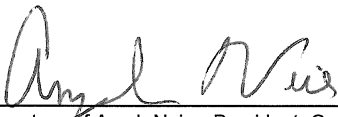


**U.S. PROGRAMS  
TRANSPARENCY AND INTEGRITY FUND  
Summary of Recommended Grants  
June 30, 2010 Docket  
September 27, 2010**

**U.S. Programs, Transparency and Integrity Fund (T1: 21093)**

Organization	Requested	Recommended	Term
<b><i>Journalism for an Open Society</i></b>			
Media Development Loan Fund	\$250,000 / 2 years	\$250,000	1 year
The University of Missouri (National Freedom of Information Coalition)	\$200,000/ 2 years	\$200,000	1 year
President and Fellows of Harvard College (Online Media Law Project)	\$720,000/ 2 years	\$350,000	2 years
Pacific News Service (New America Media)	\$400,000/ 1 years	\$400,000	1 year
Center for Public Integrity (The Lens)	\$310,000/ 1 year	\$325,000	2 years
NewsTrust Communications	\$150,000/ 15 months	\$150,000	18 months
<b><i>Information Access, Design and Regulation</i></b>			
Citizens for Responsibility and Ethics in Washington *	\$500,000 / 2 years	\$500,000 <sup>1</sup>	2 years
National Institute on Money in State Politics *	\$700,000/ 2 years	\$450,000	2 years
MapLight.org	\$300,000/ 2 years	\$300,000	2 years
Wisconsin Democracy Campaign	\$150,000/ 2 years	\$150,000	2 years
The American University (Collaboration on Gov't Secrecy)	\$75,000/ 1 year	\$75,000	1 year
<b><i>Fair and Equal Access to the Ballot</i></b>			
The Pew Charitable Trusts	\$400,000/ 1 year	\$400,000 <sup>3</sup>	1 year
Rockefeller Family Fund	\$200,000/ 1 year	\$200,000 <sup>4</sup>	1 year
Demos: A Network for Ideas and Action, Ltd.	\$550,000/ 1 year	\$500,000 <sup>2</sup>	1 year
Public Interests Projects, Inc. (CorporateDisclosure.Org)	\$100,000/ 1 year	\$100,000	1 year
Northwest Federation of Community Organizations (Main Street Alliance)	\$150,000/ 2 years	\$150,000	2 years
<b><i>Independent and Diverse Judiciary</i></b>			
Lawyers' Committee for Civil Rights Under Law *	\$200,000/ 2 years	\$400,000	2 years
Center for Political Accountability	\$400,000/ 2 years	\$150,000	25 months
Committee for Economic Development	\$265,073/ 2 years	\$200,000	2 years
American Judicature Society	\$218,875/ 2 years	\$200,000	2 years

**TOTAL RECOMMENDED:    \$ 5,450,000.00**



Approval Signature of Aryeh Neier, President, Open Society Institute

Date September 27, 2010

\* These grants are shared with the Fair and Equal Access to the Ballot portfolio.

<sup>1</sup> To be split between the Transparency and Integrity Fund, T1: 21093 (\$350,000), and the Strategic Opportunities Fund T1: 21081 (\$100,000).

<sup>2</sup> To be split between the Transparency and Integrity Fund, T1: 21093 (\$175,000), the Criminal Justice Fund, T1: 24027 (\$225,000) and the JEHT Emergency Fund T1: 59995 (\$100,000).

<sup>3</sup> To be split between the Transparency and Integrity Fund, T1: 21093 (\$50,000), and the JEHT Emergency Fund T1: 59995 (\$350,000).

<sup>4</sup> To be split between the Transparency and Integrity Fund, T1: 21093 (\$100,000), and the Seize the Day Fund T1: 21079 (\$100,000).

## MEMORANDUM

**To:** Aryeh Neier  
**From:** Ann Beeson, Laleh Ispahani and the Transparency and Integrity Fund  
**Date:** September 27, 2010  
**Re:** Transparency and Integrity Fund's September 27, 2010 Docket

We look forward to meeting with you on September 27, 2010, to discuss the third 2010 docket of the Transparency and Integrity Fund (TIF or the Fund). We respectfully seek approval of 20 grants in this docket.

As reflected in its 2010-2012 strategic plan, TIF's grant making and program strategies seek to promote government transparency and accountability, the integrity of the judicial and electoral systems and public engagement, by supporting:

- Media and government 'watchdog' groups, and the development and use of emerging technology tools and practices that increase public involvement and access to information;
- Efforts to ensure broad and equal access to the ballot and the integrity of elections, as well as efforts to ensure a fair, impartial and diverse judiciary; and,
- Creative responses to the challenges and opportunities facing journalism.

### *Transparency & Integrity Fund Grants*

#### *Access to Information*

TIF supports groups working on the collection and dissemination of information that empowers citizens as well as watchdog groups that monitor the regulation of public information and government practices.

In this docket we present renewal recommendations for three organizations working on right-to-know advocacy at the federal level. **Citizens for Responsibility and Ethics in Washington** or CREW engages in investigations and litigation to draw public attention to corruption and the need to enforce government ethics rules. CREW's work is furthering government compliance with the Freedom of Information Act and other information policies and practices. The **Collaboration on Government Secrecy**, a program at American University, provides guidance to government agencies and officials on information policy while also convening policy makers, advocates, and academics to examine current right to know policy in the federal government. The **National Institute for Money in State Politics** (NIMSP) collects, codes, analyzes, and disseminates donation and spending data for every state political race - executive, legislative, and judicial. Its data is critical to advocacy efforts that involve drawing connections between money and politics (including efforts to limit the damage from the recent line of cases and Federal Election Commission regulations allowing unlimited independent corporate expenditures in elections.) One organization that relies on NIMSP's data is Maplight.org.

A renewal grant to **MapLight.org** will enable it to expand its work to Wisconsin and provide transparency tools to journalists, nonprofits, and the public to track the influence of money on the Wisconsin state legislature. (Note: CREW and NIMSP are also recommended for separate, project grants that are described in the electoral reform section below.)

### *Fair & Equal Access to the Ballot*

This portfolio's goals are to tackle both systematic and structural problems bedeviling the nation's electoral system. They include expanding access to the ballot for low-income and historically marginalized groups; modernization of the nation's outdated voter registrations systems; election protection and defense of campaign finance reforms. Now that the assault on campaign regulation has escalated, we recommend broadening our work in this area to include support for disclosure and corporate governance reforms, and for involving new voices into this debate.

In this docket, TIF and the Criminal Justice Fund recommend renewing a grant to **Demos** for its work to end prison-based gerrymandering. We also recommend renewing support to Demos for its advocacy (and litigation where necessary) with federal and state governments to expand and fully implement the National Voter Registration Act, which is intended to ease the voter registration process for low-income individuals. This work remains important until the nation's voter registration systems are entirely overhauled. To transform our registration systems, we recommend renewal grants to the **Rockefeller Family Fund** to continue leading a collaborative working toward national level reform of our nation's antiquated voter registration systems; and to the **Pew Center on the States** to continue working toward corollary reforms at the state level.

We enclose a separate memo that articulates our strategy to counter the effects of the *Citizens United* decision and stem the steadily increasing flow of money into politics. In this docket, we recommend a project grant to **Citizens for Responsibility and Ethics in Washington** for work to track 'hidden' spending in a few high-profile Congressional races this fall, and expose who is behind the campaigns. Through this work, CREW aims to leverage public opinion – which is deeply set against the likely outcomes of *Citizens United* – to pressure corporations into thinking twice about concealed political giving and make politicians wary about being supported in ways their constituents do not approve. As part of the grant, CREW would gather data on corporations' independent expenditures on behalf of federal officeholders in the 2010 elections. A project grant to the **National Institute on Money in State Politics** would allow the Institute to gather corollary data on the independent expenditures made to support candidates for state offices. NIMSP will use this data to reveal how entities' political activities affect the outcome of the elections and how they may correlate with their political donations to candidates, ballot measures and political parties, and with their lobbyist networks within and across states. NIMSP will compare 2006 and 2008 elections activities (before the *Citizens United* decision) with 2010 activities (after the decision). We also recommend a new grant to **CorporateDisclosure.Org** (CDO), a recently established charity dedicated to challenging corporations' ability to anonymously impact political and legislative

outcomes by funneling money through opaque trade associations and other front groups. CDO will conduct research and education campaigns, employing investigators and researchers to uncover information not widely available, and focus efforts particularly on following the corporate money trail through trade associations and electioneering groups, like the U.S. Chamber of Commerce, to its ultimate destination in a campaign coffer or as a lobbying expenditure.

Additionally, we recommend a grant to Democracy & Power Fund grantee the Northwest Federation of Community Organization's **Main Street Alliance** (MSA) project to bring a new constituency – small business - into the campaign finance field. MSA would use the lens of its issue priorities - clean energy, health care, responsible taxes and adequate public revenues- to bring the impact of money in politics into focus and develop a small business constituency primed to participate in grassroots activities in this arena.

Finally, we recommend a grant to the **Lawyers Committee for Civil Rights Under Law** to organize and implement an Election Protection program for the 2010 mid-term elections so that voters are protected and assisted in exercising their right to vote in this fall's elections.

### *Journalism*

This portfolio's goals are to strengthen accountability journalism on critical open society issues at the state and local level; revitalize, expand and bring greater diversity to the public media sector; and, increase and improve the production, distribution and reach of international reporting for U.S. audiences.

TIF is recommending five grants in this area. A general support grant to **New America Media** would build core organizational capacity in the country's first and largest national collaboration and advocate of ethnic news organizations. The recommended renewal grant to the **New Orleans Lens** will enable this emerging reporting initiative to continue to provide news, information, and access to data related to Gulf Coast issues of public interest. A grant to the **Media Development Loan Fund** (MDLF) will enable MDLF to develop a pilot project in the United States to help assess what it can contribute to and gain from working with U.S.-based projects. TIF and OSI-Baltimore are jointly recommending a new grant to **NewsTrust** to create and test a local application of its news literacy and citizen engagement model in Baltimore.

In addition to supporting individual journalism outlets, TIF has identified the need to support the rapidly evolving noncommercial journalism sector as a whole, to take advantage of opportunities to create shared services, including high quality legal assistance. The **Online Media Law Project**, based at Harvard University's Berkman Center for Internet and Society, works to ensure that individuals and organizations involved in online journalism have access to legal resources and education. A recommended grant to the **National Freedom of Information Coalition** bridges TIF's interest in responding to the challenges and opportunities facing the field of journalism,

with the Fund's goal of supporting efforts to increase public access to information necessary for timely government oversight, especially at the state and local level.

### *Judiciary*

This portfolio's goals are to sustain funding to core judicial independence organizations; continue to develop programmatic work on judicial diversity and the need to reform the criminal court system; support state-based judicial independence efforts that are integrated into TIF-wide state-based strategies; support innovative and effective efforts to shape discussions concerning the future of the Constitution and the courts, and support the development of effective models for grassroots education and organizing related to federal judicial nominations

We recommend renewal support for four long-time grantees in this portfolio. The **American Judicature Society** (AJS), the **Lawyers Committee for Civil Rights Under Law** (LCCRUL), and the **Committee for Economic Development** (CED). All three are active members of the Justice at Stake coalition and have played significant roles in that coalition's newly completed strategic planning process. AJS seeks support to engage in work to defend, advance, and improve judicial merit selection systems that, following a line of decisions striking down judicial campaign regulation, are becoming the most viable option for reducing the influence of money in the judiciary. CED will work with AJS and others, bringing business leaders into the debate over money in judicial elections and engaging the private sector in reform efforts in key states. LCCRUL will take a lead role in the Justice at Stake coalition's work on improving judicial diversity, overseeing a campaign to identify lawyers who might make strong candidates for the state and federal bench and provide those lawyers with networking, mentoring, and training opportunities that would help them on a path to the judiciary.

### *State Strategies*

Finally, we recommend two renewal grants for work at the state level. The first provides general support to the **Wisconsin Democracy Campaign**, an organization working on reform of judicial ethics, election regulations, and government accountability mechanisms. The second, part of the larger grant referenced earlier to **Demos**, will support that organization's Public Works Project, continuing its efforts to create a sustainable and widespread understanding of, and support for, the essential role of government in U.S. Programs' target states. This work aims to reverse the anti-government, pro-privatization attitude that pervades many discussions of the most pressing problems facing these communities and states. By casting government as a barrier to progress and touting the private sector as the solution, these attitudes can impede reformers' efforts on crime, inequality, government corruption, and environmental degradation. Demos will work with OSI funded state transparency and equity alliances and other groups around the country on specific issues in which the role of government is an issue.

**We look forward to discussing these recommendations with you on September 27, 2010.**

## MEMORANDUM

To: Aryeh Neier  
From: Transparency and Integrity Fund  
Date: September 27, 2010  
Re: Expansion of Campaign Finance Work

### I. INTRODUCTION

This memorandum sets forth the context, strategies and recommendations for the Transparency and Integrity Fund's response to the recently altered campaign finance landscape. It draws on our independent research, OSI's funding history, conversations with key funders and advocates, and many conferences and writings.

In a rare critique by a sitting President of his Supreme Court, President Obama said in his State of the Union address in January the Supreme Court, in a recent decision, had "reversed a century of law to open the floodgates for special interests - including foreign corporations - to spend without limit in our elections." Evidencing his continued exasperation at the decision, the President said more recently in his weekly address to the nation:

As the political season heats up, Americans are already being inundated with the usual phone calls, mailings, and TV ads from campaigns all across the country. But this summer, they're also seeing a flood of attack ads run by shadowy groups with harmless-sounding names. We don't know who's behind these ads and we don't know who's paying for them. The reason this is happening is because of a decision by the Supreme Court in the *Citizens United* case – a decision that now allows big corporations to spend unlimited amounts of money to influence our elections. They can buy millions of dollars worth of TV ads – and worst of all, they don't even have to reveal who is actually paying for them. You don't know if it's a foreign-controlled corporation. You don't know if it's BP. You don't know if it's a big insurance company or a Wall Street Bank. A group can hide behind a phony name like "Citizens for a Better Future," even if a more accurate name would be "Corporations for Weaker Oversight."

*Citizens United v Federal Election Commission*, 558 [U.S. 50](#) (2010), was a [landmark](#) Supreme Court decision holding that corporate funding of independent political broadcasts in candidate elections cannot be limited under the [First Amendment](#). The 5–4 decision resulted from a dispute over whether the non-profit corporation [Citizens United](#) could air via video on demand a film critical of [Hillary Clinton](#), and whether the group could advertise the film in broadcast ads featuring Clinton's image, in apparent violation of the 2002 [Bipartisan Campaign Reform Act](#) (or "McCain–Feingold"). The Court struck down a provision of McCain–Feingold prohibiting all corporations, both for-profit and not-for-profit, and unions, from broadcasting "electioneering communications" (defined

in McCain–Feingold as a broadcast, cable, or satellite communication that mentioned a candidate within 60 days of a general election or thirty days of a primary). The decision overruled *Austin v. Michigan Chamber of Commerce* (1990) and partially overruled *McConnell v. Federal Election Commission* (2003). (In 2007, the Court had weakened McCain-Feingold, but without overruling *McConnell*). Significantly, the Court upheld requirements for disclaimer and disclosure by sponsors of advertisements.

Justice Stevens wrote a 90-page dissent holding that the Court's ruling “threatens to undermine the integrity of elected institutions across the Nation. The path it has taken to reach its outcome will, I fear, do damage to this institution.” In declaring that provision of McCain-Feingold facially unconstitutional, the dissenters wrote, the Court had ruled on a question no litigant had raised, and so they “changed the case to give themselves an opportunity to change the law.” The dissent concluded: “At bottom, the Court's opinion is thus a rejection of the common sense of the American people, who have recognized a need to prevent corporations from undermining self government since the founding, and who have fought against the distinctive corrupting potential of corporate electioneering since the days of Theodore Roosevelt. It is a strange time to repudiate that common sense. While American democracy is imperfect, few outside the majority of this Court would have thought its flaws included a dearth of corporate money in politics.”

Following the decision, advocacy groups, academics and others across the country began to voice deep concerns about the future of democracy in the United States. Overturning 100 years of precedent, the Court had held that corporations must be recognized as people with rights of free speech under the First Amendment, and having recognized these rights, invalidated regulations barring corporations from spending money in support of or against candidates for elected office. Combined with other recent high court decisions and Federal Election Commission rulings, corporations are no longer restricted in the amount of money they can raise from individuals and corporations *and* they are no longer banned from using their general treasuries for such contributions (previously they were required to donate via a political action committee). These commentators warned that the ruling reorders our democracy by giving even greater powers to corporations and dwarfing the contributions and voices of actual people, and would lead to elected officials spending even more time, as the *New York Times* recently editorialized, as “crass mendicants” to corporate interests rather than with their citizen-constituents.

The decision directly affects laws in 24 states, 23 of which have already overturned their bans on the use of corporate funds to advocate for or against candidates (Montana is the only hold-out.) In addition, trade associations - significant channels for company political money that are *not* required to disclose the identities of contributing corporations - have begun taking significant advantage of the decision. The U.S. Chamber of Commerce is spending \$75 million on an aggressive election campaign aimed at blunting the impact of the health care law, and former Senator Norm Coleman has formed the American Action Network, an "action tank" that has raised \$75 million to launch an ad campaign in several states in which center-right Republican members are facing tough races this fall. Another such group, American Crossroads, formed by former RNC Chairman Ed Gillespie and former Bush strategist Karl Rove, has pledged to spend more

than \$50 million to help Republicans win seats in the midterms. At the vanguard of political entities taking advantage of the new campaign finance landscape in the wake of *Citizens United*, American Crossroads spent \$454,340 on independent expenditures in a single week last month - expenditures that weren't legal just a few months ago - supporting the Senate bid of former George W. Bush cabinet member Rob Portman in Ohio. Unions are also taking advantage of this new freedom with at least two influential unions spending close to \$100 million on the 2010 elections. Corporate coffers are, however, vastly larger than union war chests.

Congress tried to quickly limit some of this harm – as it affects federal elections - with an unsuccessful attempt to pass the DISCLOSE Act last session. This Act had sought to require corporate political advertisers to reveal who is funding their activities, and special interests to appear in their ads and take responsibility for them as corporate CEOs do. Its failure leaves American voters in the worst possible situation – expanded special interest influence in elections without these disclosure safeguards.

Increased corporate influence on elections threatens many aspects of OSI's mission. Corporate interests pour staggering amounts of money into our political system to defeat progressive policy reforms, with recent examples the Employee Free Choice Act, financial regulation reform and healthcare reform. TIF's approach to this problem stems from its concern for the integrity of elections generally, as manifested by the investments we make through our Election Reform portfolio, but also specifically with respect to judicial elections, a long time concern of its Judiciary portfolio.

## **II. TIF STRATEGY**

To mitigate some of the harm to American voters that current laws permit, TIF seeks not to engage in major, broad-based funding of campaign finance reform, but rather to fund discrete, strategic and opportunistic work. This work tackles issues that have left this 15 year movement in a rut, including a lack of diverse voices and the engagement of grassroots constituencies. Not all the work will require new funding, and we are not the sole funders of much of the work proposed. As discussed in detail below, we plan to support:

- Disclosure reforms in judicial elections, as special interests increasingly turn to the courts to advance goals they cannot legislatively win; and exposure of concealed corporate political activity generally, and using specific cases from this fall's elections to build a public context for the need for reform;
- Corporate governance reform by persuading corporate leaders to end or curtail direct and indirect political spending, supporting shareholder actions to change corporate transparency policies, and helping expose national business associations' political activities to their state and local counterparts;
- Diversification of the field by engaging new and unusual state level voices and allies, in discussions of the impact of corporate political spending on their issues and goals; and



- Offensive and defensive legal strategies, given the broad-scale and orchestrated attack on campaign finance laws at the federal, state and municipal levels.

TIF plans to spend roughly \$500,000 in each of 2010, 2011 and 2012 on this work, representing about one-quarter of our total Election Reform portfolio spending in those years. In addition to the joint grant on Docket II to the Committee for Economic Development and Center for Political Accountability, we are now recommending new project grants to existing grantees Citizens for Responsibility and Ethics in Washington and National Institute on Money in State Politics, and new grants to Democracy & Power Fund grantee the Main Street Alliance, and to a new entity called CorporateDisclosure.Org. These recommendations are discussed below in more detail. To provide a full sense of the field's activities, we also discuss other strategies being pursued below.

### I. *Advance Disclosure & Educate and Mobilize the Public*

The *Citizens United* Court upheld requirements for disclaimer and disclosure by sponsors of advertisements. This, therefore, is an area in which progress can and must be made, especially with respect to disclosure reform and the strengthened reporting regulations. Ten weeks out from the midterm elections, the apocalyptic warnings are receding and the realities of the decision are becoming more apparent. With increased attention in the post-*Citizens United* world, it may in fact prove more difficult for prominent companies to engage in political campaigning, but a rise in a culture of obscured financing looms. We want to support groups to seize on the opportunity in the coming elections to educate the public - including shareholders - as to what's at stake when corporations engage in concealed political giving. As a colleague jokingly put it, "if the public sees how the sausage is made, they'll throw up." Education will also encourage informed debate and decisions and foster accountability for political spending. (As TIF is doing with respect to all its transparency work, it will ensure that information disclosed is used by advocates.)

#### a. Build Public Will for Federal & State Disclosure Policy Reform

Some of our grantees are engaged in non-lobbying activities related to the DISCLOSE Act. No additional funds will go to them or others for this work.

As to state level disclosure reform, the need for strict disclosure rules in judicial elections [is particularly acute](#). Special interests are increasingly turning to the courts to advance goals they can't win legislatively, and have come to view the judiciary as something to be gamed, like Congress or the state house. An Ohio union official [said it succinctly](#): "We figured out a long time ago that it's easier to elect seven judges than to elect one hundred and thirty-two legislators." With special interests [spending ever-increasing dollars](#) to capture state judiciaries, robust disclosure rules are needed to protect fair and impartial courts in the 39 states that elect judges, specifically, reforms that require disclosure of who is paying for judicial campaign ads.

With existing funding, TIF grantees Justice at Stake and the Brennan Center are advocating for state level judicial campaign finance reforms that will help voters understand when a group like “For the Sake of the Kids” is really “For the Sake of the Coal Company.” They are also urging courts not to wait for legislatures to do so. Judges themselves can pass a number of rules that would increase disclosure and promote fair courts after the campaigning is over, when the victorious candidates take their seats on the bench.

b. Secure Better Reporting Regulations

TIF will support advocacy of strengthened FEC and state regulations on the content of ‘independent expenditure’ reporting. (The speed of such disclosure does not need reform: the FEC already requires quick electronic reporting of large independent expenditures.) Common Cause and grantee Campaign Legal Center, groups working on state disclosure reform generally, may address this ‘content’ issue as part of their general work on reform of independent expenditure disclosure. And grantee National Institute of Money in State Politics (NIMSP) has published several reports on state independent expenditure laws, including a recent report criticizing all states but five for sub-par disclosure requirements. No group, however, has made this issue an important or exclusive focus of its work.

A project grant to NIMSP to monitor the level of corporate independent expenditures will reveal how entities’ political activities affect the outcome of the elections and how they may correlate with their political donations to candidates, ballot measures and political parties, and with their lobbyist networks within and across states. NIMSP will collect and make available all independent corporate spending on political activities in the 2006, 2008 and 2010 state elections. NIMSP will compare 2006 and 2008 elections activities (before the *Citizens United* decision) with 2010 activities (after the decision). NIMSP will then publish state-specific reports for those states in which it identifies significant information of public interest and other materials for policymakers and agencies to improve state disclosure laws and reporting requirements for future elections.

c. Track, Disclose and Publicize Spending

TIF will also support groups assuring that expenditures now permitted by *Citizens United* are identified, investigated and disclosed. This work includes an aggressive campaign by grantee Citizens for Responsibility and Ethics in Washington (CREW) seeking to expose the special interests behind political advertising in federal races this fall. CREW will track spending in select high-profile Congressional races, pursue those corporations who refuse to reveal their giving - including large and private corporate donors, and publicly lift the veil on their giving. The work will leverage public opinion – which is deeply set against the likely outcomes of *Citizens United* – to pressure corporations into thinking twice about concealed political giving and make politicians wary about being supported in ways their constituents do not approve. Finally, CREW intends to use its analysis on this election cycle to demonstrate the need for reform. A grant to CREW could also serve as a backstop for companies trying to evade the disclosure being pursued by grantees the

Committee for Economic Development and the Center for Political Accountability.

To further help build public will for reform, we will support a new group, CorporateDisclosure.Org, a recently established charity dedicated to challenging corporations' ability to anonymously impact political and legislative outcomes by funneling money through opaque trade associations, electioneering and other front groups. CDO will uncover the sources of funding on both ends of the money trail to encourage informed decisions and foster accountability for political spending – both direct spending and that which is routed through trade associations or other “front” groups, with an initial focus on the U.S. Chamber of Commerce. CDO will also highlight the significant loopholes in current political expenditure disclosure requirements, particularly with respect to how corporations can “launder” political payments through lobbyists, trade associations and electioneering groups.

Existing grantees Sunlight, MapLight and the Center for Responsive Politics (CRP) are also engaged in disclosure work. Sunlight is engaging the public online in various ways; MapLight will add independent expenditure data from CRP to its existing ‘money/votes’ database identifying patterns of corporate campaign spending and votes in Congress; and CRP is focusing on providing reporters the best available data on independent expenditures in the midterm elections.

## II. *Strengthen Corporate Accountability & Governance*

TIF believes a key strategy includes persuading corporate leaders to end or curtail political spending; supporting shareholder actions to change corporate transparency policies, exposing national business associations' activities to their state and local counterparts. The breadth of the decision has left few avenues open for reform. One of the most effective and feasible efforts involves convincing corporations to voluntarily lessen their political spending – or create an atmosphere in which corporations fear negative repercussions from the public against their increased engagement in political activities. The Center for Political Accountability (CPA) and the Committee for Economic Development (CED) are the best organizations to accomplish these ends, as other funders have also recognized including Carnegie and the Piper Fund.

On Docket II, TIF made a joint grant to CPA and CED to bolster shorter term corporate governance work around the mid-term elections by appealing to corporations to refrain from political giving and by encouraging those corporations that do give to do it transparently and with shareholder approval. This coordinated campaign seeks to change corporate community attitudes and behaviors about political giving. The two organizations have a successful track record of doing similar work using both insider and outsider strategies: CED builds a community of reform-minded corporate directors to persuade their peers that companies should not engage in the political process, or at least adhere to a set of best practices if they do so, while the Center for Political Accountability files shareholder resolutions with partners if companies do not disclose their political spending or otherwise live up to best practices concerning their political activity.

Campaign finance expert Fred Wertheimer of Democracy 21 told us that CED's involvement made "a fundamental difference" in the 2002 passage of the Bipartisan Campaign Finance Reform Act. Its involvement marked the first time the business community got involved in campaign finance issues and sent a powerful message about the current system being harmful to business interests. CED did so by educating and mobilizing business leaders around the need for campaign finance reform and changed the perception, especially in the media, of the business community as supportive of the status quo campaign finance system. Polls conducted by CED and others have consistently shown that a strong majority of business leaders favor campaign finance reform and limits on corporate spending on elections. In 2005, a CED-sponsored poll (conducted by Zogby, International) found that 78% of business leaders supported campaign finance reform, and 53% strongly supported additional contribution limits for federal campaigns. CED remained involved in these issues and in 2006 actively urged Congress to regulate political committees involved in federal elections so they would finance their activities solely with regulated (hard money) contributions. In all its endeavors, CED is supported by a vast number and broad cross-section of corporations. CED's current work in this area will involve strong participation of CED trustee Landon H. Rowland, Director and Chairman Emeritus of the Janus Capital Group.

The recent Target fiasco reveals that it may be harder in this era of greater scrutiny for corporations to give without regard to their shareholders (unless they do so anonymously, which the strategies address). Gay rights activists and loyal Target shoppers became furious with the company after it [contributed \\$150,000 to MN Forward](#), a political group that has endorsed and is paying for ads for the anti-gay Republican gubernatorial candidate Tom Emmer. Although Target said the company was supporting Emmer because of [economics and business issues](#), and that the company fully maintained its policies in support of gay rights, when threatened by consumer boycotts, the company withdrew its support, issued a public apology for the donation, and promised the company would review future donations.

### III. *Engage Broader Base of Groups in Campaign Finance Reform*<sup>1</sup>

Our research revealed that campaign finance reform has suffered from a historically siloed and short-sighted approach to change. Grassroots and grassroots groups and networks have not been included in the discussion. As Fred Wertheimer put it, "This coalition has been talking to itself for a long time". In outlining a Democracy and Power Fund for U.S. Programs, an internal, October 2007 memo reached the same conclusion, attributing the work's failure to an "overly narrow" approach – pursuit of a single reform goal, one involving spending and contribution limits – adding that it undermined bolder

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<sup>1</sup> TIF is also supporting work on another long-term, vital response to the decision: modernization of the nation's antiquated voter registration systems. This work is a key part of TIF's electoral reform portfolio, and is one response to the expanded role special interests can now play in elections given *Citizens United*. One way to counter a new flood of corporate funds is to flood the system with voters, and modernization would do just that - it would add 65 million eligible voters to the rolls, *permanently*. TIF grantees Brennan Center and Pew Center on the States and a set of groups convened by the Rockefeller Family Fund are working toward this goal.

approaches to reform. In their view, as a result, OSI grantees therefore found “few state-level organizations with agendas expansive enough, and funding flexible enough, to serve as effective allies.” (The authors also note that the approach was short-sighted, cutting resources off after the groups successfully defended McCain-Feingold, leaving groups unable to monitor and defend the law’s implementation with the FEC, the results of which have been evident in the string of harmful legal and regulatory decisions since.)

TIF is one of few funders seeking to change this approach. The Piper Fund is on board, and is about to make planning grants to the Center for Community Change, State Voices Network, and IAF Southeast to determine how these groups might integrate campaign finance into their existing work. Piper is also requesting proposals from groups with existing issue campaigns already underway including PICO, National People’s Action, and Northwest Federation’s Main Street Alliance project (largely as a result of our grant recommendation to this organization, described below).

In addition, MoveOn.org has launched what it calls its most ambitious campaign ever: a ‘people-powered campaign’ called “Fighting Washington Corruption”. With wide input, MoveOn collaboratively designed and drafted a pledge in response to *Citizens United*. It calls for overturning the Court’s decision by Constitutional amendment; passing the Fair Elections Now Act in Congress, which incentivizes candidates to collect small donations by offering competitive public matching funds; and enacting tough new laws cracking down on the revolving door between government officials and lobbyists. A diverse coalition of advocacy groups *has* signed on as co-sponsors. MoveOn’s main goal is to get as many signatures as possible, and as candidates campaign this fall, have MoveOn members present the signatures and ask the candidates to sign on too, lending MoveOn support to candidates who agree to sign the pledge.

TIF proposes its first recommendation in this area to Democracy & Power Fund grantee the Northwest Federation of Community Organizations project the Main Street Alliance (MSA). Small businesses are a critical constituency and a key voice in debates across the public policy spectrum. Representing more than 10,000 businesses in twelve states, MSA is a thoughtful and increasingly strong counterweight to the national lobby groups, including various chambers of commerce that claim to represent small businesses but that take uniformly regressive positions on the role of government. MSA will seek to break the monopoly held by national lobby groups and reshape key policy debates by combating the corrosive influence of corporate money in politics with a powerful small business voice. Its issue agenda includes clean energy, responsible taxes and adequate public revenues: the ascendance of big business and corporate interests at the expense of small business and community interests defines the landscape on all these issues. (We see this recommendation as complementary to TIF’s grant to engage and mobilize business leaders and networks of leaders to become public advocates for reform and against corporate political spending through the grants described above to the Committee on Economic Development and Center for Political Accountability.)

Over the last 15 years, the movement has learned a difficult lesson that offering a single, narrow policy option as point of entry for grassroots and grass tops groups is not an

effective long-term base-building strategy but rather they must be able to integrate the problem of corporate money in politics into their existing issue work. Having multiple organizing networks, among others, sound the alarm about the role of corporations in politics and in shaping public policy will benefit the reform movement. It will raise awareness among their constituencies about the impact of corporate political spending on their issues and goals, making it much more likely that their members and allies will understand the need for policy change that can support their priorities. In a few years, some of these groups are likely to become active participants and leaders in the reform work.

#### IV. *Support Offensive & Defensive Legal Strategies*

##### a. Develop a New Jurisprudence

Grantee the Brennan Center is leading an effort to develop an intellectual movement that re-enlists scholars and constituencies to build a new constitutional jurisprudence, specifically to develop and advance a new paradigm of the First Amendment in election law, to push back against the Supreme Courts majority's extreme views.

##### b. Change Views of the Constitution & Supreme Court

Grantee the Constitutional Accountability Center (CAC) sees *Citizens United* as a unique opportunity to transform the debate about the Constitution and Court. CAC is working to ease the confirmation process for judicial nominees, including those to the Court, and to help generate an awakened and mobilized public to at least influence the Court to retreat from the more far-reaching implications of its *Citizens United* decision, and ultimately to reverse itself. CAC uses media to highlight the Court's pro-corporate activism.

Other TIF grantees who have long worked on judicial selection from independence and impartiality perspectives more generally - including the Leadership Conference on Civil Rights, the American Constitution Society and the National Senior Citizens Law Center - are also paying serious attention to the changed campaign finance landscape, responding by organizing public events, publishing influential reports and issue briefs, and authoring articles and opinion-editorials.

##### c. Defend Existing Regulations

Challenges to campaign regulations are a part of a systematic, long-term litigation offensive mounted by deep-pocketed interests who are opposed to any type of regulation of political spending. Emboldened by the conservative majority in the Supreme Court, national party committees, trade associations, ideological groups, so-called "527" organizations and other opponents of campaign finance regulation have brought an unprecedented number of cases in the past three years to challenge campaign finance laws at the federal, state and municipal levels. *Citizens United* may constitute their greatest success thus far, but the decision is by no means the endpoint of their efforts. Instead, as their counsel have openly conceded, this anti-reform effort aims to

dismantle contribution limits, public finance programs, the remaining limitations on corporate and union political activity and most accompanying disclosure requirements. A great number of the challenges in recent years have been filed by two well funded organizations that reveal little to nothing about their sources of their funding, The James Madison Center for Free Speech and the Center for Competitive Politics.

As a result, defensive administrative work and litigation is now needed more than ever, including at the state level. To meet these needs, TIF recommends continuing support to the Campaign Legal Center (CLC) to continue this work, and to continue funding the Justice at Stake litigation working group comprised of CLC, the Brennan Center, and the National Center for State Courts who work on state judicial election reform.

#### V. Amend the Constitution

Some groups have coalesced to overturn *Citizens United* and the earlier cases on which it was based, in the only possible way – to amend the Constitution. While we acknowledge that an amendment campaign may pressure Congress and the Court to adopt proposed reforms, we do not recommend grantmaking in this area because one amendment may mean future amendments, a fraught prospect in our view, and because amending the Constitution is extremely difficult.

#### IV. CONCLUSION

Given the sole protection the Court has left on the table- disclosure - we believe it is essential to focus on making transparent independent giving in political campaigns. Given our long-time concern that the judiciary remain independent and impartial, we support special scrutiny on spending in judicial elections. We believe that reform will not be achieved absent a much broader movement than existed in past efforts in the area, with grassroots and grassroots involvement, and including the voice of small business. We also believe that large corporations should be involved in making the case for accountability and governance reform on the grounds that political spending is not in their interests, as they have successfully done in past debates. By using transparency strategies to fuel public interest and engagement, our grantees will help build the will – of both citizenry and corporations - for national campaign finance and disclosure reform. Finally, we believe we must defend the reform gains made, but also develop new thinking around the First Amendment and the proper role of the Court. These strategies are prudent in and of themselves but also have the benefit of feasibility in a way that Constitutional amendment and legislative reform strategies do not. Finally, as an operational matter, TIF will continue integrating a range of strategies and convening funders and grantees. Working together, we'll ensure that the field works strategically and efficiently, and as we do, inch closer to success.

**Name of Organization:** Media Development Loan Fund

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** to enable the Media Development Loan Fund to begin working with the Chicago News Cooperative as a pilot project in the United States.

**FPOS Grant Description:** The Media Development Loan Fund (MDLF) is a mission-driven investment fund for independent news outlets in countries with a history of media oppression. MDLF provides low-cost capital and technical know-how to help journalists in challenging environments build sustainable businesses around professional, responsible, quality journalism. This grant would enable MDLF to begin working with the Chicago News Cooperative as a pilot project in the United States.

**Previous OSI Support:** \$51,375,719

**Organization Budget:** \$15,075,000

**Project Budget:** \$250,000

**Major Sources of Support:** John D. and Catherine T. MacArthur Foundation  
Calvert Social Investment Foundation  
Foundation for Democracy and Media

**Amount Requested:** \$250,000 over 1 year

**Amount Recommended:** \$250,000

**Term:** October 1, 2010 – September 30, 2011

**Description of Organization**

The Media Development Loan Fund (MDLF) is a mission-driven investment fund for independent news outlets in countries with a history of media oppression. MDLF provides low-cost capital and technical know-how to help journalists in challenging environments build sustainable businesses around professional, responsible, quality journalism.

MDLF provides below market-rate loans and equity investments, coupled with strategic consulting and management capacity-building, to help journalists build sustainable businesses around professional, responsible, quality journalism. Working in Africa, Asia, Latin America, the Balkans and the Commonwealth of Independent States, MDLF helps



essential independent news providers to expand their audience, improve their news products and become financially self-sustainable.

From 1996 to June 30, 2010, MDLF provided \$98 million in affordable financing, including \$85.2 million in loans and equity investments; \$1.3 million in technical assistance grants; \$11 million in other grants; and \$0.5 million through Digital Kiosk, the secure payment service for independent media. MDLF collected approximately \$37 million in interest, dividends and capital gains from its program related investments. MDLF ended June 2010 with a portfolio of \$38.8 million in outstanding loans and investments.

MDLF has financed 218 projects for 72 independent media companies in 24 countries and has written off only 1.92% of the total loaned and invested. MDLF's clients range in scale from small local radio stations to leading national broadcasters, and include virtually every form of news outlet: print, radio, TV, news agency and on-line. Based on MDLF's 2008 impact measures, MDLF's 37 portfolio companies provided news to 32 million people, with over \$150 million in annual revenues between them.

### **Description of Program for Which Funding Is Sought**

MDLF is currently exploring opportunities to support independent media in the United States, and has identified a pilot project based in Illinois, the Chicago News Cooperative (CNC). CNC was launched in October 2009 by James O'Shea, former *Chicago Tribune* managing editor and former *Los Angeles Times* editor-in-chief, to protect public service journalism in Chicago. The organization is conceived as a cooperative with members who pay a weekly fee and gain access to resources beyond the news that CNC provides publicly. One such resource is the News Interest Networks (NINs) – online networks where people who share a common interest in a certain aspect of the news can come together and interact with each other and CNC staff, based around original in-depth articles, videos, and databases produced by CNC.

CNC is still in the initial stages of building its business and is working to get its first News Interest Network (NIN), focused on education, ready for launch in the first quarter of 2011. This pilot NIN will feature profiles of every Chicago public school, background information on important school-reform topics, relevant articles written by academics and parents, interactive exchanges with members, and the formation of smaller social networks, curated by CNC online. CNC plans to invite members of the NIN to suggest story ideas and to invite them to online and in-person chat and information sessions. CNC has already started preparing articles on topics like school reform, budgeting, contract talks, and gang influence in schools.

By engaging members of the NINs in two-way communication, CNC hopes to identify new voices that reflect the engagement and diversity of Chicago's main communities. Through their NINs, CNC hopes to demonstrate that people are willing to pay a membership fee for an organization that provides news content tailored to their deepest interests.

Once CNC has launched its education-focused NIN, CNC will be able to test the overall concept of the NIN. If it proves successful, CNC will launch more in-depth interactive news networks on other key community interests: culture and arts, science and technology, and foreign affairs.

This grant will enable MDLF to support CNC with a program-related investment. MDLF financing would be earmarked for development of CNC's website and the platform for the News Interest Networks. MDLF sees the New Interest Network as the project's key innovation, and although MDLF will assist CNC as a whole, the development of the News Interest Network as a business model will be the major focus.

CNC is in the process of setting itself up as a 501(c)(3), and then plans to launch a commercially formed subsidiary to house its revenue-earning operations. MDLF would advise CNC on how to structure the relationship between the for-profit and non-profit entities to maximize their potential viability and ability to attract additional investment capital. This may develop into a model that can be used elsewhere by other public interest news outlets.

MDLF expects its investment ultimately to take the form of an equity participation in the commercial subsidiary. In the interim, it may be necessary to first inject financing in the form of a loan or recoverable grant to the 501(c)(3), that later can be converted to equity in the commercial vehicle upon its formation. MDLF's interest in holding equity reflects a belief in the importance of this CNC project. MDLF recognizes that building a sustainable news business takes time, and will engage with CNC on a continuing, long-term basis, with the intent to strengthen the organization's planning, strategic development, and financial discipline.

### **Rationale for Recommendation**

The Transparency and Integrity Fund recommends a grant of \$250,000 over one year. This grant would advance TIF's goal of supporting promising models to fill some of the gaps created by the decline in newspapers and other commercial media outlets, especially at the state and local level.

MDLF has extensive experience supporting independent media in a wide variety of countries throughout the world, particularly in those where independent journalism is under threat. In the United States, commercial journalism is undergoing a sharp and highly disruptive transition, due, in part, to the loss of advertising revenue to the Internet. As a result, the traditional, ad-driven business models that have subsidized high quality, public service journalism in this country are collapsing, and new business models must be found that can sustain such journalism in the future. At the same time, Internet and new media penetration is gradually (and in some places exponentially) growing in the rest of the world. It is only a matter of time before media outlets in Africa and Asia have to deal with similar issues that American outlets are facing now.

Because of the high risks and questionable returns now associated with the news business, MDLF believes the private sector is not likely to finance the experiments that are needed in order for new models to develop and take hold that provide high-quality news and adequate coverage of public policy, government, and civic affairs.

Over the past year, MDLF has been exploring opportunities to support independent media in the United States. MDLF has come to believe that its unique experience as a successful, mission-driven media investor can make a positive contribution to efforts in the U.S. In order to test this assumption, MDLF identified the Chicago News Cooperative as a pilot project and received Board authorization to begin working with this U.S. based organization, provided that funds were separately provided to MDLF by a funder for that purpose.

CNC's goal is to become a leading source of substantive, enterprising news about the Chicago metropolitan area. CNC has already proven that it can produce high-quality investigative reporting, through its work with the *New York Times*. In 2009, in an effort to halt its declining circulation, the *New York Times* engaged CNC in a first-of-its kind venture with a local news outlet to produce two pages of local content for the newspaper on Fridays and Sundays. CNC's content is distributed as part of the *New York Times* to subscribers throughout Illinois and is clearly marked within the paper. CNC's reporters have already broken several major stories, and the *New York Times* has expressed a strong interest in continuing its relationship with CNC when the term of the initial collaboration ends in November 2010.

MDLF has undertaken an extensive review of CNC's management, news products, budget projections, revenue strategies, website development plans, and fundraising efforts. MDLF came to the conclusion that CNC's experienced and determined staff, solid business planning, and resolve to work *with* the characteristics of new media rather than against them, especially in the form of their innovative News Interest Networks, makes CNC the right organization to serve as a pilot for MDLF work in the U.S.

While most of MDLF's clients have followed traditional business models for print and broadcast news companies, MDLF also has notable experience in nurturing start-ups with innovative business models. In Malaysia, MDLF assisted on-line news site Malaysiakini.com develop over the course of nine years into Malaysia's leading website – one of the world's only profitable on-line-only news sites focused on investigative and public service news reporting.

Over the past year, TIF has been in regular contact with MDLF staff, sharing information as we both monitored the challenges facing U.S. media. MDLF staff members attended TIF's November 2009 journalism convening. TIF's proposed collaboration with MDLF is modeled after the relationship between MDLF and the OSI Media Program, which has provided grant support for ventures which have also received help from MDLF in the form of loans, business advice, and technology support.

Sasa Vucinic currently serves as MDLF's managing director. Vucinic co-founded MDLF in 1995, having worked for 16 years with media in emerging democracies. Harlan Mandel is currently deputy managing director. Previously, Mandel was deputy general counsel for the Open Society Institute.

**Name of Organization:** The Curators of the University of Missouri

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** to provide core support for the National Freedom of Information Coalition, a nonpartisan network of state open government groups working to ensure government transparency

**FPOS Grant Description:** The National Freedom of Information Coalition (NFOIC), based at the Donald Reynolds Missouri School of Journalism, is a nonpartisan network of state freedom of information advocates, citizen-driven nonprofit open government groups, academic and First Amendment centers, journalism societies, and attorneys. NFOIC's mission is to foster government transparency, with a primary focus on the state and local level.

**Previous OSI Support:** n/a

**Organization Budget:** \$1,004,000,000

**Project Budget:** \$1,220,374

**Major Sources of Support:**

John S. and James L. Knight Fdn.	\$737,600
U. of Missouri (in kind and cost share)	\$364,000

**Amount Requested:** \$200,000 over 2 years

**Amount Recommended:** \$200,000

**Term:** January 1, 2011 – December 31, 2012

**Description of Organization**

The University of Missouri (MU) was founded in 1839 in Columbia, Mo., as the first public university west of the Mississippi River and the first state university in Thomas Jefferson's Louisiana Purchase territory. MU is a major land-grant institution and Missouri's largest public research university.

**Description of Program for Which Funding Is Sought**

The National Freedom of Information Coalition (NFOIC), headquartered at the Missouri School of Journalism, is a nonpartisan network of state freedom of information organizations, academic, and First Amendment centers, journalism societies and

attorneys. NFOIC's mission is to foster government transparency, with its primary focus on state and local access and transparency issues.

NFOIC manages a small grant program to foster the creation and growth of state coalitions, and works with those coalitions to strengthen government transparency and offer a national, collective voice on FOI issues. NFOIC makes recommendations for either state or national action, and works with access advocates and lawmakers to strengthen state FOI laws.

The NFOIC first formed in 1989 at a meeting in Dallas, Texas, as the National Freedom of Information Assembly. The meeting arose out of a need to support specialized First Amendment organizations with the expressed goal of protecting the public's right to know. These organizations formed around the country in response to recognition that government entities and officials were not always willing to recognize the people's right to access public records and meetings.

In January 2010, NFOIC launched the Knight Freedom of Information Fund (the Fund), which enables NFOIC to pursue important FOI cases, defraying upfront costs such as filing fees, depositions, court costs, and other expenses associated with legal actions. The Fund does not cover attorney's fees. Pro bono attorneys, many of them associated with NFOIC state coalitions or the Harvard Berkman Center's Online Media Legal Network (also recommended for support in this docket), provide legal representation for litigants. NFOIC employs litigation as a last resort, after written requests, appeals, and public pressure have failed to ensure compliance with public disclosure statutes.

### **Rationale for Recommendation**

The Transparency and Integrity Fund recommends a grant of \$200,000 over two years to support the core operations of NFOIC. This grant would advance TIF's goal of supporting efforts to increase public access to information necessary for timely oversight so that national, state, and local government operates transparently. This grant would also advance the Fund's interest in increasing state and local groups' capacity to advocate on transparency, integrity, and equity issues.

Broad and equitable access to high-quality information and effective accountability mechanisms are foundational to an open society, one in which government and corporate decisions and decision-making processes are transparent, and the public is well-informed and has the tools necessary to hold government, and government supported corporations, accountable.

For the last four decades at least, citizens have been able to rely on small, medium, and large news organizations, mostly newspapers, to fight information access battles on their behalf. In recent years however, access litigations have declined. One consequence of the economic downturn for American newspapers is that their traditional freedom of information watchdog role, backed by ample legal resources, has steadily diminished. Even large news organizations like the *New York Times* and the Associated Press have

had to cut back on legal challenges to gain access to information. Over the long term, without the press serving as the enforcement arm for freedom of information laws, more government officials will deny access with impunity, especially because government seldom enforces the access laws against public officials who violate them.

In a summer 2009 survey of open government coalitions, nearly 80 percent of respondents reported decreasing litigation levels on open government cases, and a subsequent survey of media lawyers confirmed this decline. This survey, conducted by the Media Law Resource Center, reflects the erosion of the media economy, as 53 percent of respondents said that resources for FOI litigation have decreased—with 35 percent reporting that resources have decreased substantially.

That decrease in resources translates to fewer legal interventions, with 42 percent of media law respondents reporting that the number of instances in which their firm had intervened in an open government matter for media clients had decreased over the past two to five years. Without the threat of litigation, government incentives to comply with FOI laws are significantly diminished.

The NFOIC survey found that 87 percent (34 groups) of coalitions reported increasing financial difficulties as a result of the current media economy. Dues are harder to come by, and the annual donations from state press associations and from the largest media organizations in the states, are diminishing. Fortunately, the NFOIC built the FOI coalitions to be citizen-driven and not media-only, and in some states that already is helping a great deal, but the media traditionally served as the catalysts and leaders of the movement.

Freedom of information is largely a local issue, decided and governed at the state, county, city, and district or neighborhood level. There, protection of FOI needs a coordinated response, a repository of information and an organized, easy-to-mobilize team of advocates for access. The NFOIC supports these critical elements and is already a major national participant in the debate over access versus a perceived need for secrecy.

Prior to the NFOIC's existence, FOI activism at the state and local level lacked a unified voice and any sort of coordination or support. Today, the NFOIC can serve as the organizing tool for future champions of openness by building out the network of state citizen/journalist groups, no matter where the future takes the news business.

As the national coalition dedicated to fostering open government at the state and local level, the NFOIC has built the relationships needed to advance the cause of transparency. Its work is uniquely grassroots and citizen-driven, its coalitions increasingly diverse in membership and in terms of programmatic activities. The relationships and expertise about state and local FOI issues developed over more than 20 years of work are unique assets that would be difficult to replicate elsewhere.

NFOIC member coalitions educate policymakers on the need for systemic FOI reform. They fight new attempts at greater secrecy. They document the many difficulties that

ordinary citizens face every day in their attempts to gain access to public meetings and to the written instruments of their government. They work with journalists and citizens to remove roadblocks and free up information daily.

NFOIC's location at the Missouri School of Journalism provides a stable base of support as well as constant exposure to new developments in media and journalism. NFOIC board and staff maintain close ties with other individuals and organizations engaged with FOI issues, including the Society of Professional Journalists, the Reporter's Committee for Freedom of the Press, OSI grantee OpenTheGovernment.org, OSI grantee the Sunlight Foundation, and the Online Media Law Project, which is also recommended for support on this docket.

Kenneth Bunting became the first full-time executive director of NFOIC in July 2010. Over the past 40 years, Bunting has served as a journalist, executive, and leader in the newspaper industry. Most recently he was Associate Publisher at the *Seattle Post-Intelligencer*. He has also worked for the *Los Angeles Times*, the *Cincinnati Post*, the *Fort Worth Star-Telegram*, and the *San Antonio Express-News*. NFOIC's Board of Directors includes Lucy Dalglish, Executive Director of the Reporters Committee for Freedom of the Press; Sarah Nordgren, Director of State News for the Associate Press; and Thomas Susman, Director of the Governmental Affairs Office of the American Bar Association.



**Name of Organization:** President and Fellows of Harvard College

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** to support the Online Media Law Project at Harvard University's Berkman Center for Internet and Society.

**FPOS Grant Description:** The Online Media Law Project, based at Harvard University's Berkman Center for Internet and Society, works to ensure that individuals and organizations involved in online journalism have access to legal resources and education. The Project focuses its work in three areas: legal education and training; litigation and pro bono legal services; and the collection and analysis of legal threats facing online journalists and publishers.

**Previous OSI Support:** n/a

**Organization Budget:** \$3,800,000,000

**Project Budget:** \$684,556

**Major Sources of Support:**

John S. and James L. Knight Fdn.	\$250,000
Harnisch Foundation	\$37,500

**Amount Requested:** \$720,000 over 2 years

**Amount Recommended:** \$350,000

**Term:** October 1, 2010 – September 31, 2012

**Description of Organization**

Harvard University, located in [Cambridge, Massachusetts](#), is a private, non-profit institution of higher education with approximately 7,160 undergraduate and 13,070 graduate students. Established in 1636, the University includes the Faculty of Arts and Sciences, the School of Engineering and Applied Sciences, the Division of Continuing Education, ten graduate and professional schools, the Radcliffe Institute for Advanced Study, and a variety of research museums and institutes.

The Berkman Center for Internet and Society at Harvard University is a research center founded at Harvard Law School in 1997. Now a University-wide Center, it serves as a locus for a network of Harvard and other faculty, students, fellows, lawyers, entrepreneurs, and others working to identify and engage with the challenges and opportunities presented by the Internet. The Center is devoted to research and teaching on issues at the intersection of emerging technologies, law, public policy, industry, and

education, and also to the development of dynamic approaches and rigorous scholarship that can affect and support the public interest.

### **Description of Program for Which Funding Is Sought**

The Online Media Law Project (OMLP) works to ensure that individuals and organizations involved in online journalism have access to legal resources and education. OMLP focuses its work in three areas: legal education and training; litigation and pro bono legal services; and the collection and analysis of legal threats facing online journalists and publishers.

The OMLP provides legal education and training for journalists and online publishers. Over the past three years, OMLP has developed an online media law course for journalists at the Poynter Institute; organized trainings for the National Association of Hispanic Journalists, and created a video primer on state laws regulating recording activities at polling places for YouTube's 2008 "Video Your Vote" project. In partnership with OSI grantee the Investigative News Network, OMLP conducts legal trainings aimed at addressing the special legal needs of watchdog reporting centers including OSI grantees the Center for Investigative Reporting, the Center for Public Integrity, the New Orleans Lens, and the Wisconsin Center for Investigative Journalism.

OMLP publishes and maintains a 590-page online legal guide covering topics including online legal risks; newsgathering and privacy; intellectual property; access to government information; and risks associated with publication. This free guide has been accessed over 2 million times in the past 2 years, with 130,000 page views in June 2010 alone.

OMLP offers a range of litigation and pro bono legal services. In January 2010, OMLP launched a pro bono legal referral network comprised of law school clinics, in-house legal counsel, and individual lawyers across the U.S. that provide free and low cost legal assistance to online journalism ventures and other digital media creators. OMLP lawyers screen all prospective clients to assess their suitability for inclusion in the network, focusing on factors such as financial viability, editorial independence, quality of content, and adherence to high journalistic standards. OMLP lawyers conduct extensive client screening to identify legal needs (splitting up complex issues that need to be handled by more than one attorney) and match clients with appropriate legal counsel.

The OMLP pro bono network currently consists of 129 members, practicing law in 34 states. These lawyers come from more than 70 law firms and media companies, as well as more than a dozen law school clinics and nonprofit legal services organizations. In its first six months, the pro bono network helped more than 40 clients find assistance on a range of legal issues, including FOIA requests, prepublication review, business formation and governance, copyright licensing, independent contractor agreements, trademark advice, and representation in litigation and other adversarial situations.

OMLP has also organized and participated in amicus curiae briefs in cases raising important First Amendment and intellectual property issues, including filings in the U.S.

Supreme Court, Illinois Supreme Court, New Hampshire Supreme Court, and Massachusetts Supreme Judicial Court.

The OMLP maintains the only publicly available database of lawsuits, subpoenas, and other legal threats directed at online publishers. This database currently contains 900 entries, each consisting of a plain language description of the case or threat and links to press coverage. Most entries also contain the underlying documents. OMLP assigns staff to research, analyze, and report on the many lawsuits and other legal threats that are directed at online media.

### **Rationale for Recommendation**

The Transparency and Integrity Fund recommends a grant of \$350,000 over two years to support the core operations of the Online Media Law Project. This grant would advance TIF's goal of strengthening accountability journalism on critical open society issues, and supporting promising noncommercial models that are developing innovative ways to fill some of the gaps created by the decline in newspapers and other commercial media outlets.

In addition to supporting individual journalism outlets, TIF has identified the need to support the rapidly evolving noncommercial journalism sector as a whole, to take advantage of opportunities to create shared services or economies of scale. In order for this sector to survive and flourish with limited resources, news outlets will need legal assistance on diverse topics, including some that are not generally considered media law subjects.

Unlike established media organizations that have the resources to address legal challenges, many online journalism ventures lack the expertise or financial resources to protect themselves and pursue rigorous journalism in an uncertain legal environment. Indeed, without legal assistance, it is easy to imagine how one threatening letter could shut down an important reporting initiative or one lawsuit could end a promising journalism venture.

OMLP shares OSI's concern about the decline in accountability journalism, particularly at the state and local level. OSI support will enable OMLP to expand and target its efforts to address the needs of where accountability journalism is at greatest risk. For example, there has been a steady increase in the number of journalism schools in universities across the country that recognize that they have both a pedagogical and practical role to play in the production and distribution of news. There has also been a steady increase in noncommercial reporting ventures seeking to partner with these universities. In their 2009 Columbia Journalism School report, *The Reconstruction of American Journalism*, Leonard Downie and Michael Schudson note this trend and suggest that "universities, both public and private, should become ongoing sources of local, state, specialized subject, and accountability news reporting as part of their educational missions." University based centers, particularly investigative news centers, raise a host of challenging legal issues including ownership and licensing of intellectual property,

newsgathering liability, insurability, and editorial independence from the university. Moreover, because university legal offices generally lack experience with media law issues, most journalists cannot turn to their universities for appropriate help. With increased capacity, OMLP will be able to serve the legal needs of specific university based reporting centers, as well as serving as a resource center to collect and distribute information about the rapidly evolving field of media law.

OLMP Director David Ardia is a Fellow at the Berkman Center. Previously, he was assistant counsel to the *Washington Post*. OLMP has a strong and engaged advisory board, which oversees the project's direction and assists in the expansion of OLMP's network in the journalism and legal communities. Current board members include Floyd Abrams, partner at Cahill, Gordon & Reindel, John Carroll, former editor of the *Los Angeles Times*, Lucy Dalglish, Director of the Reporters Committee for Freedom of the Press, James Goodale, partner at Debevoise & Plimpton and former Vice Chairman and General Counsel of the *New York Times*, Karlene Goller, Deputy General Counsel for the Los Angeles Times, Jonathan Zittrain, Professor of Law at Harvard Law School and Ethan Zuckerman, founder of Global Voices Online and a member of the OSI Board.

**Name of Organization:** Pacific News Service

**Tax Status:** 501 (c)(3) public charity

**Purpose of Grant:** To provide general support to New America Media

**FPOS Grant Description:** New America Media (NAM) is the country's first and largest national collaboration and advocate of ethnic news organizations. NAM is a national AP-style ethnic media news exchange that integrates the ethnic media sector into American journalism. NAM links ethnic media outlets to one another to develop a media grid connecting otherwise isolated and fragmented communities, building inter-ethnic, inter-racial and inter-generational communications. NAM serves 3,000 ethnic media outlets, reaching more than 51 million people.

**Previous OSI Support:** \$1,735,000  
\$750,000 from Seize the Day Fund (2009-2010)  
\$200,000 from Transparency and Integrity Fund (2009)  
\$150,000 from Equality and Opportunity Fund (2009)  
\$535,000 from Strategic Opportunities Fund (2005 – 2007)  
\$100,000 from Youth Development Grants (2005)

**Organization Budget:** \$5,775,000

**Project Budget:** Not applicable

**Source of Support:**

James Irvine Foundation	\$500,000
Atlantic Philanthropies	\$450,000
California Endowment	\$350,000

**Amount Requested:** \$400,000 over one year

**Amount Recommended:** \$400,000 over one year

**Term:** October 1, 2010 – September 30, 2011

**Description of Organization**

New America Media (NAM) is the country's first and largest national collaboration and advocate of ethnic news organizations. Over 51 million ethnic adults connect to each other, to home countries and to America through over 3,000 ethnic media, the fastest growing sector of American journalism.

NAM's primary goal is to serve as a national AP-style ethnic media news exchange that integrates the ethnic media sector into American journalism. The model is collaborative, linking ethnic media outlets to one another to develop a media grid connecting otherwise isolated and fragmented communities, building inter-ethnic, inter-racial and inter-generational communications and understanding.

NAM carries out its mission through:

- An AP-style news syndicate and web site carrying coverage that NAM produces, and also aggregates, from ethnic media partners;
- Partnerships with 38 journalism schools that help support regional networks of ethnic media, and links to hubs in Europe, Australia, and Canada;
- An online directory of over 3,000 media outlets spanning print, online, TV and radio, which also functions as an emergency messaging service for the Centers for Disease Control and other government agencies;
- Research and multilingual polling to project the voices of ethnic media's audience to each other and the larger public;
- A trade association organizing awards, professional trainings, newsmaker briefings, and special events;
- Regular publication of youth journalism, editorials, and poetry, enhancing the voices of the most at-risk and marginalized young people; and
- A digital divide initiative aimed at expanding ethnic media's online presence.

### **Description of Program for Which Funding Is Sought**

This recommendation is for general support.

### **Rationale for Recommendation**

The Transparency & Integrity Fund (TIF) recommends a grant of \$400,000 over one year. This grant would advance the Fund's goals of ensuring equitable access to high quality journalism and of increasing capacity in the ethnic media sector. Because TIF's support for journalism initiatives will pay particular attention to those that focus on the needs of underserved communities, we see this as an area of rich collaboration with the Equality & Opportunity Fund, with a common goal of nurturing a better informed and more engaged populace in historically excluded or marginalized communities.

In June 2009, New America Media released the results of a national study on the penetration of ethnic media in the United States, which measured the growth of the ethnic media sector and ethnic media's readership over the past four years. The audience for ethnic media grew by 16 percent during this period, reaching 57 million people on a regular basis. The study also found that ethnic media reach 82 percent of all Hispanic, African-American and Asian-American adults; the percentage of the Asian-American adult population reached by television programming targeting Chinese, Vietnamese, Korean and Filipino viewers has grown by 30 percent over last four years; the penetration

of Spanish-language television is now almost universal; and, Chinese and Korean newspapers now reach 70 percent and 64 percent, respectively, of their adult populations.

Ethnic media see their role as primarily to give voice to the community, strengthen cohesion, and chronicle community life. More than 42 percent of print newsrooms across the country employ no black, Asian American, Latino, or Native American journalists at all. According to even the most generous analyses, they consult white sources at least two-thirds of the time. With their ability to tap into the communities they serve, the ethnic media contribute context, history, and perspectives found nowhere else.

In April 2009, New America Media developed the Economic Stimulus project at the request of TIF staff and supported through the Seize the Day Fund. This project helped NAM improve the quality of news coverage of economic policy issues in the ethnic media sector. The project was also designed to build the long-term capacity of ethnic media to report on economic policy issues and inform the communities most impacted by the recession and also most underserved by traditional and new media alike: low income, minority, immigrant, Native American and rural. As part of the Four Pillars Campaign, OSI provided project support to help NAM widen the scope and improve the quality of the news coverage of immigration issues in the ethnic media sector.

NAM has grown over the last decade from a small Bay Area ethnic media collaboration to the first and largest ethnic media association in the country with a budget of over \$5 million. With the great majority of this budget committed to specific projects and initiatives, a general support grant from OSI will allow NAM to build and strengthen the organizational infrastructure that is critical to fulfilling the rising demand for the services and news content NAM provides.

NAM was founded in 1996 by Sandy Close, who serves as its executive director. Close is the former China editor of *the Far Eastern Economic Review* in Hong Kong and founder of inner-city newspaper *The Flatlands* in Oakland, Ca. In 1995, Close received a MacArthur Foundation "genius award" for her work in communications. In 1997, a film she co-produced, *Breathing Lessons: the Life and Work of Mark O'Brian*, won the Academy Award for best documentary.

The Ford Foundation recently commissioned a year-long evaluation of NAM, which included a detailed analysis of NAM's operations, management structure, leadership succession plan, board oversight and performance, financial health and sustainability, and effectiveness. Ford staff invited TIF staff to help shape the evaluation, participate in meetings with the consultants, and review the consultant's interim and final reports. This independent audit has enabled OSI and Ford to gain a full and unvarnished picture of how effectively NAM is delivering on the goals both funders share to improve journalism and media, particularly in and about ethnic and minority communities. The Ford evaluation reinforced our confidence in NAM, and helped inform our current funding recommendation.

At a time when the ethnic media itself is struggling to serve its audiences with few if any of the resources available to general market media, this grant represents a strategic investment in its growth as the most important intermediary informing and engaging immigrants and ethnic minorities about the public life of this country.



**Name of Organization:** Center for Public Integrity

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** to support *The Lens*, a New Orleans based reporting initiative that provides news, information, and access to data related to Gulf Coast issues of public interest.

**FPOS Grant Description:** The Center for Public Integrity serves as the fiscal sponsor of *The Lens*, a New Orleans based reporting initiative that provides news, information, and access to data related to Gulf Coast issues including criminal justice, education, local government, the environment, the cultural economy, land use, and politics. *The Lens* is also affiliated with the New Orleans Coalition on Open Governance, an OSI-supported initiative that brings together a range of nonprofit organizations that share a commitment to working collaboratively to build a more transparent and accountable city governance structure.

**Previous OSI Support:** \$3,462,554 to the Center for Public Integrity (1997-2009), \$155,000 to *The Lens* (2009)

**Organization Budget:** \$4,412,792 (Center for Public Integrity)

**Project Budget:** \$550,422

**Major Sources of Support:** For *The Lens*:

Surdna Foundation	\$100,000
Louisiana Disaster Relief Fdn.	\$ 50,000
Knight Foundation	\$ 60,000

**Amount Requested:** \$310,000 over one year

**Amount Recommended:** \$325,000 over two years

**Term:** October 1, 2010 to October 31, 2012

**Description of Organization**

The Center for Public Integrity (CPI) is an award-winning non-profit investigative journalism organization. It was founded in 1989 and has produced over 400 investigative reports and 17 books since its inception. Located in Washington, D.C., CPI's executive director, William Buzenberg, is the former head of NPR News and Minnesota Public Radio News.

## **Description of Program for Which Funding Is Sought**

This grant would provide renewal funding for *The Lens*, a New Orleans based reporting initiative that provides news, information, and access to data related to Gulf Coast issues of public interest, including criminal justice, the cultural economy, local government, the environment, land use, and politics.

*The Lens* reporters routinely attend public and neighborhood forums across New Orleans, which allows them to get to know communities and stories that other news outlets ignore. In addition to regular “beat” coverage on issues of public interest, *The Lens* will continue to conduct several longer term investigations, focusing on the New Orleans criminal justice system.

*The Lens* distributes its reporting through its own website, as well as through a partnership with local Fox affiliate WVUE. In just a few months, WVUE distributed 39 stories from *The Lens*. In exchange for access to Lens reporting, WVUE provides office space for *the Lens* in its newsroom, and access to expensive online research tools. *The Lens* recently developed a partnership with ProPublica to track the BP claims process. Material from *the Lens* is also printed in the *Trumpet*, a free newspaper published by the Neighborhood Partnership Network, a community based nonprofit and member of the New Orleans Coalition on Open Governance. The *Trumpet* has a circulation of about 10,000, and copies are distributed twice a month at community centers, medical offices, restaurants, and barber shops.

*The Lens* participates in the New Orleans Coalition on Open Governance, an OSI-supported initiative that brings together a range of nonprofit organizations that share a commitment to working collaboratively to build a more transparent and accountable city governance structure. *The Lens* does not serve as the communications arm of the Coalition, and retains complete editorial independence. *The Lens*’ participation in the Coalition is second to its primary function as an outlet for high quality journalism on matters of public importance.

Steve Beatty, a journalist and editor with over 20 years of experience at major daily newspapers including the Atlanta Journal-Constitution and the Akron Beacon-Journal, is managing editor of *The Lens*. As editor for the Times-Picayune, Beatty was responsible for a staff of 40 reporters. Jed Horne is editor of *The Lens*. Horne is the author of *Breach of Faith: Hurricane Katrina and the Near Death of a Great American City*, published by Random House. He served as the Latin America foreign correspondent and metro editor for the *Times Picayune*. *Lens* co-founder Karen Gadbois is a lead reporter for *The Lens*. Gadbois’ reporting was primarily responsible for exposing widespread corruption and misuse of federal Katrina-related recovery funds.

CPI director Bill Buzenberg provides organizational and editorial advice to *The Lens*, as well as access to CPI’s computer assisted reporting expertise and resources. *The Lens* is also a member of the Investigative News Network, which received seed funding from OSI in 2009.

## **Rationale for Recommendation**

The Transparency and Integrity Fund recommends a renewal grant of \$325,000 over two years. The grant would advance the Transparency & Integrity Fund's goal of identifying and supporting promising models to ensure equitable access to high quality journalism, with a special focus on original reporting on public affairs at the local and state levels. This grant would also advance the Strategic Opportunity Fund's goal of collaborating with other U.S. Programs funds to articulate shared goals and strategies in the New Orleans/Gulf Coast Region. TIF has identified Louisiana as one of several states of interest to its emerging state-based grantmaking strategy, with a special focus on New Orleans.

As newsrooms, particularly at the city and state level, have reduced reporting staff, there is no longer a sufficient professional workforce to serve as the public's monitor of the behavior of state and local officials. Lost in the diminishing coverage are stories on conflicts-of-interest, financial irregularities, lobbying by corporate interests, ethical lapses, and criminal wrongdoing. The consequence of diminished investigative reporting on issues of public interest is especially acute on the Gulf Coast, where communities are still struggling with the process of rebuilding, public policies are undergoing major reform, and billions in federal recovery money is being spent with little oversight or accountability.

*The Lens* launched in late 2009 with seed funding from OSI. In less than a year, *The Lens* has published a wide range of stories that have had an impact on communities in New Orleans. An investigation by *The Lens* of \$17 million worth of federal grant money that is unaccounted for in the city budget sparked an investigation by the city's Inspector General. A story about the impact of the BP oil spill on black fishermen generated national media follow-up including stories in ethnic media outlets and the *New York Times*. *The Lens* has published several stories focusing on the failure of the city to adhere to public meetings law, specifically focused on the lack of openness and accountability of the meetings related to the significant expansion of the Orleans Parish jail.

In addition to serving as a watchdog for the public, *The Lens* demonstrates a commitment to engaging local residents in becoming more active participants in their communities. *Lens* reporters regularly attend community meetings and other public forums, and cover them in real-time using cell phones and social networking tools. *The Lens* files public records requests on a near-daily basis, and also provides readers with information about how to file their own requests and what information is available to the public.

On the fifth anniversary of Katrina, *The Lens* published the results of an investigation that revealed, in great detail, the status of city-owned properties that were slated to receive recovery money. *Lens* reporters visited over 200 city-owned facilities across New Orleans, documenting each site and speaking with local residents. Using state and city documents obtained through numerous public records requests, *The Lens* produced an interactive map of New Orleans showing how much money FEMA has earmarked for repairs, the current cost of repairs, and the current status of the project. *The Lens* found

that most of the neglect was concentrated in low-income, primarily African-American sections of the city. Community organizations in New Orleans have already used this information to call for meetings with elected officials.

*The Lens* has established itself as a trusted source for high-quality reporting, cultivated a range of sources, and identified diverse distribution partners. *The Lens* has also focused on the need to develop a sustainable business strategy with multiple revenue streams and a reduced dependence on philanthropy. With encouragement from TIF staff, the Surdna Foundation recently approved a \$100,000 grant to enable *The Lens* to hire a business development consultant, who will work closely with the editorial team to help develop additional funding sources, including sponsorships, memberships, and individual donors. In early 2010, *the Lens* held the first of several planned local fundraising events. The event attracted national figures including television writer and producer David Simon, creator of the New Orleans-set HBO series *Treme*. Comedian Harry Shearer and political consultants James Carville and Mary Matalin also attended the fundraiser. *The Lens* was also a recipient of a \$60,000 Knight Community News Challenge matching grant, after it raised \$30,000 from local donors.

*The Lens* reports on local issues of national significance. The struggles of post-Katrina and Rita communities to rebuild despite corrupt contracting practices, decaying physical infrastructure, inadequate public education, and shortages in affordable housing are relevant to communities across the country. In addition to the national relevance of the content of *The Lens*, its organizational structure serves as a model for other regions seeking a forum for data-driven, analytic journalism at a time when overall access to information is expanding, but trusted outlets for high-quality, data driven journalism are shrinking.

**Name of Organization:** NewsTrust Communications

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** to support the creation of an online news literacy project in Baltimore, adapting the national NewsTrust platform to improve the way people get their local news and information in Baltimore.

**FPOS Grant Description:** NewsTrust helps people find and share good journalism online. NewsTrust will create and test a Baltimore-specific application of its online news curation platform, to help improve the way people get their local news and information in Baltimore.

**Previous OSI Support:** n/a

**Organization Budget:** \$660,000

**Project Budget:** \$150,000

**Major Sources of Support:**

MacArthur Foundation	\$250,000
Omidyar Network	\$250,000
Ashoka Foundation	\$37,500

**Amount Requested:** \$150,000 over 15 months

**Amount Recommended:** \$150,000

**Term:** October 1, 2010 – December 31, 2011

**Description of Organization**

Founded in 2005 and based in Mill Valley, California, NewsTrust Communications is a nonprofit, nonpartisan organization promoting quality journalism, news literacy, and civic engagement.

NewsTrust creates online tools to help citizens differentiate credible journalism from misinformation and to enable more informed decision making and enhanced civic engagement. The NewsTrust website features news and opinions rated by its members based on specific measures of quality. The site's unique [review tools](#) show people how to evaluate facts, fairness, sourcing, context and other core principles of journalism. NewsTrust tracks quality ratings and reputation for each news publication under review, to help identify trustworthy sources. The service also ensures the reliability of its evaluations by rating its own reviewers and validating their expertise. NewsTrust

currently has 19,247 members and 8,000 reviewers. In the past 12 months, NewsTrust has served over 1.4 million unique visitors.

NewsTrust media partners include [Agence France-Presse](#), [the Council on Foreign Relations](#), [Frontline](#), [Global Voices](#), [New America Media](#), *USA Today*, The PBS *NewsHour*, and the *Washington Post*. Educational partners include [Stanford University](#), [Stony Brook University](#), and [Northeastern University](#).

NewsTrust has developed a series of News Hunts to help inform people about important public issues. This civic engagement tool is particularly effective in high schools and universities. For each News Hunt, NewsTrust invites partner communities to use the NewsTrust review tools to evaluate hundreds of stories in weeklong searches for good journalism on specific topics. Participants typically include news professionals, content experts, concerned citizens, educators and students. At the end of each News Hunt, NewsTrust recommends the best news coverage on that topic, based on ratings from the community. Approximately 7,500 people participate in a typical News Hunt.

NewsTrust has partnered with diverse organizations to conduct News Hunts on a variety of topics, including: the global economy (Global Voices and the International High School); the impact of lobbyists (*Washington Post's* WhoRunsGov); Afghanistan (WNET's *WorldFocus*); the African-American experience (PBS, Tavis Smiley and U. of Santa-Clara); the Bush legacy (*Washington Post*); the U.S. economy (PBS *NewsHour* and University of Nevada); immigration (New America Media); and the Middle East (Council on Foreign Relations, Global Voices, and Link TV).

### **Description of Program for Which Funding Is Sought**

NewsTrust will create and test a local application of NewsTrust, in Baltimore. NewsTrust will create a Baltimore pilot NewsTrust website, which will be the first local application of the NewsTrust model. NewsTrust will develop a set of online news literacy tools and practices that the public can use to identify and evaluate high quality local journalism in the Baltimore region.

During the pilot, a small team of professional NewsTrust editors will organize and lead groups, both online and in person, of citizen volunteers, journalists, librarians, university students, and high school students in an evaluation of local news coverage in Baltimore. Participants will use the NewsTrust review tools to rate news stories based on fairness, accuracy, and context. NewsTrust Baltimore will assemble quality news from a wide range of sources: mainstream and independent, commercial and noncommercial, national and local in any format available to the public. This daily news feed will be continually updated on the NewsTrust Baltimore website, which will serve as a central news hub for Baltimore residents. This news hub and civic engagement network will give Baltimore residents a practical way to share quality journalism on critical local issues such as criminal and juvenile justice, drug addiction, education, and the economy.

NewsTrust will partner with the University of Maryland's business and journalism schools, which have agreed to dedicate a team of students to help promote this pilot in Baltimore. OSI-Baltimore has agreed to help NewsTrust develop partnerships with OSI grantees, and a range of civic institutions including the Baltimore Free Library system, the Baltimore City Public School System, and the Baltimore Urban Debate League.

NewsTrust will also seek partnerships with a range of news outlets in and around Baltimore, including the *Baltimore Sun*, the *City Paper*, the *Washington Post*, the *Afro*, the *Baltimore Times*, and local websites.

### **Rationale for Recommendation**

The Transparency and Integrity Fund and OSI-Baltimore recommend a grant of \$150,000 over fifteen months. This grant would advance TIF's goal of supporting the development or adoption of tools and methods to help translate, filter, or curate news. TIF also aims to support efforts to develop creative, pragmatic, and productive ways of engaging the public in newsgathering, not only as a way to improve the quality of reporting, but also as a way to increase public investment in and engagement with the issues. TIF has a particular interest in developing partnerships with other U.S. Programs funds and campaigns working at the state and local level. This grant will enable TIF and OSI-Baltimore to identify gaps in news coverage of the issues OSI works on in Baltimore, including criminal justice, racial justice, and education.

The Pew Research Center's Project for Excellence in Journalism recently conducted an intensive study of news in Baltimore. Pew found that the *Baltimore Sun* produced 32% fewer stories on any subject than it did in 1999, and 73% fewer stories than in 1991. As local newspapers continue to scale back on journalism, people will increasingly look to a variety of sources online for local news and information. If citizens are to become their own editors, they need new skills and tools to effectively evaluate the quality of the news and information they rely on for civic decisions. NewsTrust provides an online news platform that can aggregate the best local news coverage, as well as connect citizens with professionals who can help distinguish good journalism from misinformation.

Pew's Baltimore study also found that as news is posted faster, often with little enterprise reporting added, the official version of events becomes more important. Pew found that in Baltimore, official press releases often appear word for word in first accounts of events, though often not noted as such. In the growing echo chamber online, formal procedures for citing and crediting can get lost. Pew found numerous examples of websites carrying sections of other people's work without attribution and often suggesting original reporting was added when it was not. Pew found elements of this in several major stories it traced. And sometimes old stories that were already obsolete were posted or linked to after events had changed and the original news site had updated them. It is increasingly difficult for the public to evaluate the accuracy of information, even from "trusted" sources of news.

The NewsTrust rating and fact-checking system helps people evaluate the reliability of news, but another important NewsTrust contribution is the form of critical reading that it invites participants to adopt. NewsTrust serves to slow people down and gives readers an opportunity to closely consider the information they consume. Since its launch, dozens of media and educational partners, including a study by the University of Michigan, have confirmed the effectiveness of New Trust in developing media literacy skills.

NewsTrust's Executive Director is Fabrice Florin, a former journalist and digital media pioneer at Apple and Macromedia. Fabrice was recently elected an [Ashoka Fellow](#) for his work as a social entrepreneur in journalism. Staff from OSI-Baltimore met with Fabrice Florin and were impressed with the NewsTrust model and enthusiastic about a Baltimore pilot. Diana Morris and Debra Rubino have agreed to work closely with NewsTrust to ensure that the NewsTrust Baltimore pilot benefits from the diverse network of OSI-Baltimore grantees and partners.



**Name of Organization:** Citizens for Responsibility and Ethics in Washington

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** To provide Citizens for Responsibility and Ethics in Washington with: 1) renewed general support, and 2) new project support to investigate and expose corporate special interests behind political advertising and to educate and mobilize the public in response to *Citizens United*.

**FPOS Grant Description:** This grant would: 1) provide renewed general support to Citizens for Responsibility and Ethics in Washington for its work on ethics and transparency in the federal government; and 2) provide new project support for the organization to respond to the Supreme Court's *Citizens United* decision by investigating and exposing the special interests behind political advertising, and using that information for public education and mobilization for policy reform.

**Previous OSI Support:** \$600,000  
\$300,000 from Transparency and Integrity Fund (2009-10)  
\$300,000 from Progressive Infrastructure (2005-2008)

**Organization Budget:** \$3,250,406

**Project Budget:** \$1,230,000

**Major Sources of Support:**

Peter Lewis	\$200,000
Carnegie Foundation	\$75,000
Marisla Foundation	\$100,000
Arca Foundation	\$50,000

**Amount Requested:** \$950,000 over two years  
\$350,000 for general support over two years  
\$600,000 for project support over one year

**Amount Recommended:** \$500,000 over two years  
\$250,000 for general support over two years  
\$250,000 for project support over one year  
(\$150,000 Transparency & Integrity Fund, T1:21093)  
(\$100,000 Strategic Opportunities Fund, T1: 21081)

**Grant Term:** January 1, 2011 – December 31, 2012 (general support)  
October 1, 2010 – September 30, 2011 (project support)

## **Description of Organization**

Founded in 2003 and based in Washington D.C., Citizens for Responsibility and Ethics in Washington (CREW) is an aggressive watchdog group dedicated to ensuring the integrity of public officials and the federal government. Using a combination of research, litigation, and strategic communications, CREW investigates and exposes government officials who violate ethics rules and laws, and thus undermine public trust in government. CREW does this politician by politician, regardless of party affiliation. CREW pursues the bulk of its legal actions in two distinct spheres, Congress and the Administration. CREW uses litigation, ethics complaints, Department of Justice complaints, Internal Revenue Service complaints and Federal Election Commission complaints to hold members of Congress accountable for unethical conduct, and employs litigation, Freedom of Information Act requests and other legal tactics to uncover unprincipled conduct by the Executive Branch and force policy changes.

In the past few years, CREW has played a leading role in calling media and public attention to ethics and transparency issues. For instance, it was CREW's FOIA lawsuit that forced the White House to disclose its visitor records; the Obama administration now makes those records available on a rolling basis. CREW has also been leading the fight to recover millions of Bush-era e-mails. Its annual report, *Most Corrupt Members of Congress*, continues to receive widespread coverage. Of the 48 legislators CREW has named in the five years since it first published the report, 27 are no longer in office.

CREW's strong relationship with journalists is critical to its success. Each week, CREW fields dozens of calls requesting its analysis on congressional ethics issues from reporters for major news organizations, including the *Associated Press*, *The Washington Post*, *The New York Times*, CNN, and MSNBC. In 2009, CREW appeared in over 700 news stories and made more than 100 appearances on radio and television. CREW also collaborates with other members of the 'Right to Know' community in Washington, many of them OSI grantees, including the ACLU, the Sunlight Foundation, the Project on Government Oversight and the Electronic Frontier Foundation.

## **Description of Program for Which Funding Is Sought**

In addition to renewed general support, CREW requests new project support to enable the organization to respond to the altered campaign finance landscape following the Supreme Court's January 2010 decision in *Citizens United v. FEC*. Specifically, CREW will expose the special interests behind political advertising in a select set of high profile races in the 2010 elections and thereby educate the public and mobilize support for policy reform. This includes private and large corporate donors. CREW will employ the following, multi-faceted approach:

- **Analysis:** CREW's research team will analyze the impact of the decision on the 2010 election cycle and reveal what the loopholes in the disclosure requirements leave hidden. The team will: 1) compare the extent of independent expenditures pre- and post-*Citizens United* in federal elections; 2) track the number of new and

- existing entities making independent expenditures; 3) analyze the change in the level of congressional campaign donations; and 4) compare congressional campaign and party spending on advertisements to independent expenditures on advertisements.
- **Investigation:** CREW will work with media experts to find where and when political advertisements are running and investigate who is behind the advertisements and what alliances between industry and nonprofits have been formed. CREW also plans a multi-state public outreach campaign – including an extensive online component - asking citizens to tell CREW where they have seen advertisements. To unveil the special interests behind the advertisements, CREW will work with experienced research and electronic information experts. CREW staff will work with search engine optimizers to drive citizens to a website designed specifically to provide information about the advertisements.
  - **Communications:** CREW will expose the links between industry and these ‘nonprofits’ to educate the public about the real world impact of the decision and the effects it has on congressional elections. CREW will create and publicize reports demonstrating the ties between corporations and specific campaign ads. Post-election, CREW will study the ties between ad expenditures and congressional action, using the results of that study to show the public who is backing specific legislative efforts that may not be in the public interest.
  - **Mobilize Support for Policy Reform:** Because the ultimate remedy to the effects of *Citizens United* is policy reform, using non-OSI funds, CREW will mobilize public support for reform, including by supporting other organizations’ reform proposals, and will educate the public about those proposals. CREW will use its analysis of the 2010 election cycle to demonstrate the need for reform.

### **Rationale for Recommendation**

The Transparency and Integrity Fund recommends a grant of \$500,000 (\$250,000 in general support, and \$250,000 in project support, both over two years). The Strategic Opportunities Fund has agreed to contribute \$100,000 of the \$250,000 in project support. The general support grant would advance TIF’s goal of ensuring an ethical congress and administration and the disclosure of data necessary to advance important reforms. The project support grant would advance TIF’s goal of ensuring the integrity of elected institutions across the country.

We recommend CREW for renewed general support because it is part of a closely-knit community of ‘Right to Know’ advocates focused on the federal government. Its emphasis on litigation and its ‘take-no-prisoners’ approach complements the strategies and tactics of the other organizations that work in a more collaborative manner with Congress and the White House. Although this Administration has made notable progress on government ethics and transparency, CREW remains busy, bringing lawsuits to gain access to important records, change closed practices, and focus attention on legal and ethical violations as CREW did in the cases of Senator David Vitter (R-LA) and the late Congress member John Murtha (D-PA).

With OSI support, CREW has become a credible leader in the transparency and ethics arena, with a strong track record of results. CREW is well-positioned to play a central role in pressing for greater transparency in political processes and for ethical behavior by government officials. CREW's high level of productivity, demonstrated impact, and focused agenda aligns fits well with the Transparency and Integrity Fund's funding strategy on access to information advocacy.

We also recommend CREW for project support. With its decision in *Citizens United v. Federal Election Commission*, the Supreme Court has placed the rights of corporations ahead of the rights of voters by willfully ignoring the outsize role of money in politics and the fact that corporations have vast sums to spend. As a result of the *Citizens United* decision, corporations will be able to secretly pour unlimited amounts of cash into political advertisements and the American public will not know which special interests are behind the ads. Additionally, while watchdog groups and journalists previously could use Federal Elections Commission campaign contribution data to link political favors to campaign cash, post-*Citizens United* it will become harder to expose pay-to-play schemes in Congress and easier for corporations to influence congressional action. CREW has already raised funds for this work from the Arca and Wallace Foundations, and the HKH Foundation is likely to support this project as well.

CREW is currently a trusted source on congressional ethics and is uniquely positioned to address the problems created by *Citizens United*. It has a track record of publishing hard hitting investigative reports and executing sophisticated and comprehensive communications strategies that expose corruption that challenges an informed and active democracy.

CREW's founder and Executive Director Melanie Sloan, a former Federal prosecutor, is gaining deserved attention for her work. In 2009, *Rolling Stone* magazine placed her in a list of "100 people Who Are Changing America," *O (Oprah) Magazine* featured her in its first "O Power List" of "remarkable visionaries," and *The Hill* has once again named Sloan one of its "Top Grassroots Lobbyists." Her staff includes Chief Counsel Anne Weismann, former Deputy Chief of the Enforcement Bureau at the Federal Communications Commission.

**Name of Organization:** National Institute on Money in State Politics

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** To provide: 1) renewed general operating support; and 2) new project support for research and education about changing patterns of corporations' independent expenditures in support of or against candidates for public office in state elections, and their correlation with political donations and lobbying expenditures.

**FPOS Grant Description:** The recommended general support grant would support the National Institute on Money in State Politics to continue its work collecting, analyzing, and disseminating campaign finance data for state-level legislative and judicial elections. The recommended project support grant would allow the Institute to examine whether the Supreme Court's decision in *Citizens United* changes the use and/or extent of corporations' independent expenditures in state elections.

**Previous OSI Support:** \$2,878,000  
(2009-10)  
\$400,000 from Transparency and Integrity Fund  
\$435,000 from JEHT Emergency Fund (2009-2010)  
\$320,000 from Progressive Infrastructure (2007)  
\$790,000 from US Justice Fund (2002 – 2006)  
\$325,000 from Governance and Policy (1999, 2001, 2002)  
\$333,000 from Law and Society (1999 – 2000)  
\$275,000 from Political Campaign Reform (1997 – 1998)

**Organization Budget:** \$1,952,100

**Project Budget:** \$400,000

**Major Sources of Support:**

Ford Foundation	\$250,000
Pew Charitable Trusts	\$110,000
Rockefeller Brothers Fund	\$60,000

**Amount Requested:** \$600,000 over two years (general support); \$100,000 over eighteen months (project support)

**Amount Recommended:** \$350,000 over two years (general support); \$100,000 over two years (project support)

**Term:** January 1, 2011 – December 31, 2012 (general support)  
October 1, 2010 – December 31, 2012 (project support)

### **Description of Organization**

The National Institute on Money in State Politics (the Institute) is a nonprofit organization that traces the influence of campaign money on state-level elections and public policy in all 50 states. Working in close collaboration with the reform community, the Institute has developed the country's first and only comprehensive, verifiable and open archive of records on campaign contributions in state elections. Based in Helena, Montana, the Institute works proactively to make its data and research available to journalists, public interest lawyers, public officials, academics, and citizen groups across the nation.

The Institute works with state officials and watchdog groups in all 50 states to gather, code, and analyze campaign finance information in every state-wide election. This includes not only gubernatorial and legislative elections, but judicial elections as well. The organization's work involves an arduous process of sorting data and reorganizing it in open source databases that allow for comprehensive searches of donors back to 1988. Recently, the Institute began to gather lists of registered lobbyists in every state, allowing researchers to make connections between the statehouse work of lobbyists and donations from lobbyists and the clients they represent. It also launched a "Legislative Committee Analysis" tool to better analyze donations to members of key legislative committees from the industries impacted by those committees' decisions. Now, in the wake of *Citizens United*, the Institute is expanding its data gathering and research to include independent expenditures, an increasingly significant segment of political spending (see project description below).

The data the Institute collects serves as the backbone of many watchdog groups' efforts. Groups such as TIF grantee, Maplight.org, as well as many other cutting-edge projects of the Sunlight Foundation depend upon this data and, more broadly upon the Institute to connect the dots between money and political action. Thousands of journalists turn to the Institute's databases each year in the process of investigating political news stories. The Institute is also doing more to increase connections with grassroots organizers and issue advocates to make use of political spending data as a tool in working for social justice-oriented policies.

### **Description of Program for Which Funding Is Sought**

In addition to a recommendation to renew a general support grant to the Institute, the Transparency & Integrity Fund also recommends new project support to the Institute to enable it to respond to the altered campaign finance landscape following the Supreme Court's decision in *Citizens United v. FEC*. The recommended project grant would support the Institute's examination of whether the decision changes the use or extent of 'independent expenditures' -- expenditures made without coordinating with candidates -- in state elections. In *Citizens*, the Court struck down restrictions on corporate spending that was not coordinated with candidates

for public office. (In a 2007 case, the Court had ruled that corporations could sponsor issue ads, but went a step further in *Citizens*, allowing companies to tap into their general treasury funds to directly advocate for or against candidates in elections. Since the Court's decision, Federal Election Commission rulings have clarified that corporations and individuals may make unlimited contributions to groups as long as none of the money goes directly to a candidate or is coordinated with a campaign.)

The project will focus on political spending at a critical time for the nation. States are redrawing legislative and Congressional districts to incorporate population shifts, and major public policy questions are on state ballots including whether to ban implementation of health care reform and suspend air pollution control laws. The Institute will amass information on the extent, changing patterns and influence of independent expenditures in state elections, and how they correlate to election outcomes, political donations and lobbyist networks, by:

- 1) Using data it collects from 2006, 2008 and 2010 elections to create a three-election-cycle searchable database of independent expenditures for 22 states, to be published at [www.FollowTheMoney.org](http://www.FollowTheMoney.org);
- 2) Publishing an *Overview of Independent Expenditures in State Elections* revealing cross-state or cross-industry independent expenditure patterns, and the general relationship of independent expenditures to political donations in the 2010 elections; and
- 3) Publishing a *Best Practice Guide for Independent Expenditure Disclosure* for agencies and reform groups working to strengthen state laws and reporting systems.

With over ten years of election data collection experience, the Institute is well prepared to collect the independent expenditure reports that are expected to be filed for 2010 state elections, and two-year baseline database of independent expenditures reports filed for 2006 and 2008 elections. The empirical evidence the project produces will benefit government watch groups (including many TIF grantees), inform campaign finance legal defense strategies being pursued by TIF grantees among others, and more broadly supply information needed by courts, statehouses and advocates across the country dealing with the consequences of the *Citizens United* decision. The database and research reports will inform the public, encourage civic engagement and empower monitoring of independent expenditure sponsors and their activities.

The project will draw upon the expertise and assistance of lead national groups including U.S. Programs grantees the Brennan Center for Justice, the Campaign Legal Center, the Center for Public Integrity, the Center for Responsive Politics, and Justice at Stake, as well as Common Cause and the Campaign Finance Institute. During the Institute's 2010 convening of national advisors, the Institute's Research Director met with attending partner organizations (a subset of those listed above) to develop *Best Practice* criteria for meaningful and thorough disclosure of independent expenditure activity in state elections. The Institute is also consulting with political scientists at George Mason University, Rice University, and other institutions to ensure the states selected for data collection meet research needs for comparison of state laws and reporting practices.

The Institute's data and research reports are regularly cited by the *Los Angeles Times*, *New York Times*, *Wall Street Journal*, *The Washington Post* and other national and state newspapers and broadcasters. The data this project will collect, format and distribute in an accessible manner is thus likely to reach a wide audience, and have potentially far-reaching effects on policy defense and reform.

### **Rationale for Recommendation**

The Transparency & Integrity Fund recommends two grants: a general support grant of \$350,000, and a project support grant of \$100,000, both over two years. Both grants support the Fund's goals of: guaranteeing access to targeted data of high quality, in usable form and in real time; collecting, aggregating, and disseminating open source data to the widest possible audience; and integrating state-based judicial independence efforts into TIF's wider state-based strategies. The project support grant additionally advances the Fund's goal of providing support for advocacy and reform of election administration practices to facilitate equal access to the ballot.

In granting First Amendment protection to corporate political spending and advocacy, the Supreme Court in *Citizens United* left few avenues for attempting to rein in the corrupting influence of money in American politics. The Court did, however, point to disclosure of campaign donations as the one regulatory approach that would not trigger Constitutional scrutiny. As a result, the work of the Institute has become more significant than ever. The Institute is the only entity collecting data on donations to candidates in every state election. This data is now available free of charge to the public and increasingly useable given the search and analysis tools the Institute has designed, built, and tested. With this vast body of data, NIMSP is doing more than ever to connect the dots between campaign donations, lobbying expenditures, and independent expenditures, uncovering previously hidden connections. Journalists rely on this data in reporting on legislation, policy, and elections, and news websites such as Time.com, *USA Today*, and CNBC.com now offer readers direct access to the Institute's data.

These activities are of great value to TIF. The Institute has long been a key grantee of U.S. Programs, advancing many Funds' goals. OSI funding made possible its now invaluable collection, analysis, and dissemination of state judicial election contribution data. Recently, the Institute also played a major role in tracking economic stimulus spending, looking for political corruption in the allocation of much needed dollars. The Institute is also proving to be an important collaborator in the response to *Citizens United*.

The Institute is led by Ed Bender, a tireless innovator in the field. His staff of researchers, software developers, and analysts provides assistance to journalists and advocacy groups alike. TIF staff is particularly encouraged by the Institute's growing concern with finding ways to tailor its - and thus other online groups' - data to the needs of community-based advocacy groups working on state and local level reforms.



**Name of Organization:** MapLight.org

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** To enable MAPLight.org to expand its work to Wisconsin and provide transparency tools to journalists, nonprofits, and the public to track the influence of money on the activities of the Wisconsin Legislature.

**FPOS Grant Description:** This grant will enable MAPLight.org to expand its work to Wisconsin. MAPLight.org develops research tools to illuminate the influence of special interest money on legislation and provide key information necessary to hold legislators accountable to the public. MAPLight.org will develop a public database that combines data on campaign contributions, lawmakers' votes, and special interest groups' positions on legislation. MAPLight.org's research team will train Wisconsin journalists and nonprofit groups to make the best use of the database and transparency tools in their own work.

**Previous OSI Support:** \$335,000  
\$100,000 from JEHT Fund (2010)  
\$235,000 from Transparency & Integrity Fund (2009)

**Organization Budget:** \$1,013,000

**Project Budget:** \$525,000

**Major Sources of Support:**

John S. and James L. Knight Fdn.	\$200,000
Ford Foundation	\$100,000
Individual contributions	\$230,000

**Amount Requested:** \$300,000 over two years

**Amount Recommended:** \$300,000 over two years

**Term:** January 1, 2011 – December 31, 2012

## **Description of Organization**

MAPLight.org (Maplight) is a nonpartisan, 501(c)(3) organization based in Berkeley, California that uses technology to increase government transparency. Maplight combines three data sets that illuminate the connection between campaign donations and legislative votes:

- Bill texts and legislative voting records
- Supporting and opposing interests for each bill
- Campaign contribution data (from TIF grantees the Center for Responsive Politics and the National Institute on Money in State Politics)

Combining this data makes visible key information such as contributions given by the special interest groups supporting and opposing each bill; average donations given to legislators voting yes and no on each bill; and, a timeline of contributions and votes for each bill, graphically identifying when legislators received large donations before or after their votes.

Maplight began applying this method to the California Legislature in October 2006 and expanded it to the U.S. Congress in May 2007. In 2009, Maplight began to focus on a municipal level and launched MAPLight.org Los Angeles. The Los Angeles site reveals campaign contributions to Los Angeles City politicians, providing citizens with key campaign finance data including industry, interest group, company and individual campaign contributions to Los Angeles elected officials. Maplight plans to eventually cover every state legislature and provide self-service tools for municipalities. Maplight is developing tools that will enable any organization or individual to include customized money and politics data on its website, covering the bills, legislators, and issues of greatest relevance to them.

Maplight's data sources include GovTrack.us; TIF grantee the Center for Responsive Politics; the Federal Election Commission; and TIF grantee the National Institute on Money in State Politics. Data concerning the support for and opposition to legislation is obtained through testimony at public hearings, proprietary news databases and public statements on the websites of trade associations and other groups.

## **Description of Program for Which Funding Is Sought**

This grant would enable Maplight to expand its work to Wisconsin and provide transparency tools to journalists, nonprofits, and the public to track the influence of money on the activities of the Wisconsin Legislature. Maplight will develop an integrated database of the three data streams it typically aggregates: campaign contributions, lawmakers' votes, and special interest groups' positions on legislation.

Campaign contribution data will be provided by TIF grantee the Wisconsin Democracy Campaign, which takes data from the state elections board, then verifies the data for accuracy and categorizes donors based on the interest group of the contributor. Maplight

will obtain lawmaker voting data from the Wisconsin Legislature's website. Maplight's research team will track which interest groups support and oppose each bill, using organizations' public statements from news articles, organizational bulletins, legislative testimony, and other public records.

Maplight's research team will train Wisconsin journalists and nonprofit groups (including all of the OSI-funded groups in Wisconsin) to make the best use of the database and tools in their own work. Maplight's research team will also respond to requests for specific types of data from journalists and issue-oriented nonprofit groups. In addition, Maplight Wisconsin's public website will feature online tools so that individuals can conduct their own research.

Maplight will conduct outreach throughout Wisconsin to ensure that Maplight Wisconsin is well-tailored to local needs and becomes a frequently used resource for key audiences, including journalists, issue-oriented nonprofit groups, and citizen activists. Maplight will assemble a Wisconsin advisory council to provide input on state needs.

### **Rationale for Recommendation**

The Transparency and Integrity Fund (TIF) recommends a renewal grant of \$300,000 over two years. This grant would advance the Fund's goal of supporting the use of data and technology to increase the transparency and accountability of government. This grant would also advance the Fund's interest in increasing state and local groups' capacity to advocate on transparency, integrity, and equity issues. TIF is currently investing in four states in coordination with other U.S. Programs: Louisiana, Maryland, Texas, and Wisconsin.

Laws made at the state level often have a greater impact on people's daily lives than national legislation, yet in comparison to the U.S. Congress, state lawmakers act with little effective transparency and accountability. The public needs timely, in-depth information about lawmakers, votes, and special interest influence to hold legislators accountable and make reform efforts more effective. Uncovering this information has been slow and expensive for state groups or individual journalists who must painstakingly research, assemble, and analyze hundreds of thousands of pieces of data on votes and contributions to put together a big-picture view of the money-vote connections behind a single bill. At a time when news organizations are cutting costs and journalists have less time to devote to gathering information, Maplight tools will provide critical high-quality research in a fraction of the time it would take to otherwise assemble these facts from disparate sources.

In June 2009, TIF gave Maplight a small planning grant and requested that it conduct research and outreach in Texas, Louisiana (specifically New Orleans), Maryland, and Wisconsin. The goals of this planning grant were to assess the support for and utility of a Maplight Los Angeles-type project for some or all of these geographic areas, and to develop relationships with local contacts and groups that would serve as informal advisers if Maplight were to ultimately develop a similar project in these areas.

Maplight identified Wisconsin as the strongest candidate for further work for several reasons. Wisconsin has fairly strong freedom of information laws, and data relevant to this project is readily available. Maplight immediately identified a group of Wisconsin journalism and nonprofit groups eager to collaborate and poised to take advantage of MAPLight.org services to improve the quality of their own work. These groups ranged from the Wisconsin Center for Investigate Journalism (a TIF grantee) and the *Milwaukee Journal Sentinel* to the Wisconsin Democracy Campaign (a TIF grantee) and the League of Women Voters. These groups expressed interest in integrating lobbying data, financial disclosure forms, judicial election data, and independent contributions to issue ads with other Maplight data. An initial one-year grant in late 2009 enabled Maplight to develop software to import and organize Wisconsin's legislative data, and build tools that would assure the ongoing accuracy of legislative, interest group, and campaign finance data for current and prior legislative sessions. Maplight developed research methods for Wisconsin industries, adapting existing methods used for California and the U.S. Congress. A two-year renewal grant will allow Maplight to launch the new Maplight Wisconsin site, with real time updates of vote data going forward. Maplight will conduct outreach and trainings with journalists, news organizations, and nonprofit groups in Wisconsin. Maplight will continually add new tools, filters, and data sets based on user demand.

This will be the final OSI grant to this project. The Transparency and Integrity Fund invited Maplight to develop a Wisconsin site, and agreed to support the initial three years of research and development. Maplight agreed to ensure that its Wisconsin site would be self-sustaining from in-state donors within three years. To meet this goal, Maplight began developing relationships with Wisconsin foundations and individual donors from the earliest stages of this project. Maplight is confident that it will meet its goal.

Since it was established in May 2007, Maplight has developed a reputation as an accurate and nonpartisan source of information for journalists. Its research has been cited by the *Washington Post*, the *New York Times*, *CNN*, the *San Francisco Chronicle*, the *Guardian*, the *Los Angeles Times*, *Forbes*, the *Economist*, the *Associated Press*, and hundreds of other news outlets across the country. Maplight's original report "Remote Control: U.S. House Members Raise 79% of Campaign Funds from Outside Their Districts," the most detailed study ever of the geography of campaign contributions to members of Congress, was featured on *CNN*, *NPR's Marketplace*, and was localized to dozens of other media outlets across the country. Maplight has received the Knight-Batten Award for Innovations in Journalism, Library Journal Best Reference 2008, and the James Madison Freedom of Information Award from the Northern California Chapter of the Society of Professional Journalists.

Daniel Newman is co-founder and executive director of Maplight. Newman co-founded the Berkeley Fair Elections Coalition and has served as a consultant to various political and nonprofit groups, including the Center for Voting and Democracy and the Mental Health Association of San Francisco. He is the author of three books on speech recognition software and the founder of a speech recognition software development firm.

**Name of Organization:** Wisconsin Democracy Campaign

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** To provide general support

**FPOS Grant Description:** The Wisconsin Democracy Campaign is that state's leading organization dedicated to reforms that decrease the influence of money in state politics and policy making. As a result of its work, WDC hopes to increase public confidence in government leaders and institutions. It pursues this work through a combination of research, public education, organizing, and advocacy. WDC is a strong collaborator, working with democracy reform coalitions at the state, regional, and national levels.

**Previous OSI Support:** \$150,000  
\$150,000 from Transparency & Integrity (2008-09)

**Organization Budget:** \$404,100

**Project Budget:** n/a

**Major Sources of Support:**

Joyce Foundation	\$100,000
Proteus Fund	\$10,000
Piper Fund	\$20,000
Brico Foundation	\$20,000

**Amount Requested:** \$150,000 over two years

**Amount Recommended:** \$150,000 over two years

**Term:** August 1, 2010 – July 31, 2012

**Description of Organization**

The Wisconsin Democracy Campaign (WDC or the Campaign) promotes clean government and healthy democracy through research, citizen education, community outreach, coalition building, and direct advocacy. The Campaign has been a leading force in government ethics and reform efforts over the past two years, organizing a coalition of groups to support the creation of new government oversight institutions and tools to combat political corruption and enforce ethical standards in state government. It was WDC's organizing efforts that built public support for the creation of the Wisconsin Government Accountability Board which is charged with oversight of Wisconsin's campaign finance, elections, ethics, and lobbying laws. WDC's seven year public education campaign helped make Wisconsin only the third state to adopt public financing

in state Supreme Court elections. WDC also led a push for adoption of internal state Assembly rules banning members from solicitation of campaign contributions during the budget process.

WDC developed and maintains a searchable database of contributors to state campaigns, bringing greater transparency to state elections for all three branches of government. It is now working with Maplight.org (a TIF grantee) on a project to use Maplight's internet tools to make that database more searchable and usable by journalists, advocates, and the public. Based in Madison, Wisconsin, WDC leads the Wisconsin Democracy Reform Roundtable, a coalition of organizations committed to democracy reform in the state. WDC is also a vital member of the Justice at Stake Coalition, working closely with national members of the coalition to advance reforms in Wisconsin, and an active participant in the Midwest Democracy Network (a former OSI grantee), assisting with that group's development and execution of a regional strategy on government reform.

### **Description of Program for Which Funding Is Sought**

The recommendation is for general support.

### **Rationale for Recommendation**

The Transparency and Integrity Fund (TIF) recommends a general support grant of \$150,000 over two years. This grant would advance the Fund's goals of: 1) integrating state-based judicial independence efforts into TIF's broader state-based strategies; and 2) increasing state and local groups' capacity to advocate on transparency, integrity, and equity issues.

Wisconsin has been the center of significant reform opportunity and activity in the past few years. The state's Supreme Court elections have been among the nation's nastiest, with massive sums of money and ugly attack ads undermining citizen confidence in the fairness and impartiality of the state judiciary. Following the Supreme Court's decision in *Caperton v. Massey*, the Wisconsin judiciary sought to reform its recusal rules to comply with the new Constitutional standard set by the Court. Powerful business interests stopped that effort, leading to a backlash that resulted in the passage of a public financing system for state high court elections. Now, in the wake of *Citizens United*, there is growing public concern about even greater corporate influence in state elections and legislative decision making.

It is the Wisconsin Democracy Campaign that is leading those fighting for the public interest on these many fronts. WDC is well-known in the state and region for its research, advocacy, education, and organizing skills. With a small staff, led by veteran good government advocate Mike McCabe, WDC has built significant reform coalitions across issue silos to push for policies and practices that reduce the influence of money in state politics. Through its long-term campaign work, WDC sowed the seeds for significant successes in campaign and ethics reforms. Its collaborative approach to reform work links it with national, regional, state, and local coalitions and alliances. This

commitment to coalitional work made WDC substantially more effective than other organizations of its size.

**Name of Organization:** The American University

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** To support the Collaboration on Government Secrecy

**FPOS Grant Description:** CGS plays an important role in shaping government policy on transparency and secrecy. Through convenings that bring together high-level government officials with academics and advocates, CGS has influenced the development of right to know standards in the new administration. CGS also provides significant behind-the-scenes advice to executive branch officials charged with developing transparency standards and practices.

**Previous OSI Support:** \$225,000  
\$225,000 from TIF and NSHR (2008-2009)

**Organization Budget:** \$456,700,000

**Project Budget:** \$74,998

**Major Sources of Support:** n/a

**Amount Requested:** \$75,000 over one year

**Amount Recommended:** \$75,000 over one year  
(\$50,000 Transparency and Integrity Fund, T1: 21093)  
(\$25,000 National Security and Human Rights, T1: 21095)

**Term:** November 1, 2010 – October 31, 2011

**Description of Organization**

American University, located in Washington, DC, is a leader in global education, enrolling a diverse student body from throughout the United States and nearly 140 countries. It also features a rich set of programs focused on domestic and international policy. Its law school, The Washington College of Law, specializes, among other things, federal regulatory law and practice. The Collaboration on Government Secrecy is a project based at the law school.

**Description of Program for Which Funding Is Sought**

The Collaboration on Government Secrecy (CGS) is a non-partisan academic project devoted to development of expertise, scholarly research and information resources on openness in government, freedom of information, government transparency and the study



of “government secrecy,” both within the United States and internationally. Founded in 2007, CGS has provided advice to the White House, executive branch departments and agencies, and Congress on “Right to Know” legal and policy issues. Over the past year, CGS has played a significant convening role in bringing together “Right to Know” advocates with government officials and employees at a series of well-attended convenings.

CGS has been actively involved in the current administration’s transparency reforms. Following President Obama’s Day One announcement of his administration’s Open Government Directive, CGS Executive Director Dan Metcalfe began providing valuable advice on revising the Department of Justice’s operative Freedom of Information Act memorandum, particularly on questions of how to revise the Ashcroft Memorandum that had established a standard of non-compliance. In 2010, CGS provided extensive behind-the-scenes assistance and advice to the new head of the Office of Government Information Services (OGIS), an office created to oversee government compliance with FOIA. It also worked directly with administration insiders on issues related to national security classification, pushing for greater openness than the administration was inclined towards. CGS collaborated with the (TIF-funded) Open the Government coalition to improve a draft Executive Order on classification standards. CGS brought to the collaboration information and access to key administration officials, thus allowing the coalition to intervene in a timely and impactful way.

CGS has also organized a series of well-attended and productive meetings on key information policy questions. In January 2010, CGS hosted an event assessing the Obama administration’s record on openness, using the event to launch a secrecy/transparency “scorecard.” (It gave the administration a “D” for its first year performance, a fact picked up in many media outlets.) It also held convenings on Freedom of Information Day and Sunshine Week that featured “transparency czar” Norm Eisen, Senator Patrick Leahy, and former White House Chief of Staff John Podesta. Finally, CGS held a day-long convening on the prospects for reform of the state secrets privilege that brought together members of Congress, executive branch officials, and academic experts.

In the coming year, CGS will continue these activities. More concretely, CGS will bring together administration officials and advocates to assess the Obama administration’s transparency policy after two years, in January 2011. It will also continue to serve as a resource and advocate for more effective transparency, information, and secrecy policies at the federal level. CGS foresees work on implementing the Attorney General’s FOIA memo, keeping pressure on the Administration to reduce the FOIA backlog, pushing for continued work on the Open Government Directive, and implementing the December 2009 executive order on classification of national security information.

### **Rationale for Recommendation**

The Transparency and Integrity Fund (TIF) and National Security and Human Rights Campaign (NSHR) recommend a grant of \$75,000 over one year. This recommended

grant would advance TIF goals of supporting government oversight organizations in efforts to increase transparency in the federal government, and reforming the practices of key executive branch agencies and departments. With CGS' focus on reform of government secrecy practices, this grant would also advance the National Security and Human Rights Campaign's goal of reducing excessive government secrecy in national security policy.

In the past few years, CGS has played an important role in bringing together policy makers and reform advocates to tackle the key transparency issues raised by the Obama Administration. While President Obama placed transparency at the top of his initial agenda, these promises have not fully materialized. Some await implementation but others have faded due to what seems to be retrenchment or a turnaround. Thus, ongoing oversight and advocacy remain needed. Given its ability to get administration officials, advocates, and journalists to the table, CGS' efforts will remain valuable to those ends.

As part of a broader community of Right to Know advocates and experts, CGS brings to the table a deep and intricate understanding of the inner workings of executive branch information policymaking, execution and enforcement. That expertise resides primarily in CGS' executive director, Daniel Metcalfe. Metcalfe was the founding director of the Justice Department's Office of Information and Privacy, the office tasked with management of Freedom of Information Act policy in the executive branch. As a career attorney at DOJ (he started there in 1971 and left in protest in January 2007), Metcalfe advised the Attorney General and President on information policy. Most notably, Metcalfe drafted the "Reno Memorandum" that rejected the restrictive Reagan-era approach to FOIA compliance and established a "presumption of disclosure" standard in its place. Through his position at CGS, Metcalfe has continued to have an outsized impact on shaping government information and secrecy policy thanks to his reputation, connections, and collaborative approach.

Metcalfe established CGS to serve as a base of operations for work on government secrecy. Far from conceiving his work in a siloed fashion, however, Metcalfe, in creating CGS, brought together key players in the Right to Know community with veteran investigative journalists concerned with access to information. Many of these individuals (some leaders of OSI funded organizations) now sit on CGS' advisory board. Metcalfe has worked closely with this board to establish CGS' priorities and inform its activities and recommendations. Thus, CGS further advances cooperation within what is an increasingly energized Right to Know community. CGS is also of significant value to staff of the Transparency and Integrity Fund and the National Security and Human Rights Campaign because through Metcalfe, we are afforded an insider's perspective on the opportunities for and roadblocks to government reform. However, with limited funds and shifting priorities in TIF and NSHR grantmaking strategies, we are not in a position to fund more than one organization that serves a convening function. Starting in 2011, we will concentrate funding in the Open the Government coalition (of which CGS is a member) and our support to CGS will end.

**Name of Organization:** The Pew Charitable Trusts

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** To provide renewed project support to the Pew Center on the States' Voter Registration Modernization Initiative.

**FPOS:** To renew project support to the Pew Center on the States (PCS) to allow it to address registration, the chief problem impeding voting in every election, by modernizing the way states handle voter registration. PCS will accomplish this by continuing to work with state officials to shift the burden of registration from the individuals to the government, move from reliance on paper registration forms to digital data, and implement systems that allow for voter rolls to be automatically updated when a voter moves, changes his or her name, or dies.

**Previous OSI Support:** \$500,000  
   \$250,000 from Transparency & Integrity Fund (2009)  
   \$250,000 from Seize the Day Fund (2009)

**Organization Budget:** \$298,703,000

**Project Budget:** \$3,125,140

**Major Sources of Support:**

The Pew Charitable Trust	\$2,300,000
Kresge Foundation	\$1,200,000
Robert Wood Johnson Foundation	\$9,246,999

**Amount Requested:** \$400,000 over one year

**Amount Recommended:** \$400,000 over one year  
   (\$50,000 Transparency and Integrity Fund, T1:21093)  
   (\$350,000 JEHT Emergency Fund, T1: 59959)

**Term:** October 1, 2010 – September 31, 2011

**Description of Organization**

The Pew Charitable Trusts conducts independent research on key issues affecting the American public and advocates for nonpartisan policy solutions. It operated for five decades as a private foundation until 2004 when it restructured as a public charity allowing it to operate programs directly. Its state policy initiatives are undertaken by its Center on the States (PCS), which researches emerging topics, identifies states employing innovative approaches, documents their effect, and provides expertise and support. It

currently has major initiatives focusing on early education, sentencing and corrections, and the electoral process. Pew Charitable Trusts is headquartered in Philadelphia with offices in Washington, DC.

### **Description of Program for Which Funding Is Sought**

PCS' Voter Registration Modernization Initiative (the Initiative) seeks to modernize the way voter registration is conducted at the state level, by shifting the onus for registration from the private to public sector, moving from a reliance on paper registration forms to digital data, and implementing systems that allow for voter rolls to be automatically updated when a voter moves, changes his or her name or dies.

In response to the flaws that were on display in the 2008 elections, many states are turning to innovative solutions. With OSI support, PCS has spent the last year working to develop practical steps that states can take towards a comprehensive solution, one that is high-performing, effective, efficient and nonpartisan. Sensitive to the fact that while states face common challenges, they retain unique characteristics, PCS developed a flexible plan that allows state officials to adapt components and approaches to fit the needs and capacities of their states.

PCS began its work last year by convening a working group of 42 experts, including state and county election officials from 21 states, and scholars and technology specialists, to identify the weaknesses of the current system, analyze the feasibility of practical, technology-based reforms and recommend implementation strategies for states. Broad recommendations made include the need to introduce modern information and data tools into state registration systems. If states worked together, the group concluded, a shared infrastructure would not only be cheaper, more accurate and more efficient, but would also reduce the potential for voter registration fraud. The group also found that states needed more accurate methods both for capturing data and for improving use of that information once captured. They noted, importantly, that states that have implemented key components of a modernized system report significant improvements in both the quantity and quality of data in their systems.

With the group's guidance, PCS, together with IBM engineers, developed a data matching engine that can aggregate and match data securely and privately. The system - an electronic registration information center - will not be a registration list itself, but will provide states information to help them manage their voter rolls with more precision and accuracy than ever before.

PCS is now at the threshold of making Voter Registration Modernization or VRM a reality by 2012 in at least a dozen states. In the next year, PCS will: 1) retain the technology necessary to operate an independent data center capable of receiving data from states and generating reports that identify voters whose information has changed, eligible citizens who are not registered and potential duplicate registrations; 2) establish a non-profit entity by which participating states will govern the data center's activities and assist states in formally assuming control of the entity and leveraging its benefits; and 3)

work with states to identify and enact legislation necessary to allow sharing of data with the center, as well as to enable use of online registration and automated “motor voter” technology. To meet these goals, PCS will continue directly engaging with states but also will continue to build the case for reform by conducting research into the state of our current voter registration systems and documenting its inaccuracies and cost inefficiencies. PCS will also partner with academic institutions and others to understand how policy makers view the policy and political environment surrounding voter registration.

PCS would use OSI’s renewal funds specifically to support two key pieces of outreach that would expand VRM’s footprint: 1) using existing partners to promote VRM to neighbors and colleagues across the country; and 2) enlisting new partners to make the case for VRM. The first approach leverages the fact that as more states participate in the independent data center, the benefits to existing states increase dramatically while per-state financial costs decline. This creates an incentive for states to recruit their colleagues in other states to participate and reap the benefits of improved voter rolls and lower costs. The second approach will bring new partners and voices to the table who will assist policy makers in understanding the benefits of VRM, help develop consensus among policy makers for any required legislative or regulatory changes, and add VRM to the list of topics considered by the group of state elections IT professionals that PCS had convened for a prior voting reform project. Finally, PCS will emphasize the value of VRM to military and overseas voters, a constituency of great interest to states following passage of the federal Military and Overseas Voter Empowerment Act of 2009.

PCS will simultaneously evaluate, measure and document the benefits of reform, making mid-course corrections where necessary. PCS will consider not only the impact on voter rolls, but also on election processes and fiscal bottom lines. One of several methods PCS will employ is cooperation with a new working group of election officials and academics developing an ‘Elections Index’ to rank state elections systems. PCS will use the expertise of this group to help shape its ongoing assessments of VRM, while at the same time using VRM as a case study of how to rank states as part of an index.

PCS’ efforts to date have helped make policy makers more receptive to transformative reform in this area. While only two states had online registration in 2008, several including California, Colorado, Indiana and Kansas have either enacted or are considering legislation requiring online registration be available by 2012. Other states, such as Minnesota, have considered more ambitious voter registration reforms that sought to make registration more automatic and permanent.

### **Rationale for Recommendation**

The Transparency and Integrity Fund recommends a renewal grant to PCS of \$400,000 over one year. This grant would advance the Fund’s priority of ensuring broad and equal access to the ballot. The recommended grant would also advance priorities of other USP funds such as the Equality and Opportunity Fund which supports full and equal voting rights for historically underrepresented, marginalized communities.

The United States' current voter registration system is antiquated. It is one of the last governmental systems entirely dependent on paper and is built on outsourcing voter registration to political campaigns, nonpartisan drives and the collection of forms at motor vehicle and public assistance agencies. In the 2008 General Election, approximately three million registered voters did not vote due to voter registration problems. This fragmented system, which varies procedurally from county to county, also leaves one-third of the electorate unregistered and therefore invisible to campaigns and candidates and largely unrepresented and ignored in the ensuing policy debates. In a democracy where elections are the public's greatest tool for holding government accountable to its needs, these realities are unacceptable.

When the JEHT foundation closed, PCS lost a significant funder and approximately three million a year in grants. Although this was a significant setback for its Election Initiatives, PCS remains well positioned to advance VRM at the state level, with its solid network of relationships and reputation, both of which are important given the politically sensitive nature of potential changes to the voter registration system. Over the years PCS has built relationships with secretaries of state, state election directors and local election officials in more than twenty states, including many of the largest and most influential in the country. Its data-driven, nonpartisan approach allows it to position itself as the authoritative, go-to source on state electoral systems reform, and makes it a vital partner in these efforts. TIF is therefore recommending that additional funds from OSI's JEHT Emergency Fund supplement its own in supporting PCS' important work around voter registration modernization (TIF is able to continue funding PCS at this level when this grant expires).

PCS' Initiative complements other efforts supported by TIF. The Fund also supports a national voter registration modernization project coordinated by the Rockefeller Family Fund, which seeks comprehensive federal voter registration reform. (That grant is also being renewed on this docket). The national effort requires significant state infrastructure, and state efforts to modernize their voter registration systems in advance of any federal action have both increased the momentum for change nationally and prepared states for it. TIF support for Demos' work to ensure state compliance with the National Voter Registration Act is helping broaden access to the ballot for primarily low-income populations while these more comprehensive electoral reforms advance.

This Initiative is being led by an experienced team capable of managing the varied relationships and approaches the project requires. Michael Caudell-Feagan is PCS' Deputy Director and oversees its Election Initiatives. David Becker, project director for Election Initiatives, is a veteran of the Department of Justice's Voting Section, and John Lindback, senior officer for Election Initiatives, just joined this team from Oregon, where he served for more than thirteen years as the state's election director. Lindback is also the outgoing president of the National Association of State Election Directors, where he was involved in ongoing discussions around VRM.

**Name of Organization:** Rockefeller Family Fund

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** To provide renewal project support for Rockefeller Family Fund to continue leading a collaborative effort to transform our nation’s voter registration processes through the development of modernized voter registration systems

**FPOS Description** This grant renews support to the Rockefeller Family Fund to continue coordinating and supporting a coalition of groups seeking national level reform of voter registration systems.

**Previous OSI Support:** \$300,000  
\$200,000 from Transparency and Integrity Fund (2009)  
\$100,000 from Seize the Day Fund (2009)

**Organization Budget:** \$11,189,750

**Project Budget:** \$1,540,000

**Major Sources of Support:**

Anonymous	\$400,000
Rockefeller Family Fund	\$250,000
Rockefeller Brothers Fund	\$100,000
Wiener Foundation	\$50,000
Better Democracy Fund	\$25,000

**Amount Requested:** \$200,000 over one year

**Amount Recommended:** \$200,000 over one year  
(\$100,000 Transparency and Integrity Fund, T1:21093)  
(\$100,000 Seize the Day Fund, T1: 21079)

**Term:** September 1, 2010 – August 31, 2011

**Description of Organization**

The Rockefeller Family Fund (RFF) is a public charity that is part of the Rockefeller group of philanthropic organizations. RFF works to leverage strategic opportunities capable of advancing issues of national concern, both through direct grantmaking and through special initiatives for which it coordinates funding. Accomplishments include: assisting in the passage of paid sick-days legislation in New Jersey and Washington, DC; development of the concept of “Climate Security” and engagement of four star generals and admirals to document the national security threats of climate change; creation of the Campaign Desk, a project of the Columbia School of Journalism designed to improve the

quality of presidential campaign reporting by correcting errors in real time; creation of the Environmental Grantmakers Association, an affinity group of foundations working on environmental issues; and defeat of proposed coal-fired power plants in a number of states across the nation.

### **Description of Program for Which Funding Is Sought**

In 2008, as advocates, election officials and legal experts from around the country came together to develop a more efficient approach to bringing our voting infrastructure into the 21st Century, RFF created a program fund dedicated to the successful implementation of modernized voter registration processes. The current proposal includes four features: 1) state election officials automatically register consenting eligible citizens by electronically transmitting reliable information from other government lists; 2) once an eligible citizen is on a state's voter rolls, she remains registered and her records move with her so long as she continues to reside in that state; 3) eligible citizens can correct errors on the voter rolls before and on Election Day; and 4) voters can register, check and update their registration records through a secure and accessible online portal.

As the fund's administrator, RFF provides strategic advice and assistance with the Project's architecture and approach; monitors the groups' activities and work plans; reviews their budgetary needs; works with them to determine program funding necessary to facilitate their efforts; and helps recognize and seize emerging opportunities to better develop policy proscriptions, educate, and inform the public and policy officials about issues in this fast-moving policy arena. Participating groups represent a range of organizations, many of them US Programs grantees. They include the Lawyers Committee for Civil Rights under the Law, the Brennan Center for Justice, AARP, Leadership Conference on Civil Rights, US Public Interest Research Group, League of Women Voters, Pew Center on the States and the National Military Family Association. In addition, the Glover Park Group, a consulting firm, is playing a key role in public education and outreach to policy officials. While lobbying continues to be part of the program, OSI's funds would be used strictly for 501c3 purposes.

Over the last year, through strategic planning, engaging staff and leaders on Capitol Hill, and the execution of a smart, effective media campaign, this effort demonstrated a common sense, nonpartisan solution to the problems voters face across the country. In the states, that momentum took hold as the messages and arguments that national advocates developed – together with the prospect of federal legislation – motivated state legislatures across the country to adopt significant parts of the reforms national advocates were proposing. Now, with the 2010 election cycle in view, voters across the country have new systems and resources to guarantee they can register and vote.

On the federal policy side, however, what seemed like unstoppable momentum ran into the challenges of the United States Senate. Still, moving into 2011, there is a strong foundation on which to build a reinvigorated effort to modernize voter registration (known as “VRM” for voter registration modernization”). Given lessons learned from VRM work over the last year, as well as the current political landscape, a viable strategy



for reform will require a long-term approach that sustains interest in and awareness of VRM, while allowing for a rapid ramp-up of activity as opportunities for reform present themselves.

First, the 2010 election cycle will undoubtedly present some very close, high-stakes races, which provide a key opportunity to again highlight registration problems encountered by voters, their impact on election outcomes, and also to set in relief places with modernized systems versus those with antiquated systems. Second, the effective bipartisan Committee to Modernize Voter Registration (created by this Initiative in 2009, and comprised of influential national and state election officials), coupled with solid work and research of the non-profit community on this reform, provide the building blocks for a sustainable forward-moving effort toward modernization over the next year.

The groups have laid out a suite of specific approaches that will first aim to take advantage of any problems relating to voter registration in the 2010 elections and beyond, and then seek to build a multi-pronged, long-term effort to educate policy makers and guarantee reform. Among other things, they will highlight important close races affected by voter registration problems caused by antiquated procedures both to showcase positive outcomes and highlight areas in need of attention; use Election Protection data to demonstrate the impact of problems and develop individual stories which successfully connect the problems created by current law to tangible solutions; digest ‘problematic information’ and contrast it with success stories from places that have already implemented some version of VRM; and, do a “round up” of voter registration issues affecting 2010 elections for broad dissemination.

After the election season, the Committee to Modernize Voter Registration (CMVR), will re-engage in strategic activities including with a “re-launch” in Washington, D.C. that would recap the election for policymakers and the media through the lens of voter registration and Election Day issues; draft a 2010 elections-focused white paper; and publish a major opinion piece repeating the call for meaningful voter registration modernization. Thereafter, the CMVR will keep voter registration a priority for policymakers by establishing a process for regular events and publications. These will include issuing quarterly reports on the state of voter registration reform, essentially becoming a clearinghouse of information about the efforts of various members of the voting community; holding regular discussions or debates on voter registration reforms for policymakers and media, and drafting and placing occasional thought leadership pieces keyed to appropriate news hooks.

An additional aspect of the groups’ work will be to deepen the engagement of state and local election officials. Election officials have always been crucial to registration reform because the most convincing voices for reform are often those who are responsible for its implementation. VRM proponents will work to recruit local champions and arm them with the tools and opportunities necessary to make their voices heard both locally and in Washington, D.C.

Furthermore, a subset of the groups, the established policy centers, will continually highlight the need for reform and communicate that need to policymakers by providing a steady stream of information to decision makers about VRM.

Finally, the groups will continue to highlight and support state initiatives. A number of states have taken action to address voter registration problems, providing success stories and drawing attention to areas in need of improvement. But many states have not yet taken steps toward reform, and no state has implemented truly comprehensive reform. In Washington, D.C., both the VRM working group and the CMVR can amplify successes and progress – including budgetary savings and efficiency increases – to key offices on Capitol Hill, as well as bring local leaders to D.C. to share their experiences, bringing successes at the state level to deficit hawks and good government activists alike.

### **Rationale for Recommendation**

The recommended grant to RFF is consistent with the goals of the Transparency and Integrity Fund, which seeks to provide critical support to strategies that ensure the fair administration of elections and full participation by all voters. It also advances the goals of the Democracy and Power Fund, through which many of U.S. Programs' nonpartisan voter engagement grants have been made, and ensures the Equality and Opportunity Fund's target constituencies can freely exercise their right to vote.

The ability of citizens to participate in decision making through voting is a hallmark of representative democracy and essential to advancing open society interests. Yet, in the United States today, there continue to be significant obstacles to voter registration, creating disproportionate barriers for the most disadvantaged and vulnerable groups within society. While the 2008 election saw an impressive increase in civic participation, an MIT study reported that four million Americans encountered problems with their registrations and were thus unable to vote, and another four to five million citizens reported administrative problems as a reason for not registering at all. Shifting the onus of registering voters to an automatic registration process (modeled on systems used by other democracies such as Canada) would not only engage tens of millions more citizens in our democracy, but it would help redress the fact that these problems disproportionately affect racial and ethnic minorities, low-income Americans, military service members, seniors, students, and Americans with disabilities.

Our grant recommendation to the Pew Center on the States to fund VRM at the state level complements and bolsters this important agenda. We are working closely to advance this important work with funding partners at the Carnegie Corporation, Rockefeller Brothers Fund and Atlantic Philanthropies, all of which share OSI's interest in ensuring that the structures of our democracy enable full and fair participation by all.

**Name of Organization:** Demos: A Network for Ideas and Action, Ltd.

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** To support Demos' Public Agency Voter Registration, Ending Prison-Based Gerrymandering, and Public Works projects.

**FPOS Grant Description:** To provide renewal support to Demos for its Public Agency Voter Registration, Ending Prison-Based Gerrymandering, and Public Works projects. The first project ensures full implementation of federal law easing the voter registration process for low-income individuals. The second seeks to ensure that incarcerated people are counted as residents of their home districts rather than of their districts of incarceration in the forthcoming redistricting cycle. The third project seeks to build a diverse constituency for the public sector and to provide advocates and government officials effective tools to reinforce a civic understanding of the purpose and essential roles of government and public initiatives.

**Previous OSI Support:** \$3,040,000  
 \$325,000 from Transparency and Integrity Fund (2008-2009)  
 \$150,000 from Criminal Justice Fund (2009)  
 \$165,000 from JEHT Emergency Fund (2009)  
 \$200,000 from Chairman's Grants (2008-2009)  
 \$100,000 from National Security and Human Rights (2008)  
 \$1,250,000 from Progressive Infrastructure (2005-2008)  
 \$250,000 from Strategic Opportunities Fund (2005)  
 \$600,000 from Governance & Public Policy (2000-2003)

**Organization Budget:** \$6,100,226

**Project Budget:** \$2,986,456  
 \$1,267,000 Public Agency Voter Registration  
 \$624,456 Ending Prison-Based Gerrymandering  
 \$1,095,000 Public Works

**Major Sources of Support:**

The Bill and Melinda Gates Foundation	\$600,000
Rockefeller Brothers Fund	\$375,000
An Anonymous Foundation	\$150,000
The Ford Foundation	\$400,000
The Kellogg Foundation	\$395,000

**Amount Requested:** \$550,000  
\$125,000 for Public Agency Voter Registration  
\$300,000 for Ending Prison-Based Gerrymandering  
\$125,000 for Public Works

**Amount Recommended:** \$500,000  
\$175,000 Transparency & Integrity Fund, T1: 21093  
\$100,000 JEHT Emergency Fund, T1: 59959  
\$225,000 Criminal Justice Fund, T1: 24027

**Term:** July 31, 2010 – October 31, 2011

**Description of Organization:**

Founded in 2000, Demos: A Network for Ideas and Action, Ltd. (Demos) is a New York City-based non-partisan public policy, research, and advocacy organization that works with advocates and policymakers around the country for a vibrant and inclusive democracy with high levels of voting and civic engagement; an empowered public sector that works for the common good; a more equitable economy with widely shared prosperity and opportunity; and responsible U.S. engagement in an interdependent world. As a national multi-issue organization, Demos combines research, policy development, and advocacy to influence public debates and catalyze change.

**Description of Program for Which Funding Is Sought:**

Demos requests renewed project funding to support its Public Agency Voter Registration, Ending Prison-Based Gerrymandering, and Public Works projects.

*Public Agency Voter Registration (PAVR).* PAVR is designed to lower barriers to participation for people who have historically been disenfranchised from the political process by implementing Section 7 of the National Voter Registration Act (NVRA). Demos' work in this area has demonstrated that a strong PAVR effort can yield significant dividends in low-income voter registration. In this last year, Demos' PAVR work helped add hundreds of thousands of low-income Americans across the country to the voter rolls. Some highlights follow:

- In Ohio, Demos led a lawsuit that won a precedent-setting [legal victory](#) in the Sixth Circuit Court of Appeals and led to a comprehensive [settlement agreement](#) in November 2009. In just the first six months of 2010, over 100,000 low-income persons have applied to register at Ohio public assistance offices – almost 17,000 per month -- compared to only 1,775 per month before Demos filed suit;
- In Missouri, after winning a sweeping [court victory](#) requiring the Department of Social Services to revamp its procedures, registration applications at Missouri DSS offices reached over 246,000 in the past 22 months (August 2008 through June 2010), compared to only 15,500 during the previous two years;

- In North Carolina, over 125,000 low-income people have submitted voter registration applications at the state's public assistance agencies since Demos initiated compliance efforts there in 2007 -- almost 3,000 applications per month, compared to only 484 per month in the period before Demos intervened.
- In partnership with the Lawyers' Committee for Civil Rights Under Law and Project Vote, Demos [initiated litigation](#) in New Mexico and Indiana and has already successfully settled some of the claims in New Mexico;
- At the federal level, as a direct result of Demos' advocacy, the U.S. Department of Justice recently issued its first-ever [guidance](#) to states on NVRA implementation in June 2010 – a milestone that garnered a recent [lead editorial](#) in the New York Times; and
- The Administration is seriously considering Demos' proposal to have U.S. Citizenship and Immigration Services conduct registration at naturalization ceremonies.

Demos' PAVR work must continue until voter registration systems are comprehensively modernized (work this Fund supports through grants to Rockefeller Family Fund and Pew Center on the States, also recommended on this docket). A sizeable income gap in registration rates between low-income and wealthier Americans remains 15 years after the NVRA took effect. According to U.S. Census data, unregistered individuals in households making less than \$15,000 are twice as likely to say they are not registered because they do not know how or where to register as those making \$75,000 or more. Adequate NVRA implementation is a unique and effective way to register low-income voters as it puts the onus of voter registration on the government. Improved NVRA implementation in public assistance agencies provides a highly effective and institutionalized tool for ensuring the opportunity for low-income citizens to participate in the democratic process.

In the next year, Demos will pursue enforcement work in additional states that remain out of compliance with the NVRA, institutionalize the change that has occurred in previous target states, expand the constituencies benefiting from strong NVRA enforcement, and take advantage of the opportunity to work with this new Administration to expand the reach of PAVR to federal agencies and to enlist the resources of the U.S. Department of Justice in this work.

Specifically, Demos will continue to pursue enhanced compliance in key states and seek to expand the work into new target states; engage in careful monitoring and follow-up in states where Demos has already won significant improvements; and continue to play a key role with the Lawyers' Committee for Civil Rights Under Law and Project Vote in ongoing litigation in Indiana and New Mexico, and other states that the partners may jointly determine.

Demos will also pursue NVRA compliance in disability offices and seek to expand the agencies designated under the NVRA, both state and federal. Demos will continue to build on the opportunities presented by an Administration that has made a commitment to upholding the nation's civil rights laws and expanding democratic participation. Additionally, Demos will use its contacts with the Department of Justice to pursue invigorated DOJ enforcement of the NVRA. Finally, Demos will continue to produce timely and informative publications on the NVRA.

While registration levels depend on the cooperation of state and local officials, litigation success, and the success of efforts through administrative or legislative action, Demos estimates that, with compliance, over the next two years, roughly between 1.9 and 2.6 million low-income Americans will register to vote at public assistance agencies.

*Ending Prison-Based Gerrymandering (EPBG).* EPBG is a collaboration between Demos and the Prison Policy Initiative that advances the democratic goal of fair representation by: 1) advocating an end to the Census Bureau's practice of counting incarcerated people as residents of the districts in which they are incarcerated rather than using the address of their legal residence; and 2) minimizing the effects of the current counting practice on redistricting processes while the Census policy remains unchanged. Over the next year, Demos and its project partner will continue to shape the national discussion around the 2010 Census to highlight the importance of where incarcerated people are counted and will work with states and affected counties to implement interim solutions that ensure upcoming redistricting processes—which will be based on 2010 Census data—result in legislative districts that count incarcerated people as residents of the cities and counties from which they come and to which they will return (on average, 34 months later) after incarceration and not as residents of the towns in which they were incarcerated.

Its key activities include conducting research and media outreach to keep a spotlight on the issue of prison-based gerrymandering and the simplicity of the solutions for ending it; providing technical assistance to states and local governments interested in adjusting 2010 Census data to end prison-based gerrymandering on their own during the 2011-2012 redistricting period; providing non-partisan research and analysis to Secretaries of States, state Attorneys General and legislative councils, state and federal agencies (including the U.S. Department of Justice, key congressional committees, the National Research Council, other organizations with Census oversight responsibility, and the Census Bureau itself to educate them on the impact of current Census practice and remedies); and preparing either defensive litigation in Maryland and/or New York to establish the constitutionality of recent decisions to count incarcerated people at home for the purposes of redistricting or affirmative litigation to end prison-based gerrymandering in one rural county.

*Public Works.* Run out of the Demos Center for the Public Sector in Austin, Texas, the Public Works project is dedicated to building broad understanding of and support for the essential roles of government in this country. The project was conceived in 2004 when Demos and the Council for Excellence in Government came together to work towards reversing the anti-government, pro-privatization attitudes that pervaded discussions of

many of the most pressing problems facing communities, states, and the nation. These attitudes impeded reformers' efforts on crime, inequality, government corruption, and environmental degradation. The project's goal is to build a diverse constituency for the public sector and to arm advocates and government officials with effective tools to reinforce a civic understanding of the purpose and essential roles of government and public initiatives. Public Works provides state and local government officials, labor unions, and reform advocates with training sessions and technical assistance on communications, campaign development and public education to achieve these goals in ways that are intended to go beyond messaging to movement building and cultural change. Over the past year, Public Works has been working with Seize the Day-funded state alliances seeking transparency and equity in the recovery, particularly with the alliances in Texas and Wisconsin.

### **Rationale for Recommendation:**

The Public Agency Voter Registration project advances the Transparency and Integrity Fund's (TIF) goal of ensuring broad and equal access to the ballot. The Ending Prison-Based Gerrymandering project advances the Criminal Justice Fund's interest in reducing harsh punishment in the U.S. by securing the political enfranchisement for and strengthening the political representation of communities most directly impacted by criminal justice policies and resulting practices. It also advances TIF's goal of supporting equal access to the ballot for underrepresented and marginalized constituencies. The Public Works project advances many U.S. Program funds and campaigns goal of increasing state and local groups' capacity to advocate on transparency, integrity, and equity issues.

Thirteen years after the NVRA took effect there remains a sizeable gap in registration rates between low-income and wealthier Americans. According to Demos' analysis of U.S. Census data, unregistered individuals in households making less than \$15,000 are twice as likely to say they are not registered because they do not know how or where to register as those making \$75,000 or more. To advance TIF's priority of broad and equal access to the ballot special effort is needed to address this gap in the availability of voter information and registration to lower-income citizens, and ensuring enforcement of Section 7 of the NVRA provides the opportunity to do so. The work of Demos and its partners over the past few years has shown that a serious effort to implement the NVRA ensures that the law works as it was intended to and adds substantial numbers of low-income people to the voter registration rolls.

Because states and local governments rely on decennial Census data when redrawing legislative districts, the Census Bureau's practice of counting incarcerated people as residents of the towns in which they are imprisoned rather than their actual home neighborhoods undermines the goal of fair representation on which the "one-person, one vote" doctrine is founded. Today, more people live in U.S. prisons than in our three least populous states combined, and African-Americans are imprisoned at more than seven times the rate of whites, in many places resulting in the political disenfranchisement of largely poor, urban communities of color and the disproportionate representational power

of largely white rural communities. Although the 2010 Census continued the practice, states are not without a possible remedy. While states must redistrict each decade, they are not required, as a matter of constitutional law, to rely on Census data when drawing legislative districts. The Ending Prison Based Gerrymandering (EPBG) project works to address this issue during the 2011-2012 redistricting period, while continuing to build the case for changing the Census Bureau's policy. In 2010, EPBG's extensive non-partisan research, public education, and engagement of national stakeholders raised national awareness of and informed the debate over prison-based gerrymandering and convinced the Census Bureau to change how it will publish 2010 Census data so that redistricting bodies may more easily identify prison populations and draw districts without the prison population effect. EPBG's continued efforts will help to defend and implement legislation enacted in Maryland, Delaware, and New York that will revise the Census and count incarcerated at home for purposes of redistricting in 2011.

Demos' Democracy Program, which oversees the Public Agency Voter Registration and Ending Prison Gerrymandering projects, is led by Brenda Wright, who before coming to Demos, served as Managing Attorney at the National Voting Rights Institute in Boston and Director of the Voting Rights Project at the Lawyers' Committee for Civil Rights Under Law.

Demos' Public Works program, also recommended as part of this grant, addresses the weakening support for the public sector that undermines several USP funds and campaign priorities that support advocacy of solutions involving the government. Over the past year, the Public Works approach has played a key role in major policy victories in a number of states by helping frame debates over government services in ways that resonate with the public and counter the anti-government rhetoric of the Tea Party and others. For instance, in North Carolina it was Public Works' strategy for talking about the place of government in maintaining the common good that helped save state safety net programs by raising taxes when many were calling for tax and program cuts. The Public Works' team is led by Dianne Stewart who was previously the highly-respected Executive Director of the Center for Public Policy Priorities. Ms. Stewart helps develop and tailor the advocacy strategies of organizations working on a range of issues important to OSI's U.S. Programs' various funds: civil rights, criminal justice reform, government transparency and mortgage industry regulation.

For these reasons, Transparency and Integrity Fund and Criminal Justice Fund staffs jointly recommend renewed project funding to Demos over one year to continue support in the amount of \$500,000 for its Public Agency Voter Registration (\$100,000 from JEHT<sup>2</sup>), Ending Prison-Based Gerrymandering (\$300,000, \$225,000 from CJF and \$75,000 from TIF), and Public Works projects (\$100,000 from TIF).

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<sup>2</sup> Demos lost support for its NVRA work when JEHT closed. Therefore, JEHT funding complements the TIF funds being provided to support this project. TIF is likely to continue supporting this work though at a reduced level.



**Name of Organization:** Public Interest Projects, Inc. dba Corporate Disclosure.org

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** to provide new project support to Corporate Disclosure.Org for efforts to disclose the role played by the U.S. Chamber of Commerce and its funders in the political process.

**FPOS Grant Description:** The recommended project support grant will support Corporate Disclosure.Org in their work to establish and sustain a comprehensive initiative to curb the influence of the U.S. Chamber of Commerce on American elections.

**Previous OSI Support:** N/A

**Organization Budget:** \$24,720,802

**Project Budget:** \$525,000

<b><u>Major Sources of Support:</u></b>	Panta Rhea Foundation	\$40,000
	Arca Foundation	\$40,000

**Amount Requested:** \$100,000 over 1 year

**Amount Recommended:** \$100,000 over 1 year

**Term:** October 1, 2010 – September 30, 2011

**Description of Organization**

Public Interest Projects (PIP) is a 501(c)(3) public charity that operates grantmaking, technical assistance, and strategic planning programs for institutional and individual donors interested in advancing social justice and human rights. PIP is based in Washington, D.C., and is the fiscal sponsor of Corporate Disclosure.Org.

Corporate Disclosure.Org (CDO) was established in April 2010 as a charitable organization dedicated to challenging corporations' ability to anonymously sway political and legislative outcomes by funneling money through opaque trade associations and front groups. CDO is currently staffed by communications, research, analysis, and program management staff and will hire additional consultants, as needed, to provide investigation, development and technical support. Change to Win, a federation of North American unions that represent 5.5 million members, is providing CDO with office space and administrative and technical support.

## **Description of Program for Which Funding Is Sought**

The Supreme Court's January 2010 ruling in *Citizens United v. the Federal Elections Commission* and related cases and rulings - allowing corporations to spend unlimited money directly on behalf of political and judicial candidates - threatens to drown out the voices of individuals and organizations with access to less funding from meaningful civic participation. Furthermore, corporate engagement in the political world is dismayingly opaque, as corporations frequently mask unpopular priorities by funneling election and lobbying funds through trade associations or electioneering organizations.

CDO will uncover the sources of funding on both ends of the money trail to encourage informed decisions and foster accountability for political spending – both direct spending and that which is routed through trade associations or other “front” groups, with an initial focus on the U.S. Chamber of Commerce. CDO will also highlight the significant loopholes in current political expenditure disclosure requirements, particularly with respect to how corporations can “launder” political payments through lobbyists, trade associations and electioneering groups.

CDO's role in the existing transparency community is unique, and two-fold. First, CDO will employ investigators and researchers to uncover information not widely available. Second, CDO will focus particularly on following the corporate money trail through the Chamber and electioneering groups to its ultimate destination in campaign coffers or as lobbying expenditures. CDO's research and education campaign will challenge the Chamber's credibility as the voice of American business by publicizing little known facts such as this one extracted from the Chamber's tax filings: just 19 anonymous donors contributed one-third of the Chamber's 2008 income.

CDO will target its research and education efforts to meet three key goals related to the three key constituencies of its work product, as follows: CDO will educate consumers and the broader public about the connections between political spending by the Chamber and its primary corporate funders; CDO will provide information to the business community directly so that business leaders can monitor whether their voices are being accurately represented by the Chamber who claims to speak for them, and CDO will seek to educate regional and municipal Chambers of Commerce, which are frequently unaware that the national group is lobbying against their interests in Washington. Targeting research and education efforts to reach out to and inform these three groups will allow them to apply concerted pressure on the U.S. Chamber to increase transparency and accountability for their political spending.<sup>3</sup>

Finally, CDO envisions a unique bridging role among public interest and transparency groups. Working alongside other public interest groups, CDO will serve as a research- and information-sharing center, as well as a source of tools and strategies to enhance the transparency and accountability of trade associations and the business community. Many other organizations are also working to make political spending by corporations more transparent, including TIF grantees the Center for Political Accountability, the National

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<sup>3</sup> For example, several West Coast local chambers of commerce left the U.S. Chamber over its position on climate change.

Institute on Money in State Politics and the Center for Responsive Politics. CDO's targeted, initiative-driven and trade association-specific education campaigns will add value to this community by informing the business community, elected officials, investors, and the general public about the role played by particular trade associations, electioneering groups, and their funders in the political process.

CDO's campaigns will highlight the broader problem of corporate dominance of the political process by illustrating egregious examples of individual abuses. For example, CDO will expose concealed expenditures such as those insurance companies concealed during the recent health care debate by funneling their funds through the AHIP trade association to the U.S. Chamber to launch attack ads on health care reform while the companies themselves publicly proclaimed support for reform. Another example: CDO will publicize instances where trade associations lobby on behalf of member companies that have engaged in indefensible conduct such as BP, Massey Energy, Inc., and Well Point, and detail how past lobbying efforts helped them engage in that conduct or escape liability for the repercussions.

### **Rationale for Recommendation**

The Transparency & Integrity Fund (TIF) recommends this project grant of \$100,000 over one year to support CDO's efforts to disclose the U.S. Chamber of Commerce and its funders' involvement in the political process because it will advance a key Fund goal, one that also impacts many other U.S. Programs interests: to blunt the effects of the increasing influence of money in politics, especially since *Citizens United* and related cases and Federal Elections Commission rulings.

CDO's work fits well within the strategy TIF has crafted to address the altered campaign finance landscape since *Citizens United*. CDO is aggressively using strategic communications and public education to toxify trade associations like the Chamber and to lessen their influence in politics, a counter strategy to that of TIF grantee the Center for Political Accountability, which is successfully fostering accountability by promoting disclosure and corporate responsibility to businesses. The combination of the work of these organizations coupled with the CREW project grant recommended in this docket will help to build a stronger case for campaign finance regulation.

CDO's campaign is an important one. Under the leadership of Tom Donohue, the Chamber of Commerce has become an entity with the sole purpose of advancing the political and economic interests of its largest anonymous corporate donors. In 2009, the Chamber deployed a war chest of \$144 million to undermine progressive economic, social and environmental reforms that threaten the bottom line of its top donors. (This marked the first time in history that both political parties were outspent by a 501 (c) organization). And because the Chamber is a 501(c)(6) trade association, it is not required to disclose the identity of any funder of its lobbying or electioneering campaigns. Perceived to be a relatively benign institution representing the interests of small businesses, the Chamber has established a model in which the top 20 donors, who contribute two thirds of its budget, can hide behind an entity that has a privileged tax

status. And the Chamber is not alone: the spending of just the top eleven business oriented 501(c) organizations, each of which exists largely to focus and provide cover for the political spending of its corporate members, could have spent enough money to fund 77 successful races for the U.S. House of Representatives or 14 races in the U.S. Senate. For the 2010 election cycle, a group of 10 business-oriented 501(c) groups – including the Chamber – has already pledged over \$165 million in expenditures.

Significantly, corporations also seek to influence state judicial races. Again as an instructive example, the Chamber spends tens of millions on state judicial elections through its affiliated Institute for Legal Reform. (The Institute's goals also include pushing for the adoption of a state attorney general Code of Conduct that is designed to "reign in activist attorneys general.") The Chamber does this under the mantle of "tort reform" initiatives that are focused on limiting corporate liability.

CDO is staffed by 4 highly sophisticated and experienced corporate campaigners, researchers, and political communicators, and in a short amount of time, has significantly influenced the media coverage on the Chamber. Per Olsted leads the group. Per also serves as Financial Initiatives Manager for the Change to Win Investment Group, the investment office for Change to Win. Per joined CtW in September of 2006, and has coordinated the Investment Group's shareholder activism campaigns, including successful initiatives to improve the merger process and subsequent director elections at CVS Caremark; to demand accountability for failures in oversight of risk management by the boards of banks like Washington Mutual, Wachovia, and Morgan Stanley; and to catalyze shareholder demands around leadership succession at Bank of America in the wake of the bank's flawed process in acquiring Merrill Lynch. Joining Per in leading this particular CDO initiative is Samantha Brown, who brings experience in coalition building, public education, and policy to the effort. Prior to joining CDO, she worked as legislative director for the Public Participation Project, where she oversaw public and legislative outreach, and managed a diverse coalition in support of free speech policy proposals.

CDO has a strong board: William Patterson, the Executive Director of the Change to Win Investment Group, is Chairman of the Board. Patterson previously served as Director of the AFL-CIO Office of Investment where he founded the office and launched its capital stewardship program. His office has lead several transparency efforts among stakeholders, including issuing new proxy voting guidelines, creating an executive compensation website, supporting new securities litigation initiatives for pension funds, launching a new trustee education program. Mr. Patterson has also served as co-chair of the Council of Institutional Investors, on the World Bank's Private Sector Advisory Group for the Global Corporate Governance Forum, and has been on the Council's Executive Committee since 1988. Another Board member, Michael Gehrke, has managed and directed research, communications, and strategic planning for candidates, non-profits and causes at every level and in 15 states. He served as the Research Director for President Bill Clinton in the White House Communications Office from 1999-2001.

CDO is ramping up programs now and has already received its first round of funding from foundations, and there is wide interest among others. Arca and Panta Rhea Foundations have already made grants to CDO, and specific proposals are being seriously considered by the HJW Foundation (a subsidiary of the Wyss Foundation), Nathan Cummings and the Rockefeller Family Foundation. The Wallace and HKH Foundations may also make small grants to this initiative. CDO's project focused on the Chamber will run through the first half of 2011. Based on the initial successes and progress of this initiative, CDO will look to expand its focus to other trade associations and methods of funneling corporate money into politics in the latter half of 2011.

**Name of Organization:** Northwest Federation of Community Organizations

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** to support the Main Street Alliance project of the Northwest Federation of Community Organizations to build a small business constituency to challenge the growing influence of corporations on policymaking

**FPOS Description:** To provide project support to the Main Street Alliance project of the Northwest Federation of Community Organizations, a growing network of over 10,000 businesses in twelve states, an increasingly strong counterweight to national lobby groups, and to develop a small business constituency that will reshape key policy debates by bringing a powerful small business voice to the debates.

**Previous OSI Support:** \$400,000  
\$200,000 from Democracy & Power Fund (2010)  
\$200,000 from Seize the Day (2009)

**Organization Budget:** \$3,076,000 (2010-2012)

**Project Budget:** \$1,714,560 (2010-2012)

**Major Sources of Support:**

Atlantic Philanthropies	\$200,000
Marguerite Casey Foundation	\$195,000
Charles Stewart Mott Foundation	\$100,000
Ford Foundation	\$125,000
Center for Community Change	\$25,000

**Amount Requested:** \$150,000 over two years

**Amount Recommended:** \$150,000 over two years [add-on to D&P grant #20029335]

**Term:** October 2010 – October 2012

**Description of Organization**

The Northwest Federation of Community Organizations (NWFCO), based in Seattle, works to develop strong state-based, grassroots organizations, support capacity building for social justice advocacy, and advances systemic change on issues that include immigrants’ rights, health care, and racial and economic justice. With its organizing, policy, and communications teams, NWFCO centralizes the tools, capacities, and alliances that build grassroots leaders’ power to effect policy change.

## **Description of Program for Which Funding Is Sought**

Founded in 2008, the Main Street Alliance (MSA), based at NWFCO, is a national network of state-based small business coalitions that leverages business owners' voices to advance policies that promote racial, economic, and social equity. MSA has grown quickly to represent more than 10,000 businesses in twelve states, and has proven to be a thoughtful and increasingly strong counterweight to the national lobby groups, including various chambers of commerce and the National Federation of Independent Businesses, that claim to represent small businesses but that take uniformly regressive positions on the role of government. Launched as a national network of small business coalitions working with small business owners to build a new voice for health care reform, MSA's outreach model is based on a classic street canvass. Instead of "door to door," MSA organizers go "store to store," recruiting small business owners to sign on as supporters and become engaged. While still in its early stages of development, MSA has grown quickly and impressively.<sup>4</sup>

Following a successful role in the health care debate, MSA is now turning its attention to other issues important to U.S. Programs, including TIF's interest in building a small business constituency to challenge corporate influence. MSA will seek to break the monopoly held by national lobby groups and reshape key policy debates by meeting the influence of corporate money in politics with a powerful small business voice.

In addition to health care, Main Street Alliance's issue agenda includes clean energy, responsible taxes and adequate public revenues. The ascendance of big business and corporate interests at the expense of small business and community interests defines the landscape on all these issues. On health care, insurance and drug companies use their deep pockets to buy influence in the political process; on clean energy, big oil, big coal and heavy industry use their political contributions to block progress on climate issues; on responsible taxes, multinational corporations use their clout and campaign dollars to preserve tax loopholes and havens that allow them to avoid contributing their fair share of taxes. The influence of money in politics – and, more specifically, how it stacks the deck in favor of big business and corporate interests at the expense of small businesses and local economies – is a unifying theme through MSA's multi-issue organizing agenda.

The fact that many small business owners don't feel their best interests – or their values – are represented by the business lobby groups creates a strategic opportunity for base-building and for engaging a small business constituency to combat corporate influence in politics. Small business owners are often more invested in their employees than corporate CEOs, and they often share values like equity and sustainability that naturally motivate support for policies that reduce structural inequalities – including stemming the detrimental flow of corporate money into politics.

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<sup>4</sup> Main Street Alliance state coalitions are active in Colorado, Idaho, Illinois, Iowa, Maine, Montana, Nebraska, New Jersey, New York, Oregon, Virginia, and Washington. MSA also organized health care reform specific business outreach in Arkansas, Indiana, and North Carolina in the fall and winter of 2009.

The structure of MSA is well-suited to the goal of building new grassroots constituencies to address money in politics. In the MSA model, NWFCO partners with existing community organizations at the state and local level to establish new small business coalitions as a project of the organization, and then ties these coalitions together in a coordinated national network. The model draws on the existing capacities, base-building experience, relationships and local intelligence of standing organizations while maintaining close alignment for the small business coalitions in terms of vision and values. NWFCO has been able to aggregate that state-based power into a coordinated presence that has the breadth (nationwide) and depth (real capacity in states) to conduct successful issue education and policy advocacy activities at the national level.

NWFCO and MSA will use the lens of relevant MSA issue priorities to bring the impact of money in politics into focus and develop a small business constituency primed to participate in grassroots activities in this arena. The project will include working with state partners in 10 states, with two states taking on additional “special project” activities to pilot and test new ideas and organizing strategies. MSA will employ a range of strategies, including issue research and analysis; canvass-based outreach; participatory research; peer education and grassroots leadership development; mobilization activities and strategic communications.

MSA plans to develop a “small business case” for engagement around money in politics, an “action pack” that clearly articulates the ways in which corporate money in politics harms small business interests, one written from a business perspective for a business audience. MSA will also educate its constituency about money in politics, build lists of small business owners who are informed and willing to take action in support of reform measures in 10 states (including Texas and North Carolina, states of interest to U.S. Programs), and train small business spokespeople for opportunities to speak in public and to the media. Further, using MSA issue priorities as handles to make the issue of money in politics immediate and concrete, MSA will also mobilize small business voices to challenge the influence of corporate money in impacting public policy decisions being made by legislatures and courts.

This project will draw on the established body of research and expertise on money and politics issues developed by national research and advocacy organizations working in the field, including by TIF grantees such as the National Institute on Money in State Politics. While the project will use existing research as a starting point for building its small business case, it will be the first initiative to focus directly on building and leveraging the power of a grassroots small business constituency into the money in politics debate. Additionally, NWFCO and MSA will look for opportunities to collaborate with other groups, both groups conducting related research and groups focused on engaging other strategic constituencies.



## **Rationale for Recommendation**

The Transparency and Integrity Fund recommends a \$150,000 grant, over two years, to the Main Street Alliance for its work to advance a key Fund goal, but also one that impacts many other U.S. Programs interests: to blunt the effects of the increasing influence of money in politics, especially since it was given a boost by the Supreme Court in its January 2010 decision in *Citizens United*. MSA is also a core Democracy & Power Fund grantee whose interests it serves by expanding democracy and building power through grassroots organizing and civic engagement, and enhancing state-based capacity through bolstering issue advocacy efforts on multiple OSI priorities at the local, state, and national levels.

MSA offers a compelling and innovative state-based model that, if successful, can be a game changer in state and federal policy battles. Over the years, the leading national groups that claim to represent small businesses have taken a decidedly anti-government, anti-tax stance on a wide range of policy issues. MSA can shift the issue positions and worldview framing associated with small businesses in the media narrative from a strictly conservative frame to a mixed frame acknowledging that many small business owners share values of equity, justice, and the common good. In addition to the anti-government and anti-tax groups, MSA can also be a strong counterweight to the anti-spending groups, particularly as deficit hawks ratchet up their dialogue. In the wake of health care reform and *Citizens United*, this type of anti-common good/shared fate business lobby agenda will likely rise. Indeed, the U.S. Chamber of Commerce alone, not even including local chambers, is projected to spend \$75 million to influence this year's elections essentially making it another political party in terms of the size of its election spending and further elevates the need for open society advocates to offer a compelling counterargument.

We are encouraged by recent news that the Piper Fund is strongly considering supporting NWFCO/MSA for this work as well. MSA is led by Sam Blair, who has worked with the NWFCO and its state affiliates since 2002 and has served as the lead organizer with the Idaho Community Action Network where he developed grassroots leaders, coordinated leadership teams, and organized issue campaigns. His experience working in one of the nation's most conservative states has made him an innovative and strategic thinker in building advocacy capacity.

<b><u>Name of Organization</u></b>	Lawyers' Committee for Civil Rights Under Law	
<b><u>Tax Status</u></b>	501(c)(3) public charity	
<b><u>Purpose of Grant</u></b>	to provide renewal project support for LCCRUL's election protection program and judicial diversity project.	
<b><u>FPOS Grant Description:</u></b>	This recommendation seeks renewal support for two projects by the Lawyers Committee for Civil Rights Under Law: 1) to organize and implement an Election Protection program for the 2010 mid-term elections so that voters can exercise their right to vote; and 2) to increase judicial diversity through a combination of outreach, education, and trainings for potential judges in four states. LCCRUL will pursue the judicial diversity project in coordination with the Justice at Stake judicial diversity working group.	
<b><u>Previous OSI Support</u></b>	\$2,503,406 \$850,000 from Equality & Opportunity Fund (2009-12) \$274,406 from NSI: (2009-2010) \$150,000 from Progressive Infrastructure: (2007-2008) \$450,000 from Racial Justice: (2005-10) \$100,000 from USJ- Re-Entry: (2004) \$163,000 from Independence of Judiciary: (2002-5) \$106,000 from Law & Soc Legal Prof: (2000-01) \$80,000 from Law & Soc Access to Legal: (2000-1) \$330,000 from Law & Soc Judicial Indep: (1998-2001)	
<b><u>Organization Budget</u></b>	\$7,495,790	
<b><u>Project Budget</u></b>	\$1,524,481 (2010-2012) \$1,050,000 Election Protection \$474,481 Judicial Independence	
<b><u>Major Sources of Support</u></b>	Ford Foundation	\$620,000
	Fannie Mae	\$500,000
	Annie E. Casey Foundation	\$75,000
<b><u>Amount Requested</u></b>	\$200,000	
<b><u>Amount Recommended</u></b>	\$400,000 over two years Election Protection: \$200,000 Judicial Diversity: \$200,000	
<b><u>Term</u></b>	October 15, 2010 – October 14, 2012	

## **Description of Organization**

The Lawyers' Committee for Civil Rights Under Law (LCCRUL) was formed in 1963 at the request of President John F. Kennedy to involve the private bar in providing legal services to address racial discrimination. The principal mission of the Lawyers' Committee is to secure equal justice under law.

The national office of LCCRUL is based in Washington, DC. Eight independently funded and governed Lawyers' Committees operate in Boston; Chicago; Denver; the District of Columbia; Jackson, Mississippi; Los Angeles; Philadelphia; and San Francisco. The local Committees provide a unique range of resources and representation that help to advance the cause of equal justice under law. The national LCCRUL works closely with the local Committees to strengthen the largest network of private lawyers in America directed primarily to civil rights issues.

## **Description of Program for Which Funding Is Sought**

LCCRUL requests renewed project support for its Election Protection and Judicial Diversity Projects.

*Election Protection Project.* Since its founding in 1963, voting rights has been at the forefront of LCCRUL's mission. Today, the Voting Rights Program implements a coordinated strategy of litigation, advocacy and voter protection to ensure full access to the ballot box for all. In 2008, with OSI support, LCCRUL implemented the largest Election Protection program in the coalition's history, helping one half-million voters exercise their rights to vote. LCCRUL led a diverse group of over 160 national, state and local non-profit organizations under the Election Protection banner. More than 10,000 legal volunteers assisted half a million voters through the 1-866-OUR-VOTE Hotline and comprehensive mobile legal deployment at targeted polling sites across the nation. Media interest in the program was strong and partnerships with NBC, MSNBC, and BET helped spread the word about Election Protection (its resources, and important election information).

With funder interest focused on Presidential elections, Election Protection 2010 has to be a much leaner version of its 2008 counterpart. LCCRUL is implementing a targeted strategy to concentrate voter protection resources where they are most needed. Election Protection 2010 will include 1) the 1-866-OUR-VOTE hotline, 2) voting rights education that includes the website [www.866OurVote.org](http://www.866OurVote.org); 3) trained legal volunteers; 4) coordination with coalition partners; and 5) leveraging of in-kind resources. Election Protection 2010 will concentrate resources in 20 states, where a past history of voting problems, large minority voter populations, and highly contested races increase the threat of voter problems. These states include Arizona, California, Colorado, Florida, Georgia, Illinois, Maryland, North Carolina, New York, Ohio, Pennsylvania, Texas, and Virginia.

*Judicial Diversity.* Through its judicial diversity project, LCCRUL plays a leading role in advocacy and research efforts to increase the representation of people of color and

women on the state and federal bench. Last year, with OSI support, LCCRUL completed a report based on case studies of how judges of color got appointed or elected to state trial courts. It found that successful campaigns for judgeships (no matter the selection system) relied on networking, mentoring, and recruitment. LCCRUL has developed its new project around these findings.

Over the course of the new, two year project, LCCRUL will work with Justice at Stake partners and other national and state groups to create formal training and mentoring programs for aspiring judges of color. The project will begin with outreach to bar associations, law schools, public interest organizations, and law firms to identify strong candidates for judicial appointments or campaigns. Simultaneously, LCCRUL will reach out to sitting judges and other bar leaders to develop a strong group of mentors. Working in Justice at Stake target states such as Washington, Colorado, and South Carolina, LCCRUL will sponsor panels and events to recruit interested lawyers, raise awareness of the need for judicial diversity, and engage local leaders in discussions of the issue.

Following these activities, LCCRUL will conduct workshops with selected lawyers of color interested in becoming judges. Their content will be tailored to the state's judicial selection system, political context, and other factors, these workshops will provide information about how to position oneself for a judgeship including discussions of career trajectory, networking opportunities, fundraising, selection processes, and running judicial campaigns. Following the workshops, LCCRUL will provide these lawyers with ongoing support by connecting them with mentors, providing networking opportunities, and offering additional training. At no time, however, will the project engage in electoral campaign support or legislative lobbying. Over the past year, LCCRUL has co-chaired the Justice at Stake coalition's strategic planning committee on judicial diversity and this project is part of that coordinated plan.

### **Rationale for Recommendation**

The Transparency & Integrity Fund (TIF) recommends a grant of \$400,000 over two years (\$200,000 for election protection and \$200,000 for judicial diversity). Support for the Election Protection program would advance TIF's goal of assuring equal access to the ballot for underrepresented and marginalized constituencies, including people of color, low income communities, and youth. The grant would also advance the Equality & Opportunity Fund's goals of supporting efforts to ensure voting rights. Support for the Judicial Diversity project would advance TIF's goal of sustaining funding to core judicial independence organizations, particularly those working to advance judicial diversity.

*Election Protection Project.* Despite all the work done to protect voters in recent years, our nation's election infrastructure remains weak. Badly needed reforms have been slow to materialize at the federal level, and not enough progress has been made at the state and county level since the 2008 elections. These weaknesses, added to an increasingly toxic political climate, create a recipe for continued problems at the polls. Furthermore, research has shown that voters' initial voting experiences determine whether they stay civically engaged for their lifetime. Between 15 and 20 million people voted for the first

time in the 2008 election. It is important that they return to the polls in 2010 and have a positive experience.

Also, in the 2008 election, we saw a record turnout of more than 132 million voters, with significant increases in voting by previously under-represented groups including minorities and young people. But the election again revealed familiar patterns of poor election administration, confusion over election rules and regulations, and acts of intimidation and deception that denied countless eligible people their right to vote. As in the past, voters faced a variety of challenges in casting a ballot that counts, most issues related to registration.

Midterm elections by their nature do not command national attention, because they are contested at local and state levels. But hotly contested races in highly populated regions will engage large numbers of voters who will inevitably encounter voting questions and challenges. LCCRUL remains the most capable organization to ensure voter protection in 2010.

*Judicial Diversity Project.* Judicial diversity is, in our view, one of the most important judicial independence issues today. Polling shows that only 14% of African-Americans express confidence in the fairness of the judiciary. While the causes of this dissatisfaction are varied, the lack of judges of color is certainly one important factor. This is not simply a matter of perception, with people of color more willing to accept a judgment if it is issued by someone of the same background (though that is not insignificant). Rather, as the Supreme Court tenures of Thurgood Marshall and Ruth Bader Ginsburg show, a diversity of experiences and perspectives on the bench plays an important role in shaping the law's substance over time.

The sustained contributions of LCCRUL and the efforts of TIF grantee Justice at Stake are changing the status quo. Over the last few years, the Justice at Stake coalition has made diversity a top priority, and an active working group is currently developing a unified plan of action for the next five years. LCCRUL has been at the forefront of this diversity work: Its study on how judges of color rose to the bench offers a solid empirical basis for the diversity component of the JAS strategic plan and the next stage of programmatic work. With a clearer understanding of the factors that motivate people of diverse backgrounds to join the judiciary, LCCRUL is moving away from a more conventional approach of issuing reports and meeting with law students, towards an effort focused on cultivating those lawyers of color most interested and likely to succeed in getting onto the bench. LCCRUL's efforts will be coordinated with other JAS partner efforts in that coalition's target states. While recognizing that changing the composition of the judiciary is a slow process, we believe that this coordinated approach will yield visible results within five years.

**Name of Organization:** Center for Political Accountability

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** To provide general support

**FPOS Grant Description:** The Center for Political Accountability is a non-partisan organization that seeks to bring transparency and accountability to the political contribution policies and practices of U.S. companies. CPA works with corporate leaders, institutional shareholders, and business ethics organizations to establish best practices for corporate political spending and then persuade corporations to adopt those standards. Thus far, CPA has persuaded over half the S&P 100 to adopt transparency policies. CPA is a member of the Justice at Stake coalition

**Previous OSI Support:** \$1,095,000  
\$275,000 from JEHT Emergency Fund (2009-2010)  
\$200,000 from Transparency & Integrity Fund (2008-2010)  
\$100,000 from Progressive Infrastructure (2007)  
\$320,000 from Independence of Judiciary (2006-2005)  
\$200,000 from Strategic Opportunities Fund (2004)

**Organization Budget:** \$1,110,000

**Project Budget:** Not applicable

**Major Sources of Support:** Anonymous \$150,000  
Individual contribution \$25,000

**Amount Requested:** \$400,000 over two years

**Amount Recommended:** \$150,000 over twenty five months

**Term:** December 1, 2010 – December 31, 2012

**Description of Organization:**

The Center for Political Accountability is a non-partisan organization that seeks to bring transparency and accountability to the political contribution policies and practices of U.S. companies. Founded in 2003, CPA is now significantly ramping up its activity in the wake of the Supreme Court's *Citizen's United* decision. That decision granted corporations First Amendment protection for political advocacy and spending. With legal regulation of campaign spending all but off the table, CPA is offering a model that does not trigger constitutional scrutiny: persuading companies to voluntarily adopt

political spending disclosure standards. CPA works with shareholders, mutual funds, and others to persuade companies to disclose their political contributions, explain the business purpose of the contributions, and introduce oversight policies for such spending. CPA has persuaded over half the companies in the S&P 100 and 76 of the S&P 500 to voluntarily disclose political spending. Companies that have recently adopted the CPA standards include Microsoft, Time Warner, Humana, Boston Scientific, and Wisconsin Energy.

In 2010, CPA has organized proxy votes in 28 companies calling for adoption of the CPA-backed standards. Even when unsuccessful, such efforts signal shareholder attention to and concern about use of treasury funds in political races. It will continue pressuring corporations through direct engagement and proxy actions in 2011. CPA will continue working with the Conference Board, a leading non-partisan U.S. business research organization, to publish a best practices guide on corporate political activity. CPA is working closely with TIF grantee the Committee for Economic Development to persuade corporate leaders to adopt these best practices. CPA is creating an index based on these best practices to rate companies on their political disclosure and accountability policies and practices. Finally, CPA is working with the Justice at Stake coalition on campaign finance reform in judicial elections.

**Description of Program for Which Funding Is Sought:**

This recommendation is for general support.

**Rationale for Recommendation:**

The Transparency and Integrity Fund (the Fund) recommends a renewal grant of \$150,000 over twenty-five months. The grant would advance the Fund's goal of defending existing campaign finance requirements and investigating innovative and promising practices for further development. It would also advance the Fund's goal of providing funding to core judicial independence organizations.

In the metastatic growth of money in American elections, the largest contributions have come from corporations giving directly to candidates and through business organizations such as the U.S. Chamber of Commerce. Current law does not require trade associations and groups with 501(c)(4) status to report funds they spend on political activity (or where they get those funds). As a result, hundreds of millions of corporate dollars flow into the political process through this murky pipeline, without transparency, internal or external controls, or public knowledge. This flow of money is growing as a result of the Supreme Court's recent decision in *Citizens United*, lifting limits on independent expenditures by corporations. In its majority opinion, the Court specifically pointed to disclosure as the remaining Constitutional means of monitoring corporate political spending.

CPA's approach focuses on changing the behavior of corporate donors through persuasion and pressure rather than pushing for legal limits on donations. CPA thus addresses the issue of money in politics from a unique perspective, complementing the work of other TIF grantees such as the Committee for Economic Development, Chamber

Watch/Corporate Disclosure, and Citizens for Responsibility and Ethics in Washington (all in this docket). The Center will expand its operations this year and pursue innovative initiatives, including the creation of a corporate political activity index and database. The electronic database will enable users to view company trade association memberships, policy conflicts posed by the memberships, political spending histories (including contributions to 527 groups and state-level donations), and disclosure policies and practices, as well as state and federal campaign finance compliance actions taken against companies. An association with the Wharton School of Business will reinforce the Center's credibility and access to leaders of S&P 500 companies. The collaboration will also help push corporate political transparency into the mainstream of business ethics practices.

As corporations are primarily responsible for the rise of special interest money in elections, CPA is increasingly valuable as a partner on judicial and government reform issues. CPA is a member of the Justice at Stake coalition and brings a valuable set of strategies and connections to the coalition and its work on judicial independence. Its *Hidden Rivers* report was the first to show how corporate dollars were finding their way into state judicial elections through trade associations.

Bruce F. Freed, co-director of the Center for Political Accountability, has 30 years of experience in politics, strategic public affairs, and journalism. He served for a decade as chief investigator for the Senate Banking Committee, staff director of a House subcommittee, and senior aide and strategist to members of the House leadership.

This grant would add to CPA's total support from OSI, following a project support grant in Docket Two to CPA via the Committee for Economic Development for *Citizens United*-related work. This grant would (in combination with earlier project support) represent an increase over CPA's prior general support grant in 2011, followed by a drop in funding in 2012. CPA is aware of our plans and expecting the adjustment in subsequent years.



**Name of Organization:** Committee for Economic Development

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** To support the “Business Champions for Judicial Selection Reform” project

**FPOS Grant Description:** This grant would provide renewal support to the Committee for Economic Development’s work as part of the Justice at Stake coalition to educate, engage, and activate business leaders in key states on the need to reform judicial selection practices. CED will work to advance judicial merit selection systems in certain key states and public financing for state judicial races in others. CED will make the need for greater judicial diversity a key facet of its advocacy in judicial selection reform.

**Previous OSI Support:** \$1,585,000  
\$300,000 from Transparency & Integrity (2010)  
\$240,000 from Transparency & Integrity (2008)  
\$120,000 from Progressive Infrastructure (2007)  
\$450,000 from USJF (2004-2006)  
\$475,000 from Law and Society (2001-2003)

**Organization Budget:** \$5,247,730

**Project Budget:** \$265,073

**Other Sources of Support:** Bernard van Leer Foundation \$150,000  
The Bill and Melinda Gates Foundation \$600,000

**Amount Requested:** \$265,073 over two years

**Amount Recommended:** \$200,000 over two years

**Term:** January 1, 2011 to December 31, 2012

**Description of Organization**

The Committee for Economic Development (CED) is an independent, nonpartisan organization of business and university leaders dedicated to policy research and advocacy on major economic and social issues. Founded in 1942, CED played a key role in securing the American business community’s support for the Marshall Plan and heavily influenced the Bretton Woods Agreement. Unique among U.S. business organizations, CED offers a nonpolitical forum for exploring critical long-term issues and the opportunity to impact U.S. policy decisions. CED is located in Washington, D.C.

## **Description of Program for Which Funding Is Sought**

CED seeks renewal support for its work to educate, engage, and activate business leaders on the issue of judicial independence. In collaboration with Justice at Stake (JAS), the American Judicature Society (AJS, also in this docket), and state-level Justice at Stake coalition partners, CED will focus business community attention on merit selection, public financing, and judicial diversity. CED will recruit business leaders in each state and provide them with the training and coordination necessary (media training, message development, etc.) to make them effective messengers on the issue of judicial merit selection, public financing, and judicial diversity.

CED's role in the Justice at Stake coalition is to bring business leaders into discussions and debates over the growing influence of money in politics. For nearly a decade it has worked with the coalition to host strategically-planned events to attract attention from members of the business community and politicians when and where threats to judicial independence have created opportunities (or a need) for focused action. For instance, when Missouri's judicial merit selection system was under attack in the last two years, CED (in coordination with local advocates, JAS, and AJS) organized a series of forums hosted by Kansas City businessman Landon Rowland of the Janus Funds (a prominent investment management firm) to get other business leaders engaged in the defense of the Missouri system. CED has been playing a similar role in Nevada, where a measure to create a merit selection system is on the November ballot, as well as in Iowa where state Supreme Court justices are under attack in this fall's elections for recognizing marriage equality for same-sex couples under the Iowa Constitution.

With renewal support, CED would continue these activities educating and recruiting business leaders on judicial independence issues, providing those leaders with advocacy opportunities, and developing recommendations for corporate governance and public policy reforms. In keeping with the Justice at Stake five-year strategic plan, CED will coordinate its activities with JAS partners to select states for targeted action on merit selection (defending existing systems and building support for adoption of new systems), with work likely in Nevada, Pennsylvania, Minnesota, and Alabama (advancing merit selection) and Alaska, Arizona, Iowa, and Missouri (defending merit selection). In states where merit selection is not a viable option, CED will work with JAS partners to involve the business community in pushing for model disclosure rules and practices and promoting public financing (most likely Arizona, West Virginia, Wisconsin, and New Mexico). Finally, in its efforts on merit selection and public financing CED will also call greater attention to the need for judicial diversity regardless of judicial selection method. Again, working with JAS members focused on diversity, CED will recruit and mobilize business leaders to push for greater representation of women and people of color on the bench, reaching out to elected officials and merit commissions to call for recruitment and appointment practices that will accomplish this goal. This work will likely take place in Colorado, Washington, and South Carolina.

## **Rationale for Recommendation**

The Transparency & Integrity Fund (TIF) recommends a grant of \$200,000 over two years to CED. This grant would advance the Fund's goals of supporting core judicial independence organizations and, specifically, efforts on judicial diversity. CED received a grant earlier this year for a short-term project related to *Citizens United*. This recommendation seeks support for an ongoing, long-term project of CED's specifically tied to our judicial independence work.

Over the past decade, the amount of money in judicial elections has more than doubled. The primary source of this money comes from corporate coffers. At the same time, corporate interest groups and trade associations have mounted the stiffest opposition to reforms that would insulate the judiciary from the corrupting influence of big money elections. Justice at Stake and its partners thus see it as increasingly important to involve business leaders in efforts to stanch the flow of money into judicial elections by convincing corporations not to involve themselves in judicial elections and support policy efforts to change judicial selection systems.

CED has been effectively making the case for why judicial reforms that promote a fair and impartial judiciary are good for business and is an important ally in the campaign to promote judicial independence. CED argues that the judiciary is an important economic development engine; business affairs routinely come before state courts, and the courts must be a credible forum for resolving legal disputes to ensure and encourage fair competition. The organization brings an established and highly credible voice to these issues, representing a mainstream business community that is moderate-to-conservative, largely Republican, but not on the ideological far right. It has the standing to speak out against attacks by other business associations such as the chambers of commerce, which have been leading assaults against judicial candidates and judicial selection systems. Its work has been featured in the *New York Times*, on NPR, and in numerous local papers in targeted states.

Because of CED's respected and longstanding reputation in the business community, it has the ability to attract and build a valuable constituency in the effort to defend state judiciaries – an important component of the broader strategy to promote judicial independence. The Justice at Stake Campaign (JAS) is TIF's flagship grantee in the judicial independence portfolio and is made up of both good government groups and those representing constituencies who are heavily impacted by the need for fair and impartial courts. CED represents one such constituency and is an integral member of JAS.

CED continues to be ably led by Charles Kolb, who served in the Office of Management and Budget and Department of Education during the Reagan Administration and was Deputy Assistant for Domestic Policy in the first Bush Administration. He currently sits on the board of Transparency International USA where he is encouraging it to take on judicial independence as one of its issues. CED Vice President Mike Petro actively runs the organization's judicial independence project. Mike is the former executive director of

the Democratic Business Council and is a member of Justice at Stake's Board of Directors.

**Name of Organization:** American Judicature Society

**Tax Status:** 501(c)(3) public charity

**Purpose of Grant:** To support research, advocacy, and technical assistance related to defense, advancement, and improvement of state judicial merit selection systems.

**FPOS Grant Description:** The American Judicature Society is the primary national advocate for merit selection (as opposed to election) of state court judges. Based on an agenda developed collaboratively through the Justice at Stake coalition's (JAS) strategic planning process, AJS will work in close partnership with JAS coalition partners, state-based organizations, and others to carry out three interrelated efforts of defending, improving and advancing merit selection.

**Previous OSI Support:** \$1,593,800

JEHT Emergency Fund	\$200,000 (2009)
US Justice Fund	\$243,800 (2006-2007)
Gideon	\$300,000 (2001)
Law & Society	\$850,000 (1998-2001)

**Organization Budget:** \$1,193,951

**Project Budget:** \$218,875

**Major Sources of Support:**

Membership	\$254,000
Individual Contributions	\$163,000
Foundation Support	\$411,613

**Amount Requested:** \$218,875 over two years

**Amount Recommended:** \$200,000

**Term:** October 1, 2010 to September 30, 2012

**Description of Organization**

The American Judicature Society (AJS), founded in 1913, is a nonpartisan organization with a national membership of more than 5,000 judges, lawyers, and lay people interested in the administration of justice. Headquartered in Des Moines, IA, AJS performs research, creates educational programs, advocates for court reforms, and publishes literature on: judicial independence; judicial conduct and ethics; judicial selection; court administration; and public understanding of the U.S. justice system.

## **Description of Program for Which Funding Is Sought**

AJS is the primary national advocate for merit selection (as opposed to election) of state court judges. AJS seeks renewal funding to advocate for adoption of merit selection in states and localities that currently use elections to choose judges and to support work to improve and defend existing merit selection systems. Based on an agenda developed collaboratively through the Justice at Stake coalition's (JAS) strategic planning process, AJS will work in close partnership with JAS coalition partners, state-based organizations, and others to carry out three interrelated efforts:

*Defend Merit Selection:* Over the past few years the U.S. Chamber of Commerce, the Federalist Society, and others have aggressively sought to replace merit selection systems in those states that have them with contested judicial elections. These groups portray unelected judiciaries as unaccountable and the selection process as undemocratic. AJS will conduct research to evaluate the claims of merit selection opponents, developing strategic communications efforts to defuse such opposition (as AJS has done successfully in Missouri over the past few years). AJS foresees the need for this work in Alaska, Arizona, Colorado, Iowa, Kansas, and Missouri.

*Improve Merit Selection:* AJS understands that while merit selection systems may do a better job of insulating judges from the (real or perceived) corrupting influence of money and politics, the systems now in existence leave room for improvement. But these systems often lack transparency and fail to produce judiciaries that reflect the diversity of the state. AJS intends to devote significant resources working with JAS partners to assure that merit selection systems are more effective in advancing judicial diversity. Using the Brennan Center's recent report on implicit bias, judicial diversity, and merit commissions, AJS will develop a best practices manual for nominating commissions and assist them in implementing these recommendations. Another common charge against merit selection is that commission decisions take place "behind closed doors." In response, AJS will develop policy recommendations to improve transparency in selection processes.

*Advancing Merit Selection:* After years of defeats, the tides appears to be turning as the past few years have brought important victories in establishing merit selection systems in Missouri and Kansas. These victories, along with recent scandals and the fear of even more money in state judicial elections after *Citizens United*, have created new opportunities for the adoption of merit selection. Working with the JAS coalition and state-level organizations, AJS will provide research, assist in strategy development, coordinate educational forums, and issue timely reports in states where merit selection is on the agenda and has a reasonable likelihood of success. In the next two years, those appear to be Nevada, Minnesota, Pennsylvania, Ohio, Wisconsin, and Washington.

## **Rationale for Recommendation**

The Transparency & Integrity Fund recommends a renewal grant of \$200,000 over two years. This grant would advance the Fund's goals of sustaining funding to core judicial

independence organizations working together to implement a five-year strategic plan for the field. It would also advance the goal of promoting judicial diversity in the states.

Spending in state judicial elections has risen precipitously in the last decade. Research demonstrates that big money elections, attack ads bought with that money, and the growing number of scandals involving judges and their financial backers, are eroding the public's confidence in fair and impartial courts. The Supreme Court's decision in *Citizens United* has only increased and intensified public concerns about money in politics. As a result, there is new interest in the issue and therefore new opportunities to advance merit selection systems. At the same time, opponents of merit selection are emboldened by Supreme Court and lower court decisions striking down campaign finance laws, making elections even more vulnerable to real and perceived corruption. All this heightens the need for action to defend and advance merit selection.

AJS is well-positioned to play a central role in JAS-coordinated efforts on this front. AJS was a founding member of the JAS coalition and has remained one of the coalition's most trusted, hard-working, and collaborative members. AJS sees its role not as leading the fight for merit selection, but as providing research support, informed strategic advice, and technical assistance to state groups pushing for (or defending and improving) merit selection. It has played an important role in the Missouri and Kansas victories and is now devoting significant support to efforts in Iowa (where courts are under attack after the Iowa Supreme Court's marriage equality decision), Minnesota (where a strong state coalition has a good chance of getting a constitutional amendment on the 2011 ballot), and Nevada (where a measure is on the fall 2010 ballot).

After a period of organizational turmoil in the mid-2000s, AJS is now ably (and stably) led by Seth Andersen, formerly of the American Bar Association. He oversees a staff of researchers and advocates with strong skills, deep experience, and commitment to the issue. AJS' lead staffer on this project, Malia Reddick, effectively and selflessly collaborates with and supports groups in the JAS coalition while providing top-notch research and technical assistance.