

Tracking the Dirty Dollars: Givers and Takers in California's Legislature August 2021 Update

Campaign donations, independent expenditure campaigns, and direct gifts from individuals and special interest groups, including polluting industries, help elected officials achieve their political ambitions. Interest groups representing or aligned with polluting interests exploit this unfortunate reality to gain and maintain access to and influence decision makers. This access often translates into votes in an industry group's favor.

In November of 2020, Sierra Club California launched a survey of certain special interest spending to legislators. We call this the *Tracking the Dirty Dollars Project*, and our specific interest is to research and disclose contributions to legislators and the Governor from the fossil fuel industry and its closest political allies, in order to track how these contributions might influence their duties as elected officials.

In this most recent update, we continue to audit the donations of every member of the California State legislature and the Governor. This update only looks at donations from January 1, 2021 through the end of June 2021.

For a detailed look at which dirty donors are funding each elected leader's campaign, simply flip through the spreadsheets of this report.

This edition of our report on our *Tracking the Dirty Dollars Project* comes as we enter the last month of a disappointing year for environmental policy in the legislature.

Last edition, we condemned the California Republican Party for receiving an astounding total of \$85,175 from the oil industry and its allies. In the past three months, the Republicans have more than tripled these donations, boasting a dirty dollar treasure trove of \$310,175. This shows the immense money and effort the oil and gas industry is putting into undermining the Democratic stronghold in the legislature and strengthening the Republicans hand to advanced polluters' interests.

While a few legislators have managed to keep their campaign dollars clean, some legislators - particularly select Assembly Democrats - are watching the dirty dollars pile up. These legislators can be grouped by three tiers:

In the first tier are those who have received more than \$10,000 in dirty donations this session: Assemblymembers Laura Friedman, Mike Gipson, Lorena Gonzalez, Freddie Rodriguez, and Rudy Salas, Jr.

Salas, Jr., leads the pack with \$18,800 and Rodriguez is close behind with \$17,200. Gipson's dirty donations totaled \$13,400. Given these legislators' scorecard grades and poor environmental track record in the Assembly, these donation totals are disappointing, but not surprising. Moreover, Rudy Salas has long touted his close link to the oil industry, even featuring photos of himself with oil rigs in his campaign literature.

Conversely, the dirty donation totals of critical committee chairs Laura Friedman and Lorena Gonzalez are both disappointing *and* surprising.

Assembly Transportation Chair Friedman has been a strong advocate for clean transportation. But during budget negotiations earlier this session, she made public remarks and signed a letter supporting funding for dirty methane-gas-powered vehicles. This seemed out of character and out of sync with her earlier advocacy. Now, with this report, we see that Friedman accepted \$10,900 in campaign contributions from oil and gas interests this year.

Assembly Appropriations Committee Chair Lorena Gonzalez received \$14,700 in dirty dollar donations this quarter. Gonzalez sits in one of the most powerful seats in the legislature--one that allows her to review and kill or allow through nearly every bill touching on the environment and oil and gas. Accepting this much dirty dollar donations is at the very least optically troubling.

In the second tier are the assembly members who have received between \$5,000 and \$10,000 in dirty contributions. Asm. Miguel Santiago has received \$7,950. Asm. Jose Medina received \$7,900. Asm. Ken Cooley received \$7,600. Assemblymembers Cecilia Aguiar-Curry and Carlos Villapudua each received \$7,400. Asm. James Ramos received \$6,900.

In the last tier are the assembly members who received less than \$5,000 in dirty contributions: Assembly Environmental Safety and Toxic Materials Chair Bill Quirk received \$4,500. Not far behind, Assembly Natural Resources Committee Chair Luz Rivas received \$3,000. Assembly members Marc Berman, Reggie Jones-Sawyer, and Jesse Gabriel each received \$2,500,and Asm. Jim Wood received \$2,000.

On the State Senate side, the dirty dollars have been far more modest. No senators have reported more than \$5,000 total in dirty donations.

Senator Sydney Kamlager still leads the senators with dirty campaign donations of \$4,700, over the last two quarters, the same figure we reported in our last edition. The good news is that she has not reported any new dirty donations this most recent quarter.

Senator Dodd received \$2,500 this quarter. Senator Josh Becker reported \$2,350 in dirty donations this quarter. Senators Brian Jones, Bob Hertzberg and Josh Newman each received \$2,000 this quarter. Senators Bates and Min each received \$1,500 this quarter.

Why this Report is Necessary

The oil and methane gas industries - along with industries and labor groups that benefit from their polluting practices - have an outsized influence in the Capitol. They not only hire more lobbyists with their wealth, but also provide large donations and buy expensive tickets to breakfasts, lunches, dinners, receptions and golf tournaments designed to bring in the bucks for legislators' campaigns.

We remain frustrated at how difficult it is to advance pro-environment legislation through a legislature with Democratic supermajorities in both houses. We have been similarly disheartened by how difficult it is to stop polluter-friendly bills. Just this year, a bill to phase out fracking in California - an enormously popular policy - failed to pass its first committee. A follow-up bill to establish setbacks from oil extraction operations didn't even get a hearing.

These reports are an effort to shed some light on why passing popular policies are difficult even when a party whose platform supports environmental action enjoys a supermajority.

Sifting through the campaign finance records of 120 legislators and a governor is excruciating work and the fossil fuel industry knows it. The industry and its allies count on this monotony to keep the public from understanding what goes on behind the scenes.

With this report, we cut out the hard work in hopes that our spreadsheets will make it easier for the public to follow how the oil and gas money and influence flows to elected officials.

How We Put this Report Together

The Secretary of State's website (<u>sos.ca.gov</u>) has a powerful tool to research elected officials' campaign contributions. We used the aptly named "Power Search" tool to collect the vast majority of the data in this report.

Using that tool, we identified oil and gas companies and other fossil-fuel-linked entities that make direct donations. We also identified political action committees that receive oil and gas donations. With this information, we created a list of polluting donors.

Then for each elected leader, we downloaded a spreadsheet with all of their reported donations from January 1, 2021 and through the end June 2021. We filtered out all the donors that were not included on our donor list. This process left us with only the donations each leader received from the donors we selected. The result of our efforts are displayed on each elected leader's spreadsheet.

The Secretary of State's website also features a Power Search tool for independent expenditures. Independent expenditures are funds spent on an independent campaign in support of or against a candidate's campaign. The independent expenditure campaign is required by law to operate without communication with the candidate's campaign.

Using the Power Search tool, we downloaded the independent expenditures and noted any polluter or polluter-adjacent expenditure in support of an elected leader on the leader's spreadsheet page. We did not find any dirty-dollar-backed independent expenditures yet this year.

Why We Chose these Donors: The Three Ps

The donors we selected fit into one of three categories:

- 1. **P**olluters: These are companies or groups whose members are directly responsible for refining, extracting or burning fossil fuels;
- Polluter-Adjacent: These are companies or interest groups who benefit from the use of fossil fuels and have actively worked against legislation that would contain fossil fuels or their byproducts; or
- 3. **P**AC: A Political Action Committee (PAC) pools campaign contributions from various like-minded interests and then donates to candidates or independent expenditure campaigns or directly on independent campaign activity (such as mailers).

For example, Chevron, Exxon Mobil and Sempra (which owns SoCal Gas) are all directly responsible for refining, extracting and/or burning fossil fuels. They are some of the polluters featured on this year's donor list.

Dart Container, a plastics manufacturer, is polluter-adjacent as it uses petroleum to create its products. BNSF railway transports fossil fuels and therefore is also among those analyzed as polluter adjacent. The California Building Industry Association, which represents mostly subdivision builders, is included because it has been one of the most aggressive opponents of getting gas out of new construction.

The PACs we included were selected because they received substantial amounts of money from polluter or polluter-adjacent contributors. The PACs sheet on our document shows from which contributors on our donor list the PACs received money.

How the Read and Use the Data Sheet

The data sheets that are the heart of our report are presented as an excel workbook composed of many spreadsheets. The first spreadsheet is a title page, followed by a table of contents. The third spreadsheet is the list of donors we tracked. The list includes polluters, polluter-adjacent or polluter-backed Political Action Committees (PACs).

Most of the remaining spreadsheets include the contributions from polluting donors given to the campaigns of each of the legislators in this report. The third-to-last spreadsheet shows the contributions from dirty donors to the Governor. The final two spreadsheets list contributions from dirty donors to the Democratic and Republican parties respectively.

Each page of the report includes a link back to the Table of Contents. If you are looking for specific legislators, it is best to navigate through the Table of Contents. Otherwise, flip through the sheets and enjoy the journey.

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