investor who helped form the pro-Berman super PAC, said the group has abided by all regulations and will continue to do so.

"Look, I hate super PACs. I'm a Democrat and I always thought they were a Republican thing," Nathanson said. "But I also realize now that there's a law of the land, whether I like them or not. It's part of the political financing world we have to deal with."

#### Sponsored Links

##### 3D Printing Stock - PUGET

**PUGET** The Most Advanced Personal 3D Printing Solution. Invest Now!  
[www.pugettechinc.com](http://www.pugettechinc.com)



##### LifeLock® Official Site

Help Protect What's Important To You.  
[www.LifeLock.com/protection](http://www.LifeLock.com/protection)



##### Hot Stock Pick - GANK

E-commerce is a \$200+ billion industry set to expand by 15% each year  
[www.gankit.com](http://www.gankit.com)

[Buy a link here](#)



In a similar vein, the group is spending \$320,000 to accuse David Gill of supporting a single-payer health care plan, Obama's 2009 stimulus bill and Solyndra, the failed solar energy company backed by federal funding. Gill was not in Congress for any of these policy debates. He faces Rodney Davis in a district that runs diagonally from outside St. Louis to Champaign, Ill.

The smallest buy — \$80,000 — is in support of Rep. Larry Bucshon in Indiana.

© 2014 POLITICO LLC

© 2014 POLITICO LLC

© 2014 POLITICO LLC

# Find out Why Counties Matter

[www.naco.org/whycountiesmatter](http://www.naco.org/whycountiesmatter)



## POLITICO

### Senate Democrats: Don't forget our super PAC

By: Anna Palmer  
December 6, 2011 11:49 PM EST

Senate Democrats aren't rolling over for President Barack Obama's money machine in the dash for super PAC dollars.

The top two Democrats in the Senate, Harry Reid and Dick Durbin, and nearly 20 others are headlining a December breakfast fundraiser for Majority PAC, the Senate Democrat-focused super PAC, according to an invitation obtained by POLITICO.

The event is the strongest statement yet that the super PAC will play a key part in Senate Democrats' strategy to hang on to their narrow majority next year.

"I don't know if our sources are limited. I always sensed they were," Durbin said. "A lot of people are going to give to only one [super PAC], or not as much as we would like, so it's going to be a very competitive environment," the Senate majority whip said of the bid to attract funds to super PACs.

Senate Democrats have been worried that there is increased competition for cash among Democrats in the Senate, House and White House. Three separate super PACs are looking to raise and spend unlimited cash for each group, but the pool of wealthy Democratic donors is finite.

"Unfortunately after *Citizens United*, we are now at a new level of campaign fundraising and spending, and I don't think it's a healthy thing, but I think it reflects the reality that these new super PACs are raising and spending money at historic levels, and the Democrats are trying to be competitive," Durbin said.

While Reid and Durbin have headlined smaller Majority PAC events, this is the first all-hands-on-deck fundraiser. Sens. Max Baucus of Montana, Barbara Boxer and Dianne Feinstein of California, Kent Conrad of North Dakota, Chuck Schumer of New York and John Kerry of Massachusetts, among others, were listed as special guests on the invite.

Senators will not be making an in-person fundraising pitch at the event. "Senators are appearing at this event only as a special guest. Senators are not asking for funds or donations," according to the invite. Federal Election Commission rules prohibit sitting lawmakers from soliciting more than \$5,000 per person for a super PAC.

Still, several Democratic senators said Majority PAC will be an important part of keeping Democrats in power.

"All of us who are running should be there and hopefully encourage people to contribute," said Feinstein.

Sen. Debbie Stabenow of Michigan, who is up for reelection in 2012, agreed. "Members are coming together to support each other and support maintaining the majority," she said.

While super PACs can accept unlimited contributions from private entities, unions and others, the Dec. 15 breakfast fundraiser is asking hosts to contribute just \$5,000, which includes priority seating and \$2,500 for guests.

The reason: The event is focused on increasing the super PAC's visibility on K Street for

WHY COUNTIES MATTER

11-10-14 11:00 AM

fundraising solicitations from lobbyists and their clients in what is expected to be the most competitive fundraising election cycle to date.

Majority PAC strategist Susan McCue, who was an instrumental architect in Reid's comeback reelection in 2010, said the event is about reaching out to potential Democratic donors to the organization.

"It's to get our Democratic supporters in town informed and engaged and to ensure that they understand the stakes this cycle," McCue said. "This effort is going to be critical to holding the Senate majority."

In part, the event comes as Majority PAC is looking to secure a strong six-month fundraising number. The group, which formed at the end of February, raised about \$1 million during its first four months, according to FEC reports. Since then, Majority PAC has selectively gotten involved in races. Most recently, the super PAC spent more than \$104,000 to produce and air a 30-second ad focusing on Nebraska Sen. Ben Nelson's veterans-issues record, according to a federal filing.

While Obama's campaign is expected to help senators seeking reelection in presidential swing states, it's still unclear what direct role the president's team will play in other races important for Democrats to retain control of the Senate.

McCue said that the trio of Democratic-focused super PACs — the Senate Majority PAC, House Majority PAC and PrioritiesUSA — are working more closely than they had just six months ago.

"We're all working together as much as possible because we know we need to turn up the volume collectively, not only to this audience but across the country," the former Reid aide said.

Majority PAC fundraiser Jake Perry sent an email missive Tuesday afternoon, impressing upon downtowners that in the 2012 cycle, Democrats need to counter GOP operative Karl Rove's American Crossroads.

"Majority PAC was created by some of the smartest, toughest and most-experienced Democratic operatives in the business," Perry wrote. "With years of experience running and winning Senate races, we have taken the fight to these Republican groups when they go after senators like Jon Tester in Montana, Ben Nelson in Nebraska and Claire McCaskill in Missouri."

Democratic K-Streeters welcomed the event.

Jimmy Ryan of Elmendorf Ryan said there are still a lot of questions about super PACs.

"At this point, there's more of a corporate learning curve on super PACs," said the former Reid aide. "We tell our clients that because this is new ground, the one thing they need to think through is that if they give to one side, the other side will be aware of it."

© 2014 POLITICO LLC

# EXHIBIT G

MUR 6775, Friends of Hillary and Shelly Moskwa, as Treasurer.

1-10-2011-11:00AM



Supreme Court, said the case "has been grossly misunderstood" and stressed the importance of limiting the government's ability to limit political discourse. "Where does the government stop?" Olson said. "We have to remember what the alternative is: government control of election speech."

The work of Restore Our Future, meanwhile, is just beginning. It is now focused on collecting as much as \$100 million for the general election, much of it to come from some of the nation's wealthiest people, and plans to spend most of that on ads boosting Romney and attacking Obama.

Democrats are rushing to catch up. Obama, who initially criticized the Citizens United decision for giving "a green light to a new stampede of special interest money in our politics," has authorized top aides to appear at fund-raisers for super PACs on grounds that he didn't want to be at a disadvantage compared with Republicans. The pro-Obama super PAC, Priorities USA Action, which had raised \$11 million by the end of April, recently paid for a television commercial that echoed an attack on Romney's work at Bain Capital made a day earlier by the Obama campaign.

Romney, meanwhile, has cast himself as a reformer. He has proposed that campaigns be allowed to receive unlimited donations. That would lead to the withering away of super PACs, which he said have been a "disaster."

"Campaign finance law has made a mockery of our political campaign season," Romney said. "We really ought to let campaigns raise the money they need and just get rid of these super PACs."

Michael Kranish can be reached at [kranish@globe.com](mailto:kranish@globe.com). Follow him on Twitter @GlobeKranish

© Copyright 2012 Globe Newspaper Company.

---

UNCONFIDENTIAL

By SCOTT CONROY / CBS NEWS / February 14, 2012, 12:54 PM

# Obama, Romney getting cozier with super PACs



"Late Show with David Letterman" does a comparison of singing President Obama and singing Mitt Romney. / AP PHOTO

[Comment](#) / [Shares](#) / [Tweets](#) / [Stumble](#) / [Email](#)

[More +](#)



President Obama and Mitt Romney / AP PHOTO

*This article originally appeared on RealClearPolitics.*

Within the next few weeks, top administration officials ranging from cabinet secretaries like Kathleen Sebelius to senior advisers like David Axelrod will begin hobnobbing at high-dollar fundraisers for Priorities USA Action -- the super PAC created by former White House aides to bolster President Obama's re-election

### Most Popular

- 01 "The Biggest Loser" crowns season 15 winner  
38652 views
- 02 Man in underwear sculpture turning heads at Mass. college  
32742 views
- 03 "Little House" actor Richard Bull dies at 89  
28124 views
- 04 Bill Nye defends evolution in Kentucky debate  
23284 views
- 05 2006: Philip Seymour Hoffman on 60 Minutes  
18827 views



play VIDEO

2006: Philip Seymour Hoffman on 60 Minutes

PHOTOGRAPH BY AP/WIDEWORLD

The Federal Election Commission rules that bar such power players from directly asking for donations are no impediment to the implicit solicitation of the big-figure checks that will inevitably pour in.

And so the presence at these events of prominent government figures with direct lines to the president -- and the concerns their presence raises about money buying access in American politics -- will mark another step in the central role that super PACs are playing in the 2012 race for the White House.

Obama campaign officials told RCP that the president reversed course on his 2008 disavowal of help from outside groups after senior strategists convinced him that his re-election hopes could hinge on playing in the real-world campaign finance system rather than his idealized one.

It's the same reasoning that Republican front-runner Mitt Romney has used to justify his own actions, inching closer to the FEC's line that limits -- but does not disallow -- coordination between campaigns and outside groups.

Last July, Romney was the first candidate to test the implications of the Supreme Court's 2010 Citizens United ruling when he spoke at a New York fundraiser for Restore Our Future, the group created to bolster his candidacy by soliciting unlimited contributions from individuals and corporations.

As the battle for the GOP presidential nomination has intensified, the super PACs acting on behalf of the four major Republican candidates have ramped up their negative campaigning against one another.

Several news sources reported Monday that Restore Our Future, which raised more than \$30 million in 2011, was poised to go on the air in Michigan (which holds its primary Feb. 28) as well as several Super Tuesday states (March 6).

On Friday, the Romney campaign announced that it would match Obama's latest move by authorizing top aides to appear at super PAC fundraisers.

Additionally, a senior Romney aide told RCP that they have not ruled out having the candidate himself speak at additional Restore Our Future events down the line.

By contrast, the Obama campaign says that the president, the first lady, Vice President Biden and Jill Biden will not attend super PAC fundraisers.

But whether the candidates are on hand or not, campaign finance watchdogs are sounding the alarm that the presence of top aides at these events sends a dangerous message about buying influence.

"It seemingly amounts to a recognition by the campaigns that special interest donors are only going to open up their wallets if they're provided access with high-level decision-makers in exchange for their contributions, and that's a very troubling development," said Paul Ryan of the nonpartisan Campaign Legal Center. "The Obama move was really a significant step in the race to the bottom, in terms of providing access to special interest donors."

Despite the ethical questions that the Obama and Romney moves raise, the Federal Election Commission last summer deemed it perfectly legal for campaign officials and candidates to speak and be featured guests at super PAC fundraisers.

Although candidates and news reports have created a perception that the law bans all coordination between campaigns and super PACs, the only areas that are out of bounds are expenditures and direct candidate solicitation of contributions outside federal campaign limits.

## Neopost ® Official Site

neopostinc.com/neopostUSA

Find Right Postage & Mailing System Neopost ® We value your Mail!

---

### Most Shared



"Little House" actor Richard Bull dies at 89



Man in underwear sculpture turning heads at Mass. college



White lion triplets born at Polish zoo



"The Biggest Loser" crowns season 15 winner



U.S. issues toothpaste tube terror warning



10 PHOTOS

American diners in Moscow

---

### Most Discussed

1.6K

Bill Nye defends evolution in Kentucky debate

105

Senate takes another stab at extending unemployment benefits

105

Congress debates Obama's "schizophrenic" marijuana policies

Democracy 21 are increasingly focusing in on the FEC itself, accusing the organization of engaging in a wrongheaded reading of the law and purposefully inadequate enforcement of it.

"Our view is that the fundraising activities announced on behalf of the super PACs supporting President Obama and Mitt Romney are illegal," Wertheimer said. "... We expect to ask for a formal Justice Department investigation of both super PACs."

In a late December interview, Romney told RCP that he supported the abolishment of the current campaign finance system in favor of one that allowed for unlimited donations directly to campaigns, calling the existing system, which allows unlimited donations to outside groups, "the worst of both worlds."

Echoing the rationale cited by Obama's camp when it reversed its 2008 stance on outside groups, Romney campaign officials justified their recent move to act in conjunction with Restore Our Future by claiming that their opponent would outgun them if they did not act.

"This fall, the Republican nominee will be facing President Obama's billion dollar attack machine," former Minnesota Gov. Tim Pawlenty, a top Romney surrogate, said in a statement. "The Obama campaign has already made clear that they will stop at nothing to tear him down. If government officials are being used to raise money and defend President Obama's failed record, Republicans cannot stand idly by."

The claim that the Obama team will have \$1 billion at its disposal has been a frequent refrain among Republicans, but it is one the president's aides vigorously deny.

"The only people who are saying we're going to raise a billion dollars are Republican operatives trying to discourage our small-dollar contributors," said Obama spokesman Ben LaBolt. "They haven't succeeded -- the average contribution to our campaign is \$55, and more than 1.3 million Americans have contributed."

But despite continued solicitation of small donations, Obama's and Romney's recent decisions to coordinate more closely with their super PACs indicates a mutual acknowledgment that it will be the seven-figure checks from some of America's wealthiest individuals that will be essential to blanketing the airwaves on behalf of the president and the eventual Republican nominee heading into November.

© 2012 CBS Interactive Inc. All Rights Reserved.

Comment / Shares / Tweets / Stumble / Email

More +



**Scott Conroy**

ON TWITTER »

Scott Conroy is a National Political Reporter for RealClearPolitics and a contributor for CBS News.

Around the web

Recommended by



Vanessa Williams' DNA Test Reveals Heritage From...  
*Ancestry.com*



Woman Arrested For Saving Cat. Says It Was Worth...  
*The Dodo*

Republicans say new proposed IRS rules attack conservatives

1/3

Democrats defend Obamacare's impact on economy

1/3/12 11:41 AM

This copy is for your personal, noncommercial use only. You can order presentation-ready copies for distribution to your colleagues, clients or customers here or use the "Reprints" tool that appears next to any article. Visit [www.nytreprints.com](http://www.nytreprints.com) for samples and additional information. Order a reprint of this article now.



February 25, 2012

## Fine Line Between 'Super PACs' and Campaigns

By MIKE McINTIRE and MICHAEL LUO

When Mitt Romney's presidential campaign needs advice on direct mail strategies for reaching voters, it looks to TargetPoint Consulting. And when the independent "super PAC" supporting him needs voter research, it, too, goes to TargetPoint.

Sharing a consultant would seem to be an embodiment of coordination between a candidate and an independent group, something prohibited under federal law. But TargetPoint is just one of a handful of interconnected firms in the same office suite in Alexandria, Va., working for either the Romney campaign or the super PAC Restore Our Future.

Elsewhere in the same suite is WWP Strategies, whose co-founder is married to TargetPoint's chief executive and works for the Romney campaign. Across the conference room is the Black Rock Group, whose co-founder — a top Romney campaign official in 2008 — now helps run both Restore Our Future and American Crossroads, another independent group that spoke up in defense of Mr. Romney's candidacy in January. Finally, there is Crossroads Media, a media placement firm that works for American Crossroads and other Republican groups.

The overlapping roles and relationships of the consultants in Suite 555 at 66 Canal Center Plaza offer a case study in the fluidity and ineffectual enforcement of rules intended to prevent candidates from coordinating their activities with outside groups. And there has been a rising debate over the ascendancy of super PACs, which operate free of the contribution limits imposed on the candidates but are supposed to remain independent of them.

In practice, super PACs have become a way for candidates to bypass steering rich donors to these ostensibly independent groups, which function as adjuncts of the campaigns.

---

41 MORE IN  
OPEN **Boeh**  
**Overl**  
Read M

---

While insisting that the tangle of connections does not violate any laws, Alexander Gage, TargetPoint's founder, said he understood how it could look "ridiculous." His own firm had taken steps, he said, to prevent improprieties, including erecting "a fire wall" separating employees who work for the Romney campaign and the super PAC.

"We go to great lengths to make sure that we meet all legal requirements," he said. "I have removed myself personally from working on either Restore Our Future or Romney stuff because of this sort of potential conflict of interest."

The prohibition against candidates working in concert with independent political committees has its roots in Watergate-era reforms intended to prevent large donors from gaining improper influence over elected officials. But it has taken on added significance in the wake of recent court decisions that opened the spigot for unlimited contributions to the independent groups.

Super PACs have collected more than \$100 million so far, much of it from a relatively small collection of well-heeled individuals or companies who are free to give millions to these outside groups but no more than a few thousand dollars to a candidate's own committees. Those unlimited contributions are fueling a barrage of negative advertising in the Republican primaries.

But while the Federal Election Commission has established elaborate, though narrow, guidelines for determining whether the creation of a specific campaign advertisement violates the coordination ban, it has not focused on other kinds of activities between all PACs and candidates. Rules the commission adopted in 2003, still on the books, allow for regulation of this gray area, but they have been largely ignored.

"Most of the focus so far has been on the ads, but there may be a lot of other activity that is being coordinated between the campaigns and the super PACs that could be seen as resulting in a benefit to the campaign," said Lawrence M. Noble, a campaign-finance lawyer at Skadden, Arps and a former general counsel for the election commission.

The regulations on coordination include a general prohibition on expenditures "made in cooperation, consultation or concert with, or at the request or suggestion" of candidates and their representatives. The commission's records show that when devising this rule, it turned aside pleas from political groups to limit enforcement only to ads, saying such a narrow focus was not what Congress intended.

Nine years later, however, there is little evidence that the commission has followed through on this intent.

1103241000



Packer Gage, a deputy campaign manager of the current Romney campaign. The campaign has paid her firm, WWP Strategies, nearly \$250,000 for strategy consulting.

Both of their companies share an office suite with the Black Rock Group, a political consulting firm co-founded by Carl Forti, who worked as political director for Mr. Romney's 2008 campaign and helps direct Restore Our Future. The super PAC has paid Black Rock about \$21,000 for communications consulting.

Mr. Forti declined to comment. Mr. Gage said that his firm had a separate work space from Black Rock, divided by a conference room. "It's not like we're a commingled office," he said.

His wife's office for WWP Strategies is in the same area as TargetPoint's, he said, but she has been working out of the Romney headquarters in Boston for the most part. Mr. Gage said they do not discuss the campaign.

Gail Gitcho, a spokeswoman for the Romney campaign, said the campaign followed both the letter and the spirit of the law on coordination.

"We know the law," she said, "and we abide by it scrupulously."

The spending reports suggest that the Romney campaign and the super PAC, if not coordinating, have been closely following each other's fund-raising events, though Ms. Gitcho emphasized that no joint fund-raisers had been held.

Last summer, the super PAC and the Romney campaign employed Creative Edge Parties, a New York catering company, and each sent it a payment on the same day: the super PAC gave a check for \$1,676 for a "fund-raising event," while the Romney campaign sent \$1,584 for "facility rental/catering services."

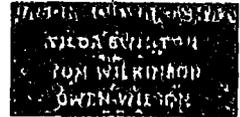
On another occasion, Restore Our Future paid \$1,500 as a fund-raising expense to the Waldorf Astoria in New York, where the Romney campaign held a fund-raiser in December. Around the same time, the Romney campaign paid the Waldorf \$19,000 for "facility rental/catering services" and lodging.

And in mid-July, Restore Our Future wrote two checks to Sandie Tillotson, a cosmetics executive and a friend of Mr. Romney, reimbursing her for "event costs," which appear to be associated with a fund-raiser held in her apartment on the top floor of the north tower of the Time Warner Center in Manhattan. Several weeks later, the Romney campaign also sent a check to the residential board of Ms. Tillotson's building, which is home as well to the Mandarin Oriental hotel, for "facility



**The New York Times** Reprints

This copy is for your personal, noncommercial use only. You can order presentation-ready copies for distribution to your colleagues, clients or customers here or use the "Reprints" tool that appears next to any article. Visit [www.nytreprints.com](http://www.nytreprints.com) for samples and additional information. Order a reprint of this article now.



February 6, 2012

# Obama Yields in Marshaling of 'Super PAC'

By JEFF ZELENY and JIM RUTENBERG

WASHINGTON — President Obama is signaling to wealthy Democratic donors that he wants them to start contributing to an outside group supporting his re-election, reversing a long-held position as he confronts a deep financial disadvantage on a vital front in the campaign.

Aides said the president had signed off on a plan to dispatch cabinet officials, senior advisers at the White House and top campaign staff members to deliver speeches on behalf of Mr. Obama at fund-raising events for Priorities USA Action, the leading Democratic "super PAC," whose fund-raising has been dwarfed by Republican groups. The new policy was presented to the campaign's National Finance Committee in a call Monday evening and announced in an e-mail to supporters.

"We're not going to fight this fight with one hand tied behind our back," Jim Messina, the manager of Mr. Obama's re-election campaign, said in an interview. "With so much at stake, we can't allow for two sets of rules. Democrats can't be unilaterally disarmed."

Neither the president, Vice President Joseph R. Biden Jr., nor their wives will attend fund-raising events or solicit donations for the Democratic group. A handful of officials from the administration and the campaign will appear on behalf of Mr. Obama, aides said, but will not directly ask for money.

The decision, which comes nine months before Election Day, escalates the money wars and is a milestone in Mr. Obama's evolving stances on political fund-raising.

The lines have increasingly blurred between presidential campaigns and groups which have flourished since a 2010 Supreme Court ruling and other legal and regulatory decisions made it easier for outside groups to raise unlimited money to promote candidates.

MORE IN  
**Democr  
More**  
Read More

DOWN-UNSUBSCRIBE

The Republican National Committee sharply criticized the decision. A spokesman, Joe Pounder, declared: "Yet again, Barack Obama has proven he will literally do anything to win an election, including changing positions on the type of campaign spending he called nothing short of 'a threat to our democracy.' "

The outside groups are playing an increasingly prominent role in the presidential race by running aggressive advertising campaigns, often attacking opponents. Mr. Obama said in 2008 that he did not want support from outside groups and took a strong stand against the influence of special-interest money in politics, effectively shutting down independent activity on his behalf.

For his re-election campaign, he did not object to the formation of Priorities USA Action, which is run by two former White House aides, but until now had done nothing overtly to help the group. His past criticism of outside groups, some Democrats said, had made it hard to persuade donors to back Priorities USA Action, contributing to its problems in keeping up with conservative groups.

"It's hard to pass the plate for super PAC money while Democratic leaders have been preaching about the sins of it," said Robert Zimmerman, a New York fundraiser for Mr. Obama. "But the reality is, it is essential in 2012."

Several Democratic financiers said they were alarmed last week by fund-raising reports from the major Republican super PACS. Two groups that were formed with help from the Republican strategist Karl Rove, American Crossroads and Crossroads GPS, raised \$51 million between them last year for the Congressional and presidential races. Groups supporting specific Republican presidential candidates brought in roughly \$40 million.

But the major Democratic groups, including Priorities USA Action, raised only \$19 million for the year. Those lopsided figures led Mr. Messina to send his top network of donors an e-mail last week urging them to raise more money.

"Due to unlimited and unprecedented super Pac spending, we may have no spending advantage (as we did in 2008) and could in fact get outspent," Mr. Messina wrote in the e-mail. "I thought this might help you put the other side's efforts into some context as you talk to friends and supporters about why we need their help and we need it now."

But major donors to Mr. Obama said in interviews that they were not sure the Democratic super PAC's lackluster fund-raising was due entirely to the president's public misgivings about outside spending. One longtime, high-dollar Democratic fundraiser said it was also partly a result of Wall Street's anger at Mr. Obama's

statements and policies concerning bank regulation, some of which have sent former Obama donors and fund-raisers to the Republicans.

Yet negative sentiment has also been shared by some of the party's more liberal donors. For instance, Democratic fund-raisers said they took it as a bad sign that the billionaire businessman who contributed \$27.5 million to Democratic efforts during the 2004 presidential campaign, George Soros, said Mr. Obama reminded him of Mr. Romney.

"There isn't all that much difference," Mr. Soros said.

Michael Vachon, an adviser to Mr. Soros, said Mr. Soros had been too focused on the financial crisis in Europe and emerging African democracies to decide the extent to which he would help Democrats this year.

Mr. Vachon said that for many party members, engaging in super PACs after railing against them for so long created some sense of "psychic dissonance."

"It takes either a very sophisticated or very cynical person to decry the nefarious influence of money on politics and then turn around and write a check for \$5 million to influence elections," he said.

With its new policy, the Obama campaign is embracing an aspect of the new super PAC era that has brought particularly loud objections from groups seeking to diminish the influence of moneyed interests in Washington. The decision comes four years after Mr. Obama became the first presidential candidate since the Watergate era to turn down public financing and the accompanying spending limits, allowing him to raise \$750 million for his 2008 campaign.

This election cycle, the financing rules are considerably different, with an unlimited crush of money coming from corporations and wealthy donors. Federal candidates and their campaign representatives are not permitted to coordinate their strategies with the groups seeking to help them with unlimited donations.

But, after the 2010 Supreme Court decision eased campaign finance restrictions, the Federal Election Commission determined that candidates and their representatives could appear at events held by the groups seeking to help them. Mr. Romney provided an early test case last year when he appeared at a Central Park fund-raising event for the group seeking to help his candidacy, Restore Our Future. He spoke to the donors about his aspirations and then left before Restore Our Future's representatives discussed their detailed plans.

The Obama re-election campaign intends to follow a similar pattern, aides said. The president will not attend fund-raising events, they said, but several members of his inner circle from the West Wing and his Chicago campaign headquarters have been designated to deliver speeches about the re-election effort. The intent is to imply his blessing for Priorities USA Action, which is run by Bill Burton and Sean Sweeney.

The designated group includes Kathleen Sebelius, the secretary of health and human services; David Plouffe, a senior adviser at the White House who ran the 2008 campaign; and Valerie Jarrett, a senior adviser and a close friend of the president's. Other top Obama aides helping the effort include David Axelrod, one of the president's top political strategists, and Mr. Messina, the campaign manager.

Mr. Obama has consistently spoken out against the new rules that allow unlimited contributions from corporations and wealthy donors. "But for 2012," Mr. Messina said, "our campaign has to face the reality of the law as it currently stands."

11001-1111111111

11001-1111111111

# National Journal

THE TRAIL: 2012 PRESIDENTIAL NEWS FROM THE FIELD / CAMPAIGN 2012

## In Reversal, Obama Urging Super-PAC Donations



First lady Michelle Obama gives House Minority Leader Nancy Pelosi of Calif. a kiss, next to President Barack Obama, Thursday, Feb. 2, 2012, at the National Prayer Breakfast in Washington. (AP Photo/Susan Walsh) (AP Photo/Susan Walsh)



By Alex R. Carty  
February 7, 2012

Follow on Twitter

The Obama campaign's announcement late Monday that it plans to publicly support fundraising for an allied outside political group is the final, stark admission that the president can no longer afford to keep the lightly regulated but increasingly influential political organizations at arm's length.

Writing in a blog post e-mailed to President Obama's supporters, campaign manager Jim Messina said that outside organizations known as super PACs have already raised tens of millions of dollars for Republican presidential candidates, thanks in large part to a change in campaign finance rules that allowed uncapped contributions. If it wanted to keep up, he said, the Obama campaign needed to "face the reality of the law as it currently stands" and support its own outside group, Priorities USA Action.

"With so much at stake, we can't allow for two sets of rules in this election whereby the Republican nominee is the beneficiary of unlimited spending and Democrats unilaterally disarm," Messina said. "Therefore, the campaign has decided to do what we can, consistent with the law, to support Priorities USA in its effort to counter the weight of the GOP super PACs."

The decision is a significant reversal for the president, who had campaigned vigorously against the outside groups during the 2010 midterm elections. Obama had slammed them as tools of special interests corrupting the political system, citing claims that they might be using foreign money to fund their operations.

But the independent organizations were a boon to Republican efforts that year, funding tens of millions of dollars in ads leveled against Democratic candidates that were credited with increasing the size of the GOP's landslide. And, spearheaded by organizations like American Crossroads and backed by former George W. Bush administration adviser Karl Rove, the GOP armada is poised to raise hundreds of millions of dollars for 2012.

Similar Democratic groups, which were founded immediately after the 2010 election, haven't been able to keep up. Priorities USA received only \$4.1 million last year. By contrast, American Crossroads and its sister organization, Crossroads GPS, raised a

