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Super PACs, billionaire donors, and out-of-state interest groups flood Georgia Senate runoff

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Political heavyweights, high-dollar donors, and special interest groups all have Georgia on their minds.

They have pivoted from the presidential election and zeroed in on a pair of U.S. Senate runoff races that could make or break President-elect Joe Biden's first term.

Some experts believe upward of \$500 million will be spent in the nine weeks between the Nov. 3 general election and the Jan. 5 runoff races.

Already, negative ad wars have soared past the \$450 million mark and saturated the airwaves with three more weeks to go before the big day.

At stake is control over the Senate, and with it, the power to either greenlight Biden's domestic policy agenda or to block it.

The massive amounts of money pouring into the statewide race are worth it, donors say.

If Republican Sens. David Perdue and Kelly Loeffler beat their Democratic challengers Jon Ossoff and Raphael Warnock, the GOP will maintain its current control of the upper chamber of Congress and could push back on every nominee and piece of legislation on Biden's agenda.

If Ossoff and Warnock win, it would give Democrats a 50-50 split, with Vice President-elect Kamala Harris acting as the tie-breaker when necessary.

The matchups have not only attracted a lengthy list of VIPs to the state — President Trump, Vice President Mike Pence, Biden, and Harris — but have also unlocked an astonishing amount of cash — something Dylan Hedtler-Gaudette, a policy analyst at the Project on Government Oversight, says could be problematic down the line.

"Having such large influences of outside and often 'dark' money is concerning," he told the *Washington Examiner*. "It is both troubling from the transparency perspective, who is really funding these activities, and from a capture standpoint — what will those who are funding these activities expect in return for such large investments?"

But with raw political power up for grabs, those concerns have largely fallen by the wayside as political action committees and other wealthy donors flood the state with piles of money, ready to outspend their rivals and snag a win.

In fact, there is so much money being thrown into the Georgia races that Brendan Fischer, director of federal reform for the Campaign Legal Center in Washington, D.C, said spending by political action committees, or PACs, could be compared to an arms race financed by "a small handful of extremely wealthy interests."

"Elections increasingly look like a battle between billionaires and millionaires," he told the *Atlanta Journal-Constitution*. Apart from the candidates themselves, PACs have spent at least \$150 million since Nov. 3, records show.

While about two-thirds of the spending has come from super PACs connected to Senate Majority Leader Mitch McConnell and Minority Leader Chuck Schumer, the rest has come from special interest groups with business before the congressional class of 2021.

Between Nov. 4 and Nov. 23, the Democratic Senate candidates got 96% of their online donations from out of state, while the two GOP senators got 92% of their online contributions outside of Georgia.

Warnock raised \$58.2 million over that period, while Ossoff picked up \$55.8 million. The men hauled in an average of \$3 million a day via ActBlue, the Democrats' online fundraising platform.

On the Republican side, Perdue raised \$29.1 million while Loeffler brought in \$27.2 million. The majority of their post-election online donations were brought in via WinRed.

As the races heat up, Perdue and Loeffler currently have a slight edge, more and more outside players are getting into the mix.

Last week, conservative super PAC Club For Growth launched a "Save America" bus tour around the state, with GOP celebrities Sarah Palin and country music star Lee Greenwood on board.

Club For Growth has pledged \$10 million to try and defeat Ossoff and Warnock. "It's vital that we prevent radical liberals from turning every American institution that we cherish into a vehicle for their ultimate goal of imposing socialism on our country," PAC President David McIntosh said in a statement.

The PAC's top backer, Richard Uihlein, is a billionaire megadonor who opposes government regulations and who has contributed \$24.5 million to the super PAC for the 2020 election cycle. Uihlein and his wife Elizabeth are worth about \$4 billion.

Another top contributor is Jeff Yass, the publicity-shy founder of Susquehanna International Group. Yass is an options trader who sits on the board of Cato Institute and advocates for the expansion of charter schools.

American Crossroads and Senate Leadership Fund, both of which are run by allies of McConnell, have spent more than \$70 million in the runoffs and are on track to hit the \$80 million mark by the first week of January. American Crossroads is focusing on the Loeffler-Warnock race, while the Senate Leadership Fund is spending \$35 million for the Perdue-Ossoff faceoff.

"The radical left is pouring money and people into Georgia because they know Perdue and Loeffler are all that stands between American and socialism," Senate Leadership Fund President

Steven Law told *Politico*. "We're going to do everything humanly possible to keep radicals like Jon Ossoff and Raphael Warnock out of the Senate."

Then there's Peachtree PAC, a new GOP-aligned political action committee that recently started a \$43 million TV ad buy.

The danger with this "pop-up PAC" is that the funding behind the group is likely to stay hidden until after the January election.

The group has taken steps to hide who its donors are until Jan. 31, according to the Federal Election Commission records. The move is just the latest example of how secretive groups can funnel millions to a candidate in a tight race but not disclose their identity or their motive before the ballots are cast. Peachtree PAC is run by Senate Leadership Fund, SLF spokesman Jack Pandol told the *Associated Press*, but when pressed, declined to say who exactly was bankrolling the group.

"Voters have a right to know who is trying to influence their vote," Brendan Fischer, the director of federal reform at the nonpartisan Campaign Legal Center in Washington, said. "Disclosure of donors tells voters who is trying to influence them, and also who potentially stands to benefit from the election of a particular candidate."

Groups like Peachtree PAC have been dubbed "pop-up PACs" and have been embraced by both parties.

They are typically formed by national party committees but given local sounding names to hide their Washington ties. In 2020, several new pop-up PACs were responsible for throwing money into high-profile primaries.

OpenSecrets.org said the shadowy groups spent at least \$39.5 million to influence the primaries without disclosing their donors.

About two weeks before the general election, one of these pop-up PACs, Liberty SC, spent more than \$1 million to attack South Carolina Sen. Lindsey Graham. By launching its first ad on Oct. 21, Liberty SC did not have to report who was funding its operation before voters went to the polls. In Kentucky, the new pop-up super PAC True Kentucky Patriots was launched to pull voters from McConnell. The group, which was launched on Oct. 14, was not required to disclose its donors ahead of Election Day, as well.

On the Democratic side, other super PACs like the American Bridge 21st Century recently started spending \$1 million per week on ads for Ossoff and Warnock.

Co-founder and President Bradley Beychok has pledged to spend as much as \$12 million on the Senate races. Last week, he also announced a \$3.6 million ad buy.

In the 2020 presidential election, American Bridge spent more than \$50 million on ads opposing President Trump. The PAC's other co-founder, David Brock, started Media Matters and the pro-Hillary Clinton super PAC Correct the Record.

Two more left-leaning super PACs, Georgia Honor and The Georgia Way, both aligned with Schumer, spent \$5 million for just one week of attack ads against Perdue and Loeffler for stock trades they made during the COVID-19 pandemic. Noncandidate committees have spent \$217.6

million on the races between October and mid-December, five times the amount spent in the three months leading up to the general election, the AJC reported.

Outside groups have spent \$37.1 million in opposition to Warnock. Democratic PACs sent about \$13 million opposing Loeffler over the same time.

With so much money being thrown around by groups that have little to no actual interest in Georgia, Hedtler-Gaudette worries voters will feel as though their "votes are irrelevant and their elected representatives are bought and paid for by moneyed interests."

"If members of Congress know that their election depends largely on their ability to convince people to give them money, it is a rational (albeit ethically dubious) choice to gear your activities and behavior toward the people who end up funding your campaign," he said.