

Tracking the Dirty Dollars: Givers and Takers in California's Legislature May 2022 Update

Polluting interests spend <u>gobs of money lobbying</u> to kill bold environmental legislation and pass bills that make it more difficult for the state to fight the climate crisis. These same interest groups fund campaign donations, independent expenditure campaigns, and direct gifts to influence elected officials.

Interest groups representing or aligned with polluting interests exploit our campaign finance system to gain and maintain access to decision makers at every level of government. This access often translates to votes in an industry group's favor.

This update of our <u>Tracking the Dirty Dollars Project</u> comes in the midst of an election year that will hopefully bring in legislators who are willing to do what it takes to aggressively combat the climate crisis, improve public health, and prioritize frontline communities.¹

With this edition of the report, the number of legislators who have not reported² donations from fossil fuel interests has dwindled to only 15 total. Each of the remaining 105 California legislators reported at least \$1,500 in fossil fuel affiliated donations.

The number of legislators that reported more than \$10,000 has grown from 17 in our last edition to a whopping 58 in this edition. Thirty-one legislators have reported more than \$20,000, 10 have reported more than \$30,000, and 3 have reported more than \$40,000 in contributions from oil and gas interests.

Leading all legislators in dirty donations reported in this timeframe is Democrat Senator Steve Glazer with a soul-crushing \$66,000. It should be noted that a significant amount of these donations were made to Steve Glazer and also reported in previous years, but he did not spend them and instead, transferred them to his Controller campaign account.

¹ 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 looks at donations that were reported between January 1, 2021 through May 18, 2022.

² Previous versions of our Overviews used "accepted," "received," and "reported" interchangeably. This was incorrect because candidates may transfer donations that they "received" and "accepted" in previous years and didn't spend. They must "report" these donations in the current campaign cycle.

While Senator Glazer may not have received these contributions in the past 15 months, he appears to be planning to use them in his Controller campaign. A large portion of these contributions came directly from the likes of Phillips 66, Exxon Mobil, Chevron and Valero. Senator Glazer has always been a tough vote to get on bills to reign in fossil fuel production.

Notably, Glazer's campaign literature announces that he never accepts gifts or travel from special interests. But it says nothing about campaign funds.

Republican Assemblymember Heath Flora placed second in accepting dirty donations with \$53,000 dirty dollars. While we are not surprised by Asm. Flora's high total given his dismal environmental track record, the fact that polluting interests are investing this heavily in a member of the Republican Party, which holds a super minority in the state assembly, points to their dedication in stopping pro-environmental legislation.

In total, our report shows that the California Democratic Party PAC reported \$60,000 dirty dollars (all from the anti-building-decarbonization California Building Industry Association), and the California Republican Party PAC reported \$1,245,175 in dirty dollars. That's one million two hundred forty five thousand one hundred seventy five dollars from interests that are perpetuating the climate crisis and keeping California's air toxic for many communities.

While we are often disappointed by our Democratic supermajorities' ability to effect meaningful climate policy in the legislature, this report is a sober reminder that the alternative party is really the oil and gas industry's best hope for continuing its polluting business as usual.

However, that doesn't mean the Democrats are perfect either. Among the assembly Democrats, Asm. Tom Daly leads with \$44,100 dirty dollars. Asm. Daly is a perennial Sierra Club Scorecard failing grade recipient.

Assemblymember Jim Cooper, a Democratic favorite of the oil and gas industry, reported \$36,350 in contributions from polluters and their friends. Other unsurprising names on the high-roller list include Asm. Tim Grayson (\$32,900), Asm. Freddie Rodriguez (\$31,000), Asm. Blanca Rubio (\$31,000), Asm. Sharon Quirk Silva (\$29,695), Asm. James Ramos (\$28,000), Asm. Adam Gray (\$27,200), Asm. Jose Medina (\$26,700), Asm. Carlos Villapudua (\$24,400), and Asm. Rudy Salas Jr. (\$23,300).

The above democrats are often reliably negative environmental votes and consistently score low to very-low on the Sierra Club California legislative scorecard. Democratic voters should expect far better from legislators from a party that purports to care about the climate crisis.

Among the legislators who reported more than \$20,000 in dirty dollars were two surprises: Asm. Robert Rivas (\$22,250) and Asm. Chris Holden (\$21,300). Let's hope these donations don't influence their typically pro-environment voting record in the future.

Finally, there are 15 legislators who have managed to keep their wallets and consciences clean. Check out the "No Dirty Dollars Reported" spreadsheet and if your representative is on there, be sure to thank them.

Why this Report is Necessary

The oil and methane gas industries - along with industries and labor groups that benefit from their polluting practices - <u>have an outsized influence in the Capitol</u>. 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.

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 report 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 May 18, 2022. We filtered out all the donors that were not included on our donor list. This process left us with only the donations each leader reported 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 to incumbent candidates 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;
- 2. 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 reported 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 reported 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 reported 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 between January 2021 and May 2022. None of these legislators appear on the subsequent spreadsheets.

The next four spreadsheets are lists of legislators who have reported 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 reported dirty donations between January 2021 and May 2022 sorted alphabetically by the member's last name.
- Recipients (High to Low): A list of all members of the legislature who reported dirty donations between January 2021 and May 2022 sorted by dirty dollar totals from highest to lowest.
- Assembly Recipients: A list of all Assemblymembers who reported dirty donations between January 2021 and May 2022 sorted alphabetically by member's last name.
- Senate Recipients: A list of all Senators who reported dirty donations in the first between January 2021 and May 2022 sorted alphabetically by Senators's last name.

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

We continue to 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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