



Connecticut Republicans Maintain Huge Advantage in Super PAC Money

October 31, 2018

Less than a week from the November 6 election, Republicans maintain a large advantage in fundraising and spending through party-affiliated Connecticut super PACs that are, in turn, funded almost entirely by national PACs. Change PAC, which supports Republican Bob Stefanowski for Governor, has raised 46 times the amount raised by Our Connecticut PAC, which supports Democrat Ned Lamont. Change Connecticut PAC, which supports Republican candidates in the General Assembly, has raised three times as much as Connecticut Values PAC, which backs Democrats. Corporate and wealthy individual donors from the finance, insurance, energy, and pharmaceutical industries dominate the largest contributions to the national partisan PACs that support these Connecticut PACs.

Through Connect the Dollars, our collaborative project to track independent expenditures in the state, Common Cause in Connecticut and the Connecticut Citizen Action Group have tracked super PAC income and spending in Connecticut. Our previous report, "Who is Buying Your Election? A Pre-Election Guide to Connecticut Super PACs," looked at donations to 19 Connecticut super PACs and spending by the largest five, based on the campaign finance reports filed with the with the State Elections Enforcement Commission (SEEC) through October 11. This analysis focuses on the major party-affiliated super PACs that are supporting Gubernatorial and state legislative candidates. Using reports filed with the State Elections Enforcement Commission (SEEC) through October 30, we have updated our previous analysis to reflect:

- New income and spending over the last two weeks; and
- New contributions to the national partisan PACs that fund these Connecticut super PACs through September 30, including the largest Connecticut donors to the national PACs.

As a result of the U.S. Supreme Court's *Citizens United* decision in 2010, corporations, unions, lobbying organizations, and wealthy individuals can spend unlimited amounts money influencing elections, as long as this spending is not done in coordination with candidates. In Connecticut, super PACs (Political Action Committees) are the primary channel for "independent expenditures" this year. Super PACs cannot contribute directly to candidates.

This special interest campaign spending drowns out the voices of Connecticut citizens and candidates, undermines the goals of Connecticut's strong campaign finance laws, and damages public confidence in the integrity of our election system. We will follow this report with a final analysis after the election.

Party-Affiliated Super PAC Income

Change PAC and Our Connecticut PAC

Target: Governor

Super PAC	Income	Ratio of Republican to Democratic PAC income	Major funder
Change PAC	5,780,000		Republican Governors
(Republican)		46 times	Association
Our Connecticut	125,000	40 times	Democratic Governors
PAC (Democratic)			Association

Totals from SEEC filings through 10/30/18.

These PACs are funded solely and respectively by the Republican and Democratic Governors Associations. In the last three weeks:

- Change PAC received \$3.2 million more in donations from the Republican Governors Association, bringing their total income to \$5.8 million, the largest amount of any super PAC in the state by far.
- Our Connecticut PAC has received no more donations beyond its initial \$125,000 in funding from the Democratic Governors Association.

By comparison to Change PAC's \$5.8 million, the Bob Stefanowski campaign itself reported total income of \$2.4 million, as of their October 10 filing, not counting \$2.65 million in loans the candidate made to his campaign.

Change Connecticut PAC and Connecticut Values PAC

Primary target: General Assembly*

Super PAC	Income	Ratio of Republican to Democratic PAC	Major funder(s)
		income	
Change	1,135,500		Republican State Leadership
Connecticut PAC			Committee
(Republican)			
Connecticut Values	370,000	3 times	Democratic Legislative
PAC (Democratic)			Campaign Cmte, AFT
			Solidarity, NEA Advocacy
			Fund

Totals from SEEC filings through 10/30/18.

^{*} CT Values also targeted a portion of their spending against Bob Stefanowski.

Change Connecticut PAC is almost entirely funded by the Republican State Leadership Committee, which supports candidates for state legislative and statewide office (other than Governor) across the country. The local PAC's only other contribution was \$500 from its Chair, William Phillips of Milford. In the last two weeks, Change Connecticut PAC received \$335,000 more from the RSLC, bringing its total income to \$1.1 million.

Connecticut Values PAC recently received:

- \$75,000 from the Democratic Leadership Campaign Committee (DLCC), bringing the DLCC's total contributions this year to \$120,000. The DLCC supports Democratic state legislative candidates in the U.S.
- \$200,000 from NEA Advocacy Fund, a PAC of the National Education Association teacher's union.
- \$50,000 from AFT Solidarity 527, a PAC of the American Federation of Teachers union.

Despite the support from labor unions, Connecticut Values PAC could still be considered a party-affiliated PAC, since it has a clearly partisan focus in its support of candidates and the DLCC is a major funder. Also, the PAC's treasurer, Arnold Skretta, is a former attorney for the Connecticut Democratic Party, according to SEEC filings.

See the end of this report for a listing of the largest national and Connecticut contributors to the national party-affiliated PACs that fund these Connecticut PACs.

Party-Affiliated Super PAC Spending

Change PAC and Our Connecticut PAC

Target: Governor

Super PAC	Amount spent	Ratio of Republican to Democratic PAC spending	Balance on hand
Change PAC	5,609,273		170,727
(Republican)		49 times	
Our Connecticut	115,411	49 times	9,589
PAC (Democratic)			

Totals from SEEC filings through 10/30/18. Our spending and balance on hand calculation take into account unpaid expenses, and so may appear different from figures in SEEC reports.

Change PAC has spent 88% of its money on TV and digital advertising:

- TV advertising, \$4,803,914
- Digital advertising, \$420,541
- Consultants, \$225,991
- Direct mail, \$158,109

Its spending has been overwhelmingly on negative campaigning, with 93% (\$5.2 million) going to opposing Ned Lamont and with \$148,230 supporting Bob Stefanowski.

By contrast, the Our Connecticut PAC has spent almost all of their expenses (\$112,711) on research services. While it spent \$35,010 on research in support of Ned Lamont, it spent primarily on opposition research against Republican Gubernatorial candidates, including primary candidates:

- Robert Stefanowski, \$62,561
- David Stemerman, \$8,047
- Mark Boughton, \$3,547
- Timothy Herbst, \$3,547

They have spent nothing at all on any communication with voters. Since they have spent the vast majority of their donations, there will almost certainly be more last-minute contributions and spending on the way.

Change Connecticut PAC and Connecticut Values PAC

Primary target: General Assembly*

Super PAC	Amount spent	Ratio of Republican to Democratic PAC expenses	Balance on hand
Change Connecticut PAC	1,041,815		93,685
(Republican)		3 times	
Connecticut Values PAC	358,311	5 times	11,689
(Democratic)			

^{*} CT Values also targeted 12% of their spending against Bob Stefanowski. Totals from SEEC filings through 10/30/18. Our spending and balance on hand calculation take into account unpaid expenses, and so may appear different from figures in SEEC reports. Change Connecticut understates their total unpaid expenses in their reports.

Change Connecticut's major expenses have been categorized as:

- Direct mail, \$373,531
- Digital advertising, \$227,192
- Consultants, \$140,485
- Polls, \$127,065 (\$22,065 of this described as "research dossiers")
- "Research dossiers," \$121,881 (not categorized under polls)

Connecticut super PACs are required by law to disclose the candidates their spending is intended to support or oppose. The Change Connecticut PAC appears to have repeatedly violated state law by failing to identify how half of their expenses have been targeted for or against candidates. This violation is the subject of multiple formal complaints to the State Elections Enforcement Commission.

As we described in our previous report, in their October filings, Change Connecticut PAC has effectively reversed disclosures about targeted candidates that they made in their earlier filings. In earlier filings, there were \$167,412 in direct mail, polling, and communications and strategy consulting expenses they incurred opposing four Democratic state senate candidates -- Matt Lesser, Norm Needleman, James Maroney, and Steve Cassano. At that time, these expenses were incurred, but not yet paid. In their October filings, they reported these expenses as paid, but did not report the candidates targeted as required. Thus they have effectively reversed their earlier reporting and "untargeted" these expenses.

As a result of these errors and omissions, 50% of their \$1,041,815 in expenses was not reported as targeted as of their October 30 filing. Since we cannot assume or guess their intent on the reversals described above, we can only report on the following spending for or against candidates. All of its spending has been on negative campaigning, targeting spending is against these Democratic state senate candidates:

- Steve Cassano, \$149,096
- Norm Needleman, \$115,937
- James Maroney, \$108,451
- Matt Lesser, \$105,228
- Christine Cohen, \$40,402

Another problem documented in our last report remains. The Change Connecticut PAC's summary of its total unpaid expenses is clearly incorrect. Our review of spending data from all of its reports through its October 30 filing reveals that they had \$398,805 in remaining unpaid bills, while the PAC reports it has only \$7,500. Its reports on total incurred expenses were correct until the late September reports, when they suddenly vanished.

The Connecticut Values PAC spent most of its money on direct mail and digital ads:

- Direct mail, \$195,629
- Digital advertising, \$97,925
- Polls, \$48,500
- Consultants, \$16,075

They targeted their spending on a much broader range of Senate and House candidates, with most of its (64%) going to negative campaigning against Republicans. While its primary focus is on the General Assembly, it has also directed 12% of its overall spending against Bob Stefanowski.

Republican candidates opposed by	Democratic candidates supported by	
Connecticut Values	Connecticut Values	
Governor	Senate	
 Bob Stefanowski, \$44,054 	Mary Daugherty Abrams, \$9,056	
	 Jorge Cabrera, \$9,056 	
Senate	Christine Cohen, \$9,056	
• Toni Boucher, \$58,965	• Julie Kushner, \$9,056	
 Adam Greenberg, \$30,035 	• James Maroney, \$9,056	
• George Logan, \$24,137		
Michael McLachlan, \$19,459	House	
 Pam Staneski, \$27,040 	• Jack Henrie, \$8,012	
• Len Suzio, \$19,109	• Liz Linehan, \$8,012	
	• Tiffany Thiele, \$8,012	
House	,	
• Robin Green, \$2,671		
• Diane Pagano, \$2,671		
• Tami Zawisowski, \$2,671		

Donors to National Partisan PACs That Fund Connecticut Super PACs

The following are:

- The largest national donors to the national partisan PACs that are funding Connecticut's partisan super PACs -- the Republican Governors Association, Republican State Leadership Committee, Democratic Governors Association, and Democratic Legislative Campaign Committee.
- The largest Connecticut donors to these national committees.

These data are from <u>campaign finance reports</u> filed with the Internal Revenue Service and include donations from the 2018 election cycle, between January 1, 2017 and September 30, 2018 (a longer period than our initial report).

Republican Governors Association Donors

The largest donors in the U.S. to the RGA are:

- Sheldon and Miriam Adelson, \$4,000,000. Sheldon Adelson is the <u>billionaire</u> CEO and chairman of Las Vegas Sands, a casino company. Sheldon and his wife Miriam have given \$287.5 million to super PACs since 2010, more than any donor in the country, and they and they are the <u>top campaign donors</u> in the 2018 election cycle (as of 10/28).
- Paul E. Singer, <u>billionaire</u> founder and Principal of Elliott Management, a hedge fund, \$2,250,000. Singer is the <u>8th largest donor</u> to super PACs in the country since 2010, giving \$41.9 million.

- Centene Management Company LLC, a health insurance company, \$2,100,000
- Joe and Marlene Ricketts, \$1,750,000. Joe Ricketts is a <u>billionaire</u> on the Forbes 400 list and founder of TD Ameritrade. He is the <u>11th largest donor</u> to super PACs in the U.S., giving \$38.4 million since 2010.
- Mountaire Corporation, a poultry processor and one of the <u>largest private</u> companies in the U.S., \$1,600,000
- Koch Industries, Inc., a petroleum refining company and the <u>second largest</u> private company in the U.S., \$1,525,000. A network of conservative, libertarian donors supported by billionaires Charles and David Koch has pledged to <u>spend</u> \$400 million on the 2018 election.
- Bernard Marcus, <u>billionaire</u> retired founder of Home Depot, \$1,500,000
- NextEra Energy Resources LLC, an electricity supplier, \$1,497,000
- Anthem, Inc., an insurance company, \$1,300,000
- Rex Sinquefield, co-founder of Dimensional Fund Advisors, an investment firm, and founder of the Show-Me Institute, a free-market think tank, \$1,250,000
- WMC Jobs Fund, a Wisconsin PAC, \$1,250,000

The largest Connecticut-based donors to the RGA are:

- Reverge Anselmo, writer and film producer; son of founder of PanAmSat satellite network, \$1,150,000
- The Travelers Indemnity Company, an insurance company, \$550,000
- Thomas McInerney, CEO of <u>Bluff Point Associates</u>, a private equity firm, \$400,000. Thomas and his wife Paula McInerney are ranked among the <u>top</u> <u>political contributors</u> in the country by the Center for Responsive Politics. They have given \$2.3 million in the 2018 cycle (as of October 28), with nearly <u>half of this going</u> to outside spending groups, including super PACs.
- Aetna, Inc., an insurance company, \$250,000
- Dorothy Walker Stapleton, retired, cousin of President George W. Bush and mother of Walker Stapleton, the Republican candidate for Governor in Colorado, \$250,000
- Thomas W Smith, President of Prescott Investors, a hedge fund, \$100,000
- Steven Cohen, <u>billionaire</u> on the Forbes 400 list, Chairman and CEO of Point72 Asset Management, a hedge fund, \$100,000
- Pitney Bowes Inc., a mailing equipment company, \$55,450
- Diageo North America Inc., an alcoholic beverage company, \$50,000
- Ken C. Hicks, retired, former President of Foot Locker, \$50,000
- TRC Companies Inc., an engineering, consulting and construction management firm, \$50,000
- National Shooting Sports Foundation Inc., a trade association for the gun industry, \$50,000
- Purdue Pharma LP, a pharmaceutical company, \$25,900
- Eversource Energy Service Co., an electrical utility company, \$25,000
- Leonard Tannenbaum, Founder and Chairman, Fifth Street Asset Management, \$25,000

- LMT Investments LLC, \$25,000
- Raymond Debbane, CEO of Invus Group, an equity investment firm, and Board Chair of Weight Watchers, \$25,000
- Hartford Advocates Fund Multicandidate Committee, a PAC of The Hartford insurance company, \$10,000
- James Walker, real estate investor at Walker Investments LLC, \$10,000
- Boehringer Ingelheim USA Corporation, a pharmaceutical company, \$7,500

It is notable that some of the largest Connecticut donors to the Republican Governors Association were also among the largest donors to two Republican Connecticut super PACs focused on gubernatorial primary candidates -- Protect Freedom PAC, which supported Bob Stefanowski, and FixCT, which backed Steve Obsitnik. Reverge Anselmo's \$1.15 million contribution to the RGA ranked him as the 11th largest contributor in the U.S.

CT Donor	Donation to RGA	Donation to CT Super PAC
Reverge Anselmo	1,115,000	730,000 (Protect Freedom)
Thomas McInerney	400,000	100,000 (FixCT)
Raymond Debbane	25,000	100,000 (Protect Freedom)

Democratic Governors Association Donors

The largest national donors to the DGA are:

- Jay Pritzker, founder of the Pritzker Group, a private investment firm, and a member of one of the <u>wealthiest families</u> in the U.S., \$2,000,000
- Everytown for Gun Safety Action Fund, \$1,730,000
- America Works USA, a Democratic leadership PAC, \$1,575,000
- AFSCME, a public employee union, \$1,000,000
- Pfizer Inc., a pharmaceutical company, \$980,000
- Anthem, Inc., a health insurance company, \$965,000
- PhRMA, (Pharmaceutical Research and Manufacturers of America), a trade association, \$806,200
- David Maltz, Treasurer of Double M, Inc., \$800,000
- UnitedHealth Group, a managed health company, \$800,000
- Centene Management Company LLC, a health insurance company, \$650,000

The largest Connecticut-based donors to the DGA are

- Aetna, an insurance company, \$500,000
- The Travelers Indemnity Company, an insurance company, \$375,000
- Eversource Energy Service Company, \$205,000
- Purdue Pharma, a pharmaceutical company, \$110,350
- Bristol-Myers Squibb Co., a pharmaceutical company, \$105,700
- Andrew Gleeman, \$50,000

- Cross Sound Ferry Services, a transportation company, \$50,000
- Steven Cohen, <u>billionaire</u> on the Forbes 400 list, Chairman and CEO of Point72 Asset Management, a hedge fund, \$50,000
- Susan Z. Mandel, retired, wife of <u>billionaire</u> hedge fund manager Stephen Mandel, \$50,000
- United Technologies Corporation, an industrial conglomerate that manufactures aircraft engines, HVAC systems, elevators, and other products. \$40,350
- Foxwoods Resort Casino, \$30,000
- Mohegan Sun, \$30,000
- American Congress of Obstetricians and Gynecologists, \$25,350
- NRG Energy Inc., \$25,350
- Emma Gleeman, student, \$25,000
- Frontier Communications, a telecommunications company, \$25,000
- The United Illuminating Co, an electrical utility company, \$25,000
- UIL Holdings Corporation, the parent company of United Illumination, Connecticut Natural Gas, and Southern Connecticut Gas Company, \$25,000
- Thunderbird CHP LLC, property developer, \$20,000
- The Hartford Advocates Fund, a PAC of The Hartford insurance company, \$20,000

Republican State Leadership Committee Donors

The largest national donors to the RSLC are:

- Judicial Confirmation Network, a <u>dark money group</u> that promotes conservative judicial appointments, \$2,250,000
- U.S. Chamber of Commerce and Related Entities, \$2,035,379
- Reynolds American, a tobacco company, \$846,554
- Pharmaceutical Research and Manufacturers of America, a trade association, \$827,819
- Altria Client Services, Inc., a <u>subsidiary</u> of Altria Group, a tobacco company, \$827,297
- BNSF Railway Company, a freight railroad network, \$525,778
- Rent Stabilization Association of New York, a trade association of property owners and agents, \$500,000
- William Holtzman, President of Holtzman Corp., an oil company, \$475,000
- Anthem, Inc., an insurance company, \$460,000
- Astrazeneca Zeneca Services, a pharmaceutical company, \$426,717

The largest Connecticut-based contributors to the RSLC are:

- Brian Olson, Investor at Kokino, LLC, \$250,000
- Boehringer Ingelheim Pharmaceuticals, Inc., a pharmaceutical company, \$78,015
- Purdue Pharma L.P., a pharmaceutical company, \$27,046
- Diageo North America, Inc., an alcoholic beverage company, \$15,399

- Jeffrey Hoffman, Principal at Hoffman Auto Group, a car dealership, \$10,000
- AT&T Services, Inc., a telecommunications company, \$5,000 (donation from national company made from CT address)
- PCC Technology Group, LLC, a software company serving government agencies, \$4,000
- Daniel Miglio, retired, \$2,000
- Everett Hartwell, retired, \$1,250
- Everett Hartwell, Jr., Senior Clerk at Purdue Pharma, \$1,165
- Robert Morris, retired, \$1,000

Democratic Legislative Campaign Committee Donors

The largest donors to the DLCC in the U.S. are:

- Jonathan and Jennifer Allan Soros, \$2,000,000. Jonathan is CEO of JS Capital Management LLC, an investment firm. He is the son of hedge fund manager George Soros. He and his wife formed the Jennifer and Jonathan Allan Soros Foundation.
- AFSCME, a public employee union, \$1,300,000
- Donald Sussman, a hedge fund manager, \$1,100,000. Sussman is the <u>5th largest contributor</u> to super PACs in the country and has given 62.9 million since 2010.
- Emerging American Majorities, \$702,489
- David Maltz, Treasurer of Double M Inc., \$500,000
- International Association of Fire Fighters, a union, \$415,000
- IBEW PAC Voluntary Fund, a PAC of the International Brotherhood of Electrical Workers, \$410,000
- IBT DRIVE Committee, a PAC of the Teamsters union, \$350,000
- National Education Association, a teachers' union, \$350,000
- AFT Solidarity 527, a PAC of the American Federations of Teachers union, \$300,000
- Altria Client Services, LLC, a <u>subsidiary</u> of Altria Group, a tobacco company, \$300,000

The largest Connecticut-based donors to the DLCC are:

- Donald Sussman, a hedge fund manager, \$1,100,000. As noted above, Sussman is the <u>5th largest donor</u> to super PACs in the U.S., giving 62.9 million since 2010.
- Boehringer Ingelheim, a pharmaceutical company, \$75,000
- Diageo North America, Inc., an alcoholic beverage company, \$25,250
- AbbVie, a pharmaceutical company, \$25,000 (donation from national company made from a CT address)
- Roslyn Meyer, a psychologist, \$11,000
- Jay Stevelman, recorded as not employed, \$8,000
- Norman Needleman, President of Tower Labs, Ltd.; First Selectman of Essex; and Democratic candidate for State Senate, \$5,500

- Henry D Lord, a self-employed investor, \$4,650
- Lori Ordover, self-employed at Ordover Group, \$4,000
- Olga L. Mack, \$2,700
- Mission Control, Inc., \$2,500
- Daniel Turk, retired, \$1,750
- Adreana Scussel, recorded as not employed, \$1,150
- Michael Butterworth, retired, \$1,150

Sources

Data on income, donors, and spending by Connecticut super PACs are from PAC filings with the State Elections Enforcement Commission (SEEC) through October 30. Data on federal PAC donors are from <u>campaign finance reports</u> with the Internal Revenue Service and include donations from January 1, 2017 through September 30, 2018. Some additional sources are in hyperlinks above.

About Us

Common Cause in Connecticut is a nonprofit, nonpartisan citizens' lobby working for open, honest, and accountable government for everyone. Our activism helped secure and continues to protect the strongest campaign finance law in the nation, the Citizens' Election Program, while also working to protect voting rights and advance racial and economic justice. We have over one million members and activists nationwide.

The **Connecticut Citizen Action Group** (CCAG) is a statewide membership based organization dedicated to actively engaging the residents of Connecticut in altering the relations of power in order to build a more just society.

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