

Emerging Campaign Finance Trends and Their Impact on the 2022 Midterm Election and Beyond

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PERPETUATING A TREND WE HAVE witnessed during the last few decades of ever-increasingly expensive election cycles, the 2022 election was the costliest congressional midterm election in American history, with approximately \$8.9 billion spent in total.¹ To put that unprecedented fundraising tally in perspective, approximately \$5.2 billion was raised and spent during the 2018 midterm election,² and the aggregate total for the 2014 midterm was only \$4 billion.³ The historic fundraising tally during the 2022 election cycle stemmed primarily from increased fundraising by congressional campaign committees and outside groups.

Although record amounts of funds were raised and spent during the 2022 midterm election, it is important to note that not all portions of the campaign finance system shared equally in the fundraising largesse. Continuing a phenomenon we have observed during the last decade, while aggregate national political party fundraising totals marginally increased during the 2022 midterm election cycle as compared with the 2018 and 2014 midterms, political party spending nonetheless represented a materially smaller share of total election-related spending in 2022. Increasingly, we are seeing a tale of two fundraising stories in American politics. One story for candidates, Super PACs and outside groups, which can accept unlimited contributions under the law and are raising record sums of money, and an altogether different fundraising landscape for political parties, which labor under strict contribution

limits and other legal restrictions. Absent legislative action, this imbalance in the campaign finance system is likely to become even more pronounced in the years ahead.

Congressional Campaigns Raised Record Amounts in 2022

House and Senate campaign committee fundraising in the 2022 election cycle totaled \$3.7 billion. While this is less than the \$3.8 billion raised by congressional campaigns in 2020, it far outpaced the \$2.8 billion raised by congressional campaigns during the last midterm election cycle in 2018. The 2022 total of \$3.7 billion represents the largest campaign fundraising total for a midterm election in American history.

Democratic campaign committees enjoyed a fundraising advantage, raising a total of \$2 billion compared to \$1.7 billion for Republicans. The difference was particularly significant on the Senate election side, where Democratic candidates collectively raised a total of \$997 million to Republicans' \$760 million. Table 14.1 outlines House and Senate campaign committee fundraising across time in 2022, 2020, and 2018.

A number of 2022 Republican candidates had difficulty raising enough funds to run a viable campaign. In some of these races, the Republican national political parties and other national Republican organizations ran advertisements in an effort to support these under-funded candidates.⁴ Many Republicans are advocating changes in the 2024 presidential debate rules that are designed to spur increased campaign fundraising, particularly from small-dollar donors. One potential strategy is to require presidential candidates to raise a certain amount of funds or raise funds from a certain number of donors in order to participate in presidential primary debates. A similar fundraising requirement for Democratic candidates was used during the 2020 presidential election cycle.⁵

In other congressional races, candidates with little chance of winning were able to raise significant funds. Some of these candidates were running against high-profile candidates from the other political party. For example, Democrat Marcus Flowers, a candidate running against Republican representative Marjorie Taylor Greene, raised \$10.8 million.⁶ By contrast, the average House candidate raised \$535,000 in the 2022 election cycle.⁷ Taylor Greene, nevertheless, won the race with 65.9 percent of the vote.⁸ Some campaign finance analysts have referred to such contributions to long-shot candidates as "Rage-Donating."⁹

On the spending side, the majority of the top-spending congressional campaigns lost. Out of the twenty-two campaigns that spent the most money during the 2022 election cycle, sixteen lost.¹⁰ The biggest-spending losing

TABLE 14.1
Comparison of House and Senate Campaign Committee Fundraising

2022			
Republican House Campaign Committees	\$945 Million	Democratic House Campaign Committees	\$986 Million
Republican Senate Campaign Committees	\$761 Million	Democratic Senate Campaign Committees	\$1 Billion
Republican Campaign Total	\$1.7 Billion	Democratic Campaign Total	\$2 Billion
2022 Total Campaign Fundraising: \$3.7 Billion			
2020			
Republican House Campaign Committees	\$895 Million	Democratic House Campaign Committees	\$1.0 Billion
Republican Senate Campaign Committees	\$857 Million	Democratic Senate Campaign Committees	\$1.1 Billion
Republican Campaign Total	\$1.7 Billion	Democratic Campaign Total	\$2.1 Billion
2020 Total Campaign Fundraising (Not Including Presidential Campaigns): \$3.8 Billion			
2018			
Republican House Campaign Committees	\$661 Million	Democratic House Campaign Committees	\$1.0 Billion
Republican Senate Campaign Committees	\$456 Million	Democratic Senate Campaign Committees	\$599 Million
Republican Campaign Total	\$1.1 Billion	Democratic Campaign Total	\$1.6 Billion
2018 Total Campaign Fundraising: \$2.8 Billion			

Source: Center for Responsive Politics, <https://www.opensecrets.org/elections-overview?cycle=2022>, <https://www.opensecrets.org/elections-overview?cycle=2020>, <https://www.opensecrets.org/elections-overview?cycle=2018>.

Note: Campaign fundraising totals for the cycle may not add up exactly because of rounding.

candidate was Democratic representative Val Demings, whose campaign spent \$68 million in her race against Republican senator Marco Rubio in Florida. Rubio won with 57.7 percent of the vote, while his campaign spent only \$42 million in a winning reelection effort.¹¹

TABLE 14.2
Top Self-Funding Candidates of 2022 Election Cycle

<i>Candidate</i>	<i>Office Sought</i>	<i>Self-Funding</i>	<i>Result</i>
Mehmet Oz (R-PA)	Senate	\$27 million	Lost General
Jim Lamon (R-AZ)	Senate	\$18 million	Lost Primary
Mike Gibbons (R-OH)	Senate	\$18 million	Lost Primary
Trudy Busch Valentine (D-MO)	Senate	\$16 million	Lost General
Dave McCormick (R-PA)	Senate	\$14 million	Lost Primary
Alex Lasry (D-WI)	Senate	\$14 million	Lost Primary
David Trone (D-MD)	House	\$12 million	Won
Matt Dolan (R-OH)	Senate	\$11 million	Lost Primary
Dan O'Dowd (D-CA)	Senate	\$8 million	Lost Primary
Shri Thanedar (D-MI)	House	\$6 million	Won

Source: Center for Responsive Politics, <https://www.opensecrets.org/elections-overview/top-self-funders>.

The twenty-two congressional candidates associated with the top-spending campaigns provided a total of \$223 million in personal funds to their own campaigns.¹² In total, forty-four candidates loaned or contributed more than \$1 million to their own campaigns. However, many of the top self-funders lost their elections.¹³ Of the ten candidates who loaned or contributed the most to their campaigns, only four won their primary, and only two of those four went on to win the general election. Table 14.2 lists the amount contributed by the top ten self-funding congressional candidates in 2022 along with their election results.

Spending by Outside Groups Also Broke Records in 2022

The passage of the McCain-Feingold campaign finance law in 2002, combined with court decisions permitting unlimited corporate, union, and individual contributions to finance independent expenditures sponsored by outside organizations such as Super PACs and 501(c) organizations, has led to a proliferation of outside groups over the last two decades that are having a growing impact on federal elections. These outside groups, which have flourished on both the right and the left, are increasingly engaged in political activities that were once the province of political parties, such as voter registration drives, absentee ballot programs, get out the vote (GOTV), voter identification, political advertising, and issue advocacy efforts.

The McCain-Feingold law, which took effect during the 2004 presidential election cycle, prohibits the Republican National Committee (RNC), the Democratic National Committee (DNC), and the other national political party committees from raising or spending soft money funds for any purpose. “Soft money” is defined as funds raised outside of the prohibitions and limitations of federal law, including corporate and labor union general treasury

funds and individual contributions in excess of federal limits. Funds raised in accordance with federal law come from individuals and from federally registered PACs and are harder to raise; hence these funds are commonly referred to in campaign finance parlance as “hard money.” Prior to McCain-Feingold, the national political parties were legally permitted to accept unlimited corporate, union, and individual soft money contributions and could use these funds to help underwrite a wide variety of political and electoral activities, including voter registration efforts, absentee ballot drives, GOTV activities, slate cards, and similar ticket-wide political activities. The national political parties prior to McCain-Feingold were also able to use soft money contributions to help finance issue advertisements supporting and opposing federal candidates. “Issue advertisements” are public communications that frequently attack or promote federal candidates and their records, but which refrain from expressly advocating the election or defeat of any candidate (which is referred to as “express advocacy”).

In 2010, the U.S. Supreme Court in *Citizens United v. FEC* struck down the long-standing prohibition on corporate independent expenditures in connection with federal elections. That same year, in *SpeechNow v. FEC*, a federal appeals court invalidated limits on contributions from individuals to political committees that fund only independent expenditures for or against federal candidates. In advisory opinions issued after the *SpeechNow* decision, the Federal Election Commission (FEC) concluded that political committees formed strictly to make independent expenditures supporting or opposing federal candidates could accept unlimited contributions from individuals, corporations, and labor organizations.¹⁴ These kinds of political committees, which are prohibited from making contributions to federal candidates and to other federal political committees, are commonly referred to as “Super PACs.”

The 501(c) entities are organized and operate under Section 501(c) of the Internal Revenue Code and include social welfare organizations established under Section 501(c)(4), and trade associations and business leagues organized under Section 501(c)(6). Section 501(c)(4) and 501(c)(6) entities are permitted to accept unlimited corporate, labor union, and individual contributions and may engage in partisan political activities, provided such political activities are not their primary purpose. By contrast, Super PACs, as political committees registered with the FEC, are by definition partisan entities and may spend all of their funds on partisan political activities. Super PACs are required to publicly disclose their donors, whereas 501(c) organizations are generally not.

Table 14.3 identifies the largest non-party outside spenders of the 2022 election cycle based on disclosed spending.

During the 2022 congressional primary elections, Democratic-leaning Super PACs and other outside groups disseminated advertisements in connection

TABLE 14.3
Largest Non-Party Outside Spenders (2022 Election Cycle)

Name	Entity Type	2021–2022 Disclosed Spending
Senate Leadership Fund	Super PAC	\$245,999,958
Congressional Leadership Fund	Super PAC	\$227,084,951
Senate Majority PAC	Super PAC	\$222,855,170
House Majority PAC	Super PAC	\$138,411,985
Club for Growth	Super PAC/501(c)	\$81,290,658
Americans for Prosperity	Super PAC/501(c)	\$69,427,295
League of Conservation Voters	Super PAC/501(c)	\$33,299,173
Women Vote!	Super PAC	\$29,851,924
Wisconsin Truth PAC	Super PAC	\$28,874,330

Source: Center for Responsive Politics, <https://www.opensecrets.org/outside-spending/summary>.

with a number of Republican primaries. The goal was to support Republican candidates that Democratic strategists believed would be easier for Democratic candidates to defeat in the general election. Through July 2022, Democratic groups had spent an estimated \$44 million in connection with Republican primaries in support of candidates closely aligned with former president Donald Trump.¹⁵ Several of these candidates did not win their primaries.¹⁶ However, all six of the Democratic-supported Republican candidates that did win their primaries ultimately lost in the general election.¹⁷ Given that this Democratic strategy was successful in several races, it is likely that Democrats and perhaps Republicans as well will employ a similar strategy in future elections.

In addition, a number of prominent 501(c) organizations spent significant funds in connection with the 2022 election with limited public disclosure. A group of four 501(c)(4) organizations associated with the congressional leadership of both political parties collectively spent an estimated \$245 million in connection with the congressional election and were not legally required to disclose their donors. The funds were used for contributions to Super PACs and for advertisements that did not trigger the FEC's donor disclosure requirements.¹⁸

Since the Supreme Court's 2010 decision in *Citizens United*, an estimated \$9 billion has been spent on influencing federal elections by organizations not required to publicly disclose their donors.¹⁹ During the first few election cycles after the *Citizens United* decision, many Democrats criticized Republican groups that raised and spent such funds without donor disclosure. However, a recent analysis shows that Democratic groups were more successful than Republican groups in raising and spending such funds during the 2020 election cycle. Division among Republican groups over whether to support Trump and enthusiasm among Democrats over defeating Trump contributed to the Democrats' advantage.²⁰ An estimated \$1 billion was spent on election-influencing activities during the 2022 election cycle by entities not required to disclose their donors.²¹

TABLE 14.4
Largest PACs by Total Contributions Made (2022 Election Cycle)

<i>PAC Name</i>	<i>2021–2022 Total Contributions</i>
National Association of Realtors PAC	\$3,960,500
National Beer Wholesalers Association PAC	\$3,222,000
Credit Union National Association PAC	\$2,833,000
American Israel Public Affairs Committee	\$2,628,300
American Crystal Sugar PAC	\$2,624,000
AT&T PAC	\$2,524,900
Operating Engineers Union PAC	\$2,517,000
Blue Cross/Blue Shield PAC	\$2,507,025
National Auto Dealers Association PAC	\$2,494,000
American Bankers Association PAC	\$2,394,950

Source: Center for Responsive Politics, <https://www.opensecrets.org/pacs/toppacs.php>.

Because Super PACs and 501(c) organizations may not make contributions to federal campaign committees, traditional PACs—which can only accept donations subject to federal contribution limits and source prohibitions—remain a notable vehicle for supporting federal candidates.²² Table 14.4 lists the ten largest PACs based upon the total amounts contributed to candidates during the 2022 election cycle. Each of these PACs are “connected” PACs associated with corporations, trade associations, labor organizations, and membership organizations.

In the wake of the attack on the U.S. Capitol on January 6, 2021, some corporate and trade association PACs paused all PAC contributions or paused PAC contributions to members of Congress who objected to certifying the 2020 presidential election results. By fall 2022, almost all of these PACs had resumed making contributions. During the first quarter of 2021, PACs contributed less than \$500,000 in total to the members of Congress that voted against certifying the election. By the third quarter of 2022, contributions from PACs to these members increased to \$5.7 million.²³ All told, business PACs associated with corporations and trade associations contributed a total of \$341.3 million to federal campaigns and committees between January 1, 2021, and November 28, 2022.²⁴

A Number of Candidates Declined to Accept Contributions from Corporate PACs

In 2008, under the direction of Barack Obama’s presidential campaign, the DNC ceased accepting contributions from federally registered lobbyists. Although this prohibition was rescinded in 2016,²⁵ the DNC explored new

restrictions on certain types of contributions during the 2018 election cycle. For example, the DNC passed a resolution in June 2018 indicating it would reject contributions from fossil fuel industry PACs.²⁶ However, the resolution was reversed two months later.²⁷

Following the trend of rejecting contributions from certain donor sources, a number of candidates also explored imposing restrictions on campaign contributions in 2018. In total, fifty-two members of Congress sworn into office in 2019 rejected corporate PAC contributions at some point during the 2018 election cycle.²⁸ As of December 2022, over seventy members of the incoming Congress had announced that they would not take contributions from corporate PACs.²⁹

During the 2022 election cycle, the campaigns that did not accept corporate PAC contributions actually outraised the campaigns that did accept corporate PAC contributions. On average, campaigns that did not accept corporate PAC contributions raised \$322,000 more than those campaigns that did accept corporate PAC money during the second quarter of 2022. The campaigns that turned down corporate PAC funds also had cash-on-hand totals as much as \$2 million higher than their counterparts.³⁰ This fundraising history suggests that many congressional candidates that reject corporate PAC contributions do not face financial consequences from doing so and may even achieve a fundraising advantage.

Individuals Contributed to Super PACs in Unprecedented Amounts

In 2014, the Supreme Court in *McCutcheon v. FEC* invalidated the individual biennial aggregate limit on federal campaign contributions as unconstitutional under the First Amendment. Since the 1970s, federal law had capped the total amount of money that individuals could contribute to federal candidates and other federal political committees collectively during each two-year election cycle. Before this biennial aggregate contribution limit was struck down, individuals were prohibited from contributing more than \$123,200 to all federal candidates and political committees combined during the 2014 election cycle. The aggregate contribution limit existed in addition to the per-recipient “base limit” that applies to particular campaign committees, political party committees, and other federal political committees.³¹ With the aggregate contribution limit gone, individual donors now only need adhere to the base contribution limits and are free to contribute to an unlimited number of candidate committees and other political committees.

Since the *McCutcheon* decision, a number of individuals have made contributions to congressional candidates, political party committees, and other political committees in excess of what was legally permissible when the

TABLE 14.5
Top Individual Super PAC Donors, 2021–2022 Election Cycle

<i>Donor Name</i>	<i>Total Amount</i>	<i>Ideology</i>
**George Soros	\$175,752,713	100% Dem
*Richard and Elizabeth Uihlein	\$84,931,015	100% Rep
*Jeffrey Yass	\$55,241,400	100% Rep
*Kenneth Griffin	\$40,050,000	100% Rep
Lawrence Ellison	\$31,007,943	100% Rep
*Timothy Mellon	\$26,700,000	100% Rep
*Stephen Schwarzman	\$25,400,000	100% Rep
Diane Hendricks	\$24,100,000	100% Rep
Peter Thiel	\$20,250,000	100% Rep
*Michael Bloomberg	\$17,500,000	100% Dem

Source: Center for Responsive Politics, https://www.opensecrets.org/outside-spending/top_donors/2022?disp=O&type=V&superonly=S.

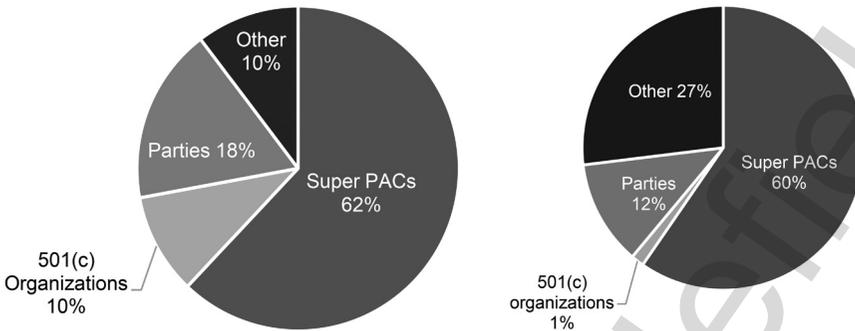
Notes: * Denotes an individual who was also among the top ten contributors to Super PACs during the 2020 election cycle. **\$125 million of contributions from George Soros were made to a Super PAC Soros formed, Democracy Now. Democracy Now only spent \$15 million before Election Day.

aggregate contribution cap was in effect. Political contributions by billionaire “megadonors” contributed significantly to the estimated total of \$8.9 billion spent on federal elections in 2022. Approximately 15 percent of the \$8.9 billion came from individual billionaire contributors.³² Table 14.5 lists the top ten individual donors to Super PACs during the 2022 election cycle. Most of these individuals were also among the top ten individual donors to Super PACs in the 2020 election cycle as well. In total, these ten donors collectively contributed \$500 million to Super PACs during the 2022 election cycle.

While Democrats continue to maintain an edge in overall sums from individual megadonors, Republicans are receiving contributions from more individual megadonors. Only two of the ten individuals on this list contributed to Democratic-leaning committees and groups, suggesting that Republicans may have a fundraising advantage with megadonors in the future. Michael Bloomberg alone contributed \$78 million less in the 2022 election cycle than he did in the 2018 cycle.³³

Political Party Expenditures Represented a Smaller Share of Total Outside Group Spending

There are growing indications that national political party committees are struggling to remain as relevant as they once were in federal elections, as spending increasingly shifts to Super PACs and other outside groups that are not subject to the hard-dollar fundraising requirements that apply to the national political parties.³⁴ As figures 14.1 and 14.2 demonstrate, despite



Figures 14.1 and 14.2 Comparison of 2018 and 2022 Outside Group Spending by Entity Type. Source: Center for Responsive Politics, <https://www.opensecrets.org/outside-spending/summary?cycle=2022>, <https://www.opensecrets.org/outside-spending/summary?cycle=2018>.

a slight increase in fundraising, total spending by national political party committees during the 2022 election cycle comprised a noticeably smaller proportion of overall outside spending than was the case during the last congressional midterm election cycle in 2018. In 2018, spending by national political parties constituted 18 percent of total outside spending; in 2022, this percentage dropped to only 12 percent.

Because outside groups do not labor under the hard-dollar fundraising restrictions that apply to the national political parties, outside groups can raise large amounts of money from a small group of donors in a very short period of time. In addition, Super PACs, 501(c) organizations, and other types of outside groups are now spending significantly more on independent expenditures and other election-related communications than are political party committees.

Tables 14.6 and 14.7 and figure 14.3 detail national party fundraising figures for the 2022 midterm election cycle as compared with the 2018 and 2014 midterm cycles.

Early Voting Laws and Procedures Continued to Have a Major Impact on Campaign Strategy

For many years, voters who expected to be absent from their home communities on Election Day could apply for an absentee ballot and could vote absentee prior to the election. However, in order to obtain an absentee ballot, many jurisdictions required voters to show cause or otherwise explain why they were not able to vote on Election Day in their local precincts, which reduced the number of people who voted absentee.³⁵ In 1980, California

TABLE 14.6
2021–2022 National Political Party Committee Receipts

Democratic National Committee	\$234,337,019.72	Republican National Committee	\$275,537,980.16
Democratic Senatorial Campaign Committee	\$263,994,854.49	National Republican Senatorial Committee	\$213,891,158.50
Democratic Congressional Campaign Committee	\$313,317,558.96	National Republican Congressional Committee	\$239,814,981.35
Total Democratic	\$811,649,433.17	Total Republican	\$729,244,120.01

Source: Federal Election Commission Data.

Note: Totals have been adjusted to exclude “Other Receipts,” which include contributions to sub-accounts for recounts and other legal proceedings, party headquarters buildings, and conventions.

amended its laws to permit voters to cast ballots before Election Day without providing any excuse or showing any cause.³⁶ In succeeding decades, many more states changed their laws to permit voters to vote prior to Election Day without cause, either in person or by mail. Some states today allow voters to become permanent absentee voters and automatically receive absentee ballots for each election without having to submit a request.

As a result of these legal changes across the country, the number of Americans voting prior to Election Day has exploded during the last three decades, reaching 22 percent of voters by 2004.³⁷ Approximately 39 million votes were cast early in the 2008 election, which constituted 30 percent of the total votes cast.³⁸ As of the day before the 2018 election, an estimated 36 million people had voted early, compared to 27.2 million early voters in 2014.³⁹ In 2022, an estimated 50 million people voted early. Although the 2022 early

TABLE 14.7
Comparison of National Political Party Fundraising

Year	Party	Nominal Dollars	2022 Dollars
2022	Democratic Party Committees	\$811.6 Million	\$811.6 Million
2022	Republican Party Committees	\$729.2 Million	\$729.2 Million
	2022 Total	\$1.54 Billion	\$1.54 Billion
2018	Democratic Party Committees	\$562.4 Million	\$655.4 Million
2018	Republican Party Committees	\$643.7 Million	\$750.2 Million
	2018 Total	\$1.21 Billion	\$1.41 Billion
2014	Democratic Party Committees	\$530.4 Million	\$655.7 Million
2014	Republican Party Committees	\$465.8 Million	\$575.9 Million
	2014 Total	\$996.1 Million	\$1.23 Billion

Source: Federal Election Commission Data.

Note: Totals in the “2022 Dollars” column have been adjusted for inflation. Totals for the 2022 and 2018 election cycles have been adjusted to exclude “Other Receipts,” which include contributions to sub-accounts for recounts and other legal proceedings, party headquarters buildings, and conventions.

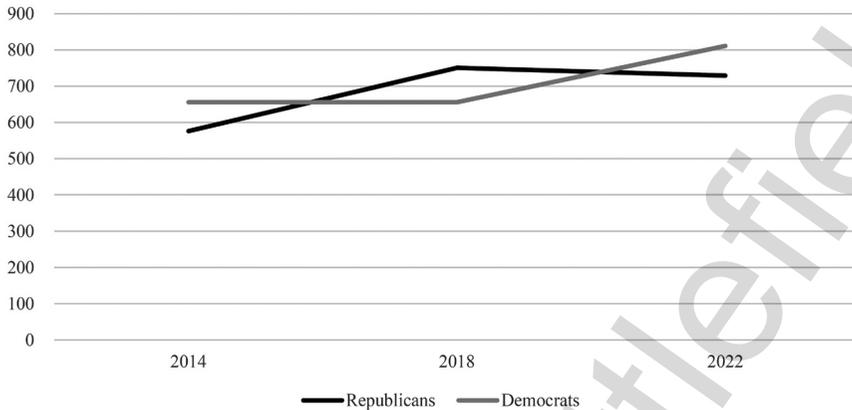


Figure 14.3 National Party Committee Fundraising in 2022 in Dollars (Millions). *Source:* Federal Election Commission Data. *Note:* Totals for the 2022 and 2018 election cycles have been adjusted to exclude “other receipts,” which include contributions to subaccounts for recounts and other legal proceedings, party headquarters buildings, and conventions.

vote turnout was lower than the estimated 100 million early votes that were cast during the 2020 election at the height of the COVID pandemic,⁴⁰ the 2022 early vote was the largest early voter turnout for a midterm election in history.⁴¹ The growth of early and absentee voting is explored further in chapter 8 by Grace Panetta.

Some election analysts have concluded that it is unclear whether the rising popularity of early voting impacts voter turnout overall or has an effect on the outcome of elections.⁴² However, the extraordinary increase in early voting has had a profound impact on the strategies and tactics employed by modern campaigns. For many years, the last 72 hours before Election Day were the primary focus for GOTV efforts, but now those campaign operations must be performed for a month or even longer in certain states. Many campaigns also encourage supporters to vote early. For example, Georgia gubernatorial candidate Stacey Abrams asked supporters to pledge to vote early during the first week of in-person voting.⁴³

During both the 2020 and 2022 election cycles, some Republican candidates raised concerns about the security of voting by mail. This strategy may have contributed to Republican losses in both election cycles by allowing Democrats in many key races to build up a large vote lead prior to Election Day. For example, in the 2022 Georgia Senate runoff, 64 percent of absentee votes and 58 percent of early votes were cast for Democrat Rafael Warnock, who ultimately won the election. In the wake of the 2022 election, many Republican strategists are planning to alter their approach and actively encourage Republican voters to vote by mail.⁴⁴ Efforts in future election cycles

may include educating voters on absentee and early voting options, modernizing absentee and early voting programs, and litigation over absentee and early voting rules.⁴⁵

With some election scholars projecting that up to half the electorate will vote early in the years ahead, there is no question that future campaigns will closely track any changes in early voting laws and procedures and will continue to expand their GOTV and voter contact strategies accordingly. There is no longer a single Election Day in America but rather a multi-week election window, and maximizing early and absentee voting margins will increasingly be a key strategic priority of future campaigns.

Technology, Including Text Messages, Significantly Impacted Both Fundraising and Voter Turnout

Over the last several election cycles, text messages and online advertising have become more and more important to political campaigns. During the 2022 election cycle, a total of \$3.3 billion was raised online through ActBlue and WinRed, the top online fundraising platforms for Democratic and Republican candidates, respectively.⁴⁶ Priorities USA, a Super PAC that spent approximately \$28 million on behalf of Democratic candidates in the 2022 election cycle,⁴⁷ abandoned radio and TV advertising entirely and opted to only invest in online and streaming ads.⁴⁸

Just two years ago, during the 2020 election cycle, campaign texting was considered a novel and emerging strategy, and the 2020 election was dubbed by some analysts as “the texting election.”⁴⁹ However, during the 2022 election cycle, many potential donors and potential voters became overwhelmed by the volume of fundraising and get-out-the vote messages that were sent by text or email. One study found that 72 percent of independent voters would opt out of all political emails and texts if they could.⁵⁰ Many campaigns and political groups buy and sell donor prospect lists, which can lead to text messages from multiple organizations to people who are not interested in receiving them. For example, an individual who donated to Raphael Warnock’s Senate campaign in 2021 reportedly received text messages regarding Warnock’s reelection from thirty different phone numbers in 2022.⁵¹

Some fundraisers describe lower response rates, higher costs, and negative feedback as growing problems with raising campaign funds by text messages and email.⁵² However, given that these methods of communication can raise significant funds at a relatively low cost, it is unlikely that campaigns will scale back these fundraising tactics for the foreseeable future.

Another unique technological development during the 2022 election cycle was the advent of payments to social media influencers for sponsored online

political posts. Many social media influencers promote various products or companies, but promotion of political groups and candidates was largely unheard of in previous election cycles. Payments for these sponsored posts can cost thousands of dollars per post.⁵³ Although some social media platforms, including TikTok, do not allow political advertisements, uneven and lax enforcement of the rules have allowed influencers to post sponsored political content on certain online platforms. Often, influencers do not disclose that their political posts are sponsored,⁵⁴ and the FEC does not currently regulate these types of posts. This emerging online campaign activity will likely grow in importance in the years ahead.

Looking Ahead to 2024

President Biden's victory over Donald Trump in the 2020 presidential election marked only the third time since Franklin Roosevelt's presidency that an elected incumbent president was defeated in a bid for a second term. Some political prognosticators believe the country will likely witness a rematch between Biden and Trump in 2024. If that happens, it would be the first time two major-party nominees faced each other in consecutive presidential elections since Dwight Eisenhower and Adlai Stevenson in 1952 and 1956.

As of this writing, it appears virtually certain that Biden will seek another term despite being the oldest president in American history.⁵⁵ In the unlikely event that Biden does not run, Vice President Kamala Harris would be a prohibitive favorite to win the Democratic nomination. Indeed, every sitting vice president who has sought their party's nomination in the last sixty years has won the nomination. The Biden-Harris campaign made fundraising history in 2020 as the first presidential campaign to raise over \$1 billion in campaign funds in a single election cycle, raising \$1.1 billion.⁵⁶ With the power of incumbency, it is not out of the question that Biden and Harris could match or even exceed that record-breaking fundraising tally during the 2024 race.

On the Republican side, Trump continued his role as a campaign finance innovator by becoming the first top-tier presidential candidate of either major party to declare his candidacy and begin raising presidential campaign funds before the end of the midterm year.⁵⁷ However, despite Trump's stature as a former president, there are fundraising warning signs for his campaign⁵⁸ and growing indications that the Republican nomination will be actively contested. Florida governor Ron DeSantis appears likely to enter the presidential race following the conclusion of Florida's legislative session in June 2023, and DeSantis has the national name identification and fundraising prowess to be a top-tier candidate. In addition, as of this writing all indications are that

former vice president Mike Pence will also seek the Republican nomination, and former ambassador to the United Nations Nikki Haley and Secretary of State Mike Pompeo appear to be readying presidential campaign runs as well. The \$64,000 question in the Republican primary is whether any candidate other than Trump and DeSantis will be able to raise the resources that are necessary to wage a successful national campaign. If history is any guide, the successful Republican nominee will raise \$100 million or more in campaign funds during the primary season alone.

All in all, the stage is set for one of the most interesting and hotly contested presidential elections in American history in 2024 with continued campaign finance innovations and developments.

Notes

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4. Bryan Slodysko and Aaron Kessler, "GOP's Lackluster Fundraising Spurs Post-Election Infighting," *Associated Press*, November 21, 2022, <https://apnews.com/article/2022-midterm-elections-mitch-mcconnell-tucker-carlson-government-and-politics-3c7479c6bd7abf922dcc3aae2e3ae16c>.
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