

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

Campaign donations, independent expenditure campaigns, and direct gifts from individuals and special interests, 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 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 in researching and disclosing contributions to legislators and the governor from the fossil fuel industry and its closest political allies. In February of this year, we updated the report to include all donations for 2019 and 2020 and added Republican Legislators.

2021 marks the beginning of a new two year session which means it is time for a fresh edition of *Tracking the Dirty Dollars*. In this most recent update, we included every member of the California State legislature and the Governor. **This update only looks at donations from January 1, 2021 through the end of April 2021.**

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 can hire more lobbyists with their wealth, they can provide large donations to 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 super majorities 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 this difficulty exists 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 April 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 our 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 assertive 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.

What We Learned

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

It is the first quarter of a non-election year, which historically has meant fewer campaign contributions. As such, very few legislators have received any money from dirty donors this year. Most of those who have only received a relatively small amount.

There are a few caveats to this general rule. Senator Kamlager and Assemblymember Weber were elected to their respective seats in special elections this year. They both received far more contributions than any other legislator. And unfortunately, included in their contributions were donations from allies of the fossil fuel industry.

Fortunately, we know these leaders are strong advocates for California's environment and public health at heart and will not be swayed by a couple thousand unkempt donations.

Another exception to our collection of mostly blank spreadsheets is the California Republican Party which received \$85,175 from the oil industry and its allies. We never expect a lot from Republicans, but this is still a jarring figure to see this early in a session from a major political party.

The final notable spreadsheet belongs to Governor Gavin Newsom. He received \$32,400 from the California Building Industry Association (CBIA) on April 26. The timing of this donation is even more shocking than the amount as it came only two weeks prior to a proposed building decarbonization rule that still allows for gas in new California buildings. The CBIA has been among the most vocal opponents of our efforts to get fossil fuels out of California's buildings.

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 includes 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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