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## Republicans Push Lawsuits to Unshackle Corporate Campaign Cash

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By Jonathan D. Salant

May 21 (Bloomberg) -- The Republican Party and conservative advocacy groups, seeking to capitalize on the Supreme Court's January decision throwing out a ban on corporate political spending, are urging judges across the U.S. to strike down other campaign-finance restrictions.

Since the Supreme Court's 5-4 ruling in *Citizens United v. Federal Election Commission*, a federal appeals court in Washington has already said the FEC can't limit donations to groups that fund advocacy campaigns independently from candidates or parties.

Campaign laws are under constitutional attack in at least four other pending lawsuits, as opponents bet that a majority of the Supreme Court now may be willing to abolish political spending regulations, said Craig Holman, who handles campaign issues for the Washington-based advocacy group Public Citizen.

"It has just spawned a wide number of challenges to just about every element of the campaign-finance law, even elements that were sacrosanct, like disclosure," Holman said of the *Citizens United* case.

If lower courts expand on the Supreme Court's decision, corporations, unions and wealthy individuals may gain added leeway to spend unlimited amounts to support or defeat candidates in November's elections, perhaps without telling voters who bankrolled their efforts.

### 'Powerful Interests'

"Clearly, there is an agenda by the most powerful interests in the country to dismantle our campaign finance laws," said Senator Russell Feingold, a Wisconsin Democrat and co-sponsor, with Arizona Republican John McCain, of the 2002 McCain-Feingold law banning some corporate and union political spending and limiting donations to political parties. "They don't want our elections to be regulated. They just want the large corporate powers to dominate."

Those challenging campaign-spending restrictions say the rules encroach on First Amendment rights.

"Free speech is a fundamental building block of a healthy democracy," said Republican Bradley Smith, a former FEC chairman who now is chairman of the Alexandria, Virginia-based Center for Competitive Politics, which opposes limits on political spending. "Corporations and unions, like other speakers, have important things to say."

The Republican National Committee is a plaintiff in two cases, pushing to void restrictions on party contributions and to lift limits on party spending for candidates. In two other lawsuits, advocacy groups critical of President Barack Obama seek to narrow the scope of disclosure requirements for donations and expenditures.

The pending suits were filed before January's ruling and in some instances were delayed while the high court deliberated.

### Court Change

As recently as 2003, five justices voted to uphold some of the same rules that *Citizens United* rejected as unconstitutional restraints on free speech. A member of the 2003 majority, Sandra Day O'Connor, retired and was replaced in 2006 by Samuel Alito, who provided a fifth vote for striking down the restrictions.

The *Citizens United* ruling lets corporations and unions spend without limits for independent advertisements designed to promote or defeat candidates. The high court, at the same time, upheld rules about disclosing donors and activities.

In March, a Washington federal appeals court cited the decision to throw out limits on contributions to independent political organizations. The case was brought by *SpeechNow.org*, a free-speech group whose founders include officials from the anti-tax Club for Growth and the libertarian Cato Institute.

The group hasn't decided whether to appeal a part of the ruling that upheld disclosure requirements, which *SpeechNow.org* said weren't appropriate in its circumstances.

### 'Soft-Money'

In a pending case, Republicans asked the Supreme Court to strike down part of the McCain-Feingold law that bans corporate and union contributions to political parties. A federal court panel in Washington upheld that "soft-money" ban in March.

The Republican Party is also challenging rules limiting how much parties can spend in coordination with their nominees. The case is before a New Orleans-based appeals court.

The Real Truth About Obama, a group formed to criticize Obama's support for abortion rights, is questioning whether it should be covered by FEC reporting rules. The Supreme Court returned the case to a Richmond, Virginia-based federal appeals court for consideration in light of the *Citizens United* ruling.

Another independent group, the Committee for Truth in Politics, is challenging reporting and disclosure requirements in a North Carolina federal court. The group funded ads opposing Obama and the Democrats' proposed overhaul of financial regulations. The case is awaiting trial.

### Fearing Harassment

James Bopp Jr., a lawyer and Republican National Committee member from Indiana, represents the Real Truth and Committee for Truth groups. Contributors fear harassment if their names are publicized, and the law shouldn't limit contributions to organizations airing issue-oriented ads that don't call for the election or defeat of candidates, Bopp said.

For those groups, disclosure and contribution rules are "extremely destructive" of their "ability to operate effectively," Bopp said.

Tara Malloy, associate counsel of the Washington-based Campaign Legal Center, said that without campaign-finance restrictions, special interests will flood airwaves with anonymous attack ads.

"The goal is to scale back disclosure to the point that there is no meaningful information about the funders of ads," Malloy said.

Feingold said challenges to campaign rules will probably continue until the court's majority changes again.

"In the end, it's going to take a different Supreme Court to make sure these rulings don't come down," he said.

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