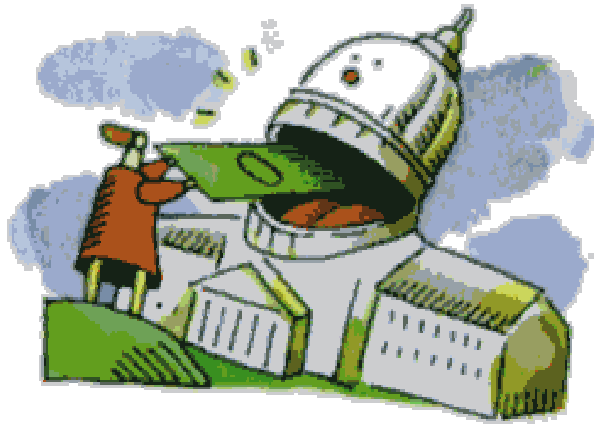


# **Rex Sinquefield:**

## **The Money Behind the Vote**



**April 2008**

### **Missouri Citizen Education Fund**

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## **Purpose of the Report**

This report examines the political contributions of millionaire Rex Sinquefield. As of December 31, 2007, Sinquefield has contributed \$934,050<sup>1\*</sup> for the 2008 election cycle toward candidates and political organizations in Missouri<sup>2</sup>. This report examines Sinquefield's contributions to members of Missouri's General Assembly and its relationship to private school voucher legislation.

## **Who is Rex Sinquefield?**

Rex Sinquefield is a millionaire resident of St. Louis and a retired investment banker. He is an outspoken supporter of private school vouchers and currently serves as the President of the Board of Directors of the Show-Me Institute, a conservative free market think tank that is based in St. Louis, Missouri<sup>3</sup>.

Sinquefield is most closely connected with advocating for private school vouchers. Sinquefield spent \$800,000 in legal fees for a lawsuit about the public school funding formula as a means to oppose any future tax increases<sup>4</sup>. He has also been a vocal opponent of the state income and earnings tax in St. Louis and Kansas City. Sinquefield also opposed Proposition B<sup>5</sup>, which increased Missouri's minimum wage to \$6.50 an hour. Proposition B was approved by voters in November 2006 with 76% of the vote<sup>6</sup>.

## **2007 Political Contributions**

Throughout 2007 Sinquefield spent \$934,050<sup>7\*</sup> in contributions to Missouri legislators and conservative organizations in order to further his own right-wing agenda.

This figure includes:

- Individual Contributions Directly to Candidates: \$173,200\*
- Candidate Contributions through Rex's PACs in 2007: \$550,850
- House Republican Campaign Committee: \$110,000
- All Children Matter: \$100,000

Rex Sinquefield created 100 new political action committees (PACs) in September 2007. The formation of these PACs allows him to legally contribute 100 times the legal limit to the candidates of his choice. Sinquefield has contributed a total of \$632,025 and is the only donor to these PACs in 2007<sup>8</sup>. Sinquefield acknowledges that he is attempting to skirt Missouri's campaign contribution limits by setting up 100 political action committees so each can donate the maximum to any favored candidate<sup>9</sup>.

All Children Matter is an organization that advocates for private school vouchers. The organization spent more than \$385,339.77 in the 2004 election cycle. In 2006, All

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<sup>1</sup> Missouri Ethics Commission – <http://www.mec.mo.gov/>

<sup>2</sup> Missouri Ethics Commission – <http://www.mec.mo.gov/>

<sup>3</sup> Show Me Institute – “Board of Directors” - [http://showmeinstitute.org/scholar/board\\_of\\_directors.asp](http://showmeinstitute.org/scholar/board_of_directors.asp)

<sup>4</sup> “Taxpayers Pay the Tab in School-Funding Suit,” [St. Louis Post-Dispatch](#), October 10, 2007

<sup>5</sup> “Banker Backing Beliefs,” [Columbia Daily Tribune](#), April 16, 2007

<sup>6</sup> Missouri Secretary of State - <http://www.sos.mo.gov/elections/>

<sup>7</sup> Missouri Ethics Commission – <http://www.mec.mo.gov/>

<sup>8</sup> Missouri Ethics Commission – <http://www.mec.mo.gov/>

<sup>9</sup> “Democrats in vicious battle for Attorney General,” [St. Louis Post-Dispatch](#), October 18, 2007

\* Numbers updated 5/29/2008 to reflect refunds for contributions received that were over the legal limit.

Children Matter spent \$310,414.91 on Missouri State legislative races. The overwhelming majority of the ACM Missouri PAC came from out-of-state donors. Less than 33% of ACM's funding was raised from Missouri donors, 95% of that (\$100,000) came from **one donor**: Rex Sinquefield.<sup>10</sup>

### Current Private School Voucher Legislation

There are currently two notable voucher bills proposed in the Missouri State Senate for the 2008 legislative session. Senators Jason Crowell and Scott Rupp sponsored SB 993 and SB 770, respectively. They are both pro-private school voucher bills that wish to take money away from public schools to support private education<sup>11</sup>. The two bills were assigned to the Pensions, Veterans' Affairs and General Laws Committee. Crowell and Rupp are the Chair and Vice Chair of this committee. While in this committee, SB 993 and SB 770 were combined into one ominous bill and passed from this committee to the floor for a third reading. Senate Bills 993 & 770 are currently on the Senate Informal Calendar for perfection<sup>12</sup>.

### Follow the Money

The Senate Pensions, Veterans' Affairs and General Laws Committee is made up of eight senators. According to the Missouri Ethics Commission<sup>13</sup>, five of these committee members have received contributions from Rex Sinquefield in 2007.

Senator	\$ from Sinquefield	Vote on Vouchers	Vote on Campaign Limits
Jason Crowell (R)	\$39,025*	Yes	Yes
Scott Rupp (R)	\$9,750	Yes	Yes
Gary Nodler (R)	\$9,750	Yes	Yes
Jeff Smith (D)	\$9,100	Not Present	No
Chris Koster (D)	\$99,450	Not Present	Yes
Delbert Scott (R)	\$0	Yes	Yes
Dan Clemens (R)	\$0	Yes	Yes
Ryan McKenna (D)	\$0	No	Yes

Koster was the first to receive funds skirted through Sinquefield's PACs. Sinquefield's donation to Koster is one of his largest contributions to a Missouri politician to date. Noting Sinquefield's significant support of Koster is important regarding SBs 993 & 770, currently in the Senate Pensions, Veteran's Affairs and General Laws Committee. The two Democrats who received financial contributions from Sinquefield did not vote on SBs 993 & 770<sup>14</sup>. Senator Smith has supported public education by refusing to sponsor two voucher supporters nominated for the State Board of Education<sup>15</sup>. Senator Koster claims to support public education yet he continues to avoid taking a position on the

<sup>10</sup> Missouri Ethics Commission – <http://www.mec.mo.gov/>

<sup>11</sup> Missouri State Senate- <http://www.senate.mo.gov/>

<sup>12</sup> Missouri State Senate- <http://www.senate.mo.gov/>

<sup>13</sup> Missouri Ethics Commission – <http://www.mec.mo.gov/>

<sup>14</sup> Missouri State Senate- <http://www.senate.mo.gov/08info/Journals>

<sup>15</sup> Missouri State Senate- <http://www.senate.mo.gov/08info/members/newsrel/d04/011408.pdf>

\* Numbers updated 5/29/2008 to reflect refunds for contributions received that were over the legal limit.

voucher issue<sup>16</sup>. Including the vote on campaign contribution limits is significant because Koster was present the next day to vote yes on this bill<sup>17</sup>. SB 1038 “repeals the campaign contribution limits for certain candidates running for office”<sup>18</sup>. This bill requires that campaign contributions over \$5,000 be electronically filed within 48 hours of receiving the contribution<sup>19</sup>.

Between January and July of 2007 campaign finance limits were temporarily removed before later being deemed unconstitutional by the Supreme Court<sup>20</sup>. Sinquefield filed a legal argument with the Supreme Court to allow candidates to keep contributions over the current limits<sup>21</sup>. He was unsuccessful in his attempts and has therefore created 100 PACs, which allow him to circumvent the limits<sup>22</sup>. Removing these limits will only make it easier for Sinquefield to influence the important issue votes, such as vouchers, that face Missouri legislators.

### **Conclusion**

This report examines the political contributions of Rex Sinquefield and is a guide for Missourians who care about public education. Sinquefield has already spent millions in the fight against Missouri public schools. With months left until the 2008 elections, there is plenty of time for Sinquefield to give more money to candidates.

All of the information in this report is publicly available, but complex to assemble. This report is necessary because the public has a right to understand the financial dynamics of Missouri candidates and private school voucher supporter Rex Sinquefield.

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<sup>16</sup> “Koster attacked for voting to eliminate donation limits, skipping vote on vouchers,” St. Louis Post-Dispatch, February 21, 2008

<sup>17</sup> Missouri State Senate- <http://www.senate.mo.gov/>

<sup>18</sup> Missouri State Senate- <http://www.senate.mo.gov/>

<sup>19</sup> Missouri State Senate- <http://www.senate.mo.gov/>

<sup>20</sup> “Pouring in More Money: Pro-Voucher Contributors Increase Their Efforts”- Missouri Citizen Education Fund- <http://www.missouriprovote.org/MCEF.asp>

<sup>21</sup> “Rex Sinquefield: Putting a Price on Politics”- Missouri Citizen Education Fund- <http://www.missouriprovote.org/MCEF.asp>

<sup>22</sup> Missouri Supreme Court- <http://www.courts.mo.gov/>