



## How Playing Politics through Political Contributions Shapes Public Policy

By Erin McCallum, President of Enterprise Washington and The Business Institute of Washington

With our state legislature in the heat of its work, it's revealing to see which special interest groups are benefiting from their political involvement during the most recent 2008 elections and how that is damaging our state's private sector. The Business Institute of Washington is a new organization that helps voters glean further insight into who is supporting who for political office and how that might translate into legislative action. Washington State has an intelligent electorate and over 1/3 of all voters describe themselves as independent. Naturally curious, Washington voters want to better understand which special interest groups are supporting their lawmakers. Many of these special interest groups have perfected their business model and are connecting political dollars to legislative action much better than others. Organized labor in Washington State has perfected this model and many other groups have been following their lead. Here are a few findings:

**Labor:** Given that only 20 percent of our state's workforce is unionized, organized labor is extremely active and effective in Washington State politics. Forty-eight labor committees were active during the 2008 election cycle, raising more than \$5.3M to influence election outcomes. The result – 162 state legislators were strongly supported by organized labor. According to the Washington State Public Disclosure Commission, during the 2008 election cycle, organized labor contributed \$4.7 million to fund 126 incumbents and 36 challengers. Seventy-three percent of candidates supported by labor were Democrats; 27 percent were Republicans. The Service Employees International Union (SEIU), the fastest growing and most powerful union in Washington State, spent more than \$1.7 million during the cycle, focusing much of its contributions on independent expenditure campaigns for Democrats.

On a national front, the Labor movement is waging a battle for the Employee Free Choice Act; this legislation would give unions the ability to unionize a workforce by simple majority card signature, rather than a secret ballot. It would also prohibit employers from communicating with their employees over non-business matters, including union organizing campaigns. Versions of this legislation are being brought before state legislatures across the country. In Washington State, this bill came in the form of [HB 1528](#) / [SB 5446](#) in 2009. This bill was widely recognized as labor's top priority and a host of Democratic lawmakers lined up to sponsor the legislation in both houses, despite the fact that, if passed, the law would likely suffer the same fate as a similar California statute that was thrown out by the U.S. Supreme Court last year. This bill stood a good chance of passing. However, just before the cutoff for a floor vote on the bill, the governor and legislative leaders killed it due to ethical questions arising from an email from the Washington State Labor Council linking future political campaign contributions to approval of this particular bill.

**Education:** The Washington Education Association (WEA), the state teachers' union, is by far the most politically active special interest group in Washington State. The union's funding comes from mandatory membership dues for K-12 teachers. In the 2008 election cycle, the WEA contributed more than \$1 million to support 131 candidates; including 50 incumbents and 81 challengers. Partisan breakout reveals that 86 percent of all WEA contributions went to Democrats and 8 percent to Republicans.

Legislatively, the education lobby is working hard to maintain teacher salaries and benefits and protect funding provided through Initiative 728 (class size reduction) and Initiative 732 (cost of live allowances for teachers). However, our education lobby in Washington is out of sync with the Obama Administration's support of teacher merit pay and charter schools, both of which set the stage for global competitiveness as well as our children's education.

**Environment:** The environmental lobby has been a consistent player in Olympia with widespread support on both sides of the aisle. With six committees involved in the 2008 election cycle, the environmental community spent the majority of their \$370,000 on independent expenditure campaigns in support of all Democrat challengers. The environmental community had a 79 percent success rate with their political dollars. That success was likely enhanced by contributions from individuals to candidates who champion environmental issues.

On the policy side, the environmental community is pursuing legislation to implement a program to regulate greenhouse gas emissions.

**Trial Lawyers:** Research shows that this special interest group has the lowest public approval rating yet is the fastest growing special interest group in Olympia. With 19 active committees, they raised more than \$1.3 million. Much of that support went to Governor Gregoire's re-election campaign and the rest to fund Democratic legislators and challengers. While they have several legislative objectives this session, their primary objective is addressing Consumer Protection violations. Nineteen Democratic legislators are advocating for this legislation.

**Native American Tribes:** These groups are the newest to the political scene and have been highly effective. Tribes are viewed by the Public Disclosure Commission as an individual or business, so very few report their campaign contributions, which make tracking their cumulative contributions a difficult task. In fact, there appears to be only one committee, the Committee for Tribal Self Reliance that reported close to \$108,000 of which \$98,000 went to 63 candidates. In reviewing their giving patterns, 85 percent of 2008 contributions went to Democratic candidates or committees.

**Washington's Business Community:** In 2008, the Business Institute tracked 124 state legislative races. Our analysis shows that the business community splits its contributions roughly in half between the two parties, giving 48 percent of contributions Democrats and 52 percent to Republicans. There seems to be no rationale behind this split. Business, as a whole, does not appear to have a strong feeling whether or not a legislative seat should be held by a Democrat or a Republican. Primarily, it advocates for a healthy private sector, which is the fuel for Washington's economic engine. Unlike other special interest groups, the business community does not have a business model that aligns its giving to a strong public policy agenda. Therefore, their giving is somewhat haphazard. One exception was the BIAW, a large and

influential building association who historically supports only Republican candidates, which spent the majority of their support on the Republican challenger in the 2008 governor's race.

Following the money flow during a campaign cycle and then seeing if there is any correlation to what legislators do during the legislative session provides great insight into how our state government works for or against the private sector. Pay close attention to the waning weeks of this legislative session and see what legislation passes – there will be a connection to political support during election season. Washington's private sector *must* get involved in the political process to promote a thriving business community in Washington State. Whether Republican or Democrat, liberal or conservative, is your legislator doing your work or someone else's? Politics is not a spectator sport and with the majority of Olympia's elected officials enticed by special interests, business must recognize that it has a bull's eye on its back.

*Erin McCallum is president of the non-profit, non-partisan, Enterprise Washington ([www.enterprisewashington.org](http://www.enterprisewashington.org)) and its Business Institute ([www.businessinstitutewa.org](http://www.businessinstitutewa.org)), which help companies and employees to better understand how elected officials establish public policy, and to become more involved in the political process.*