



Corporations rethinking PACs leave the door to 'dark money' open

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Several [major corporations](#) started the New Year with resolutions swearing off corporate PAC spending after violent attacks on the U.S. Capitol. But they appear to have left the door open to continue bankrolling less transparent groups.

"Dark money" groups and other politically active nonprofits received more than \$100 million since 2015 from 24 companies that are cutting off political donations to the 147 members of Congress who voted against certifying presidential election results, reviewing corporate PAC giving or pausing contributions from their PACs entirely. That's according to an OpenSecrets investigation using data from the [Center for Political Accountability](#), a nonpartisan nonprofit that tracks donations disclosed by publicly owned companies.

In 2019 alone, many of the companies made more contributions to politically-active nonprofits [than they did PAC contributions](#) during the entire two-year 2020 election cycle. Dark money groups poured [more than \\$750 million](#) into 2020 elections through political contributions and advertising.

Since nonprofit organizations operating under section 501(c) of the federal tax code are generally not required to disclose their donors, the American public is left to rely on information voluntarily publicized by the companies.

The amount of money flowing from major corporations to dark money groups is likely much higher than currently disclosed. More than half of all S&P 500 companies don't disclose donations to 501(c)(4) nonprofits, according to the most recent [CPA-Zicklin index](#).

The companies' nonprofit beneficiaries engage in a wide range of political activity across the partisan spectrum. Some groups spend millions of dollars on elections each cycle

while others focus more on lobbying, congressional travel funding or other means of flexing their political muscle. Some companies have policies or safeguards in place to prevent 501(c)(4) nonprofits and trade associations from using company payments for political activity. But even if the contributions are not directly funneled into politicking, the cash influx may still free up other funding for that purpose.

[CVS Health](#) gave less than \$1 million through its PAC in the two-year 2020 election cycle but disclosed giving nearly \$9.6 million in contributions to political nonprofits during 2019 alone. Examining that trend across prior election cycles where more robust nonprofit contribution data is available, the discrepancy between PAC and nonprofit contributions is even more stark.

The drug store chain disclosed shelling out more money to politically-active nonprofits than any other major company mulling changes to political giving policies. CVS gave more than \$31 million from the start of the 2016 election cycle through the end of 2019, the most recent year with data available.

The company has given to major dark money players on both sides of the aisle and is no stranger to controversy over such donations.

In 2018, CVS [swore off donations](#) to [America First Policies](#) after blowback over a \$500,000 contribution. In 2019, the Trump-sanctioned dark money group [provided funding](#) to [Women for America First](#), a tax-exempt 501(c)(4) that helped [organize](#) the “March To Save America” rally before violent mobs broke into the U.S. Capitol.

However, CVS continued giving to other major dark money groups through at least 2019. The company donated \$700,000 to Senate Republican leadership-aligned dark money group [One Nation](#) in 2019 and nearly \$1 million to Senate Democrats’ [Majority Forward](#) from 2017 to 2019.

[Intel Corp](#) reported giving another \$18 million to political nonprofits from 2015 to 2019 and Dow Inc. gave around \$15.8 million while AT&T shelled out more than \$9.1 million. More and more trade associations receiving money from these companies are reevaluating political giving strategies after the Capitol insurrection and certification vote.

At least \$8 million has gone to the [U.S. Chamber of Commerce](#), an organization with a long history of spending to help elect conservatives. The lobbying group spent more than \$5.5 million boosting Republican candidates in 2020 through contributions and independent TV ads, with at least \$329,334 supporting [Roger Marshall](#) (R-Kan.), who

objected to certifying the election. It previously gave \$10,000 to [Josh Hawley's campaign](#) in the 2018 midterm elections and spent more than [\\$750,000](#) benefiting [Rick Scott](#) (R-Fla.), two other certification objectors.

On Tuesday, the Chamber [announced](#) that it will halt PAC contributions to "certain" members of Congress but has not announced which members will no longer have its support.

The [American Bankers Association](#), another top beneficiary of funding from the companies, told [the New York Times' DealBook](#) that the banking trade group is meeting to review its political contribution policy and plans to take the "troubling events" into consideration. The American Bankers Association [spent \\$171,760](#) supporting Marshall's Senate bid.

More than \$12.8 million has gone to the [Pharmaceutical Care Management Association](#), a trade group representing the interests of pharmacy benefit managers. That group spends millions of dollars on lobbying or advocacy-related expenses as part of [largely unregulated efforts](#) to influence public policy.

Around \$7 million went to America's Health Insurance Plans, a trade association that represents health insurers and is reportedly [reviewing](#) its own political contribution policies in light of recent events.

Trade associations are not required to disclose their funding sources though many at least release lists of their members or affiliates.

When asked for comment, several organizations referred OpenSecrets to earlier statements that don't clearly address giving to political nonprofits. Coca-Cola reiterated that the company does not give to 501(c)(4) nonprofits for electoral purposes.