Political Action Committees in the State of Michigan

Taylor

Follow this and additional works at: https://scholarworks.wmich.edu/masters_theses

Part of the Political Science Commons

Recommended Citation
POLITICAL ACTION COMMITTEES
IN THE STATE OF MICHIGAN

by
Keeley I. Taylor

A Thesis
Submitted to the
Faculty of The Graduate College
in partial fulfillment of the
requirements for the
Degree of Master of Arts
Department of Political Science

Western Michigan University
Kalamazoo, Michigan
August 1992
A survey was conducted of all political action committees (PACs) registered with the Secretary of State's Office in Michigan for the 1986 and 1990 Statewide elections. A portrait of the structure of the organization, decision making criteria, and solicitation techniques of Michigan PACs has been developed from the survey data.

Most PACs in Michigan tend to be infant organizations because they are cyclical in nature, forming and dissolving around election periods. They tend to form around economic issues; have no specific PAC office; no permanent staff; have little or no office budget; fund their activities through direct mail solicitation; focus their contributions on State House and State Senate elections; and dissolve shortly after the election cycle. In the 1990 survey, a subdivision of the above categories demonstrates some different characteristics among the following PAC types: (a) Labor, (b) Professional and Trade, (c) Party, (d) Non-connected, and (e) Corporate PACs.
ACKNOWLEDGEMENTS

I wish to express sincere appreciation to my advisor, friend, and committee chairperson, Dr. Helenan Robin, and her husband, Dr. Stanley Robin, for their endless support, enthusiasm, encouragement, and direction throughout my course of study; and to my committee members, Dr. Chester Rogers and Dr. Alan Isaak, for their advice and guidance.

I would also like to extend my deepest gratitude and appreciation to my parents and my husband Ken for their understanding and support during this project.

Keeley I. Taylor
INFORMATION TO USERS

This manuscript has been reproduced from the microfilm master. UMI films the text directly from the original or copy submitted. Thus, some thesis and dissertation copies are in typewriter face, while others may be from any type of computer printer.

The quality of this reproduction is dependent upon the quality of the copy submitted. Broken or indistinct print, colored or poor quality illustrations and photographs, print bleedthrough, substandard margins, and improper alignment can adversely affect reproduction.

In the unlikely event that the author did not send UMI a complete manuscript and there are missing pages, these will be noted. Also, if unauthorized copyright material had to be removed, a note will indicate the deletion.

Oversize materials (e.g., maps, drawings, charts) are reproduced by sectioning the original, beginning at the upper left-hand corner and continuing from left to right in equal sections with small overlaps. Each original is also photographed in one exposure and is included in reduced form at the back of the book.

Photographs included in the original manuscript have been reproduced xerographically in this copy. Higher quality 6" x 9" black and white photographic prints are available for any photographs or illustrations appearing in this copy for an additional charge. Contact UMI directly to order.
Political action committees in the state of Michigan

Taylor, Keeley Irene, M.A.
Western Michigan University, 1992
# TABLE OF CONTENTS

ACKNOWLEDGMENTS ....................................................... ii

LIST OF TABLES ......................................................... v

CHAPTER

I. INTRODUCTION ....................................................... 1

   Historical Background........................................ 1

   Statement of the Problem...................................... 1

   Purpose of the Research ...................................... 2

   Review of the Literature .................................... 3

   Historical Background........................................ 3

   Campaign Finance Loopholes ................................. 12

   Two Schools of Thought...................................... 14

   Effects of PAC Contributions on Voting Behavior ............ 16

   Nature of PAC Organizations................................. 24

   Research Questions............................................. 37

   First Survey Conducted in 1986............................... 38

   Second Survey Conducted in 1990............................. 40

II. METHODOLOGY ....................................................... 42

   Data Collection ................................................ 42

   Sample .......................................................... 42

   Description of Questionnaire ................................. 44

   Analysis ......................................................... 48

III. FINDINGS--1986 DATA ............................................. 49
Table of Contents--Continued

CHAPTER

IV. FINDINGS--1990 DATA........................................ 72
   PAC Activities............................................. 73
   Policy Concerns............................................ 74
   PAC Structure............................................. 74
   PAC Funding Techniques................................. 78
   Preference Among Candidates............................ 79
   Campaign Activities...................................... 83

V. CONCLUSIONS-COMPARISONS BETWEEN STATE AND
   NATIONAL PACs.............................................. 85

APPENDICES

   A. Summary of Campaign Finance Reform
      Initiatives............................................. 92
   B. PAC Cover Letters...................................... 97
   C. PAC Surveys............................................. 100
   D. Human Subjects Institutional Review
      Board Clearance....................................... 111

BIBLIOGRAPHY.................................................. 113
LIST OF TABLES

1. Congressmen Voting in Favor of Price Supports...... 18
2. Funds Given to Senator Dole From 1985 to Mid-1987.. 21
3. PAC Growth From 1974........................................... 26
4. Details of Contributions to Candidates by Candidate Status.............................................. 28
5. State Laws Regarding Campaign Contributions From PACs.................................................. 32
6. Sample and Population of Michigan and Tennessee PACs by Category................................ 51
7. PACs Active at Government Levels.......................... 51
8. Year PAC Organized................................................. 52
9. Michigan and Tennessee Political Action Committees' Policy Concerns................................ 53
10. Michigan and Tennessee PAC Organization............... 56
11. Political Action Committee Fundraising Techniques.... 58
12. Contributions Asked................................................ 58
13. Frequency of Contributions Collected...................... 59
14. Recognition for PAC Contribution or Fundraiser.......... 61
15. Who Decides Which Candidates Receive Funds............ 61
16. Comparison of Michigan and Tennessee PAC Participation in Election Campaigns.............. 62
17. Political Action Committee Preferences Among Candidates.................................................. 63
18. Criteria Used to Determine Whether Candidate Will Receive PAC Money.................................. 65
19. PAC Activities....................................................... 66
List of Tables--continued

20. Activities Used by PACs to Provide Voter Information.................................67
21. PACs Encourage Voting in the Following Ways..............69
22. 1986 and 1990 PAC Types in Michigan......................73
23. Michigan State PACs Active in Local, State, and National Government....................74
24. Policy Concerns of Michigan State PACs-1990............75
25. Michigan State PAC Structural Arrangements.............77
26. Michigan State PAC Funding Techniques..................79
27. Decision Making Method of Michigan PAC With Contributions.............................80
28. Michigan PAC Preferences Among Candidates..............82
29. Michigan State PAC Campaign Activities..................84
30. Summary of Campaign Finance Reform Initiatives.....93
CHAPTER I

INTRODUCTION

Historical Background

Statement of the Problem

Political Action Committees (PACs) are a relatively new and popular resource for campaign financing. The number of PACs at the federal, state, and local levels has increased substantially since the 1971 Federal Election Campaign Act expanded the list of categories of PACs that could legally make campaign donations. The ability of PACs to aggregate money from individual sources makes them appealing to candidates for public office who spend a large part of their time trying to raise monies for their campaigns. It is easier and more profitable to receive aggregated money from PACs than to solicit the individual contributions themselves.

An abundance of research has been done on political action committees at the national level due to the availability of data from the Federal Election Commission and the high profile of national political contests. Much less research has been done concerning state PACs although the literature is growing (Jones, 1981, 1984; Jones 

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
Borris, 1985; Jones & Hopkins, 1985; Sorauf, 1988; Tucker & Weber, 1987). Almost no attention has been paid to the organizational structure of PACs at the state level. In that there are fourteen times as many state legislators as Congressmen, some attention to PACs in state elections is clearly warranted.

**Purpose of the Research**

The purpose of this research is to explore the organizational structure, types, activities, and decision making criteria of PACs in state elections in the State of Michigan and to compare the findings in Michigan with the findings from studies in other states and to similar data collected at the national level. Two surveys were conducted involving PACs in Michigan—the first in 1986 and the second in 1990. The research uses a questionnaire instrument developed for Tennessee by James D. King of the Department of Political Science, Memphis State University, and Vida J. Anderson of the Memphis Neighborhood Watch, and adapted for Michigan by Helenan S. Robin of the Political Science Department of Western Michigan University (Questionnaire for Michigan is appended to the paper, see Appendix C). The original questionnaire was later revised for the second survey.

The survey instrument was sent to the 861 PACs in 1986 and 995 in 1990 that were registered with the
Michigan Secretary of State's Office for the November, 1986 and 1990 elections in that State. The paper seeks to make comparisons between organizational structures of state and national PACs by comparing the findings for Michigan to the findings of King and Anderson in Tennessee. Other state and national PAC data found in the literature will also be included in this paper.

Review of the Literature

Historical Background

Political Action Committees: Definition & Characteristics

Political Action Committees provide a means to segregate campaign funds of a labor union, business corporation, trade or professional association, or an independent group created solely for political purposes (Sabato, 1984). A PAC is a group of individuals who have associated for the purpose of raising and dispensing money to influence the outcome of elections and the course of legislation (Michaelson, 1987).

Formation of PACs

In the last eighty years, Congress has regulated the election participation of public employees, unions, corporations, government contractors, national banks, and
individuals (Dunn, Hofman & Moynihan, 1984, p. 497--see Table 30, Appendix A). Although previous campaign finance reform legislation existed, the Tillman Act of 1907 was the first to regulate the political activity of corporations. This Act was a reaction to the flow of millions of corporate funds into presidential campaigns and the widespread concern about their influence on elections (Grier & Munger, 1986, p. 350; Chiles, 1984, p. 193). This legislation prohibited corporations from making monetary contributions to political campaigns. The Corrupt Practices Act of 1925 prohibited corporations from contributing anything of value to political candidates.

During this time, labor unions were not subject to campaign laws restricting corporations. It was not until the Hatch Act of 1940 that contributions to campaigns by labor unions were regulated. The Act prohibited labor unions from contributing more than $5,000 to candidates. They were further regulated with the passage of the War Labors Act in 1943 (also known as the Smith-Connelly Act) and the Taft-Hartley Act of 1947. Both Acts equalized the treatment of unions and corporations by outlawing contributions to candidates in federal elections from either source (Grier & Munger, 1986, p. 350). The latter Act incorporated national banks and corporations into the first law. The Taft-Hartley Act stood as the principal law governing political activities of corporations and

In an attempt to minimize the impact of campaign restrictions, the Congress of Industrial Organizations (CIO) created the CIO-PAC in July of 1943 (Cantor, 1982, p. 55). This PAC was the first established as a means of circumventing campaign finance restrictions imposed upon labor organizations and corporations by soliciting "voluntary" contributions from its members. Other unions followed suit as in the case of the American Federation of Labor (AFL) which established a PAC in 1947. Business and professional PACs were later formed with the development of the American Medical Association PAC (AMPAC) in 1961 and the National Association of Manufacturers Business-Industry PAC (BIPAC) in 1963.

With the increase of labor, corporate, and other special interest monies in the federal elections process, Congress sought to limit the amount of money being spent on federal campaigns by adopting the Federal Election Campaign Act (FECA) of 1971. FECA amended the Taft-Hartley Act to permit corporations and labor a voice in the political process through separate and segregated funds supported by voluntary contributions and recognized PACs as "vehicles" for union and corporate contributions in federal elections (Cantor, 1982, p. 55; Dunn et al., 1984, p. 498). The Act also required the disclosure of
all contributions in excess of $100 received by candidates and political committees spending more than $1,000.

At approximately the same time FECA was adopted, the Federal government challenged the constitutionality of a labor union which had established such a fund in Pipefitters Local #52 vs. the U.S. (1972). The union was accused with violating the Taft-Hartley Act of 1947 as amended by FECA due to the union's creation of a PAC campaign fund. The Supreme Court ruled that although union officers acted as PAC officers and that "voluntary" contributions were collected with union dues, the campaign "fund complied with the statutes of FECA because it was strictly separate from other union funds for accounting purposes and contributions were not a condition for union membership" (Grier & Munger, 1986, p. 350). The Court's ruling further paved the way for the process of rapid interest group involvement in federal elections through the formation of PACs.

The increasing number of PACs and special interest groups involved in federal elections and the campaign abuses revealed during the Watergate scandal spawned many amendments to FECA as an attempt to control contributions. In 1974, Congress passed amendments requiring full disclosure of contributions both by contributing PACs and candidates. The amendments further imposed contribution limitations for both primary and general elections--a
$5,000 per candidate ceiling for PACs and a $1,000 per candidate ceiling for individuals—as well as the limitation of independent expenditures. The amendments also provided public funding for presidential elections with the establishment of the federal income tax check-off program and created the Federal Election Commission (FEC) to ensure compliance with the new law (Pub. L. No. 93-443 201, 88 Stat. 1272-75 (1974)). In effect, this action by Congress was instrumental in opening the door for PAC formation to government contractors by authorizing the establishment of separate, segregated funds (Pub. L. No. 93-443 103, 88 Stat. 1263, 1272 (1974)).

There were many problems resulting from the 1974 amendments. Opponents of the amendments to FECA argued that since PACs were given no aggregate ceiling limit on contributions, this allowed PACs to yield greater influence on the electoral process than individuals. The Supreme Court also handed down a decision on November 30, 1976, in Buckley versus Valeo, which rendered parts of FECA unconstitutional. The Court held that the expenditure ceilings of the FECA of 1974 were unconstitutional because they imposed "substantial and direct restrictions on the ability of candidates, citizens, and associations to engage in protected political expression, restrictions that the First Amendment could not tolerate"—this in-

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
cluded limitations on independent expenditures (Buckley v. Valeo; 117 Congressional Record, 43379-81, 1971). The Court also held in Buckley that the structure of the Federal Elections Commission, which then consisted of congressional appointees, violated the doctrine of separation of powers and the appointments clause of the United States Constitution (Chiles, 1984, p. 206).

While the Court was considering Buckley, the Federal Elections Commission [FEC], based on amendments to FECA in 1974, "ruled that the Sun Oil Company could use corporate funds to create, administer, and solicit voluntary contributions to establish a political program" (Jones & Miller, 1985, p. 188). The interpretation of this additional "loophole" in the campaign finance law, has been credited with greater PAC development. In 1974, there were fewer than 500 PACs registered with the FEC, by 1984 there were more than 3,500 (Jones & Miller, 1985, p. 188).

Amendments to FECA in 1976 were in part a response to Buckley v. Valeo and the FEC's decision in the case of the Sun Oil Company. Organizations which had been designated as political committees in the 1974 amendments were now called "multi-candidate political committees" and limitations were imposed upon contributions to national political parties and political committees (U.S.C., 441 b., 1982). A ceiling contribution of $5,000 per candidate or
per PAC and a $15,000 limit to a national party committee was imposed. The individual or non-PAC organization was allowed to contribute up to $1,000 per candidate, $5,000 to PACs and $20,000 to national parties—all with an aggregate ceiling contribution of $25,000 (U.S.C., 441a (a) (1) (a-c), 1982). Independent expenditures greater than $100 (later changed to $250) were required to be reported to the FEC.

The 1976 Amendment to FECA also dealt with fundraising techniques. It allowed corporations and labor unions to make up to two written solicitations to employees per year and to also solicit from stockholders, corporate executives, and their families (Chiles, 1984, p. 207). Payroll deduction was also made available to corporations and businesses as a tool simplifying reporting requirements, encouraging party activities at the state levels, and further increasing public funding grants for presidential nominating conventions (Limiting Political Action Committees, 1987, p. 64).

During the 1980s there were several unsuccessful attempts at campaign finance reform which sought to place limits on aggregate amounts PACs could contribute to House and Senate candidates, provide free reply time to a candidate targeted by an independent expenditure, and allow income tax credit for individual contributors (both to candidates and national parties). The Campaign Finance
Reform Acts of 1985 and the Boren Amendment of 1986 are two such examples.

Although not enacted, the Campaign Finance Reform Acts of 1985 sought to amend FECA of 1971 by changing contribution limits that House and Senate candidates could receive from PACs. The Boren Amendment, approved by the Senate in 1986, limited the amounts House candidates could receive from PACs to $100,000 per election cycle while Senate candidates could receive an amount based on the population of the state (an overall cap of $750,000). Other initiatives, if successful, would have lowered the PAC contribution limit to $3,000 and raised the individual contribution limit to $1,500. Reform in the area of independent expenditures would have allowed those candidates targeted by negative advertisements equal reply time from broadcasting stations and called for disclaimers on media advertisements that were not purchased by candidates themselves.

There were 104 bills introduced during the 101st Congress dealing with changes in the Nation's campaign finance laws. Most of the bills contained restrictions on PAC donations, public subsidies for candidates who meet voluntary spending limits and the tightening of campaign contribution loopholes. Only one of these bills was enacted into law--a government wide ethics reform package based on a year long review by the Bipartisan Task Force.
on Ethics appointed by House Speaker Tom Foley. Congress passed the package in 1989 which banned honoraria in the House beginning in 1991, and limited other kinds of outside income a Congressman could earn to 15% of his/her salary. Even further, it mandated that any money donated to a charity in a Member's behalf, had to go directly to that charity and could not exceed $2,000. Such donations are no longer eligible for tax deductions. The bill also repealed a provision of the 1971 FECA in which Members in office on January 8, 1980, were exempt from the prohibition against converting excess campaign funds to personal use. Beginning in 1993 with the 103rd Congress, Members remaining will no longer be able to use these funds personally. In exchange for the lost income due to the honoraria ban, the bill provided a 25% salary increase to House members which took effect January 1, 1990. The Senate voted to ban Senators from accepting honoraria from special interest groups a year later on August 1, 1990, while voting themselves a 9.9% salary increase with annual COLA allowances.

Campaign finance reform became a priority of both the House and Senate leadership in the 102nd Congress. The Senate passed a bill sponsored by David Boren (D-OK) on May 23, 1991. Among other things, the bill offers communication vouchers and lower broadcast and postal rates to candidates who agree on limits to campaign spending;
public subsidies to candidates whose opponents spend over the set limits; a ban on party soft money, leadership PACs, and PAC contributions and expenditures in federal elections; and a requirement for candidate appearance in broadcast ads. The House of Representatives has yet to pass a campaign finance reform bill during the 102nd Congress as of the writing of this paper.

Campaign Finance Loopholes

Campaign finance reforms by Congress not only provided further incentive for PAC development but also contained several loopholes for PACs and candidates to take advantage of while making and receiving contributions. Such instruments or loopholes include "independent expenditures," "in-kind contributions," and "soft-money."

An independent expenditure was defined by the Supreme Court to be:

An independent expenditure by a PAC or individual expressly advocating the election or defeat of a clearly identified candidate which is made without cooperation or consultation with any candidate or any authorized committee or agent of such candidate and which is not made in concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of the candidate (2 U.S.C. 431 (17) 1982).

The definition of an independent expenditure is further clarified to prohibit the PAC making the expenditure from sharing the same consultant as the candidate. The Supreme Court held in Buckley v. Valeo that independent expendi-
tures could not be limited. Independent expenditures usually take the form of television ads, radio, and direct mail or newspaper endorsements.

In-kind contributions are contributions of goods and services made in lieu of cash payments. Trade and labor PACs utilize in-kind contributions to control the area their money is spent and to provide greater campaign staff interaction. Some examples of in-kind contributions include: (a) PAC staff working on campaign staff whose salary is paid by the PAC, (b) television production advertisements, (c) training campaign staff, (d) organizing get out the vote drives, and (e) sharing the cost of conducting voter surveys. In-kind contributions are required to be counted towards the contribution limit, however, they are usually provided at a much lower cost.

Yet another loophole taken advantage of is the increase in "soft money" donations. "Soft money," as opposed to "hard money" (money given directly to campaign committees of candidates which by law must be fully disclosed), does not have to be disclosed. This "soft money" would be illegal according to federal election laws if given directly to individual candidates. Instead, it is given to parties which in turn filter it to candidates by the way of providing free media services such as voter surveys, polls, use of facilities, and use of private jets leased by corporations at below cost.
An example of soft money expenditures is outlined in *Honest Graft* by Brooks Jackson (1983). Soft money was used to rebuild and remodel the Democratic Campaign Committee Headquarters in Washington D.C. so as to provide the latest in hi-tech computer equipment and a recording studio. The computer networking system and recording studio can now be used by Democratic candidates for production of media advertisements—at little or no cost. Indeed, the Democratic Campaign Committee Headquarters has mass produced campaign commercials about a variety of issues in which they are able to dub in a particular candidate's name and picture.

Most of the campaign finance reform initiatives arise out of the suspicion that PAC monies might improperly influence the voting behavior of Members. This suspicion can best be discussed citing examples in the literature which challenges the public's negative perception of PACs and supports them as a vehicle for campaign finance.

**Two Schools of Thought**

In 1974, PAC money accounted for only about 14% of the funds for an average campaign in the House of Representatives. By 1984, House candidates on average were receiving 38% of their funding from PACs; 20 of 27 current committee chairs and House leaders raised more than half of their campaign funds from interest groups (Bolling,
The increase in PAC money and interest group involvement allowed by the current campaign finance laws foster basically two schools of thought on the issue.

There are those who perceive "special interest money as blocking out or distorting legislation and drowning out representation" (Bolling, 1986, p. 80). Indeed, the media, political scholars, and many consumer interest groups openly and actively speak out against the "corrupted system." In his article, Bolling (1986, p. 81) suggests the public justifiably loses faith in Congress when it hears public officials such as Congressman James Shannon of Massachusetts publicly say of the present campaign finance system:

the problem of money in politics hasn't been an obsession of mine but its becoming now...what's bothering me is when you start seeing groups acting against what you know are their philosophies and constituencies and instincts...There are some here who say that PACs don't influence public policy. That's baloney.

The second school of thought argues that the increased interest group money in elections is pluralism at its finest. Competing groups will cancel each other out (Bolling, 1986, p. 80). Frank Sorauf (1938, pp. 223-228) notes that the power of PACs has been overemphasized, especially by the American Press. He views the interest groups or PACs with the greatest resources as making contributions to ensure access, not to influence campaigns.
Harder supported the pluralist theory in his article (1986, p. 63) when he wrote:

that left unregulated, the market for political finance is of such breadth and competitiveness as to afford no chance for illegitimate economic coercion of political authority.

The debate about which school is right, if there is a "right school," does not matter as much as the fact that there is an unhealthy public attitude about interest group influence and an abundance of literature which portrays the current campaign system as suspect (Cobb, 1987; Jackson, 1988; Stern, 1988). Many of the authors of this literature feel that Congress is selling out to corporate and business interests at the expense of the public and that the individual American citizen no longer has a voice in the political process. This creates the image that Congress is making decisions based on PAC contributions.

Effects of PAC Contributions on Voting Behavior

A question that has been addressed by many authors is whether or not PAC contributions affect voting behavior of legislators receiving PAC support. There are many case studies presented in the literature which attempt to answer this question. This paper will present six which are addressed in detail both in Brooks Jackson's (1983) book Honest Graft and Philip Stern's (1988) The Best Congress Money Can Buy.
The first case study has to do with the 1970s Lemon Law which required used car dealers to notify prospective customers of any defects a car for sale might have. The National Automotive Dealers Association PAC (NADA) opposed such a law and actively fought against it by targeting their campaign contributions and lobbying efforts to those planning on supporting such a law or to those who were undecided. One such Legislator was Congressman Edwards (R) from North Dakota. The following situation resulted (Stern, 1988):

1. August 19, 1981--Congressman Edwards receives $2,500 in campaign contributions from NADA (during a non-election year).

2. September 22, 1981--Congressman Edwards signs up as a co-sponsor of the resolution killing the Lemon Law.


5. September 30, 1982--NADA contributes an additional $2,000 to his campaign.

The resulting case study clearly raises the suspicion that NADA may have influenced the Congressman’s vote by its campaign donation.

Another example had to do with a bill affecting dairy
farmers. The bill addressed the question of whether or not to keep government price supports on milk products which would result in consumers paying sixty-cents more per gallon of milk by the year 1990. The bill also would have required consumers to pay their share of 2.7 billion dollars more in taxes to compensate for the increased subsidy programs. Two hundred thousand dairy farmers represented the dairy lobby and would benefit by a continuation of such price supports. Millions of consumers would not. The consumers were defeated in 1985 by a seventy-eight vote margin. Table 1 (Stern, 1988, p. 47) depicts the percentage of Congressmen voting in favor of extending the price supports based on the amount of contributions received by the dairy lobby.

Table 1

Congressmen Voting in Favor of Price Supports

<table>
<thead>
<tr>
<th>Contributions</th>
<th>% Voted In Favor Of Price Supports</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; $30,000</td>
<td>100%</td>
</tr>
<tr>
<td>$20,000 - 30,000</td>
<td>97%</td>
</tr>
<tr>
<td>$10,000 - 20,000</td>
<td>80%</td>
</tr>
<tr>
<td>$2,500 - 10,000</td>
<td>60%</td>
</tr>
<tr>
<td>$1 - 2,500</td>
<td>33%</td>
</tr>
<tr>
<td>$0</td>
<td>23%</td>
</tr>
</tbody>
</table>

Again, the question arises: Did 200,000 dairy farmers prevail over millions of consumers because of PAC contributions?

The third case study involves the billboard industry and the regulation of billboards on federal highways. In 1965, the Highway Beautification Act sought to eliminate billboards along federal highways. By 1983, taxpayers had paid for the removal of 2,235 billboards but 13,522 new ones had been put up. Seemingly, the additional billboards were a result of increasing industry pressure upon legislators produced by large contributions. The billboard industry had not only provided monetary contributions to legislators but had also flown many of them, along with their key staff members, to resort conventions. Not only did this serve as a mini-vacation for the legislators but those involved were also given honoraria to speak. Honoraria, recently made illegal in the U.S. House of Representatives by a 1989 law, were at the same time usually tax free and not subject to disclosure up to a certain limit. The conventions also allowed industry members a chance to meet informally with key legislators in a relaxed atmosphere outside of Washington, D.C.

When addressing the question of whether or not PAC contributions affect the voting behavior of individual legislators, three other case studies provide interesting points to ponder. The first concerns Senator Robert Dole
(R) from Kansas. Senator Dole received $3,366,000 from PACs from 1972-1976 (Stern, 1988, p. 83). In 1985, he was one of the Senators who advocated the need for campaign finance reform. He appeared to share the belief of many of his colleagues that the system as it existed required that too much time be spent on raising money for the next election rather than on serving the public. Seemingly the Senator was inconsistent in his beliefs when he voted against the Boren Amendment in 1986. The Boren Amendment sponsored by David L. Boren (D) from Oklahoma would have limited to $100,000 the amount a House candidate could accept from PACs and would have limited the amount Senate candidates could receive based on the population of the state. Not only did Senator Dole oppose this reform but he also tried to keep it from coming to the floor for a vote.

Dole also had created two other PACs in addition to his own campaign fund PAC--Campaign America and the Dole Foundation. Although the funds collected by these two entities were largely given to charity, he filtered some of the funds to the campaigns of other Republican candidates. The establishment of these additional PACs provided other PACs different avenues to pursue with donations to Senator Dole. Table 2 provides an example of the donations Senator Dole received from various PACs from 1985-87 (Stern, 1988, p. 82).
Table 2

Funds Given to Senator Dole From 1985 to Mid-1987

<table>
<thead>
<tr>
<th>BY</th>
<th>THROUGH</th>
<th>Dole for Campaign</th>
<th>Dole Senate America Foundation</th>
<th>Honoraria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mass. Mut. Life Ins.</td>
<td></td>
<td>$ 5,500</td>
<td>$ 5,000</td>
<td>$10,500</td>
</tr>
<tr>
<td>Merrill Lynch</td>
<td>Merill Lyn. Emp.</td>
<td>2,000</td>
<td>1,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Ford Motor Co.</td>
<td>Ford Employees</td>
<td>1,000</td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td>Marriott Co.</td>
<td>Mar. Employees</td>
<td>2,000</td>
<td>20,000</td>
<td>2,000</td>
</tr>
<tr>
<td>5 Tobacco Companies</td>
<td>Tobacco Employees</td>
<td>13,400</td>
<td>40,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Insurance Industry</td>
<td>Insurance Employees</td>
<td>86,000</td>
<td>3,500</td>
<td>30,500</td>
</tr>
<tr>
<td>8 Sugar &amp; Sweetner PACs</td>
<td>Sugar Ind. Emps.</td>
<td>40,000</td>
<td>7,000</td>
<td>25,000</td>
</tr>
</tbody>
</table>

Source: The Best Congress Money Can Buy, Philip Stern, 1988, p. 82.

Congressman Dan Rostenkowski (D-ILL) also maintains four such PACs: Rostenkowski for Congress Committee, separate federal and state accounts of the America's Leaders' Fund, and an account that handles his charitable contributions (Overby, 1990). These "back-pocket PACs," termed so by Common Cause Magazine, allow donors to channel otherwise illegal funds to a candidate. In this particular instance, this system allowed the "tobacco
institute to channel more than $7,000 to Rostenkowski in 1988 and 1989...$1,000 to the America's Leaders' Fund federal account...$2,000 to the state account...paid Rostenkowski $4,000 in honoraria and twice picked up hotel bills for him and his wife" (Overby, 1990, p. 26). It was the use of these "back-pocket" PACs that also played a major role in the "Keating Five Scandal" in which one individual contributed a substantial sum of money to a PAC that maintained a non-federal account established by Senator John Glenn (Overby, 1990). The establishment of multiple PACs enables individuals or special interest groups to make donations over the legal limit to a Member of Congress by contributing some of the money to accounts which escape federal monitoring and disclosure laws.

Members of Congress also use PAC funding for their own self interest. One such person was Congressman James Wright (D) from Texas. He used part of the money donated to his personal PAC to distribute to the campaign committees of his Democratic colleagues while he was campaigning for the position of Speaker of the House upon the retirement of Tip O'Neil (D) from Massachusetts. His tactics proved to be successful.

Perhaps one of the most interesting and well known cases involved Congressman St. Germain (D) from Rhode Island. Congressman St. Germain, as Chairman of the House Banking Committee, received $316,540 during 1979-1986
(Stern, 1988, p. 265) from PACs subject to his committee jurisdiction. St. Germain received special perks from federally regulated banks such as full loan amounts to finance a chain of restaurants he opened and special deals (often below cost) on properties being foreclosed upon. He was also involved in the ownership of many federally subsidized housing units, an area his committee regulated. These activities made St. Germain a millionaire and consequently brought him problems during his 1978 re-election campaign. He failed to report the true value of his assets which became an issue. With the help of large financial funding by his PAC supporters, he was able to put down the rumors with an expensive mass media campaign and easily won re-election. He even came out "clean" after an investigation by the House Ethics Committee. During the investigation, many of the Ethic Committee members received contributions from St. Germain's PAC and from other PACs which supported him. Again, this instance leads to the question of whether or not PACs influenced his re-election and the outcome of the investigation by the House Ethics Committee.

Many critics of PACs point out that increasing contributions are coming from PACs outside of a particular legislator's district. They question whether or not a Congressman or Senator is in effect making public policy in the best interest of his/her constituents. This public
perception could ultimately influence the future of PACs as organizations.

**Nature of PAC Organizations**

**PACs in National Elections**

In his article, *PACs, Parties, and Presidents*, Larry Sabato (1985) describes PACs as being diverse in their ideological orientations, in their organizational structure, in their fund raising techniques, and in the ways by which they decide to whom and how much they will contribute during campaigns. Sabato asserts that this diversity has increased over time as the number of PACs have increased. Michaelson (1987) notes that each PAC represents a fairly narrow or specific interest and, although each PAC is different, PACs in general share a common goal—to promote the interests they represent by donating money to candidates with the belief that the candidates who receive the money will support the issues and the position held on the issues of the donating PAC.

Philip Stern (1988) in his book, *The Best Congress Money Can Buy*, cites five types of Political Action Committees: (1) labor unions, (2) trade associations, (3) corporations, (4) professional or cooperatives, and (5) ideological PACs. The number of PACs in these categories registered with the Federal Election Commission has grown
dramatically from 1974 to 1986: (1) corporate--89 to 1,895, (2) labor--201 to 384, (3) trade--318 to 745, (4) non-connected--0 to 1,077, (5) cooperatives--0 to 56 (Hrebenar, 1987--see Table 3). By 1990, the number of federally registered PACs had reached 4,172 (Cantor, 1991, p. 4). Sabato notes that PACs, whether at the state or federal level, tend to support incumbents or "safe races" more than challengers or those in marginal races, because incumbents or those in "safe races" are safer investments; they have a high probability of winning election or re-election. Many PACs will even give to both sides in a close race or if following the election the candidate they supported has been defeated, they will donate to the winner.

Candidates in federal races increasingly rely on PACs as a source of funding campaigns. A total of $445 million was spent on the 1990 House and Senate campaigns, well above the 115.5 million spent in 1976 (Cantor, 1991, p. 1). Cantor notes that the average cost for a winning House candidate rose from $87,200 in 1976 to $410,000 in 1990; the average for a successful Senate race increased from $609,100 to $3.3 million during the same period. It is no surprise that as campaign costs escalated, so did the dependence upon PACs as vehicles to raise dollars.

PAC support at the federal level in the 1990 elections continued the pattern of supporting incumbents
### Table 3
Pac Growth - 1974 to 1988

<table>
<thead>
<tr>
<th>Date</th>
<th>Corporate</th>
<th>Labor</th>
<th>Trade/Membership/Health</th>
<th>Non Connected</th>
<th>Cooperative</th>
<th>Corporation Without Stock</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/31/74</td>
<td>89</td>
<td>201</td>
<td>318*</td>
<td>608</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11/24/75</td>
<td>139</td>
<td>226</td>
<td>357*</td>
<td>722</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>05/10/76</td>
<td>294</td>
<td>246</td>
<td>452*</td>
<td>992</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/76</td>
<td>433</td>
<td>274</td>
<td>488*</td>
<td>1,146</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/77</td>
<td>550</td>
<td>234</td>
<td>438</td>
<td></td>
<td>20</td>
<td></td>
<td>1,360</td>
</tr>
<tr>
<td>12/31/78</td>
<td>785</td>
<td>217</td>
<td>453</td>
<td>24</td>
<td>24</td>
<td></td>
<td>1,653</td>
</tr>
<tr>
<td>08/00/79</td>
<td>885</td>
<td>226</td>
<td>483</td>
<td>337</td>
<td>32</td>
<td></td>
<td>2,000</td>
</tr>
<tr>
<td>12/31/79</td>
<td>1,107</td>
<td>255</td>
<td>544</td>
<td>41</td>
<td>277</td>
<td></td>
<td>1,607</td>
</tr>
<tr>
<td>12/31/80</td>
<td>1,206</td>
<td>297</td>
<td>576</td>
<td>56</td>
<td>2,551</td>
<td></td>
<td>3,072</td>
</tr>
<tr>
<td>07/01/81</td>
<td>1,253</td>
<td>303</td>
<td>579</td>
<td>64</td>
<td>2,678</td>
<td></td>
<td>3,471</td>
</tr>
<tr>
<td>12/31/81</td>
<td>1,329</td>
<td>318</td>
<td>614</td>
<td>68</td>
<td>2,901</td>
<td></td>
<td></td>
</tr>
<tr>
<td>07/01/82</td>
<td>1,417</td>
<td>350</td>
<td>627</td>
<td>82</td>
<td>3,149</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/82</td>
<td>1,469</td>
<td>380</td>
<td>649</td>
<td>103</td>
<td>3,371</td>
<td></td>
<td></td>
</tr>
<tr>
<td>07/01/83</td>
<td>1,514</td>
<td>379</td>
<td>664</td>
<td>114</td>
<td>3,461</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/83</td>
<td>1,538</td>
<td>378</td>
<td>643</td>
<td>122</td>
<td>3,525</td>
<td></td>
<td></td>
</tr>
<tr>
<td>07/01/84</td>
<td>1,642</td>
<td>381</td>
<td>662</td>
<td>125</td>
<td>3,803</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/84</td>
<td>1,682</td>
<td>394</td>
<td>698</td>
<td>130</td>
<td>4,009</td>
<td></td>
<td></td>
</tr>
<tr>
<td>07/01/85</td>
<td>1,687</td>
<td>393</td>
<td>694</td>
<td>133</td>
<td>4,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/85</td>
<td>1,710</td>
<td>388</td>
<td>695</td>
<td>142</td>
<td>3,992</td>
<td></td>
<td></td>
</tr>
<tr>
<td>07/01/86</td>
<td>1,734</td>
<td>386</td>
<td>707</td>
<td>146</td>
<td>4,092</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/86</td>
<td>1,744</td>
<td>384</td>
<td>745</td>
<td>151</td>
<td>4,157</td>
<td></td>
<td></td>
</tr>
<tr>
<td>07/01/87</td>
<td>1,762</td>
<td>377</td>
<td>795</td>
<td>152</td>
<td>4,109</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/87</td>
<td>1,775</td>
<td>364</td>
<td>865</td>
<td>145</td>
<td>4,165</td>
<td></td>
<td></td>
</tr>
<tr>
<td>07/01/88</td>
<td>1,806</td>
<td>355</td>
<td>766</td>
<td>143</td>
<td>4,196</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/31/88</td>
<td>1,816</td>
<td>354</td>
<td>786</td>
<td>138</td>
<td>4,268</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

On November 24, 1975, the Commission issued Advisory Opinion 1975-23 "SUNPAC".


* For the years 1974-1976, these numbers represent all other political committees. No further categorization is available.

over challengers. In 1990, 79% of PAC contributions to House/Senate races went to incumbents (Cantor, 1991, p. 5)--up from 69% in 1986. During the 1990 election cycle, PACs contributed a total of 159.3 million to federal candidates. Democrats and Republicans received the same proportions as in 1988, 61.8% and 38.2% respectively. As noted above, incumbents received 79.1% while challengers received 10.2% of those funds. PACs contributed to open seat candidates 10.7% of the time ("PAC Activity Falls in 1990 Election," 1991).

The inclination for PACs to contribute to incumbents in federal House/Senate races explains why a higher percentage of PAC funding is going towards Democratic candidates. However, it is interesting to note that not all types of PACs are contributing a larger portion of their funds to Democratic candidates (see Table 4). Corporate PACs contributed $30,603,795 to Republican candidates as compared to $27,579,380 to Democratic candidates in the 1990 election cycle. It is apparent from the national data that PACs at the federal level tend to favor incumbents and with the exception of corporate PACs contribute a larger percentage of funding to Democratic candidates.

Another important consideration for many PACs in selecting a candidate to support includes his/her committee assignment. PACs, being issue oriented, tend to support the committee members whose committee has juris-
### Table 4
Details of Contributions to Candidate

<table>
<thead>
<tr>
<th>By Office</th>
<th>By Candidate Status</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Incumbent</td>
</tr>
<tr>
<td>Number of Committee to Candidate</td>
<td>Presidential</td>
</tr>
<tr>
<td>Corporation</td>
<td>1533</td>
</tr>
<tr>
<td>Labor</td>
<td>233</td>
</tr>
<tr>
<td>Non-Connected Organization</td>
<td>510</td>
</tr>
<tr>
<td>Trade/Member/Health</td>
<td>603</td>
</tr>
<tr>
<td>Cooperative</td>
<td>51</td>
</tr>
<tr>
<td>Coop. w/o Stock</td>
<td>114</td>
</tr>
<tr>
<td>Total</td>
<td>3044</td>
</tr>
</tbody>
</table>

The top line for each category of PAC contains figures for all candidates. The second line contains figures for only those candidates who sought election in 1989-90.


Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
Table 4

<table>
<thead>
<tr>
<th>House</th>
<th>Incumbent</th>
<th>Challenger</th>
<th>Open Seat</th>
<th>Democrat</th>
<th>Republican</th>
<th>Other</th>
<th>Expand For</th>
<th>Expand Against</th>
</tr>
</thead>
<tbody>
<tr>
<td>190,880</td>
<td>$46,244,285</td>
<td>$5,142,665</td>
<td>$4,797,260</td>
<td>$27,579,280</td>
<td>$30,603,795</td>
<td>$1,035</td>
<td>$16,169</td>
<td>$11,912</td>
</tr>
<tr>
<td>475,789</td>
<td>($43,816,966)</td>
<td>($4,907,377)</td>
<td>($4,797,260)</td>
<td>($24,822,176)</td>
<td>($28,698,627)</td>
<td>($800)</td>
<td>($1,912)</td>
<td>($1,912)</td>
</tr>
<tr>
<td>990,262</td>
<td>$24,748,828</td>
<td>$5,100,149</td>
<td>$4,900,634</td>
<td>$32,331,500</td>
<td>$2,385,362</td>
<td>$562,707</td>
<td>$145,653</td>
<td>$142,963</td>
</tr>
<tr>
<td>646,462</td>
<td>($23,756,886)</td>
<td>($4,976,149)</td>
<td>($4,900,634)</td>
<td>($31,428,422)</td>
<td>($2,144,040)</td>
<td>($561,207)</td>
<td>($1,912)</td>
<td>($1,912)</td>
</tr>
</tbody>
</table>

11 candidates

*Data reproduced with permission of the copyright owner. Further reproduction prohibited without permission.*
diction over regulations which affect a PAC's industry. Committees which are considered to be "hot" assignments or PAC havens, because they bring in large contributions, are the House Ways and Means Committee, the Senate Finance Committee, and the House Banking Committee.

The decision regarding to whom to give their money is largely made by a PAC committee, an executive officer, or a chief lobbyist. Almost three quarters of PACs use a board or committee to choose the candidates they will support (Sabato, 1984, p. 38). In a survey of national PACs, Sabato found that the Washington D.C. office staff has the responsibility of selecting the candidate 6% of the time and shares the responsibility with the PAC board 10% of the time. The chief executive officer had the sole authority to choose the candidate the PAC would support 4% of the time. When the survey respondents were broken down by PAC type (corporate, labor, trade), over 60% relied on a board or a committee to make the final decision. Individual donors to PACs are not likely to be allowed to earmark their contributions for specific candidates. Overall, the multi-candidate PACs have opted against earmarking by a margin of 63% to 73%, and on average just 4% choose to earmark their gifts when given the option to do so (Sabato, 1984, p. 64). Other kinds of PACs, mostly ideological, such as the Council for a Liveable World, do
permit the individual contributor to decide where his/her money should go.

The ways PACs raise their money also vary. The two most popular ways are direct mail contributions and the payroll check-off system by which a person can donate a chosen amount of each pay check. In his survey, Sabato notes that over two-thirds (67%) of all PACs use some form of direct mail solicitation, with trade PACs and especially corporate committees wedded to this type of fundraising (Sabato, 1984, p. 53). Sabato also found face to face solicitations popular with almost two-thirds of the trade PACs and 79% of the labor PACs. Although telephone solicitations were found to be used by more than half of trade and non-connected PACs, this method was used by fewer than 10% of all PACs. Sabato found that national PACs preferred personalized approaches to fundraising and therefore relied heavily on local officers who were in better positions to secure donations. Fundraisers in the form of dinners or receptions with the candidate are also popular means of solicitations (Stern, 1988).

PACs in State Elections

There is little question that the growth of national PACs and their involvement in national elections has filtered to state elections and fostered the growth of affiliated state PACs.
PACs are contributing a growing proportion of campaign money in state and localities, particularly in races for the state legislature. In Washington State there were 114 PACs with receipts of $2 million in 1978; just two years later, 200 PACs raising a total of $4.3 million were on the scene. In Illinois the number of PACs registered with the state board of elections grew from 54 in 1972 to 372 in 1982, with a record number of new entrants in the latter year. In Michigan the number of active state PACs rose from 325 in 1978 to 478 in 1982; six local Chambers of Commerce PACs were in existence in 1980, and fifty-four two years later. In California, state PACs accounted for 45% of all $100+ contributions to 1980 candidates for the state legislature, and by 1982 eight different PACs were pouring more than $200,000 apiece into races for the state House and Senate (Sabato, 1984, p. 117).

There are also many state PACs not associated with PACs at the federal level. As long as they are not contributing to a federal candidate or a federal PAC, PACs at the state level are not required to register with the Federal Election Commission. Such PACs are subject to state regulations dealing with campaign contributions which vary greatly (see Table 5). As of 1986, there were no states that outright prohibited PAC contributions but twenty-one that set limits (Michigan being one of them). Thirty states had no limits. This allows state PACs somewhat more flexibility when contributing to campaigns in state elections. Sorauf (1988, p. 262) noted that "since the middle 1970's, the curve of state electoral spending matched the growth of spending in congressional campaigns...jumping from an estimated $120 million in 1976..."
Table 5
State Law Regarding Campaign Contributions From PAC's

<table>
<thead>
<tr>
<th>Limits (21)</th>
<th>Prohibited (0)</th>
<th>No Limits (30)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alaska</td>
<td>Alaska</td>
<td></td>
</tr>
<tr>
<td>Arkansas</td>
<td>Arizona</td>
<td></td>
</tr>
<tr>
<td>Connecticut</td>
<td>California</td>
<td></td>
</tr>
<tr>
<td>Delaware</td>
<td>Colorado</td>
<td></td>
</tr>
<tr>
<td>Florida</td>
<td>Georgia</td>
<td></td>
</tr>
<tr>
<td>Hawaii</td>
<td>Idaho</td>
<td></td>
</tr>
<tr>
<td>Kansas</td>
<td>Illinois</td>
<td></td>
</tr>
<tr>
<td>Maine</td>
<td>Indiana</td>
<td></td>
</tr>
<tr>
<td>Michigan</td>
<td>Iowa</td>
<td></td>
</tr>
<tr>
<td>Minnesota</td>
<td>Kentucky</td>
<td></td>
</tr>
<tr>
<td>Mississippi</td>
<td>Louisiana</td>
<td></td>
</tr>
<tr>
<td>Montana</td>
<td>Maryland</td>
<td></td>
</tr>
<tr>
<td>New Hampshire</td>
<td>Massachusetts</td>
<td></td>
</tr>
<tr>
<td>New Jersey</td>
<td>Missouri</td>
<td></td>
</tr>
<tr>
<td>North Carolina</td>
<td>Nebraska</td>
<td></td>
</tr>
<tr>
<td>Oklahoma</td>
<td>Nevada</td>
<td></td>
</tr>
<tr>
<td>Vermont</td>
<td>New Mexico</td>
<td></td>
</tr>
<tr>
<td>Washington</td>
<td>New York</td>
<td></td>
</tr>
<tr>
<td>West Virginia</td>
<td>North Dakota</td>
<td></td>
</tr>
<tr>
<td>Wisconsin</td>
<td>Ohio</td>
<td></td>
</tr>
<tr>
<td>District of Columbia</td>
<td>Oregon</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pennsylvania</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rhode Island</td>
<td></td>
</tr>
<tr>
<td></td>
<td>South Carolina</td>
<td></td>
</tr>
<tr>
<td></td>
<td>South Dakota</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tennessee</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Texas</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Utah</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Virginia</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wyoming</td>
<td></td>
</tr>
</tbody>
</table>

to an estimated $325 million in 1984, an increase of 171%.

Little has been reported regarding the organizational structure and facilities of state PACs, their activities other than fundraising, and the manner in which they make decisions. It is perhaps the relatively recent development of PACs as a vehicle to fund candidates and the decentralized record keeping state by state that accounts for the lack of information in this area. A study of state PACs in Tennessee (King & Anderson, 1988) provides some information about state PACs as organizations, and how they make decisions about their activities other than receiving contributions and identifying donors. This information will be used in Chapter III to compare the state PACs of Michigan to those in Tennessee.

In the study of Tennessee PACs, King and Anderson (1988) found that a majority of Tennessee PACs were either state trade PACs or corporate PACs with a state focus. Most of these PACs concentrated their contributions to state and local races and were not active or were much less active at the national level. Most were concerned about educational and economic issues. Their organizational structure was simple. A large percentage reported having no office at all, no permanent staff, and little or no office budget. The study found that Tennessee PACs solicit funds through direct mail and payroll
deductions and focus their contributions on State House, State Senate and Gubernatorial election races. In making contributions, they seem to prefer incumbents over challengers but have no preference between candidates of the Democratic or Republican parties.

In a study of Illinois PACs registered with the State Board of Elections during the 1986 election cycle, Michaelson (1987) focused on the six most influential PACs in Illinois— the Illinois Association of Realtors PAC, the Illinois Education Association PAC, the Illinois State Medical Association PAC, the Legislative Interest Committee PAC of Illinois Dentists, the Illinois Trial Lawyers Association PAC, and the Illinois Manufacturers' Association PAC. Since enactment of the Illinois Campaign Finance Act in 1974, the number of PACs in that State increased from 38 registered PACs to 445 in 1986. The author found that PAC contributions in Illinois State elections from 1976 to 1986 increased 1,155% from 21 million to 266 million and that funds had been moving away from Republican candidates and towards Democratic candidates whose party has been in control of the general assembly the past 14 years. Expenditures for state house contributions rose 22% and state senate 135% between the 1984 and 1986 statewide elections (Michaelson, 1987, notes that party control in the senate was much more uncertain). Further, some Illinois PACs no longer make decisions about
contributions solely on the basis of ideological biases. Variables like incumbency, voting records and party strength have become even more significant. Michaelson (1987) uses the term "loyalty" to describe the concept that drives PAC spending behavior in Illinois State elections.

In a study of Louisiana State PACs, Hadley and Nick (1987) found PACs active in state elections to be disproportionate to PACs registered with the Federal Elections Commission. Of the 344 PACs registered during the 1982 election cycle with the State of Louisiana Ethics Administration (an increase of 400% since 1980) 42% were corporate in nature while the second largest group, non-connected, made up 25% of the State PACs registered. However, the largest group active in the 1983 election cycle were the non-connected PACs--65.6% of the time. Trade and corporate were each active 13.4% of the time while labor became involved 5.8% of the time. The author defines "active" as providing cash contributions or in-kind services to candidates. The non-connected PACs dominate in-kind contribution where money is received from candidates for performance of services like ballot printing, literature mailing and provision of campaign workers. Corporate and trade PACs tend to contribute cash. Statewide PACs contributed over 75% of the $4,240,085 spent in the 1983 Louisiana election cycle. In
contrast to federal trends, 82.9% came from trade/membership/health PACs, 11.7% from corporate, and 5.2% from labor PACs. A majority of the funding (90.5%) went to incumbents. Roughly two thirds of campaign contributions were directed towards candidates for the state legislature; 54% of the contributions went to House candidates, only 5% to Senate, and 12% to Gubernatorial candidates. The remaining contributions focused upon other statewide, local and general elections.

Florida's twenty largest PACs had total receipts of 4.1 million in 1987-88, up 52% in just six years (Maxwell, 1990). Many of Florida's largest PACs are associated with banking associations or savings and loan institutions and find themselves involved in federal legislative issues. Therefore, members of the U.S. House and Senate Banking Committees are top recipients of State PAC contributions. These PACs rely heavily on the personal solicitation method of raising contributions. For example, Barnett Bank of Florida has one employee who solicits contributions from its managers, officers, and shareholders. During the 1987-88 election cycle, 94% of the 6,000 management level employees contributed a total of $56,000 to 13 members of the Senate Banking Committee and $104,000 to 43 members of the House Banking Committee. Maxwell suggests that the chief goal of Florida PACs is to buy access. He cites the "typical" example of the Florida
Power and Light PAC which followed the safe strategy of often donating to both candidates in a federal election. In 1984, business PACs in Pennsylvania gave $1,410,298 to candidates in state elections while labor contributed $614,118. Democratic candidates relied as heavily on business PAC contributions as on labor PACs and beginning in 1980, labor PACs provided a smaller portion of Democratic candidates PAC money (Eisenstein & Werner, 1987). Republicans in that State continue to rely on business PAC contributions as labor funds shrink. In the Pennsylvania 1984 election cycle, labor contributed 75% of its funds to Democratic house and senate candidates while business gave less (44.7%) to house and senate Democrats but still a greater proportion than labor PACs to Republican candidates.

Research Questions

The literature regarding national PACs describes them by type and simple organizational structure like how they tend to make decisions, how they solicit funds, and what kind of candidates they tend to support. While there is an abundance of literature concerning PAC influence on legislative decisions, there is even less literature available concerning the nature of state PACs as organizations. Although PACs need not be organizationally significant because, with few exceptions, they have some kind
of parent organization, the literature on state PACs will serve as a comparison to national PACs.

It is the goal of this study to determine whether state PACs in Michigan and other states mimic national PACs. The paper will focus on the following research questions relevant to the study of Michigan and other state PACs.

First Survey Conducted in 1986

The initial survey in 1986 sought to answer the following questions:

1. Are Michigan and other state PACs like or unlike national PACs?
2. Are state PACs lesser versions of national PACs?
3. In what categories do PACs in Michigan and other states fall and at what levels of government are they active?
4. What are the issues which are most important to PACs in Michigan and other states?
5. How are PACs in Michigan and other states organized?
   a. Do they have an office?
   b. Are they dependent on a parent organization?
   c. Is there an office staff?
   d. Do they have an office budget?
6. How do PACs in Michigan and other states raise money?
   a. What types of fundraising techniques do they use?
   b. How are contributions asked and what is the average contribution of a PAC member?
   c. In what ways are employees and PAC members recognized for contributions to PACs?

7. Who makes the decisions about dispersing PAC money to candidates?

8. How do PACs in Michigan and other states spend their money?
   a. In which election contests do PACs participate?
   b. Do they tend to support incumbents or challengers?
   c. Do they tend to support marginal or safe candidates?
   d. Do they tend to favor Republicans or Democrats?
   e. Do they tend to favor liberals, conservatives or moderates?
   f. What other criteria are used to determine whether candidates will receive PAC money?

9. What other activities with respect to the election of candidates do PACs engage in?
Second Survey Conducted in 1990

The second survey conducted for the 1990 election cycle was a condensed version of the 1986 survey and focused questions on state PAC structure and operations. More specifically, the survey instrument included questions about PAC type, office accommodation, staff, methods of soliciting, methods of decision-making processes when making contributions, and other campaign related activities. Questions this survey targeted include:

1. How are PACs in Michigan classified by type?
2. To what degree are PACs in Michigan involved in local, state, or national election contests?
3. What issues are most important to PACs in Michigan?
4. How are PACs in Michigan organized?
   a. Do they have an office?
   b. Do they have paid staff?
   c. Do they have an office budget?
5. In what ways do PACs in Michigan raise money?
6. How do PACs in Michigan make decisions when making contributions?
7. How do PACs in Michigan and other states spend their money?
   a. In which election contests do PACs participate?
b. Do they tend to support incumbents or challengers?
c. Do they tend to support marginal or safe candidates?
d. Do they tend to favor Republicans or Democrats?
e. Do they tend to favor liberals, conservatives or moderates?
f. What other criteria are used to determine whether candidates will receive PAC money?

8. How do the findings for questions two through seven differ based on PAC type?

9. How do state PACs compare to their national counterparts?
CHAPTER II

METHODOLOGY

Data Collection

The data were collected using mailed questionnaires addressed to PACs following the 1986 and the 1990 state legislative elections in Michigan. A survey in the form of a questionnaire was chosen as the instrument for these studies because it provided the opportunity for collecting detailed information using a combination of structured and open-ended questions. The information needed for the study would have been too much to collect using the telephone interview method and much too expensive to use the personal interview route. The aggregate data analysis approach used in many studies of PACs only provides information about contributions to and expenditures by PACs, not about their organization or decision making processes. The problem was therefore best pursued by using the survey method. Both the Tennessee survey and the Michigan survey were conducted eight to eleven months after the relevant elections. This had an adverse effect on response rates.

Sample

The first survey was conducted by mail in Michigan in
September, 1987, for PACs involved in the November, 1986, statewide elections. The mailing labels provided by the Secretary of State's Office included the name of a particular individual registered as organization treasurer as well as the name and address of the PAC. No follow up procedure was employed. The single mailing yielded 91 usable questionnaires for an 11% response rate. More than one hundred unopened questionnaires were returned with post office markings indicating that the mailing address was no longer operative. This speaks to the cyclicalness of PACs.

The 258 PACs active in Tennessee during the 1985-86 election cycle were surveyed by mail in mid-1987 by King and Anderson (1988). Each questionnaire was addressed to a particular individual registered as organization treasurer. Those failing to respond within two months received post card reminders. Later, follow up telephone calls were made and replacement questionnaires were mailed when requested. These procedures yielded 54 usable questionnaires, a 21% response rate.

It appears that the data collected represent a fair distribution of types of PACs (see Table 6, p. 51). However, by comparison with Tennessee and its population, trade PACs are probably over-represented while candidate and party PACs are under-represented.

The follow-up survey conducted for the 1990 election
cycle used the survey instrument which was reduced to four pages. Surveys were sent immediately following the 1990 elections to PACs registered with the State of Michigan. The procedure involved two mailings, one following the other four weeks later. This yielded 199 usable questionnaires collectively making a 25% response rate. Each mailing included a questionnaire, reply envelope, and cover letter. In this case, the overall response rate was more favorable than in 1986. PACs surveyed in 1990 were also more willing to identify themselves by name and by type. The results to the 1990 survey for Michigan will be discussed in a separate chapter.

Description of Questionnaire

The survey instrument used for the 1986 election has seven parts: PAC Organization; Contributions to PAC; Decision-Making Regarding Recipients of PAC Contributions; PAC Contributions to Candidates for State Offices; Voter Participation Activities—for Corporate/Business PACs and For Membership and Non-Connected PACs (see Appendix C). The variables referred to in the research questions involve only some of the items in the questionnaire. These will be presented in the order of the research questions.
Types of PACs

Question #1 on the survey asks the respondent to indicate, by placing a check in the correct space, the type of PAC he/she represents. These include: (1) corporate PAC, (2) labor PAC, (3) trade PAC, (4) professional PAC, or (5) non-connected or independent PAC (one which has no organizational parent). The respondent must choose one of the five categories.

Issues Important to PACs

Question #3 asks the respondent to list the three issues most important to the PAC. The coding sheet has been set up so as to provide an exhaustive list of categories for possible answers.

Organization of PACs

Questions #5, #6, and #7, ask about the organization of the PAC office--its number of workers, its size and its budget. The respondent must indicate the counts by filling in the blanks in questions #5 and #7 and in question #6 by placing a check next to the answer which best describes their PAC office.

Methods of Raising Money

Question #8 is actually a series of questions dealing
with the methods of raising money. It asks the respondent if the PAC sends general mailings requesting contributions and if so how often and what the average contribution received is. Questions #9 and #10 ask other ways PACs solicit campaign contributions and how frequently those contributions are sought. Question #11 inquires if stockholders are asked to contribute and #12 and #13 are concerned with types of fundraisers organized and if any recognition is given to those individuals who plan these functions. All of these variables refer to PAC contributions. The respondent may either check the answers that apply or write in the appropriate response.

Voter Participation Activities

Questions #23 through #26 inquire about the ways that voters are encouraged to participate in voting. The respondent can indicate in what ways this occurs by placing a check by those that apply. Mandatory voter registration and publishing reminders in a mailing are among the possibilities. The categories are extensive to accommodate a variety of responses.

Contributions to Candidates (Also Non-Monetary)

Questions #17, #18, and #20 - #23, are concerned with dollar amounts contributed to State House and Senate candidates both in the primary and general elections and the
number of candidates receiving contributions from the PAC—a breakdown of incumbents, challengers, and contributions to both. The respondent can fill in data that reflect the PAC's true activities. Question #4 and #19 inquire as to other ways candidates might benefit from non-monetary contribution.

**Decision Making**

Questions #14 and #15 are concerned with who makes the decisions regarding the recipients of PAC contributions and what preference, if any, the PAC has in donating to incumbents (those who have been in office and are up for re-election), to those who are challengers, to those who are liberal, to those who are conservative, etc. The respondent may choose from a number of categories. Question #16 asks the respondent to rank in order of importance from one to five, which criteria are most important in choosing a candidate to support (with one being most important).

The questionnaire used to survey Michigan PACs following the 1990 election cycle included five parts: PAC Organization; Contributions To PAC; Decision-Making Regarding Recipients of PAC Contributions; and PAC Activities During Campaigns. In order to enhance the response rates, the questionnaire was reduced from six to four pages and items involving voter participation acti-
vities, targeted contributions to candidates for state offices, and specific types of fundraising efforts as well as types of recognition of members for organizing such efforts were eliminated.

Analysis

There are no hypotheses being tested in this research, therefore no inference tests are used. The data for this study are frequency and percentage distributions for the various questionnaire items for the Michigan survey, the Tennessee survey, and where data are available, for national PACs. Appropriate comparisons will be made to answer the research questions.
CHAPTER III

FINDINGS--1986 DATA

The findings of this research are descriptive. They are comparisons of percentage distributions for each of the questions in the questionnaire for Michigan and Tennessee. For some questions comparisons are also made with Sabato's data on national PACs involved in Congressional elections. Inferential tests are not used because hypotheses were not posed. The findings are presented in order of the research questions listed above.

1. In what categories do PACs in Michigan and Tennessee fall and at what levels of government are they active?

PACs represent trade and professional groups, labor unions, corporations, political parties and candidate organizations, and some are non-connected. Non-connected PACs are organized to promote issues like the environment, guns or gun control, and abortions or life.

Table 6 shows that in both Michigan and Tennessee, trade (and professional) PACs are the most common; 43% of the PACs responding to the survey in each state identified themselves as professional/trade PACs. One fifth of the PACs in the Michigan sample are labor PACs and one fifth
are corporate PACs. Labor PACs are less common in Tennessee, 6%, but corporate PACs are more common, 35%. Non-connected PACs represent 13% of the PACs in both Michigan and Tennessee, although the population data from Tennessee suggests they may be more common in that State than appears in the sample.

PACs are organizations which raise money and contribute money to political campaigns at all levels of government. Some PACs specialize in contributing to campaigns at a single level of government; others make contributions to candidates at all levels.

Table 7 reveals that the PACs in this study are almost universally active at the state level of government. Ninety percent of the PACs in the Michigan sample and 93% of the PACs in the Tennessee sample report that they are active in elections for state level office. Relatively high proportions also report being active at the local level, 50% in Michigan and 68% in Tennessee. Fewer report being active at the federal level, 26% in Michigan and 48% in Tennessee.

PACs are a recent phenomenon in state elections. The first PAC in Michigan in the sample was formed in 1967; the first PAC in the Tennessee sample was formed in 1970. Half of the PACs in both States were formed by 1980, half have been found since that time (see Table 8).
Table 6
Sample and Population of Michigan and Tennessee PACs by Category

<table>
<thead>
<tr>
<th>PACs</th>
<th>Sample % of those responding</th>
<th>Population % entire state count</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Michigan</td>
<td>Tennessee</td>
</tr>
<tr>
<td>Trade</td>
<td>43%</td>
<td>43%</td>
</tr>
<tr>
<td>Labor</td>
<td>21%</td>
<td>6%</td>
</tr>
<tr>
<td>Corporate</td>
<td>20%</td>
<td>35%</td>
</tr>
<tr>
<td>Non-connected</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>Party</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>Not determined</td>
<td>2%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Totals 100 101 102 na 100 102

N = 91 54 4092 861 258 4092

na = no answer (PACs in MI are not listed by category, many are of such a name that makes categorizing indeterminable)


Table 7
PACs Active at Government Levels

<table>
<thead>
<tr>
<th></th>
<th>Michigan PACs%</th>
<th>Tennessee PACs %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local</td>
<td>50%</td>
<td>68%</td>
</tr>
<tr>
<td>State</td>
<td>90%</td>
<td>93%</td>
</tr>
<tr>
<td>Federal</td>
<td>26%</td>
<td>48%</td>
</tr>
</tbody>
</table>

N = 91 54

Note: totals do not equal 100% due to multiple responses
2. What are the issues which are most important to PACs in Michigan and Tennessee?

PACs raise money and distribute money to candidates with some notion that this aggregated money will influence the course of legislation. Thus, it is interesting to look at the issues most prized by these groups. Table 9 includes two distributions of policy concerns for each state: the highest ranked policy concern and the total of the three policy concerns listed by the respondent.

Table 8
Year PAC Organized

<table>
<thead>
<tr>
<th>Year</th>
<th>Michigan (F)</th>
<th>CUM F</th>
<th>CUM %</th>
<th>Tennessee (F)</th>
<th>CUM F</th>
<th>CUM %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1967</td>
<td>1</td>
<td>1</td>
<td>2%</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>1968</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1969</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1970</td>
<td>1</td>
<td>3</td>
<td>6</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>1971</td>
<td>0</td>
<td>3</td>
<td>6</td>
<td>1</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>1972</td>
<td>2</td>
<td>5</td>
<td>8</td>
<td>1</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>1973</td>
<td>0</td>
<td>5</td>
<td>10</td>
<td>1</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>1974</td>
<td>3</td>
<td>8</td>
<td>16</td>
<td>0</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>1975</td>
<td>0</td>
<td>8</td>
<td>16</td>
<td>1</td>
<td>5</td>
<td>13</td>
</tr>
<tr>
<td>1976</td>
<td>7</td>
<td>15</td>
<td>29</td>
<td>3</td>
<td>8</td>
<td>21</td>
</tr>
<tr>
<td>1977</td>
<td>4</td>
<td>19</td>
<td>37</td>
<td>1</td>
<td>9</td>
<td>23</td>
</tr>
<tr>
<td>1978</td>
<td>4</td>
<td>23</td>
<td>45</td>
<td>5</td>
<td>14</td>
<td>36</td>
</tr>
<tr>
<td>1979</td>
<td>0</td>
<td>23</td>
<td>45</td>
<td>5</td>
<td>19</td>
<td>49</td>
</tr>
<tr>
<td>1980</td>
<td>4</td>
<td>27</td>
<td>53</td>
<td>1</td>
<td>20</td>
<td>51</td>
</tr>
<tr>
<td>1981</td>
<td>4</td>
<td>31</td>
<td>61</td>
<td>4</td>
<td>24</td>
<td>62</td>
</tr>
<tr>
<td>1982</td>
<td>3</td>
<td>34</td>
<td>67</td>
<td>3</td>
<td>27</td>
<td>69</td>
</tr>
<tr>
<td>1983</td>
<td>4</td>
<td>38</td>
<td>75</td>
<td>4</td>
<td>31</td>
<td>80</td>
</tr>
<tr>
<td>1984</td>
<td>3</td>
<td>41</td>
<td>80</td>
<td>3</td>
<td>34</td>
<td>87</td>
</tr>
<tr>
<td>1985</td>
<td>4</td>
<td>45</td>
<td>88</td>
<td>0</td>
<td>34</td>
<td>87</td>
</tr>
<tr>
<td>1986</td>
<td>4</td>
<td>49</td>
<td>96</td>
<td>5</td>
<td>39</td>
<td>100</td>
</tr>
<tr>
<td>1987</td>
<td>2</td>
<td>51</td>
<td>100</td>
<td>na</td>
<td>na</td>
<td>na</td>
</tr>
</tbody>
</table>

N = 51

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
### Table 9
Michigan and Tennessee Political Action Committees' Policy Concerns

<table>
<thead>
<tr>
<th>Issue</th>
<th>First Response</th>
<th>Total Response</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Michigan</td>
<td>Tennessee</td>
</tr>
<tr>
<td>Good Government</td>
<td>15% 7%</td>
<td>42% 13%</td>
</tr>
<tr>
<td>Business</td>
<td>26 24</td>
<td>52 65</td>
</tr>
<tr>
<td>Labor</td>
<td>12 15</td>
<td>29 46</td>
</tr>
<tr>
<td>Taxation</td>
<td>11 9</td>
<td>30 17</td>
</tr>
<tr>
<td>Elect Candidates</td>
<td>11 15</td>
<td>26 28</td>
</tr>
<tr>
<td>Education</td>
<td>10 22</td>
<td>19 46</td>
</tr>
<tr>
<td>Health</td>
<td>5 2</td>
<td>12 2</td>
</tr>
<tr>
<td>Social Welfare</td>
<td>5 2</td>
<td>19 7</td>
</tr>
<tr>
<td>Transportation</td>
<td>3 0</td>
<td>4 0</td>
</tr>
<tr>
<td>Environment</td>
<td>1 0</td>
<td>2 4</td>
</tr>
<tr>
<td>Local Public Work</td>
<td>0 2</td>
<td>0 2</td>
</tr>
<tr>
<td>Anti Liquor</td>
<td>0 2</td>
<td>0 2</td>
</tr>
<tr>
<td>Totals =</td>
<td>100% 100%</td>
<td>235% 232%</td>
</tr>
<tr>
<td>N =</td>
<td>73 46</td>
<td>73 46</td>
</tr>
</tbody>
</table>

*Totals do not equal 100% due to multiple responses.

Business issues seem to dominate the concerns of PACs in both states. In Michigan, 26% of the respondents listed a business concern first; in Tennessee, 24% listed business concerns first. Of all the concerns listed by Michigan respondents, 52% involved business, in Tennessee, 65%. Good government, labor, taxation, the election of candidates, and education are other issues listed...
frequently. Good government as an issue is listed more frequently in Michigan than in Tennessee; education is listed more frequently in Tennessee than in Michigan.

3. How are PACs in Michigan and Tennessee organized?

PAC organizations can own or rent whole buildings, have huge staffs, and operate with large budgets, or they can perform out of a small borrowed office with little or no staff and only enough budget to pay for fundraising mailings or dues checkoffs. The latter situation is more common than the former.

Most of the PACs, 78% in Michigan and 74% in Tennessee, have no office at all. Only 4% of the PACs in the Michigan sample and 6% of the PACs in the Tennessee sample reported having a separate PAC office, while the remainder share office space with a parent organization.

The findings are similar for staff. Among the reporting PACs in Michigan, 88% had no staff; in Tennessee, 81%. Only 4% in Michigan and none in Tennessee had 3 or more staff members. As with office space, PACs are loaned staff by parent organizations.

Budgets are similarly small for most PACs. The median budget in Michigan was $13 and in Tennessee $0. The means of $4,361 and $4,287 are much higher than the medians, but these numbers only reflect the fact that a few PACs have budgets of $20,000 or more; most have no separate budget at all. The largest budget in each state
in 1986 was $70,000. It is clear from the data that parent organizations pay much of the operating costs of their PACs.

Some PACs which are associated with parent organizations, such as corporations, educational institutions, hospitals, or labor unions are loaned office space, staff, and operating funds only as elections approach. Their existence between elections is minimal to non-existent. Sixty-five percent of Michigan PACs admit to borrowing staff from a parent organization; the equivalent figure is 61% for Tennessee. Eighteen percent of Michigan PACs and 20% of Tennessee PACs borrow office space.

4. How do PACs in Michigan and Tennessee raise money?

There are many ways that organizations raise money. These include direct mail solicitations, special fundraising events, appeals through organization newsletters and in-house memoranda, direct personal face to face solicitation, telephone solicitation, and dues. PACs utilize all of these methods, and probably others.

The most frequently used fundraising techniques are direct mail solicitations (60% in Michigan, 50% in Tennessee, and 67% in Sabato's national sample), special fundraising events (47% in Michigan and 27% in Tennessee) and appeals in PAC organization newsletters (43% in
Table 10
Michigan and Tennessee PAC Organization

<table>
<thead>
<tr>
<th></th>
<th>Michigan PACs%</th>
<th>Tennessee PACs%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Office Arrangement</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Separate PAC office</td>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>PAC office part of larger office</td>
<td>18%</td>
<td>20%</td>
</tr>
<tr>
<td>No PAC office</td>
<td>78%</td>
<td>74%</td>
</tr>
<tr>
<td>Total =</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>N =</td>
<td>92</td>
<td>53</td>
</tr>
<tr>
<td><strong>Office Staff</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No permanent staff</td>
<td>88%</td>
<td>81%</td>
</tr>
<tr>
<td>One staff member</td>
<td>5%</td>
<td>15%</td>
</tr>
<tr>
<td>Two staff members</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>Three staff members or more</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td>Total =</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>N =</td>
<td>60</td>
<td>53</td>
</tr>
<tr>
<td><strong>Office Budget</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$0</td>
<td>44%</td>
<td>64%</td>
</tr>
<tr>
<td>$1 - $500</td>
<td>13%</td>
<td>11%</td>
</tr>
<tr>
<td>$501 - $1000</td>
<td>9%</td>
<td>4%</td>
</tr>
<tr>
<td>$1001 - $4999</td>
<td>20%</td>
<td>11%</td>
</tr>
<tr>
<td>$5000 - $9999</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td>$10,000 - $19,000</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td>$20,000 - or more</td>
<td>6%</td>
<td>9%</td>
</tr>
<tr>
<td>Total =</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>N =</td>
<td>63</td>
<td>45</td>
</tr>
<tr>
<td>Mean =</td>
<td>$4,361.</td>
<td>$4,287.</td>
</tr>
<tr>
<td>Median =</td>
<td>13.</td>
<td>0.</td>
</tr>
<tr>
<td>Maximum =</td>
<td>70,000.</td>
<td>70,000.</td>
</tr>
<tr>
<td>PAC staff borrowed from parent organization</td>
<td>65%</td>
<td>61%</td>
</tr>
<tr>
<td>N =</td>
<td>79</td>
<td>49</td>
</tr>
</tbody>
</table>

Michigan and 36% in Tennessee). Personal face to face solicitation is reportedly a common fundraising technique.
in Sabato's sample of national PACs, but is less common, 18% and 28%, in the state PACs in this study.

Almost half of the PACs suggest to contributors the size of the expected contribution (47% in Michigan and 49% in Tennessee). Most of the rest accept any amount at any time. The average contribution to PACs in Michigan was $64.00 and in Tennessee $118.00.

Two-fifths of the PACs in Michigan (42%) and more than one half of the PACs in Tennessee (53%) limit their appeals for funds to once a year (see Table 13), others solicit funds monthly, biweekly, as a payroll deduction, or as often as PAC staff decide and have the capacity to do so.

Some PACs take the time and make the effort to acknowledge the contributions of PAC members (see Table 14). Some do so by putting the names of contributors in an in-house publication (27% in Michigan and 14% in Tennessee). Others write letters, give gifts, recognize contributors at banquets, etc. Many of the PACs in Michigan do not acknowledge contributions at all (39% in Michigan and 5% in Tennessee).

5. Who makes the decisions about disbursing PAC money to candidates?

Decisions about distributing money to candidates can be made by individuals, committees, or, in large membership PACs, by a vote of the members. Some PACs utilize
Table 11
Political Action Committee Fundraising Techniques

<table>
<thead>
<tr>
<th></th>
<th>Michigan PACs%</th>
<th>Tennessee PACs%</th>
<th>National PACs%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Mail</td>
<td>60%*</td>
<td>50%</td>
<td>67%</td>
</tr>
<tr>
<td>Special Fundraising Events</td>
<td>47**</td>
<td>27**</td>
<td>na</td>
</tr>
<tr>
<td>PAC Organization Newsletter</td>
<td>43</td>
<td>36</td>
<td>na</td>
</tr>
<tr>
<td>In-House Memoranda</td>
<td>14</td>
<td>32</td>
<td>na</td>
</tr>
<tr>
<td>Personal (face to face)</td>
<td>18</td>
<td>28</td>
<td>54</td>
</tr>
<tr>
<td>Telephone</td>
<td>14</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td>Dues</td>
<td>11</td>
<td>6</td>
<td>na</td>
</tr>
<tr>
<td>Other</td>
<td>27</td>
<td>24</td>
<td>57</td>
</tr>
</tbody>
</table>

N = 91 54 258

Note: Totals do not equal 100% due to multiple responses.
*percentage of PACs reporting fundraisers supplemented by question 12.
**supplemented by question 8.

Table 12
Contributions Asked

<table>
<thead>
<tr>
<th></th>
<th>Michigan PACs%</th>
<th>Tennessee PACs%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asked to contribute specific amount of $</td>
<td>47%</td>
<td>49%</td>
</tr>
<tr>
<td>Any amount/any time</td>
<td>36</td>
<td>40</td>
</tr>
<tr>
<td>Any amount, but on a regular basic</td>
<td>8</td>
<td>11</td>
</tr>
<tr>
<td>% of his/her salary</td>
<td>3</td>
<td>6</td>
</tr>
</tbody>
</table>

N = 91 53

Note: Totals do not equal 100% due to multiple responses.
more than one procedure for making decisions.

As Table 15 demonstrates, most PACs have committees which make decisions about which candidates receive funds. This is true of 91% of the responding PACs in Michigan and 87% in Tennessee. Some Michigan and Tennessee PACs also allow a few individuals to make decisions or conduct votes of members or use combinations of the modes.

6. How do PACs in Michigan and Tennessee spend money?

In Michigan, PACs can participate in the primary and general elections for the State Senate, State House of Representatives, and in the primary election campaigns of gubernatorial candidates. The general election campaigns

<table>
<thead>
<tr>
<th>Table 13</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Frequency of Contributions Collected</strong></td>
</tr>
<tr>
<td>_______________________________________________________________________</td>
</tr>
<tr>
<td><strong>Michigan</strong></td>
</tr>
<tr>
<td>______________</td>
</tr>
<tr>
<td>Yearly</td>
</tr>
<tr>
<td>Monthly</td>
</tr>
<tr>
<td>As decided by PAC staff</td>
</tr>
<tr>
<td>As payroll deduction</td>
</tr>
<tr>
<td>Bi-Weekly</td>
</tr>
<tr>
<td>N =</td>
</tr>
</tbody>
</table>

Note: Column does not total 100 due to multiple responses.
for governor utilize public funds. The Michigan questionnaire inadvertently and unfortunately omitted the gubernatorial primary race which does involve contributions. Because Tennessee does not have public funding of election campaigns for state elections, PACs can participate to a greater extent in gubernatorial elections, as well as participating in State Senate and State House elections.

Table 16 indicates that there is a tendency for PACs to concentrate their contributions to candidates in the general election, although this funding is clearer in the Michigan data (80% versus 41% for State Senate races and 83% versus 48% for State House races) than in the Tennessee findings, where there is only a 10 to 17% difference in the percentage of those PACs contributing between the primary and general elections.

Table 17 reveals some interesting findings about the choices PACs make when contributing funds to candidates. Sabato's national PAC data provide comparisons for these variables.

Most responding PACs do not have a preference between Senate and House candidates. For the few that do, Senate candidates are preferred over House candidates in the state contests. This is not the situation at the national level because only one third of the U.S. Senate is up for election in any two year period, while the entire U.S.
Table 14
Recognition for PAC Contribution or Fundraiser

<table>
<thead>
<tr>
<th>Recognition Method</th>
<th>Michigan PAC%</th>
<th>Tennessee PAC%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name in in-house publication</td>
<td>27%</td>
<td>14%</td>
</tr>
<tr>
<td>Recognize only if activity has been over &amp; beyond what others did</td>
<td>15</td>
<td>5</td>
</tr>
<tr>
<td>Letter of thanks</td>
<td>14</td>
<td>16</td>
</tr>
<tr>
<td>Memento/gift given</td>
<td>14</td>
<td>7</td>
</tr>
<tr>
<td>Special recognition given in staff meetings</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>List name in community-wide publication</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>Other (recognition at annual banquet, VIP, recognition, report to contributor how funds have been spent)</td>
<td>9</td>
<td>0</td>
</tr>
</tbody>
</table>

*N = 56 44

*Number of PACs responding to question lower than entire sample.

Table 15
Who Decides Which Candidates Receive Funds

<table>
<thead>
<tr>
<th>Decision Method</th>
<th>Michigan PACs%*</th>
<th>Tennessee PACs%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Committee decision</td>
<td>91%</td>
<td>87%</td>
</tr>
<tr>
<td>Individual decision</td>
<td>35%</td>
<td>6</td>
</tr>
<tr>
<td>Vote of members</td>
<td>25</td>
<td>7</td>
</tr>
</tbody>
</table>

*N = 91 54

*Totals do not equal 100% due to multiple responses.
### Table 16
Comparison of Michigan and Tennessee PAC Participation in Election Campaigns

<table>
<thead>
<tr>
<th></th>
<th>Michigan %</th>
<th>Tennessee %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Primary</td>
<td>General</td>
</tr>
<tr>
<td>State Senate</td>
<td>41%</td>
<td>80%</td>
</tr>
<tr>
<td>State House</td>
<td>48%</td>
<td>83%</td>
</tr>
<tr>
<td>Governor</td>
<td>na*</td>
<td>na</td>
</tr>
</tbody>
</table>

N = 54 47

*Michigan questionnaire did not include Governors race.

House of Representatives is involved in an election every two years.

At both the state and national level incumbents are opposed to certain issues supported by the incumbent; no preference is the next choice. Challengers and candidates for open seats are unlikely to receive PAC contributions unless a PAC is ideologically unless the PAC is covering all bases by contributing to more than one candidate in a contest.

Candidates in marginal races are more likely to receive funds than candidates in safe races at both the state and national level. However, once again, over half of the state PACs and two-fifths of the national PACs have no preference between marginal and safe races.

PACs also do not express a preference for one politi-
Table 17

Political Action Committee Preferences Among Candidates

<table>
<thead>
<tr>
<th></th>
<th>Michigan PACs%</th>
<th>Tennessee PACs%</th>
<th>National PACs%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Senate Candidate</td>
<td>21%</td>
<td>18%</td>
<td>13%</td>
</tr>
<tr>
<td>House Candidate</td>
<td>13</td>
<td>4</td>
<td>18</td>
</tr>
<tr>
<td>No Preference</td>
<td>66</td>
<td>77</td>
<td>69</td>
</tr>
<tr>
<td>Totals =</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>N =</td>
<td>87</td>
<td>54</td>
<td>na</td>
</tr>
</tbody>
</table>

2. Incumbent

<table>
<thead>
<tr>
<th></th>
<th>Michigan PACs%</th>
<th>Tennessee PACs%</th>
<th>National PACs%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Challenger</td>
<td>57%</td>
<td>47%</td>
<td>49%</td>
</tr>
<tr>
<td>Open-seat candidate</td>
<td>6</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>No Preference</td>
<td>30</td>
<td>43</td>
<td>40</td>
</tr>
<tr>
<td>Totals =</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>N =</td>
<td>88</td>
<td>54</td>
<td>na</td>
</tr>
</tbody>
</table>

3. Candidate-Marginal Race

<table>
<thead>
<tr>
<th></th>
<th>Michigan PACs%</th>
<th>Tennessee PACs%</th>
<th>National PACs%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Candidate in Safe Race</td>
<td>34%</td>
<td>27%</td>
<td>46%</td>
</tr>
<tr>
<td>No Preference</td>
<td>52</td>
<td>52</td>
<td>39</td>
</tr>
<tr>
<td>Totals =</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>N =</td>
<td>88</td>
<td>54</td>
<td>na</td>
</tr>
</tbody>
</table>

4. Republican

<table>
<thead>
<tr>
<th></th>
<th>Michigan PACs%</th>
<th>Tennessee PACs%</th>
<th>National PACs%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democrat</td>
<td>20%</td>
<td>8%</td>
<td>27%</td>
</tr>
<tr>
<td>Third-party Candidate</td>
<td>22</td>
<td>11</td>
<td>21</td>
</tr>
<tr>
<td>No Preference</td>
<td>56</td>
<td>81</td>
<td>50</td>
</tr>
<tr>
<td>Totals =</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>N =</td>
<td>88</td>
<td>54</td>
<td>na</td>
</tr>
</tbody>
</table>

5. Liberal

<table>
<thead>
<tr>
<th></th>
<th>Michigan PACs%</th>
<th>Tennessee PACs%</th>
<th>National PACs%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservative</td>
<td>20%</td>
<td>10%</td>
<td>21%</td>
</tr>
<tr>
<td>Moderate, Liberal/Mod., Mod./Conservative</td>
<td>16</td>
<td>18</td>
<td>38</td>
</tr>
<tr>
<td>No Preference</td>
<td>44</td>
<td>48</td>
<td>23</td>
</tr>
<tr>
<td>Totals =</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>N =</td>
<td>85</td>
<td>54</td>
<td>na</td>
</tr>
</tbody>
</table>

No Preference

Nationally, 23% of PACs report no preference in the case of candidates in safe races, 46% for candidates in marginal races, and 49% for incumbents. What
is clear from these data is that PACs do not prefer third-party candidates for funding.

The ideological orientation of candidates may play a slightly larger role than political party affiliation, however 44% of Michigan PACs, 48% of Tennessee PACs, and 23% of national PACs do not have an ideological preference. The remainder of PACs appear to have preferences but neither liberal, conservative, nor moderate ideologies have a clear edge, except at the national level, where conservative ideology is preferred by 38% of the PACs.

PACs seem to look for candidates on more specific bases than political party affiliation or ideology. They look at voting records, conduct interviews with candidates, and examine campaign statements for positions favorable to or consistent with the goals of their organization. Since PACs tend to favor incumbents over challengers or candidates for open seats, it is not surprising that most PACs report preferring candidates that have voting records already which are favorable to their organizations (70% of Michigan PACs and 79% of Tennessee PACs ranked this consideration first).

7. What other activities with respect to the election of candidates do PACs engage in?

PACs can participate in the electoral process through a wide variety of activities. They actively provide candidate information to members or employees, provide infor-
Table 18
Criteria Used to Determine Whether Candidate Will Receive PAC Money

<table>
<thead>
<tr>
<th>Michigan PACs%</th>
<th>Tennessee PACs%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ranked #1</td>
<td></td>
</tr>
</tbody>
</table>

1. Has a voting record which has been favorable to my organization. 70% 85%
2. Is a candidate running for position important to my organization, regardless of other factors. 18 8
3. Interviewed favorably with my PAC staff/leadership. 9 8
4. Made campaign statements favorable to the interests of my organization. 4 0
5. Other Totals = 0 6

N = 101 101

Note: Total does not equal 100% due to multiple responses.

Information on specific issues, and some offer voter registration opportunities. PACs also involve themselves more directly with candidates by recruiting people for political office, by offering campaign and fundraising workshops, and by sponsoring "meet the candidate" sessions.

The most popular activity of PACs in Michigan, to provide voter information for employees/members and or TV debates, was the second most popular with Tennessee PACs (36% in Michigan, 43% in Tennessee). Tennessee PACs have

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
a greater preference for sponsoring "meet the candidate" sessions than do Michigan PACs (51% of Tennessee PACs report this activity, only 35% of Michigan PACs report doing so). PACs in both States actively recruit people for office (25% in Michigan, 24% in Tennessee), and provide voter information for other contributors (15% in

<table>
<thead>
<tr>
<th>PAC Activities</th>
<th>Michigan PAC%</th>
<th>Tennessee PAC%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Provide voter information for members and or TV debates.</td>
<td>36%</td>
<td>43%</td>
</tr>
<tr>
<td>2. Sponsor &quot;meet the candidate&quot; sessions.</td>
<td>35</td>
<td>51</td>
</tr>
<tr>
<td>3. Recruit persons to run for office.</td>
<td>25</td>
<td>24</td>
</tr>
<tr>
<td>4. Provide voter info. for other contributors.</td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td>5. Provide voter registration opportunities for members.</td>
<td>9</td>
<td>39</td>
</tr>
<tr>
<td>6. Sponsor fundraising workshops for candidates.</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>7. Sponsor campaign management workshops for candidates.</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>8. Provide information on issues to supporters and constituents.</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>9. Provide general support to candidates.</td>
<td>4</td>
<td>na</td>
</tr>
</tbody>
</table>

N = 91 51

*Totals do not equal 100% due to multiple responses.
Michigan and 14% in Tennessee). Tennessee PACs, 39%, are more active in providing voter registration opportunities for employees or members while only 9% of Michigan PACs are involved in this activity.

State PACs specifically provide voter information in the following ways: printing information on favorite or all candidates, distributing candidate or voting records, writing media editorials or news articles, or inviting candidates to speak to employees or members. Table 20 shows both Michigan and Tennessee PACs' involvement in providing voter information activities.

As Table 20 indicates, Michigan PACs favor printing

Table 20
Activities Used by PACs to Provide Voter Information

<table>
<thead>
<tr>
<th>Activity</th>
<th>Michigan PAC%</th>
<th>Tennessee PAC%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization publication prints information on favorite candidates</td>
<td>55%</td>
<td>33%</td>
</tr>
<tr>
<td>Candidates are invited to speak to employees or staff</td>
<td>33</td>
<td>38</td>
</tr>
<tr>
<td>Incumbent voting record &quot;report cards&quot; distributed to management/staff</td>
<td>33</td>
<td>31</td>
</tr>
<tr>
<td>Media editorials/news articles reprinted and distributed</td>
<td>23</td>
<td>22</td>
</tr>
<tr>
<td>Organization publication prints information on all candidates</td>
<td>17</td>
<td>27</td>
</tr>
</tbody>
</table>

N = 60 48
Note: Totals do not equal 100% due to multiple responses.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
information on favorite candidates in organization publications (55% in Michigan and 33% in Tennessee). Approximately one-third of Michigan and Tennessee PACs publish incumbent voting records and invite candidates to speak to employees. The use of media editorials, newspaper articles, and printing information in organization publications concerning all candidates were also popular with PACs of both States.

Michigan and Tennessee PACs encourage voting through such means as: organization newsletters, personal letters, television and newspaper advertisements, personal encouragement by supervisors, and telephone trees. Table 21 distinguishes the ways in which Corporate and Labor PACs encourage voting as compared to Professional/Trade and Non-connected PACs.

The ways in which Corporate and Labor PACs in Michigan and Tennessee encourage voting differ. Fifty-five percent of Tennessee PACs reported giving employees time off to vote while only 11% of Michigan PACs reported doing so. Michigan PACs listed a number of activities under the "Other" category in the questionnaire. They reported preferring to encourage voter participation through the organization newsletter (33%) and supporting specific candidates in the organization newsletter (28%). Tennessee Corporate and Labor PACs did not report involvement in these activities. While most Corporate and Labor
PACs in both States encourage voting through a variety of activities, another large percent of such PACs report doing nothing (37% in Michigan, 27% in Tennessee).

Table 21

PACs Encourage Voting in the Following Ways

<table>
<thead>
<tr>
<th>Corporate and Labor PACs</th>
<th>Michigan PACs%</th>
<th>Tennessee PACs%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees given time off to vote</td>
<td>11%</td>
<td>55%</td>
</tr>
<tr>
<td>Bulletin boards contain &quot;get out the vote&quot; message</td>
<td>6</td>
<td>22</td>
</tr>
<tr>
<td>Supervisors personally encourage voter participation</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization newsletter encourages voter participation</td>
<td>33</td>
<td>na</td>
</tr>
<tr>
<td>Organization newsletter supports specific candidates</td>
<td>28</td>
<td>na</td>
</tr>
<tr>
<td>A letter is sent to all contributors encouraging them to vote on election day</td>
<td>19</td>
<td>na</td>
</tr>
<tr>
<td>A telephone tree encourages members to get out the vote</td>
<td>17</td>
<td>na</td>
</tr>
<tr>
<td>A letter is sent to contributors with a correctly marked sample ballot</td>
<td>6</td>
<td>na</td>
</tr>
<tr>
<td>The organization newsletter encourages voter participation</td>
<td>30</td>
<td>60</td>
</tr>
<tr>
<td>Nothing is done</td>
<td>37</td>
<td>27</td>
</tr>
</tbody>
</table>

N =

60 22

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
Table 21--continued

<table>
<thead>
<tr>
<th>Professional/Trade and Non-connected</th>
<th>Michigan PACs%</th>
<th>Tennessee PACs%</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization newsletter supports specific candidates</td>
<td>20</td>
<td>47</td>
</tr>
<tr>
<td>A letter is sent to contributors encouraging them to vote on election day</td>
<td>17</td>
<td>33</td>
</tr>
<tr>
<td>A telephone tree encourages members to get out the vote</td>
<td>9</td>
<td>30</td>
</tr>
<tr>
<td>A letter is sent to all contributors with a correctly marked sample ballot</td>
<td>4</td>
<td>na</td>
</tr>
<tr>
<td>An ad is purchased in a national publication or commercial television encouraging election day participation</td>
<td>2</td>
<td>na</td>
</tr>
<tr>
<td>Ad placed in local newspaper</td>
<td>2</td>
<td>na</td>
</tr>
<tr>
<td>Signs placed</td>
<td>2</td>
<td>na</td>
</tr>
<tr>
<td>Other</td>
<td>4</td>
<td>na</td>
</tr>
<tr>
<td>Employees are given time off to vote</td>
<td>4</td>
<td>na</td>
</tr>
<tr>
<td>Announcement that it is election day and that everyone should vote is made on the loud speaker system</td>
<td>2</td>
<td>na</td>
</tr>
<tr>
<td>Nothing is done</td>
<td>32</td>
<td>20</td>
</tr>
</tbody>
</table>

N = 54 30

Professional/Trade and Non-connected PACs in both States also report being involved in activities which encourage voting. Both State PACs favor encouraging voter participation through the organization newsletter (30% in Michigan, 60% in Tennessee). Like Corporate and Labor PACs in Michigan, Professional, Trade and Non-connected PACs in both States support specific candidates in their
organization's newsletter (20% in Michigan, 47% in Tennessee). A letter sent to contributors to encourage voting and the use of telephone trees are activities used by one-third of Tennessee PACs and 17% and 9%, respectively, of Michigan PACs. One-third of Michigan Professional, Trade and Non-connected PACs and one-fifth of the equivalent Tennessee PACs indicated doing nothing.

Based on the 1986 survey data, Michigan PACs can be described as a recent phenomenon in Michigan politics developing in the middle 1960s. The survey found little structure or organization among Michigan PACs. A majority indicated the absence of a separate PAC office, permanent staff or an office budget. Two-thirds reported borrowing staff from a parent organization. Business issues predominately concerned Michigan PACs. Michigan PACs actively raise money primarily by direct mail and organizing special events. The decision about which candidates will receive these revenues is mostly made through a committee process. Incumbency and voting record seem to be important criteria in supporting candidates while partisan and ideological stances are not. Providing voter information and literature on candidates were popular methods of educating members.
CHAPTER IV

FINDINGS--1990 DATA

The survey was conducted again in 1990 using the condensed version (from six to four pages) of the questionnaire (see Appendix C). The reduction of the questionnaire positively impacted the final response rate. In reporting the 1990 data, this chapter will describe Michigan PAC behavior by type of PAC organization (i.e., labor, trade, non-connected, party, or corporate). Unlike the 1986 study, responses were significant enough to make such a separation of characteristics by PAC type meaningful.

Of the 995 Michigan PACs surveyed, 199 or 20% returned the questionnaire. The response rate is once again low for mailed questionnaire surveys due to the fact that many Michigan PACs registered on the Secretary of State listing date back to the enactment of disclosure laws and have since become inactive. Not surprisingly, 39% were Professional or Trade PACs and 21% categorized themselves as labor PACs (see Table 22). For the most part, the percentages by PAC type were comparable to the percentages of PACs responding in the 1986 Michigan PAC survey.

72
PAC Activities

State PACs registered with state election offices focused their activities at different levels of government. PACs in the Michigan survey tended to be most active at the state level. On average, 95% of all PACs participated in state politics with Michigan corporate PACs active at this level 100% of the time.

Table 23 reveals Michigan PACs overall were much less active in national races--participating only one-third of the time. Corporate and party affiliated PACs however, led the way in national political contests by involving themselves over fifty percent of the time. Michigan state based PACs were more active at the local level than nationally with labor and corporate PAC acti-

<table>
<thead>
<tr>
<th>Table 22</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986 and 1990 PAC Types in Michigan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Michigan 1986%</th>
<th>Michigan 1990%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade/Professional</td>
<td>43%</td>
<td>39%</td>
</tr>
<tr>
<td>Labor</td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td>Non-connected</td>
<td>13</td>
<td>18</td>
</tr>
<tr>
<td>Corporate</td>
<td>20</td>
<td>17</td>
</tr>
<tr>
<td>Party</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Not determined</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>N =</strong></td>
<td><strong>91</strong></td>
<td><strong>199</strong></td>
</tr>
</tbody>
</table>
Table 23

Michigan State PACs Active in Local, State, and National Government

<table>
<thead>
<tr>
<th></th>
<th>All PACs</th>
<th>Corp.</th>
<th>Labor</th>
<th>Trade</th>
<th>Non-connected</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local</td>
<td>54%</td>
<td>73%</td>
<td>81%</td>
<td>30%</td>
<td>56%</td>
<td>73%</td>
</tr>
<tr>
<td>State</td>
<td>95</td>
<td>100</td>
<td>83</td>
<td>99</td>
<td>91</td>
<td>91</td>
</tr>
<tr>
<td>National</td>
<td>28</td>
<td>55</td>
<td>27</td>
<td>13</td>
<td>27</td>
<td>55</td>
</tr>
<tr>
<td>All levels</td>
<td>19</td>
<td>39</td>
<td>22</td>
<td>6</td>
<td>12</td>
<td>55</td>
</tr>
</tbody>
</table>

N = 197 33 41 78 34 11

Activity measuring 81% and 73% respectively. On average, Michigan based PACs are active one-fifth of the time at all levels of government.

Policy Concerns

Business and economic interests dominated primary Michigan PAC concerns 20% of the time (see Table 24). When combining the three most important concerns, 35% of Michigan PACs listed business and economic issues. Educational issues were almost equally important to Michigan PACs. Election of candidates, health, and good government were also cited as primary concerns.

PAC Structure

As indicated in Table 25, little has changed within the area of Michigan State PAC structural arrangements.
Table 24
Policy Concerns of Michigan State PACs

<table>
<thead>
<tr>
<th>First Response%</th>
<th>Total Responses%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business</td>
<td>20%</td>
</tr>
<tr>
<td>Elect Candidates</td>
<td>14</td>
</tr>
<tr>
<td>Education</td>
<td>19</td>
</tr>
<tr>
<td>Labor</td>
<td>7</td>
</tr>
<tr>
<td>Good Government</td>
<td>7</td>
</tr>
<tr>
<td>Health</td>
<td>8</td>
</tr>
<tr>
<td>Taxation</td>
<td>5</td>
</tr>
<tr>
<td>Government Regulation</td>
<td>4</td>
</tr>
<tr>
<td>Judicial Reform</td>
<td>4</td>
</tr>
<tr>
<td>Women's Issues</td>
<td>3</td>
</tr>
<tr>
<td>Environment</td>
<td>1</td>
</tr>
<tr>
<td>Social Welfare</td>
<td>2</td>
</tr>
<tr>
<td>Local Public Works</td>
<td>3</td>
</tr>
<tr>
<td>Consumer Issues</td>
<td>1</td>
</tr>
<tr>
<td>Farming</td>
<td>1</td>
</tr>
<tr>
<td>Civil Liberties</td>
<td>1</td>
</tr>
</tbody>
</table>

N = 169 403

Three-fourths of all Michigan PACs surveyed in 1990 report no PAC office whatsoever. An average of 20% share offices while only 4% report separate offices. When taken separately, 18% of the eleven party affiliated PACs reported having separate offices. Six percent of corporate
PACs acknowledged separate offices in Michigan.

Since 1986, it appears that Michigan PACs have developed somewhat as separate self-supporting entities in the area of office staff. On the average, 36% of all Michigan PACs reported having no paid permanent staff at all. This is a dramatic decrease from the 1986 survey which found 88% of PACs reporting such. However, this could possibly be explained by the new category "volunteer staff" added in the 1990 survey where 22% of Michigan PACs relied on volunteers or "non-paid staff" to serve the PAC. If both categories were combined, 58% would have no permanent staff. This is still a significant difference. Labor and non-connected PACs depended on volunteer staff 36 and 37% of the time. Of all PAC types, 18% of party PACs indicated having paid staff with the average among all Michigan PACs being 7%. Overall, one third of all PAC staff were part of other staff.

The results of the 1990 survey of Michigan PACs yielded data severely contrasting results found in the 1986 survey regarding PAC budgets. Eighty-nine percent of PACs participating in the 1990 study had no office budget—twice as many as in 1986. Only 1%, all party affiliated PACs, report budgets of $50,000 or more.

Clearly, Party PACs are the most developed as organizations—18% having separate offices, 18% having paid staff, and 22% having an office budget.
Non-connected PACs are at the opposite end of the spectrum. Only 3% reported a separate PAC office and paid staff with 90% having no office budget. Almost one-quarter of trade, corporate, and labor PACs acknowledged being part of a larger office; over one-third indicated PAC staff borrowed from another organization; an average of ten percent had office budgets up to $50,000. The

Table 25
Michigan State PAC Structural Arrangements

<table>
<thead>
<tr>
<th>OFFICE SPACE</th>
<th>All</th>
<th>Corp.</th>
<th>Labor</th>
<th>Trade</th>
<th>Nonc.</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Separate Office</td>
<td>4%</td>
<td>6%</td>
<td>2%</td>
<td>3%</td>
<td>3%</td>
<td>18%</td>
</tr>
<tr>
<td>Part of Larger Office</td>
<td>21</td>
<td>18</td>
<td>27</td>
<td>26</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>No PAC Office</td>
<td>75</td>
<td>76</td>
<td>71</td>
<td>72</td>
<td>89</td>
<td>73</td>
</tr>
<tr>
<td>N =</td>
<td>199</td>
<td>33</td>
<td>41</td>
<td>78</td>
<td>36</td>
<td>11</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OFFICE STAFF</th>
<th>All</th>
<th>Corp.</th>
<th>Labor</th>
<th>Trade</th>
<th>Nonc.</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paid Staff</td>
<td>7%</td>
<td>6%</td>
<td>5%</td>
<td>5%</td>
<td>3%</td>
<td>18%</td>
</tr>
<tr>
<td>Part of Other Staff</td>
<td>35</td>
<td>46</td>
<td>37</td>
<td>47</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td>Volunteer Member</td>
<td>22</td>
<td>15</td>
<td>37</td>
<td>13</td>
<td>36</td>
<td>27</td>
</tr>
<tr>
<td>No Permanent Staff</td>
<td>36</td>
<td>33</td>
<td>22</td>
<td>35</td>
<td>53</td>
<td>46</td>
</tr>
<tr>
<td>N =</td>
<td>198</td>
<td>33</td>
<td>41</td>
<td>78</td>
<td>36</td>
<td>11</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OFFICE BUDGET</th>
<th>All</th>
<th>Corp.</th>
<th>Labor</th>
<th>Trade</th>
<th>Nonc.</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0</td>
<td>89%</td>
<td>86%</td>
<td>92%</td>
<td>89%</td>
<td>90%</td>
<td>78%</td>
</tr>
<tr>
<td>$1-$5,000</td>
<td>5</td>
<td>3</td>
<td>6</td>
<td>4</td>
<td>10</td>
<td>11</td>
</tr>
<tr>
<td>$5,001-$20,000</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$20,000-$50,000</td>
<td>2</td>
<td>7</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>$50,000 or more</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>N =</td>
<td>197</td>
<td>29</td>
<td>36</td>
<td>74</td>
<td>31</td>
<td>9</td>
</tr>
</tbody>
</table>

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
sharing of responsibilities between a parent organization and its affiliated PAC is in all likelihood more descriptive of corporate, labor, and trade PACs in Michigan.

**PAC Funding Techniques**

Like the 1986 survey data, direct mail solicitation seems to be the most popular method for soliciting contributions with the exception of labor PACs (see Table 26). Labor PACs prefer payroll deduction 54% of the time. While Sabato (1985) reported national PACs soliciting funds 67% of the time through direct mail, 46% of state PACs in Michigan use this method.

Personal contact and special events were the next most popular method used on average over 42% of the time. There were some distinct preferences however when examining methods of raising money by PAC type. Corporate PACs clearly favored raising funds by in-house memoranda citing this preference 58% of the time. Eighty-two percent of party affiliated PACs focused on special events. All PACs made some use of telephone canvassing when raising funds.

Once PACs raise funds, they must decide which candidates to support. Table 27 depicts the method in which PACs make such decisions. Greater than half of all Michigan PACs (58%) decide for whom to contribute through
a committee process. Many PACs rely on a chief lobbyist or PAC president to make recommendations. Almost one-third of all PACs surveyed leave the decision to an individual. Very few PACs, either in state or national data,

Table 26

Michigan State PAC Funding Techniques

<table>
<thead>
<tr>
<th>All</th>
<th>Corp.</th>
<th>Labor</th>
<th>Trade</th>
<th>Nonc.</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Mail</td>
<td>46%</td>
<td>30%</td>
<td>7%</td>
<td>68%</td>
<td>58%</td>
</tr>
<tr>
<td>Personal Contact</td>
<td>43</td>
<td>49</td>
<td>17</td>
<td>53</td>
<td>47</td>
</tr>
<tr>
<td>Special Events</td>
<td>42</td>
<td>24</td>
<td>17</td>
<td>58</td>
<td>50</td>
</tr>
<tr>
<td>Payroll Deduction</td>
<td>26</td>
<td>46</td>
<td>54</td>
<td>14</td>
<td>8</td>
</tr>
<tr>
<td>Telephone</td>
<td>25</td>
<td>15</td>
<td>7</td>
<td>31</td>
<td>39</td>
</tr>
<tr>
<td>In-house Memoranda</td>
<td>23</td>
<td>58</td>
<td>15</td>
<td>22</td>
<td>6</td>
</tr>
<tr>
<td>Newsletter</td>
<td>13</td>
<td>18</td>
<td>5</td>
<td>15</td>
<td>11</td>
</tr>
<tr>
<td>Dues</td>
<td>7</td>
<td>0</td>
<td>17</td>
<td>4</td>
<td>8</td>
</tr>
</tbody>
</table>

make use of the democratic process by allowing members to choose where resources are put. There is, however, one exception. Party affiliated PACs in Michigan gave that choice to membership 46% of the time.

Preference Among Candidates

It is no surprise that Michigan State PACs chose incumbents over challengers 51% of the time. PACs, whether at the national or state levels, enjoy races that
are considered "safe" investments. Incumbents have historically had a much easier time soliciting funds from PACs and special interest groups. Very few PACs supported challengers or open-seat candidates. If they didn't support incumbents, their choice was no preference, mirroring PACs at the national level. Party PACs once again are distinct among PAC types in that none preferred incumbents and three-fourths had no preference.

When choosing between house and senate candidates, an average of 81% of Michigan PACs had no preference. There is a slight preference for senate candidates over house candidates. This could reflect the length of service related to each chamber.

Clear differences arose between support of a Democratic or Republican candidate in relation to type of PAC. Michigan labor PACs preferred Democrats 62% of the time while 38% declared no preference. Party PACs also sup-
ported Democrats 82% of the time which is most likely suggestive of the preference or types of party PACs responding to the survey. Trade, non-connected and corporate slightly favored Republican candidates but an average of 56% had no preference. The overall support, as reflected in the 1986 survey, favored Democrats over Republicans.

Exactly 50% of Michigan PACs surveyed in 1990 had no preference when selecting a liberal, conservative, or moderate candidate. Sabato's survey of national PACs was much less indecisive with only 39% showing no preference. Clear differences in ideological preferences exist for types of PACs. About one-fourth of all corporate, trade and non-connected PACs supported conservative candidates while slightly over two-thirds of labor and party PACs supported liberal PACs.

Forty-eight percent of Michigan State PACs also had no preference between supporting marginal or safe candidates. Party PACs stand out supporting marginal candidates over safe ones 67% of the time. Just over one-third of labor, corporate, and non-connected PACs also chose supporting marginal candidates. However, corporate PACs, as well as trade PACs in Michigan, are almost equally divided in supporting a safe candidate versus one in a "risky" race.

Michigan State PACs also use other criteria for
Table 28

Michigan PAC Preferences Among Candidates

<table>
<thead>
<tr>
<th></th>
<th>All Corp.</th>
<th>Labor</th>
<th>Trade</th>
<th>Nonc.</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incumbent</td>
<td>51%</td>
<td>63%</td>
<td>58%</td>
<td>52%</td>
<td>42%</td>
</tr>
<tr>
<td>Challenger</td>
<td>3</td>
<td>0</td>
<td>3</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Open-seat Candidate</td>
<td>3</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>9</td>
</tr>
<tr>
<td>No preference</td>
<td>43</td>
<td>37</td>
<td>37</td>
<td>43</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td>N = 184</td>
<td>32</td>
<td>38</td>
<td>74</td>
<td>33</td>
</tr>
<tr>
<td>Senate Candidate</td>
<td>13%</td>
<td>9%</td>
<td>16%</td>
<td>14%</td>
<td>6%</td>
</tr>
<tr>
<td>House Candidate</td>
<td>6</td>
<td>6</td>
<td>8</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>No Preference</td>
<td>81</td>
<td>85</td>
<td>76</td>
<td>82</td>
<td>88</td>
</tr>
<tr>
<td></td>
<td>N = 182</td>
<td>32</td>
<td>37</td>
<td>72</td>
<td>34</td>
</tr>
<tr>
<td>Republican</td>
<td>19%</td>
<td>19%</td>
<td>0</td>
<td>21%</td>
<td>34%</td>
</tr>
<tr>
<td>Democrat</td>
<td>25</td>
<td>13</td>
<td>62</td>
<td>5</td>
<td>20</td>
</tr>
<tr>
<td>No Preference</td>
<td>56</td>
<td>68</td>
<td>38</td>
<td>74</td>
<td>46</td>
</tr>
<tr>
<td></td>
<td>N = 188</td>
<td>32</td>
<td>37</td>
<td>73</td>
<td>35</td>
</tr>
<tr>
<td>Liberal</td>
<td>14%</td>
<td>12%</td>
<td>36%</td>
<td>3%</td>
<td>9%</td>
</tr>
<tr>
<td>Conservative</td>
<td>20</td>
<td>25</td>
<td>3</td>
<td>24</td>
<td>25</td>
</tr>
<tr>
<td>Moderate</td>
<td>16</td>
<td>16</td>
<td>25</td>
<td>14</td>
<td>9</td>
</tr>
<tr>
<td>No Preference</td>
<td>50</td>
<td>47</td>
<td>36</td>
<td>59</td>
<td>56</td>
</tr>
<tr>
<td></td>
<td>N = 183</td>
<td>32</td>
<td>36</td>
<td>73</td>
<td>32</td>
</tr>
<tr>
<td>Marginal Candidate</td>
<td>40%</td>
<td>35%</td>
<td>33%</td>
<td>27%</td>
<td>39%</td>
</tr>
<tr>
<td>Safe Candidate</td>
<td>12</td>
<td>23</td>
<td>14</td>
<td>20</td>
<td>3</td>
</tr>
<tr>
<td>No Preference</td>
<td>48</td>
<td>42</td>
<td>53</td>
<td>53</td>
<td>58</td>
</tr>
<tr>
<td></td>
<td>N = 180</td>
<td>31</td>
<td>36</td>
<td>71</td>
<td>33</td>
</tr>
</tbody>
</table>

making decisions about how to allocate funding. Over half (51%) of the PACs surveyed use voting record as the main criteria in deciding to whom to contribute. Twenty-five percent cited the introduction of legislation favorable to the PAC as being the most important measure. It is evident that state PACs place a high priority on service
while in office. Hence, incumbents have a clear advantage over challengers.

Campaign Activities

State PACs participate in campaign related activities other than donating funds. The type of PAC campaign activities Michigan State PACs supported most frequently (between 40 and 48%) were to provide general support in addition to money, provide information on candidates, and provide members with voter education information. However, clear differences emerge between types of PACs and campaign activities.

As Table 29 indicates, party PACs were more than two times likely to be involved in recruiting candidates than all other Michigan PACs. They were almost as equally a dominant player in sponsoring candidate forums. These results should not come as a surprise as candidates are generally selected and promoted by the typical party apparatus.

Michigan PACs involve themselves in many different campaign activities and do not specifically focus on one single method. Labor PACs focus a great deal of effort educating the public about candidates. Over fifty-percent sponsor candidate forums and educate members about candidates. Between one and two-thirds of corporate, nonconnected, and trade PACs also place emphasis on voter educa-
tion information. The only Michigan State PAC not participating in all campaign activities are corporate PACs. Corporate PACs are the only category which did not participate in sponsoring campaign or fundraising workshops. Other than donating funds, Michigan State PAC involvement in state elections run the gambit of registering voters, providing information on candidates, to recruiting candidates.

Table 29

Michigan State PAC Campaign Activities

<table>
<thead>
<tr>
<th>Activity</th>
<th>All</th>
<th>Corp.</th>
<th>Labor</th>
<th>Trade</th>
<th>Nonc.</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruit Candidates</td>
<td>19%</td>
<td>3%</td>
<td>20%</td>
<td>14%</td>
<td>34%</td>
<td>64%</td>
</tr>
<tr>
<td>Sponsor Fundraising Workshops</td>
<td>8</td>
<td>0</td>
<td>5</td>
<td>11</td>
<td>6</td>
<td>18</td>
</tr>
<tr>
<td>Sponsor Campaign Workshops</td>
<td>7</td>
<td>0</td>
<td>5</td>
<td>4</td>
<td>13</td>
<td>9</td>
</tr>
<tr>
<td>Provide Information on Candidates</td>
<td>44</td>
<td>45</td>
<td>76</td>
<td>54</td>
<td>63</td>
<td>82</td>
</tr>
<tr>
<td>Sponsor Candidate Forums</td>
<td>37</td>
<td>39</td>
<td>53</td>
<td>34</td>
<td>31</td>
<td>82</td>
</tr>
<tr>
<td>Register Voters</td>
<td>13</td>
<td>16</td>
<td>20</td>
<td>5</td>
<td>19</td>
<td>27</td>
</tr>
<tr>
<td>Provide General Support in</td>
<td>48</td>
<td>32</td>
<td>83</td>
<td>37</td>
<td>53</td>
<td>91</td>
</tr>
<tr>
<td>Addition to $</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide Members</td>
<td>40</td>
<td>48</td>
<td>53</td>
<td>28</td>
<td>44</td>
<td>64</td>
</tr>
<tr>
<td>With Voter Education Info.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>None of the Above</td>
<td>19</td>
<td>26</td>
<td>10</td>
<td>25</td>
<td>22</td>
<td>0</td>
</tr>
<tr>
<td>N</td>
<td>199</td>
<td>31</td>
<td>40</td>
<td>76</td>
<td>32</td>
<td>11</td>
</tr>
</tbody>
</table>
CHAPTER V

CONCLUSIONS-COMPARISONS BETWEEN STATE AND NATIONAL PACs

The research reported in this paper was conducted using mailed questionnaires addressed to the State recognized PACs of Michigan and Tennessee in 1986 and PACs in Michigan in 1990. In spite of low response rates initially due to the surveys being conducted eight to eleven months after the 1986 elections, a great deal has been learned about state PACs. The 1990 survey confirmed many of the findings of 1986 and pointed out variations among types of PACs on some variables. The results of this study, reported as answers to a series of questions about PACs based on available literature, lead to the following conclusions about the nature of Michigan PACs, and by inference, state PACs in general. This section will also provide a comparative view of state PACs to their national counterparts.

This study has found that there are trade, labor, corporate, non-connected and party PACs involved in state elections in Michigan. They have concerns involving policies of good government, business, labor, taxation, education, health, welfare, etc. Most do not have offices, staffs, or large budgets but rely on parent organiza-

85

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
tions. They use direct mail, fundraising events, and organizational newsletters to solicit funds. They make decisions by committee and favor incumbents whose voting records are consistent with their organization's goals. They involve themselves in activities which promote voting presumably for candidates the organization supports. They are rational actors in the election process.

State PACs, like those in Michigan and Tennessee, are relatively new organizations. Most have been formed in the last decade because of certain demands which warranted the risks of their creation. Some will seem to disappear between elections but can be reactivated at the behest of a parent organization as an election campaign approaches. A few business, education, and labor PACs in Michigan, like the PACs of the Michigan Realtors Association, the Michigan Education Association, and the AFL-CIO, are part of umbrella organizations supported by larger groups and corporations and are always in the public eye. Organizationally these PACs are more complex. These are the PAC organizations that maintain permanent offices and staffs and have budgets and operating funds. Such Michigan PACs, and their equivalents in Tennessee, are a minority of the PACs operating in state elections. Perhaps it is the "more complex" PACs which most accurately reflect PACs nationally.
At the national level, there is a clear dominance of corporate PACs while at the state level, one measures a disproportionately large number of professional and trade PACs. This distinction between state and national PACs could relate to the nature of laws at various levels of government that govern their interests. Corporations tend to face greater regulation by the federal government (i.e., taxation, environmental standards, occupational safety). Trade or professional PACs whose members represent licensed professionals like doctors, lawyers, etc., are commonly regulated under state law. Michigan is unique in the number of labor PACs because of the strong presence of auto related industry and history of union movements in that State.

PACs at the national level are much more structurally developed than state PACs. Since the federal policy making arena is chiefly confined to one geographical area, it is not uncommon for corporations, organized labor, trade associations, and party organizations, to place their national headquarters in Washington, D.C. National PACs are well established players, both in terms of financial resources and lobby efforts, in the electoral process. They are resource rich in that they have a national constituency to draw from. State PACs, however, are much less organized. Only 4% of state PACs had their own offices, 7% reported paid staff and only 1% had
budgets greater than $50,000. Conversely, or more dramatically, 75% reported no permanent office, 58% did not have paid staff, and 89% allocated no money to run the PAC office. In summary, state PACs remain typical desk drawer operations, depending a great deal on the volunteer human factor year after year.

Thomas and Hrebenar (1990, pp. 144-45) found the dominant lobbyists in state contests representing economic interests. Thus, it was not surprising that in the 1990 Michigan survey, business related issues were ranked as most important. Education, becoming obviously imperative to our country's economic and competitive future, was ranked almost equally high by Michigan State PACs.

National PACs are naturally focused on national or federal contests. Their state counterparts and affiliations are more directly involved in state and local contests. They become engaged in a variety of activities like voter registration efforts and providing information on candidates.

The method in which state PACs raise funds is characteristic of national PACs. Direct mail and personal solicitation are the chief fundraising mechanisms of PACs at both levels. National PACs also employ activities to educate members. Popular activities included newsletters and other published information. It was surprising to find the relatively low usage of telephone trees in soli-
citing funds. State corporate PACs shy away from this activity all together and focus on payroll deduction or in-house communications. Party PACs more predominantly use telephone solicitation techniques where individuals are regularly contacted. State labor PACs place heavy emphasis on payroll deductions. Along with trade and non-connected, they also hold a great deal of special events. Like national PACs, a majority of state PACs use more than one technique in soliciting funds.

According to Sabato (1984, pp. 73-77), state PACs prefer safe candidates, are less partisan and less ideological than national PACs. This was partially true with Michigan PACs. Michigan PACs overall were only slightly less partisan and less ideological but comparatively supported marginal candidates over those in safe races. Party PACs were obviously supportive of particular partisan groups. Michigan non-connected, trade, and corporate PACs slightly leaned towards Republican candidates while labor PACs were more likely to put resources into Democratic contests. Ideological differences did surface between type of state PAC and reflected partisan trends. Corporate, non-connected, and trade PACs were very conservative while labor/party PACs identified with liberal candidates. While 50% of state PACs had no preference in types of races in which they fund resources, labor and
non-connected PACs focus on marginal candidates and corporate/trade like to play it safe.

National and state PACs favor incumbents above all other factors. Incumbency is inherently a political advantage in the re-election of any candidate. The incumbent has had the opportunity to develop a relationship with his/her constituency as well as forge and maintain contacts with the establishment. Therefore, supporting the incumbent is usually considered safe and maximizes the potential of a winning investment.

Like their national counterparts, the majority of state PACs make decisions about whom to contribute to through a committee or board process. In Michigan, party PACs are an exception in that 46% involve members in the contribution decision. Non-connected PACs almost as equally (14%) left decisions to the membership as labor PACs (15%). Corporate PACs in both State studies were least likely to include membership in the decision making process. Differences in PAC types nationally were much less distinct.

This research was done to determine to what degree state PACs are like or unlike national PACs and whether state PACs vary by type. Much information was learned about their organization and operations using the survey method for data collection that could not have been learned from the files in the Secretary of State's Office,
the more usual source of information about PACs. The results of this research clearly show state PACs are similar to national PACs by types, share interests in policy concerns, in decision making methods, and in supporting incumbents for political office. They differ somewhat in preferences with national PACs being more ideological and partisan in supporting candidates. Perhaps the greatest area of discrepancy involves the PAC organization itself. State PACs are much less developed in terms of office space, personnel, and budgets. Although State PACs are somewhat less mature than PACs nationally, they are still very relevant, real, and important players in the election process. The expectation is current in the profession that national PACs will expand their attention to state level elections, that their impact is at a saturation point at the national level. If this is true, we can expect state level PACs to mirror national PACs even more than they do now.
Appendix A

Summary of Campaign Finance Reform Initiatives
Table 30
Summary of Campaign Finance Reform Initiatives

<table>
<thead>
<tr>
<th>Year</th>
<th>Initiative</th>
</tr>
</thead>
<tbody>
<tr>
<td>1867</td>
<td>Congress passed a law prohibiting Navy Yard employees from levying assessments for political purposes.</td>
</tr>
<tr>
<td>1883</td>
<td>The &quot;Civil Service Reform Act&quot; expanded the earlier prohibition to include any military officer or employee of the U.S. Government.</td>
</tr>
<tr>
<td>1907</td>
<td>The &quot;Tillman Act&quot; passed Congress.</td>
</tr>
<tr>
<td>1910</td>
<td>Congress passed legislation requiring disclosure of election campaign contributions for the U.S. House.</td>
</tr>
<tr>
<td>1911</td>
<td>The 1910 Legislation was amended to cover U.S. Senate.</td>
</tr>
<tr>
<td>1921</td>
<td>The U.S. Supreme Court overturned the conviction of a U.S. Senator who had been convicted for excessive campaign expenditures. The Court held that Congress could not limit expenses or activities related to primary or nomination periods.</td>
</tr>
<tr>
<td>1925</td>
<td>The &quot;Federal Corrupt Practices Act&quot; was passed, covering general election activities. It required disclosure of contributions and expenditures by congressional candidates and by any political committee active in two or more States. It further limited expenditures by congressional candidates.</td>
</tr>
</tbody>
</table>
1937 The "Federal Communications Act" established equal time campaign provisions.

1940 The "Hatch Act" of 1939 was enacted by Congress. It sought to restrict political activities by all Federal employees (except Presidential appointments).

1941 In "United States v. Classic" the U.S. Supreme Court reversed its policy findings decision of 1921.

1943 The "Smith-Connally Act" was enacted.

1947 The "Taft-Hartley Act" permanently banned labor union contributions in Federal office elections.

1961 A "Commission on Campaign Costs" was appointed by President John F. Kennedy.

1964 Both Houses of Congress passed separate legislation suspending the equal time provisions of the Federal Communications Act (measure later died in committee).

1966 An amendment to the "Foreign Investors Tax-Credit Act" established a public subsidy for presidential candidates financed by a one dollar tax "check-off" on personal income tax forms.

1967 Congress repealed personal income tax check-off plan.

1971 The "Presidential Campaign Fund Act" passed, establishing public subsidies for presidential candidates financed by a one dollar tax "check-off" similar to the earlier proposal.
1972  The "Federal Elections Campaign Act of 1971" (FECA) became effective.

1974  Congress passed amendments on campaign contributions requiring full identification of contributions, requiring financing disclosure reports by Members of Congress and candidates, and placing limitations on total expenditures for primary and general elections for Federal office. FEC also established.

1975  FEC announced ruling involving Sun Oil Company's PAC.

1976  In Buckley v. Valeo, the U.S. Supreme Court invalidated portions of FECA.

1977  Congress passed minor amendments to FECA.

1979  Further amendments to the FECA were passed by Congress which simplified reporting requirements, encouraged party activities at State and local levels, and further increased public funding grants for Presidential nominating conventions.

1982  Clarifying amendments to the FECA were passed.

1984  Additional clarifying amendments passed by Congress.

1986  The U.S. Senate passed the Boren Amendment limiting amount candidates could receive from PACs.

1989  Congress passed a bill banning honoraria except for the Senate starting in 1991. It also prohibited income for special services and limited
outside income to 15% of salary earned.

Appendix B

PAC Cover Letters
Dear PAC officer, administrator, or other designated knowledgeable person:

Enclosed in this envelope are a copy of a questionnaire entitled Political Action Committee Survey, a return stamped envelope, and this cover letter. The questionnaire was designed by graduate students and faculty in the Political Science Departments of Western Michigan University and Memphis State University, and will be used to learn about the organizational structures of PAC organizations, their fundraising activities, their decision making processes in selecting recipients, their pattern of distributing funds, and their voter participation activities. The questionnaire is being mailed to all PAC organizations in Michigan and Tennessee with the possibility that other states will be studied in the future. Reference to public service commissioners is relevant only to the Tennessee survey and may be ignored by Michigan respondents.

In the field of political science, PACs are perceived as infant political organizations. Little is known about them at the present time. The purpose of this research is to begin a process which will lead to a better understanding of this relatively new phenomenon.

Although we ask you to provide the name of your PAC and of the person and his/her title filling out the questionnaire, your doing so is voluntary. All of the responses to the questionnaire will be aggregated and analyzed statistically. Anonymity, privacy, and confidentiality are intended and guaranteed.

We appreciate your filling out the questionnaire and returning it to Western Michigan University in the enclosed envelope.

Sincerely,

Helenan S. Robin
Full Professor

Keeley Taylor
Graduate Student

HSR:lo'k
November 30, 1990

Dear PAC officer, administrator, or other designated knowledgeable person:

Three weeks ago I mailed you a copy of a questionnaire entitled 1990 Political Action Committee Survey and a preposted return envelope. If you returned the questionnaire, please ignore this letter. Since we did not insist on identification of the PAC, we could not cull the mailing list. If you did not return the earlier questionnaire we would appreciate your filling out and returning this one.

The questionnaire was designed by graduate students and faculty in the Political Science Departments of Western Michigan University and Memphis State University, and will be used to learn about the organizational structures of state level PAC organizations, their fundraising activities, their decision making processes in selecting recipients, their pattern of distributing funds, and their voter participation activities. The questionnaire is being mailed to all PAC organizations in Michigan and Tennessee with the possibility that other states will be studied in the future.

Although we ask you to provide the name of your PAC and of the person and his/her title filling out the questionnaire, your doing so is voluntary. All of the responses to the questionnaire will be aggregated and analyzed statistically. Anonymity, privacy, and confidentiality are intended and guaranteed.

Please return the completed questionnaire to Western Michigan University in the enclosed envelope. Should you care to receive a copy of this research, please let me know and I will gladly send you one. It will probably take six months to complete the study. We expect to present the findings from this research to the American Political Science Association at its annual meeting in Cincinnati, Ohio, in August, 1991. We hope to be able to include your informed responses.

Sincerely,

Helenan S. Robin
Full Professor

HSR/db
Appendix C

PAC Surveys
POLITICAL ACTION COMMITTEE SURVEY

PAC ORGANIZATION
1. Which of the following best describes the PAC with which you are associated?
   - corporate PAC
   - labor PAC
   - trade PAC
   - professional
   - nonconnected or independent PAC (a PAC which has no organizational parent)

2. At which level(s) of government is your PAC active? Answer by checking which category(ies) of candidates receive funds or assistance from your PAC.
   - local government candidates
   - state government candidates
   - federal government candidate

3. What three issues are most important to your PAC?
   1.
   2.
   3.

4. Does your PAC participate in the following activities? (Check all that apply.)
   - Recruit persons to run for office
   - Sponsor campaign management workshops for candidates
   - Sponsor fundraising workshops for candidates
   - Provide voter registration opportunities for employees/members
   - Provide voter education information for employees/members
   - Provide voter education information for other contributors
   - Sponsor "meet the candidate" sessions for employees/members
   - None of the above
   - Other (Please specify.)

5. a. How many full time staff work in your PAC office?_________
   b. How many part time staff work in your PAC office?_________
   c. How many volunteers work in your PAC office?_________
   d. PAC office staff are borrowed from the parent organization as needed. Yes____ No____

6. Check the following which best describes your PAC office area.
   - There is no specific PAC office
   - The PAC has a separate office
   - The PAC office is part of a larger office

7. What was your PAC office budget for FY '86?_________
CONTRIBUTIONS TO PAC
Please answer the following questions about your PAC fundraising activities:
8. Do you send general mailings requesting contributions to members or targeted individuals?
   Yes ___ No ___
   a. If "Yes," how often are fund requests mailed?
      monthly ___ Yearly ___ Quarterly ___ As needed ___ Twice yearly ___
   b. What was the average contribution received through a direct mail campaign in 1986?___________

9. In what other ways do you solicit contributions? (Check all that apply.)
   a. Individuals are asked to contribute:
      only during special fundraisers ___
      individuals are never "asked" personally ___
      a general request is made in the organization newsletter ___
      a general request is made by way of office bulletin boards ___
      no solicitations are made ___
      during personal visits from PAC representative(s) ___
      during telephone conversations with PAC representative ___
      by way of an in-house memo ___
      Other? List below.
      1. ___
      2. ___
      3. ___
   b. How much are they asked to contribute?
      a specific amount of money ___
      a percentage of his/her salary on a regular basis ___
      any amount, but on a regular basis ___
      any amount at any time ___

10. How frequently are contributions collected? (Check all that apply)
    Weekly ___ Bi-weekly ___ Monthly ___ Yearly ___
    As a payroll deduction ___ As decided by the PAC staff ___ Other ___
    *If "Other" was checked, briefly describe what you mean.

11. How often are stockholders asked to contribute?__________________________
12. List the types of fundraisers which have been organized, and give approximate amounts raised. List in descending order of financial success.

1.

2.

3.

4. There have been no fundraisers.

13. When an employee or member helps to organize a fundraiser or gives to a PAC, how does the organization recognize the action? (Check all that apply.)

- List contributor's name in an in-house publication.
- List contributor's name in community-wide publication.
- Give special recognition in staff meeting.
- Recognize only if the activity has been over and beyond what others have done.
- Other kinds of recognition:
  1.
  2.
  3.

- No recognition is given.

DECISION-MAKING REGARDING RECIPIENTS OF PAC CONTRIBUTIONS

14. Who makes decisions as to which candidates will receive PAC funds from your organization? (Check all that apply. The choices given were structured to include those appropriate for both the connected and non-connected PAC.)

- the head of the PAC organization staff
- a committee consisting of selected PAC staff
- a committee consisting of a combination of PAC staff and management/leadership representatives
- a committee consisting of PAC staff, management representatives, and staff/employee representatives
- a committee from company management
- the CEO of the company, Executive Director of the parent organization, or another individual in a leadership position
- the Chairman of the Board of the parent organization
- the Executive Committee of the board of directors
- the Board of Directors
- Everyone has an opportunity to suggest recipients of PAC funds, and a vote is taken to make a final decision.
- Other (please specify)
15. If all else were the same between two candidates, which one would you prefer to support in each of the following instances?

a. _____ An incumbent
   _____ A challenger
   _____ An open-seat candidate
   _____ No preference

b. _____ A state senate candidate
   _____ A state house candidate
   _____ No preference

c. _____ A Republican
   _____ A Democrat
   _____ A third-party candidate
   _____ No preference

d. _____ A liberal
   _____ A conservative
   _____ A moderate
   _____ No preference

e. _____ A candidate in a marginal race
   _____ A candidate in a safe race
   _____ No preference

16. Rate the following criteria for importance in determining which candidate will receive PAC contributions with "1" being the most important criterion used:

   _____ Has a voting record which has been favorable to my organization
   _____ Made campaign statements which seem favorable to the interests of my organization
   _____ Interviewed favorably with my PAC staff/leadership
   _____ Is a candidate running for a position important to my organization regardless of other considerations
   _____ Other (Please specify.)

**PAC CONTRIBUTIONS TO CANDIDATES FOR STATE OFFICES, 1986**

(These questions are for state office candidates only.)

17. Please provide specific information about your PAC's contributions to candidates in the gubernatorial, state senate, and state house races in 1986. Insert dollar amounts in spaces where contributions were made.

<table>
<thead>
<tr>
<th>Candidate</th>
<th>Primary Election</th>
<th>General Election</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gubernatorial (all candidates)</td>
<td>$___________</td>
<td>$___________</td>
</tr>
<tr>
<td>State Senate (all candidates)</td>
<td>$___________</td>
<td>$___________</td>
</tr>
<tr>
<td>State Representatives (all candidates)</td>
<td>$___________</td>
<td>$___________</td>
</tr>
</tbody>
</table>
18. How many candidates
   a. received a contribution from your PAC? ________
   b. received more than one contribution from your PAC?________
   c. received the maximum amount a PAC can give to a single candidate?_______
   d. received early contributions?________
   e. benefited from your PAC in ways other than direct contributions?_______

19. If you entered a number in 18e., please list ways that candidates may have benefited from your PAC other than by receiving direct contributions.
   1) ________
   2) ________
   3) ________

20. How many incumbents for state offices received contributions from your PAC?
(Enter numbers in space)
   Legislative ________
   Public service commissioner ______

21. How many challengers for state offices received contributions from your PAC?
   Legislative ________
   Public Service commissioner ________

22. In open seat elections for the state senate (offices with no incumbents), did your PAC contribute to both candidates?_______yes ________no
   If yes, in how many open seat elections did both candidates receive the same amount of money?_______
   In how many open seat elections did the candidates for the same office receive different amounts of money?_______

VOTER PARTICIPATION ACTIVITIES
23. a. Does your PAC make a special effort to get management and staff or members/employees to register to vote? ________yes ________no

   b. If you marked "yes," please check all of the following which describe that special effort:
      ______ encouragement to register through the organization newsletter
      ______ making mail-in voter registration forms available through the organization
      ______ scheduling a special voter registration period during lunch time, etc., when qualified persons help employees complete registration forms
      ______ employer giving time off to register at the Election Commission Office
      ______ other (Please list )

      1. ________
      2. ________
      3. ________
24. Voter information is provided by my PAC to individuals in the following ways (Check all which apply.)

___ Organization publication prints information about all candidates for a particular election.
___ Organization publication prints information about favorite candidates for a particular election.
___ Newspaper articles/editorials are re-printed and distributed or mailed.
___ Candidates are invited to speak to employees during lunch hour or during meetings of the membership.
___ "Report cards" on incumbent voting records are issued to management and staff/employees or mailed to members or contributors.
___ "Report cards" on candidate statements are issued to management and staff/employees, members or contributors.
___ Sample, "correctly marked" ballots are distributed in-house and mailed.
___ No candidate information is distributed in-house or mailed to contributors.

FOR CORPORATE/ BUSINESS PACS
25. On election day, management and staff/employees are encouraged to vote in the following ways: (Check all that apply.)

___ Announcement that it is election day and that everyone should vote is made on the loud speaker system.
___ Employees are given time off to vote.
___ Supervisors personally encourage voter participation.
___ Bulletin boards contain "get out the vote" message.
___ Nothing is done to encourage voter participation.
___ Other (Please list)

FOR MEMBERSHIP AND NON-CONNECTED PACS
26. Membership/contributors are encouraged to vote on election day in the following ways: (Check all that apply)

___ A letter is sent to all contributors encouraging them to vote on election day.
___ An ad is purchased in a national publication or on commercial television encouraging election day participation.
___ A letter is sent to all contributors with a correctly marked sample ballot.
___ A telephone tree encourages members to get out and vote.
___ The organization newsletter encourages voter participation.
___ The organization newsletter supports specific candidates.
___ Nothing is done.

Information about the PAC
Name______________________________________________________________
Year organized____________________________________________________
Total dollars contributed to state-wide candidates in 1986_______________

Information about the person completing the survey
Name______________________________________________________________
Title______________________________________________________________

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
1990 Political Action Committee Survey

1. Name of PAC ______________________________________________________ (may be omitted)

2. Year Organized ____________

POLITICAL ACTION COMMITTEE SURVEY

PAC ORGANIZATION

3. Which of the following best describes the PAC with which you are associated?
   ___ corporate PAC
   ___ labor union PAC
   ___ trade association PAC
   ___ professional association PAC
   ___ political party or candidate PAC
   ___ school district or university PAC
   ___ city, township, village, or county government PAC
   ___ church or religious organization PAC
   ___ non-connected or independent PAC (a PAC which has no organizational parent)

4. At which level(s) of government is your PAC active? Answer by checking which category(ies) of candidates receive funds or assistance from your PAC.
   ___ local government
   ___ state government
   ___ federal government

5. What three issues are most important to your PAC?
   1. __________________________________________________________________________
   2. __________________________________________________________________________
   3. __________________________________________________________________________

6. Check the following which best describes your PAC office area.
   ___ PAC borrows office space from parent organization
   ___ PAC has a separate office of its own
   ___ PAC office is separate but space is shared with other PACs
   ___ There is no specific PAC office or office area

7. Check the following which best describes your PAC office staff.
   ___ PAC has its own paid full time/part-time staff
   ___ PAC relies on volunteers/members as staff
   ___ PAC staff is borrowed from the parent organization as needed
   ___ There is no PAC office staff at all

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
8. Did your PAC have its own budget for office, staff, supplies, etc. in Fiscal Year 1990?
   — Yes
   — No

   If yes, how much is the budget?

CONTRIBUTIONS TO PAC

Please answer the following questions about your PAC fundraising activities:

9. In what ways do you solicit contributions? (Check all that apply.)
   — during special fundraisers
   — by direct mail
   — through PAC newsletters
   — by in-person contacts with potential contributors
   — by telephone calls to potential contributors
   — by payroll deduction form through parent organization
   — by in-house memoranda in parent organization
   — other (please specify)
     1. ________________________
     2. ________________________
     3. ________________________

10. How much are individuals asked to contribute?
    — a specific amount of money
    — a percentage of salary on a regular basis
    — any amount on a regular basis
    — any amount at any time

11. What is the primary mechanism through which contributions are collected by your PAC?
    — through payroll deduction
    — through membership dues
    — through donations
    — other (please specify)
      1. ________________________
      2. ________________________
      3. ________________________

12. How frequently are contributions collected? (Check all that apply.)
    — weekly
    — bi-weekly
    — monthly
    — quarterly
    — yearly
    — as decided by the PAC staff
    — other (please describe what you mean) ________________________
DECISION-MAKING REGARDING RECIPIENTS OF PAC CONTRIBUTIONS

13. Who makes decisions as to which candidates will receive funds from your PAC organization? (Check all that apply.)

___ decision made by head of PAC organization
___ decision made by head of parent organization
___ decision made by committee or board of PAC organizations
___ decision made by committee or board of parent organization
___ decision made by vote of the members or contributors to PAC organization
___ other (please specify)

14. Which is the decision-making procedure most frequently used by your PAC?

___ decision made by head of PAC organization
___ decision made by head of parent organization
___ decision made by committee or board of PAC organizations
___ decision made by committee or board of parent organization
___ decision made by vote of the members or contributors to PAC organization
___ other (please specify)

15. If all else were the same between two candidates, which one would you prefer to support in each of the following instances?

a. ___ An incumbent
   ___ A challenger
   ___ An open-seat candidate
   ___ No preference

b. ___ A state senate candidate
   ___ A state house candidate
   ___ No preference

c. ___ A Republican
   ___ A Democrat
   ___ A third-party candidate
   ___ No preference

d. ___ A liberal
   ___ A conservative
   ___ A moderate
   ___ No preference

e. ___ A candidate in a marginal race
   ___ A candidate in a safe race
   ___ No preference

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
16. Rate the following criteria for importance in determining which candidate will receive PAC contributions with "1" being the most important criterion used:

- Introduced legislation that was favorable to your PAC or parent organization
- Has a voting record which has been favorable to your PAC or parent organization
- Made campaign statements which seem favorable to your PAC or parent organization
- Interviewed favorably by your PAC or parent organization staff/leadership
- Is a candidate running for a position important to your PAC or parent organization regardless of other considerations
- Other (Please specify)

17. PAC ACTIVITIES DURING CAMPAIGNS

17. Does your PAC participate in the following activities for or during election campaigns? (Check all that apply.)

- Recruit persons to run for office
- Sponsor campaign management workshops for candidates
- Provide general support in addition to money to candidates
- Sponsor fundraising workshops for candidates
- Provide voter registration opportunities for members or contributors
- Provide voter education information for members or contributors
- Provide information about candidates to members or contributors
- Sponsor "meet the candidate" sessions for members or contributors
- None of the above
- Other (Please specify)
  1. ________________________________________________________________
  2. ________________________________________________________________
  3. ________________________________________________________________

18. In which ways does your PAC encourage members/contributors to vote on election day? (Check all that apply.)

- A letter is sent to all contributors encouraging them to vote on election day
- An ad is purchased in a national publication or on commercial television encouraging election day participation
- A letter is sent to all contributors with a correctly marked sample ballot
- A telephone tree encourages members to get out and vote
- The organization newsletter encourages voter participation
- The organization newsletter supports specific candidates
- Nothing is done

Information about the person completing the survey
Name __________________________ (may be omitted)
Title _________________________________________________________________________

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
Appendix D

Human Subjects Institutional Review Board Clearance
Date: February 2, 1990

To: Keeley I. Taylor

From: Mary Anne Bunse, Chair

This letter will serve as confirmation that your research protocol, "Political Action Committees in the State of Michigan during the 1986 Election Cycle", has been approved under the exempt category of review by the HSIRB. The conditions and duration of this approval are specified in the Policies of Western Michigan University. You may now begin to implement the research as described in the approval application.

You must seek reapproval for any changes in this design. You must also seek reapproval if the project extends beyond the termination date.

The Board wishes you success in the pursuit of your research goals.

xc: H. Robin, Political Science

HSIRB Project Number ______ 90-01-18 ______

Approval Termination ______ February 2, 1991 ______
BIBLIOGRAPHY


