

## **The Citizens United Ruling**

### **Our Position**

A government “of, by and for the people” is the most basic promise of American democracy — but, in 2010, the U.S. Supreme Court’s *Citizens United* ruling eroded this promise by deciding it is unconstitutional to limit the amount of money that corporations and trade unions can spend to tell people to elect or defeat specific candidates. *Corporations and trade unions should not be able to buy control of our democracy.* Elected leaders should work together to take unlimited corporate money out of politics, require immediate disclosure of all contributions, and create new streams of clean, public money to fund campaigns so that our government represents voters, not corporate donors and special interests.

- ▶ **The *Citizens United* ruling gives special interests an unfair advantage over citizens.** Corporations and trade unions are not people and they should not be able to buy political influence through unlimited advertising or purchase control over public policies. With media so important in elections these days, their deep pockets give them way too much power over election outcomes compared to actual citizens. This is not democracy.
- ▶ **The decision makes oversight and regulation of campaign spending more difficult.** Before *Citizens United*, corporations and trade unions could spend money on political activities that took a stance on specific issues and stopped short of directly endorsing or attacking candidates. Direct advocacy had to be done through political action committees, which are subject to more oversight and regulation. Now, corporations can funnel contributions directly into groups that don’t have to disclose their donors. These groups, in turn, can buy unlimited amounts of media or other activities directly attacking or supporting candidates.
- ▶ **This has led to less disclosure and more secret money.** It is now harder than ever to know who is really paying for political ads. For example, voters have no way of knowing that Exxon is really behind a credible-sounding group called *Americans for A Better Environment* and paying for ads opposing environmental candidates.
- ▶ ***Citizens United* brought record-breaking and influential spending to the 2010 elections.** In 2006, outside groups spent nearly \$70 million on federal elections; in 2010, they spent nearly \$295 million. And in 60 out of 75 Congressional races, the candidates benefiting the most from outside spending won the race – a remarkable 80% win rate.
- ▶ ***Citizens United* had a major impact in North Carolina races in 2010.** One businessman, Art Pope, used his corporate treasuries to bankroll three key issue groups — Americans for Prosperity, Civitas Action and Real Jobs NC. These groups spent over \$2 million in 22 swing legislative races in 2010. Candidates backed by Pope, all Republicans, won 18 of 22 races.

## **Legislative Fixes for Citizens United**

Good government groups and concerned elected officials are looking for ways to decrease the negative impacts of the *Citizens United* ruling on our democracy. There are proposals being introduced at both the state and national level. Here are some of the proposals that Democracy North Carolina supports:

- ▶ **Expand Voter Owned Elections to more offices at the federal and state level.** Nationally, there is a bill called the Fair Elections Now Act that would give Congressional candidates the option of receiving public grants instead of raising money from special interests and wealthy donors, if they first raise a large number of small dollar donations from registered voters. North Carolina has similar programs for statewide judges and some Council of State offices. These programs should be expanded to cover more offices at all levels of government.
- ▶ **Improve Disclosure Laws.** We believe that all corporate political donations should be made public. Corporations and unions should have to create separate campaign accounts and report every dime they spend in a timely manner. “Stand By Your Ad” laws should also be enacted to require CEOs to appear in the campaign ads they fund or to require that ads display the names of the largest donors.
- ▶ **Strengthen restrictions against “independent” groups coordinating spending with candidates.** We need strict disclosure and enforcement provisions to expose and prevent so-called independent groups from coordinating the timing and targeting of their ads with a candidate or a candidate’s consultants.
- ▶ **Restrict “pay to play” contributions that create conflicts of interest.** Major state contractors should not be allowed to donate to elected officials who approve their bids or supervise the persons responsible for approving their contracts and bids. Furthermore, corporations who have state contracts over a certain value should not be able to make independent expenditures in campaigns at all. If a corporation is engaged in public business, it should not be allowed to spend money in races that could influence whether or not that public business is awarded to them.
- ▶ **Amend the U.S. Constitution to make it clear that corporations are not people.** Some advocates argue that the long term solution to *Citizens United* is to amend the Constitution to say that a corporation is not a “person” and shall not receive the protections granted by the First Amendment. Amending the Constitution is a long and difficult process, but the call for such an action indicates that people are fed up with corporate dominance in U.S. elections and want it to stop. As the courts continue to expand the rights of corporations, a Constitutional Amendment seems both more attainable and necessary.