CONFLICTED CONSEQUENCES



FOREWORD BY-

Foreword

Jacob S. Hacker & Paul Pierson¹

American political discourse is changing, and corporate America's priorities appear to be changing with it. Even before the COVID-19 crisis, the Business Roundtable—a four-decade old group representing CEOs—issued a highprofile "Statement on the Purpose of the Corporation" signed by executives from almost two hundred of the nation's largest companies, from Amazon and Apple to Walmart and Wells Fargo. The signatories acknowledged the strains facing American workers and expressed their commitment to environmental sustainability, social diversity, and worker dignity. In response to the ongoing wave of Black Lives Matter protests, a chorus of corporate leaders has expressed similar commitments to the cause of racial justice.

Amid such heady rhetoric, this vital report from the Center for Political Accountability is a bracing reminder that talk, when not backed by action, is cheap. Indeed, in few places today is the gap between word and deed as wide as it is in the political spending of American corporations. Our democracy is being distorted by huge flows of money, most of it directed by an ultra-wealthy few. As the Center's analysis makes clear, these flows are not equally transparent, and the least transparent are likely to be the most reflective of what spenders value. For a corporation concerned about its image, spending in the spotlight sends a public message; spending in the shadows delivers on private priorities—even when those priorities are at odds with its public reputation or the wishes of its shareholders.

Conflicted Consequences provides striking new details about a particularly crucial vehicle for these maneuvers: "527" organizations that take contributions from a variety of sources and then spend it to advance a broad political agenda. For corporations pursuing agendas they do not want scrutinized, this type of spending has three big advantages over traditional political spending: it is less likely to attract attention than PAC contributions that go directly from firms to candidates; it is effectively "laundered" by running through the 527 organization so the donor can duck accountability for specific uses of the money; and it allows the resources of many companies to be pooled to achieve maximum impact. For all these reasons, such expenditures probably provide a better indication of how major corporate

spenders hope to influence the nation's politics. That's especially true if those spenders are packaging a lot of money this way – and the report makes clear that many of the nation's biggest companies do so.

With the curtain pulled back, we see that much of this spending is, at a minimum, deployed in ways that cut against the lofty rhetoric of bipartisan problem-solving. As this report explores, while big corporations and trade associations use 527s to channel resources to both major parties, they give the bulk of such spending to the Republican Party. And the intermediate organizations that these companies finance often direct that money in ways that belie companies' stated commitments to environmental sustainability, racial justice, and the dignity and safety of workers. To take just one of the many instances this report recounts, large donations channeled through these organizations helped North Carolina Republicans take control of the state legislature in 2010. They used that control to institute extreme gerrymanders of both the state legislature and the state's delegation to Congress, and to pursue a range of divisive and anti-democratic policies, including restrictions on LGBTQ rights and new rules designed to impede the access of black voters to the polls.

The outsized capacity of a small group of economic elites to so heavily influence politics and policy raises grave issues in a democracy. But at a minimum, such actions should be visible, so shareholders, employees, and customers—not to mention citizens and their elected representatives—can judge such actions for themselves.

All these stakeholders owe a debt to the Center for its continuing efforts to direct some light into the darkest corners of our fragile democracy.

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Acknowledgements

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Conflicted Consequences: A Graphic Study on How Public Company Political Money Has Reshaped State and National Politics from 2010 to Today

Introduction

In the ever-escalating arms race of U.S. political spending, a formidable weapon has largely flown under the public's radar. Until now.

Publicly held U.S. corporations and their trade associations have strategically poured hundreds of millions of dollars into six large Republican and Democratic groups focused on electing governors and attorneys general and flipping control of legislative chambers. These non-profit, tax-exempt groups are called 527 organizations for the section of the Internal Revenue Code that governs them.

In this report, the Center for Political Accountability has followed the money, just as it did in its earlier *Collision Course* report. Focusing on groups active at the state level, we have mapped where their money came from and how much the groups received. And we have identified outcomes bankrolled by these groups. CPA is the first to undertake this research.

The money trail reveals that three Republican 527 groups targeted their political spending over the past decade from cumulative funds of more than \$1.05 billion, with \$485 million or almost half (45.8 percent) received from public company and trade association treasuries.² This spending helped bring changes in control of state legislatures and the election of governors and attorneys general. In turn it helped drive new agendas that have transformed state and national policy. Among states where these 527s have had a major impact are North Carolina, Alabama, Pennsylvania, Georgia, Ohio, Michigan, Wisconsin, West Virginia, Oklahoma and Texas.³

In contrast, the Democratic groups' take during this period was \$632 million, a little over half the amount received by the Republican groups. Democrats early in the decade lost significant representation in elected offices at the state level.

These outcomes have shaped some of the nation's most contentious political controversies of recent years continuing to today, when the nation has been gripped by civil unrest, widespread protests over racism and police brutality, and a devastating health and economic crisis spawned by the coronavirus:

- Racial equity in political representation will remain a hot issue when state legislatures elected in November reshape congressional and state legislative maps in 2021. A decade ago, corporations poured millions of dollars into a 527 group spearheading a strategy that flipped control of many legislatures and led in some states to racial gerrymandering of legislative boundaries. Primary examples were North Carolina and Alabama. In North Carolina, the legislature gerrymandered districts in 2011 to dilute black voting strength; the Supreme Court struck down parts of North Carolina's plan as unconstitutional racial gerrymanders in 2017. In Alabama, the legislature redrew 12 districts in 2012, maintaining high concentrations of black voters in some of the districts. Federal courts upheld a challenge to the new lines, finding them to be racially gerrymandered, and ordered that they be redrawn.
- A lawsuit⁴ led by Texas Attorney General Ken Paxton to dismantle the 10-year-old Affordable Care Act will be argued before the Supreme Court, within months after millions of citizens have been sickened or died in the pandemic.
- Climate change is rising worldwide. President Obama's signature effort to combat it was suspended by the Supreme Court following challenges from several attorneys general,⁵ 6 who were supported by one of the 527 groups. Now pending is a lawsuit by other states and cities challenging President Trump's replacement plan as fatally weak.
- State legislators, governors and attorneys general from several states have been pushing to ban abortions during the pandemic, mounting a new front in the abortion wars.⁷
- LGBTQ antidiscrimination protections were banned in 2016 by North Carolina, following the change in control of the legislature in 2010 and the governor's mansion in 2012. A national backlash erupted. In a prominent example of companies facing unintended consequences from political spending, donor companies that helped elect the law's supporters were caught in the fallout.⁸ North Carolina's so-called "bathroom bill" was repealed in 2017.

Why is CPA Sounding This Alert?

It is an extraordinary and hyper-polarized presidential election year. The nation is facing upheaval. Crisis and protests have led some analysts to suggest a turning point on politics and race. Companies are not only increasingly asked to take a stand, but to defend past actions. When, for example, a New York Times headline issues such a sweeping indictment as "Corporate America Has Failed Black America," how do companies hold up under withering scrutiny?

In this heated political climate, this study corrects a broad misconception that publicly held corporations are not dominant players in the political spending game. The opposite is true. And it highlights the increasing risk that companies face from their political spending. When corporations take a public stand on such issues as racial injustice or climate change, the money trail illustrated here can lead to their boardroom door. It can reflect a conflict with a company's core values and positions.

CPA believes that today's volatile political environment makes it imperative for companies to adopt political spending disclosure and accountability in order to minimize risk. In 2018, Walmart and Aetna demanded the return of their PAC contributions to Republican Sen. Cindy Hyde-Smith of Mississippi after it was disclosed she had joked about wanting a front-row seat if a public lynching were held. And protestors staged "die-ins" at Publix Super Markets following the Parkland, Florida school shooting massacre in 2018, decrying the company's financial support for a candidate for governor who called himself a "proud NRA sellout" in the campaign. Such embarrassing or potentially harmful episodes are avoidable.

Companies have been accused of sheer hypocrisy. They can be associated with unintended consequences they didn't foresee. CPA's *Collision Course report* examined in 2018 the broad parameters of these emerging risks, which can be inflamed by social and digital media and the heightened activism of Millennials.

Now, in a year of pandemic deaths, violent unrest, calls for reform and a scheduled presidential election of historic scope, CPA has done additional research and has supplemented the parameters of Collision Course with a detailed road map. The political spending that we have researched and published here inescapably maps a money trail to conflicted corporate consequences.

What 527 Groups Played Key Roles? And Who Contributed To Them?

Here are the top lines of CPA's findings:

- SUSTAINED GROWTH OF 527 GROUPS:
 Between 2009 and 2020, six large, partisan stateoriented 527 committees Democratic and
 Republican -- cumulatively raised \$1.69 billion.
 Taking full advantage of the Supreme Court's
 Citizens United decision, they have dramatically
 increased their fundraising per election cycle,
 take in 338 million in the 2020 election cycle, up
 from 216 million in the 2010 election cycle.
- **DOMINANT DONORS TO 527 GROUPS:** Of the \$1.69 billion, \$750 million or 44.3 percent came from public companies and their trade associations. This breakdown belies a common misperception that individuals and privately held companies are the dominant donors to these 527 committees and to politics in general.¹²
- PRIMARY SOURCES OF 527s CONTINUE TODAY: In the 2020 election cycle, public companies and their trade associations accounted for 42.9 percent -- or \$145.5 million - of the \$338 million raised by the six 527 groups. 12
- COMPANIES ARE AT RISK: Policy outcomes pursued by elected officials benefitting from the 527 spending have often conflicted with stated core values and positions of donor companies.

Highest-Impact 527 Groups

CPA tracked the Republican and Democratic governors associations (RGA and DGA), the Republican State Leadership Committee (RSLC), its counterpart the Democratic Legislative Campaign Committee (DLCC), and the Republican and Democratic attorneys general associations (RAGA¹³ and DAGA).¹⁴

Between the 2010 and 2020 election cycles, three of these groups – the RGA, RSLC and RAGA – have had an outsized impact. They far outraised their Democratic counterparts, raising over 1.05 billion compared to almost \$632 million respectively. And the GOP groups tightly focused their spending on key gubernatorial, attorneys general and legislative races. This targeting heightened the spending's impact and was central to achieving changes in control of state legislatures, governors' mansions and attorneys general offices.

The three GOP groups are leading money-raisers. They currently rank in the top seven of 20 527 organizations that were identified by the Center for Responsive Politics as state-focused.^{15 16}

All of the data – the contributions to and spending by the 527 committees – on which the report is based are posted on CPA's website at this *link*.

Public Companies: Dominant Funders of 527s

Contributions by public companies and their trade association have fueled the growth and impact of all of these 527 groups, especially the Republican ones.

Between the 2010 and 2020 election cycles, donations from public companies and their trade associations comprised by far the GOP groups' largest source of money, accounting for \$485 million, or 45.8 percent of the total money raised by the three Republican 527s. This breaks down to 35.8 percent from public companies and 10 percent from trade associations. To Donations from public companies and their trade associations to the Democratic 527 groups over the decade totaled \$265 million. This breaks down to 41.9 percent of the total money raised by the three Democratic 527s.

The overall sums that public companies and their trade associations gave to these 527 groups over the past decade are large. Between the 2010 and 2020 cycles, the RGA received more than \$281 million from public companies and their trade associations, while the RSLC received over \$145 million.

Once a company has contributed to a 527 group, the corporate funds are pooled and then channeled to state and local PACs and candidates; to so-called "dark money groups," dubbed that because they are not required to disclose their donors; and to other national 527 groups. When this happens, public companies lose control of their donations. They end up supporting any and every endeavor of the recipient 527 and its affiliates. The result is that company money can no longer be specifically tracked and is effectively laundered.

Our Methodology

CPA uses graphics in this report to show the heavy impact of 527 group political spending at the state level to shape policy in states and nationally, and the donations to 527 groups by corporations and their trade associations. These graphics are like case studies. They reveal and illustrate how public companies and their trade associations have bankrolled state-oriented groups helping to shape some of the most contentious policies of the land, sometimes in conflict with the companies' own positions.

Gerrymandering:

How Boosting State Legislative Control Fueled Racial Gerrymandering

At a time of protests and unrest over police brutality and race inequity, U.S. companies are finally acknowledging a need to take a stance and speak out. When doing so they will also be tested. The New York Times reported in June, "As brands rushed to align themselves with protestors over the past week, their words often rang hollow, undermined by their own actions." The fight over racial gerrymandering offers one case study of companies facing blowback over past political donations.

Most public companies have voiced a strong commitment to diversity. Yet six- and seven-figure political contributions by many companies to the Republican State Leadership Committee and the Republican Governors Association have actually helped make possible gerrymandering (manipulating the drawing of electoral maps for a partisan tilt) that was racially driven, diluting Black and Brown voters' power at the ballot box. This disenfranchises and alienates Black and Brown citizens from the very bodies meant to represent them and their interests.

CPA has documented the large influence of corporate money on state capitals in 2010, through donations to the Republican State Leadership Committee (RSLC). The group's highly successful REDMAP campaign sought to turn state legislative chambers from blue to red and take control of redistricting following the 2010 census. (See Collision Course report. ¹⁹) The RSLC spent \$31.7 million in the 2010 election cycle, compared to \$10.9 million by its Democratic rival. ²⁰

The racial gerrymandering in state capitals that followed, facilitated by the corporate donations, was documented in a Mother Jones article entitled, "Meet the Fortune 500 Companies Funding the Political Resegregation of America."²¹

Chart One has new details. It tracks specific corporate donations to the RSLC in 2010, and outcomes of RSLC efforts to flip legislative chambers to Republican or to strengthen Republican control in four states: North Carolina, ²² Florida, Alabama and Michigan. (A number of racial gerrymandering maps subsequently adopted in the states were struck down by either state or federal courts.)

1. CORPORATE AND TRADE ASSOCIATION CONTRIBUTIONS THAT ENABLED RACIAL GERRYMANDERING | 2010 ELECTION CYCLE

Top 20 Public Companies Donating to RGA in 2010:



Top 20 Public Companies Donating to RSLC in 2010:



The US Chamber of Commerce and Manufacturers of America

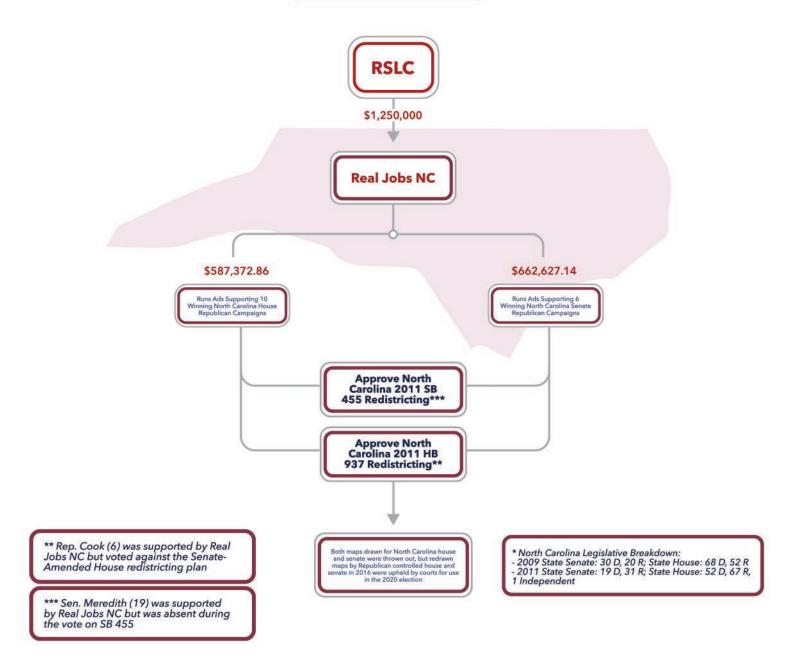
PARMA

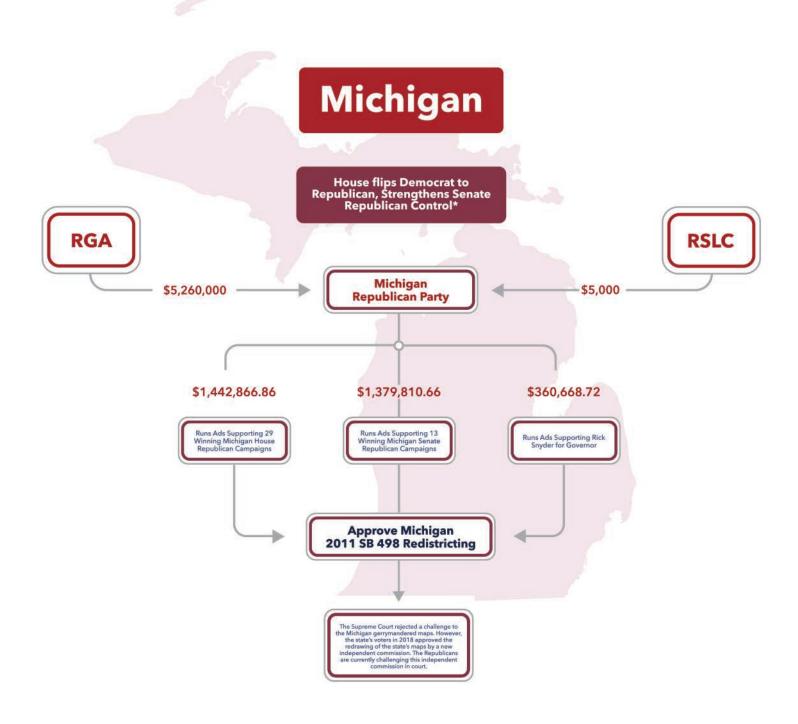
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Top 5 Trade Associations Donating to RSLC in 2010:

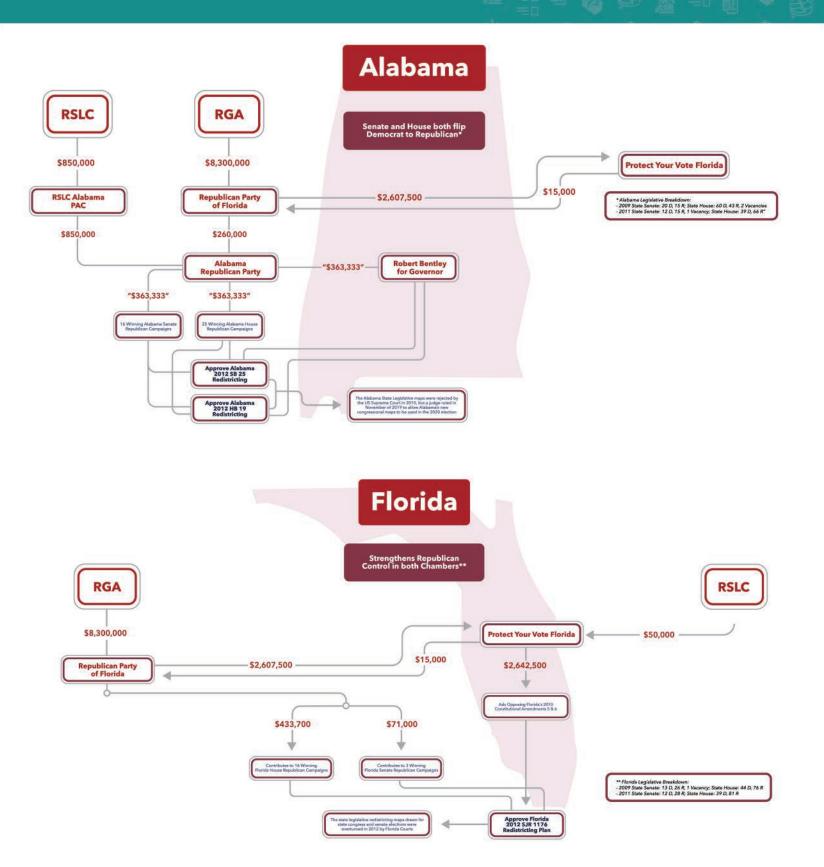
North Carolina

Senate and House both flip Democrat to Republican*





- * Michigan Legislative Breakdown: 2009 State Senate: 16 D, 22 R; State House: 65 D, 42 R, 3 Vacancies 2011 State Senate: 12 D, 26 R; State House: 47 D, 63 R



Racial Equity:

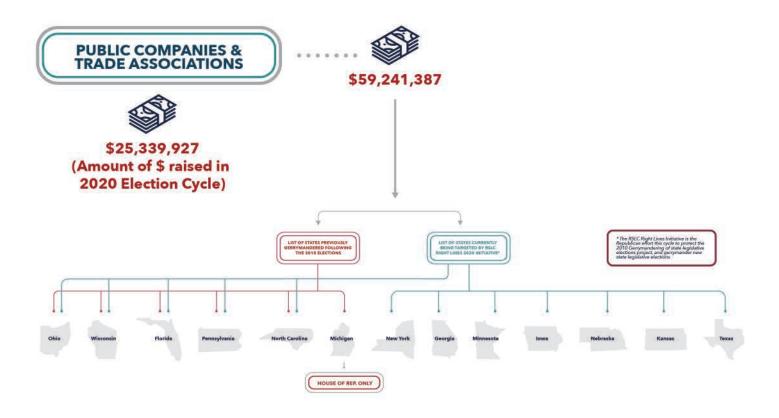
The Fight Over Gerrymandering Continues

Redistricting will begin again in state capitals after this year's elections and the 2020 census. The RSLC again is pulling in big donations from U.S. corporations and their trade associations, and it is promising an all-out effort with its "Right Lines 2020" initiative zeroing in on winning contests in those states with legislatures "that matter most for redistricting." The extent of corporate giving to the RSLC and the political furor over redrawing political maps were documented recently by The Guardian.²³ The DLCC, meanwhile, also has launched a major money-raising drive ahead of the next redistricting round in state capitals.²⁴ ²⁵

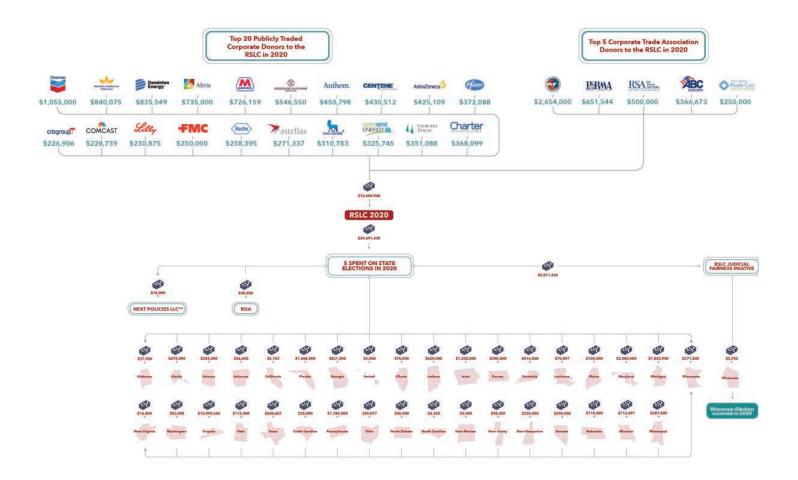
Gerrymandering and racial and income equality are, at the same time, a part of the broader national debate raging over reform. "An invisible line runs from the original sin of slavery in the US, to the racial segregation of the Jim Crow south, to the gerrymandering or redrawing of voting maps that has supported the systemic economic oppression of African Americans," a Financial Times editorial declared.²⁶

Chart Two shows money raised by the RSLC in the 2020 election cycle; states where gerrymandering occurred after the 2010 elections; and states targeted by the RSLC in 2020. Chart Three shows top public company donors and their trade association donors to the RSLC in the 2020 election cycle, and RSLC money spent on state elections that year. ²³

OVERALL MONEY RAISED BY THE RSLC IN 2020 ELECTION CYCLE



3. BATTLE OVER GERRYMANDERING CONTINUES: RSLC STATE LEGISLATIVE SPENDING, 2020



**Next Policies LLC is a 501(c)(4) organization incorporated by Ohio lawyer James C, Ryen. It is considered a 'dark money' group because it is not required to disclose its denors and has no limits on how much it can spend in elections. A 2020 study by Citizens for Responsibility and Ethics in Washington found that Ryan has helped incorporate at least six other similar 'dark money' groups, many that have spent hundreds of thousands of dollars in several different states. https://www.citizensforethics.org/independence-freedom-network-linked-toother-dark-money-groups/

Corporations and Corporate Trade Associations with a * following their contribution amount were top contributors in both the 2009-2010 Election Cycle and the First-Half of the 2020 Election Cycle

Amid the Coronavirus Crisis, Attacking the Affordable Care Act

Amid a pandemic killing hundreds of thousands of Americans and threatening millions more, the foremost effort to dismantle the Affordable Care Act is a lawsuit pending before the U.S. Supreme Court. It was forged by a coalition of Republican state attorneys general, led by Texas' Ken Paxton.

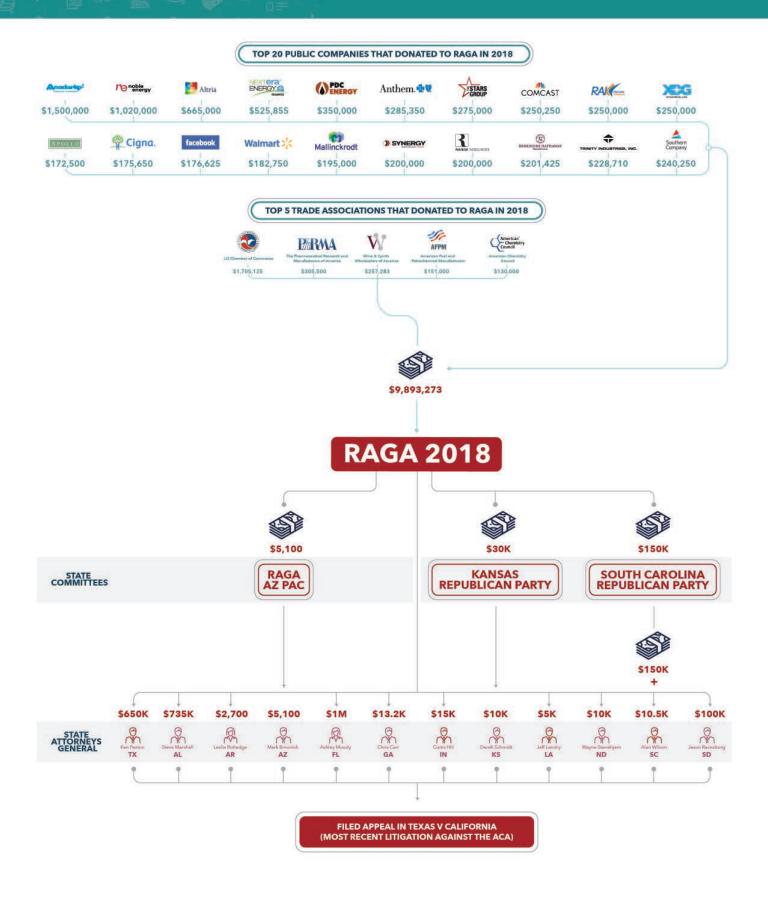
The 18 state attorneys general contend the Affordable Care Act is unconstitutional. The Trump administration has sided with the states' lawsuit, which was filed in 2018. An estimated 20 million people would become uninsured if the Supreme Court finds the entire Affordable Care Act to be unconstitutional.²⁷

Public companies and their trade associations have contributed generously to the Republican Attorneys General Association, which supported the election of the attorneys general who brought suit to strike down the Affordable Care Act.

Chart Four shows the top public company donors and the top trade associations donors to RAGA in the 2018 election cycle, and attorneys general supported by RAGA who are working in court to dismantle the Affordable Care Act.

Public companies typically make public statements supporting health care access for Americans. They may not have believed that their political donations could one day help threaten the denial of health care access for millions. If the Affordable Care Act is dismantled, these companies will share responsibility for this denial.

4. FUNDING THE ATTACK ON THE AFFORDABLE CARE ACT: TOP COMPANY AND TRADE ASSOCIATION DONORS TO GOP GROUP BEHIND ATTORNEYS GENERAL LEGAL ATTACK ON THE ACA | 2018 ELECTION CYCLE



Companies Accused of Hypocrisy On Climate Change

In a blatant recent example of public controversy over political donations, leading U.S. companies were accused of hypocrisy on climate change. Publicly spotlighted were companies that had spoken out in favor of preserving the United States' role in the Paris climate accord, while they also lent multimillion-dollar support to a political group that worked to undermine President Barack Obama's Clean Power Plan, a key domestic climate initiative.

"These companies support climate action, so why are they funding opposition to it?" demanded the headline of a Center for Public Integrity article in 2017.28 "These companies' donations of more than \$3 million to the Republican Attorneys General Association over the past three-and-a-half years speaks ... to the difficulties for corporations trying to navigate the political system in a country that's polarized, particularly on climate change." Most Republican attorneys general sued in 2015 to kill the Clean Power Plan. It subsequently was suspended by the Supreme Court.

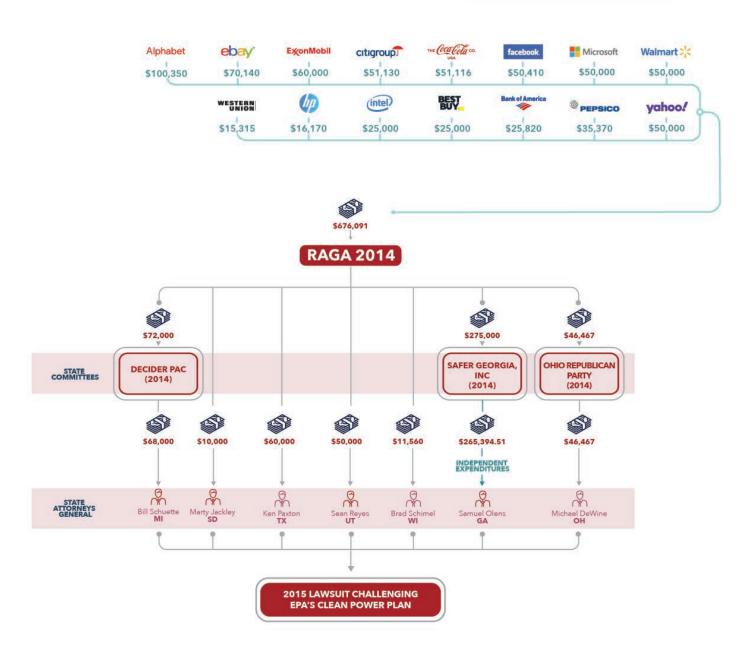
Did these companies anticipate the consequences of their political spending, and how it could conflict with their position on a high-profile issue that they identified as a priority?

Chart Five shows top public company donors to RAGA in the 2014 election cycle, and RAGA support for state attorneys general who challenged EPA's Clean Power Plan.

5. CLIMATE CHANGE: COMPANY SPENDING PAVED WAY FOR LAWSUIT AGAINST EPA'S CLEAN POWER PLAN I 2014 ELECTION CYCLE

*The companies listed in this graphic reaffirmed their support for the Paris Climate Accords.

* COMPANIES DONATING TO RAGA 2014



Companies Support Paris Accord, But What About Clean-Car Emission Standards?

In addition, 10 nationally known companies including Walmart, Amazon, and Alphabet pumped hundreds of thousands of dollars of donations into RAGA in the 2018 election cycle. RAGA paid money in support of election of seven Republican state attorneys general who were among those signing an amicus (friend-of-the court) brief in 2020 that supports the Trump administration's rollback of clean-car emission standards.

These 10 companies signed a statement after the 2020 elections regarding confronting climate change and U.S. membership in the Paris accord setting goals for fighting global warming, opening them to questions about a conflict between their political spending and their core values. The statement read:

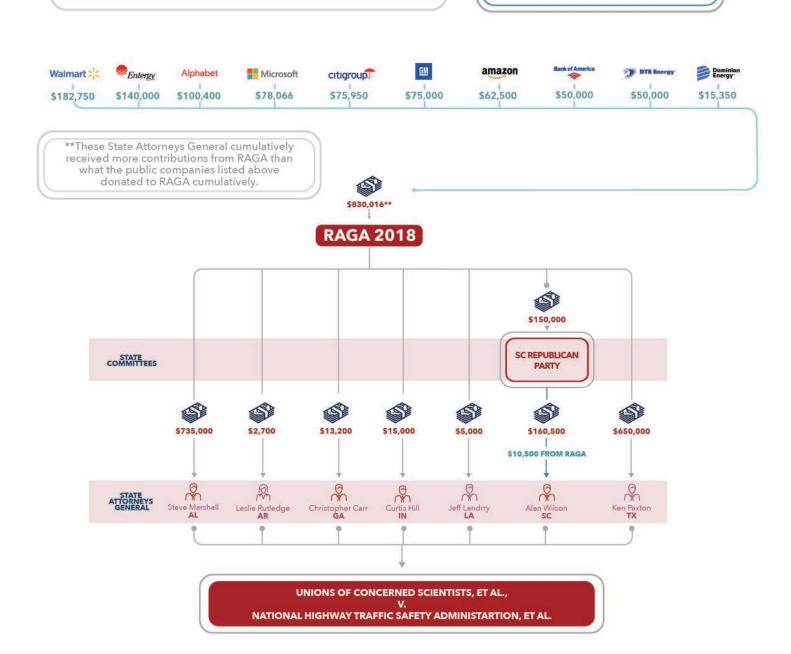
"As major companies across diverse sectors of the U.S. economy, we are committed to meeting the profound challenge of climate change. We support the United States' return to the Paris Agreement, and we urge President-elect Biden and the new Congress to work together to enact ambitious, durable, bipartisan climate solutions."

At the direction of Trump, the United States withdrew from the Paris accord. Under Biden, the United States rejoined the agreement in February 2021.

6. CLIMATE CHANGE: CONFLICTED COMPANY CONTRIBUTION TO STATE AGs IN CLEAN-CAR EMISSIONS STANDARDS SUIT | 2018 ELECTION CYCLE

*Companies who signed an open letter urging Biden Administration to rejoin the Paris Agreement and urging new bipartisan climate policy solutions.

*COMPANIES DONATING TO RAGA 2018



The Battle Over Abortion and Women's Reproductive Rights

As conservative activists across the country push to severely restrict access to abortion, they have made headway in some states as a result of votes by legislators backed by the RSLC. The group received major corporate funding directly and through trade associations in the 2018 election cycle.

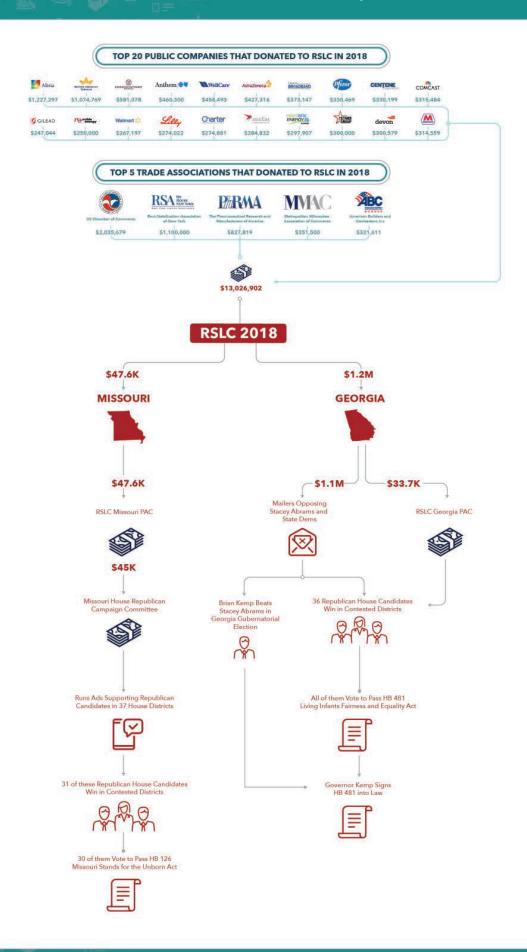
In the vanguard of these states are Missouri and Georgia. Missouri legislators voted in 2019 to criminalize abortions after eight weeks of pregnancy, but the measure was blocked temporarily by a federal judge. A statute passed in Georgia would have effectively banned abortions as early as six weeks into pregnancy, but it was permanently blocked by a federal judge in Atlanta. Across the country, conservative legislators want to pass extreme abortion restrictions that might cause the Supreme Court to reconsider Roe v. Wade.

More than \$1 million from the RSLC in turn went to political efforts supporting Republicans and/or opposing Democrats in Georgia, where 36 House Republicans won in contested districts; all of them voted for the extreme anti-abortion bill.

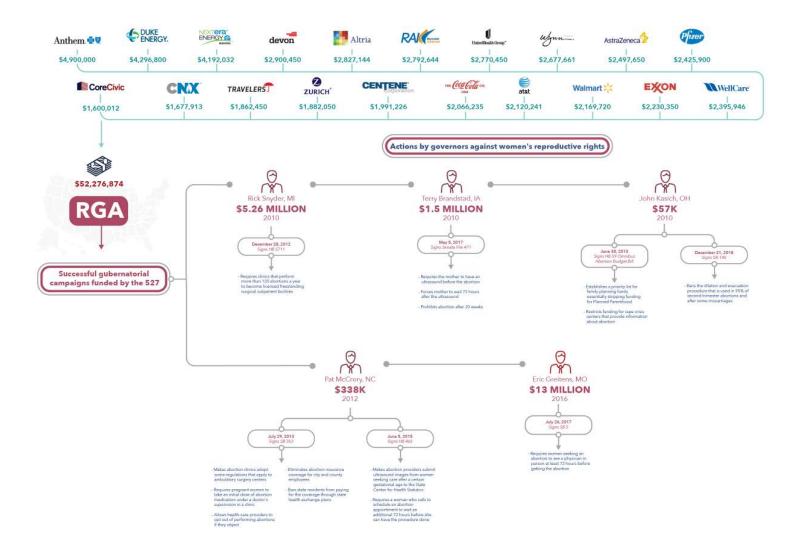
More than \$47,000 was channeled to the RSLC's state political action committee, and it gave money for ads supporting Republicans in 37 House Districts in Missouri. Thirty-one of these candidates won, and 30 of them voted for the extreme anti-abortion measure.

Chart Six shows top public company donors and their trade association donors to the RSLC in the 2018 election cycle, and RSLC spending that helped support efforts for extreme restrictions on abortions. Chart Seven shows top public company donors to the RGA in the 2010 to 2016 election cycles, RGA spending, and actions by governors against women's reproductive rights.

7. ABORTION RIGHTS: HOW COMPANIES HELPED SUPPORT NEW EXTREME RESTRICTIONS ON ABORTION | 2018 ELECTION CYCLE



8. ABORTION RIGHTS: TOP 20 PUBLIC COMPANY DONORS TO RGA FACILITATING ATTACKS ON WOMEN'S REPRODUCTIVE RIGHTS | 2010-2016 ELECTION CYCLES



Companies Accused of Hypocrisy on LGBTQ Rights

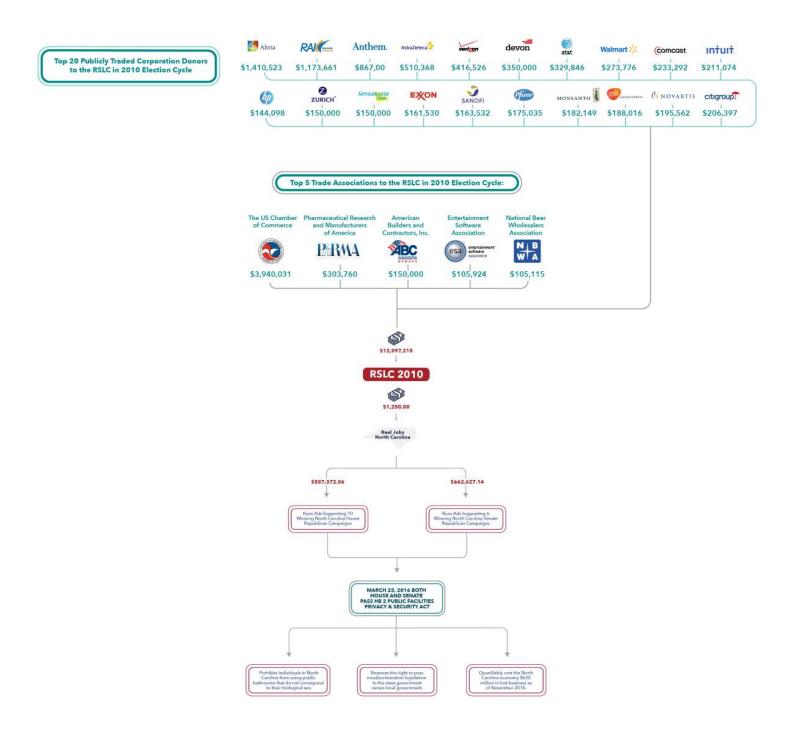
In another striking example of companies getting scrutiny over political donations, leading U.S. companies were accused of hypocrisy on LGBTQ rights. Publicly criticized were companies that had donated to the RSLC in 2010 and who voiced opposition in 2016 to North Carolina's infamous "bathroom bill" banning anti-discrimination protections based on sexual orientation.

"Corporations Opposed to North Carolina's Anti-LGBT Law Helped Elect Its Supporters," a Huffington Post headline declared in 2016²⁹ about corporations donating to the RSLC, which helped flip the North Carolina legislature from Democratic to Republican control following the 2010 elections, and the "bathroom bill" legislation that the legislature enacted in 2016. There was a national outcry. The backlash included more than 200 corporate CEOs joining a letter demanding repeal of the law, which ultimately occurred.

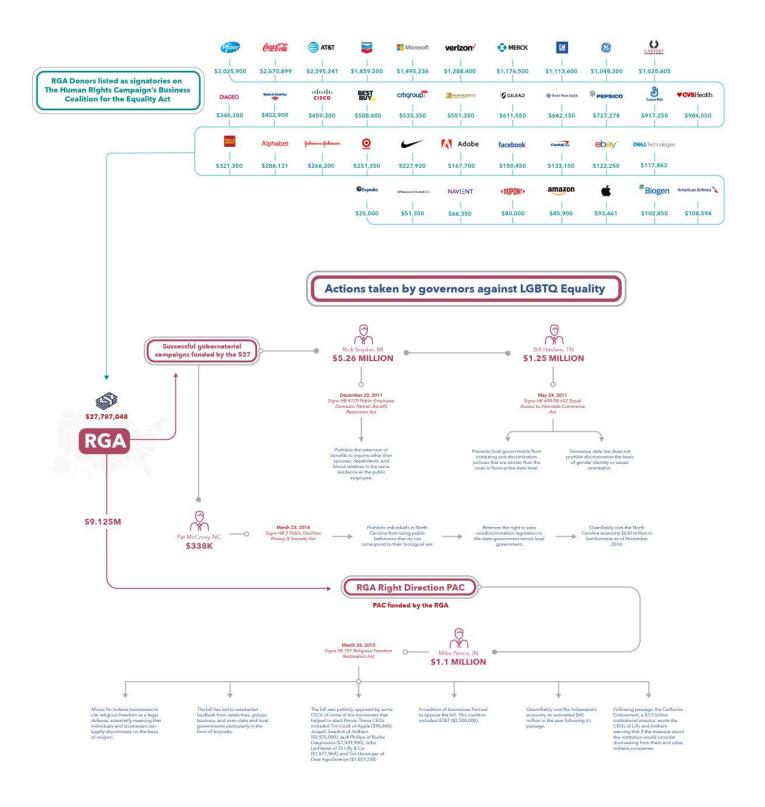
More background is available from CPA's Collision Course report.³⁰ Chart Eight here goes further to track specific sums donated by companies to the RSLC in the 2010 election (as shown earlier in Chart One) juxtaposed with \$1,250,000 that flowed from the RSLC to a group called Real Jobs NC which, in turn, spent the \$1.25 million in support of 16 Republican legislative candidates.

Chart Nine lists major public companies giving to the Republican Governors Association in elections from the 2010 to 2018 election cycles, while they also have signed the Human Rights Campaign's Business Coalition for the Equality Act³¹; and it shows RGA's support for winning gubernatorial candidates who subsequently attacked LGBTQ equality. One of the winning candidates for governor was North Carolina's Pat McCrory, who signed the "bathroom bill" into law.

9. THE FLOW OF CORPORATE MONEY TO ANTI-LGBTQ LEGISLATION: NORTH CAROLINA 2010 LEGISLATIVE ELECTIONS AND THEIR CONSEQUENCES



10. LGBTQ RIGHTS: HOW COMPANIES HELPED SUPPORT LEGISLATION ATTACKING GAY RIGHTS I 2010-2018 ELECTION CYCLES



Corporations Embracing 'Dreamers' or Financially Helping Their Opponents?

Dozens of U.S. companies belong to the Coalition for the American Dream, which states the following mission on its website: "Dreamers grew up in America, are part of our society, and contribute to our economy. Without Congressional action, these Americans will soon lose their ability to stay and work in this country, and be subject to immediate deportation." In July 2020, the Coalition wrote to then-President Trump urging that he leave the Deferred Action for Childhood Arrivals program in place and praising the importance of DACA recipients to America.

In light of their membership in the Coalition for the American Dream, 14 companies face an apparent conflict after having donated more than a total of \$1 million in the 2018 election cycle to the Republican Attorneys General Association (RAGA); it in turn gave extensive financial support that flowed to Republican candidates, including eight individuals who as attorneys general were among signers of an August 2019 amicus brief supporting the Trump administration's position that DACA was unlawful.

*The following donating companies are members *COMPANIES DONATING TO **RAGA 2018** of the Coalition for the American Dream тне *Соса Сова* со. intuit. GM amazon Google Microsoft \$110,000 \$100,400 \$78,066 \$75,000 \$62,500 \$100,905 \$176,625 \$156,452 WESTERN 鰕 MOLSON COORS ebay" PayPal \$25,350 \$730 \$30,000 \$30,000 \$50,000 \$50,250 **These State Attorneys General cumulatively received more contributions from RAGA than what the public companies listed above donated to RAGA cumulatively. \$1,046,278** **RAGA 2018** \$5,100 \$30,000 \$150,000 KS REPUBLICAN SC REPUBLICAN STATE RAGA AZ PAC PARTY PARTY \$735,000 \$5,100 \$2,700 \$1,000,000 \$10,000 \$160,500 \$100,000 \$650,000 \$10,500 FROM RAGA Steve Marshall Mark Brnovich UNITED STATES DEPARTMENT OF HOMELAND SECURITY, ET AL., PETITIONERS REGENTS OF THE UNIVERSITY OF CALIFORNIA, ET AL.

Endnotes

- ²Companies may give unlimited sums to trade associations organized under § 501(c)(6) of the Internal Revenue Code. These tax-exempt groups must have a "primary purpose" other than influencing elections, but they are permitted to engage in election-related activity. Corporations pursue membership in industry trade associations for a variety of reasons, but many fail to exercise control over how their dues, special assessments, and other payments are used. Many trade associations are politically active, in some cases spending tens of millions of their members' dollars to support or oppose election campaigns. As trade associations are not required to disclose their members, voluntary disclosure by companies is the only way to find out who funds these activities.
- ³ Republicans completed "trifecta" control of the governorship and both legislative chambers in Alabama, Michigan, Ohio, Pennsylvania and Wisconsin in the 2010 elections; took control of both legislative chambers in North Carolina in 2010 and of the governorship in the 2012 election; and of attorneys general offices in Oklahoma and Georgia in the 2010 elections and in West Virginia in 2011. In Texas, Attorney General Ken Paxton, elected in 2014, has been in the forefront of a lawsuit by Republican officials to dismantle the Affordable Care Act, which is to be argued in the U.S. Supreme Court, and of state efforts in 2020 to ban or restrict abortions during the pandemic.
- ⁴ Center on Budget and Policy Priorities, "Suit Challenging ACA Legally Suspect But Threatens Loss of Coverage for Millions," November 1, 2019, https://www.cbpp.org/research/health/suit-challenging-aca-legally-suspect-but-threatens-loss-of-coverage-formillions.
- ⁵On its website 4/14/20 the Republican Attorneys General Association says state GOP state attorneys general "have been instrumental in unraveling policies enacted by the Obama Administration, including the EPA's Clean Power Plan."
- ⁶Lisa Friedman, "States Sue Trump Administration Over Rollback of Obama-Era Climate Rule," The New York Times, August 13, 2019, sec. Climate and Environment, https://www.nytimes.com/2019/08/13/climate/states-lawsuit-clean-power-ace.html.
- ⁷ Robert Barnes, "Supreme Court Avoids One Abortion Battle, but New Lawsuits Are Being Filed," Washington Post, April 14, 2020, sec. Courts & Law, https://www.washingtonpost.com/politics/courts_law/abortion-texas-louisiana-tennessee-supreme-court/2020/04/14/c04022e4-7e7e-11eaa3ee-13e1ae0a3571_story.html.
- ⁸ Paul Blumenthal, "Corporations Opposed To North Carolina's Anti-LGBT Law Helped Elect Its Supporters," The Huffington Post, April 27, 2016, sec. Politics, https://www.huffpost.com/entry/corporations-lgbt-north-carolina_n_5720f5f4e4b0b49df6a9d76d.
- ⁹ Thomas B. Edsall, "How Much Is America Changing?," The New York Times, June 10, 2020, sec. Opinion, https://www.nytimes.com/2020/06/10/opinion/george-floyd-protests-trump.html.
- ¹⁰ Emily Heil, "Ben & Jerry's Pointed Call to 'Dismantle White Supremacy' Stands out among Tepid Corporate America Statements," Washington Post, June 3, 2020, sec. Voraciously, https://www.washingtonpost.com/news/voraciously/wp/2020/06/03/ ben-jerrys-pointed-call-to-dismantle-whitesupremacy-stands-outamong-tepid-corporate-america-statements/.

- ¹¹David Gelles, "'Corporate America Has Failed Black America,'" The New York Times, June 6, 2020, sec. Business, https://www.nytimes.com/2020/06/06/business/corporate-america-has-failed-black-america.html.
- ¹² Of their donations, 21.9 percent came from individuals and 16 percent from privately held companies.
- $^{\rm 13}$ RAGA started out as an arm of the RSLC. It became a separate entity in 2014.
- ¹⁴ Fundraising data are based on the Center's analysis of reports filed by 527 committees with the Internal Revenue Service.
- ¹⁵ The Center for Responsive Politics, "State-Focused 527 Organizations Only, 2018" OpenSecrets, April 3, 2019, https://www.opensecrets.org/527s/527cands.php?level=P&cycle=2018.
- ¹⁶ For the 2018 cycle, the RGA raised the most of all of all 527 groups, \$150 million. Ranked fifth was the RSLC at \$45 million and seventh, RAGA, with \$40 million. On the Democratic side, only DGA ranked in the top seven, in second place with \$95.7 million raised. The next Democratic group, the Democratic Legislative Campaign Committee, placed eighth.
- ¹⁷ This breakdown is mirrored in the single election cycle of 2018: Public companies and their trade associations contributed 42.8 percent of the funds raised by the three GOP 527s (33.8 percent from public companies and 9.0 percent from trade associations).
- ¹⁸ Gelles, "'Corporate America Has Failed Black America.'"
- ¹⁹ Bruce Freed, "Collision Course: The Risks Companies Face When Their Political Spending and Core Values Conflict and How To Address Them" (Center for Political Accountability, June 2018), https://politicalaccountability.net/hifi/files/reports/cpareports/ Final_ Draft_Collision_Report.pdf.
- Nick Surgey, "Corporate-Backed Group Launches Multi-Million Dollar 2020 Republican Gerrymandering Project," Documented, September 6, 2019, https://documented.net/2019/09/corporate-backed-group-launches-multi-million-dollar-2020-republicangerrymandering-project/.
- ²¹ Republican State Leadership Committee, "RSLC Launches Major Redistricting Initiative for 2019-2020 Election Cycle," RSLC (blog), September 5, 2019, https://rslc.gop/press/2019/09/05/rslc-launches-major-redistricting-initiative/.
- ²² The North Carolina governor's mansion did not change from Democratic to Republican control until the 2012 election, but the governor's approval is not required for redistricting maps drawn by the North Carolina legislature.
- ²³ Shilpa Jindia, "'This Is a War': Republicans Ramp up Bid to Control Election Maps for next Decade," The Guardian, June 22, 2020, sec. The fight to vote, https://www.theguardian.com/us-news/2020/jun/22/republican-dark-money-groups-2020-election.
- ²⁴ The Center for Responsive Politics, "Democrats Prepare to Spend Big to Take Control of 2021 Redistricting," OpenSecrets News, February 12, 2020,https://www.opensecrets.org/news/2020/02/2021-redistricting-spending-gerrymandering/.

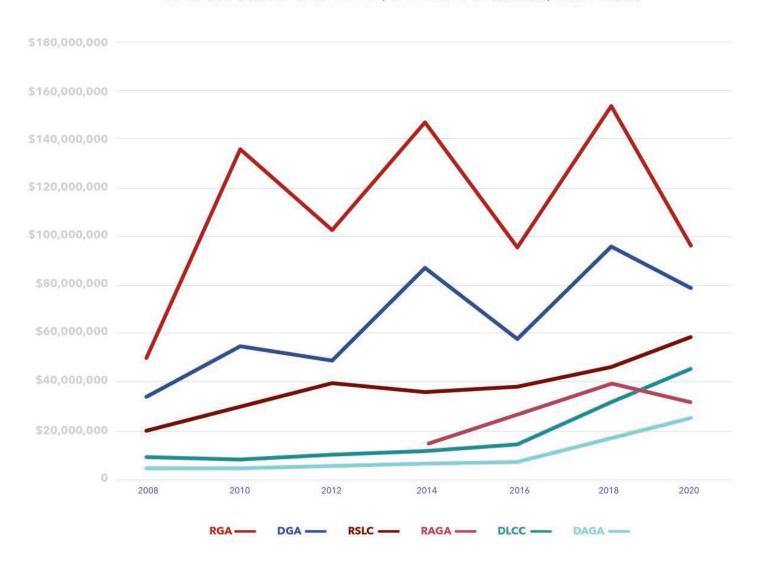
- ²⁵ Jacob Fischler, "Democrats Boost National Fundraising for State Legislatures," Roll Call, March 11, 2020, sec. Campaigns, https:// www.rollcall.com/2020/03/11/democrats-boost-national-fundraisingfor-state-legislatures/.
- ²⁶ The editorial board, "George Floyd and the Story of the Two Americas," The Financial Times, June 2, 2020, sec. The Editorial Section,https://www.ft.com/content/12ff370a-a40d-11ea-81ac-4854aed294e5.
- ²⁷ Center on Budget and Policy Priorities, "Suit Challenging ACA Legally Suspect But Threatens Loss of Coverage for Millions."
- ²⁸ Rachel Leven and Jamie Smith Hopkins, "These Companies Support Climate Action, so Why Are They Funding Opposition to It?," Center for Public Integrity, September 19, 2017, sec. Carbon Wars,https://publicintegrity.org/environment/these-companies-support-climate-action-so-why-are-theyfunding-opposition-to-it/.
- ²⁹ Blumenthal, "Corporations Opposed To North Carolina's Anti-LGBT Law Helped Elect Its Supporters."
- ³⁰ Bruce Freed, "Collision Course."
- ³¹ According to the Human Rights Campaign, this federal legislation "would provide the same basic protections to LGBTQ people as are provided to other protected groups under federal law."

Pie and Line Charts section

The following charts reflect outsized dominance by the Republican 527 groups over their Democratic counterparts from the 2010 election cycle to the 2020 election cycle, and how donations from public companies and their trade associations made this possible.

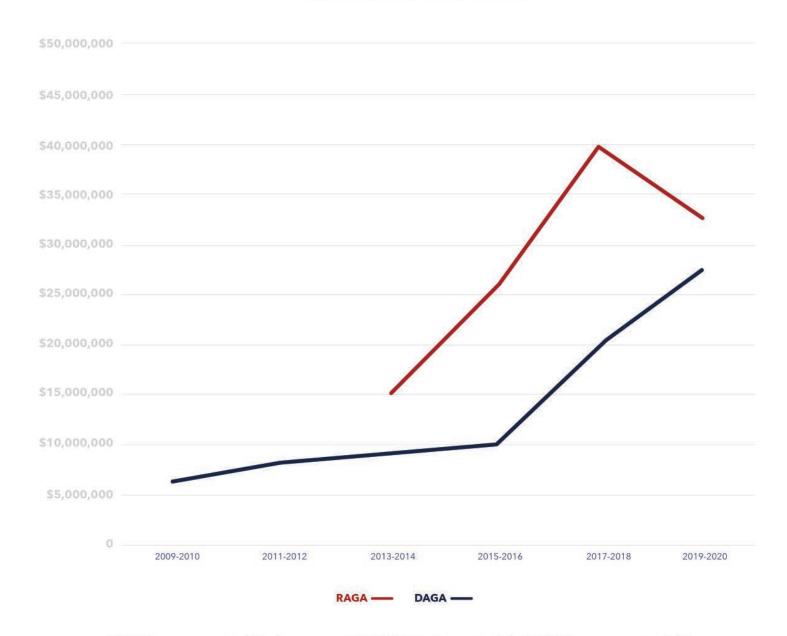
DGA, RGA, DLCC, RSLC, DAGA, RAGA

Total Donations Over Time (in millions of dollars) 2009-2020



RAGA vs DAGA

Total Donations Over Time

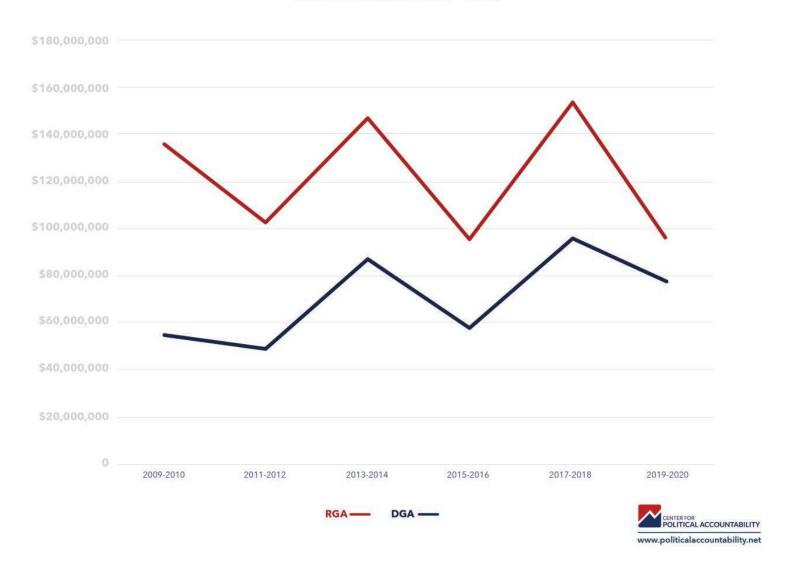


* RAGA was created in January of 2014. Previous to this, RAGA was a part of the RSLC infrastructure which raised money for conservative state AG candidates



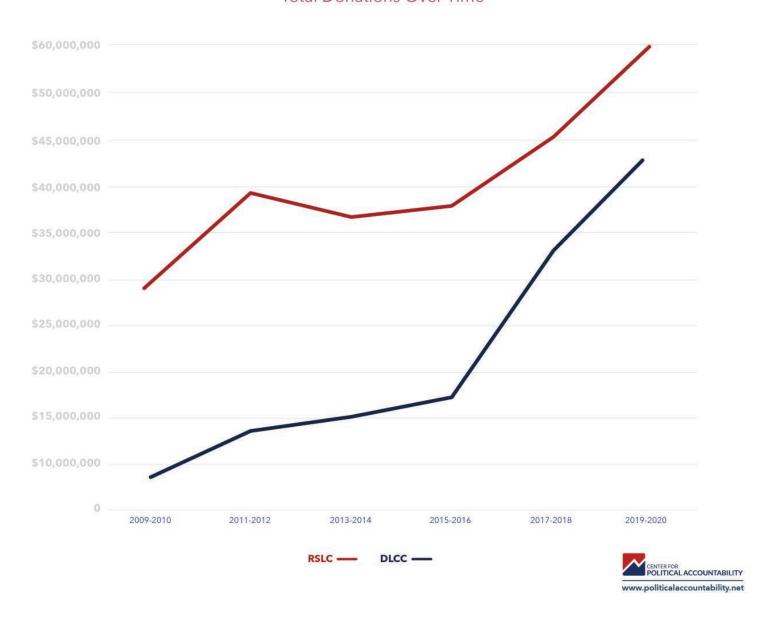
RGA vs DGA

Total Donations Over Time



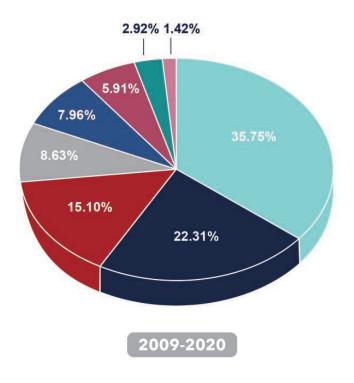
RSLC vs DLCC

Total Donations Over Time



Distribution of Donations to All Six 527s | 2009-2020

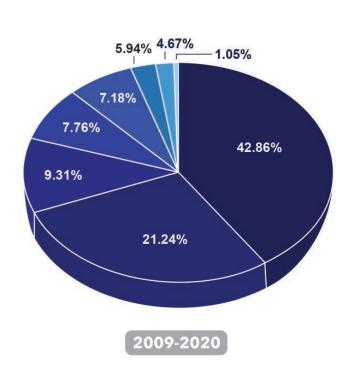
Total: \$1,691,266,116





Distribution of Donations to DAGA

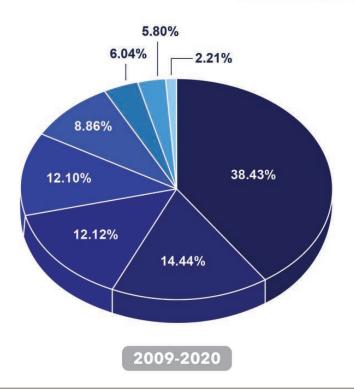
Total: \$78,774,897.00





Distribution of Donations to DGA

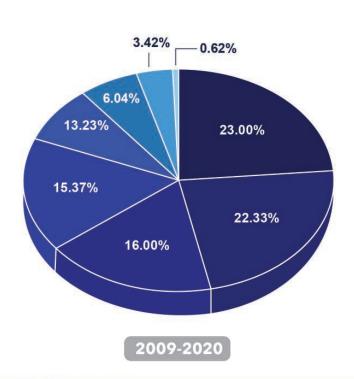
Total: \$422,504,434.00





Distribution of Donations to DLCC

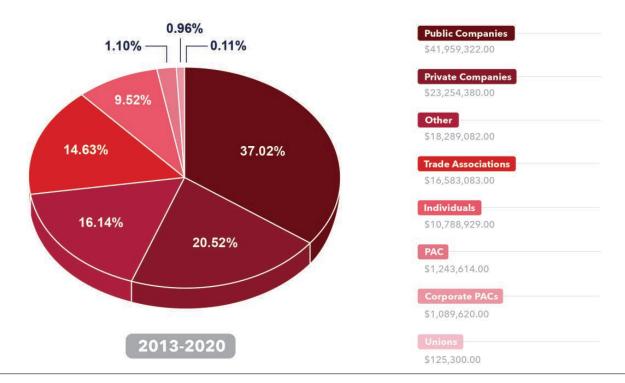
Total: \$131,610,352.00





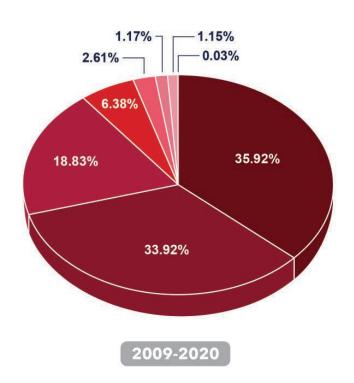
Distribution of Donations to RAGA

Total: \$113,333,330.00



Distribution of Donations to RGA

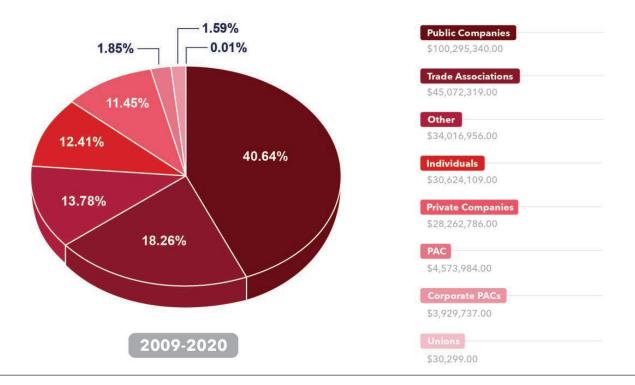
Total: \$698,237,573.00





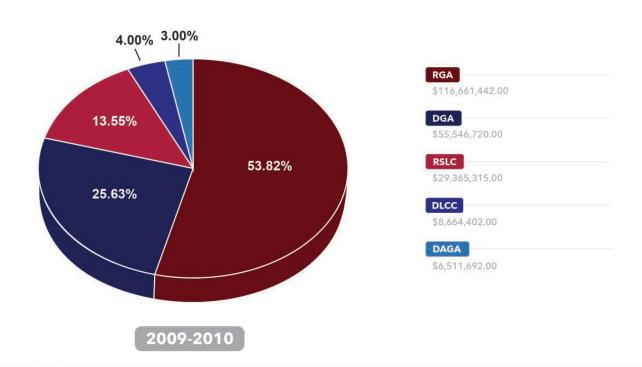
Distribution of Donations to RSLC

Total: \$246,805,530.00



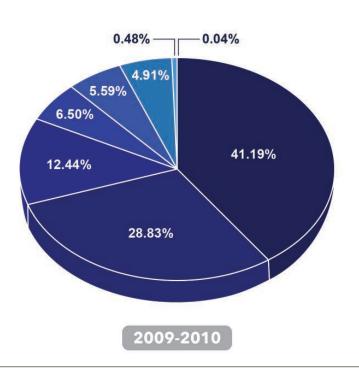
2009-2010 Contribution Breakdown by 527 Group

Total: \$216,749,571



Total donated to DAGA in the 2010 Election Cycle

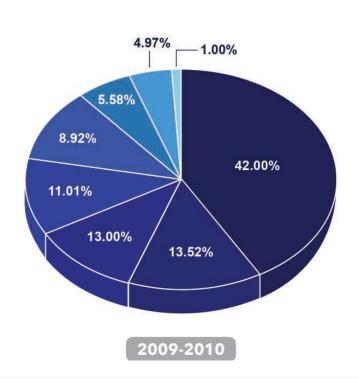
Total: \$6,511,692.00





Total donated to DGA in the 2010 Election Cycle

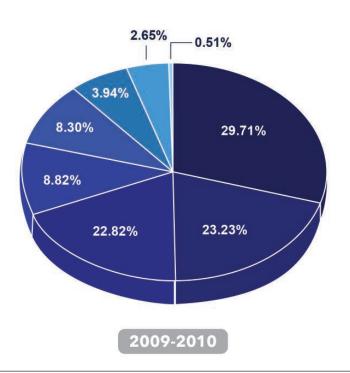
Total: \$55,546,720.00





Total donated to the DLCC in the 2010 Election Cycle

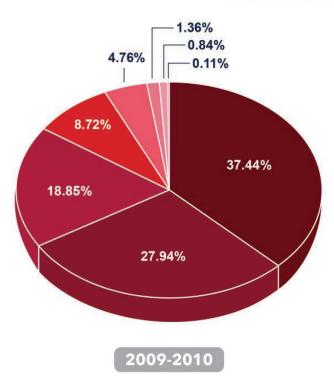
Total: \$8,664,402.00





Total Donated to the RGA in the 2010 Election Cycle

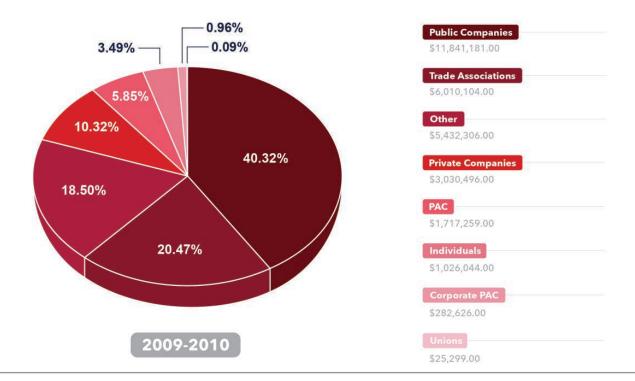
Total: \$116,661,442.00





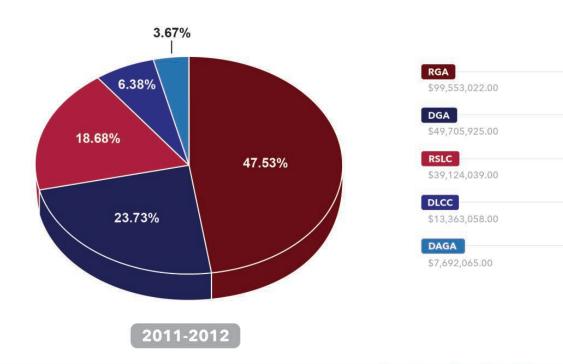
Total Donated to the RSLC in the 2010 Election Cycle

Total: \$29,365,315.00



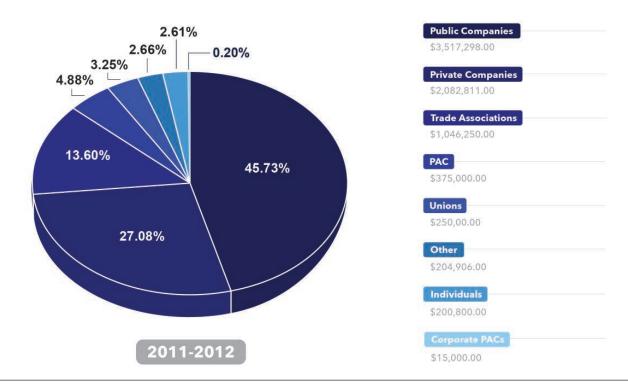
2011-2012 Contribution Breakdown by 527 Group

Total: \$209,438,109



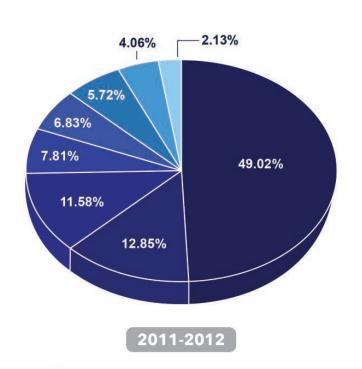
Total Donated to DAGA in the 2012 Election Cycle

Total: \$7,692,065.00



Total Donated to the DGA in the 2012 Election Cycle

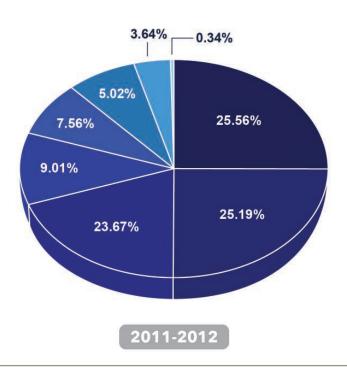
Total: \$49,705,925.00





Total Donated to the DLCC in the 2012 Election Cycle

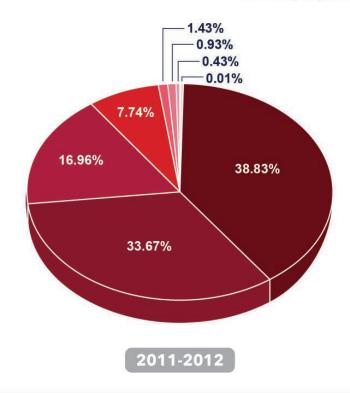
Total: \$13,363,058.00





Total Donated to the RGA in the 2012 Election Cycle

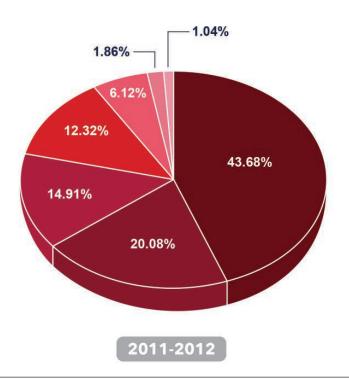
Total: \$99,553,022.00





Total Donated to the RSLC in the 2012 Election Cycle

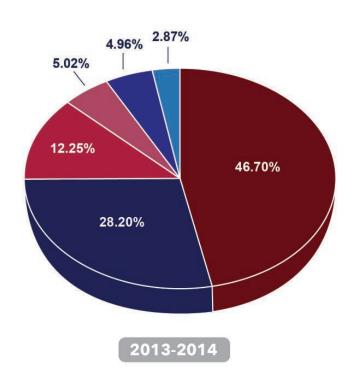
Total: \$39,124,039.00





2013-2014 Contribution Breakdown by 527 Group

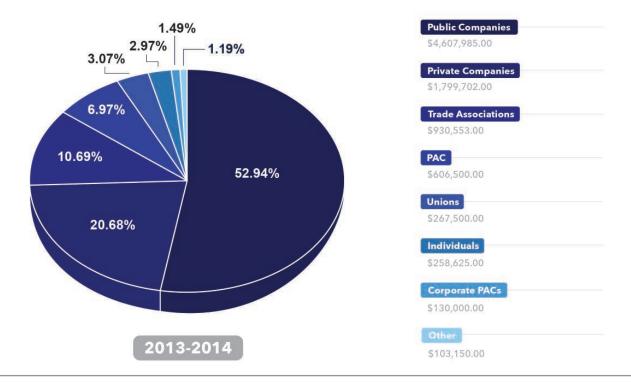
Total: \$303,276,561.00





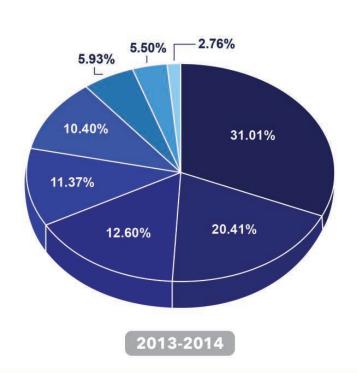
Total Donated to DAGA in the 2014 Election Cycle

Total: \$8,704,015.00



Total Donated to the DGA in the 2014 Election Cycle

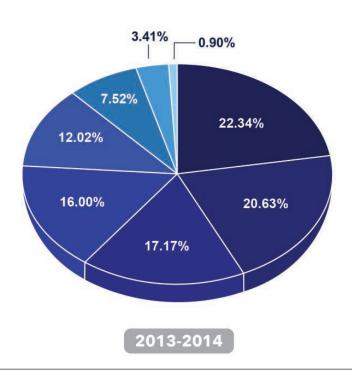
Total: \$85,538,695.00





Total Donated to the DLCC in the 2014 Election Cycle

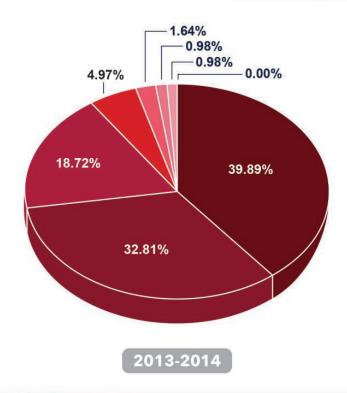
Total: \$15,219,911.00





Total Donated to the RGA in the 2014 Election Cycle

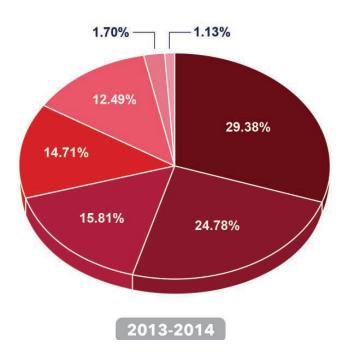
Total: \$141,621,531.00





Total Donated to RAGA in the 2014 Election Cycle

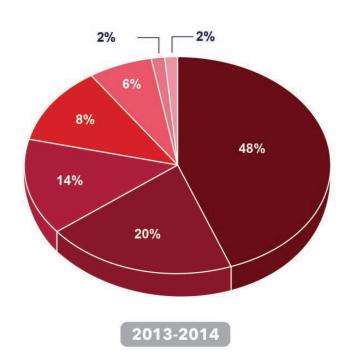
Total: \$15,030,404.00





Total Donated to the RSLC in the 2014 Election Cycle

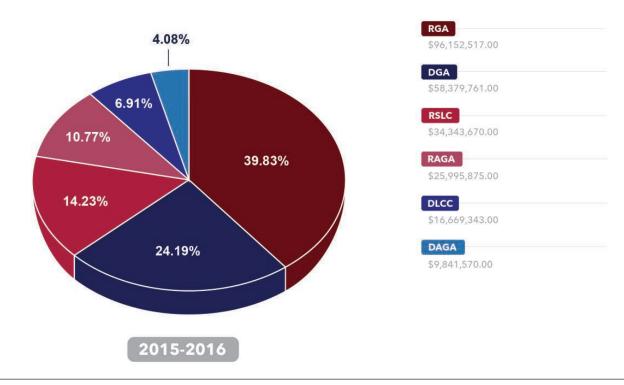
Total: \$37,162,005.00





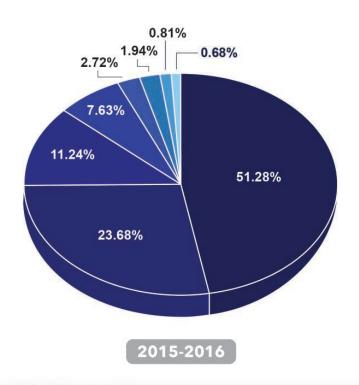
2015-2016 Contribution Breakdown by 527 Group

Total: \$241,382,736.00



Total Donated to DAGA in the 2016 Election Cycle

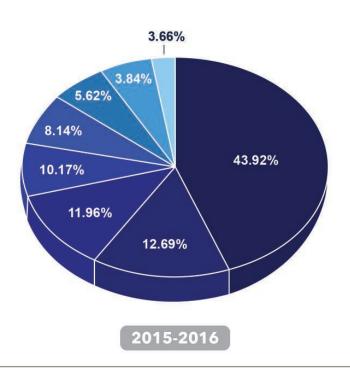
Total: \$9,841,570.00





Total Donated to the DGA in the 2016 Election Cycle

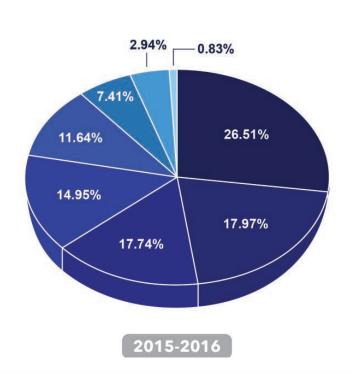
Total: \$58,379,761.00





Total Donated to the DLCC in the 2016 Election Cycle

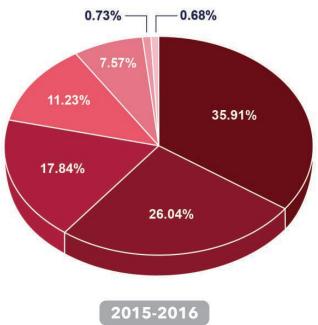
Total: \$16,669,343.00





Total Donated to RAGA in the 2016 Election Cycle

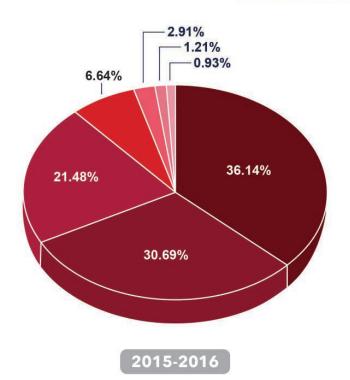
Total: \$25,995,875.00





Total Donated to the RGA in the 2016 Election Cycle

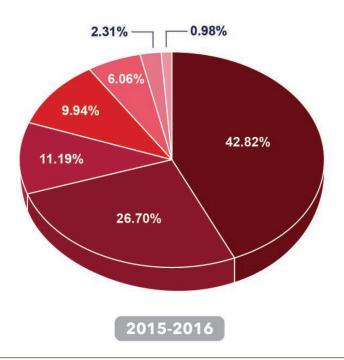
Total: \$96,152,517.00





Total Donated to RSLC in the 2016 Election Cycle

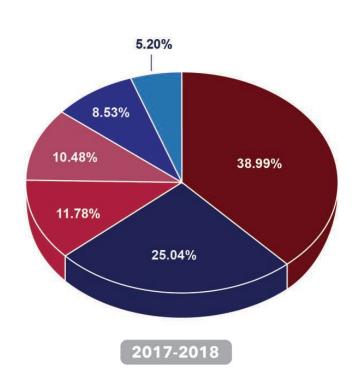
Total: \$37,343,670.00





2017-2018 Contribution Breakdown by 527 Group

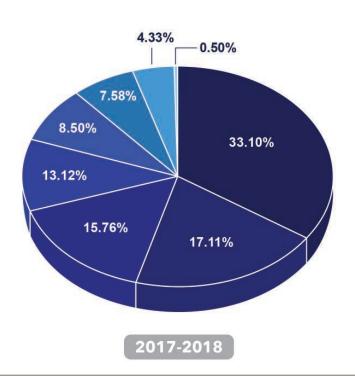
Total: \$378,487,338.00





Total Donated to DAGA in the 2018 Election Cycle

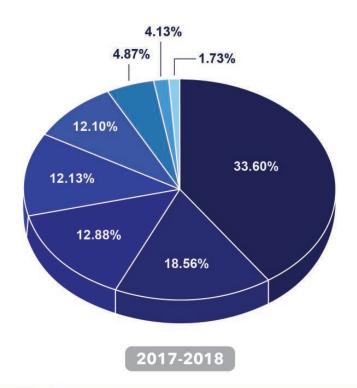
Total: \$19,673,355.00





Total Donated to the DGA in the 2018 Election Cycle

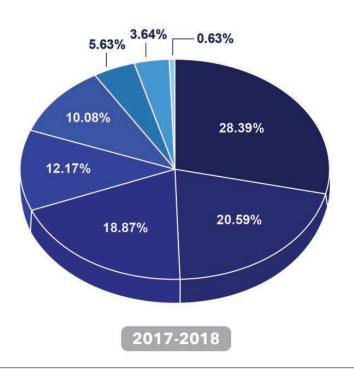
Total: \$94,746,492.00





Total Donated to the DLCC in the 2018 Election Cycle

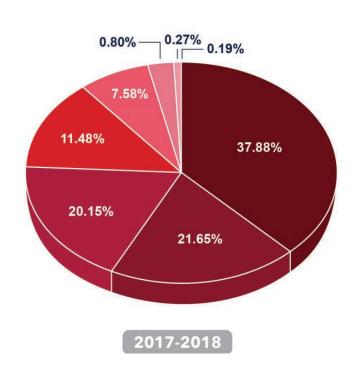
Total: \$32,263,577.00





Total Donated to RAGA in the 2018 Election Cycle

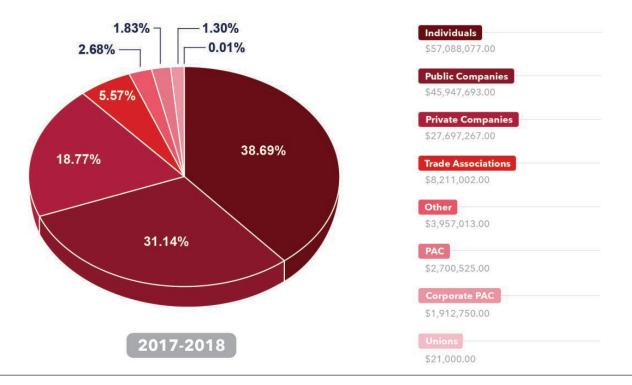
Total: \$39,649,473.00





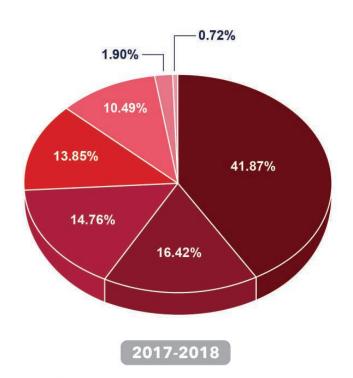
Total Donated to the RGA in the 2018 Election Cycle

Total: \$147,535,327.00



Total Donated to the RSLC in the 2018 Election Cycle

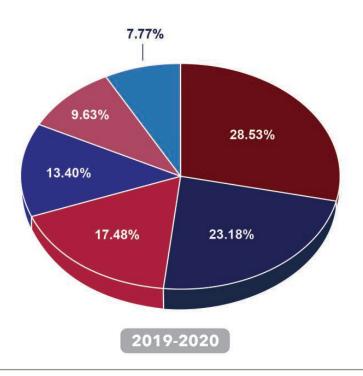
Total: \$44,749,114.00





2019-2020 Contribution Breakdown by 527 Group

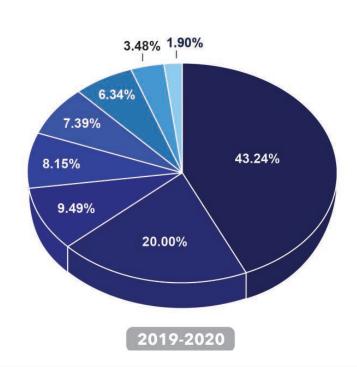
Total: \$338,981,801.00





Total Donated to DAGA in the 2020 Election Cycle

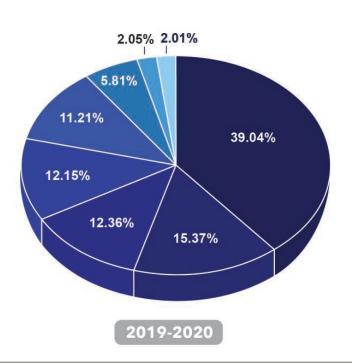
Total: \$26,352,200.00





Total Donated to the DGA in the 2020 Election Cycle

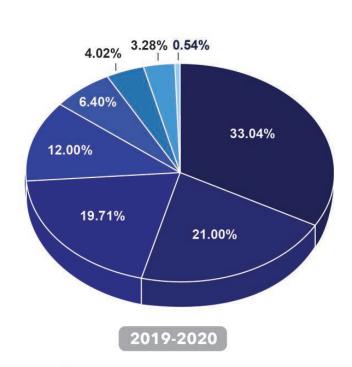
Total: \$78,586,841.00





Total Donated to the DLCC in the 2020 Election Cycle

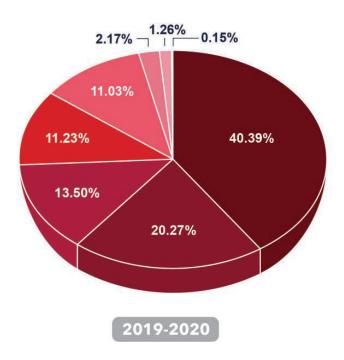
Total: \$45,430,061.00

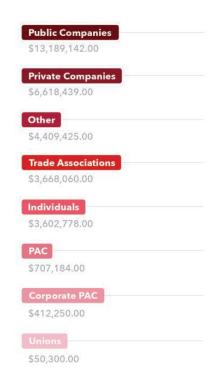




Total Donated to RAGA in the 2020 Election Cycle

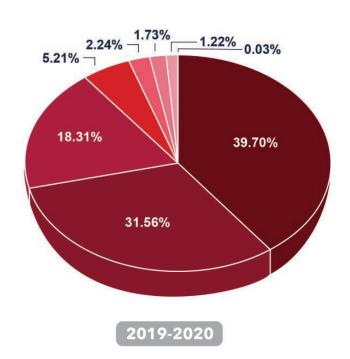
Total: \$32,657,578.00





Total Donated to the RGA in the 2020 Election Cycle

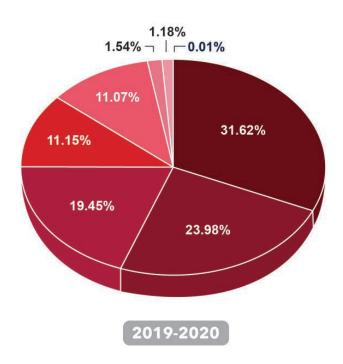
Total: \$96,713,734.00





Total Donated to the RSLC in the 2020 Election Cycle

Total: \$59,241,387.00







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