POLITICAL ACTION COMMITTEE BEHAVIOR IN THE ERA OF SOFT MONEY AND BIPARTISAN CAMPAIGN REFORM

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POLITICAL ACTION COMMITTEE BEHAVIOR IN THE ERA OF SOFT MONEY AND BIPARTISAN CAMPAIGN REFORM

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ABSTRACT

The Bipartisan Campaign Reform Act of 2002 (BCRA, McCain-Feingold) banned the use of soft money in campaigns. The precursor to BCRA was The Federal Election Campaign Act of 1971 (FECA) which along with subsequent amendments in 1974, granted legal status to political action committees (PACs). In the years following FECA, political scientists paid close attention to the distribution of PAC contributions to political candidates. Research involving the US House found that member attributes including party, tenure, election percentage, ideological intensity, and committee assignment affect the dollar amount of PAC contributions made to representatives. Since BCRA marks the first major change in campaign finance law in over three decades, it is appropriate to reinvestigate distribution patterns and allocation levels of PAC contributions. Accordingly, this essay examines PAC contributions to House incumbents for the election cycles of 1998 through 2006. In terms of patterns of distribution, findings from analysis indicate that PAC behavior is largely the same as in previous research, and remains so after BCRA. Regarding allocation, results offer evidence that levels of contributions by different classifications of PACs have undergone dramatic changes and furthermore, contribution levels to House incumbents have changed significantly following the enactment of BCRA in the 2004 election cycle.

Main Text

Campaign finance reform has been a topic of debate for over a century in the United States. In his 1907 State of the Union address, President Theodore Roosevelt, observed that no laws existed to "hamper an unscrupulous man of unlimited means from buying his own way into office" (Pickert 2008). During the 2008 Presidential Election, as Barack Obama and John McCain battled over who was going to bring "change" to Washington, issues surrounding campaign finance reform were commonplace within political discourse. In a speech at the Roosevelt Middle School in Cedar Rapids, Iowa, Obama stated, "As a candidate for President, I've tried to lead by example, and I've decided to run this race by turning down all contributions from federal lobbyists and the political action committees that the special interests use to pass out campaign money."[1] Additionally, as one of the main architects of the Bipartisan Campaign Reform Act of 2002, John McCain commented frequently that Americans have become, "alienated from the process of self-government by the overwhelming appearance of their elected leaders having sold-out to the big-moneyed special interests who help finance political campaigns…Americans believe that political representation is measured on a sliding scale. The more you give the more effectively you can petition your government."[2]

While discussions of political action committees (PACs) and special interest money in government have maintained a presence in campaign speeches and op-ed pieces across the nation, recent investigation within political science has been rare. This fact, coupled with the passage of the Bipartisan Campaign Reform Act of 2002 (BCRA), highlights the need for a present day examination of contribution patterns and behavior of PACs. Accordingly, the

[1] "Obama and McCain on Campaign Finance Reform" *About.com*. http://usgovinfo.about.com/od/thepoliticalsystem/a/obamamccain.htm (accessed April 1, 2009).
[2] "Orange County Forum" *John McCain US Senator*. http://mccain.senate.gov/public/ (accessed April 1, 2009)

purpose of this essay is to revisit the study of PAC contributions by specifically looking at incumbent members of the United States House of Representatives for the election cycles of 1998 through 2006. Using past research as a guide, I examine Federal Election Commission (FEC) data to determine whether or not previous findings continue to offer explanation for current PAC contributions in terms of distribution patterns and allocation levels. Findings from analysis suggest that many classic variables such as party, tenure, election percentage, ideological strength, and committee assignment continue to provide explanation in terms of how PACs choose to distribute contributions to representatives. Furthermore, these findings hold during the years immediately surrounding BCRA, suggesting that in terms of PAC behavior, distribution patterns of contributions to representatives are relatively static. Concerning allocation levels, while the overall amount of money contributed to House incumbents has steadily risen over time, significant increases in contribution levels in the immediate aftermath of BCRA indicate that bans on soft money may be leading to dramatic increases in traditional hard money campaign contributions. Furthermore, there have been interesting changes in the overall levels of contributions from different classifications of PACs, particularly concerning labor unions and nonconnected organizations.

These findings add to existing interest group literature in two specific ways. First, much of previous political science research investigating the topic of PAC contributions is from the 1980s to early 1990s. Accordingly, I investigate PAC contributions to US House incumbents during the election cycles of 1998 through 2006. Second, the time period of this work is of great magnitude in terms of the historical development of campaign finance reform in the United States. BCRA is the most important piece of campaign finance law in over thirty years and following its enactment, it is appropriate to revisit classic avenues of investigation concerning the distribution and allocation of PAC contributions.

In order to re-evaluate classic distribution patterns and overall dollar amounts of PAC contributions during the time period surrounding BCRA, I organize this essay in the following manner: Section I provides the necessary background concerning PACs and their place within the political system. First, I briefly review the history of PACs in order to provide context for the enactment of FECA. Next, I present some of the basic restrictions and limitations placed on PACs and the resulting classification system created by the FEC. Finally, I discuss some of the major concerns regarding PACs even in the aftermath of FECA. Section II presents relevant material regarding BCRA. First, I distinguish between the FEC classifications of hard and soft money contributions in political campaigns. Next, I briefly review some history of how soft money became prevalent in the election cycles of the mid 1990s and early 2000s. Finally, I discuss BCRA in the context of PACs, with a particular focus on previous concerns for reform. Section III begins the transition into the empirical part of this work by first reviewing the data I use in this analysis. Next, I present descriptive statistics of PAC contributions in recent election cycles to establish that levels of allocation have changed dramatically. Finally, I comment on trends in the data that suggest changes in PAC behavior after BCRA. Section IV presents hypotheses I wish to test, along with discussion and measures of variables I choose to incorporate in regression models. First, I focus on legislator attributes such as tenure, election percentage, ideological strength, and party, because there is an extensive body of research that shows a relationship between these characteristics and PAC contributions. Next, I turn to the committee system in the US House and present a conceptual framework for the relationship between PAC contributions and specific committee membership. Section V describes the estimation technique I use for analysis. Section VI presents findings and discussion from the statistical models. Section VII offers concluding remarks and directions for future research.

I. Federal Election Campaign Act (FECA)

The Federal Election Campaign Act of 1971 and subsequent amendments in 1974 explicitly allowed for the establishment of separate or segregated funds---or Political Action Committees (Ainsworth 2002). While FECA is paramount in terms of campaign finance law, it is advantageous for this study to present some historical context predating the 1970s, in order to fully understand recent levels of interest group spending both before and after BCRA. Accordingly, this section begins with a brief review of key events leading up to FECA in 1971. Next, in order to provide a frame of reference for the empirical section of this paper, I identify the restrictions and classifications of PACs resulting from FECA legislation. Finally, I address some of the concerns raised once PACs had legal standing in federal law and present some of the major arguments for campaign finance reform regarding interest group representation.

The Buildup to FECA

In response to heightened levels of political involvement and influence beginning in the 1880s, corporations were prohibited by law from making campaign contributions from the early 1900s to the 1940s (Wright 1996). Conversely, labor unions were allowed to make contributions during this same period of time because although they had always been politically active, the amount of money they spent on campaigns was not substantial enough to warrant legal sanctions or restrictions (Wright 1996). In the absence of spending regulations, the president of the Congress of Industrial Organizations (CIO), John Lewis, created the Labor's Non-Partisan League (LNPL). This "prototype" PAC collected over $1 million from 59 different labor unions and helped ensure both the reelection of President Roosevelt, and the election of a pro-labor Congress (Wright 1996). While the dramatic increase in campaign contributions by unions was able to achieve short term political goals, concerns began to mount that organized labor was having too large of an impact on the political process.

In 1943, Congress passed the War Labor Disputes Act (Smith-Connally) which prohibited both labor strikes and labor campaign contributions for the duration of the war, ultimately subjecting unions to the same restrictions as corporate contributions under the Tillman Act of 1907 and the Federal Corrupt Practices Act (FCPA) of 1925 (Wright 1996). In response to Smith-Connally, the CIO explicitly designed and created the CIO-PAC (technically not a labor union) to circumvent restrictions on contributions from the general treasuries of organized labor unions (Wright 1996). In 1944, CIO-PAC was able to raise and contribute $2 million to pro-labor candidates, without any legal repercussions (Wright 1996). Smith-Connally became permanent with the passage of the Labor Management Relations Act (Taft-Hartley) in 1947 (Wright 1996).

Despite the restrictions of Taft-Hartley, the Tillman Act, and FCPA, corporations and unions continued to create and operate separate financial funds in order to make political contributions without legal restrictions (Wright 1996). The births of the AFL-CIO Committee on Political Education (COPE), the Business and Industry Political Action Committee (BIPAC), and the American Medical Political Action Committee (AMPAC), during the 1950s and 1960s only solidified the assumption that organized interests would continue to be able to skirt contribution restrictions through the creation and usage of PACs (Wright 1996). However, after decades of noncompliance, PACs and campaign finance law finally collided in the U.S. Supreme Court Case of *Pipefitters Local Union No. 563 v. United States* (1972).

In 1968, three members of the Plumbers and Pipefitters Union No. 562 of St. Louis were indicted for making political contributions in the 1964 and 1966 elections in violation of Taft-Hartley (Wright 1996). While the lines had been blurred for several decades in terms of how unions and corporations could and could not make political contributions, the pipefitters' officials were charged with coercing members on the job site into making contributions to the union PAC. These specific actions were used as a foundation to question the legitimacy of the claim that the unions and their PACs were really separate entities (Wright 1996). Fearful that the court system would rule against the legality of PACs, organized labor turned its attention towards legislation already before Congress: The Federal Election Campaign Act of 1971 (Wright 1996).

Before labor unions became involved, FECA was largely focused on addressing the expanding costs of campaigns resulting from the introduction of television into the political process (Wright 1996). Accordingly, proposals for legislation included limits on media expenditures, ceilings for the amount of personal money candidates could use to finance their own campaigns, and a system of disclosure involving the reporting and maintenance of all contributions and expenditures (Wright 1996). However, at the request of organized labor, Republican Representative Orval Hansen of Idaho offered an amendment to provide for "the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes" (Wright 1996). This Amendment gave PACs legal status as "separated funds" as long as they did not contain membership dues, money conditional of employment or membership, and/or money obtained through commercial transactions (Wright 1996).

FECA and the Hansen Amendment were signed into law before the ruling in *Pipefitters Local Union No. 563 v. United States* (1972), yet the outcome of this case was still important to organized labor and the legitimacy of PACs. Ultimately, the Supreme Court overturned the ruling of the appellate court and found that unions could make political contributions as long as they came from funds that were financed voluntarily, and were strictly segregated from funds containing union dues (Wright 1996).

While the Hansen Amendment and the decision in *Pipefitters* gave unions both legal and constitutional legitimacy for their PAC operations, these events also made it possible for corporations and other organizations to legally operate PACs (Wright 1996). Unions were aware of this potential when they pushed for the Hansen Amendment, yet they assumed that corporations would not take full advantage of PACs (prior to 1971 there were only 10 corporate PACs) (Wright 1996). However, this line of thinking was quickly proven wrong, as the overall number of PACs began to skyrocket throughout the 1970s and 1980s.

PACs and FECA

As PACs solidified their place in the political landscape, several amendments to FECA were passed in 1974, 1976, and 1979 (Wright 1996). These laws continue to not only prohibit corporations, unions, trade associations, and most other groups form making campaign contributions to federal candidates, but limit the amount of money PACs are able to contribute as well (Hernson 2005). Two specific provisions allow PACs to collect $5,000 a year from individuals and other PACs, as well as donate up to $5,000 per candidate during each phase of an election cycle (Hernson 2005). [3] With these and other legal guidelines in place, it was important

[3] Additionally, PACs are able to make contributions to national, state, and local political parties.

to establish a system of disclosure for all receipts and disbursements intended to influence the outcome of an election. Accordingly, the 1974 amendments to FECA created the Federal Election Commission (FEC) as the regulatory agency for campaign finance in the US (Malbin 2003).

PAC Classifications

To better serve the end goal of providing transparency in campaign funding, the FEC established a classification system for PACs. Most PACs are affiliated with some parent organization such as a corporation or labor union, but others have no organization affiliation at all (Wright 1996). Based on characteristics of the committees' affiliated organizations, the FEC recognizes six broad types of PACs: those connected with corporations, those affiliated with labor unions, those connected with trade/health/membership groups, those linked with cooperatives, those affiliated with corporations without stock, and those that are totally nonconnected (Wright 1996). While the previous discussion provides a foundational understanding for labor and corporate PACs, a brief description of the other classifications of PACs is of value for the development of this work. Additional detail involving PAC classification appears later in this paper as a means to advance specific hypotheses.

FECA defines trade association as membership organizations consisting of persons engaged in a similar or related line of commerce, organized to promote and improve business conditions without engaging in regular business for profit. Additionally, the net earnings of a trade association do not accrue to the benefit of any member (114.8(a)) (FEC Website). Cooperative PACs include organizations that follow a cooperative business model where ownership of the business is controlled by the people who use its services. While co-ops tend to largely consist of agricultural interests, the classification overall is somewhat diverse and represents such industries as health and electricity (Wright 1996). Corporations without stock are primarily comprised of financial interests including banking, savings and loans, and insurance (Wright 1996). Finally, nonconnected PACs are committees without corporate or labor sponsorship that represent ideological interests rather than specific candidates or parties.

Calls for Reform

Debates concerning campaign contributions from special interest groups did not end once FECA and subsequent amendments created a regulatory system in which organizations could donate to candidates and parties through PACs. During the 1980s, proponents for campaign finance reform argued that even when regulated, PACs were having a negative influence on democracy and society as a whole (Biersack and Viray 2005). Critics asserted that PACs were greatly increasing in number, and contributions were having too strong of an influence in the political process.[4] Senate Majority Leader Robert J. Dole once commented, "When these political action committees give money, they expect something in return other than good government. It is making it difficult to legislate. We may reach a point where everybody is buying something with PAC money. We cannot get anything done" (Sabato 1984). In this environment, proposals to reduce interest group influence involved setting new limits on the size of legal contributions, or banning PACs altogether (Biersack and Viray 2005). However, more drastic calls for reform were often curbed by legal precedent involving free speech that had been established in the aftermath of FECA. One landmark case with lasting consequences on campaign finance reform was *Buckley v. Valeo* (1976).

[4] The US House is a classic example for critics of PACs, in that PACs generally provide about half of the money raised by House incumbents (Biersack and Viray 2005).

As was the case with original FECA legislation, the 1974 amendments were challenged immediately on constitutional grounds (Malbin 2003). In *Buckley v. Valeo* (1976) the Supreme Court sought to strike a balance between the importance of free speech and the importance of having a government free of corruption (Biersack and Viray 2005). The Court had a problem with the new law's vague and broad definitions and felt that the people deserved clearer definitions of what the law did and did not allow, particularly in areas regarding "independent spenders" (Malbin 2003). Ultimately, the Court read a "bright line" test into FECA, interpreting it to only regulate speech that advocated a candidate's election or defeat with such express words as "vote for," or "vote against" (Malbin 2003). As will be shown later, creative campaigners were able to circumvent the Court's "express advocacy" test to skirt FEC regulation (Malbin 2003).

Besides the philosophical and operational concerns raised by citizen activists and politicians alike, calls for campaign finance reform also involved the fact that while PACs may have been following the letter of campaign finance law, some were certainly defying the overall spirit. Just as PACs had circumvented restrictions previous to FECA, loopholes in the act and amendments were being found and exploited to increase the financial impact of special interest in campaigns and elections (Wright 1996). One of the most blatant ways for PACs to evade limitations on contributions is by engaging in a process known as bundling.

By Law, PACs are allowed to contribute no more than $5,000 to any given candidate during a primary, general, or runoff election. However, some organizations bypass this restriction by making agreements with other PACs or individuals to coordinate or "bundle" together several contributions to a single candidate (Wright 1996). Bundling is a highly effective form of contributing, because it enables a group to steer more money to a candidate than it can otherwise legally contribute, and it allows both individual givers and groups to gain recognition for their contributions (Hernson 2004). EMILY's List, an organization committed to electing pro-choice Democratic women to office, has been able to raise millions of dollars in this manner since its creation in 1985 (Emilyslist.org). As a condition of membership, members must contribute $100 to EMILY's List, along with contributions of at least $100 to two or more congressional candidates on the organizations recommended candidate list (Wright 1996). Accordingly, EMILY's List is able to raise hundreds of thousands of dollars for a single candidate (Wright 1996).

Although citizens and elected officials were concerned with PAC influence during the 1980s and 1990s, no significant changes were made to FECA in terms of the overall operation of PACs. Additionally, the efforts of those pushing for campaign finance reform began to change in the mid 1990s with a rapid increase in the use of soft money in campaigns and elections. For perhaps the first time in decades, PACs were perceived as responsible political entities that gave relatively small amounts of money, within a system of full disclosure (Biersack and Viray 2005). In comparison to total receipts from new spending practices of the political parties, $5,000 donations from PACs were considered to be quaint artifacts of an antiquated regulatory system (Biersack and Viray 2005).

II. Change in Focus of Campaign Finance Reform

Before discussing both the Bipartisan Campaign Reform Act and its implications on campaign contributions to House incumbents, it is worthwhile to review the events and practices that led to the passage of new campaign finance legislation. Accordingly, this section begins by first distinguishing between two types of campaign contributions, most commonly referred to as hard and soft money. Next, I briefly examine the specific actions that led to dramatic increases in the use of soft money in political elections. Finally, I discuss the impact of BCRA on PAC behavior, in order to provide necessary background before proceeding to the empirical sections of this work.

Hard and Soft Money

When it comes to election financing, the FEC does not consider all money to be equal. Contributions that are permissible under FECA are generally referred to as "hard money" (FEC Website). Accordingly, hard money contributions exist within a system of disclosure that places limitations on the amount and source of contributions (Shaiko 2005).[5] Conversely, contributions that are unregulated by the FEC are referred to as "soft money" (Shaiko 2005). Historically, soft money included contributions to political parties for purposes other than supporting federal candidates. The important distinction between hard and soft money in terms of political parties involves how the money is ultimately spent. Contributions made directly to a party in order to support candidates for federal office fall under the guidelines of FECA and the FEC, while contributions for more ambiguous goals such as "party building" incur no regulation at all (Wayne 2005). The 1979 amendments to FECA established this subtle, yet important difference in order to allow parties to collect additional money so that they could engage in various get-out-the-vote activities (Wayne 2005). Unfortunately, this legislation had the unintended consequence of allowing some creative campaigners to spend enormous amounts of unregulated money in federal elections.

[5] An example of hard money would be a $5,000 contribution from a PAC to a congressional or presidential candidate.

Never Let a Good Loophole Go to Waste: Parties and Indirect Advocacy

The buildup to BCRA largely began after the elections of 1996, in which President Bill Clinton defeated Republican nominee, Bob Dole. When the Democrats lost control of Congress in the 1994, President Clinton's approval ratings dropped, and his reelection seemed unlikely (Wayne 2005). Accordingly, the President and his campaign team made the decision to adopt centrist policy positions, rather than promote the traditional issue agenda of the Democratic Party (Malbin 2003). This strategy of "triangulation" had Clinton use his bully pulpit to paint the Republicans as extremists, while he himself took moderate but popular positions on policy issues previously associated with the Republican Party (Wayne 2005). This strategy worked so well in early stages of use, that Clinton's political advisor Dick Morris recommended spending $2.5 million in the summer and fall of 1995 on an advertising campaign to reinforce the President's new policy goals and contrast them with the congressional Republicans' Contract with America (Wayne 2005).[6] While this plan seemed like it could ensure a reelection victory for the President, his campaign team was uncertain about how to pay for the necessary advertising until Harold Ickes, deputy chief of staff with political responsibilities, found a solution (Wayne 2005). Since the advertising campaign would be policy-oriented, it could be considered "issue advocacy" as long as ads did not explicitly advise people to vote for Clinton (Wayne 2005). Accordingly, the Democratic Party could legally pay for the campaign ads with soft money based upon the party building language in the 1979 amendments to FECA (Wayne 2005).

[6] The Contract with America was the Republican platform used in the 1994 congressional election and led to the first Republican majority in the House in 40 years.

Aftermath and the Passage of BCRA

Once the soft money loophole was discovered in FECA, the dynamic of campaign spending completely changed. In the 1996 election, Republicans quickly followed the lead of the Clinton campaign team and were able to raise more money than the Democrats in terms of issue advertising (Wayne 2005). In subsequent elections, the use of soft money skyrocketed. By 2002, the combined soft money revenue of the major parties was $742.1 million, as compared to just $86.1 million in 1992 (Wayne 2005). The explosion of unregulated campaign spending in the election process made campaign finance reform one of the more salient issues facing citizens and policy makers alike. However, unlike previous attempts at reform, this time little attention was given to the role of PACs in the election process. Soft money had all but destroyed the twenty year old system in place under FECA and therefore it had become the number one target of new campaign finance legislation (Malbin 2003). Out of this environment came the Bipartisan Campaign Reform Act of 2002, the most important piece of federal campaign finance law in decades, (Malbin 2003).

The overriding purpose of BCRA was to restore what had once been in effect under FECA (Malbin 2003). From 1996 until the enactment of BCRA for the 2004 election, soft money had dominated campaign spending and led many interest groups to engage in new activities and patterns of behavior in order to influence the political process. While BCRA directly limits interest group activity in federal elections by prohibiting the use of soft money, there are no new regulations that limit the hard money activities of PACs (Herrnson 2005).

The previous historical discussion of PACs and campaign finance reform legislation provides the necessary background in order to investigate the current behavior of PAC allocation and distribution of campaign contributions. In looking at House incumbents during the election cycles of 1998 through 2006, I offer two important additions to interest group literature. First, this time period is well enough removed from previous research involving the allocation and distribution of PAC contributions as to allow for an insightful update of whether or not trends and patterns of PAC behavior within interest group literature still apply to more recent data. Second, the enactment of BCRA beginning with the 2004 election cycle, offers an additional avenue of investigation to determine if the activities of PACs changed in response to the most major piece of campaign finance law in over three decades. Findings from the following sections provide strong evidence that in terms of the distribution patterns of contributions, PACs by and large continue to operate in the same ways that previous research indicates, by targeting contributions to representatives based upon legislator attributes including party, tenure, ideological intensity, election percentage, and committee assignments. Furthermore, these patterns of distribution remain unchanged after the enactment of BCRA. In terms of allocation levels of PAC contributions, findings suggests that in the most general sense, PAC contributions to House incumbents have steadily increased over the last thirty years. However, closer inspection of contribution levels, offers interesting insight into the recent behavior of PACs. The dynamic between different classifications of PACs has changed substantially in comparison to past research. Furthermore, overall levels of contribution to House incumbents significantly change during election cycles following BCRA. This provides evidence that while PACs are not necessarily changing where their money goes, they are adjusting the amounts of money in which they put into election campaigns.

III. Data and Descriptive Analysis

The goal of the empirics section of this work is twofold. First, in order to gain perspective on the latest trends in PAC spending, I summarize contributions made to incumbent members of the US House in recent election cycles by different classifications of PACs. With the previous sections serving as a guide, the analysis of PAC spending from 1998 to 2006 provides preliminary evidence that hard money contributions from PACs increased dramatically during the time period surrounding BCRA. Second, in order to solidify the distribution patterns of PAC contributions, I use a traditional line of research within political science and look at legislator attributes and PAC contributions in the US House over the same time span. This analysis suggests that while PAC spending is increasing, the manner in which contributions are disbursed is largely static.

To address the above mentioned topics, I use Federal Election Commission data on individual contributions made by PACs to House incumbents for the election cycles of 1998 through 2006. Although PACs make contributions to candidates seeking any number of federal offices, I choose to look specifically at the US House of Representatives.[7] This produces five separate datasets (one for each election cycle) with a total of nearly 450,000 observations. In order to make this information usable, I aggregate the contributions to each House member by the previously mentioned FEC PAC classification system. This process makes it possible to identify a total value of contributions made from Corporate, Labor, Trade, etc. to each member of the House. I delete non-incumbents because there is an extensive body of literature identifying PACs as by and large contributing disproportionately to incumbents in comparison to

[7] A excellent summation of political science research investigating PAC behavior in the US House during the 1980s to early 1990s can be found in Smith 1995.

challengers (Ainsworth 2002; Endersby and Munger 1992; Gopoian 1984; Herndon 1982; Poole et al. 1987; Wright 1996). Finally, following Grier and Munger (1991), I drop members holding the House leadership positions identified by the US House of Representatives Office of the Clerk because these members differ greatly from other House members.[8] These substantive modifications to the original data result in a separate dataset for each of the five election cycles with a range of 386 to 393 observations. Before presenting hypotheses and performing regression analysis on this data, a thorough examination of this data using simple summary statistics offers a wealth of information regarding recent allocation patterns of PACs in comparison to both previous research and in election cycles immediately surrounding the passage of BCRA.

Preliminary Evidence Regarding PAC behavior

Table 1 provides contribution totals for every PAC classification that the FEC recognizes. This allows for comparisons to be made within the same class over time, and between different designations as well. In almost all cases, there is an increase in contributions made from the previous election cycle, with the only exceptions being a slight drop in labor union contributions from 2004 to 2006, and a modest decrease in contributions from corporations without stock from 2000 to 2002 to 2004. Furthermore, the total dollar amount for all PAC contributions increases significantly with each passing election cycle. The smallest increase in PAC spending occurs from 2000 to 2002 when total spending grew from $150,259,556 to $160,740,001 (increase of 7%). The most dramatic change in total PAC spending occurs between 2004 and 2006 when there was a raise in contributions from $187,063,862 to $230,332,454 (increase of 23%).

[8] Besides having additional influence in general, leadership members often do not have committee assignments. The leadership positions in the House include Speaker, Majority and Minority Leader, Democratic and Republican Whip, and Caucus and Conference Chairs (US House Office of the Clerk).

TABLE 1

Growth in Political Action Committee Contributions to House Incumbents for each Election Cycle 1998-2006 by Federal Election Commission Classification

	1998	2000	2002	2004	2006
Corporate	$ 44,054,475	$ 54,511,497	$ 59,674,431	$ 72,549,876	$ 89,918,212
Unions	26,204,824	30,136,674	31,311,434	32,907,314	*32,519,871*
Trade Associations	38,151,523	45,793,983	47,055,737	55,425,073	70,284,021
Cooperatives	1,716,222	1,783,509	1,792,417	2,085,146	2,553,274
Corporations without Stock	2,376,869	2,983,622	*2,514,132*	*2,506,112*	3,058,975
Nonconnected	11,446,559	15,050,271	18,391,850	21,590,341	31,998,101
Total	$123,950,472	$150,259,556	$160,740,001	$187,063,862	$230,332,454
% Increase	------	21%	7%	16%	23%

Italicized entries indicate a decrease from previous election.

While the changes in contributions from 1998 to 2006 are dramatic in their own right, it is beneficial to make some general comparisons with these findings and previous research in political science involving PAC contributions to US House incumbents. Table 2 combines figures in Table 1 with figures from Grier and Munger (1991) and offers a more general view of how contributions from individual classifications of PACs have increased over several decades.[9] As can be seen, contribution levels from organized interests have changed at an almost shocking rate in the span of only 20 years.[10] A comparison between 1978 and 1998 shows a change of $110,089,008 or a 794% increase in contributions to House incumbents. Additionally, total PAC contributions increased by 86% from 1998 to 2006. Nonconnected groups, corporations, and trade associations had the largest percent changes in PAC contributions with increases of 180%, 104%, and 84% respectively.

Although the overall change in dollar amount of PAC contributions is of substantive interest, it is also valuable to notice the relative changes between classifications, in terms of amount of overall spending. In 1978, the largest amounts of PAC contributions to House incumbents came from trade associations, unions, and corporations, respectively. In 1998 corporations gave the most money to candidates, followed by trade associations, and then unions. However, it is not just the ordering of these classifications in terms of contribution levels that is of interest, the amount given from each group in relationship to other groups suggests some substantial changes in PAC financing of House campaigns.

[9] Grier and Munger (1991) only incorporate contributions from corporate, union, trade, and cooperative sources. The decision to focus on these four classifications was made based on the fact that at the time of the study, the authors found the magnitude of contribution levels from other designations to be routinely and significantly lower than levels from the included groups.
[10] Grier and Munger (1991) has an *n* of 410 observations for incumbent House members. The *n* in this analysis ranges from 386 to 393 among different House sessions. Accordingly, comparisons made over time should be considered as estimates. Grier and Munger offer this same caveat in their own study.

TABLE 2

Growth in Political Action Committee Contributions to House Incumbents 1978-1984, 1998-2006

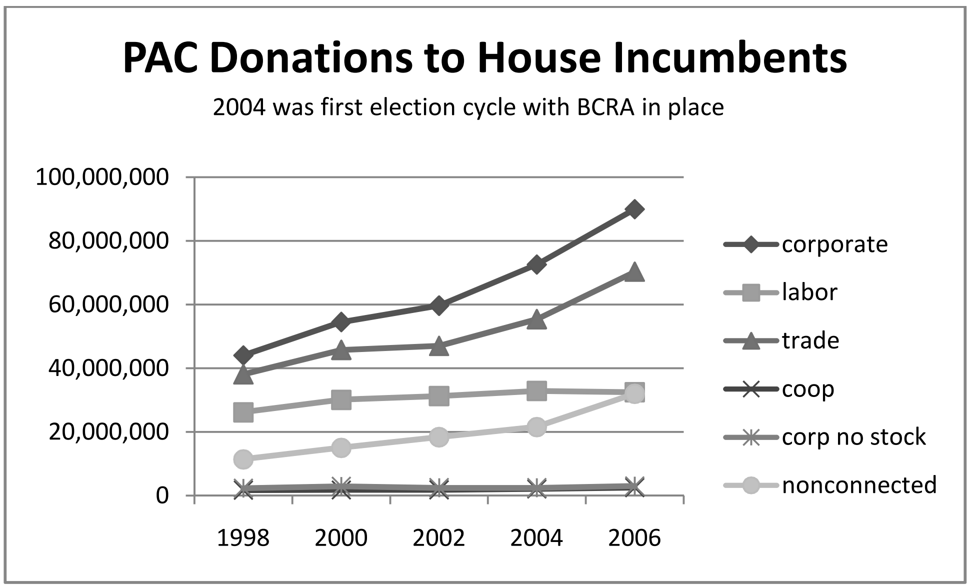
	1978	*1984*	%Δ 78-84	1998	%Δ 84-98	2006	%Δ 98-06
Corporate	*$ 3,672,756*	*$11,198,880*	*205%*	$ 44,054,475	293%	$ 89,918,212	104%
Unions	*4,470,696*	*8,726,400*	*95%*	26,204,824	200%	32,519,871	24%
Trade Associations	*5,178,984*	*9,916,584*	*91%*	38,151,523	285%	70,284,021	84%
Cooperatives	*539,028*	*1,085,992*	*101%*	1,716,222	58%	2,553,274	49%
Corporations without Stock				2,376,869		3,058,975	29%
Nonconnected				11,446,559		31,998,101	180%
Total	*$13,861,464*	*$30,927,856*	*123%*	$123,950,472	301%	$230,332,454	86%

Italics represent figures from Grier and Munger (1991)

In 1978, corporations, unions, and trade associations were contributing similar amounts of money to House incumbents (corporations gave the least of the three with $3,672,756 and trade associations the most with $5,178, 984). However by 2006, both corporations and trade associations were giving more than double the amount of contributions made by labor unions. Additionally, nonconnected groups gave almost as much as unions gave, which is staggering considering this classification of PACs was not even included in many past works of political science investigating campaign contributions. In fact, Table 1 and 2 capture a substantial change in interest group campaign contributions involving modest increases in spending by unions and 180% increases in spending by nonconnected groups.

Returning focus to the time period of 1998 to 2006, Figure 1 presents the same data in Table 1, only in graphical form.[11]

FIGURE 1



When looking at Figure 1, it is beneficial to remember that while BCRA passed in 2002, the ban on soft money was not in place until the 2004 election cycle. As can be seen, the trend lines of contributions from all six classifications of PACs are fairly flat, or modestly increasing during the election cycles between 1998 and 2002. However, beginning in 2004, the trend lines

[11] As a frame of reference for the large amounts of money being discussed in this section, The Appendix includes a table of descriptive statistics for aggregate individual member receipts (TABLE A) as well as a table including the receipts of six specific House members that were present during all five House sessions of this study (TABLE B).

for corporate, trade, and nonconnected PACs rise dramatically. In 2002, corporate contributions to House incumbents were 9% higher than in the 2000 election cycle. In 2004, corporate contributions increased by 22% and then by an additional 24% in 2006. Trade PACs had similar changes in allocation levels with a 3% increase in 2002, and then 18% and 27% increases in 2004 and 2006, respectively. Finally, levels of nonconnected PAC contributions to House incumbents rose by 22% in 2002, 17% in 2004, and then an additional 48% in 2006.[12]

Implications of Bipartisan Campaign Reform Act

The previous discussion of how contribution levels have changed from 1998 to 2006 may offer some preliminary evidence of the effects of the Bipartisan Campaign Reform Act (BRCA) of 2002. The sizeable increase in nonconnected contributions to House incumbents between 2002 and 2006 supports the prediction made by issue-oriented group leaders that the ban on soft money would ultimately benefit their own organizations because contributions previously going to parties would be redirected to nonconnected ideological groups (Boatright et al. 2003). The logic behind this thinking is that when the usage of soft money became widespread during the 1996 election, some contributors became frustrated with spending priorities of party campaign committees and donors felt that they were subject to party “shakedowns” for additional soft money (Dwyre and Kolodny 2003). Accordingly, many contributors that once gave soft money to parties to address a wide variety of interests and concerns now give hard money to more specific ideological groups post BCRA.

Turning to trade associations, unions, and corporations, the results in Table and Figure 1 become clearer when addressed within the context of BCRA. First, from 2002 to 2004 (BCRA

[12] Although not visible in Figure 1, cooperative PACs had less than a 1% increase in contribution levels in 2002. After BCRA, cooperative contribution levels had an increase of 16% in 2004, followed by an additional 22% rise in 2006.

was enacted between these election cycles) corporate and trade contributions to House incumbents experienced substantial growth, while labor contributions were almost stagnant. These results offer support for the theory of organizational learning or the assumption that business interests do not stop on Election Day, rather they are continually working to combat opponents and improve their standing in the political system (Boatright et al. 2003). Furthermore, for business groups to survive, they must develop new tactics and strategies within each given election cycle (Kollman 1998). Accordingly, the Business-Industry Political Action Committee (BIPAC) began instructing members of a variety of corporate and trade PACs to start working in advance to alter contribution methods to account for restrictions on soft money following the enactment of BCRA (Boatright et al. 2003). One BIPAC initiative in 2002 focused on granting advice to corporate leaders about how to solicit employees for PAC contributions in order to facilitate the switch from soft money to hard money (Tennille 2002; Weisman 2002).

While the actions of BIPAC and other business interests offer some explanation for why corporate and trade PACs did not falter post BCRA, the measures taken by labor unions offer potential explanation for why contributions to House incumbents were largely unchanged surrounding campaign finance reform.[13] In 2002, 75% of all soft money contributions to parties came from business sectors, while labor unions only accounted for 8% of the total $349,966,791 (Boatright et al. 2003). Unlike corporate and trade PACs, unions never relied on large amounts of soft money when engaging in the political process, so it was unnecessary for labor unions to thoroughly restructure their giving practices to adjust to bans on soft money resulting from

[13] Certainly one factor of note that could help explain the comparatively low levels of labor contributions to House incumbents is the fact that the House was under Republican control for all elections from 1998 to 2006. Unions have always strongly favored the Democratic Party. In 2002, 98% of all labor union contributions went to Democrats (Boatright et al. 2003).

BCRA.[14] Unions have less institutional capacity to raise hard money than corporate and trade organizations, which may offer partial explanation for the consistently lower levels of labor contributions evident in Figure and Table 1 (Boatright et al. 2003). From 2004 to 2006, unions are the only classification of PACs that not only did not increase contribution levels, but actually saw a slight decline in amount of money given to House incumbents. This seems to suggest that unions conducted business as usual in terms of political contributions and most likely shifted banned soft money to traditional areas of involvement such as membership communication and mobilization, rather than raise more hard money for contributions to candidates (Boatright et al. 2003).

The information provided in this section illustrates how PACs have increased their levels of contributions to US House members over several decades. Additionally, the relative contribution levels of corporate, union, and trade organizations in Figure and Table 1 present evidence of how allocation patterns for each classification of interest group responded to new restrictions emanating from BCRA.

IV. Legislator Attributes and PAC Contributions

The evidence from the previous section supports the premise of this work that while allocation levels of PAC contributions to House incumbents are steadily increasing, noticeable changes in allocation patterns resulting from the enactment of BCRA are also occurring among different classifications of PACs. Accordingly, it is now appropriate to utilize more advanced estimation techniques in order to address my argument that while PACs have put more money

[14] While several labor unions such as AFSCME, SEIU, the Carpenters and Joiners Union, and the Communications Workers of America, contributed millions of dollars in soft money, the aggregate amount of soft money coming from unions was consistently lower than corporations (Shaiko 2003). Furthermore, the extent of corporate and trade dominance in soft money is exemplified by the fact that between 1992 and 2002, corporations and trade associations gave more soft money to Democrat candidates than labor unions did (Biersack and Viray 2005).

into the political process through campaign contributions, the patterns of distribution are largely the same in recent election cycles both before and after BCRA became law. In order to make this connection, I rely on a traditional political science research that investigates the relationship between legislator attributes and PAC contributions. However, before proceeding to a discussion of my empirical model, it is beneficial to present some of the major findings in this area of study and identify the specific measures I use to test hypotheses presented below.

There is a wide variety of scholarship investigating the impact of legislator attributes on PAC contributions (e.g., Endersby and Munger 1992; Gopoian 1984; Grier and Munger 1986; Poole and Romer 1985; Poole, Romer, and Rosenthal 1987). These works recognize certain characteristics of legislators that attract disproportionate levels of PAC contributions including years in office, previous election voting percentage, ideology, and committee assignments. While results concerning interest group behavior have often varied in terms of findings, these particular attributes have an extensive and fairly consistent body of work.[15]

Tenure in Office

The amount of time a member serves in the House may serve as a proxy for legislative assets, such as procedural expertise and collegial respect (Endersby and Munger 1992). Furthermore, contributions are likely to be directed at members with influence and legislative status (Langbein 1986). While there is scholarly debate in most areas of PAC research, there is little dispute within the field concerning long standing members of the House receiving more PAC contributions. This leads to my first hypothesis

[15] One example of research that has produced conflicting findings is in the area is the relationship between PAC contributions and legislative voting (e.g., Grenzke 1989; Hall and Wayman 1990; Wright 1985, 1990).

Hypothesis 1: House incumbents who have served in the House longer should receive higher amounts of PAC contributions.

In order to assess how tenure affects the distribution of contributions, I use seniority lists from the US House of Representatives. I simplify the units in these measures from number of two year terms, to number of years in office.

Previous Election Vote

Previous studies have found that campaign contributions are allocated towards electorally insecure members of the House (Endersby and Munger 1992; Poole and Romer 1985; Wright 1985). PACs can ill-afford to invest in losing candidates because these investments provide neither legislative influence nor access (Wright 1996). Accordingly, a PAC is likely to contribute more money, *ceteris paribus,* in races that are expected to be close because at the margin, a dollar of spending is more productive in a close race than in one that is not competitive (Poole et al. 1987). This leads to my second hypothesis

Hypothesis 2: Using the previous election cycle as a gauge, candidates who won their campaign with a smaller percentage of the total vote, should receive higher amounts of PAC contributions then candidates who won more handedly.

To determine whether or not the popularity of a representative or the security of his/her seat plays a role in the amount of PAC contributions I use the percent vote a representative received in the previous election cycle for the US House of Representatives.[16]

[16] Margin of victory is probably the preferred measure to use in this case, but the way in which the data is structured in PAC contribution files from the FEC makes it hard to obtain these values, whereas percent vote is included for each observation.

Ideological Strength

Poole and Romer (1985) theorizes that PACs evaluate Congressional candidates by considering their positions or likely positions in terms of a spatial model. Accordingly, PACs are more likely to make contributions to candidates with a location closer to their own ideal point in the evaluative space, rather than those far away. Second, Poole and Romer do not create their evaluative space using a single rating of roll-call votes from one particular group, such as Americans for Democratic Action (ADA score). Instead, they use a large number of interest group ratings to shape a dimension close to the familiar "liberal-conservative" spectrum. Ultimately, Poole and Romer identify the spatial location of candidates as an important factor in determining campaign contributions from specific PACs.

While Poole and Romer (1985) identify patterns in contributions that match ideological similarity between representatives in the House and individual PACs, they do not gauge the strength of ideology among members of the House. I argue that the strength of a legislator's ideology is a key determinant of PAC contributions because it signals the likelihood of their behavior being subject to influence. Poole and Romer note that since PACs are typically constrained by their own resources and legal limitations on contributions, they have to choose among a group of "acceptable" recipients to maximize the impact of their money. In terms of this relationship, a House member's ideological strength should be significant in determining PAC contributions for two reasons: similarity and influence. Regarding similarity, the further a legislator is from the center of the ideological spectrum, the less likely it is that a large number of PACs will share similar preferences concerning policy goals. In terms of influence, it will be much harder for a PAC to ultimately affect the decision making of a legislator at the far ends of the ideological spectrum than one with location closer to the center. The ideology of a

Congressional member is generally seen as a stable long term predisposition reflecting both the policy preferences of the individual and his or her constituency (Fleisher 1993). Furthermore, the stronger the long term predisposition is of a representative, the less likely counter forces will affect his or her decision making process. Since PACs are ultimately seeking influence in legislation, it is unlikely that they will direct spending towards members with strong ideologies. This leads to my third hypothesis

> *Hypothesis 3: House members with strong ideological scores should receive lower amounts of contributions from PACs than members located closer to the center of the ideological spectrum.*

To determine if strength of ideology affects the distribution of PAC money, I use D-NOMINATE scores developed by Poole and Rosenthal (1997). Since I am only looking at incumbents and PAC contributions, I use the D-NOMINATE scores for the 105th through 109th Houses as a measure of the ideology for representatives running for reelection from 1998-2006.[17] While there are alternative measures available for ideology of representatives, D-NOMINATE scores are appropriate in this research because they capture ideology across a wide array of issues which is important considering my aggregate measures of PAC contributions by FEC classification.

To transform Poole and Rosenthal's ideology rating into a measure of ideological strength, I simply take the absolute value of the D-NOMINATE score to create a scale in which liberals and conservatives differ only in terms of intensity, and not political viewpoint. However, because the majority in Congress is subject to change each election cycle, a measure of party ID is valuable in any research looking at PAC contributions. Accordingly, I create a binary variable coded "0" for Republicans and "1" for Democrats.

[17] I use D-NOMINATE score for the House previous to the election cycle.

The previous variables have been rather strait forward in terms of why they affect the distribution of PAC contributions. Conversely, committee assignments require a more elaborate discussion in order to establish their relevance in this essay. In a study aiming to predict campaign contributions to incumbent House members, Grier and Munger (1991) find that interest groups make significantly larger contributions to legislators on committees with jurisdiction over policy areas relevant to the group. For the purpose of this discussion, it is valuable to unpack several of the theoretical components present in this research. First, it cannot be assumed that there is an association between committee members and PACs. Accordingly, it is necessary to identify the institutional aspects of the House that contribute to relationships between interest groups and representatives serving on specific committees. Second, to understand why PACs distribute disproportionate amounts of contributions to members with relevant committee assignments, it is important to explicitly outline what PACs have to gain from engaging in this process.

Overall Importance of Committees

Committees in the House of Representatives possess disproportionate power over the policy areas in their respective jurisdictions, have the right to hold hearings, and recommend the budget allocations for the bureaus in their jurisdiction (Grier and Munger 1991). Additionally, committee members provide two integral services to the functioning of the House: agenda setting and gate keeping. Regarding agenda setting, committee members are able to largely control both the makeup of legislation and timing of when it reaches the floor for debate (Deering and Smith 1997). In terms of gate keeping, committee members are in a position of power in that legislation within a committee can be prevented from ever being considered by the rest of the House (Grier and Munger 1991). Furthermore, due to strict rules in the House concerning germaneness, it is difficult to raise issues in floor amendments that are not directly related to provisions coming out of committee (Deering and Smith 1997).

PAC Contributions and Committee Members

Kroszner and Stratmann (1998) synthesize an array of congressional literature (Polsby 1968; Cooper 1970; and Shepsle 1978) and solidify three distinctive features of the modern committee system of the House that address how institutional features encourage affiliation between committee members and interest groups. First, the existence of standing committees promotes a relationship between PACs and committee members by facilitating repeated interactions that ultimately build reputations that are much more credible than they would be in a system without committees. Second, the combination of low turnover rates on committees and high percentage of incumbents winning reelection campaigns suggests that relationships between interest groups and members of the House are not only credible, but remarkably stable as well. Third, since legislators are constrained in the number of committee assignments they can hold, they are prevented from joining committees for short term gain in policy areas that may be of significant national or local importance. Therefore, members on standing committees do not have to generally fear competition from members outside of the committee and this only enhances the strength of the relationship between specific members of committees and interest group actors.

Turning to why PACs target specific committees, Romer and Snyder (1994) offer three explanations for why House committee members with relevant policy jurisdiction receive higher levels of PAC contributions from specific types of interest groups. First, while there have been a number of studies investigating PAC contributions and voting on the House floor (Fleisher 1993;

Grenzke 1989a; Kau and Rubin 1982; Wright 1985), many scholars contend that interest groups have more influence in earlier stages of congressional decision making than in later stages such as the actual voting process. Accordingly, most interest groups may experience greater success in terms of both placing items on the overall agenda of the House and additionally shaping legislative details within the setting of committee work. Second, with the jurisdictional division of labor present in the congressional system, it can be inferred that the interests of specific groups may only be relevant to a select number of committees. Third, assuming that PACs are rational actors, it is appropriate to expect that they would concentrate contributions to members of specific committees in order to maximize a cost benefit structure (Romer and Snyder 1994).

While Romer and Snyder (1994) clearly identify the underlying assumptions of why PAC contributions should depend on committee membership, the actual empirical evidence supporting this relationship is mixed. Some research has shown that PACs give disproportionately to members who sit on committees with relevant jurisdiction (Endersby and Munger 1992; Grier and Munger 1986, 1991) while other works (Gopoian 1984; Grenzke 1989b; Wright 1985) find mixed results. Accordingly, the next section of this paper relies on previous research involving committee assignments and PAC contributions in order to develop theoretically sound hypotheses.

Committees of Interest and PAC Designation

For each Congress, standing committees and their jurisdictions are outlined in the Rules of the House of Representatives. During the period of analysis for this study, the overall number of standing committees was generally set at nineteen. The only significant change came with the creation of the twentieth committee of Homeland Security beginning with the 109th House.[18]

Since single PACs do not focus on all members of every committee, it is important to identify particular committees that may be of greater interest to different classifications of PACs. Unfortunately, determining how "relevant" a certain committee is to a PAC is not necessarily an easy endeavor. Accordingly, it is best to rely upon previous empirical and theoretical work within interest group literature to help identify which committees are appropriate to include in an analysis of PAC contributions to members of the US House.

Grier and Munger (1991) offer theoretical justification for committees of particular importance to four specific types of PACs: corporations, trade associations, cooperatives, and labor unions. First, the authors characterize corporations as seeking legislators who "charge a low price for serving business" and do so per the encouragement of their constituent bases. Accordingly, the most important committees with jurisdiction over areas of interest to corporations are predicted to be Commerce, Banking and Financial Services, and Ways and Means. The results of estimation confirm that membership in all of these committees positively impacts contributions from corporations, except for the Banking Committee. In addition, the study finds that membership in the Transportation Committee also positively impacts contributions from corporations. The authors note that while they did not predict the Transportation Committee to have a positive effect on contributions, a "careful reading of the formal jurisdiction in the Rules of the House of Representatives could justify its inclusion as one of the predicted positive committees" (Grier and Munger 1991).

[18] Since this committee is not present in a majority of the election cycles I do not include it in any of the models. However, one finding of note concerning this committee is available in TABLE B in the Appendix. Representative Peter King R-NY had an increase in PAC contributions from $202,226 to $668,999 during the election cycle following his selection as chair of this new committee.

The authors recognize trade associations as political action committees associated with unconcentrated industries (Munger 1988). Accordingly, Grier and Munger predict that trade associations will seek the same committees as corporations. However, since the agricultural and food processing industries maintain a large number of trade associations, the authors predict that the Agriculture Committee will have a positive effect on contributions from these organizations. Estimation from the study confirms that the Agriculture, Banking and Financial Services, Commerce, and Ways and Means Committees all have a positive and significant impact on contributions made from trade associations to committee members. Once again, the study finds that membership in the Transportation Committee also positively impacts contributions from trade associations.

Concerning cooperatives, the authors recognize that these groups largely affiliate with business interests, with a strong representation within the dairy industry in particular. The results from empirical testing provide evidence that Agriculture and Ways and Means Committees have a positive and significant impact on contributions from cooperatives.

While predictions from the authors are mostly the same regarding corporations, trade associations, and cooperatives, the expectations for labor unions are quite different. Grier and Munger classify unions as generally being "adversaries of business concerns" and predict the Education and the Workforce Committee to be of utmost importance to labor interests (Grier and Munger 1991). This expectation is confirmed through estimation with the Education and Workforce Committee exhibiting a positive significant impact on contributions. Additionally, the Transportation Committee has a positive significant impact on contributions to members.

In terms of the classifications of nonconnected and corporations without stock, Grier and Munger offer no predictions or analysis regarding the relationship between these groups and campaign contributions. However, other interest group literature offers enough background information to incorporate these types of PACs into the framework of this current study.

Wright (1996) offers descriptions of groups falling under the FEC classification of nonconnected and corporations without stock. Regarding nonconnected groups, Wright gives the examples of the National Right to Life Committee and the Fund for a Democratic Majority to highlight that nonconnected groups are largely organized for ideological rather than business interests and concerns. Additionally, examples of groups topping the most recent list of nonconnected PAC contributions to House members include MOVEON.org, Every Republican is Crucial or ERICPAC, and Our Common Values PAC (FEC website). Since nonconnected groups cast such a wide net in terms of possible areas of interest, it once again becomes difficult to determine which committees will theoretically be the most important to these organizations. Accordingly, to incorporate these classifications into the current study, it is necessary to make predictions for which committees will attract contributions from nonconnected groups based on the jurisdiction of committees that is outlined and described in the Rules of the House of Representatives. Although this method is commonly found in early interest group literature (Gopoian 1984; Munger 1989), it is important to note Munger (1989) that the process of determining committee relevance to interest groups through matching organization descriptions and jurisdiction from the Rules of the House of Representatives "must necessarily contain some subjective judgment." Using this method I predict that nonconnected PACs will distribute more contributions to House members serving on the Banking and Financial Services and Commerce Committees. This consideration is based upon the fact that the jurisdiction of both of these committees is broad in scope in comparison to many of the other standing committees. The Banking and Financial Service Committee includes areas such as insurance, housing, urban development, and financial aid to industry. The Commerce Committee includes areas such as consumer affairs and protection, health, interstate and foreign commerce, communications, and energy conservation.

Regarding PACs with the designation of corporations without stock, the homogenous nature of this group makes it much easier to predict committees with relevant jurisdiction over matters of concern and interest to this classification of groups overall. Examples of groups topping the most recent list of corporations without stock PAC contributions to House members include New York Life Insurance Company and the Chicago Mercantile Exchange Inc (FEC website). Accordingly, I predict that PACs with the designation of corporations without stock will distribute more contributions to House members serving on the Banking and Financial Services and Commerce Committees.

The previous discussion of committee relevance to different classifications of PACs provides the necessary theoretical background to test whether or not committee membership affects the distribution of PAC contributions. This leads to my fourth hypothesis

Hypothesis 4: House members serving on the aforementioned committees will receive higher levels of contributions from corresponding PAC classifications.

In addition to the committee selection for PAC classifications outlined above, I choose to incorporate the committees of Appropriations, Rules, and Ways and Means into each model. While Grier and Munger (1991) find Ways and Means to be positive and significant for three of the four PAC classifications that they analyze (the exception being labor unions), a wide variety of political science research investigating behavior in Congress suggests the heightened importance of these three particular committees in the legislation process. Therefore, a brief description of these committees is advantageous to support their inclusion in all of the models involving PAC contributions to incumbent members of the House.

Prestige Committees

Fenno (1973) collected interviews from House members in the 1950s and 1960s and established the desires of representatives to serve on certain committees that would help them reach the goals of reelection, good public policy creation, and influence within the chamber. Certainly, all three of these objectives can be served by a member being selected to one of the "prestige" committees of Appropriations, Rules, or Ways and Means. These committees ultimately impact every member of the House and have been designated "exclusive" by both parties so that members of these select committees do not serve on any other standing committee (Deering and Smith 1997).

Appropriations Committee

Appropriations Committee member Norman Dicks (D-WA 6) once said about his committee, "It's where the money is. And money is where the clout is" (Granat 1983). Rule X(1)(b)1 of the Rules of the House of Representatives designates jurisdiction to the Appropriations Committee in matters concerning "the revenue for the support of the Government." The sheer volume of legislation that this function could play a role in makes it clear as to why interests groups might target contributions to this committee's members when seeking influence at either district or national levels.

Rules Committee

Due to the large size of the House of Representatives, it is necessary to structure floor proceedings in the form of special orders or rules (Deering and Smith 1997). Accordingly, rules are required to bring almost all important legislation to the floor and members serving on the Rules Committee are in a position to either block or expedite legislation important to a wide range of actors in the political process, including interest groups. Furthermore, the power of the Rules committee over legislation is seen in its ability to place limits on both floor debate and the amendment process (Deering and Smith 1997).

Ways and Means Committee

With a nationally salient jurisdiction including taxation, trade, Social Security, health insurance, public assistance, and unemployment compensation, the House Ways and Means Committee has long been considered one of the most influential committees in Congress (Deering and Smith 1997). While House reforms have decreased the power and prestige of Ways and Means since the 1960s and 1970s, when there were no subcommittee appointments, closed rules on the floor concerning tax legislation, and strict norms of seniority, today's committee is still of great importance. Wright (1990) comments that any organization concerned about taxes, which surely includes almost all groups at one time or another, will come in contact with the Ways and Means Committee. Furthermore, Manley (1970) notes that few committees attract the attention of organized groups like Ways and Means.

The previous discussion leads to my fifth and final hypothesis

Hypothesis 5: Members serving on the Appropriations, Rules, and Ways and Means committees will receive a higher amount of contributions from all PACs.

To assess the impact of committee membership on contributions from different classifications of PACs, I create a series of binary variables coded "1" for being a member of a specific committee and "0" otherwise. Member committee assignments are available from the Office of the Clerk of the US House of Representatives.[19]

V. Models

I test the above hypotheses by regressing total contributions from each PAC classification in each election cycle on the independent variables from the previous discussion. Accordingly, there are six dependent variables for each of the five election cycles in this study. These are the total PAC contributions received by each incumbent legislator, for each election cycle, from each PAC classification: Corporate, Labor, Trade Association, Cooperative, Corporation without stock, and Nonconnected, Since the dependent variables are measured in dollars, I divide all values by 1000 in order to make the estimates from regression more easily interpretable.

The observations are necessarily truncated at zero. This occurs because there are a number of House incumbents that receive no contributions from different classifications of PACs during an election cycle. This mass point at zero in the distribution of PAC contributions biases ordinary least squares (OLS) estimates. Accordingly, the appropriate technique for estimation is

[19] Available at (http://clerk.house.gov/art_history/house_history/index.html). Committee assignments for the Congress previous to the election cycle are used in this analysis.

TOBIT.[20] This method estimates a non-linear, maximum-likelihood probability model and generates unbiased regression coefficients that can be used to predict levels of contributions (Grier and Munger 1991).

Accordingly, the equation I estimate is

$$PACcontribution_{ij} = B_{0i} + B_{1i}*Party_j + B_{2i}*Tenure_j + B_{3i}*Previousvote_j + B_{4i}*Ideologystrength_j + \sum_k (B_{ki}*Committee_{kj}) + e_{ij}.$$

The dependent Variable $PACcontributions_{ij}$ is the sum of interest group classification *i*'s contributions to House member *j*, given *j*'s attributes and committee assignments *k*.

VI. Findings and Discussion

Table 3 contains the results for corporate PAC contributions to House incumbents from 1998 to 2006.[21] In terms of the non-committee variables, hypotheses regarding tenure and strength of ideology are confirmed. In all five election cycles, both variables are statistically significant and have coefficients with the predicted signs. Results for years in office are modest in strength, yet since many members of the House have served for decades, the cumulative effect of a lifelong career in the House can be substantively compelling. Ideological strength has a negative and significant coefficient that has a meaningful impact on contribution levels, especially in the elections during the 2000s. These findings offer support for the previous theoretical discussion regarding ideology and suggest that corporate interests target their contributions towards more moderate representatives.

[20] For a detailed discussion of the problems of truncated data and the properties of TOBIT estimation see Long (1997).
[21] TABLE C in the Appendix offers the number of truncated observations for each regression in this work.

TABLE 3

TOBIT Estimates for Corporate PACs

	1998	2000	2002	2004	2006
Intercept	213.32***	228.15***	288.49***	306.11***	289.59***
	(22.38)	(30.27)	(29.70)	(35.03)	(45.10)
Democrat	-49.65***	-65.01***	-81.34***	-116.57***	-145.82***
	(7.62)	(9.77)	(12.19)	(11.66)	(15.60)
Years in Office	2.63***	2.07**	2.65*	2.56**	2.42*
	(0.75)	(0.78)	(1.26)	(0.90)	(0.97)
Previous Vote	-1.77***	-0.74*	-1.36***	-1.13**	0.51
	(0.31)	(0.32)	(0.40)	(0.41)	(0.51)
Ideology Strength	-63.74**	-144.52***	-185.46***	-160.87***	-261.10***
	(24.99)	(31.56)	(33.84)	(36.70)	(40.35)
Committee Variables					
Appropriations	26.60*	25.22	41.46**	40.96**	43.61*
	(11.96)	(13.79)	(14.51)	(15.01)	(22.01)
Rules	51.19*	34.44	41.82	68.58	12.58
	(25.00)	(31.32)	(26.66)	(55.88)	(41.32)
Ways and Means	77.52***	93.45***	107.98***	130.45***	186.01***
	(16.40)	(19.22)	(20.43)	(25.16)	(38.11)
Banking	33.96***	15.17	29.45	58.30***	74.95***
	(10.31)	(12.09)	(14.98)	(15.76)	(19.64)
Commerce	94.58***	91.58***	116.79***	79.86***	118.92***
	(15.55)	(16.93)	(23.23)	(18.96)	(23.70)
Transportation	22.78*	0.22	25.39	27.66	1.19
	(9.34)	(12.47)	(14.51)	(14.47)	(16.92)
N	389	390	386	393	393
Model $X^2(10)$	166.92***	129.78***	149.84***	162.64***	156.54***
Log-likelihood	-2173.62	-2295.92	-2318.55	-2385.58	-2479.89

Robust standard errors in parenthesis.
*p≤0.05, **p≤0.01, ***p≤0.001.

Additionally, the party variable is negative and significant for all election cycles. This result is interesting in terms of PAC behavior for several reasons. First, in all of the election cycles in this analysis, Republicans were the majority party in the House, which is the exact opposite of the 1980s and early 1990s when most previous work investigating PAC contributions and legislator attributes was being conducted. Accordingly, the finding in this analysis of Democrats receiving less corporate PAC money than Republicans shows how once Democrats lost majority status in the House, they also lost traditionally higher levels of PAC contributions (Wright 1996). Furthermore, the results for party in Table 3 support a wide body of theory that classifies PACs with business interests as being access oriented in terms goals they seek through campaign contributions (e.g. Handler and Mulkern 1992; Sorauf 1992). Since the majority party in Congress will typically have more power in terms of legislation, it is not surprising that PACs with business interests contribute more to the party in power, rather than a party in particular.

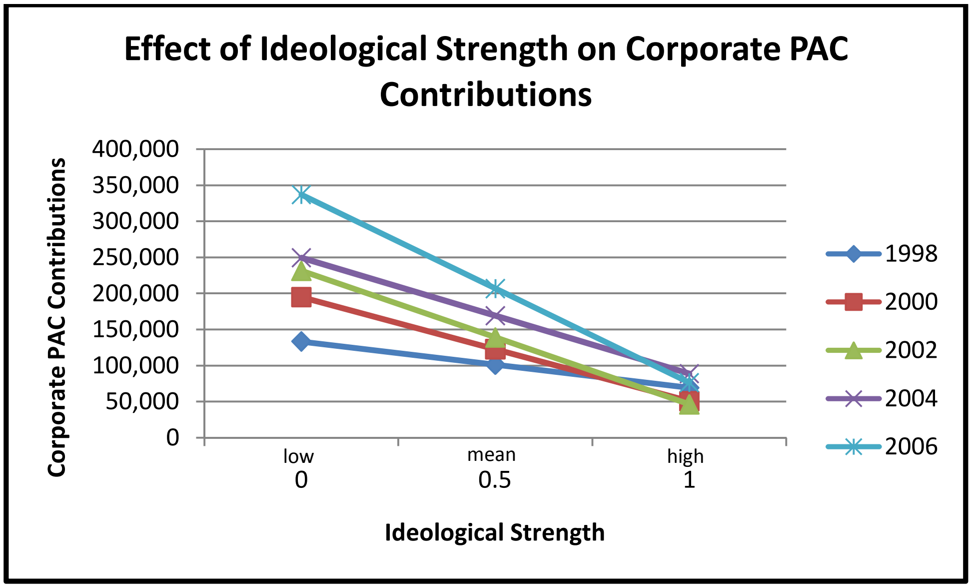
Turning to the committee variables, membership on Ways and Means and Commerce Committees has a positive and significant impact on contributions for all five election cycles. However, none of the other predicted committees of interest meet this threshold. The Transportation Committee is only positive and significant for the 1998 election cycle. This would seem to indicate that the positive and significant finding of the Transportation Committee in Grier and Munger (1991) was context dependent and explains why the authors did not put forth theoretical justification for this relationship. Hypotheses regarding Appropriations, Rules, and Banking are also unconfirmed by estimation results. Banking is significant in three of the five election cycles, which certainly puts forth more evidence concerning a relationship between corporate PAC contributions and Banking Committee membership than the insignificant findings in Grier and Munger (1991). The Appropriations Committee is also positive and significant in four of five elections, suggesting at least some level of heightened interest in committee members by corporate PACs. The Rules Committee is only positive and significant in one election, suggesting that corporate PACs do not target this particular committee with increased levels of contributions.

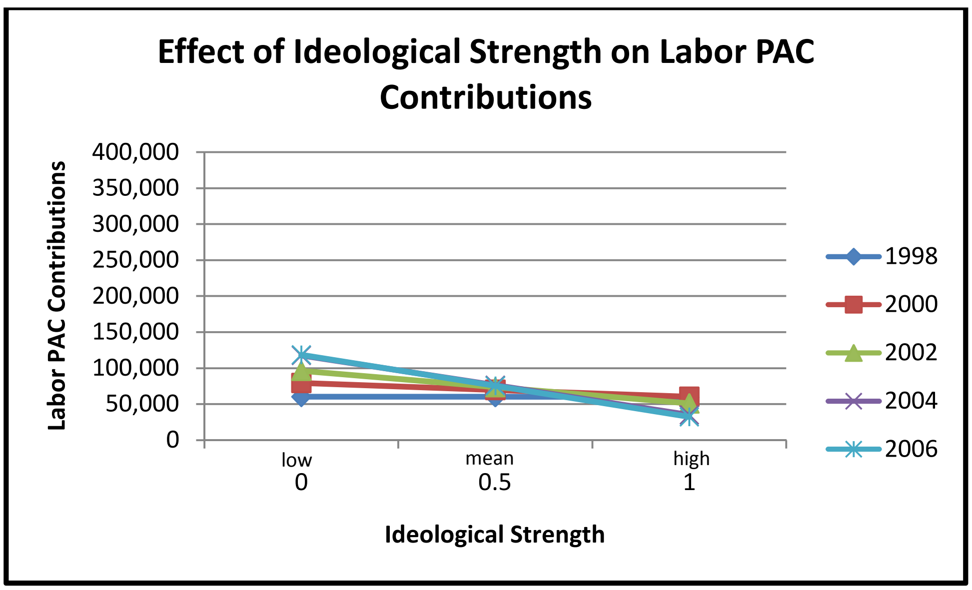
Results for labor PACs are given in Table 4. For all five election cycles, variables for party and previous election vote are significant. In terms of party, the sizeable positive coefficients support literature that union PACs give disproportionate levels of contributions to Democrats (Dark 1999). These results endure across time and seem to not be dependent on whether the Democrats are the majority or minority party in the US House. Whereas corporate PACs are interested in gaining access, labor PACs are generally classified as being more interested in affecting who gets elected (Eismeier and Pollock 1988; Wilcox 1989). Following this theoretical framework, it is reasonable to expect labor PACs to give higher levels of contributions to Democrats in the House as to not lose additional influence to Republican seats. Furthermore, this framework also explains why the previous vote percentage variable is negative and significant for four of the five election cycles. Union PACs give lower amounts of money to candidates that win reelection in more convincing fashion, suggesting that they are targeting their money towards seats that are not as safe.

Before addressing results for labor committee variables, it is beneficial to offer additional evidence of the differences between labor and corporate PACs in terms of seeking influence rather than access. Figure 2 presents results in graphical form for the ideological strength variable included in the corporate and labor PAC models for all five election cycles.[22]

[22] Values for ideological strength are created by holding all other variables at their mean values.

FIGURE 2


Effect of Ideological Strength on Corporate PAC Contributions
Corporate PAC Contributions
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
low
0
mean
0.5
high
1
Ideological Strength
1998
2000
2002
2004
2006


Effect of Ideological Strength on Labor PAC Contributions
Labor PAC Contributions
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
low
0
mean
0.5
high
1
Ideological Strength
1998
2000
2002
2004
2006

A value of zero for ideological score indicates a House member that is moderate in ideological intensity, where as a score of one indicates a member that is more ideologically extreme.[23] The graph for corporate PAC contributions shows a fairly substantial aversion, in terms of contribution levels, to representatives that are located at the poles of the ideological spectrum. Using 2006 as an example, the predicted amount of corporate contributions to a House incumbent with an ideology score of zero would be $377,211, while contributions to a House incumbent with a score of one would be $76,109. This substantial change offers a strong piece of evidence regarding theoretical work that suggests that corporate PACs give contributions in order to seek access to the political system. Accordingly, corporate PACs give much higher levels of contributions to candidates that are more centrally located on the ideological spectrum. Since corporate PACs are largely seeking the "ear" of people in office, it is logical that more moderate members of the House would be more open to interests that Corporate PACs are pursuing (Boatright et al. 2003).

Concerning Labor PACs, previous theoretical work suggests that organized labor has the primary goal of affecting the composition of Congress (Boatright et al. 2003). Instead of attempting to gain access through campaign contributions, labor unions use contributions to affect how many pro-labor representatives there are in Congress. Accordingly, ideological intensity does not play much of a role in the distribution of PAC contributions because a friend of labor is a friend of labor. Using 1998 as an example, the predicted amount of labor contributions to a House incumbent with an ideology score of zero would be $60,198, while contributions to a House incumbent with a score of one would be $59,624. This small difference is represented in the almost flat lines for labor PAC contributions in Figure 2. These findings

[23] Specific Examples of Ideological Intensity Scores include: Constance Morella (R-MD) =0, Roy Blunt (R-MO) and Richard Gephardt (D-MO) =.5, and Ron Paul (R-TX) =1.

strengthen previous conceptual work involving the behavior of corporations and labor unions in the political process, and more specifically, highlight key differences in approach.

TABLE 4

TOBIT Estimates for Labor PACs

	1998	**2000**	**2002**	**2004**	**2006**
Intercept	76.19***	81.79***	92.11***	102.19***	41.06***
	(17.58)	(14.84)	(17.40)	(15.87)	(15.61)
Democrat	118.31***	118.65***	125.50***	119.42***	107.00***
	(6.28)	(5.33)	(5.60)	(5.33)	(5.68)
Years in Office	-0.06	-0.25	0.12	0.33	-0.09
	(0.42)	(0.39)	(0.43)	(0.35)	(0.33)
Previous Vote	-1.20***	-0.93***	-1.02***	-0.84***	0.30*
	(0.29)	(0.18)	(0.22)	(0.20)	(0.14)
Ideology Strength	-0.57	-19.08	-45.29*	-82.24***	-86.33***
	(20.88)	(18.33)	(20.68)	(19.28)	(18.77)
	Committee Variables				
Appropriations	-5.26	2.94	10.01	9.50	6.84
	(8.00)	(7.13)	(7.57)	(7.34)	(7.60)
Rules	24.61	2.98	12.44	20.48	-13.18
	(18.30)	(11.18)	(9.80)	(19.43)	(9.85)
Ways and Means	-2.86	3.57	15.75	18.30*	10.68
	(9.28)	(7.43)	(9.15)	(9.29)	(6.57)
Education	-0.20	6.73	2.47	15.20	4.75
	(9.63)	(9.37)	(7.64)	(8.68)	(8.85)
Transportation	26.29***	23.56**	1.22***	39.60***	28.74**
	(7.53)	(8.22)	(8.51)	(8.42)	(9.06)
N	389	390	386	393	393
Model $X^2(9)$	308.65***	347.05***	346.38***	399.10***	340.97***
Log-likelihood	-1931.37	-1959.16	-1937.50	-1996.50	-2012.35

Robust standard errors in parenthesis.
*p≤0.05, **p≤0.01, ***p≤0.001.

Returning to Table 4, the committee variables for labor PACs provide some interesting results. The only committee that supports the hypothesis for union PACs is the Transportation Committee. In all five elections, membership on this committee results in higher levels of PAC contributions from organized labor. Conversely, membership on the Education and Labor Committee fails to reach statistical significance in all of the election cycles in this analysis. This finding differs greatly from Grier and Munger (1992). None of the variables for prestige committees reach statistical significance, suggesting that union PACs do not target these specific members in terms of contribution levels.

Table 5 provides the results for trade association PACs. Since the predictions for trade associations and corporate PACs were so similar, it is reasonable that the results are also very much alike. Coefficients for the party variable are negative and statistically significant giving further evidence to the fact that business interests seek access by targeting the majority party. Ideological strength maintains a negative coefficient that is statistically significant for all election cycles suggesting that trade associations are similar to corporate PACs in that moderate members of the House receive higher amounts of campaign contributions

In terms of committee assignments, trade associations confirm more hypotheses than any other type of PAC in this analysis. Ways and Means, Agriculture, Banking, and Commerce all have positive and significant coefficients for all five election cycles. These findings offer ample evidence that in terms of business interests, trade associations target committee members with relevant jurisdiction over matters pertaining to agriculture, business, and industry. The Transportation Committee is positive and significant in four of the five election cycles which may suggest that in terms of Grier and Munger (1991), trade associations are actually more likely to target members of this committee then findings suggest for corporate PACs.

TABLE 5

TOBIT Estimates for Trade Association PACs

	1998	2000	2002	2004	2006
Intercept	195.74***	196.11***	217.23***	228.46***	191.71***
	(18.20)	(20.17)	(22.01)	(26.72)	(31.53)
Democrat	-23.27***	-34.02***	-32.00***	-56.64***	-83.17***
	(5.57)	(6.85))	(8.05)	(7.48)	(9.93)
Years in Office	0.20	-0.06	0.82	0.73	0.06
	(0.51)	(0.51)	(0.75)	(0.54)	(0.63)
Previous Vote	-1.54***	-0.79***	-1.36***	-1.16***	0.48
	(0.26)	(0.23)	(0.25)	(0.31)	(0.34)
Ideology Strength	-63.85***	-100.24***	-99.67***	-87.38***	-153.11***
	(19.56)	(22.84)	(25.84)	(24.79)	(28.79)
		Committee Variables			
Appropriations	16.45	17.34	23.87*	19.67*	22.20
	(8.40)	(9.59)	(10.56)	(9.72)	(13.63)
Rules	38.72*	25.87	38.17	45.23	20.39
	(18.06)	(19.06)	(20.10)	(33.71)	(22.23)
Ways and Means	83.67***	100.91***	112.51***	120.18***	169.79***
	(13.54)	(14.79)	(15.70)	(16.47)	(21.92)
Agriculture	30.75***	46.28***	43.66***	55.68***	76.86***
	(9.54)	(11.21)	12.21	(13.39)	(15.53)
Banking	40.52***	25.94**	34.16***	57.90***	80.88***
	(7.126)	(8.20)	(9.41)	(10.19)	(13.98)
Commerce	69.90***	71.84***	87.38***	68.26***	91.11***
	(9.54)	(10.43)	(14.07)	(10.61)	(14.18)
Transportation	14.73*	8.09	27.58**	32.80***	25.21*
	(6.50)	(8.20)	(9.36)	(9.82)	(12.14)
N	389	390	386	393	393
Model $X^2(11)$	181.01***	145.13***	157.35***	188.91***	192.60***
Log-likelihood	-2056.05	-2143.51	-2157.06	-2198.79	-2297.68

Robust standard errors in parenthesis.
*p≤0.05, **p≤0.01, ***p≤0.001.

Results for Cooperative PACs are given in Table 6. Overall, the non-committee variables perform poorly in this analysis with ideological strength being the only variable that has statistical significance for all five election cycles. However, the substantive impact of this finding is limited because the loss in contributions from the most moderate member to the most extreme would be trivial.

Concerning committee variables, cooperatives are the only classification of PAC that targets more than one prestige committee, with Appropriations and Ways and Means Committees having positive and significant coefficients for all five election cycles. These findings are of note because where as the heterogeneity of cooperatives may make it hard to isolate specific legislator attributes of interest to PACs, the broad scope of Appropriations and Ways and Means Committees seems to be able to capture the diverseness in interests of this classification. Additionally, the Agricultural Committee variable has positive and significant coefficients for all five election cycles. While the size of these coefficients are small, it is important to remember that overall cooperatives put much smaller amounts of money into the political system in comparison to corporate, labor, trade, and nonconnected PACs.

TABLE 6

TOBIT Estimates for Cooperative PACs

	1998	2000	2002	2004	2006
Intercept	8.18***	5.34***	5.66***	9.15***	3.07
	(1.16)	(1.29)	(2.01)	(2.24)	(2.51)
Democrat	0.15	-1.00*	-0.93	-0.32	-0.47
	(0.46)	(0.50)	(0.71)	(0.73)	(0.79)
Years in Office	0.06	0.04	0.01	0.06	-0.03
	(0.04)	(0.04)	(0.06)	(0.06)	(0.05)
Previous Vote	-0.08***	-0.01	-0.03	-0.07*	0.04
	(0.02)	(0.02)	(0.03)	(0.03)	(0.03)
Ideology Strength	-4.01*	-5.81***	-4.96*	-6.08*	-5.34*
	(1.78)	(1.60)	(2.37)	(2.47)	(2.68)
		Committee Variables			
Appropriations	1.60*	2.12**	3.35***	3.09**	3.90**
	(0.64)	(0.72)	(0.98)	(1.08)	(1.22)
Rules	0.91	-0.39	2.26	2.23	0.27
	(1.05)	(0.98)	(1.29)	(2.03)	(0.90)
Ways and Means	2.45**	2.98***	5.86***	4.02***	3.25**
	(0.94)	(0.88)	(1.41)	(1.24)	(1.17)
Agriculture	8.78***	9.63***	12.47***	12.64***	16.70***
	(1.16)	(1.34)	(2.08)	(2.08)	(2.27)
N	389	390	386	393	393
Model $X^2(8)$	149.22***	153.89***	130.48***	123.59***	154.95***
Log-likelihood	-1027.94	-1045.27	-1107.89	-1132.65	-1185.15

Robust standard errors in parenthesis.
*p≤0.05, **p≤0.01, ***p≤0.001.

Tables 7 and 8 offer the results for estimates of corporations without stock and nonconnected PACs, respectively. Grier and Munger (1991) did not look at either one of these classifications of PACs because at the time of their analysis neither group gave enough contributions to legislators to warrant investigation. While corporations without stock still give substantially lower levels of money to House incumbents, nonconnected PACs have dramatically increased their contribution levels. Unfortunately, results for these classifications do not provide much information in terms of PAC behavior. Hypotheses for corporations without stock are confirmed with positive and significant coefficients for all five election cycles for both Ways and Means and Banking Committees. These findings are reasonable considering the strong representation of banking and insurance interests in these particular types of PACs.

Turning to nonconnected PACs, this is the only classification in which no hypotheses are confirmed through estimation. As previous discussion has highlighted, the heterogeneity of this group makes it extremely hard to capture any specific trends in contribution levels. However, membership on the Ways and Means Committee has a positive and significant coefficient for four of the five election cycles. This seems to suggest that the broad jurisdiction of Ways and Means is able to capture an underlying interest in this committee from a very diverse collection of groups.

TABLE 7

TOBIT Estimates for Corporations without stock PACs

	1998	2000	2002	2004	2006
Intercept	10.31***	10.48***	12.70***	11.93***	8.33***
	(2.04)	(2.53)	(2.02)	(2.01)	(1.85)
Democrat	0.45	-0.31	-1.66*	-3.15***	-3.93***
	(0.65)	(0.80)	(0.73)	(0.62)	(0.79)
Years in Office	0.18***	0.19**	0.15*	0.12**	0.08
	(0.06)	(0.06)	(0.06)	(0.04)	(0.05)
Previous Vote	-0.12***	-0.08**	-0.11***	-0.09***	0.03
	(0.03)	(0.03)	(0.02)	(0.02)	(0.02)
Ideology Strength	-4.60*	-5.20*	-7.22**	-3.69	-11.44***
	(2.24)	(2.50)	(2.34)	(2.23)	(2.34)
	Committee Variables				
Appropriations	-0.46	-0.28	1.07	0.60	-0.82
	(0.65)	(0.88)	(0.82)	(0.72)	(0.93)
Rules	2.56	0.48	0.31	0.59	1.92
	(1.44)	(2.51)	(1.76)	(1.75)	(1.84)
Ways and Means	13.33***	12.52***	10.51***	8.59***	18.03***
	(1.85)	(1.97)	(1.72)	(1.36)	(1.97)
Banking	4.15***	2.80*	4.54***	3.87***	6.82***
	(1.00)	(1.16)	(0.96)	(0.86)	(1.10)
Commerce	6.15***	3.95***	2.79**	1.01	1.17
	(1.19)	(1.07)	(0.96)	(0.81)	(0.84)
N	389	390	386	393	393
Model $X^2(9)$	186.82***	106.56***	127.87***	121.91***	213.00***
Log-likelihood	-1146.90	-1245.89	-1159.00	-1135.14	-1207.36

Robust standard errors in parenthesis.
*p≤0.05, **p≤0.01, ***p≤0.001.

TABLE 8

TOBIT Estimates for Nonconnected PACs

	1998	**2000**	**2002**	**2004**	**2006**
Intercept	76.16***	121.28***	183.42***	215.69***	214.82***
	(8.57)	(16.09)	(18.74)	(27.00)	(36.41)
Democrat	0.35	-8.98*	-6.74*	-34.27***	-86.61***
	(2.39)	(4.39)	(5.84)	(6.24)	(10.85)
Years in Office	-0.29	-0.64*	-0.56*	-0.57	-1.53**
	(0.16)	(0.29)	(0.37)	(0.42)	(0.54)
Previous Vote	-0.85***	-0.94***	-1.47***	-1.55***	0.03
	(0.13)	(0.16)	(0.18)	(0.28)	(0.39)
Ideology Strength	2.43	-29.57*	-80.57**	-75.29***	-177.86***
	(9.16)	(12.78)	(18.29)	(20.57)	(30.42)
		Committee Variables			
Appropriations	3.18	2.90	5.56	-8.58	-1.12
	(4.14)	(6.05)	(8.24)	(7.22)	(14.08)
Rules	8.30	0.29	3.14	19.42	-23.19
	(6.66)	(9.87)	(10.46)	(41.11)	(16.74)
Ways and Means	16.12**	16.40*	22.58***	13.78	45.20*
	(5.04)	(7.36)	(9.27)	(9.31)	(20.25)
Banking	12.99**	4.65	15.878***	18.12	26.98
	(4.17)	(5.91)	(7.50)	(9.92)	(14.69)
Commerce	21.11***	25.63***	19.39**	-2.67	-3.98
	(4.98)	(7.97)	(8.76)	(8.33)	(14.02)
N	389	390	386	393	393
Model $X^2(9)$	108.57***	70.34***	94.97***	96.27***	96.64***
Log-likelihood	-1766.34	-1985.57	-2034.01	-2170.99	-2332.01

Robust standard errors in parenthesis.
*p≤0.05, **p≤0.01, ***p≤0.001.

Overall, the results from these regression models provide a fair amount of evidence that within the confines of the most recent elections, PACs are distributing campaign contributions by and large in the same manner as they were in analyses from past decades. Grier and Munger (1991) only investigate corporate, labor, trade association, and cooperative PACs. If I compare only the committees that the authors *ex ante* predict and find significant, to the committees included in my models, then seven of nine committees found to have a positive significant impact on PAC contributions from 1978 to 1984 obtain the same result for all five election cycles from 1998 to 2006. The only exceptions are the Education and Labor Committee with labor PACs and the Banking Committee with corporate PACs.

For this study I chose to incorporate the three prestige committees into every model of PAC classification. The Appropriations Committee variable was only positive and significant in all five election cycles for cooperative PACs. For corporate PACs this variable was significant and positive for four of the five election cycles, with the coefficient for the 2000 election just missing statistical significance with a *p value* of .07. The Ways and Means Committee variable is positive and significant for all five election cycles for corporate, trade association, corporations without stock, and cooperative PACs. Finally, in the thirty measures for the Rules Committee variable, coefficients are only positive and significant for corporate and trade association PACs during the election cycle of 1998. This is by far the lowest performing committee in this analysis in terms of capturing higher levels of PAC contributions. This non finding may offer some evidence of why previous works in political science have found mixed results when trying to find a link between PAC contributions and roll call voting in the US House.

Many scholars argue that interest group contributions have little influence on actual floor proceedings in the US House. Instead, influence occurs in less visible stages of legislation including the introduction and sponsorship of bills, behind the scenes negotiations on provisions, and the drafting and proposing of amendments (Conway 1991). Accordingly, although the Rules Committee has enormous power in terms of structuring the rules a bill has when it reaches the floor for debate, PACs may not specifically target this particular committee because once a bill has made it to Rules, the window of opportunity to influence representatives may have already closed.

VII. Conclusion

The purpose of this article was to specifically look at PAC activity concerning allocation levels and distribution patterns of campaign contributions. Research in this area of political science has been scant in recent years and in the light of BCRA, it is of interest to revisit this particular topic. Investigation of PAC campaign contributions to US House incumbents running for reelection during the time period of 1998 to 2006 provides enough evidence to draw two important conclusions.

First, there are significant changes in allocation levels of PAC contributions both before and after BCRA. Previous research focuses on corporate, labor, and trade PACs because these types of organizations made the most contributions to political candidates. However, in the most recent election cycles dramatic changes have been occurring in overall spending levels. In the 1970s and 1980s, corporate, labor, and trade PACs made similar levels of contributions to House incumbents, with each classification representing about a third of overall contributions. By the 2006 election, corporate PACs gave almost three times the amount of money as labor. Additionally, nonconnected PACs increased contribution levels during the period of 1998-2006 by 180%, resulting in almost the exact same dollar amount of contributions as labor PACs. These changes result in an entirely new dynamic of group presence in government, with half of contributions coming from trade and corporate PACs, and half of contributions coming from labor and nonconnected PACs.

The dramatic increase in nonconnected PAC contributions in 2006 suggests that individual classifications of PACs are responding differently to the soft money restrictions of BCRA. Trade and corporate PACs have greater institutional capacities than other types of PACs and therefore have had no problem increasing levels of hard money contributions post BCRA. Nonconnected PACs seem to have benefited the most from restrictions on soft money because money that once went to political parties for broad areas of interest can now be redirected to individual ideological organizations with more specific concentrations. Labor PAC contribution levels are similar both before and after BCRA, most likely because they did not rely heavily on soft money and furthermore, do not have the institutional capacity to increase hard money contributions beyond the levels that they already collect.

The second conclusion that can be drawn from this research is that although overall levels of PAC spending have been changing, the patterns of distribution are largely the same. Regression analyses of legislator attributes and PAC contributions produce findings remarkably similar to past research. Member characteristics such as party, ideological strength, tenure, election percentage, and committee assignments still provide explanatory power concerning the distribution of PAC contributions. Additionally, while the dynamics between classifications of PACs are changing in terms of allocation amounts, the overall goals of groups remain the same. Since labor PACs seek to affect the composition of Congress, party and previous election percentage are important factors in determining the amount of contributions a candidate will receive. Conversely, corporate PACs seek access, and therefore tenure and ideological intensity are important determinants of campaign contributions.

While the aforementioned conclusions are of value to the existing body of interest group literature, several avenues for future research may also lead to meaningful findings. First, although many changes in the allocation levels of PAC contributions are visible in this study, spending by such classifications as labor unions and corporations without stock are fairly constant in recent years. Generally speaking, the absence of behavioral change signifies acceptance of the status quo. Accordingly, future investigation is necessary to determine if PACs that do not continually increase levels of campaign contribution are doing so because they have reached a desirable amount of influence in the political process, or are simply lacking the institutional capacity to put more money in the system.

Finally, the dramatic increase in nonconnected PAC contributions in the aftermath of BCRA requires additional research. Based on a lack of previous investigation, little is known about this heterogeneous collection of interest groups. Regression analysis in this work offers little in terms of take away knowledge concerning the behavior of nonconnected PACs and campaign contributions. Accordingly, future studies that disaggregate nonconnected PACs into more specific categories of interest may provide beneficial information in terms of what committee assignments and other legislator attributes are important to ideological groups engaging in the political process.

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Appendix

TABLE A	Descriptive Statistics for Individual Members of the US House			
Variable	**Mean**	**SD**	**Minimum**	**Maximum**
1998 House Total	$308,334	$194,738	$ 0	$1,168,446
Corporate	109,588	93,900	0	495,650
Labor	65,186	78,665	0	438,217
Trade	94,904	67,120	0	389,413
Nonconnected	28,474	28,786	0	179,814
Cooperative	4,269	5,032	0	38,350
Corp. no stock	5,912	7,198	0	47,750
Tenure	9	7	0	43
Previous Vote	% 63	% 13	% 30	% 100
Ideology Strength	0.43	0.15	0.01	1.03
2000 House Total	$373,780	$229,189	$ 0	$ 1,362,283
Corporate	135,600	111,688	0	723,049
Labor	74,966	79,263	0	413,200
Trade	113,915	76,157	0	477,969
Nonconnected	37,438	44,819	0	290,971
Cooperative	4,436	5,309	0	39,499
Corp. no stock	7,421	8,155	0	55,591
Tenure	11	7	1	45
Previous Vote	% 70	% 15	% 43	% 100
Ideology Strength	0.44	0.16	0.03	1.13
2002 House Total	$402,857	$269,915	$ 0	$1,715,280
Corporate	149,560	132,386	0	838,863
Labor	78,474	82,128	0	353,500
Trade	117,934	86,013	0	567,367
Nonconnected	46,094	57,114	0	316,282
Cooperative	4,492	6,989	0	54,250
Corp. no stock	6,301	7,379	0	52,750
Tenure	12	8	2	47
Previous Vote	% 68	% 13	% 46	% 99
Ideology Strength	0.46	0.16	0.03	1.23
2004 House Total	$463,029	$283,250	$ 0	$1,910,890
Corporate	179,578	147,966	0	1,152,751
Labor	81,453	81,236	0	375,256
Trade	137,190	90,654	0	510,348
Nonconnected	53,441	71,502	0	434,033
Cooperative	5,161	7,201	0	65,500
Corp. no stock	6,203	6,368	0	37,750
Tenure	12	9	2	49
Previous Vote	% 69	% 14	% 45	% 100
Ideology Strength	0.48	0.16	0.11	1.33
2006 House Total	$565,927	$387,036	$ 0	$2,431,610
Corporate	220,929	195,114	0	1,314,450
Labor	79,901	79,046	0	341,500
Trade	172,688	119,986	0	687,493
Nonconnected	78,619	108,694	0	546,550
Cooperative	6,273	8,241	0	69,488
Corp. no stock	7,515	8,713	0	54,250
Tenure	13	9	2	51
Previous Vote	% 68	% 16	% 37	% 99
Ideology Strength	0.48	0.17	0.07	1.42

TABLE B **Individual Examples of Representative PAC Receipts**

	1998	2000	2002	2004	2006
Charles Rangel (D) NY-15					
Total	$650,815	$1,090,248	$958,571	$864,252	$1,151,703
Corporate	270,067	452,050	394,750	349,743	482,849
Labor	118,000	179,000	207,250	190,250	180,000
Trade	169,963	293,792	234,803	213,509	330,104
Nonconnected	43,062	102,315	74,602	70,250	84,500
Cooperative	5,000	7,500	11,250	23,000	20,000
Corp. no stock	44,750	55,591	35,916	17,500	54,250
John Lewis (D) GA-5					
Total	$363,262	$433,722	$298,192	$380,860	$423,141
Corporate	71,535	123,300	70,841	78,850	117,500
Labor	156,250	163,750	114,350	177,500	130,500
Trade	98,486	120,171	87,051	99,510	141,535
Nonconnected	27,423	15,501	18,950	16,500	19,606
Cooperative	1,500	500	4,500	2,500	5,000
Corp. no stock	8,068	10,500	2,500	6,000	9,000
John Murtha (D) PA-12					
Total	$491,250	$533,200	$711,705	$693,700	$749,925
Corporate	283,100	302,200	365,148	445,500	463,875
Labor	108,700	110,500	163,350	122,000	168,000
Trade	52,200	65,250	102,507	78,050	59,550
Nonconnected	40,750	39,250	66,700	40,250	38,000
Cooperative	2,500	1,500	0	1,000	0
Corp. no stock	4,000	14,500	14,000	7,000	20,500
Peter King (R) NY-3					
Total	$343,981	$333,290	$265,700	$202,226	$668,999
Corporate	97,946	85,730	67,750	53,650	262,750
Labor	127,400	121,050	101,000	67,550	155,700
Trade	79,285	101,731	81,300	62,850	160,299
Nonconnected	21,950	11,579	7,650	13,176	75,000
Cooperative	3,500	3,500	2,000	1,000	5,000
Corp. no stock	13,900	9,700	6,000	4,000	10,250
Kenny Hulshof (R) MO-9					
Total	$505,733	$538,141	$445,328	$569,863	$750,488
Corporate	181,182	218,902	188,360	270,500	337,600
Labor	2,500	2,500	4,000	4,000	10,500
Trade	236,238	245,251	195,279	243,133	316,063
Nonconnected	58,063	45,113	31,889	18,000	54,750
Cooperative	12,250	13,000	17,300	22,300	9,500
Corp. no stock	15,500	13,375	8,500	11,930	22,075
David Dreier (R) CA-28					
Total	$288,141	$394,235	$347,111	$399,602	$1,050,146
Corporate	165,700	231,115	194,828	248,500	657,043
Labor	3,500	8,500	19,500	7,000	18,500
Trade	83,391	115,036	93,428	114,000	279,903
Nonconnected	22,550	28,584	30,855	27,102	73,200
Cooperative	7,500	5,000	3,500	0	0
Corp. no stock	5,500	6,000	5,000	3,000	21,500

TABLE C **Number of Truncated Observations for Tobit Regression Tables**

	1998	2000	2002	2004	2006
Corporate	9	2	5	2	3
Labor	37	28	23	21	21
Trade Association	8	4	6	4	3
Cooperative	56	54	69	76	64
Corporations without stock	40	37	43	45	43
Nonconnected	11	5	8	3	3