

Committees hold the secret to campaign financing  
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If you're keeping score of who's filling up their campaign coffers the fastest this election season, you'd be wise not to focus your attention on the state parties or the candidates.

No, the real campaign financing game in Florida is being played by stealth-like political organizations called Committees of Continuous Existence, or CCEs. Cloaked in catchy names and clever acronyms, these deceptive organizations are redefining Florida's political campaigns.

CCEs are increasingly spending vast sums of untraceable money to promote and attack candidates running for the state Legislature. Collectively, since their creation, 22 leadership CCEs have raised over \$3.1-million from contributors giving at least \$1,000, and they've spent over \$2.4-million in an effort to shape Florida's political landscape.

The 1973 state statute codifying CCEs was originally intended to provide a veneer of anonymity for industry associations that wanted to engage in political activities while sheltering their members' names. Organizations from the Florida Homebuilders to the Police Benevolent Association to the Academy of Florida Trial Lawyers have CCEs. Rather than reporting contributions, these associations file their campaign finance reports with the Florida Division of Elections with no mention of who is anteing up "membership dues."

Attracted by the idea of keeping the names of donors private, seasoned politicians began creating their own CCEs in the 1990s. These hybrid CCEs ... separate and concealed from their own political committees, which have a \$500 contribution cap ... have become today's vehicle of choice for soliciting unlimited dollars from veiled donors. That's at least partly because their money trail is particularly convoluted. Before every election, cash gets distributed by the politician-controlled CCE to favored candidates' campaign accounts. After winning the election, the candidates-turned-legislators each have a say in choosing the legislative leadership, and ... surprise, surprise ... vote for their benefactors.

Whether taking money or giving it, CCEs are flawed institutions.

On the contributions side, while a few politicians have voluntarily disclosed the names of their donors, many have not. Also, there's no

limit to how many CCEs a member may create for himself or herself. A CCE, like any individual or business, may contribute up to \$500 to each candidate each election, but a politician who controls, say, five CCEs can, in effect, donate a total of \$2,500 to a single candidate. That circumvents (in spirit at least) the limitations which state law places on contributions to candidates.

Finally, there are no limits on CCE "membership dues." Unlike contributions to political committees, individuals and special interests can give any amount to leadership CCEs. Of course, the whole idea of "membership dues" raises the question of what exactly these so-called members are getting back from our elected representatives. We'll never know, as it's impossible to tie contributions to leadership CCEs to public policy. But when the leadership CCE of a powerful state senator or representative receives "membership dues" of \$50,000 from the ophthalmologists, or AT&T, eyebrows should be raised.

Things are no better when CCEs disburse their monies. While they're only allowed to contribute up to \$500 to candidates running for state office, CCEs are doing end runs around expenditure limits by spending money independently of candidates. According to state statutes, a CCE may not spend funds "on behalf of" a candidate. The most likely interpretation is that the law prohibits CCEs from funding "express advocacy" ads that explicitly support or oppose a candidate.

So, instead of engaging in express advocacy, CCEs contract with direct mail and media firms to produce so-called "issue ads," which are often indistinguishable from electioneering ads except that they do not urge the public to "vote for" or "vote against" a particular candidate. Much more difficult to trace, CCEs have funneled at least \$68,000 through 527 political organizations, which then redirect the money into races for state-level political offices. The money reappears in the form of issue ads in voter's mailboxes and on their TV screens.

Take, for example, the recent expenditures of Sen. Ken Pruitt's CCE. Since April 2001, his Floridians for a Brighter Future has raised over \$745,000, including a check for \$50,000 from the Florida Trial Lawyers in the midst of a contentious special session on medical malpractice. Since it was created, his committee has distributed \$567,287. However, his committee has only allocated \$16,000 in \$500 chunks to his fellow Republicans to boost his Senate president aspirations.

So, where has all Sen. Pruitt's leadership CCE money gone? It's unclear. His CCE has made payments exceeding \$208,961 to a West

Palm Beach consulting firm, Public Concepts, that does lots of direct mail for candidates running for office. His CCE has also transferred \$36,000 to the Florida Freedom Council, a veiled 527 organization. Where that money has ended up is anyone's guess, but it's entirely possible that it's being used to pay for issue ads to influence legislative races in Florida.

This pattern of activity is not limited to Sen. Pruitt. (And to his credit, he is one of a handful of state legislators who has begun voluntarily revealing the "members" of his one known CCE.) Citizens are at the mercy of state legislators to clean up the CCE mess. On the rhetorical front, there appears to be broad consensus that regulations concerning CCEs need to be tightened. Since Gov. Jeb Bush first called for reform last October, there has been much talk in Tallahassee about regulating CCEs more strictly.

On the action front, things are less clear. A Senate committee has approved a bill (SB 2346) that would require the disclosure of the names and addresses of every member paying dues to CCEs in excess of \$250 in a given year, as well as more information detailing their expenditures. But the bill still has many obstacles. Politicians who have long found it highly lucrative to hide behind the veil of secrecy, raising unlimited sums with impunity are no doubt unlikely to give up such largesse without a battle.

The Senate bill is a good first step. When it comes to campaign finance disclosure of CCEs, the Sunshine State must live up to its billing.

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