



**All Children Matter:
Influencing Missouri Public Policy**

The Missouri Citizen Education Fund

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St. Louis Office
5585 Pershing, Suite 150
St. Louis, MO 63112
Phone: 314-531-2288
Fax: 314-533-1805
Email:
moprovote@mindspring.com

Mid Missouri Office
611 N. Garth Ave.
Columbia, MO 65203
Phone: 573-256-7701
Fax: 573-256-7702
Email:
midmprovote@centurytel.net

Kansas City Office
4526 Paseo Ave
Kansas City, MO 64110
Phone: 816-753-3044
Fax: 816-753-6244
Email:
kcprovote@sbcglobal.net

Purpose of Study

A new Political Action Committee (PAC), All Children Matter (ACM), appeared in Missouri in 2004. ACM is committed to funding candidates and pushing legislation that would work to implement school vouchers. This report examines the impact of ACM contributions in the Missouri Legislature. This report is a guide for Missourians who care about quality public education.

ACM played a prominent role in the 2004-election cycle, spending over \$385,339.77 in contested state races. The money proved significant as 94.5% of the candidates they supported were elected and the majority of these candidates supported ACM sponsored legislation when given the opportunity at a higher rate than the rest of the Assembly.

What is All Children Matter?

All Children Matter has its origins with the Michigan DeVos family (founders of AmWay, now Alticor) who started ACM after an unsuccessful attempt to pass a ballot initiative there in 2000 to provide private school vouchers. ACM advocates vouchers and tuition tax credit vouchers to promote school choice and education reform. Based in Virginia, as of 2004, ACM PACs existed in seven states, including Missouri.

Who funds ACM?

Missouri residents gave less than 1% of the total contributions the ACM Missouri State PAC received in 2004 (See Appendix 1.1). The ACM Missouri State PAC received a total of \$425,700 in contributions from across the country during the 2004 election cycle (See Appendix 1.2). All Children Matter's Missouri State PAC donors represent some of the nation's most pro-voucher elite. Richard DeVos, Jr, former chairman and director of AmWay, son of the AmWay founder, contributed \$125,000 to ACM's MO State PAC in 2004. Jim and John Walton, both heirs of Wal-Mart founder Sam Walton and ranked numbers six and seven in the Forbes' 400 Richest Americans list¹, contributed \$75,000 each. Robert Hertog, past chairman of the Manhattan Institute, a conservative think tank that produces pro-voucher research, gave \$25,000.

Who did ACM support in the 2004 election cycle?

Missouri's current Governor, Matt Blunt (R), was ACM's biggest beneficiary, capitalizing on a \$196,252.33 ACM expenditure against his opponent during the 2004 election cycle. In total, ACM MO State PAC spent money on two statewide races, six state senate races and twenty-nine state representative races (See Appendix 2, Tables 2.1, 2.2, 2.3). Of the 37 candidates they worked to elect, either through direct expenditures in support, or expenditures against their opponents, 73.5% were Republicans. Of the candidates they spent money against, 100% were Democrats.

¹ www.forbes.com/400richest

What legislation did ACM support in the 2005 legislative session?

House Bill 639 would have established the Betty L. Thompson Scholarship Program. It would have allowed for an 80% tax credit to be taken on any contributions, either individual or corporate, made to scholarship funds used to send students to private or religious schools with a cap at \$40 million. In other words, up to \$40 million in General Revenue would have been spent on tuition tax credit vouchers and would not be available for funding our public schools. These scholarships would have been distributed to income eligible students residing in provisional or unaccredited school districts on a merit basis².

Did ACM contributions affect how House Bill 639 was treated?

House Bill 639 enjoyed disproportionate initial sponsorship among the representatives that had received support from ACM MO State PAC in 2004. 92.3% of ACM contribution recipients initially sponsored HB 639, while only 39.5% of non-recipients sponsored the bill (See Appendix 3.1).

House Bill 639 was assigned to the Special Committee on Urban Issues, a committee chaired by Rep Ted Hoskins and vice-chaired by Rep Rodney Hubbard. Both Rep Hoskins and Rep Hubbard received over \$7,000 from ACM MO State PAC during their primary elections in 2004. House Committee Substitute for House Bill 639 (HCS HB 639) was passed out of the Special Committee on Urban Issues by a vote of 8 to 4 and was debated in the House of Representatives on April 11, 2005.

During debate, amendments were added to HCS HB 639. Of particular interest are the votes by ACM recipients on House Amendment 2 and House Amendment 4³ (See Appendix 3.1).

- House Amendment 2, introduced by Rep Robert Johnson (R-47), would have required schools receiving scholarships to administer the statewide assessment test that public schools use to measure achievement.
 - o HA 2 passed by a vote of 86 to 67, with 9 members absent with leave.
 - o 77.8% of ACM contribution recipients voted against HA 2, while only 28.4% of the general body voted against HA2.

- House Amendment 4, introduced by Rep Corcoran (D-77), required that HB 639 could not go into effect unless the state school aid formula was determined to have been fully funded the previous year.
 - o HA 4 passed by a vote of 80 to 73 with 2 members voting present and 7 members absent with leave.
 - o 77.8% of ACM contribution recipients voted against HA 4, while only 32.1% of the general body voted against HA 4.

² Missouri House of Representatives, <http://www.house.state.mo.us/bills051/biltxt/commit/HB0639C.HTM>

³ Missouri House of Representatives, Journal of the House, Monday, April 11, 2005

Is this a partisan issue?

During the 2004 election cycle, ACM gave money to both Democrats and Republicans (See Appendix 3.2a and 3.2b) and the votes on HCS HB 639 amendments were not purely along party lines. Both Republicans and Democrats voted against their party's majorities.

On House Amendment 2:

- 89.5% of Republicans who received ACM money voted against HA 2 (the ACM position), while only 57.3% of non-ACM money recipients voted against HA 2.
- 50% of Democrats who received ACM money voted against HA 2 (the ACM position), while only 5.9% of Democrats who did not receive ACM money voted against HA 2.

On House Amendment 4:

- 89.5% of Republicans who received ACM money voted against HA 4 (the ACM position), while only 67.6% of non-ACM money recipients voted against HA 4.
- 50% of Democrats who received ACM money voted against HA 4 (the ACM position), while only 3.8% of Democrats who did not receive ACM money voted against HA 4.

Have All Children Matter contributions influenced the position taken by Governor Blunt?

ACM Missouri State PACs spent over \$190,000 on radio ads attacking Blunt's opponent in the last weeks leading up to the election. Since his elections, the governor has shown his support of ACM and tuition tax credit vouchers. He appointed the treasurer of ACM Missouri State PAC, attorney Edward Martin, to the St. Louis Board of Election Commissioners. Only after becoming chairman, did Martin step down as treasurer for All Children Matter. Blunt was also the keynote dinner speaker for an invitation only conference for 150 ACM leaders and activists in Colorado.

As reported by the Associated Press, in August, "Blunt met with St. Louis community and education leaders to promote legislation that would give state tax credits to people or businesses who donate to nonprofit groups, which in turn use that money to provide scholarships for students to attend private or better-performing public schools. Although Blunt didn't highlight it at a news conference, the legislation is backed by All Children Matter⁴."

Is this good for public education?

A long list of organizations opposed House Bill 639 and tuition tax credit voucher legislation, including the Missouri School Board Association, the Missouri State Teachers Association, the Missouri Congress of Parents and Teachers, the Missouri Federation of Teachers, Missouri National Education Association, Missouri Association of Secondary School Principals, Missouri Association of School Administrators and the Missouri Association of Elementary School Principals.

⁴ "Blunt looked to as leader in school choice movement," David Lieb. [Belleville News Democrat](#), August 7, 2005.

A few of the key reasons they oppose HB 639:

- The Missouri Constitution prohibits using public money to support or maintain religious organizations or private schools
- Private schools accepting the scholarship money are still allowed to have a selection process of whom they choose to educate.
- There is no evidence that Tuition Scholarship Tax subsidies improve student achievement.
- Tax subsidies reduce the state's tax revenues and decrease the amount of money available for public schools.

(See Attachment 1 for the full memo)

Is it legal for out of state donors to use political contributions to influence Missouri public policy?

Yes, Missouri Campaign Finance Laws allow out of state individuals, corporations and organizations to spend an unlimited amount of money in Missouri to try and elect or defeat a candidate or ballot initiative. Missourians who don't want to see our public schools dismantled should ask candidates in their districts to return money contributed by All Children Matter and should actively try to stop direct expenditures ACM may attempt in the candidate's favor.

Appendix 1 – 2004 All Children Matter Contributors⁵

Table 1.1 – Percent of Contributions by State of Residence

Contributors Residents	Amount Given (%)
Missouri	00.75%
Out of State	99.25%

Table 1.2 – Amount, Employer and State by Last Name of Contributor

Contributor	Amount	Employer (State)
Richard DeVos, Jr	\$125,000	Windquest Group (MI)
Timothy Draper	\$2,500	Draper, Fisher, Juvetson (CA)
John Fisher	\$25,000	Pisces, Inc. (CA)
Richard Gilder	\$50,000	Gilder, Gagnon & Howe (NY)
Barnett Helzberg, Jr	\$1,000	Self (MO)
Shirley Bush Helzberg	\$1,000	Homemaker (MO)
Robert Hertog	\$25,000	Alliance Capital (NY)
William Hume	\$25,000	Basic American (CA)
Charles Irby	\$10,000	Irby Construction (MS)
Herman Kriegshauser	\$200	Retired (MO)
John B Prentis, III	\$1,000	Retired (MO)
Joseph Reich	\$10,000	Self (NY)
Jim Walton	\$75,000	Arvest Bank Group (AR)
John Walton	\$75,000	Self (AR)
Total Contributions:	\$425,700	

⁵ www.moethics.state.mo.us - All Children Matter, 2004 Campaign Finance Reports

Appendix 2 – All Children Matter Recipients⁶

Table 2.1 - Statewide

Office Sought	Candidate (Party)	Expenditures by ACM	Reason for Expenditure
Lieutenant Governor (Total of \$29,742.60)	Bekki Cook (D)	\$14,871.30	Oppose
	Peter Kinder (R)	\$14,871.30	Support
Governor	Claire McCaskill (D) Opponent - Matt Blunt (R)	\$196,252.33	Oppose

Contributions by type	Amount
Campaign	\$0.00
Direct Expenditure	\$225,994.9
Total Contribution	\$225,994.93

Table 2.2 - Senate

Office Sought	Candidate (Party)	Expenditures by ACM	Reason for Expenditure
District 3	Kevin Engler (R)	\$300.00	Support
District 15	Mike Gibbons (R)	\$12,372.06	Support
District 17	Luann Ridgeway (R)	\$300.00	Support
District 21 (Total of \$25,193.82)	Paige Bellamy (D)	\$12,596.91	Oppose
	Bill Stouffer (R)	\$12,596.91	Support
District 25	Rob Mayer (R)	\$300.00	Support
		\$10,298.12	

ACM Contributions by type	Amount
Campaign	\$900.00
Direct Expenditure	\$47,864.00
Total Contribution	\$48,764.00

⁶ www.moethics.state.mo.us - All Children Matter, 2004 Campaign Finance Reports

Table 2.3 – House of Representatives

Office Sought	Candidate	Expenditures by ACM	Reason for Expenditure
District 11	Wayne Henke (D)	\$5320.41	Support
		\$300.00	
District 13	Scott Rupp (R)	\$300.00	Support
District 16	Carl Bearden (R)	\$300.00	Support
District 17	Vicki Schneider (R)	\$300.00	Support
District 19	Cynthia Davis (R)	\$300.00	Support
District 22	Nancy Copenhaver (D) Opponent - Therese Sander (R)	\$15,518.62	Oppose
District 28	Robert Schaaf (R)	\$300.00	Support
District 24 (Total of \$18,534.75)	Travis Ballenger (D)	\$9,267.37	Oppose
	Ed Robb (R)	\$9,267.38	Support
District 32	Susan Phillips (R)	\$300.00	Support
District 46	Kate Meiners (D)	\$300.00	Support
District 58	Rodney Hubbard (D)	\$7,195.33	Support
District 59	Becky Burrell (D) Opponent Jeanette Mott Oxford (D)	\$16,345.33	Support
District 65	Fred Kratky (D)	\$300.00	Support
		\$5320.41	
District 69	Gina Walsh (D)	\$300.00	Support
District 76	Michael Spreng (D)	\$300.00	Support
District 80	Ted Hoskins (D)	\$7,195.33	Support
District 85	Jim Lembke (R)	\$300.00	Support
District 87	T. Scott Muschany (R)	\$300.00	Support
District 98	Brian Nieves (R)	\$300.00	Support
District 108	Tom Villa (D)	\$300.00	Support
District 109	Kevin Threlkeld (R)	\$300.00	Support
District 114	Bill Deeken (R)	\$300.00	Support
District 124	Rex Rector (R)	\$300.00	Support
District 126	Ed Emery (R)	\$300.00	Support
District 139	Brad Roark (R)	\$300.00	Support
District 138	Sara Lampe (D)	\$25,385.00	Oppose
District 148	David Day (R)	\$3,165.66	Support
District 156	Rod Jetton (R)	\$300.00	Support
District 157	Scott Lipke (R)	\$300.00	Support

ACM Contribution by type	Amount
Campaign	\$6,600.00
Direct Expenditure	\$103,980.84
Total Contribution	\$110,580.84

Appendix 3 –Voting Record on All Children Matter Supported Legislation⁷

Table 3.1 - ACM Supported Candidates Votes on House Amendment 2 and House Amendment 4 to House Committee Substitute for House Bill 639 on April 11, 2005

District	Candidate	Vote on HA 2 (ACM Position – NO)	Vote on HA 4 (ACM Position – NO)
District 11	Wayne Henke (D)	Yes	Yes
District 13	Scott Rupp (R)*#	No	No
District 16	Carl Bearden (R)*	No	No
District 17	Vicki Schneider (R)*	Yes	Yes
District 19	Cynthia Davis (R)*	No	No
District 22	Therese Sander (R)*	No	No
District 24	Ed Robb (R)*	No	No
District 28	Robert Schaaf (R)*	No	No
District 32	Susan Phillips (R)*	No	No
District 46	Kate Meiners (D)*	No	No
District 58	Rodney Hubbard (D)*#	No	No
District 65	Fred Kratky (D)*	Yes	Yes
District 69	Gina Walsh (D)	Yes	Yes
District 76	Michael Spreng (D)*	Yes	Yes
District 80	Ted Hoskins (D)*#	No	No
District 85	Jim Lembke (R)*	No	No
District 87	T. Scott Muschany (R)*#	No	No
District 98	Brian Nieves (R)*	No	No
District 108	Tom Villa (D)*	No	No
District 109	Kevin Threlkeld (R)*	No	No
District 114	Bill Deeken (R)*#	Yes	Yes
District 124	Rex Rector (R)*	No	No
District 126	Ed Emery (R)*	No	No
District 139	Brad Roark (R)*	No	No
District 148	David Day (R)*	No	No
District 156	Rod Jetton (R)*	No	No
District 157	Scott Lipke (R)*	No	No

* Indicates initial sponsorship of House Bill 639 (25/27)

Indicates membership to the Special Committee on Urban Education

Ted Hoskins, Chair; Rodney Hubbard, Vice-Chair

⁷ www.house.mo.gov Missouri House of Representatives, Journal of the House, April 11, 2005

Table 3.2a – Voting on House Amendment 2 (Accountability Amendment) by Political Party

Republican	Yes	No (ACM Position)
ACM Recipient	2 (10.5%)	17 (89.5%)
Non-ACM Recipient	32 (42.7%)	43 (57.3%)
Total	34 (36.2%)	60 (63.8%)

Democrat	Yes	No (ACM Position)
ACM Recipient	4 (50%)	4 (50%)
Non-ACM Recipient	48 (94.1%)	3 (5.9%)
Total	52 (88.1%)	7 (11.9%)

Table 3.2b – Voting on House Amendment 4 (Responsibility to Fund Public Schools First Amendment) by Political Party

Republican	Yes	No (ACM Position)
ACM Recipient	2 (10.5%)	17 (89.5%)
Non-ACM Recipient	24 (32.4%)	50 (67.6%)
Total	26 (28%)	67 (72%)

Democrat	Yes	No (ACM Position)
ACM Recipient	4 (50%)	4 (50%)
Non-ACM Recipient	50 (96.2%)	2 (3.8%)
Total	54 (90%)	6 (10%)