Nationalized Congressional Finance: Evidence from 2018 & 2020*

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All 10 of the most expensive Senate races in U.S. history and all 10 of the most expensive House races in U.S. history were in 2018 and 2020 (Gratzinger 2020; Miller 2020). One race among them was especially unusual. In Kentucky in 2020 Amy McGrath took on Republican Senate Majority Leader Mitch McConnell. McGrath had never held elective office before and her previous campaign experience was a single losing campaign for a U.S. House seat in 2018. McGrath never led in any pre-election polls and her campaign was considered a longshot by most observers. The independent expenditure arm of the Democratic Senatorial Campaign Committee, the principal party organization for supporting Democratic Senate candidates, spent nothing on the race. But McGrath's campaign against McConnell took in $96 million in receipts.

Against this backdrop and in the wake of a sudden spike in Democratic online con-

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tributions in the wake of the passing of Supreme Court Justice Ruth Bader Ginsburg, Democratic Senator Brian Schatz of Hawaii tweeted that Democrats should donate to an independent group run by party veterans: “Don’t pick your favorite candidate or the one you’ve heard of. Give here. I repeat, this money goes directly to the most competitive races, not just the most famous candidates” (Garrison 2020).

The rate of increase in campaign spending has accelerated in the last two election cycles, fueled by a larger scale of both individual donations and independent expenditure activity. But along with the increase has been new inefficiencies in the distribution of resources, as some of the money donated to candidates headed to different races than where independent groups chose to spend.

This study of congressional campaign expenditures in 2018 and 2020 describes three key characteristics of the current campaign finance landscape. First, the financing of congressional campaigns is a fully nationalized system where candidates are often outspent by outside groups and the campaigns draw from donor polls mostly from outside of their districts. Second, the parties are highly efficient distributors of resources, more so than non-party interest groups, in that parties’ expenditures are more keenly responsive to the competitiveness of the race. Third, the parties are efficient distributors in another way, drawing back their support when some candidates are especially well financed by direct donations to their campaigns. Allocating resources according to candidate need has its limits however, as ideologically motivated donors have made more “negative” contributions to challengers of incumbents the donors dislike and some overfunded candidates in Senate contests remain as a result.

Expensive and Nationalized Campaigns

Total spending in congressional campaigns has increased dramatically in the past two election cycles (see Figure 1). Even after adjusting for inflation, increases in congressional campaign spending in the 2018 and 2020 cycles have dwarfed the rise in spending first attributed to the effects of the *Citizens United* and *Speechnow.org* decisions in 2010. In inflation-adjusted dollars congressional campaign spending in 2018 jumped by 40% compared to the previous midterm cycle. Total spending in congressional races in 2020 nearly doubled (up 95%) compared to the previous presidential cycle in 2016. By contrast, the previous change in midterm spending (2010 to 2014) was slightly negative by 3% and the previous change in congressional campaign spending in a presidential cycle (2012 to 2016) was a modest increase of 8%.

The expenditures in congressional elections are made by a wide array of increasingly national actors. The central actors in campaign spending are candidate committees. Candidates are narrowly focused on their own (re)election and typically spend every dollar they take in on their own race unless victory is almost certain (Jacobson 1985-86). Safe incumbent candidates will serve a broader interest by transferring funds out to party candidates in greater peril, but these transfers are usually done only by the safest senior incumbents (Heberlig and Larson 2005). While candidates are almost entirely focused on their own local race, their funding is often national in scope. House and Senate incumbents receive the majority of their individual itemized donations from outside of their districts and states, often more than three-fourths coming from outside of their constituencies (Canes-Wrone and Miller n.d.; Crespin and Edwards 2016; Gimpel, Lee, and Pearson-Merkowitz 2008).

The most venerable actors besides candidate committees in campaign spending are the *formal party groups* through the national "Hill Committees" for each major party: the Democratic Congressional Campaign Committee (DCCC), National Republican Congres-

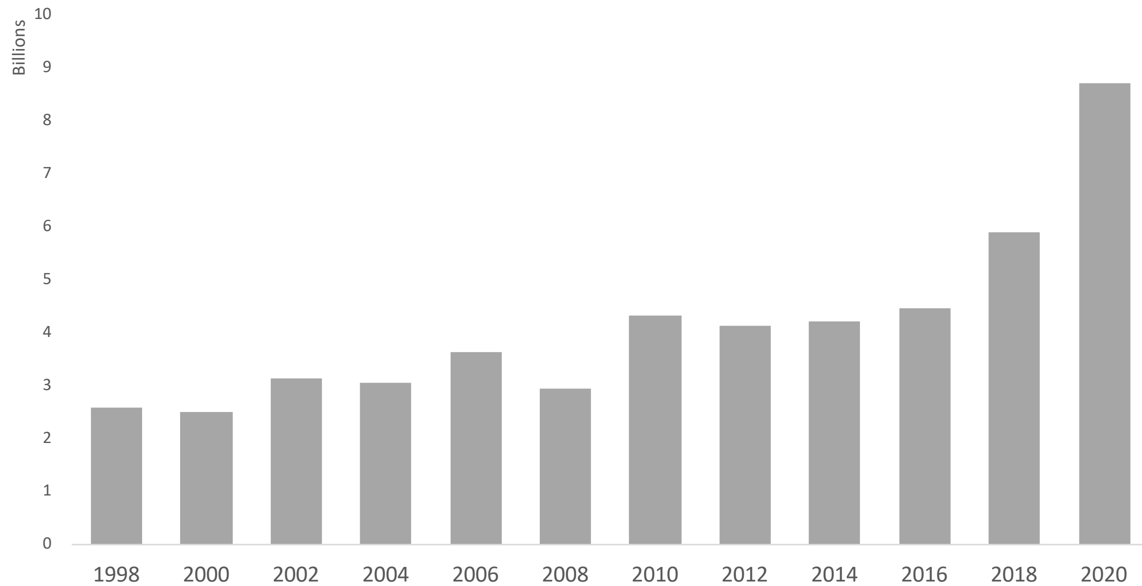


Figure 1: Total Expenditures in Congressional Campaigns, 1998-2020 Source: Center for Responsive Politics (opensecrets.org) accessed June 21, 2021. Yearly totals represent all spending in U.S. House and U.S. Senate campaigns by candidate committees excluding candidate-to-candidate transfers, all spending by party committees and other 527 committees, and all other independent expenditures reported to the FEC. Figures expressed in 2020 constant dollars.

sional Committee (NRCC), Democratic Senatorial Campaign Committee (DSCC), and National Republican Senatorial Committee (NRSC). Hill Committees have two separate components: first, a coordinated campaign component that gives strategic advice and makes limited coordinated expenditures with candidates; and second, an independent expenditure component that produces and airs political messages in races. To remain compliant with FEC rules the independent expenditure arm of the Hill Committee cannot communicate with candidates, nor with the coordinated campaign. The independent expenditure arms of Hill Committees are responsible for far more direct spending than the coordinated campaigns.

The parties have additional, substantial independent spending vehicles for campaigns beyond the Hill Committees. *Informal party groups* are super PACs closely aligned with

House and Senate leaders created in the immediate wake of the *Speechnow.org* decision. These groups, Senate Leadership Fund and Congressional Leadership Fund on the Republican side and Senate Majority PAC, House Majority PAC, and Priorities USA Action on the Democratic side are important tools for the party since their ostensible independent status allows them to accept unlimited contributions.[1]

Independent expenditures controlled by the parties, whether formally via the Hill Committees or informally via the super PACs closely tied to party leadership should most closely allocate their resources according to a seat-maximizing strategy to win as many races as possible (Damore and Hansford 1999; Jacobson 1985-86; Snyder 1989). Groups controlled by party interests generally pay little attention to candidates' policy positions, ideological extremity, or even past loyalty to party leadership on floor votes, instead basing allocation decisions almost entirely on the candidate's electoral chances (Cantor and Herrnson 1997; Kolodny and Dwyre 1998; Nokken 2003). Within similarly competitive races, parties additionally consider candidate financial need, spending more on similarly competitive races where their candidates have less resources of their own (Miller 2017).

Non-party *independent groups* include the independent expenditures by other super PACs, 501c groups, and other 527 groups that, while in most cases support exclusively Democratic or Republican candidates, are most often formed around policy or ideological goals and are not directly connected to the parties, e.g. Chamber of Commerce, National Rifle Association, Next Gen Climate Action, or one of the many Koch-affiliated 501c groups. In addition, single candidate groups formed to independently support a single candidate in a single election have become increasingly common in congressional races.

Non-party independent groups, whether candidate-specific or interest-group centered,

[1] Priorities USA Action was founded by Obama White House aides to support his reelection in 2012, and continued to support the Democratic presidential candidate in 2016 and 2020. The group is still mostly a presidential campaign group but it spent a small portion of its war chest, $16.6 million, to support several Democratic Senate candidates in 2020.

pursue objectives that can deviate from a seat maximizing strategy, the former simply backing one candidate and the latter steering resources to members most friendly to their policy goals. A typical classification scheme such as in Magleby (2014) divides groups making independent expenditures into candidate-specific, party-centered, interest-group-centered groups. These are important differences, but because the interest in the analyses that follow is the difference in the attention groups pay to a seat-maximizing objective, independent expenditures are grouped into two categories: formal and informal party groups, and non-party independent groups.

When interest groups that make up the bulk of non-party independent group spending choose to directly spend on a race it is with the goal of replacing policy opponents and installing policy champions (Dwyre and Braz 2015; Franz 2011; Issacharoff and Peterman 2013; Sorauf 1992). When independent groups pursue a replacement strategy, even groups formed around a single issue or group interest such as National Rifle Association or US Chamber of Commerce will target close contests. After all, backing their most ardent policy champions running in hopeless contests would be a waste of resources. But programmatic policy interests can cause them to deviate from a purely pragmatic seat-maximizing strategy pursued by formal and informal party groups: e.g. the Sierra Club will support Democrats over Republicans, but when choosing which of several Democrats to support, the group could choose the stronger environmental advocate instead of the candidate running in what they believe is the closest race.

Spending in the 2018 and 2020 House and Senate Campaigns

To measure the state of spending by these actors and describe the interplay between candidates and independent expenditure groups in this landscape, candidate receipts and expenditures were obtained from the FEC candidate summary files and independent expenditures from independent expenditures summary files (Federal Election Commission 2021a,b). These data capture the receipts and expenditures of November general election candidates for U.S. House and Senate seats who filed receipt and expenditure reports for that campaign cycle (Georgia Senate special election candidates are excluded from these analyses).[2]

About three-fifths of all spending in Senate campaigns and almost three-fourths in House campaigns came from the candidates, but aggregate spending totals obscure the real impact of independent expenditures in campaigns.[3] Candidates in more competitive contests both raise and spend more in their campaigns compared to candidates in safe seats or pursuing hopeless challenges (Jacobson and Carson 2019). But independent expenditures can be freely allocated across races and even more efficiently compared to the distribution of candidate receipts. Since much of the independent spending is guided by organizations we expect to be mostly pragmatic in their allocation decisions – that is, interested purely in maximizing the number of seats won for the party – independent spending overall should be more heavily weighted towards the closest races than the spending by candidates.

To illustrate this difference in responsiveness to competition, the average levels of spending in races by the degree of competitiveness as rated by Rothenberg & Gonzales Political Report are shown in Figure 2. These race ratings represent the assessments of congressional candidates and other political professionals as well as polling data available prior to

[2]The FEC page states that the candidate summary files contain "information for each candidate who has registered with the FEC or appears on an official state ballot for an election to the U.S. House of Representatives, U.S. Senate or U.S. President." However, comparing these files with election results from the MIT Election Data Lab revealed that a small number of candidates were missing from the FEC's reporting. These candidates in all cases were extreme long shots or unopposed by a major party candidate.

[3]Percentages of expenditures by each category of campaign actor in races for each chamber are provided in Table A1 of the Supplemental Appendix for this work, posted on the author's website at http://www.kenneth-miller.com

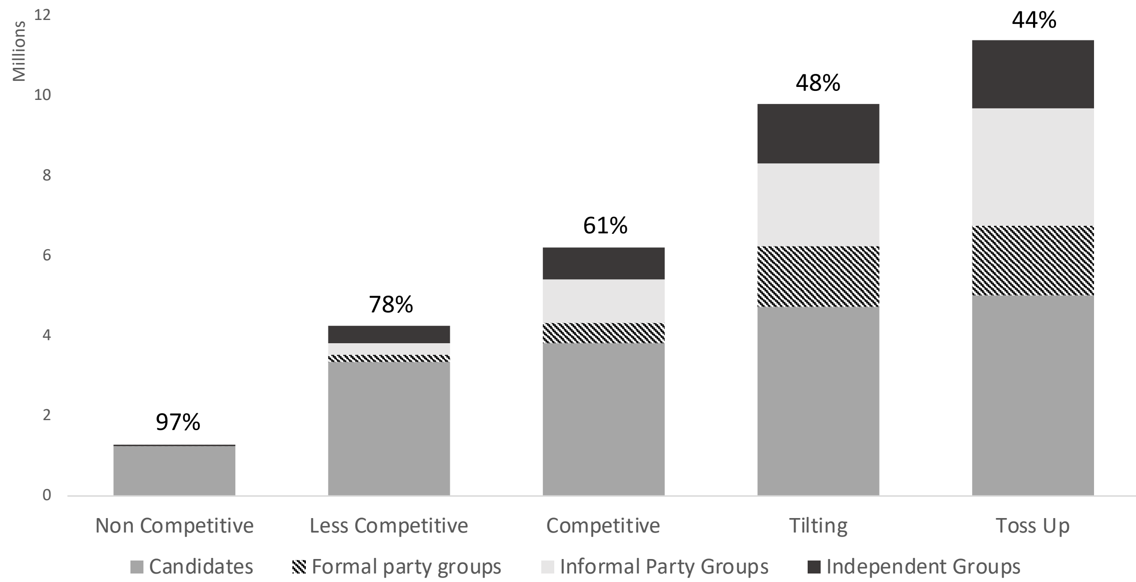
the election (Gonzales 2015).[4] In addition to displaying the level of spending by each category of actor in legislative campaigns, the graphs also provide the percentage of spending controlled by candidates on average in each category of competitiveness.

In the House (top of Figure 2) average candidate spending in non-competitive races was $1.2 million. After the jump to $3.3 million in candidate spending in the next category of competitive races, the increase with each level of competition was modest up to $5 million in toss up races. On the other hand, outsiders far more heavily skewed spending toward the closest races. As a result, House candidates were responsible for less than half of the spending in the contests truly in doubt, those rated as toss up (44%) or tilting (48%).

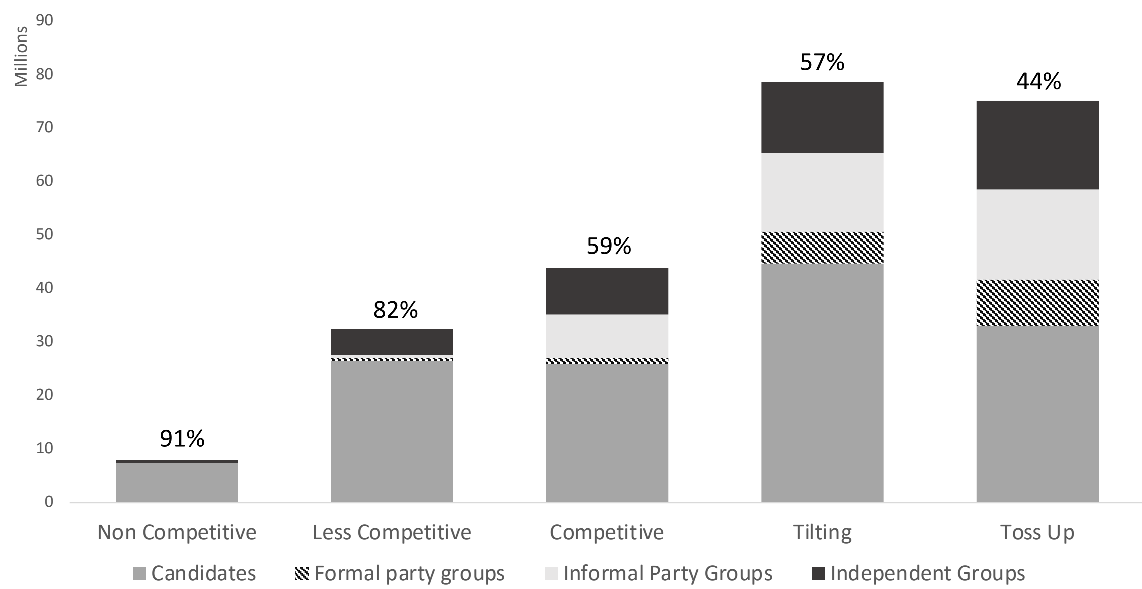
In Senate campaigns (bottom of Figure 2) it was a slightly different story. Like in House races, Senate candidates in non-competitive campaigns spent far less than other candidates. And also like in House campaigns, the more agile independent expenditure assets flooded into the most competitive races, reducing candidates to minority spenders in toss up contests and less than 60% in the next two categories of competitiveness. But in Senate campaigns in 2018 and 2020 candidate spending was higher on average in tilting races than in toss up contests.

The higher average spending by Senate candidates in tilting races was the result of several 2020 contests where Democratic challengers (and usually their Republican opponents in turn) attracted massive windfalls into their campaigns. In Arizona, Democratic challenger Mark Kelly received $101 million in his race against incumbent Republican Martha

[4]Race ratings issued on the first week of October in each election year are used instead of election returns because what is of interest are political actors' expectations at the time they make their donation and spending decisions. In addition, pre-election expectations that drive allocation decisions can at times not match final results. Susan Collins (R-ME) was widely expected to have a difficult time in her 2020 reelection campaign, and it was rated "tilting Democratic" by Rothenberg & Gonzales. Collins seems to have agreed with this assessment spending $29.2 Million from her own coffers and received $46.4 Million in independent support (and this in a state with very low media costs). Collins' opponent Sara Gideon spent $64 Million and received $54.2 Million in outside support. But in the end Collins won by a comfortable margin, 51% to 42%.



House



Senate

Figure 2: General Election Expenditures by Competitiveness, 2018 & 2020
Totals represent the average spending post-primary by campaigns within each category of race competitiveness. Percentages at top of bars indicate the average percent of total spending in the campaign made by candidates within each category of race.

McSally who took in $74 million. Democrat Sara Gideon received nearly $76 million to try to unseat Maine incumbent Republican Susan Collins, who received slightly less than $29 million for her campaign. Most impressive, Democrat Jaime Harrison took in $132 million in his campaign against South Carolina incumbent Republican Lindsey Graham who brought in $107 million. To put these totals in context, the average receipts for all other Senate candidates in the tilting category was under $23 million and the average candidate receipts in toss up races was $33 million.

But the largest outlier was in Kentucky. Even though the race was considered non-competitive by professionals (rated as safely Republican by both Rothenberg & Gonzales and Cook Political Report) Democratic challenger Amy McGrath took in over $96 million for her campaign against incumbent Republican and Senate Majority Leader Mitch McConnell who took in $68 million. The average receipts by all other Senate campaigns in this category of competitiveness in the 2018 and 2020 cycles was just $6 million. It is perhaps not surprising then, that there was no independent spending by the formal party groups and almost none by informal party groups in South Carolina and Kentucky in 2020.

What drove these unusually high levels of receipts into these races? Profiles of the motivations of campaign donors have typically settled on some variation of three non mutually exclusive categories: those pursuing individual material benefits, individuals seeking expressive ideological benefits, and those pursuing the solidary rewards of group membership (Clark and Wilson 1961; Francia et al. 2003). To this typology Magleby, Goodliffe, and Olsen (2018) adds the factor of candidate appeal, both positive and negative.

In these Senate races negative candidate appeal appears to have been the likely driver of these surprising fundraising hauls. Approximately 90% of the individual donations to these campaigns came from out-of-state donors (Geng 2020). It is unlikely that liberal donors around the country were familiar with and personally drawn to Mark Kelly, Sara Gideon, Jaime Harrison, and Amy McGrath. More likely is that Democratic national donors were attracted to the potential of removing Martha McSally, Susan Collins, Lindsey Graham, and Mitch McConnell and donated to whoever presented themselves as the alternative. Further, these negative donations were only somewhat sensitive to the probability of victory. Collins and McSally were thought to be behind in their bids to return to the Senate, but Democrats Theresa Greenfield in Iowa and Steve Bullock in Montana were in races rated as pure toss ups by Cook and Rothenberg & Gonzales. In terms of expected closeness of the races, Greenfield and Bullock were better uses of liberal donors' funds than the candidates facing Collins and McSally. McGrath was not considered a serious threat to McConnell, and Graham in South Carolina was considered by political professionals to be fairly secure. And yet these were the candidates who attracted the largest amounts from individual donors.

An important feature of these ideological donors who direct money into the opponents of high profile opposing party incumbents is their lack of coordination. The pure strategy for a donor motivated primarily by a desire to remove a nationally recognized face of the opposing party is to contribute to that incumbent's challenger. But when these donors become numerous enough and all pursue this simple strategy to contribute to the same small set of Senate challengers, the result is a small group of oversupplied candidates. A coordinated and more efficient donation strategy among individual donors would have directed far more to the Iowa and Montana contests instead. But because individual donations are not efficiently coordinated, it becomes incumbent upon the parties and independent groups to counter this inefficient distribution of resources across the party's candidates in Senate contests. Tellingly, this inefficient distribution of uncoordinated ideological money was not a major phenomenon in House contests, where individual races are far less likely to attract attention at the national level.

Compensating for Overfunded Candidates

To test whether independent expenditures were distributed differently in House and Senate contests, regression models are estimated to assess the effect of a candidate's total receipts on the level of outside spending support in the race. The unit of analysis is the general election campaign for a given candidate for a Senate or House seat. Only major party candidates are included, and the analysis is limited to spending after the state's primary. The dependent variable is the total independent expenditures in support of the candidate measured in millions of dollars, that is all independent expenditures reported to the FEC as supporting the candidate or reported as in opposition to that candidate's general election opponent. The independent variable of interest for these models is the candidate committee's receipts, also in millions of dollars.[5] The competitiveness of the race is represented in these models with Rothenberg & Gonzales race ratings included as a set of dummy variables with the non-competitive category excluded. Because campaigns that are similarly competitive will attract different levels of spending, total opposing spending in millions of dollars is included combining spending from the candidate's opponent as well as outside spending in support of that opponent. Party of the candidate is included as well as an indicator variable for incumbent candidates. Finally, a dummy variable for year is included to account for the increased spending in 2020.

The coefficients are estimated using a poisson model because the dependent variable, outside spending, is bounded at zero and positively skewed. (Alternative specifications using OLS and censored regression models are provided in Table A2 of the Supplemental Appendix on the author's website show substantively similar results.) Model results are presented in Table 1. Estimates for Senate campaigns in Column [1] indicate that holding

[5]In these models candidate receipts instead of disbursements are used on the expectation that outside groups allocate resources in response to the size of these candidates' war chests, not candidates' expenditures.

Table 1: Outside Spending in House and Senate Campaigns, 2018 & 2020

	Senate [1]	House [2]
Candidate receipts (millions)	-0.008**	0.053**
	(0.003)	(0.019)
Opposing spending (millions)	0.019**	0.076**
	(0.002)	(0.010)
Incumbent	-0.487**	-0.034
	(0.102)	(0.070)
Democrat	0.350**	0.178**
	(0.111)	(0.073)
2020	0.036	0.178*
	(0.176)	(0.073)
Less competitive race	1.432**	2.776**
	(0.517)	(0.210)
Competitive race	2.530**	3.593**
	(0.408)	(0.210)
Tilting race	2.611**	4.033**
	(0.473)	(0.211)
Toss up race	2.876**	4.113**
	(0.452)	(0.217)
Intercept	-0.400	-3.643**
	(0.357)	(0.179)
Pseudo R^2	.83	.71
N	131	1,553

Note: Dependent variable is the outside spending in support of the candidate, in millions of dollars. Robust standard errors in parentheses below poisson regression coefficients.
** $p < .05$, ** $p < .01$, two-tailed tests*

other features of the campaign and candidate constant, as the amount of money received by a Senate candidate increases, outside groups spend less in support of that candidate. The story is quite different in House campaigns, shown in Column [2], where outside groups spend more where candidates spend more, that is, outside groups allocate resources in parallel to where resources flow to candidates.

The intensity of the race has the expected strong association with outside spending, reflected in the increasingly large values of the coefficients for more competitive races.

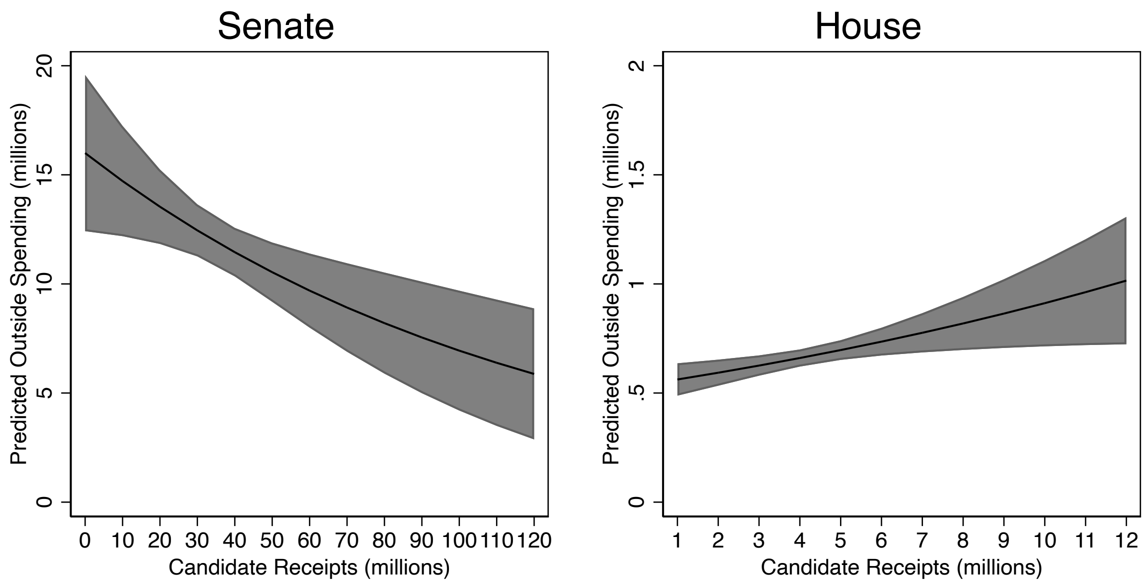


Figure 3: Marginal Effects of Candidate Receipts on Outside Spending

Interestingly, Senate incumbents received less independent expenditure support than challengers in the 2018 and 2020 election cycles. And in a reversal of trends from prior election cycles, in both the House and Senate models Democratic candidates were associated with greater independent expenditure support than Republican candidates.

Estimates of the substantive effects of candidate receipts on outside group spending are shown in Figure 3. Holding other covariates at their mean, in Senate campaigns an additional $10 million in candidate receipts is associated with approximately $1 million less in outside group spending in support of that candidate. Contrast this with the House where an additional $1 million in candidate receipts is associated with approximately $31,000 more in outside group spending for the candidate.[6]

These results show that holding constant measures of the competitiveness of the race, incumbency, party, and year, in Senate campaigns outside money plays a compensatory

[6] Mean candidate receipts for Senate candidates in 2018 and 2020 was $17.5 million (s.d. = $24 million) and for the House $1.9 million (s.d. = $2.6 million)

role where it avoids the candidates who have taken in the most contributions and spends more where the candidates have less resources of their own. Conversely, in House contests outside money plays a complementary role, simply going to the same contests where the candidates have received the most in donations.

Party and Non-Party Spending Strategies

A second set of models are estimated to determine whether formal and informal party groups respond differently than non-party independent groups to candidates' perceived electoral threat and opportunity. Holding other factors constant, formal and informal party groups should bias their support more strongly towards the closest contests compared to non-party independent groups. For these models formal and informal party independent spending is considered separately from non-party independent spending, with one category of outside spending the dependent variable in the model and the other category included as an independent variable. That is, when predicting party spending in support of a candidate, the level of spending in support of that candidate by non-party independent groups needs to be taken into account along with the other covariates, and vice versa.

Column [1] in Table 2 estimates formal and informal party group spending in Senate campaigns as a function of each of the covariates included in the previous models as well as a separate independent variable of the spending by non-party independent groups. Column [2] estimates independent group spending while including party group spending as a control. In these models greater candidate receipts are associated with reduced party spending but not with reduced independent group spending, indicating that the compensatory spending strategy of directing money away from the most well funded Senate candidates (while holding factors of competitiveness constant) was an effort by party groups but not independent groups.

Independent spending in support of House candidates by party and non-party groups is estimated in columns [3] and [4], respectively. Greater candidate receipts are not associated with reduced independent support by formal and informal party groups in the House, and greater candidate receipts are associated with more support from non-party independent groups.

Across all models, spending by the opposing side was positively associated with greater spending. For both party and non-party groups, money follows money. In addition, the coefficients for the dummy variable for 2020 illustrate that party spending on legislative races was higher in the presidential election year while non-party group spending was lower.

Figure 4 illustrates the predicted spending by party groups (at left) and independent groups (at right) at each level of race competitiveness in Senate campaigns (top row) based on the models in columns [1] and [2] of Table 2 and House contests (bottom row) based on the models in columns [3] and [4] from Table 2. Holding other factors constant, formal and informal party groups spend nearly zero on non-competitive races then increase spending at a linear rate from about $1 million for less competitive races up to $16 million for toss up Senate races and from $0.5 million to $2 million in House races. Non-party independent groups' increase of spending in response to competitiveness is more muted and little difference is seen across the top three categories of competition in both Senate and House contests.

More formally, these models are also estimated treating the competitiveness variable as a single ordered categorical variable in each model to test the equivalence of the slopes between party and independent group spending in response to competitiveness. A chi square test of the coefficients finds that the slopes are not equivalent across the Senate models ($\chi^2 = 9.96, p = .002$) or House models ($\chi^2 = 3.87, p = .049$), indicating that parties allocate more strongly toward the most competitive campaigns (model estimates

Table 2: Party and Independent Spending in House and Senate Campaigns, 2018 & 2020

	Senate Party [1]	Senate Independent [2]	House Party [3]	House Independent [4]
Candidate receipts (millions)	-0.017**	-0.001	0.028	0.091**
	(0.005)	(0.004)	(0.021)	(0.019)
Independent spending (millions)	-0.007	—	-0.036	—
	(0.015)		(0.035)	
Party spending (millions)	—	0.001	—	-0.060
		(0.007)		(0.058)
Opposing spending (millions)	0.019**	0.021**	0.086**	0.067**
	(.006)	(0.005)	(0.010)	(0.022)
Incumbent	-0.417	-0.617**	0.082	-0.207
	(0.215)	(0.182)	(0.085)	(0.133)
Democrat	0.543*	0.224	0.131	0.383**
	(0.220)	(0.184)	(0.091)	(0.122)
2020	0.481	-0.466**	0.459**	-0.111
	(0.263)	(0.180)	(0.075)	(0.160)
Competitiveness ratings	included	included	included	included
Intercept	-2.624**	-0.326	-5.071**	-3.878**
	(0.877)	(0.322)	(0.300)	(0.221)
Pseudo R^2	.81	.70	.72	.48
N	131	131	1,553	1,553

Note: Dependent variable in columns [1] and [3] is the formal and informal party group spending in support of the candidate, in millions of dollars. The dependent variable in columns [2] and [4] is the non-party independent group spending in support of the candidate, in millions of dollars. Robust standard errors in parentheses below poisson regression coefficients.
** $p < .05$, ** $p < .01$, two-tailed tests*

provided in online Supplemental Appendix Table A3). In sum, the results from these models demonstrate that in both House and Senate campaigns in 2018 and 2020, holding constant other race features, non-party independent groups spread their resources more thinly across a larger number of races, while parties more heavily concentrate their spending in the closest contests.

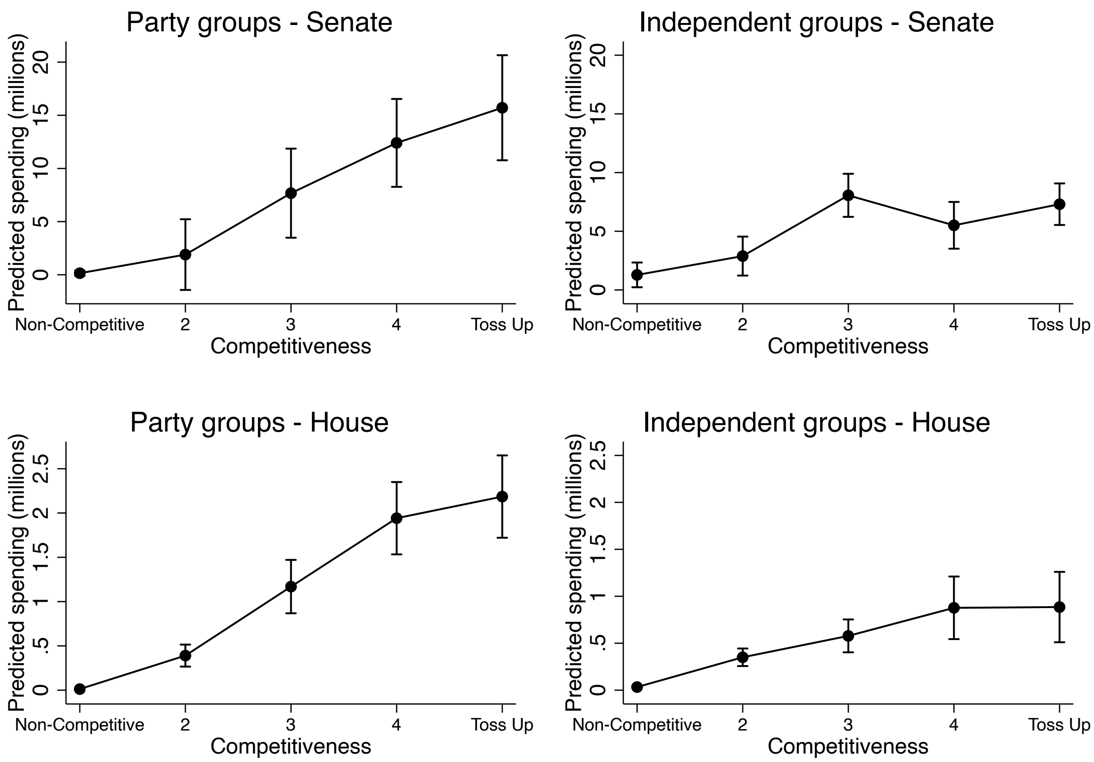


Figure 4: Allocations by Competitiveness of Campaigns Plots on left are the marginal predicted levels of independent expenditures in campaigns by parties at different levels of race competitiveness. At right are the marginal predicted levels of independent expenditures in campaigns by independent groups at different levels of race competitiveness. Margins calculated with all other covariates held constant at their means.

Nationalized Financing of Congressional Campaigns

This picture of the 2018 and 2020 congressional campaign spending landscape identifies three trends. First, the financing of congressional campaigns is a fully nationalized system. Candidates in truly competitive races directly control less than half of the money spent in their contests, with most expenditures being made by national organizations. Even most of the money under candidates' control is sourced from national PACs and from a national donor pool that reside outside the candidates' states and districts. Second, formal and informal party vehicles for independent expenditures distribute their spending according to the closeness of the contest and candidate need, but non-party independent groups are less responsive to the state of races and spread their spending more broadly. Third, the national donors that finance candidates are a large but uncoordinated force in campaigns. Individual donors appear to be roughly pragmatic, that is, mostly targeting closer races, but important deviations arise when some races (i.e. Senate races with nationally recognized and polarizing incumbents) attract extra attention from ideological donors.

In the first election cycles where independent spending expanded as a result of the *Citizens United* and *Speechnow.org* decisions national actors came to the rescue of underfunded candidates in competitive races (Miller 2017). More recently a new dynamic has taken hold. In 2018 and especially in 2020 independent expenditure groups still distribute their spending with sensitivity to candidate war chests, but shift their allocations away from Senate candidates overfunded relative to the true probability of the seat flipping. This is an important change to the compensatory dynamic between candidates and independent expenditure groups. It is fairly easy for fully mobile outside dollars to fill in for an under-resourced candidate, but outside groups cannot remove superfluous money from a candidate with resources beyond their needs. As a result, outside money cannot as easily compensate for the funding inefficiencies of a campaign finance system where ideological individual donors concentrate their contributions into a handful of high profile campaigns.

And what should these overfunded candidates do? Candidates benefitting from the attention of large numbers of national donors could in theory act in the best interests of the party overall. The candidates could redistribute some of this money out of their own coffers and into the hands of the party or into the hands of candidates in more promising races, but there are several barriers to such a move: First, the candidates likely believe that they can win. Their race has attracted national attention, they have out-raised their incumbent challengers, and early polls in some cases offered rays of hope. Second, when one side attracts a deluge of donations the opposing candidate often attracts substantial money in response. Even if projections suggest that the race is not truly up for grabs, any candidate would be unlikely to move extra money out to party allies if the campaign has rough parity of funds with the opponent. Third, in the case of challengers, they are not yet fully integrated into the party networks with leadership PACs and established relationships with party incumbents. Fourth, re-distributing some of these funds or holding on to the money and waiting for a better opportunity later risks angering the donors. For example, Democratic Senate candidate Sara Gideon in Maine spent $64 million in her effort against Susan Collins in Maine (an extraordinary level of spending for a state with small media markets) but was later criticized for not spending all she had and donating some of her $10 million in leftover money to the state party.[7]

Federal elections were party-centered in the early 20th Century, then became candidate-centered affairs in the 1960's and 1970's (Maisel and Brewer 2010; Wattenberg 1991). These recent high profile Senate campaigns awash in individual donor money signal a new variety of candidate-centered campaigns that exist in a mostly party-centered system. Parties have returned to prominence in campaigns by adjusting to a system that advantages independent expenditure groups that can receive unrestricted donations. But some candidates have been able to leverage donor antipathy towards opposing party incumbents to attract funds well beyond what other comparably competitive candidates bring in. In doing so, these candidates effectively remove themselves from the system of party support.

Finally, is uncoordinated, national, less pragmatic ideological money a feature of Demo-

[7] For example: "Ten Months After Senate Election Loss Sara Gideon Still Has $10 Million in Unused Campaign Funds," *The Intercept*, Sep. 24, 2021; and "Gideon Campaign Still Sitting on $10 Million from 2020 Bid for U.S. Senate," *Portland Press Herald*, Oct. 31, 2021

cratic donors, or is it a feature of the behavior of the donor base of the party out of power? The largesse of donations to relatively unknown Senate challengers suggests that this activity was driven mostly by Democratic donors frustrated with the faces of the opposition party in control. Will Republican donors behave the same way when the tables are turned? Narrow, but still unified Democratic control of federal government in 2020 offers a chance to observe in 2022 whether national less pragmatic money again pours in to Democratic challengers when Republicans are in the minority, or if we instead see a groundswell of ideological and less pragmatic money more on the Republican side as conservative national donors seek to dislodge the highest profile legislators of the opposing party in control.

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