

Tracking the Dirty Dollars: Givers and Takers in California's Legislature November 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 September 2021.

This edition of our report on our *Tracking the Dirty Dollars Project* comes at the end of a disappointing legislative session.

A total of 39 legislators between both houses continue to maintain campaign bank accounts that are untainted by the oil and gas industries. But each of the remaining 81 California legislators reported at least \$1,000 in fossil fuel affiliated donations.

Unfortunately, the number of legislators that report more than \$10,000 has grown from five in our last edition to 17 in this edition. Of these 17, 11 are Democrats, 5 are Republicans, and 1 is an Independent. All 17 are in the Assembly. These 17 can be grouped into 3 tiers:

In the first tier is the only Legislator who received more than \$20,000 dirty dollars: Assemblymember Chad Mayes. The Legislature's only Independent reported an astounding \$22,600 from the oil and gas industry and its allies. Mr. Mayes scored a dismal 13% on our 2021 Report Card proving that one need not identify as a Republican to vote like one.

In the second tier are eight Assemblymembers who all received more than \$15,000 dirty dollars. The Assembly Minority Leader, Republican Marie Waldron, leads this tier with \$19,700 fossil-fueled contributions. Assemblymembers Ramos and Cooper are close behind with totals of

\$19,500 and \$19,150 respectively. Republican Heath Flora is tied with Democrat Rudy Salas Jr. with \$18,800 each. Democrats Freddie Rodriguez and Tom Daly have both received \$17,200. Trailing this sad group is Republican Assemblymember Thurston Smith who has received \$15,900 Dirty Dollars.

Assemblymember Ramos is the only member of the second tier who received higher than a 38% on this year's report card. Mr. Ramos barely beat a failing grade with a 63%.

Eight Assemblymembers also comprise the third tier of dirty donor recipients each of whom received more than \$10,000 dirty dollars. Assembly Appropriations Chair Lorena Gonzalez has received \$14,700 in dirty donations since the beginning of 2021, but did not report any new dirty dollars since last quarter's report. Assemblymember Gipson's total of \$13,400 and Assemblymember Friedman's total of \$10,900 also remain unchanged since the August edition.

The new members of the Five-Figure Dirty Dollars club are Assmeblymembers Grayson (\$12,800), Fong (\$12,600), Quirk Silva (\$12,400), Blanca Rubio (\$12,300), and Mathis (\$11,900). No one in this group received above 63% on our report card and most earn failing grades.

On the State Senate side, the dirty dollars totals remain more modest. No senators have reported more than \$8,000 total in dirty donations.

Senator Bill Dodd leads the senators with dirty campaign donations of \$7,500, over the last three quarters, the same figure we reported in our last edition. Senator Bradford and Senate Transportation Committee Chair Lena Gonzalez each received \$6,900. Republican Senator Ochoa Bogh's dirty dollar stash totals \$6,000 and Democrat Senator Kamalager trails closely with \$5,700. Senator Minority Leader Scott Wilk reported \$4,900 dirty dollars.

None of the remaining Senators have received more than \$5,000 dirty donations, but Senate Minority Leader Scott Wilk came the closest to this threshold with a total of \$4,900 dirty dollars.

This is by no means an exhaustive list of this session's beneficiaries of oil and gas donations. For a detailed look at which dirty donors are funding each elected leader's campaign, simply flip through the spreadsheets of this report.

Because 2022 is an election year, we would not be surprised if our upcoming reports find copious amounts of dirty dollars. Stay tuned for next year's reports beginning in February.

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 of September 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 the spreadsheets that the report is composed of.

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 13 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). The fourth spreadsheet shows all the PACs that have received donations from non-PAC dirty donors.

The next spreadsheet titled "No Dirty Dollars Reported" is a list of legislators who have not reported any dirty donations in the first three quarters of 2021. None of these legislators appear on the subsequent spreadsheets.

The next four spreadsheets are lists of legislators who have received dirty donations. Each spreadsheet includes the same information, but differs in the way we presented the information. These spreadsheets are:

 Recipients (Alphabetical): A list of all members of the legislature who received dirty donations in the first 3 quarters of 2021 sorted alphabetically by the member's last name.

- Recipients (High to Low): A list of all members of the legislature who received dirty donations in the first 3 quarters of 2021 sorted by dirty dollar totals from highest to lowest.
- Assembly Recipients: A list of all Assemblymembers who received dirty donations in the first 3 quarters of 2021 sorted alphabetically by member's last name.
- Senate Recipients: A list of all Senators who received dirty donations in the first 3 quarters of 2021 sorted alphabetically by Senators's last name.

The next spreadsheet titled "Governor" shows dirty donations received by Governor Newsom. The final two spreadsheets display dirty dollars received by each of the two major political parties in California.

We believe that this new format is easier to navigate than previous versions of the report and hope that you will feel the same. If you have any questions or feedback, please email daniel.barad@sierraclub.org

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