



Take Back Rhode Island

A Plan to Break the Corrupt Ties between Big Money and Democracy in the Ocean State

Government should work for the people and only the people. But when politicians put their corporate and Wall Street donors before the people, Rhode Islanders get left behind.

Gina Raimondo has taken full advantage of the Supreme Court's 2010 Citizens United decision that allows unlimited corporate donations and dark money in elections. She's earned campaign contributions from the same companies that she offered or awarded corporate handouts to, supported a fracked gas plant despite public outcry, and has been bank-rolled by an opioid manufacturer and people behind anti-LGBTQ Islamophobic propoganda.

We can't allow someone like this to steal our democracy. We must end corruption in our government so that Rhode Islanders come before corporate donors and Wall Street. Here's our plan to take back Rhode Island.

1. End Pay-To-Play

Under Governor Raimondo, there's an unwritten rule: if you want a government subsidy or tax incentive, you have to donate to her.

Approved more than **\$150 million in corporate handouts**¹ to companies that gave her **more than \$400,000**² in contributions

It's a "scratch my back and I'll scratch yours" deal that favors big corporations, leaving behind the more than 90% of businesses in Rhode Island that employ fewer than 20 workers each.³

¹ [Providence Journal](#), 11/27/17

Commerce Corporation website ([Rebuild Rhode Island Tax Credits](#), [Tax Increment Financing Recipients](#))

² Contribution data publicly available on the [Campaign Finance Electronic Reporting & Tracking System \(ERTS\)](#). See Appendix for more detail.

³ RI Department of Labor and Training. "[Private Covered Employers Size Class by Industry](#)," March 2017.



While Raimondo was Board Chair of the Rhode Island Commerce Corporation, which decides what projects in Rhode Island will get tax giveaways from the state, Raimondo oversaw:

- More than \$27 million for seven Tax Increment Financing projects,⁴ all of which are led by donors to Raimondo's campaign. In total, executives associated with the projects contributed more than \$130,000 in donations, often just days before or after winning the tax break.⁵
- Roughly \$130 million⁶ in offered Qualified Jobs Incentive Tax Credits and Rebuild Rhode Island Tax Credits, receiving more than \$300,000⁷ in donations from executives associated with the same companies.

To end pay-to-play practices that let politicians pick who wins and loses based on campaign contributions, we must:

Ban campaign contributions from senior executives, board members or lobbyists representing companies that:

- Receive state contracts
- Receive corporate tax incentives through state boards or agencies
- Have regulatory matters pending before the state.

Violators will be disqualified from receiving state contracts or tax incentives for two years.

2. Ban lobbyist contributions

When lobbyist money is exchanged for policy, the powerful and well-connected win and Rhode Islanders lose. Governor Raimondo has taken more than \$300,000 from employees

⁴ See attached research document for more detail.

⁵ Contributors associated with two projects (D'Ambra Hotel and Hotel Belvedere) gave to the Raimondo campaign within one to three days immediately following the RI Commerce Board decision to provide the incentive to their projects.

⁶ Qualified Jobs: [Providence Journal](#), 11/ 27/17, Rebuild Rhode Island Tax Credits: [RI Commerce Corporation](#).

⁷ See appendix.



of lobbying firms registered in Rhode Island, and more than \$400,000 from employees of the companies that most often hire those lobbyists.⁸

To end influence buying that leaves Rhode Islanders behind, we will:

Ban campaign contributions from individuals registered to lobby in Rhode Island during the past two years.

Violators may be subject to civil and criminal penalties in line with state law, including fines.

3. Enforce existing laws

To root out corruption in our government, we must enforce the existing laws.

One of those laws applies to so-called “independent expenditures,” when an outside group spends money on advertisements to support a candidate. If the candidate asked the outside group to make an expenditure, or if at any time during the election cycle the donor and candidate discussed “plans, projects, or needs relating to the candidate’s pursuit of election to general office,” the expenditure is illegal.⁹

Dark money donors have supported Governor Raimondo with millions of dollars over her career, with no assurance that those expenditures took place without illegal coordination. In August, Stacy Schusterman, CEO of offshore drilling giant Samson Energy Company and charter school backer, used a Super PAC to [funnel \\$250,000 into ads](#) supporting Governor Raimondo’s reelection campaign,¹⁰ despite Raimondo backing an agreement to limit outside contributions to her 2014 race for Governor.¹¹

Schusterman is a longtime, high-level donor to Raimondo, her PAC and the state party -- [donating \\$49,000 since 2013](#) -- as well as \$50,000 to a [dark money Super PAC](#)¹² that

⁸ Contribution data publicly available on the [Campaign Finance Electronic Reporting & Tracking System \(ERTS\)](#), [RI SoS Lobby Tracker](#), and attached research document.

⁹ [Rhode Island Department of State](#), Title 17: Elections, Chapter 17-25.

¹⁰ Anderson, Patrick. *The Providence Journal*. [Save the Children Arm Backs Raimondo in Upcoming Primary with Ads](#), August 2018.

¹¹ Donnis, Ian. *Rhode Island Public Radio*. [Raimondo Backs Agreement to Eliminate Outside Spending in Race for Governor](#), January 2014.

¹² [Little Sis](#), American LeadHERship PAC



supports Raimondo. Schusterman's foundation also [donates hundreds of thousands](#) to the charter school organization where Raimondo's husband Andy Moffit was a board member.

Given that elite donors like Schusterman are likely to regularly socialize and communicate with the politicians they support like Governor Raimondo, one discussion about the campaign between them since January, 2015 would be in violation of current coordination law.

To enforce the existing law and prevent coordination between outside groups and candidates, we must:

Require that candidates supported by an independent expenditure sign an affidavit within three days of learning of the expenditure pledging their was no coordination.

Any candidate's campaign found to have violated that oath would face fines of up to three times the amount of the expenditure.

4. Strengthen the Board of Elections

For our government and our elections to work as they are supposed to, the state's Board of Elections must be an efficient and thorough enforcer of our existing campaign finance laws. That is not always the case now. The state's existing Vendor Affidavit law requires that any contractor with a state contract in the 24 months prior to or after a donation of more than \$250 dollars fill out the affidavit.

But the law is rarely enforced, so donors whose companies have state contracts rarely file the affidavits with the board. This year, the BOE received only 15 vendor affidavit filings¹³ from donors whose companies also had state contracts -- far below the norm.

These lapses are in part due to a lack of resources at the board. At the moment, one auditor and two other employees oversee all campaign finance reporting at the board. That's not enough. We must:

Ensure that the Board of Elections has the resources and staff it needs to enforce laws on the books.

¹³ <http://www.ricampaignfinance.com/RIPublic/FilingResults.aspx?OtherType=VENDOR>



5. Shine a light on corruption

Rhode Island received a [D grade](#)¹⁴ from the Rhode Island Public Interest Research Group Education Fund and Frontier Group in 2018 based on how well “ordinary Americans” could use government spending data websites.

To make sure the public knows when any and all employees of companies doing work with the state give cash to politicians and candidates, we must:

Link state databases that track contracts and Commerce Corporation tax breaks to the state's campaign finance database

Redesign the Board of Elections website so that Rhode Islanders can more easily search for campaign contributions by name, employer, city and address.

Rhode Islanders should be able to easily see links between companies that have interests before the state and campaign contributions.

¹⁴ [Providence Journal](#), April 25, 2018