
Ramifications of the Supreme Court's *McCutcheon* Campaign Finance Ruling

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The U.S. Supreme Court's decision today in an important campaign finance case frees individual political donors to contribute to an unlimited number of federal campaigns and committees, as long as each contribution is within statutory base limits.

Brief Overview

The Federal Election Campaign Act of 1971, as amended, imposes two types of limits on federal campaign contributions. The first is a base restriction on how much money an individual donor may contribute to a single candidate or committee. The second, which is commonly referred to as an overall aggregate limit, is a restriction on how much money an individual donor may contribute in total to all candidates or committees during a biennial cycle (e.g. 2013-2014). The aggregate limits have the effect of restricting how many candidates or committees an individual donor may support, to the extent permitted by the base limits.

Base Federal Limits for Individuals:

- \$2,600 to each candidate or candidate committee per election (primary and general are separate elections)
- \$32,400 to a national party committee per calendar year
- \$10,000 aggregate limit per year to state, district and local party committees
- \$5,000 to any other committee per calendar year (e.g. PACs)

Overall Aggregate Federal Limit for Individuals:

\$123,200 biennial limit to all candidates and committees

- \$48,600 to all candidates
- \$74,600 to all PACs and parties

The Supreme Court's Decision

In *McCutcheon v. FEC*, the Supreme Court ruled today that the overall aggregate biennial limits are invalid under the First Amendment. The Court opined that the aggregate limits do not address the concern of preventing corruption, but instead seriously restrict participation in the democratic process.

What the Supreme Court's Decision Means

What limits were struck down?

The overall aggregate biennial limits are no longer valid (\$48,600 and \$74,600). Therefore, individuals may contribute to as many different candidates or committees as they would like, subject to the base limits, without violating any restrictions.

What limits are not affected by the opinion?

The **base** limits to federal candidates, committees, parties and PACs have not changed. The \$10,000 aggregate limit on contributions to state, district and local party committees also has not changed.

Whom does this opinion affect?

It affects individuals wishing to contribute to federal candidates and committees. Direct corporate and labor union contributions to federal candidates and committees are still prohibited.

Special Note

The ruling in this case may result in the invalidation of aggregate contribution limits of local jurisdictions, such as the Cities of Los Angeles and San Francisco. We will monitor developments in these jurisdictions.

If you have any questions about the content of this alert, please contact the Pillsbury attorney with whom you regularly work, or the authors below.

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