

Cheat sheet: How Super PACs work, and why they're so controversial

McCain's slammed them. Colbert just gave his away. Here's a refresher on the basics.

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MARK WILSON/GETTY IMAGES

Comedian Stephen Colbert appears before the Federal Election Commission (FEC) to ask for a media exemption to create a political action committee (PAC) on June 30, 2011 in Washington, DC.

This week, [John McCain](#) predicted that the "huge flood of money" from Super Political Action Committees, or Super PACs, will be a source of "huge scandals."

[Newt Gingrich](#) has been livid over the attack ads pro-Romney Super PACs have been running, and he's countered with a special interest group of his own.

[Stephen Colbert](#) just transferred his Super PAC over to [Jon Stewart](#).

But what exactly are they, and why are they so controversial? Here's a cheat sheet on how Super PACs work, how they're regulated and how they're affecting the 2012 election.

WHAT IS A SUPER PAC?

Super PACs are organizations that can raise unlimited funds from individuals, corporations, and other groups to support or defeat a political candidate. They can do many of the things that candidate's campaigns do -- run ads, make phone calls, send out mailers.

WHAT CHANGED AFTER SUPER PACS CAME INTO THE PICTURE?

Before 2010, corporations and unions were prohibited from independently spending money to influence federal elections.

In *Citizens United v. FEC*, the Supreme Court found that this ban to be unconstitutional. Super PACs themselves were created by a subsequent ruling, *SpeechNow.org v. FEC*.

Regular political action committees can only accept contributions of up to \$5,000 from individuals, and they can't take money from groups. They can donate a limited amount of money directly to candidates.

Now individuals and groups can make unlimited contributions to support or attack candidates through Super

PACs.

And since groups can make political donations, it's also become harder to tell which individuals are spending big to support a candidate.

WHAT'S THE ARGUMENT FOR SUPER PACS?

That corporations and unions have a right to support and criticize politicians, and that restricting them from doing is a violation of the right to free speech.

"The alternative is greatly restricting the rights of outside individuals to fund speech criticizing politicians," The Cato Institute's [John Samples wrote in a Daily News op-ed](#). "This seems to me to be a far scarier outcome."

WHAT ARE THE RESTRICTIONS ON SUPER PACS?

Super PACs can't give money directly to candidate's campaigns, and they're prohibited from 'coordinating' with them -- in other words, Super PACs can't plan the particulars of their operations with the candidate they're supporting.

But they've been allowed to push this line pretty far. Candidates aren't allowed to discuss the details of ad buys with Super PACs, but it's alright for them to appear as featured speakers at Super PAC fundraising events, as long as they don't solicit unlimited contributions. Since June, candidates and party officials are allowed to encourage supporters to make limited contributions (up to \$5,000) to Super PACs.

And even if candidates and Super PACs did break the rules and coordinate, it's not clear what the consequences would be. The FEC decides the penalty for violations on a case-by-case basis, according to [a report from the Center for Public Integrity](#).

WHY HAVE SUPER PACS BEEN SO CONTROVERSIAL?

Critics say that by allowing candidates to benefit from unlimited resources, Super PACs effectively subvert restrictions on campaign contributions. (Individuals can only give up to \$2,500 to campaigns directly, and corporations can't contribute to them at all.)

"Candidates appreciate million dollar donations to the Super PACS that support them as much as they would appreciate donations directly to their campaigns, if they were legal," said [Paul Ryan](#), an attorney with the Campaign Legal Center, a non-profit that advocates for campaign finance reform.

Candidate-specific Super PACs are often set up by former staffers and funded by donors, so it's been argued that they act like an auxiliary campaign staff, even if they can't coordinate with the official campaign.

Limits on campaign contributions were initially set up to prevent corruption or the appearance of corruption.

The rise of Super PACs has raised fears that candidates can be bought by the special interest groups who are spending to elect them, and that wealthy individuals can exert undue influence on the political process.

WHAT ROLE HAVE SUPER PACS PLAYED IN THE 2012 ELECTION SO FAR?

So far we've seen a boom in attack ads, and candidates haven't had to take responsibility for them. Newt Gingrich, in particular, [was slammed with attack ads](#) from the pro-Romney Restore Our Future PAC. The former Speaker accused [Romney](#) of running a smear campaign. "Understand, these are his people running his ads, doing his dirty work while he pretends to be above it," Gingrich told reporters in Iowa.

Candidates are also able to spend less on advertising and hang in the race for longer, [the New York Times noted](#), while Super PACs pick up the slack.

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