



# How corporations give Republicans a massive financial advantage in state politics

Judd Legum 2 hr ago 26 4

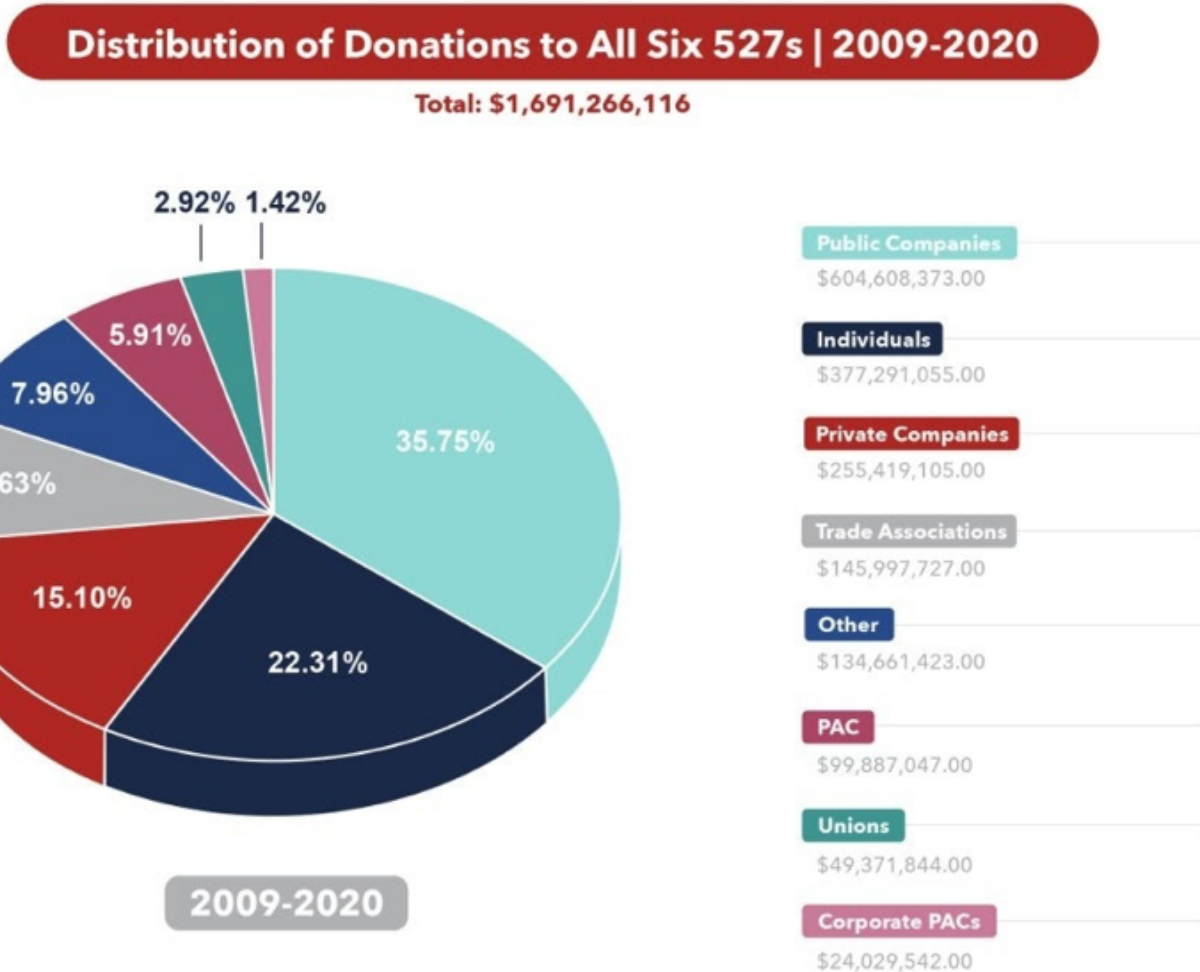
Over the last decade, public corporations have given Republicans at the state level a financial advantage that exceeds \$200 million, according to [new research](#) provided exclusively to Popular Information by the Center for Political Accountability.

One way corporations bankroll politicians is through corporate PAC contributions directly to candidates. This money is important but has some substantial limitations. First, PAC money comes from a segregated fund that is financed through voluntary contributions by corporate employees. Second, there are generally strict limits on how much a PAC can give to an individual candidate in each election. Third, there is a direct connection between the corporations and the candidate, which makes it easy to hold corporations accountable for PAC contributions.

But corporate donations to groups like the Republican Governors Association (RGA) and the Democratic Governors Association (DGA), which are organized under the tax code as 527 groups, have no such limitations. Corporations can donate unlimited funds directly from their treasury to groups like the RGA and the DGA. And those groups can spend unlimited amounts of money on behalf of candidates. These donations also insulate corporations from the actions of any individual candidate, since a donation to a national organization like the RGA could theoretically support a candidate in any state.

Corporations fund 527 groups directly and through trade associations like the U.S. Chamber of Commerce. The Center for Political Accountability looked at corporate donations to six 527 groups from 2009 to 2020: the RGA, the DGA, the Republican State Leadership Committee (RSLC), the Democratic Legislative Campaign Committee (DLCC), the Republican Attorneys General Association (RAGA) and the Democratic Attorneys General Association (DAGA).

Collectively, these six 527 groups play a dominant role in state politics. Over the five election cycles, they have collectively raised \$1.69 billion. About 44% of this money came from public corporations and trade associations. Another 15% came from private companies.



The aggregate spending by these groups in each election cycle has increased from \$216 million in the 2010 election cycle to \$338 million in the 2020 election cycle.

The three Republican groups (RGA, RSLC, RAGA) have raised \$1.05 billion over the last decade, considerably more than the \$632 million that their Democratic counterparts (DGA, DLCC, DAGA) raised over the same time period. Much of that advantage was created by corporations and their trade associations, which donated \$485 million to the Republican groups and \$265 million to the Democratic groups.

The flood of corporate money into Republican groups focused on state politics has

coincided with a significant consolidation of political power by Republicans. In 2009, Democrats controlled both legislative chambers in 17 states, Republicans controlled 9, and 23 states were split. Today, Democrats control both chambers in 15 states, Republicans control 23, and 11 are split. In 2009, Democrats controlled 28 governorships and Republicans controlled 22. Today, Democrats control 23 governorships and Republicans control 27.

## The biggest corporate donors to Republican 527s

Which corporations are donating the most to Republican 527 groups? Another [new report](#) from the Center for Public Accountability provides some insight by listing the top donors to the RSLC among corporations and trade associations. As Popular Information has reported, the RSLC has been promoting voter suppression legislation in Georgia, Texas, and other states.

At the top of the list is the U.S. Chamber of Commerce, which donated \$2,654,000 to the RSLC in the 2020 cycle. Nearly every major corporation pays dues to the U.S. Chamber of Commerce. It is an ideal way to influence politics because trade association dues can be kept secret. Many corporations are financing efforts to undermine voting rights with no fingerprints. Other major trade association donors to the RSLC in the 2020 cycle include PhARMA (\$651,544) and the Association of Builders and Contractors (\$366,673).

Among individual public companies, here are the top 10 donors to the RSLC in the 2020 cycle:

- Chevron (\$1,055,000)
- Reynolds American (\$840,075)
- Dominion Energy (\$835,549)
- Altria (\$735,000)
- Marathon Petroleum (\$726,159)
- Anthem (\$450,798)
- Centene (\$430,512).

Astrazeneca (\$425,109)


Pfizer (\$372,008)

Charter Communications (\$368,099)

Other notable public companies that donated \$100,000 or more to the RSLC in the 2020 cycle include Comcast (\$228,739), Citi (\$226,906), Intuit (\$225,065), Walmart (\$186,386), General Motors (\$185,598), and Amazon (\$116,681).

## How the money flows

How do contributions to the RSLC ultimately impact state politics? First, money donated to the RSLC pays for direct advocacy of voter suppression bills. In Georgia, the RSLC directly supported voter suppression legislation including an early, more extreme version of the bill.



**Republican State Leadership Committee**  
@RSLC

Georgia Senate Republicans have vowed to:

- ✓ Ban 'At-Will' Absentee Voting
- ✓ Outlaw Ballot Drop Boxes
- ✓ Require Voter ID for Absentee Ballots

We must have election integrity!  
[times-georgian.com/villa\\_rican/ge...](https://times-georgian.com/villa_rican/ge...)

December 12th 2020

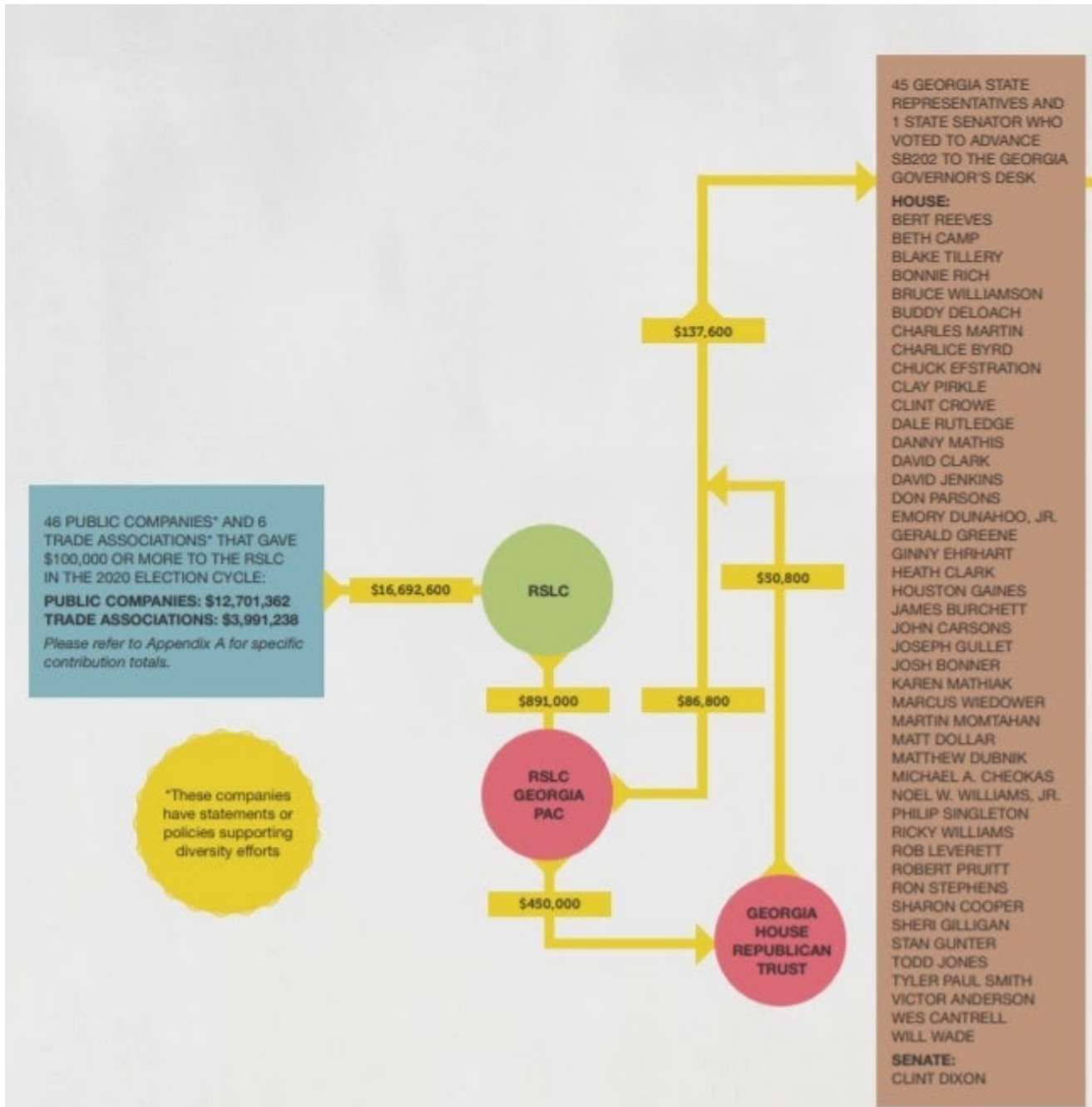
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Money sent to the RSLC is also funneled directly to candidates. In 2020, for example, 46 public companies and 6 trade organizations gave a combined \$16,692,600 to the RSLC. With that money, the RSLC sent \$891,000 to its subsidiary, the RSLC Georgia PAC. In turn, the RSLC Georgia PAC gave \$86,800 directly to members of the Georgia legislature who supported the voter suppression bill. The RSLC Georgia PAC also gave \$450,000 to the Georgia House Republican Trust, which spends money to elect Republicans to the Georgia House. The Georgia House Republican Trust gave another \$50,000 to individual members of

the Georgia legislature who supported its voter suppression legislation.

It's a bit hard to follow, and that's the point. There is considerable distance between the corporation that sends money to the RSLC and its ultimate recipient. Here is a flow chart from the Center for Public Accountability:

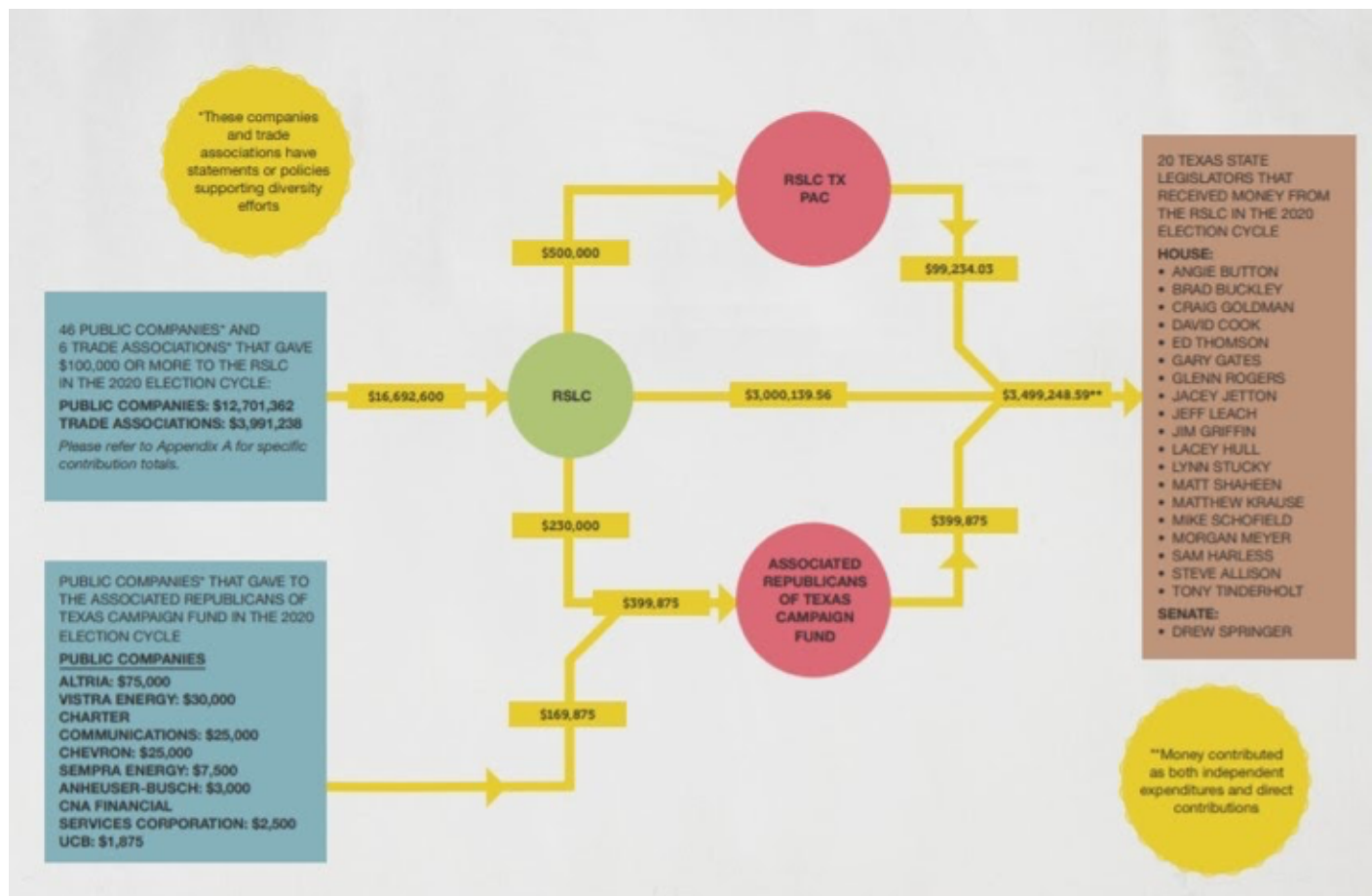


The same process played out in Texas on an even larger scale. The RSLC spent over \$3 million to directly support 20 Republican members of the Texas legislature, all of whom support legislation to restrict voting. (Because Texas Democrats left the state, that bill is not

yet law.) The money includes contributions to individual candidates' campaigns and independent expenditures on behalf of the candidates.

The RSLC also sent \$500,000 to the RSLC Texas PAC, which spent another \$100,000 to support the same members. And the RSLC transferred \$230,000 to the Associated Republicans of Texas Campaign Fund, which ultimately spent \$399,875 to support that same small group of members. (The Associated Republicans of Texas Campaign Fund also raised money directly from public companies.)

Here is what it looks like as a flow chart:



This is a lot of corporate money flowing into a small number of legislative campaigns. And these 20 campaigns determined control of the Texas House, where Republicans have an 83-67 majority.