

The Super S.M.A.R.T. PAC

(Specialized Medicine and Responsible Treatment)

PAC

Ronald D. Whitmont, MD
Immediate Past President
American Institute of Homeopathy



Historical Perspective

Review

- The Birth of PACs
- The Rise of Super PACs
- Why have a Super PAC for Homeopathy?

Transformation of the American Political Landscape



1905

- "All contributions by corporations to any political committee or for any political purpose should be forbidden by law; directors should not be permitted to use stockholders' money for such purposes; and, moreover, a prohibition of this kind would be, as far as it went, an effective method of stopping the evils aimed at in corrupt practices acts."

- President Theodore Roosevelt, [*United States v. Automobile Workers*, 352 U.S. 567, 572, 77 S.Ct. 529, 1 L.Ed.2d 563 \(1957\)](#)



The 1907 Tillman Act

- The first legislation in the United States prohibiting monetary contribution to national political campaigns by corporations.
- Aka, The Corporate Donations Abolition Act of 1907





The 1907 Tillman Act

- Senator Benjamin Tillman, South Carolina:
- "[t]he evils of the use of [corporate] money in connection with political elections are so generally recognized..."
- [Barring corporate money in political elections] is in the interest of good government and calculated to promote purity in the selection of public officials."



1943

Things Change...



Birth of PACs

- The first PAC was created in 1943 by the Congress of Industrial Organizations, which sought to raise funds to assist the reelection of President Franklin D. Roosevelt.
- PACs remained an insignificant element of political campaigns until 1971

PACs

Political Action Committees (PACs): organizations established by a group of people, labor union, corporation, or other special interest to support a shared agenda.

PACs raise money to fund their political activities and may make direct contributions to certain campaigns.

PACs are:

- 527 organizations that pool campaign contributions from members and donates those funds to campaigns for or against candidates, ballot initiatives or legislation

527 Organizations

- A type of U.S. tax-exempt organization organized under Section 527 of the U.S. Internal Revenue Code.
- Created primarily to influence the selection, nomination, election, appointment or defeat of candidates to federal, state or local public office.

The Federal Election Campaign Act of 1971



- The FEC Act of 1971 codified the option for corporations and unions to *create PACs* to finance contributions and expenditures previously forbidden to the corporation or union itself.
- The Federal Election Campaign Act of 1971 (FECA), 86 Stat. 3, 2 U.S.C. § 441b(a) § 441b(b).

The Federal Election Campaign Act of 1971

- Imposed strict limits on the amount of money (or other contributions) that could lawfully be made to federal candidates and parties
- Mandated disclosure of contributions and expenditures in campaigns for federal office.

The Federal Election Campaign Act of 1971 (FECA), 86 Stat. 3, 2 U.S.C. § 441b(a) § 441b(b).

Since 1971:

- By soliciting smaller contributions from a much larger number of individuals, PACs circumvented monetary restrictions to provide substantial funds for candidates.
- The number of PACs rose from 600 (in the early 1970s) to more than 4,000 by 2010.
- With proliferation came a massive influx of funds into Federal elections as well as an escalation in the cost of running for federal office in the United States.

FECA

- Amended in:
 - 1974 (after Watergate)
 - 1976
 - 2002 by the Bipartisan Campaign Reform Act (BCRA),
Aka, the McCain-Feingold Act

McCain-Feingold

- Senator Russ Feingold (D-WI)
- John McCain (R-AZ)



Bipartisan Campaign Reform Act of 2002

Specifically prohibits corporations and unions from using their *general treasury funds* to make independent expenditures for "electioneering communication" or for expressly advocating the election or defeat of a particular candidate.

Bipartisan Campaign Reform Act of 2002, 2 U.S.C.
§ 441b § 203

Citizen's United



In January 2008 Citizens United, a nonprofit corporation, released a documentary film critical of Senator Hillary Clinton, a candidate for her party's Presidential nomination.



FEC claimed Citizens United violated election rules



The District Court ruled in favor of FEC

US Supreme Court 2009



Citizens United appealed, claiming that:



Existing statutes limiting corporate influences in federal elections were “unconstitutional”



And that the FEC had violated the corporation's right to free speech

US Supreme Court

Concluded that:

Political contributions are protected under the First Amendment right to free speech, and that

“Political speech must prevail against laws that would suppress it, whether by design or inadvertence.”

US Supreme Court

- A new precedent:

Lifted the prohibition on corporations, unions, trade/membership associations, and other entities from using their *general treasury funds* to engage in independent expenditures and electioneering communications

Majority Opinion:

The federal Court of Appeals for the D.C. Circuit held that PACs that did not make direct contributions to candidates, parties, or other PACs could accept **unlimited contributions** from individuals, unions, and corporations (both for profit and not-for-profit) and spend **unlimited amounts** for the purpose of making independent expenditures.

Citizens United v. Federal Election Com'n, 558 US 310 - Supreme Court 2010

Fine Line

The Court expanded on the distinction between **contributions** (to candidates/parties/PACs) and **expenditures** (paid for by oneself) and found that the anti-corruption rationale was a permissible basis for restricting corporate contributions, but not independent corporate expenditures

Citizens United v. Federal Election Com'n, 558 US 310 - Supreme Court 2010

Minority Opinion:

“Over the course of the past century Congress has demonstrated a recurrent need to regulate corporate participation in candidate elections to “[p]reserv[e] the integrity of the electoral process, preven[t] corruption, ... sustai[n] the active, alert responsibility of the individual citizen,” protect the expressive interests of shareholders, and “[p]reserv[e] ... the individual citizen's confidence in government.”

In Essence,

- So much for “preserving the integrity of the electoral process”
- Corporations and unions now had “rights” to free speech and political clout that could not be restricted

SpeechNow versus FEC

- The first case in which the “Citizens United v. FEC” decision was applied
- SpeechNOW challenged the constitutionality of FECA's political committee registration, contribution limits and disclosure requirements.
- The US Court of Appeals for DC found that FECA's limits on contributions violated the First Amendment

Super PACs were born

- A new type of Political Action Committee that arose following the **Citizens United v. FEC** federal court decision made in 2010.
- Unlike traditional PACs, a Super PACs can raise funds from individuals, corporations, unions, and other groups **without any legal limit** on donation or expenditure size.

Super PACs



Technically known as “independent expenditure-only committees,” (they don’t make contributions)



May make unlimited independent expenditures



May NOT contribute to, or coordinate directly with, any parties or candidates

Super PACs

May raise unlimited sums of money from corporations, unions, associations and individuals

May spend unlimited sums of money to overtly advocate for or against any political candidates or issues

Super PACs



Allow corporations and unions to make expenditures *from their general treasuries*



Can call for the success or defeat of specific candidates



Can do just about anything

Super PACs

Not allowed to coordinate directly with candidates or political parties, in a quid pro quo bargain between donors and candidates or officeholders.

But... are allowed to discuss campaign strategy and tactics with candidates through the media.



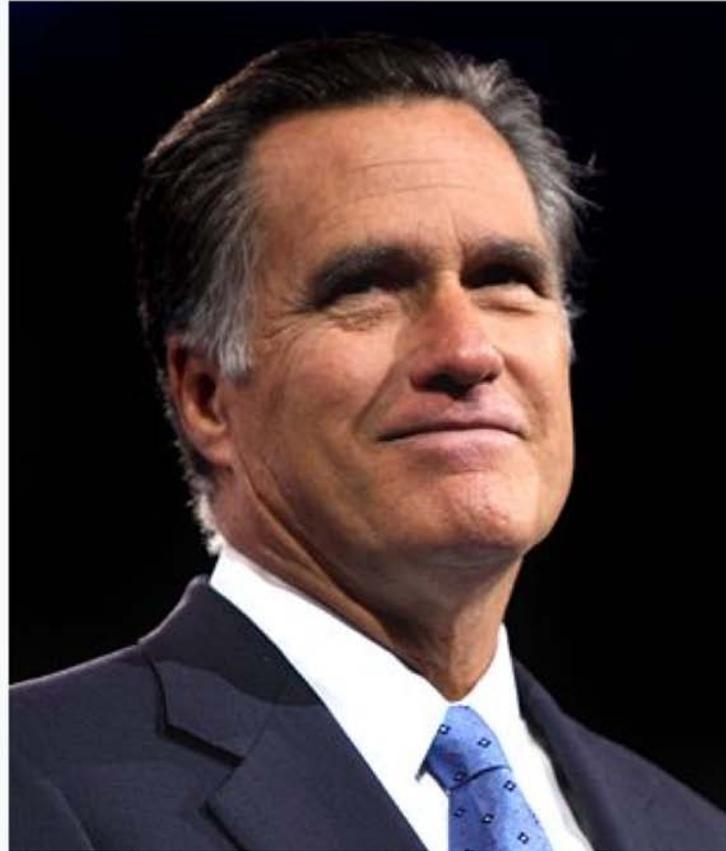
Unlike traditional PACs, super PACs are prohibited from donating/contributing money directly to political candidates



Their spending must not be coordinated with that of the candidates they benefit



Super PACs are required to report their donors to the Federal Election Commission on a monthly or semiannual basis



2012 Election Cycle:

- Super PACs played a major role by supporting individual candidates
- In the Republican primaries, Super PACs spent more than the candidates' own election campaigns

The 2018 Election Cycle:



2,395 groups organized as super PACs



Reported total receipts of \$1,567,302,421



Total independent expenditures of \$808,669,566



The majority of funds raised came from a small number of individual donors

Super SMART PAC





Vision:

“To have homeopathy be an accepted option in the U.S. healthcare system.”



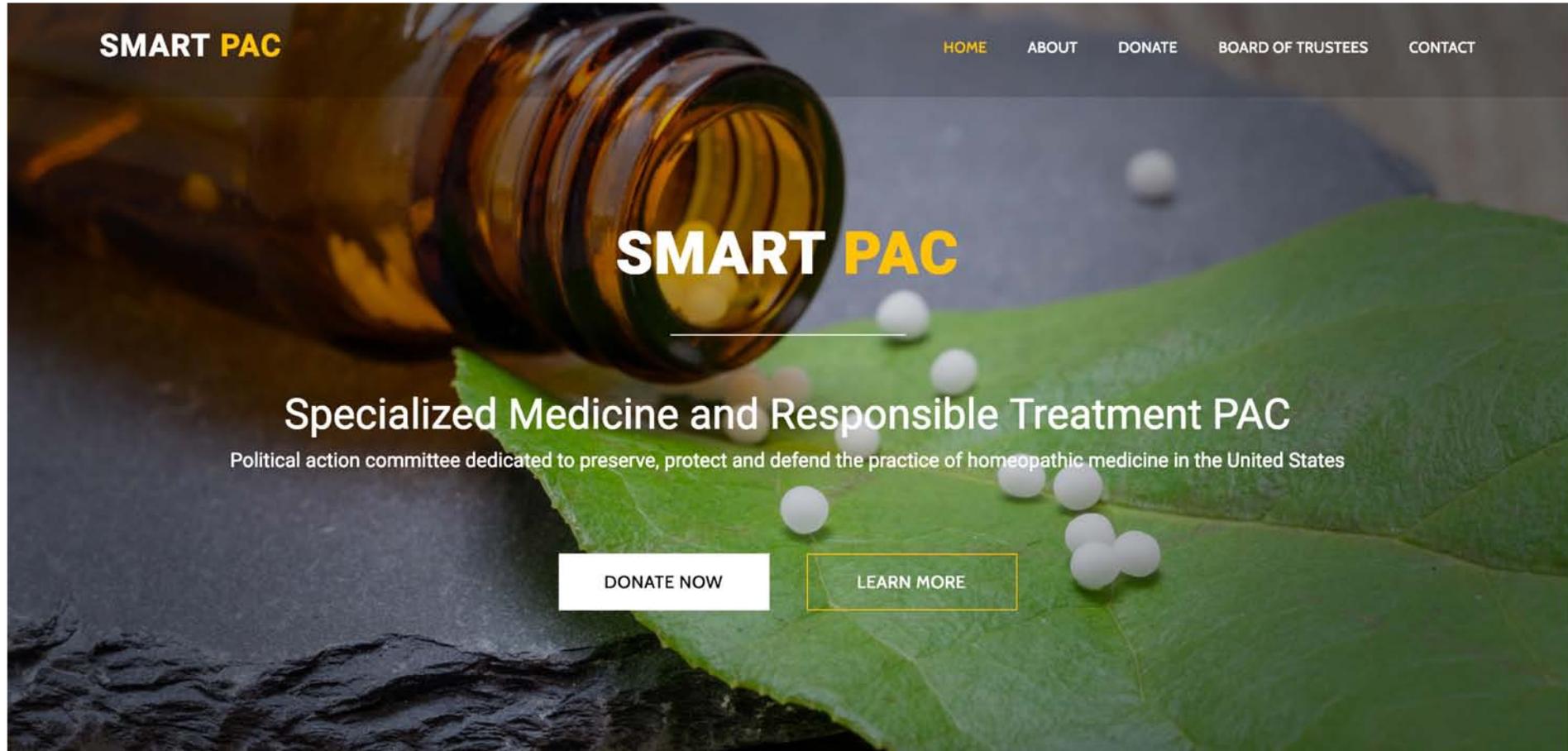


Mission:

“To promote and defend homeopathy as a viable healthcare choice for everyone”



Super SMART PAC



PAC Name	Amount	Party	Total
SUS For Democracy	\$0	Liberal	\$0
SOUND FROM THE GROUND	\$0		\$0
South Forward IE PAC	\$0	Liberal	\$150
SOUTH MS CONCERNED CITIZENS	\$0		\$0
SPARK PAC	\$0		\$0
Speak Out For America	\$0	Conservative	\$0
Spec Ops PAC	\$0	Conservative	\$0
SPECIAL CORPORATION FOR ETHICS AND JUSTICE IN AMER	\$0		\$0
Specialized Medicine & Responsible Treatment PAC	\$0		\$5,813
SpeechNow.org	\$0	Conservative	\$0
SPIRIT OF 76 PAC	\$0		\$0
Spooner's Independent Expenditures	\$0		\$10,000
SRB for SEC	\$0	Liberal	\$14,746
STAND AGAINST SHEIKHS	\$0		\$0
Stand Firm America	\$0	Conservative	\$533,162
STAND FOR AMERICA	\$0		\$0
STAND FOR DEMOCRACY	\$0		\$0

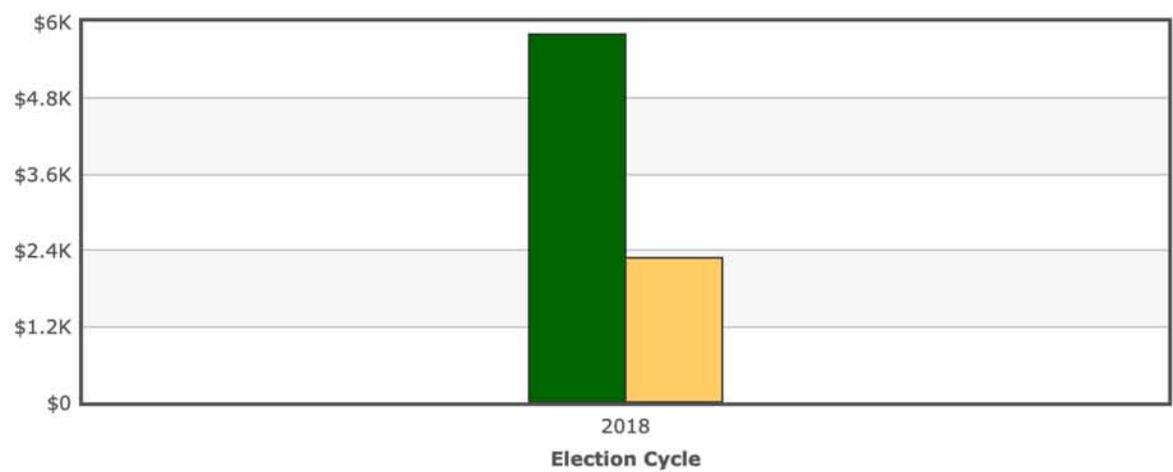
Specialized Medicine & Responsible Treatment PAC

Summary Donors Expenditures PAC to PAC/Party Independent Expenditures

Search for a PAC

NOTE: This committee is a super PAC.

SPENDING BY CYCLE Party Split by Cycle



2018 Hospitalist Salaries

Medscape

How does your salary compare?

OPEN

2018 PAC Summary Data

Select a Cycle:

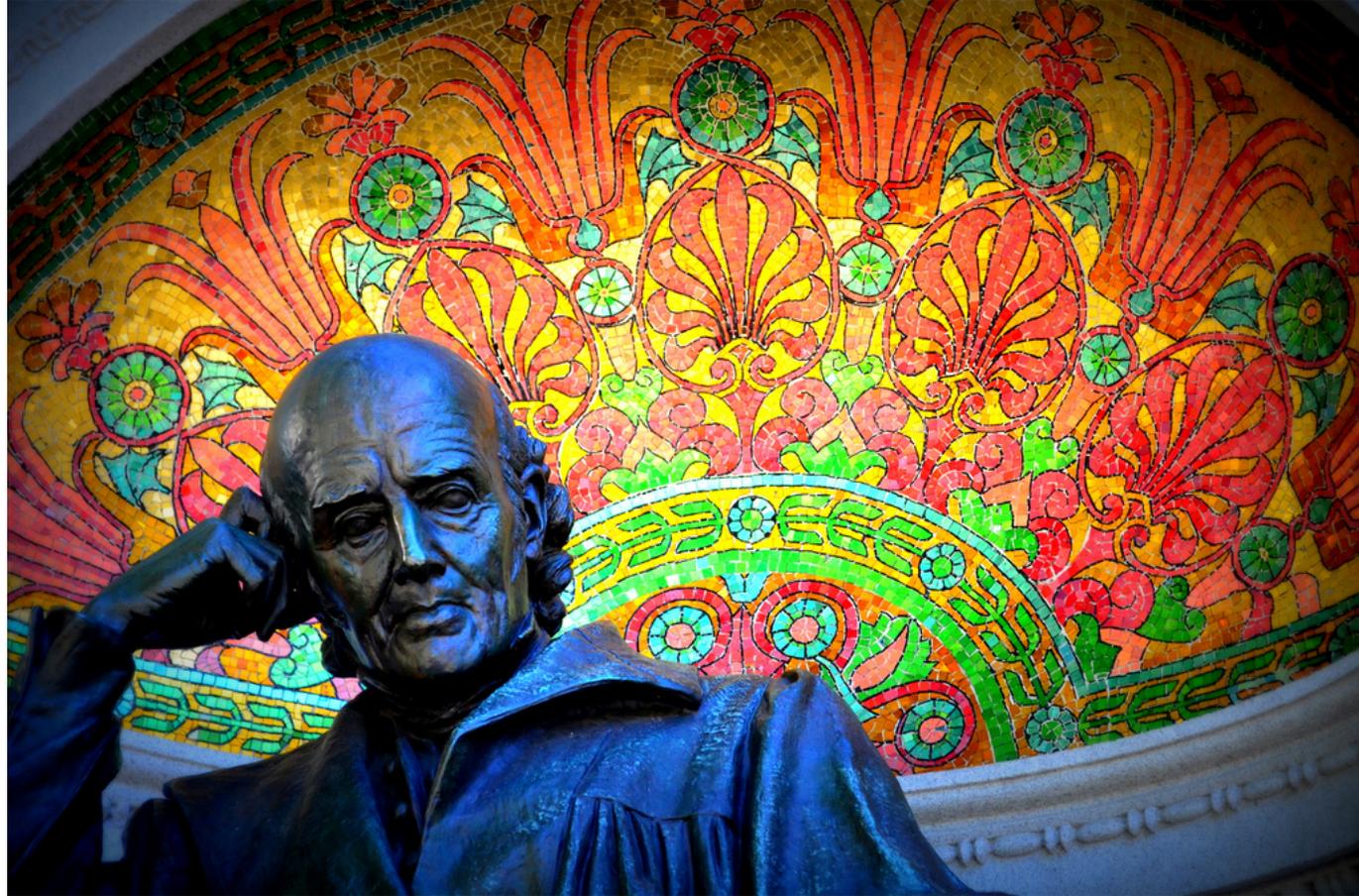
Total Receipts	\$5,813
Total Spent	\$2,289
Begin Cash on Hand	\$0
End Cash on Hand	\$3,487
Debts	\$0
Independent Expenditures	\$0
Date of last report	December 31, 2018

2018 PAC Contribution Data

<i>Contributions from this PAC to federal candidates (list recipients)</i>	\$0
<i>Contributions to this PAC from individual donors of \$200 or more (list donors)</i>	\$1,641

Official PAC Name:
SPECIALIZED MEDICINE AND RESPONSIBLE TREATMENT PAC

Why have A Super Pac for Homeopathy?



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1938 Food, Drug and Cosmetic Act

- Recognized the Homeopathic Pharmacopeia of the United States
- Equal Footing with the United States Pharmacopeia and the National Formulary

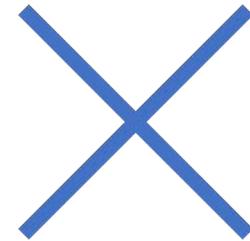


1988
Compliance
Policy
Guidance
400.400

- Provided Clear Guidelines for Manufacturers and Consumers
- Fostered a period of unbridled growth in the U.S. Marketplace

CPG 400.400 is a “Guidance” not a Law

- FDCA is a Law
- FDA has used Guidances to advise how they plan on interpreting and enforcing the law
- The New Draft Guidance of 2017 is outside the law



2017 FDA Draft Guidance

- Established that NO homeopathic medicines have EVER been approved by FDA
- Stated that “unapproved” [ALL] homeopathic medicines will henceforth be considered “illegal”
- Advised that all homeopathic medicines must go through a NDA process to be considered legal

What can the Super S.M.A.R.T. PAC do?

Make

Make independent expenditures to:

Raise

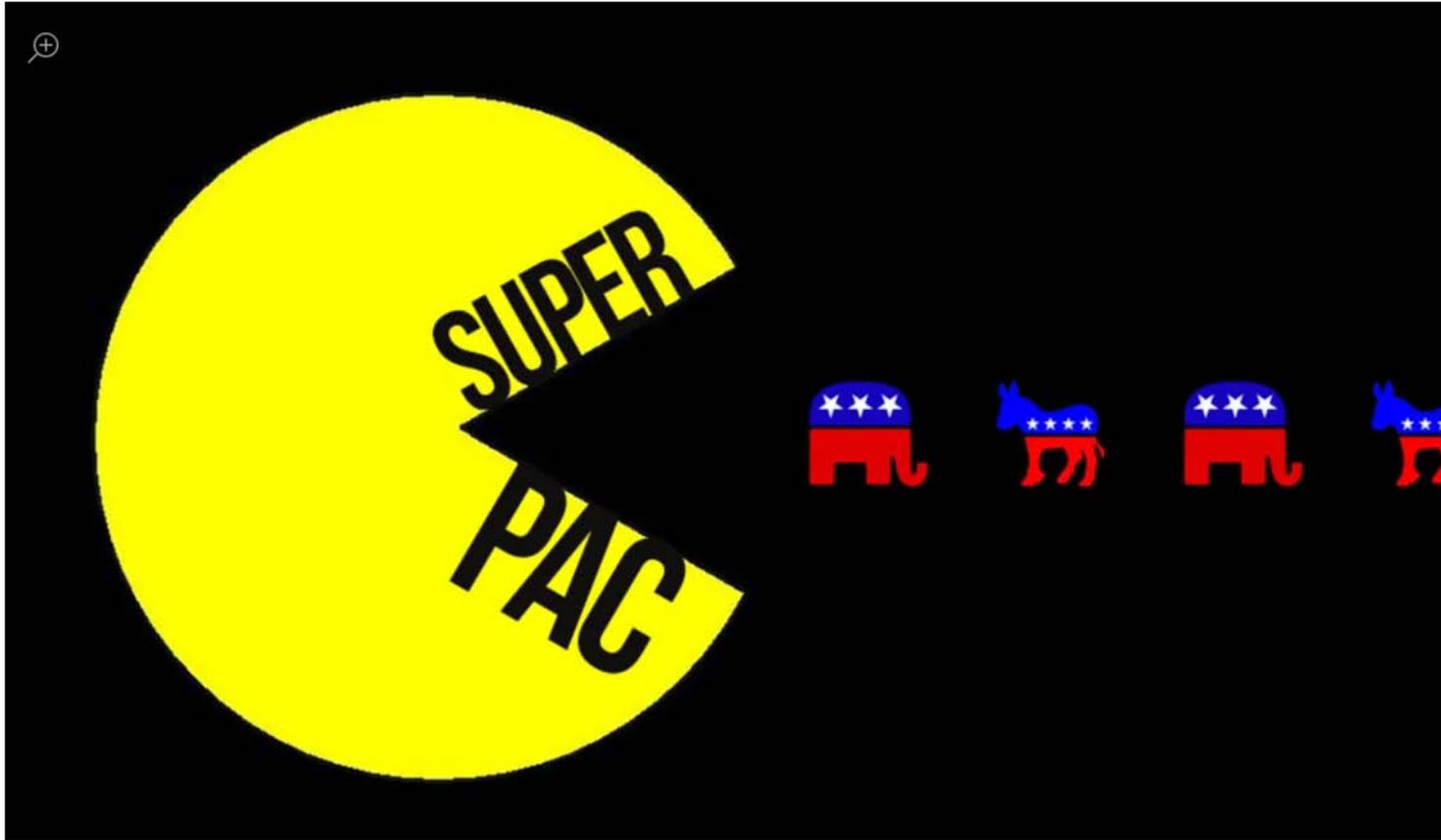
Raise public awareness and motivate political action

Support

Support efforts that clarify the FDCA, promote homeopathy and put pressure on FDA to stop regulating by "Guidance"

Educate

Educate, publicize, motivate public opinion

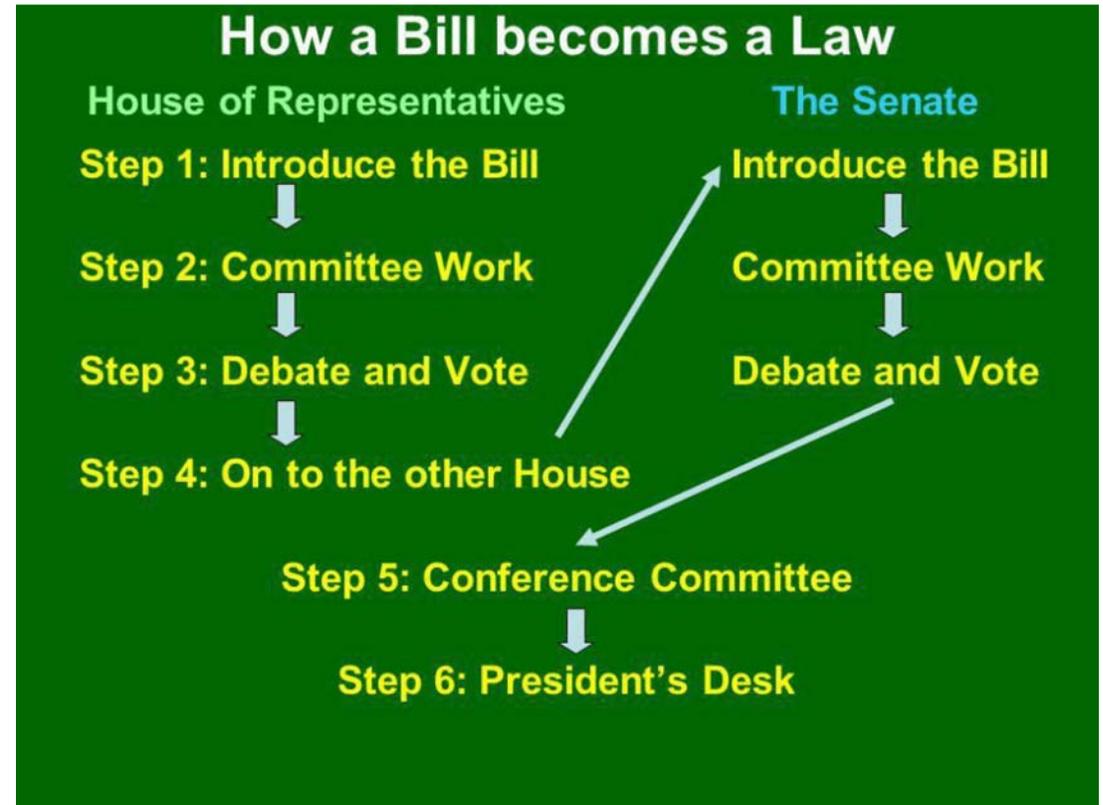


What can the Super
S.M.A.R.T. PAC do?

- Accept unlimited contributions from individuals, corporations & unions
- Make unlimited expenditures to support the political process to protect consumer access to homeopathy

What can the Super S.M.A.R.T. PAC do?

- Work to support the newly introduced Bill in the House of Representatives



What the Super S.M.A.R.T. PAC Cannot do?



Directly contribute to any
political candidate



Directly coordinate with any
political candidate

The Super S.M.A.R.T. PAC

- What's holding us back?
 - Corporate Involvement
 - Labor Union Involvement
 - Community Involvement
 - Individual Philanthropic Involvement

The Super S.M.A.R.T. PAC

- What We Need:
 - Increased Public Awareness
 - Corporate Support
 - Philanthropic Support

The Super S.M.A.R.T. PAC

- Questions?