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CLIENT ALERT

Impact of Supreme Court's Opinion Concerning Limits on Aggregate Campaign Contributions

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On April 2, 2014, in a 5-4 decision, the U.S. Supreme Court in *McCutcheon v. FEC* struck down the limits on aggregate campaign contributions by an individual to federal candidates, party committees, and political action committees combined ($123,200 for the 2013-2014 election cycle). The decision also eliminates the limit on aggregate contributions by an individual to all federal candidates combined, which before yesterday was $48,600 for the current election cycle.

The Court's decision does not impact the base contribution limit on an individual's contributions to a particular federal candidate, which is $2,600 per candidate for primary elections and $2,600 per candidate for general elections. The decision also does not impact the limit on individual contributions to particular political committees (currently set at $5,000 per calendar year for PACs, $32,400 per calendar year to national party committees, and $10,000 per year in aggregate to the affiliated state, district, or local party committees within a state). Though these caps remain in place, individuals may now contribute up to the maximum amount per candidate or committee to as many federal candidates and political committees as they wish without running afoul of any aggregate limits.

In his concurring opinion, Justice Thomas said that he would have gone further by eliminating *all* contribution limits, including the limit on the amount of funds one may give per election to an individual candidate. In a strongly worded dissent, four other members of the Court (Justices Breyer, Ginsburg, Sotomayor, and Kagan) argued against even the elimination of the aggregate limits.

It remains unclear whether the Court's opinion foreshadows an inevitable evisceration of all campaign contribution limits. The majority did not take issue with the idea that avoiding circumvention of the base contribution limits is a legitimate goal of campaign finance regulation. Rather, the Court struck down the aggregate limits because, in its view, they abridge First Amendment interests without furthering that goal in any meaningful way. That said, the Court's opinion, like the *Citizens United v. FEC* decision in 2010 – which overturned restrictions on independent political expenditures by corporations, associations, and labor unions – represents another successful challenge to federal campaign finance laws, and no doubt will be viewed as an invitation by would-be challengers of the base contribution limits.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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