

The Group Behind the Republican Takeover

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By Elizabeth DiNovella, November 2011 issue

YOU MAY HAVE HEARD ABOUT the American Legislative Exchange Council (ALEC), which helps Republicans draft bills in statehouses. ([We reported on the group last month.](#)) But you've probably not heard of the Republican State Leadership Committee, which gets them elected in the first place.

This little-known group, formed in 2002, is the only national organization that focuses on electing Republican majorities to state legislatures. It has been active in forty-six states and has spent tens of millions of dollars. Based in Alexandria, Virginia, the committee targets legislative chambers—from Maine to Wisconsin—where there is a chance for control to change hands.

The group played a decisive role in the 2010 elections, and helped flip twenty state legislative chambers from Democrat to Republican. Republicans now control more state legislatures than at any time since 1928.

The committee's main tactic was to barrage the public airwaves with negative ads, much of it done at the tail end of the campaign season. GOP stalwarts such as Karl Rove and Ed Gillespie aggressively executed the battle plans through their consulting firms.

"We've had hard-fought campaigns before, but we've never seen out-of-state money drop a negativity bomb in so many races," says Ann Luther, who sits on the board of Maine Citizens for Clean Elections. "It was shocking."

Able to raise unlimited funds, the Republican State Leadership Committee is a stalking horse for corporate America. Top contributors to the group include Altria (formerly Philip Morris), Anheuser-Busch, Citigroup, Comcast Cable, Exxon Mobil, Home Depot, Monsanto, PhRMA, U.S. Chamber of Commerce, Verizon, and WellPoint.

The Republican State Leadership Committee played a pivotal role in Wisconsin, enabling Republicans to flip both houses of the state legislature and the governorship from Democrat to Republican last November. The group bet big—and won big—even though it was the first time it spent money on legislative races in the state. It dropped almost one million dollars in five races, and won four of the seats.

The group had originally registered as a political action committee in Wisconsin in 2009. But it ended the PAC after the January 2010 U.S. Supreme Court ruling in Citizens United and formed as a corporation making independent disbursements.

In 2010, the Wisconsin Government Accountability Board created rule 1.91, which required independent groups to file reports on political campaign spending.

“1.91 was a rule to basically, in the wake of Citizens United, say that a corporation had to register and report information,” says Reid Magney, spokesman for the Government Accountability Board.

The committee was the top spending 1.91 organization in the fall 2010 election, according to its filings with the Government Accountability Board. Its filings also reveal where its income came from: the Republican State Leadership Committee.

“We have all these groups spending millions of dollars in Wisconsin, and the source of income is themselves,” says Mike McCabe, executive director of the Wisconsin Democracy Campaign. “The true origin of the money is being concealed.”

Wisconsin does not have disclosure laws that are geared for corporate election spending because in 1905 the state legislature banned corporate contributions to political campaigns. The 2010 Supreme Court ruling essentially overturned that law. “Now, we are left with corporate election spending but no disclosure laws,” says McCabe. “We are left in a very vulnerable position.”

Most of the Republican State Leadership Committee’s money went to oppose candidates, not support them. It spent five times more money tearing down Democratic candidates than building up its own Republican candidates.

“We’ll be providing air cover,” Chris Jankowski, current president of the committee, boasted to The Wall Street Journal.

It certainly did. It blasted central Wisconsin’s airwaves and spent \$326,700 on negative campaigns against Russ Decker, who was the Democratic majority leader at the time. It was the only group to target Decker.

It also went after Democrat Kathleen Vinehout with a glossy direct mail package that asked: “Why would senator Kathleen Vinehout allow Wisconsin convicts out of prison early?” The mailing resembles a poster for a horror film: A young, white woman has a terrified look on her face as a man’s hand covers her mouth. The accusation was based on Vinehout’s support for the 2009-2011 state budget, which included the early release program.

Two D.C.-based companies handled these TV and radio ads and received media consulting fees: TenCapitol and SRCP Media. TenCapitol has a client list that includes the U.S. Chamber of Commerce, the Wisconsin Chamber of Commerce, the Michigan Chamber of Commerce, McDonald’s, and PhRMA.

SRCP Media was founded by Greg Stevens, who ran John McCain's 2000 campaign. Stevens created the famous Michael Dukakis sitting in a tank ad for the George H. W. Bush campaign. SRCP has done work for Senators Bill Frist, Lindsey Graham, Saxby Chambliss, and the pro-Iraq invasion advocacy group Freedom Watch. Roll Call named SRCP "the largest and most influential Republican media firm."

The Republican State Leadership Committee files with the IRS as a nonprofit "527" group. (The 527 number refers to the tax code.) This status gives the group flexibility. There are no upper limits on contributions or spending limits, and any type of donor can contribute.

During the 2010 election cycle, the Republican State Leadership Committee ranked fourth among 527 groups in expenditures at \$29 million. The biggest spender during that election cycle was the Republican Governors Association, which shelled out \$131 million, followed by the Democratic Governors Association (\$55 million), and the American Federation of State, County, and Municipal Employees (\$46 million).

IRS filings show the committee has been heavily backed by big business since its inception. Many of the same companies that give money to the committee also give money to ALEC and the Republican Governors Association.

Its biggest contributor by far is the U.S. Chamber of Commerce, which has given more than \$11 million. Devon Energy Corporation has given nearly \$2 million. Tobacco (Altria, Reynolds), pharmaceutical (Glaxosmithkline, AstraZeneca), and health insurance (WellPoint) industries all give money.

Ed Gillespie, former Republican National Committee chairman, leads the Republican State Leadership Committee. He also contracts with it. During 2010, his company, Ed Gillespie Strategies, received regular monthly consulting fees of \$16,667.

American Crossroads, another 527 group, has donated \$600,000 to the committee, ranking within the top twenty-five contributors. American Crossroads is the brainchild of Karl Rove and Gillespie.

527s groups such as the Republican State Leadership Committee and the Republican Governors Associations are ways to shuffle money around, says Rich Robinson of the Michigan Campaign Finance Network. The groups act as clearinghouses "to wipe fingerprints off the money," he says. Thus, voters are unable to easily decipher which companies are influencing their state elections.

The committee played a major role in the mud fest that characterized Maine's 2010 legislative races. It spent \$400,000 on five Maine state senate races. All five Republicans won. And all five disapproved of the group's intrusion into state politics.

“Their spending was roundly denounced,” says Alison Smith, president of Maine Citizens for Clean Elections. “To compound the big spending, it was just very negative attack ads. The ads were below the belt type messages.”

The ads were so disparaging that one of the Democratic candidates, James Schatz, filed a libel lawsuit against the group. (These ads were handled by Crossroads Media, an affiliate of American Crossroads.)

The committee’s ad accused Schatz, who served as a selectman in Blue Hill, of voting to cancel the town’s Independence Day fireworks and of voting to pay \$10,000 to political organization instead. Yet the opposite was true: Schatz had voted for the fireworks. And the \$10,000 donation was voted on by people of Blue Hill at a town meeting.

Judge D. Brock Hornby ruled against Schatz, due to the lack of actual malice. The judge concluded “this is the classic case recognized by the Supreme Court in describing the sometimes negative consequences of First Amendment protection.” But the judge also noted that “if the allegations of the amended complaint are true, James Schatz behaved as a responsible public official . . . whereas the Republican State Leadership Committee played the juvenile role of ‘gotcha’ politics in order to win an election.”

Frank Langley, Schatz’s Republican opponent who won the election, criticized the ads. “This cost me votes and cost me the respect of a lot of people in my community who thought I had something to do with it,” Langley told Down East. “What bothers me the most is that people can just come along and drop a bomb from 40,000 feet, and I have to pick up the pieces.”

All the candidates who were targeted by the negative ads were eligible for public funding under Maine’s clean election laws. However, the Republican State Leadership Committee failed to file its expenditure reports on time, which slowed the disbursement of the matching funds. Because of this tardiness, Maine’s Commission on Governmental Ethics and Election Practices levied a \$26,000 fine against the committee, the biggest fine ever levied.

“The late independent expenditure reports by the RSLC resulted in a delay of more than \$160,000 in matching funds to five State Senate candidates,” says a report by Maine’s ethics commission. “These delays are significant within the final two weeks of a campaign when it is critical for candidates to have full control over the timing and content of their campaign messages.”

What happened in Wisconsin and Maine wasn’t unique. The committee devoted significant resources in 2010 toward Michigan, New York, and Ohio.

The GOP picked up twenty seats in Michigan, and now is the majority party in the House. (The Republicans control the senate, too, and the governorship.)

The Republican State Leadership Committee spent \$1.4 million in four races for the New York State Senate and were able to pick up two. The GOP now controls the senate chamber.

The committee spent almost \$1 million in the Ohio races, targeting six and winning five. Most of these districts went for President Obama in 2008. The GOP now controls both chambers in Ohio, and the new governor is a Republican, too.

These new Republican majorities, along with the already-existing ones, put the GOP in charge of redistricting Congressional maps in seventeen states, including all of the House seats from the swing states of Michigan, Ohio, Pennsylvania, and Wisconsin.

Looking ahead to the 2012 election, the committee is expected to continue to focus on swing states such as Colorado, Florida, Nevada, Ohio, Virginia, and Wisconsin.

“Wisconsin remains a battleground state, and the RSLC will be aggressively involved in increasing our majority in 2012,” said Jankowski in a statement after Wisconsin’s summer recall elections. (The committee did not return phone calls or e-mails for comment.)

This summer it launched the Future Majority Project, an initiative to get women, young people, and Latinos to run for office as Republicans. It has set a goal to recruit at least 100 new Hispanic Republican candidates.

“The RSLC believes that cultivating change is best achieved through a bottom-up, state-level approach,” said Jankowski in a press release.

The Republican State Leadership Committee may try to portray itself as being grassroots, but its plans are executed by D.C. insiders and paid for by big business.

Elizabeth DiNovella is culture editor of The Progressive magazine. This report was produced as part of a collaborative investigative effort to expose the influence of corporate money on the political process by members of The Media Consortium, in partnership with the We the People Campaign. To read more stories from this series, visit www.themediaconsortium.org.