

The 2024 Election: Where does the campaign money come from?



Between January 2023 and April 2024, US political campaigns collected around \$8.6 billion for the 2024 House, Senate, and presidential elections. Over 65% of that money, about \$5.6 billion, came from political action committees (PACs).

Individual candidates have drawn over \$2.0 billion, while party committees raised just over \$929.9 million: \$188.6 million for the Democratic National Committee, \$130.1 million for the Republican National Committee, with the remainder coming from party committees at the local, state, and national level.

Funding for political campaigns in 2024 has more than doubled since November 2023.

Political fundraising has brought in \$5.0 billion since November 2023 alone— a 137% increase in total funding between November 2023 and April 2024.

During the 2020 election cycle, campaigns raised over \$9.0 billion between January 2019 and April 2020, about \$10.6 billion when adjusted for inflation. By the end of the 2020 cycle, they had collected over \$25.3 billion, or \$29.8 billion, after adjusting for inflation.

Do taxpayer dollars pay for elections?

The US presidential public funding program gives qualifying candidates federal funds for campaign expenses during primary and general elections. The program uses tax dollars to:

- Match individual contributions up to the first \$250 for eligible presidential candidates in the primary campaign.
- Provide financial support to the general election campaigns of major party nominees and help qualifying minor party nominees.
- The money for this program comes from federal income tax: the 1040 tax form asks taxpayers whether they'd like to designate \$3 of their taxes for the Presidential Election Campaign Fund. This tax opt-in — which doesn't impact the taxes a person owes — is the only source of money for federal public election funding.

Members of Congress **cannot** use taxpayer dollars for campaign-related expenses, except in some limited cases outlined by the House Committee on Ethics.

From 1976 to 2012, public funding was also available to the major political parties' presidential nominating conventions and offered partial support for qualified minor parties' conventions. Legislation passed in 2014 discontinued support for conventions.



What are PACs?

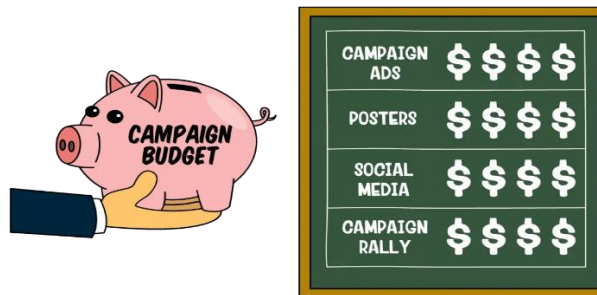
- PACs are private interest groups that raise and spend money to support candidates and influence elections. PACs can represent industry groups, labor unions, or individual companies.
- When a political ad declares, “Paid for by Friends of X Candidate,” this may indicate a PAC at work.
- The way a PAC collects and spends money depends on how the organization is structured (i.e., the difference between a traditional, hybrid, and super PACs).
- Traditional PACs are subject to both donation and spending limits. They can contribute up to \$5,000 per election to a candidate, \$5,000 annually to other PACs, and \$15,000 to national party committees each year. Individuals, other PACs, and corporations can donate up to \$5,000 annually to a traditional PAC.
- Super PACs, also known as independent expenditure-only committees, emerged after the 2010 *Citizens United v. FEC* decision. These PACs cannot donate directly to candidates or parties but can spend unlimited amounts on political advertising and other election-related activities that do not coordinate directly with candidates or parties. There are no limits on the amounts that individuals or corporations can donate to Super PACs. Super PACs cannot accept contributions from foreign nationals, federal contractors, national banks, or federally chartered corporations.
- Hybrid PACs operate with two separate accounts to accommodate different functionalities. One account adheres to traditional PAC limits and can contribute directly to candidates, while the other operates like a Super PAC, making unlimited independent expenditures without direct coordination with candidates or parties. This dual structure was made possible by the 2012 *Carey v. FEC* decision.

“The development of super PACs is one of the most recent chapters in the long debate over political spending and political speech,” notes the Congressional Research Service, and they “can substantially affect the political environment in which Members of Congress and other federal candidates compete.”

As of April 2024, less than half of the funds raised for the 2024 election had been spent.

Most of the money spent so far has come from PACs – nearly \$2.2 billion, or 56.5% of total expenditures as of April 2024 – which can fund political advertisements, ballot initiatives, and other activities that advocate on behalf of a candidate or political party. Candidates spent roughly \$1.1 billion directly, while party committees laid out the remaining \$545.8 million.

During the run-up to the 2020 elections, campaign spending reached \$4.8 billion between January 2019 and April 2020, \$5.7 billion when adjusted for inflation. By the end of the election cycle, expenditures topped \$15.4 billion, or \$18.2 billion inflation-adjusted.



What counts as a campaign expense?

The FEC enforces restrictions on money spent on political campaigns, covering a wide range of activities. All expenses must be reported through a bank account monitored by the FEC Campaigns that can use them for various endeavors aimed at influencing the election, including:

- Advertisements and marketing
- Campaign fundraisers
- Day-to-day operations
- Recounts
- Transfers between a candidate's different committees
- Travel expenses

Examples of non-campaign expenses include:

- A salary for the running candidate
- Fundraisers for or contributions to other political candidates/parties
- Support for tax-exempt organizations

Using campaign funds for personal use is prohibited by the FEC.

Through March 2024, Senate races have raised \$839,740,834, with \$509.3 million (60.7%) going to Democrats, \$275.8 million (32.8%) to Republican candidates, and the remaining \$54.6 million (6.5%) to third-party candidates.

In the 2024 House race, \$1,116,375,035 has been raised so far, with \$570.2 million (51.1%) going to Democrats, \$541.2 million (48.5%) to Republican candidates, and the remaining \$4.9 million (0.4%) to third-party candidates.

What happens to leftover money after a campaign?

After an election, candidates can allocate the remaining funds from their campaigns in several ways:

- Transferring funds between committees for the same office, either in the same election or between primary and general elections.
- Allocating unused funds to a future campaign or different election cycle, if there are no outstanding debts.
- Refunding contributions to donors.
- Investing in recount efforts.
- Charitable donations, as long as neither the candidate nor any member of the candidate's family receives compensation from the charitable organization.

Rules differ for PACs:

- Super PACs can't transfer funds to candidate committees, but can finance independent expenditures.
- PACs can support candidates through contributions but must abide by contribution limits and disclosure requirements.

In any case, leftover funds cannot be used for personal expenditures, including family and household costs, investments, promoting of personal works (e.g., a book written by the candidate), and more.

Source:

<https://usafacts.org/articles/tracking-2024-election-contributions-and-spending/>

A more up to date chart on spending can be found at:

<https://www.opensecrets.org/2024-presidential-race>

A site for Megadonors and Dark Money is found at

<https://www.brennancenter.org/series/money-2024-election>