

**NEWSLETTER** 

## Judge Issues Preliminary Injunction Barring Enforcement of Pennsylvania's Ban on Corporate Contributions to State Super PACs

## March 2014

Although corporate contributions to Super PACs are permissible at the federal level and in most of the states, this is not necessarily universal, for there are a few holdout states. Pennsylvania is the latest holdout to face a constitutional challenge on this issue. In February, General Majority PAC (GMP) filed a complaint in federal court against the Pennsylvania Secretary of State and several other Pennsylvania officials, challenging the state ban on corporate, association, and labor-organization contributions to PACs that make independent expenditures but do not make contributions or coordinate with candidates. GMP is a nationwide PAC that makes independent expenditures in support of Democratic candidates running for state office.

In September 2013, legal counsel for GMP asked that the Pennsylvania Bureau of Commissions, Elections, and Legislation (BCEL) offer guidance on whether Pennsylvania's ban on contributions from corporations, associations, and labor organizations applies even if the recipient PAC makes only independent expenditures and does not make contributions or coordinate with candidates. In response, BCEL indicated that Pennsylvania law does not provide for "independent expenditure-only committees." BCEL's response further advised that a PAC may not accept corporate contributions under Pennsylvania law.

Last month, GMP sued. Its complaint maintains that the ban on corporate, labor-organization, and association contributions to PACs that make only independent expenditures should be reconsidered in light of the Supreme Court's decision in *Citizens United v. FEC* and

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numerous other court decisions that have addressed this precise issue. GMP also separately filed a motion requesting that the court issue a preliminary injunction to prohibit Pennsylvania from enforcing the ban.

Earlier this month, U.S. District Judge William Caldwell preliminarily enjoined enforcement of the ban. The defendants did not oppose the preliminary injunction.

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