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Common Cause

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SENATE JOINT FUNDRAISERS RAKE IN \$17.8 MILLION IN SOFT MONEY DURING 1999-2000

Soft Money Fundraising By Joint Fundraising Committees Clearly Breaks Current Campaign Finance Laws

Senate “joint fundraising” committees, sponsored by Senate candidates and the two national Senatorial campaign committees, emerged during the 2000 election campaign as a major tool for raising soft money contributions to help fund their Senate campaigns.

Twenty-one Senate candidates – fourteen Democrats and seven Republicans – created such joint fundraising committees. Of the 34 Senate races in 2000, 18 races – more than half – saw at least one candidate who had a joint fundraising committee, according to a Common Cause analysis released today.

Senate joint fundraising committees raised \$17,844,976 in soft money during the 2000 election cycle. Of this total, \$15.2 million was raised by joint fundraising committees set up by Democratic Senate candidates and the Democratic Senatorial Campaign Committee (DSCC), while \$2.6 million was raised by joint fundraising committees set up by Republican Senate candidates and the National Republican Senatorial Committee (NRSC), according to Common Cause.

“It’s a very dangerous precedent to have Senate candidates raising unlimited soft money contributions in their own names,” Common Cause President Scott Harshbarger said. “But the McCain-Feingold campaign finance reform bill would stop this abuse in its tracks. The phony reform bill offered by Senator Hagel, however, would allow these joint fundraisers to continue raising soft money, and allow state parties to continue spending this soft money in connection with federal elections.”

Of the \$15.2 million in soft money raised by Democratic joint fundraising committees, \$9.7 million – or 64 percent – was raised by New York Senate 2000, a joint fundraiser between Hillary Clinton’s campaign committee and the DSCC. Other notables on the Democratic side include Missouri 2000 (deceased Senate candidate Mel Carnahan’s joint fundraising committee), which raised \$1.6 million in soft money; and Florida 2000 (Senate candidate Bill Nelson’s joint fundraising committee), which raised \$1.1 million, according to Common Cause.

The top three soft money fundraisers among Republican joint fundraising committees were the Ashcroft Victory Committee (Missouri Senate candidate John Ashcroft’s joint fundraising committee), which raised \$1.1 million; the Giuliani Victory Committee (former New York Senate candidate Rudy Giuliani’s joint fundraising committee), which raised \$594,097; and the Santorum Victory Committee (Pennsylvania Senate candidate Rick Santorum’s joint fundraising committee), which raised \$466,048.

SOFT MONEY RAISED BY TOP VICTORY COMMITTEES	
<i>January 1, 1999 through December 31, 2000</i>	
<u>Democratic Victory Committees</u>	<u>Total</u>
New York Senate 2000 (Clinton)	\$9,694,116
Missouri 2000 (Carnahan)	1,594,730
Florida 2000 (Nelson)	1,128,743
Pennsylvania Senate/Fund 2000 (Klink)	942,250
California Victory 2000 (Feinstein)	730,453
<u>Republican Victory Committees</u>	<u>Total</u>
Ashcroft Victory Cmte (MO)	\$1,071,430
Giuliani Victory Cmte (NY)	594,097
Santorum Victory Cmte (PA)	466,048
Washington/Gorton Victory Cmte	304,071
Grams Victory Cmte (MN)	75,000
<i>See Appendix A for a complete list of all joint fundraising committees and their soft money receipts.</i>	

“They call these ‘victory committees,’ with one of those classic Washington euphemisms that makes these things seem less corrupt than they are,” Harshbarger said. “But it’s only a ‘victory’ for those who seek to break the federal campaign finance laws with impunity – that goes for the candidates as well as the donors.”

SNIFFING OUT THE MONEY TRAIL

Follow the money trail. That is all that needs to be done to see how the soft money being raised by these joint fundraising committees was used to help elect these candidates to the Senate during the 2000 campaign. Senate candidates taking part in these joint fundraising campaigns held fundraisers in 1999 and 2000 where they accepted contributions in amounts far in excess of the federal legal limits, and from sources, such as corporations and labor unions, which are prohibited by law from giving in connection with federal campaigns. While the joint fundraising committees used a portion of their soft money receipts to cover the non-federal portion of the committees’ operating expenses, the majority of the soft money raised by these committees was channeled to the state parties, usually through the DSCC and

NRSC. The state parties then spent this soft money on “sham issue ads” and other communications promoting the Senate candidates’ campaigns and/or attacking their opponents.

NEW YORK SENATE 2000

Hillary Clinton’s joint fundraising committee, New York Senate 2000, by far raised more soft money during the 1999-2000 election cycle than any other joint fundraising committee. During her battle with Republican candidates Rudy Giuliani and Rick Lazio, New York Senate 2000, the DSCC, and the New York Democratic party spent much of this soft money on communications supporting her campaign.

New York Senate 2000 raised \$9,694,116 in soft money through the end of 2000. Of this total, \$9,055,461 was transferred from New York Senate 2000 to the DSCC, and \$9,092,638 was transferred from the DSCC to the New York State Democratic Committee (NYSDC). The NYSDC then spent \$5,681,229 in soft money on ‘generic’ expenditures categorized as ‘media,’ ‘print ad,’ ‘canvassing,’ ‘mailing,’ and ‘phone program.’ According to the NYSDC, ‘generic’ expenditures are those related to “issue-based” communications, not direct electioneering. How much of this total was spent on the New York Senate race is undetermined. Below are the transfers between New York Senate 2000, the DSCC, and the NYSDC, and the aforementioned expenditures by the NYSDC, by filing period:

<u>Period</u>	<u>Transfer From New York Senate 2000 To The DSCC</u>	<u>Transfer From The DSCC To NYSDC</u>	<u>NYSDC Communications Expenditures (Soft Money Portion)</u>
October 1999	\$200,000	\$0	\$0
November 1999	0	202,605	188,100
December 1999	350,000	42,750	18,755
January 2000	0	0	0
February 2000	0	40,000	0
March 2000	0	100,000	0
April 2000	453,500	57,000	34,200
May 2000	481,000	0	9,097
June 2000	600,000	650,000	453,114
July 2000	430,000	825,000	501,463
August 2000	950,000	1,079,000	1,257,036
September 2000	1,995,000	2,054,000	1,454,281
Pre-General	1,026,000	1,427,500	155,129
Post-General	2,420,961	2,474,783	1,587,328
Year End	149,000	140,000	22,727
Total	\$9,055,461	\$9,092,638	\$5,681,230

The New York State Democratic Committee ran an undisclosed number of sham issue ads supporting Hillary Clinton's campaign. The text one of these ads, which hit the television airwaves in June 2000, follows:

SANDRA MORALES, R.N.: If a patient is denied medical care or surgery or even prescriptions because a company has decided that this is not something that they cover, the patient suffers.

ANNOUNCER [v/o]: HMO bureaucrats are making life-and-death decisions. Yet in Congress, Rick Lazio voted against the real patients' bill of rights, favored by health professionals so they can do their jobs.

(On screen: Rick Lazio voted against real Patient Bill of Rights. Source: Roll call No. 490, H.R. 2723, Oct. 7, 1999)

Call Lazio. Tell him he works for us, not the insurance companies.

(On screen: Call Lazio 1-202-225-3335)

MORALES: We need this law because it will save lives – it will save lives.

(On screen: Paid for by the New York State Democratic Committee)

The following is a list of the twenty-three donors who each contributed \$75,000 or more in soft money to New York Senate 2000 during the 1999-2000 election cycle:

<u>Donor</u>	<u>Soft Money</u>
Stan Lee Media Inc	\$468,564
Abraham, S Daniel, <i>Chair, Slim Fast Foods Co</i>	324,000
Amer Federation of State County & Municipal Employees	275,000
Service Employees Intl Union (SEIU)*	255,000
Dreyfus, Jack J Jr, <i>Founder, Dreyfus Mutual</i>	230,000
Davis, Marvin, <i>President & CEO, Davis Cos</i>	223,148
Weinstein, Harvey & Eve Chilton, <i>Co-Chair, Miramax Films</i>	180,095
Rich, Denise, <i>Spouse of Marc Rich</i>	162,000
Kaye, Walter & Selma, <i>President, Kaye Insurance Associates LP</i>	120,000
Wagenfeld, Sandra G, <i>Aviation Products Management</i>	108,700
Gupta, Vinod, <i>Chair & CEO, infoUSA Inc</i>	100,000
Perry Corp*	91,100
Rienzi, Mike, <i>President, Rienzi & Sons</i>	87,000
Sackler, Elizabeth, <i>President, Arthur M Sackler Foundation</i>	85,000
Integrated Archive Systems Inc*	84,000
Goldstein, Francine Ellen, <i>Aviation Products Management</i>	80,000
UA Political Action Fund	80,000
IBEW Educational Committee	75,400
Assn of Trial Lawyers of America PAC	\$75,000

<u>Donor</u>	<u>Soft Money</u>
Black, Leon D, <i>President, Apollo Investments</i>	75,000
Espuelas, Ann, <i>Spouse of Fernando Espuelas, Chair & CEO, StarMedia Network Inc</i>	75,000
Kushner Cos*	75,000
Laborers' Intl Union of North America*	75,000

* Includes contributions from executives and/or affiliates

See Appendix B for a list of top soft money donors to all Democratic joint fundraising committees, and Appendix C for a list of top soft money donors to each of the Democratic joint fundraising committees.

ASHCROFT VICTORY COMMITTEE

The Ashcroft Victory Committee raised \$1,071,430 in soft money during the 1999-2000 election cycle. During his battle with Democratic Senate candidate Mel Carnahan, the Ashcroft Victory Committee, the NRSC, and the Missouri Republican State Committee also ran ads to benefit Ashcroft's campaign. Of the \$1.1 million raised in soft money by the Ashcroft Victory Committee, it transferred \$614,000 to NRSC (the rest covered non-federal portions of the Ashcroft Victory Committee operating expenditures). The NRSC in turn transferred a total of \$2,789,600 to the Missouri Republican State Committee. The Missouri Republican State Committee, between July 18, 2000 and November 3, 2000, made \$5,167,816 in expenditures in what is coded under "issue ad media buys." How much of this total was spent on issue ad media buys for the Missouri Senate race is undetermined.

One of these "issue ad media buys," which ran in July 2000 and was paid for by the Missouri Republican State Committee to support then-Senator Ashcroft's campaign, follows:

ANNOUNCER [v/o]: Mel Carnahan is using a Washington lobbying group to attack John Ashcroft. A group charged by the Social Security Administration with deceptive mailings to seniors ...

(On screen: Social Security Administration: "deceptive mailings to seniors" – St. Louis Post-Dispatch, Nov. 23, 1989)

... and known for using scare tactics to shake down the elderly.

(On screen: "... scare tactics ..." – Washington Monthly, March 1988; "... shake down the elderly." -- Washington Monthly, March 1988)

Remember, Mel Carnahan tried a state government takeover of your health care – bureaucrats dictating what treatments or drugs you get and controlling your choice of doctors. The Missouri State Medical Association said it governmentalizes all health care in the state.

(On screen: Doctors Opposed Carnahan Plan; "It governmentalizes all health care in the state." -- Missouri State Medical Association, Columbia Missourian, Feb. 23, 1994)

Call Mel Carnahan. Tell him you want more choice in health care, not less.

(On screen: Don't let Mel Carnahan take away our health care choice. Call 573-751-4141; Paid for by the Missouri Republican State Committee)

The following is a list of the thirteen donors who each contributed \$25,000 or more in soft money to the Ashcroft Victory Committee during the 1999-2000 election cycle:

<u>Donor</u>	<u>Soft Money</u>
Leggett & Platt Inc*	\$65,000
Anheuser-Busch Co Inc	50,000
Enron Corp*	50,000
Schering Corp	50,000
Emerson Electric Co	35,000
Midwest Building	30,000
Trulaske, Robert J, <i>Owner, True Manufacturing Co</i>	30,000
AT&T	25,000
CNS Corp	25,000
Leininger, James R, <i>Founder & Chair, Kinetic Concepts Inc</i>	25,000
NRA Institute for Legislative Action	25,000
Tubular Steel	25,000
Waitt, Ted W, <i>CEO, Gateway Inc</i>	25,000

** Includes contributions from executives and/or affiliates*

See Appendix D for a list of top soft money donors to all Republican joint fundraising committees, and Appendix E for a list of top soft money donors to each of the Democratic joint fundraising committees.

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