

PERKINS COIE LLP
POLITICAL LAW GROUP

TO: Interested Parties

RE: *McCutcheon v. FEC*

On April 2, 2014 in *McCutcheon v. FEC*, the U.S. Supreme Court struck down the biennial aggregate limits on contributions to federal candidates, parties, and PACs. The limits on how much one can contribute to any one candidate or political committee have not changed, but as a result of the decision, there is now no ceiling on the total amount that an individual can give to all federal candidates, parties, and PACs, combined, during the two-year election cycle.

Note, even before the Supreme Court's decision, the biennial aggregate contribution limits only applied to contributions from individuals; contributions from PACs, partnerships, or other entities that are lawfully able to make federal political contributions were not subject to these overall caps. The rules governing contributions from these entities have not changed. Additionally, contributions to Super PACs, recount funds, state and local candidates, and the non-federal accounts of state and local parties have also never been subject to the federal biennial aggregate limits and are unaffected by the decision.

While the law applied a ceiling to individual federal political contributions for many decades, the version struck down by the Court was adopted as part of the Bipartisan Campaign Reform Act of 2002, also known as McCain-Feingold. Indexed to inflation, in 2013-14 the limit on the total amount an individual could contribute to all federal candidates was \$48,600, and, separately, the limit on the total amount that an individual could contribute to all PACs and parties was \$74,600 (of which no more than \$48,600 could be given to committees other than national parties). Thus, prior to the decision, the combined total of contributions an individual could make over the course of the election cycle was \$123,200. An individual may now make as many "max out" contributions to candidates in an election cycle, and to parties and PACs in a calendar year, as he or she wishes.

In striking down the aggregate limits, the Supreme Court found that they did not further a permissible governmental interest in preventing *quid pro quo* corruption or its appearance. Accordingly, the decision will likely affect similar state laws and may also pave the way for future litigation regarding other limits on political giving.

PHONE: (202) 654-6200

FAX: (202) 654-6211

700 13TH STREET NW, SUITE 600, WASHINGTON, DC 20005