

Rules for Two-Year Individual Aggregate Limits Changed

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The Federal Election Commission (FEC) recently amended its rules regarding the federal biennial aggregate contribution limits for individuals. FEC, *Multicandidate Committees and Biennial Contribution Limits*, 68 Fed. Reg. 64,512 (Nov. 14, 2003). The new rules became effective on December 15, 2003. In short, these revisions mean that contributions to federal candidates made by individuals on or after January 1, 2004 will apply against the two-year aggregate contribution limits for the two-year election cycle in which the contributions are made. The new rules are described in more detail below:

- Individuals face contribution limits of \$2,000 per election per candidate for contributions to federal candidates and their committees. The contribution limit for contributions by individuals to federal PACs (including leadership PACs) is \$5,000 per year, and the contribution limit for contributions to a national political party committee is \$25,000 per year. Further, an individual may not contribute more than \$10,000 per year to a state, district or local party committee.
- Individuals also face aggregate contribution limits for two-year election cycles (e.g., 2003-2004). The overall limit is \$95,000, but there are several sublimits. First, an individual may not contribute more than \$37,500 in the aggregate to federal candidates in a two-year cycle. Second, an individual may not contribute in excess of \$57,500 in the aggregate to federal PACs and party committees in a two-year cycle. Third, of this \$57,500, an individual may not contribute in excess of \$37,500

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to federal PACs and state, district and local political party committees.

Under the new rules, the FEC now mandates that individual contributions to federal candidates made on or after January 1, 2004 be applied against the two-year aggregate contribution limit for the two-year period in which the contributions are made. For example, a contribution in 2004 to a Senate campaign for which the primary does not occur until 2006, will apply against the 2003-2004 \$37,500 aggregate limits. A contribution made in 2005 for a 2008 election will apply against the 2005-2006 aggregate limits. A contribution made in 2007 to retire a debt from the 2006 House election will be attributed to the individual's 2007-2008 aggregate limits.

This is the new rule going forward. However, the old rule still applies to contributions made before December 31, 2003. Under the old rule, a candidate contribution applies against the aggregate limits for the two-year period in which the election is held. Therefore, a contribution made in 2003 for a 2006 Senate primary counts against the individual's 2005-2006 aggregate limits. This is for 2003 and prior contributions only.

Finally, the rules pertaining to PACs and party contributions have not changed. Contributions to PACs and political parties continue to apply against the two-year aggregate limits for the two-year period in which they are made. For example, a 2003 contribution to a federal PAC will count against the \$37,500 and \$57,500 aggregate limits for the 2003-2004 election cycle.