



Superfund



Superbucks



Campaign Contributions from New York Superfund Companies

Public Policy & Education Fund of New York, August 2001

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Superfund, Superbucks

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Polluted industrial sites are a major threat to public health and the environment in New York and around the nation. For the past nineteen years, the state government has worked to clean up these sites under the Superfund program, but there is still a lot of work to be done. There are 766 known or suspected Superfund sites in need of testing and remediation in New York, and more are being discovered every year.¹

New York's state Superfund went bankrupt in April of 2001, bringing cleanups to a halt. The program was originally funded by a bond act in 1986, but the money has run out and New York's lawmakers have been unable to reach consensus on a refinancing plan. While some funds have been freed to provide temporarily funding in the "barebones" budget enacted by the legislature in August, there still is no agreement on a permanent solution. Governor Pataki, the majority parties in the Assembly and the Senate and several individual legislators have all put forward proposals. These proposals differ on many points, the most important of which concern the amount to be spent, where the money should come from, the timeframe for cleanup, and the cleanup goals of the program.

Of course, there has been extensive lobbying on the matter. Environmental, community and public health organizations have joined with key Assemblymembers, Comptroller McCall and the Public Employees Federation (representing 2,000 Department of Environmental Conservation staff) in support of maintaining the state's "complete cleanup" or pre-release cleanup goal and "polluter pays" principle. The business community, spearheaded by the New York State Business Council, argues that industry should not be burdened with the increased cost associated with protective cleanups.

The Public Policy and Education Fund conducted this study to examine the influence of campaign contributions from companies which own polluted sites to elected officials in New York. Our findings focus on 20 known New York State Business Council and Chemical Alliance member companies² which are responsible for cleanup of at least 170 Superfund and hazardous substance sites.³

¹ Department of Environmental Conservation estimate of unfunded Superfund hazardous waste and substance sites

² See Appendix A for a complete list of these 20 companies

³ The Business Council, the most powerful business lobbying group in New York, represents thousands of companies operating in the state. Although only a few of its members could be determined (due to the Council's

Findings

Superfund site owners who are members of the Business Council or Chemical Alliance gave \$446,703 to current New York State elected officials during the 1998 and 2000 election cycles.

- Governor Pataki, Lt. Governor Donohue and the state Republican Party received \$171,325. Of this, \$65,825 went directly to Pataki.
- Comptroller McCall, Attorney General Spitzer and the Democratic Party received over \$32,998. Of this, \$8,550 went directly to McCall.
- Incumbent legislators and campaign committees received over \$332,350.
- Over 60% of New York State Legislators -- 40 State Senators and 88 Members of the Assembly -- took individual campaign donations averaging \$1,290.
 - 74% of the Republicans in the Legislature received individual campaign donations averaging \$1,900.
 - 82% of Senate Republicans received donations averaging \$2,550
 - 67% of Assembly Republicans received donations averaging \$920
 - 51% of the Democrats in the Legislature received individual campaign donations averaging \$650.
 - 45% of Senate Democrats received donations averaging \$435
 - 55% of Assembly Democrats received donations averaging \$870

Superfund polluters strongly favored Republicans in their giving.

- 80% of all Business Council and Chemical Alliance site owner dollars went to Republicans -- \$357,149, compared to \$89,554 for the Democrats.
- In the Senate, Republican members received over \$116,659, 24 times more than the \$4,823 received by their Democratic counterparts.
- In the Assembly, polluters gave more to the Republican minority (\$67,160) than to the Democratic majority (\$51,733.)
- **This trend has continued into the 2002 gubernatorial race.**
 - Between January 2001 and July 2001, Governor Pataki received \$8,750 and Comptroller McCall received \$1,000. Andrew Cuomo did not receive any money from Business Council or Chemical Alliance site owners.
 - During the same period, the Republican Party received \$10,375, four times more than the Democratic Party's \$2,500.

refusal to release information about its membership,) these 20 companies are among the most vocal and most influential, and are responsible for a large number of polluted sites. The Chemical Alliance is also an influential business coalition. Both the Business Council and the Chemical Alliance were represented on the Governor's Superfund working group.

The Superfund Debate

The competing proposals to refinance New York’s Superfund differ on two important factors: who pays for the cost of clean up and the extent that toxic waste must be cleaned up at a site. Placing the different legislative proposals on a continuum between the Grannis/LaValle Superfund Refinancing Act (A.3609/S.3338) proposal supported by environmental, community and public health groups and the Business Council’s stated position on Superfund illustrates the degree to which elected officials who received more money from Business Council and Chemical Alliance site owners have taken positions more favorable to the business community.

Proposal ⁴	Total Cost for Business*	Total Cost for Taxpayers*	Cleanup Goals
Grannis/LaValle (A.3609/S.3338)	\$1.6 Billion (\$208 mil/yr for 10 yrs)	\$550 Million (\$69 mil/yr for 10 yrs)	Complete Cleanup or Pre-Release Goal Maintained
Assembly Democratic Leadership (Budget)	\$778 Million (\$69 mil/yr for 16-18 yrs)	\$778 Million (\$69 mil/yr for 16-18 yrs)	Complete Cleanup or Pre-Release Goal Maintained
Governor Pataki (Budget)	\$560 Million (\$45 mil/yr for 21 yrs)	\$560 Million (\$45 mil/yr for 21 yrs)	Risk-based cleanups based on “intended use”
Senate Republican Leadership (Budget)	\$162 Million (\$13 mil/yr for 21 yrs)	\$785 Million (\$63 mil/yr for 21 yrs)	Risk-based cleanups based on “intended use”
Business Council Position	\$0	Unspecified	Risk-based cleanups based on “intended use”

* Present value of cost to business under legislative proposal calculated in current dollars at 5% interest. Costs included under legislative proposal only – cleanup under any proposal would continue past the legislative timeline until cleanup goals were met.

The Grannis/LaValle Superfund Refinancing Act is clearly the most conservation-minded and comprehensive cleanup plan. The Assembly Leadership proposal costs less for industry, but it preserves the current “complete cleanup” goal -- a crucial point for the environment and public health which will lead to greater cost for businesses over time. Governor Pataki and the Senate Leadership, the biggest recipients of contributions from Business Council and Chemical Alliance site owners, have abandoned the “complete cleanup” goal for the much more lax risk-based, land use standard favored by the Business Council.

⁴ Total expenditures are for Superfund only. These costs do not include expenditures for the Oil Spill Program and other programs included in the Governor’s Budget and the Senate Leadership Budget. Currently, the Oil Spill Program is 100% funded by industry fees – the Governor and the Senate Leadership have included these programs in their Superfund Proposals to split this funding between industry and taxpayers, obscuring the degree to which financial responsibility specifically for the Superfund program is being shifted from industry to the General Fund.

Big Money Means Big Influence

Business gets a huge return on its investment. \$171,325 in campaign contributions to Governor Pataki, Lt. Governor Donohue and the state Republican Party could net them **\$1 Billion** in savings if the Grannis/LaValle proposal is defeated. Contributions of \$116,659 to Republican Senators has secured an even more pro-industry proposal in the Senate. However, the Assembly Democratic leadership, which has received much less money from Superfund polluters than Governor Pataki or the Republican Senate leadership (less money than even the minority Assembly Republicans) supports legislation that, although it is more moderate than Grannis/LaValle, would have superfund polluters pay more of the cleanup costs and would maintain New York’s protective cleanup policy.

Group	Total Cost for Business*	Cleanup Goals	Total Contributions Received	Average Contributions Per Individual**
Sponsors and Co-Sponsors of Grannis/LaValle	\$1.6 Billion (\$208 mil/yr for 10 yrs)	Complete Cleanup or Pre-Release Goal Maintained	\$11,505	\$225
Assembly Democrats	\$778 Million (\$69 mil/yr for 17 yrs)	Complete Cleanup or Pre-Release Goal Maintained	\$51,733 (individual campaigns and DACC)	\$522
Governor Pataki and NYS Republican Party	\$560 Million (\$45 mil/yr for 21 yrs)	Risk-based cleanups based on “intended use”	\$170,325	\$170,325
Senate Republicans	\$162 Million (\$13 mil/yr for 21 yrs)	Risk-based cleanups based on “intended use”	\$116,659 (individual campaigns and SRCC)	\$3240

* Present value of cost to business under legislative proposal calculated in current dollars at 5% interest. Costs included under legislative proposal only – cleanup under any proposal could continue past the legislative timeline until cleanup goals were met.

** Includes all individuals in group (i.e., all Democrats in the Assembly and all Republicans in the Senate,) even those who did not receive individual campaign contributions

Conclusion

Under our system of privately funded elections, polluters may escape paying millions or even billions of dollars to clean up their industrial pollution, a dire threat to the environment and public health, all for a few thousand dollars in campaign donations. We need to get private money out of our elections to protect the interests of ordinary citizens. We need to make our voices heard.

The Public Policy and Education Fund supports **Clean Money/Clean Elections**, a voluntary system of public funding for candidates who show broad public support. Under Clean Money/Clean Elections, candidates run on issues, not dollars. Elected officials work for their constituents, not their contributors. That's how our government is supposed to work.

Clean Money/Clean Elections provides a well defined framework where candidates for public office must prove broad public support in order to qualify for a set and equal amount of public funds. In return for clean money candidates must abide by strict spending limits and agree not to spend their own money and not to accept any private funds. All monies not spent at the end of the election are returned to the public treasury. Clean Money is a voluntary system that candidates can choose to participate in, and thus does not conflict with standing law or the constitution.

Two states, Maine and Arizona, have already put Clean Money/Clean Elections law into practice. Massachusetts passed Clean Elections in 1998. Assemblyman Felix Ortiz and Senator David Paterson have introduced similar legislation in New York State -- A.2630/S.1638. The Ortiz/Paterson Clean Money bill (A.2630/S.1638) would revitalize democracy in New York, restore the principle of one person, one vote and remove the influence of big money in politics. 56 legislators have signed on to Ortiz/Paterson as co-sponsors, and over 80 citizen organizations support the legislation.

Want to learn more?

Information on Clean Money/Clean Elections in New York is available on the Citizen Action of New York website at <http://www.citizenactionny.org/election.html>. Copies of previous PPEF studies on who finances campaigns in New York may be found by going to the same site.

Or, write or call:

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Appendix A: Business Council and Chemical Alliance Site Owner Donations by Company, Number of Sites and Total Money Donated

Name	Total Sites	Total Money Donated
ALCOA	14	\$15,000
Carrier Corporation	2	\$34,565
Con Edison	7	\$27,080
Corning	4	\$28,149
DuPont	6	\$4,950
Eastman Kodak	5	\$15,433
FMC Corp	2	\$1,950
Ford Motor Company	3	\$31,775
General Electric	33	\$106,800
General Motors	11	\$22,850
Goodyear Tire and Rubber	2	\$150
International Paper	4	\$31,000
National Fuel Gas Distribution	1	\$18,860
NYSEG	36	\$10,518
Occidental Chemical Corporation	16	\$10,975
Olin Corporation	10	\$500
Pfizer	1	\$74,348
Schenectady International	3	\$2,050
Texaco Inc.	3	\$9,250
Xerox	7	\$500
All Sites	170	\$446,703