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OpenSECRETS

Annual Report



**Money is
power.
Exposing
it is ours.**

Annual Report 2023

OpenSecrets

The United States is a representative democracy, one where every vote should count. But the decisions made and positions taken by our representatives too often don't reflect the will of the voters — they represent the will of their donors.

Money is a pervasive, game-changing, often unacknowledged participant in our politics. How it is spent and where it comes from is a story that needs to be told, often and in detail, to build both transparency and trust.

OpenSecrets understands the need for non-partisan, free-to-use information that tracks and tells an easy-to-understand narrative of how money influences our politics. For four decades, our organization has researched and presented this information through an era of unforeseen technological and journalistic change.

We offer unique, accessible tools and pathways to understand the unfolding history of money's influence in politics.

Dive in and discover for yourself.

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Message From Our Board Chair

2023 marked a year of transition for OpenSecrets. We bid farewell to a longtime leader in Sheila Krumholz who left a legacy of impact alongside a strong foundation for growth. The highly competitive search for a new executive director highlighted the vital role OpenSecrets continues to play in American politics, and we were thrilled to recruit Hilary Braseth as our new leader.

Hilary’s arrival coincides with what promises to be yet another year of record spending in American politics, alongside the emergence of generative artificial intelligence technology that offers great risks and opportunities for stakeholders and citizens following the money in politics.

We enter 2024 poised to deliver unbiased, accessible data and tools for journalists, policymakers, academics, advocates and the American public.

Daniel Doktori
Board Chair

Daniel Doktori



Message From Our Outgoing Executive Director



It has been my great honor to lead OpenSecrets (and before that, the Center for Responsive Politics) for 17 years, and I'm excited to pass the reins to my successor, Hilary Braseth.

We're all too well aware of the litany of challenges facing democracies across the globe in 2024 and beyond. Over the past several years (some would say decades), the rapidly changing norms and evidence of democracy's fragility has been startling to witness. Despite all of these changes, some things hold true — including money's influence in U.S. politics and elections, the role it plays in shaping both foreign and domestic policies, and the need for transparency so that we may hold our government accountable. A government "of, by and for the people" requires our access to information about the forces shaping our daily lives and future prospects.

For these reasons, OpenSecrets endures as a critical and unique source of data and respected research — following the money and deriving meaningful analysis and original reporting from hundreds of millions of data points every year so that Americans can use these tools in pursuit of a more vibrant, representative and accountable democracy.

I am enormously grateful to our team and proud of our accomplishments. Having merged the Center for Responsive Politics and the National Institute on Money in Politics in 2021, our expanded team has worked diligently to carefully integrate state and federal campaign finance and lobbying data, and to uphold our longstanding commitment to accuracy and nonpartisanship.

In addition to hope for OpenSecrets' continued success, I am signing off with hope for an election season that engages all Americans on issues of real importance for our nation, and candidates who respect the rules and norms of a healthy and representative democracy and prove themselves worthy of our vote.

We should accept no less.

With heartfelt gratitude,

Sheila Krumholz

KEY METRICS

Unique
Visitors to
Our Website

7.4M

Original
Articles
Published

115

Presentation
Participants

2,138

Data
Citations

28K⁺

Academic
Collaborations

450

Organizations
Classified by
Industry

10,207

Database
Updates

3,142

Organizations
Added to
Our Database

7,000

CORE ACTIVITIES

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**Political
Donations**

Collecting, aggregating and standardizing state and federal campaign contributions into a searchable database.

**Original
Reporting**

Exploring issues, from campaign contributions to lobbying, exposing intricate layers of money in politics and the price we all pay.

**State & Federal
Lobbying**

Building the country's first multi-jurisdictional database of lobbyists; tracking the careers of government officials as they shuffle through jobs as lobbyists, consultants and strategists.

**Foreign
Lobbying**

Offering a unique dataset on the Foreign Lobby Watch section of the OpenSecrets website, making this DOJ data more accessible and user-friendly.

Dark Money

Exposing dark money sources at all levels of government and equipping the public with critical information about money spent to influence elections.

**Online Political
Ad Spending**

Providing a one-stop-shop for online advertising spending by candidates and political groups on Google and Facebook.

**Race & Gender
Analyses**

Examining gender, race and the intersection of money in politics; expanding the available data on the impact of these factors in elections.

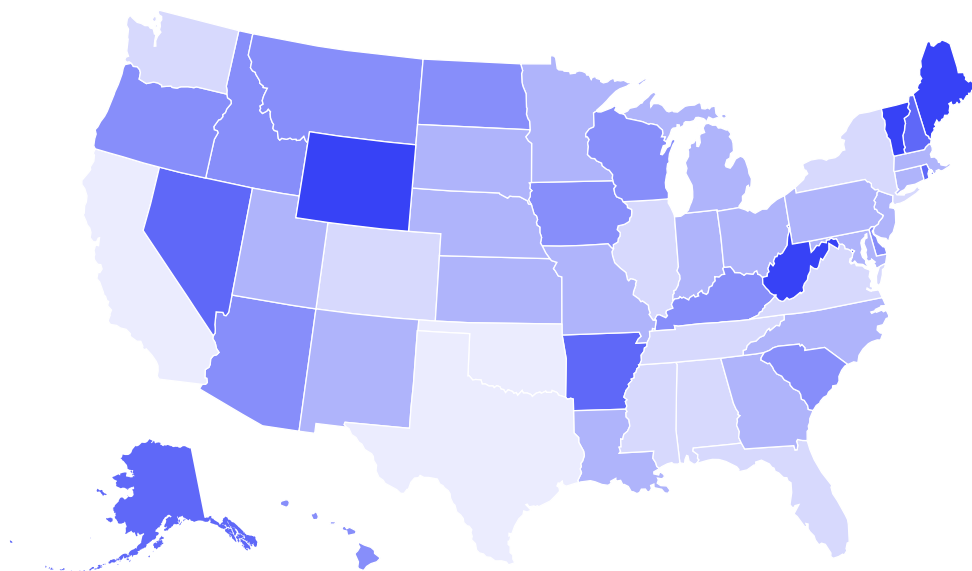
**Arms Industry
Influence**

Researching and analyzing the defense industry's influence as a driver of arms proliferation and escalating armed conflict globally.

OpenSecrets

12 The Nationalization of Political Contributions and the Rising Role of Out-Of-State Donations

<25%	<30%		<40%				<50%			<60%	<70%
TX	TN	IL	MI	GA	LA	MD	MT	KY	IA	NV	ME
CA	WA	VA	NJ	MN	OH	NE	SC	OR		NH	WV
OK	AL	CO	MO	UT	SD	KS	WI	HI		AK	WY
	MS	NY	PA	MA	CT	NM	DE	ID		RI	
	FL		IN	AR	NC		AZ	ND			



The chart above shows the 2022 out-of-state donations received for each state. Candidates from smaller population states like Wyoming, West Virginia, Maine, Vermont and Rhode Island rely the most heavily on money from out of state.

This report explores whether candidates up and down the ballot are raising more money from outside their own states and districts and identifies trends that merit further research. Federal candidates are increasingly reliant on out-of-state contributions, an OpenSecrets analysis found, while state candidates have been slower to capture out-of-state contributions.

OpenSecrets — using street address information for campaign donors provided by state campaign finance agencies and the Federal Election Commission — has long tracked and displayed the amount of money candidates for public office collect from both inside and outside their districts and states. Prior to this analysis, OpenSecrets had long been using street address information from state campaign finance agencies and the Federal Election Commission to track and display money that candidates for federal office raised from inside and outside their districts and states.

Our 2021 merger of the National Institute on Money in Politics (NIMP) and the Center for Responsive Politics has made it newly possible to extend our analysis to span the federal and state levels. This enables the identification of powerful trends that show how heavily candidates rely on money from outside their localities across the board, a powerful window that will continue to enable tracking trends in the decades to come.

See the full report at
opensecrets.org/news/reports/out-of-state-donations

Analysis Shows Small Donors Grow Under New NY State Public Financing Program

The imbalance and undue influence that large donors have over small donors is clear. In New York's 2022 elections, the 200 largest individual donors collectively contributed a staggering \$15.9 million to candidates. That rarefied handful of individuals outspent 206,000 small donors who collectively contributed \$13.5 million. When taking non-candidate spending into account, we see that the power of big donors further exceeds this estimate. In this same 2022 election, Super PACs — fueled by megadonors and special interests, including some unknown to the public — poured more than \$38 million into state races.

The growing influence of wealthy donors in New York resembles a broader trend nationwide. In 2022, large individual donors funneled a record-breaking \$16.7 billion in spending on state and federal elections, with the biggest donors consistently increasing their share since 2010, when the Supreme Court's Citizens United decision opened the floodgates to big money in politics.

The modeling used for this report showed that the percentage of money raised by candidates from large donors v. small donors could flip considerably under the New York State Public Financing Program. In New York's 2022 legislative races, small donors made up only 11% of candidate funds and large donors 69%. The analysis in this report demonstrates that under this program, that could change to 67% from small donors and 28% large donors. The financial power

of small donors would increase sixfold compared to their share without the matching program in 2022.

Beginning with the 2024 election cycle, candidates in New York can choose to participate in a public system that boosts the small-dollar support they earn from the New Yorkers who will be their constituents if they win, and aims to give a seat at the table for candidates who might not otherwise have access to the resources normally needed to run for office. The key elements of this program are explained in detail below.

MATCHING FUNDS THAT MULTIPLY SMALL DONATIONS

Candidates for statewide office can earn \$6 in matching funds for every \$1 from a New York resident, up to \$250. Candidates for the legislature can earn matching funds only for donations from residents of their district, with a variable matching ratio between 8-1 and 12-1, depending on the amount given. This results in a \$250 donation translating to \$2,550 for a legislative candidate.

QUALIFYING CRITERIA

The program avoids wasting funds on frivolous campaigns by requiring participating candidates to prove sufficient public support by raising a threshold number of small donations from constituents. To ensure that less wealthy communities can benefit from the program, candidates in the lowest-income districts face lower qualifying thresholds.

CAPS ON PUBLIC FUNDS (WITH THE ABILITY TO RAISE AND SPEND MORE)

The public treasury is also protected by limits on the total matching funds each candidate can earn, although participating candidates are free to raise and spend as much private money as they wish in compliance with contribution limits.

TRANSPARENCY AND OVERSIGHT

The system requires participating candidates to publicly report their fundraising and spending, and it establishes a strong compliance and enforcement regime.

Lobbying & Industry Spending

With record sums of money pouring into lobbying efforts to sway U.S. policymakers, OpenSecrets launched an unprecedented online resource providing cross-jurisdictional analysis of lobbying expenditure data. The new tool allows users to explore high-level spending patterns across jurisdictions to identify major players and understand significant trends in federal and state lobbying across the United States. Some highlights:

FEDERAL LOBBYING

Federal lobbying spending reached a record in 2023, totaling \$4.3 billion. In recent years, the number of individual lobbyists reporting activity has also been rising, after a dozen years of either stagnancy or decline.

STATE LOBBYING

More than \$1.4 billion in additional money was spent lobbying just in the 20 statehouses where disclosure is sufficient enough to analyze.

HEALTH COMPANIES

Health companies continued a long term trend by being the top spending sector at both the state and federal level.

TECH COMPANIES

The tech industry continued its decade-long rise to prominence. Top technology and Internet companies now make up 3 of the top 10 corporations lobbying the federal government. OpenSecrets data and reporting on those working to influence Congress on the topic of artificial intelligence showed a 400% increase in the number of companies working on the issue — up to more than 450 — in the last five years.

BYTEDANCE

ByteDance's extensive lobbying attempt to prevent a US ban on their TikTok app ultimately failed, but also contributed to the prevalence of foreign money in US policy fights, including on defense spending.

2023 HIGHEST LOBBYING SPEND

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1		\$19,860,000
2		\$19,300,000
3		\$14,490,000
4	Alphabet	\$14,450,000
5		\$14,420,000
6		\$14,360,000
7	AMGEN	\$14,290,000
8		\$14,066,565
9		\$13,690,000
10	ORACLE	\$13,310,000

Lobbying & Industry Spending (cont.)

Most political spending happens in the election year. These pre-election year totals for 2023 represent only the tip of the political-spending iceberg.

PAC (POLITICAL ACTION COMMITTEE)

A political committee that raises and spends money to elect or defeat candidates. Most PACs represent:

- » businesses (i.e. Microsoft PAC)
- » labor unions (i.e. Teamsters PAC)
- » special interests (i.e. EMILY's List PAC or National Rifle Association PAC)

An organization's PAC will solicit money from the group's employees or members and make contributions in the name of the PAC to candidates and political parties.

Individuals contributing to a PAC may also contribute directly to candidates and political parties, including those also supported by the PAC.

SUPER PACS

A type of committee that surfaced following the July 2010 federal court decision in a case known as *SpeechNow.org v. Federal Election Commission*. Technically known as independent expenditure-only committees, super PACs can raise unlimited sums of money from corporations, unions, associations and individual donors, then spend unlimited sums to advocate for or against political candidates — so long as the super PAC avoids direct coordination with candidates.

Unlike traditional PACs, super PACs are prohibited from donating money directly to political candidates, and 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 — the super PAC's choice — in off-years, and monthly in the year of an election.

For detailed spending amounts go to opensecrets.org/political-action-committees-pacs/2024

Spending by independent groups refers to organizations that aren't directly affiliated with a political candidate, campaign or committee, that spend in favor of a party or a person's candidacy. By law, these outside groups aren't allowed to coordinate with the political candidate or party around their spending, but their activity contributes to the ecosystem of support for one party or candidate over another.

Federal

\$274M

State

+ \$81M

Total

\$355M

Federal

\$1.61B

State

+ \$572M

Total

\$2.18B

Federal

\$786M

State

+ \$288M

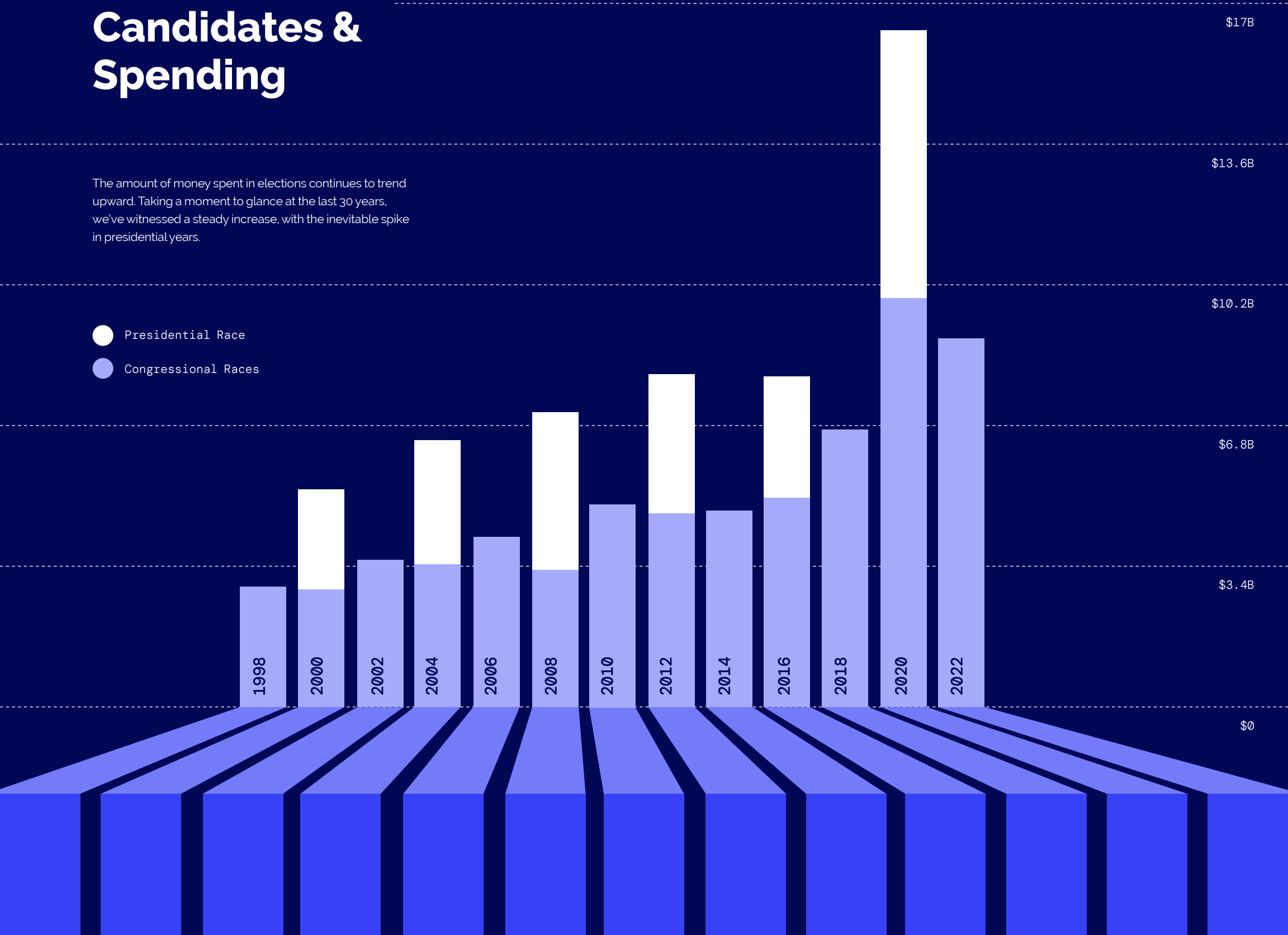
Total

\$1.07B

Candidates & Spending

The amount of money spent in elections continues to trend upward. Taking a moment to glance at the last 30 years, we've witnessed a steady increase, with the inevitable spike in presidential years.

- Presidential Race
- Congressional Races



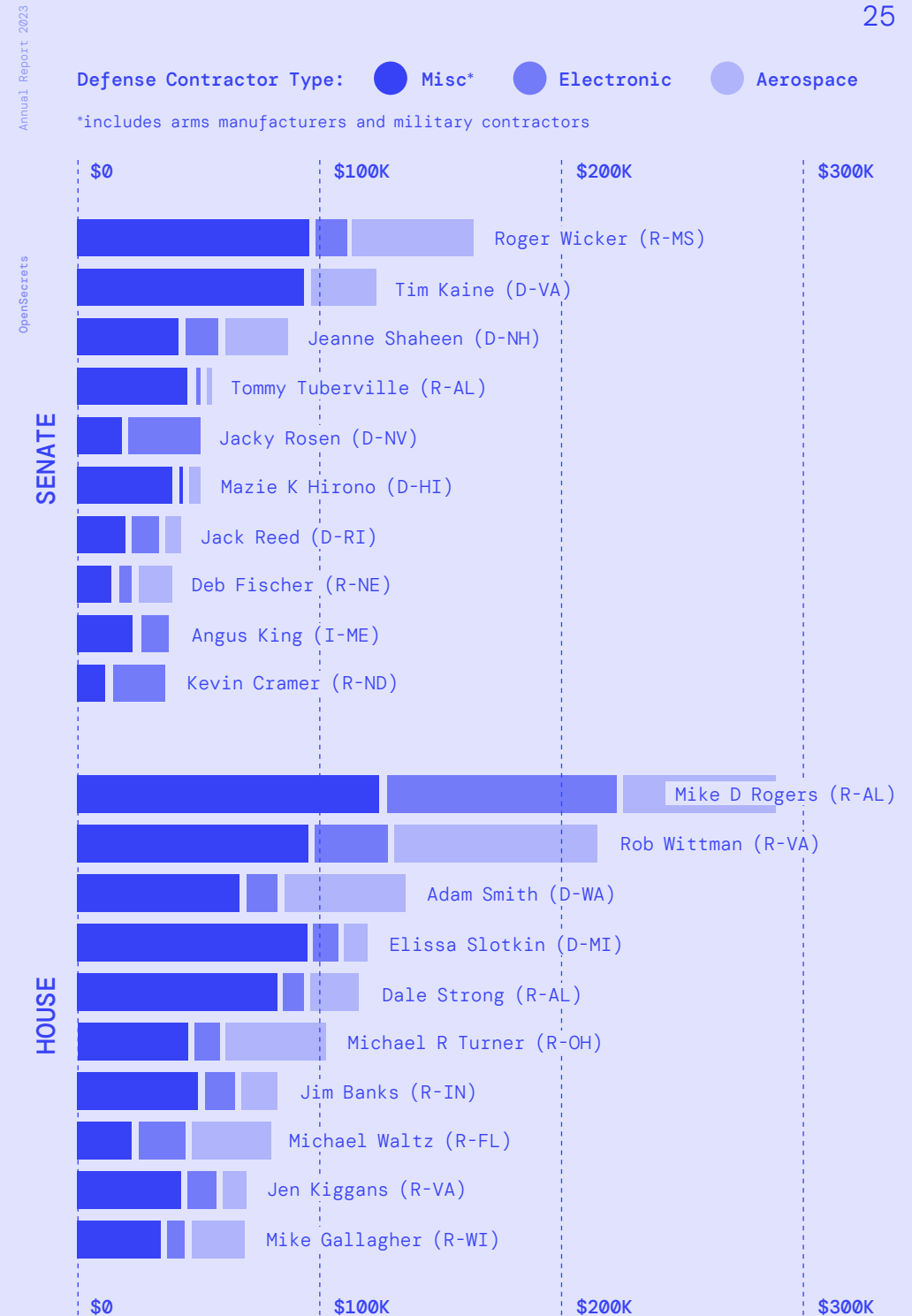
Capitalizing on Conflict

Defense companies spend millions every year lobbying politicians and donating to their campaigns. In 2023, they hired nearly 200 lobbyists who historically worked directly within a defense-related arm of the government such as the Department of Defense, Armed Services Committees or Defense Appropriations Committees, regulating and deciding funding for the industry — otherwise known as the “revolving door.” Beyond hiring defense-related government employees, in 2023 defense companies also hired more than 400 lobbyists who previously worked in any non-defense areas of the government from the Health & Human Services to the Food & Drug Administration.

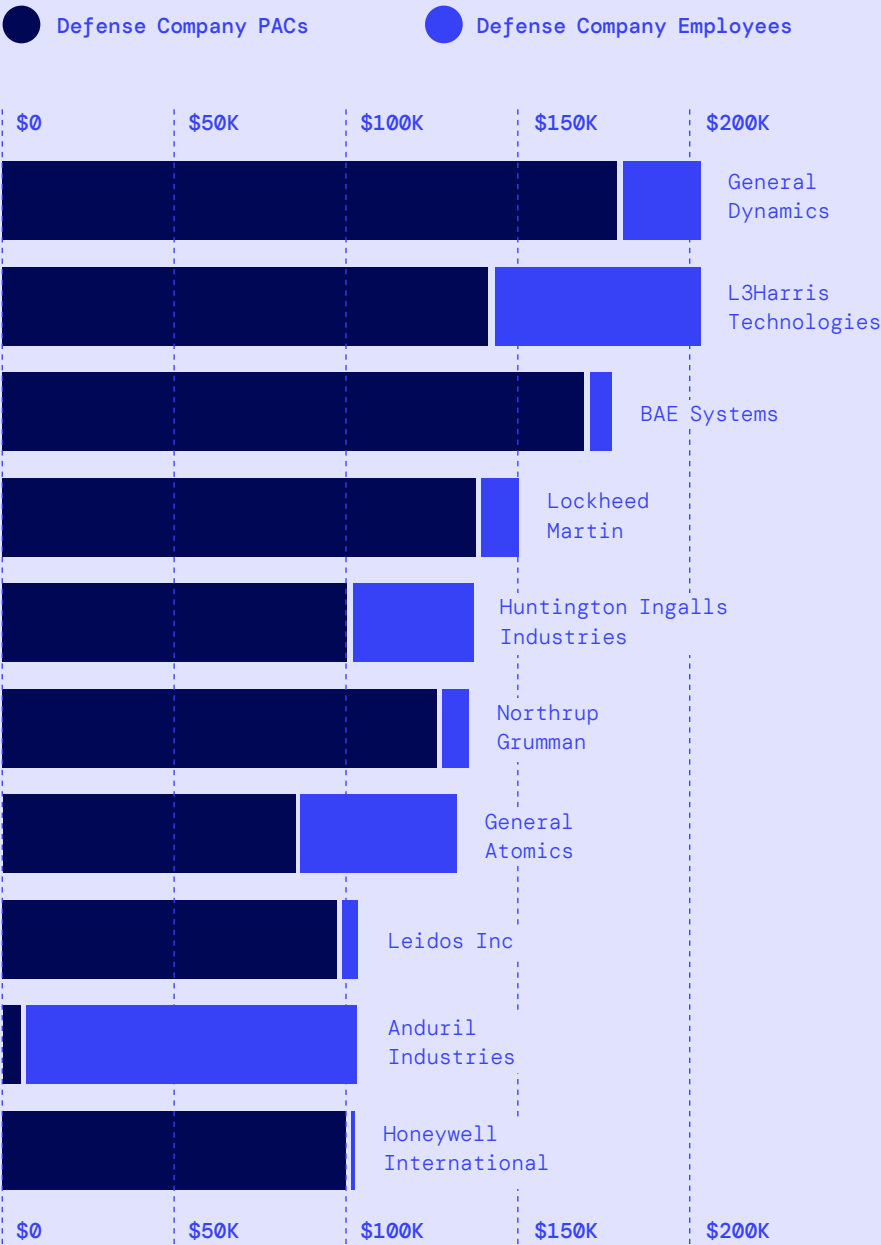
The defense industry’s business prospects are tightly controlled and, in many ways, entirely decided by the official decisions made in Congress and in the Pentagon in a way that other industries don’t have to contend with. Despite those restrictions, business is undeniably good both at home and abroad. Foreign sales delivered an average of \$12 billion worth of arms per year between 2016 and 2018, according to Security Assistance Monitor data analyzed by OpenSecrets.

Members of the House Armed Services Committee received about \$36,200 on average from the defense industry, while Senators in the Armed Services Committee received an average of almost \$36,000.

2023 CONTRIBUTIONS FROM DEFENSE CONTRACTORS TO CONGRESSIONAL ARMED SERVICE COMMITTEE MEMBERS

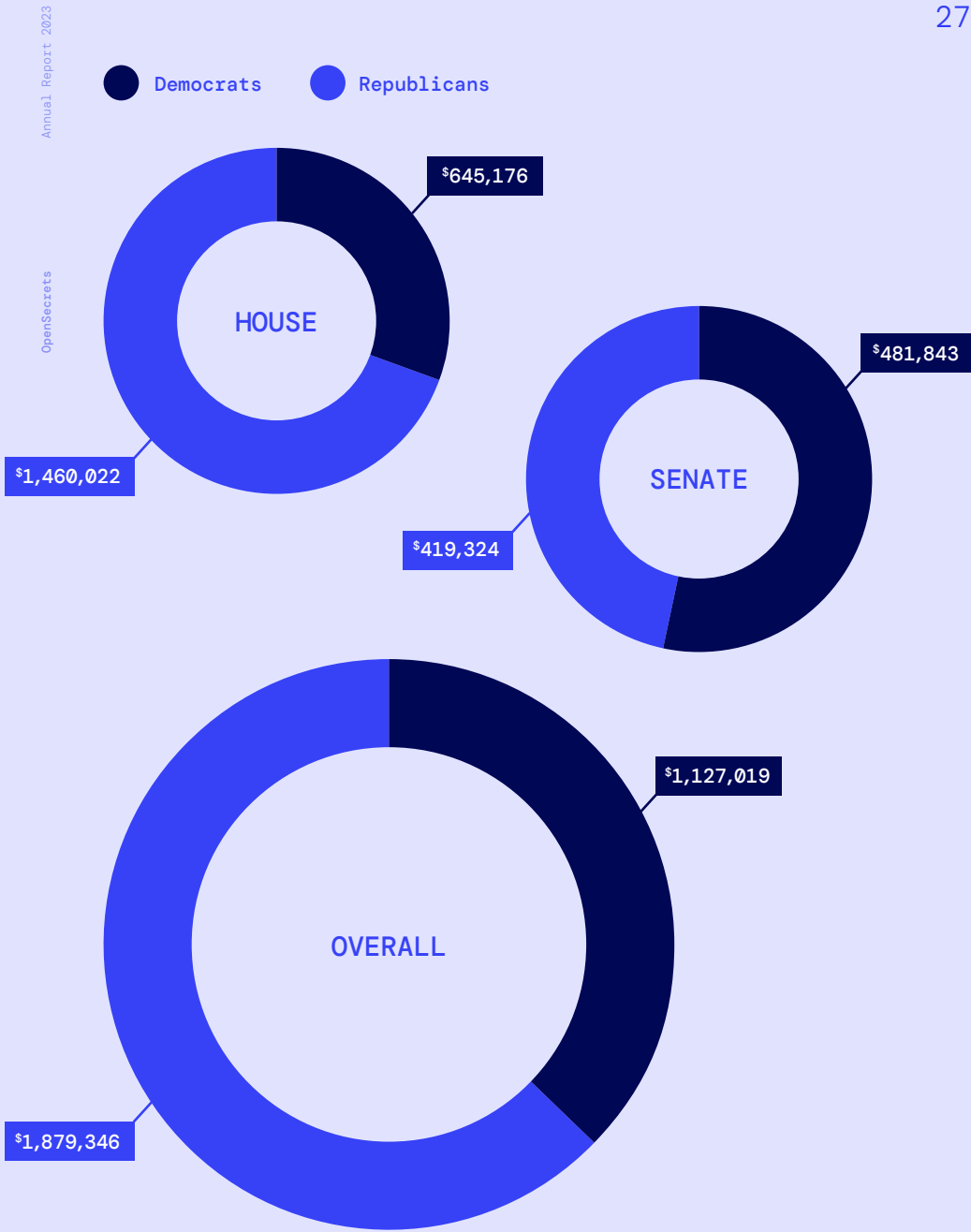


2023 TOP CONTRIBUTING
DEFENSE COMPANIES

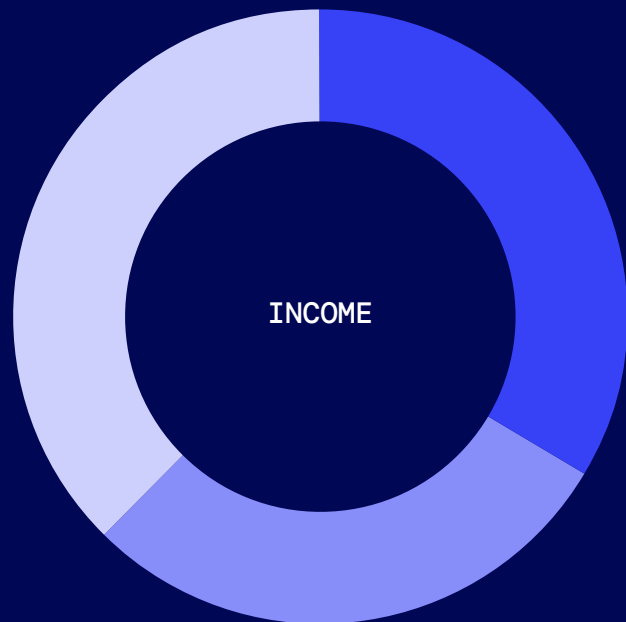


Contractors in the defense sector made a total of \$8.2 million in political contributions to individual candidates and leadership PACs in the first two quarters in 2023.

2023 DEFENSE CONTRIBUTIONS
PARTY SPLIT



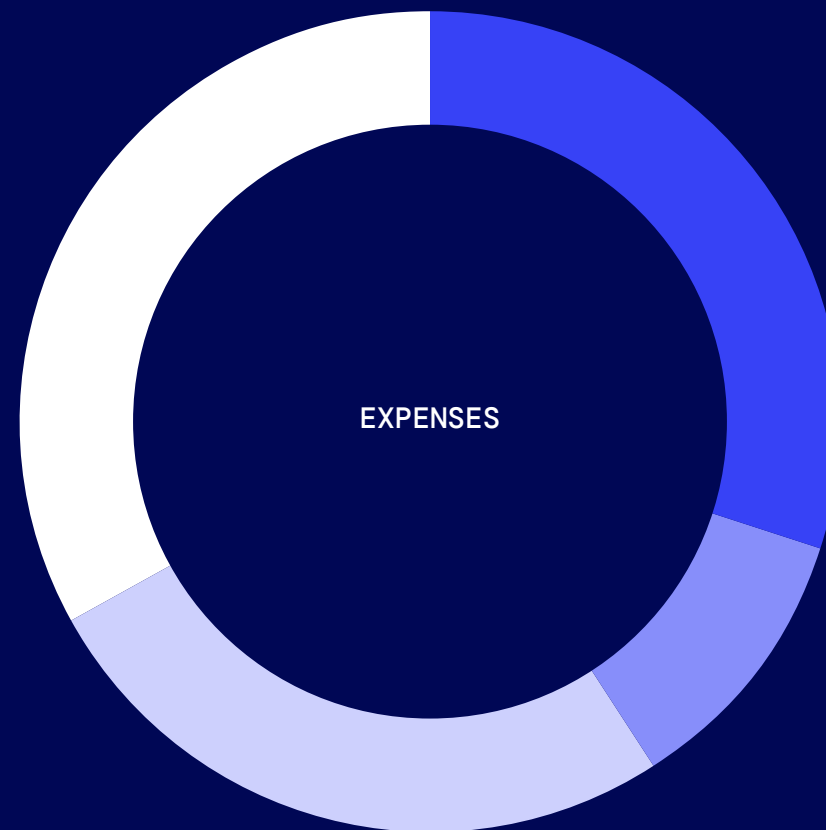
Most contributions from the defense sector went to House Republicans, while Democrats received a majority of contributions made to the Senate.



\$2.55M

Foundations	37.6%
Individuals	28.6%
Earned & Miscellaneous	33.8%

*Annual income figures do not include grant monies allocated for use during the calendar year 2023 that were received in prior years.



\$4.23M

Research	30%
Communications	11%
Administration	26%
Technology	33%

OpenSecrets Issue Center

We are hard at work on our new Issue Center. Designed as a user-friendly resource about money's influence on hot-button political issues, this tool will provide relevant datasets and reporter trainings to enhance national, state and local media outlets' investigations, tools, reporting and graphics capabilities.



OpenSecrets Gold Standard



We provide hundreds of thousands of pages analyzing hundreds of millions of continuously updated data points on money in politics.

We collect, organize and add value to this data through standardization, classifying by industry and interest group and tracking patterns across time.

We find, report and correct errors in the data, including deduplication.

We empower Americans by making this information accessible with user-friendly tools.