

Citizen Action of Wisconsin: New report shows Wisconsin trend of billionaires buying federal elections, putting democracy at risk

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Milwaukee: Citizen Action of Wisconsin released a [new report](#) today in coordination with [Americans for Tax Fairness](#) and [Health Care for America Now](#), showing that America's billionaires are pumping tens of millions of dollars into the 2022 midterm elections, mostly backing Republican candidates for Congress who will cut taxes for the ultra-rich and the corporations they own. The report finds that many of the candidates and lawmakers receiving billionaire campaign contributions are undermining our democracy by supporting the January 6th, 2021, insurrection to overthrow election results including Wisconsin billionaire Diane Hendricks. The increased flow of billionaires dollars into American politics this year continues a trend that began when the Supreme Court struck down effective campaign-contribution limits 12 years ago in the Citizens United decision.

The United States has a growing number of billionaires, many of whom increased their wealth during the last two years of the pandemic even as average Wisconsinites struggled with health, financial security and growing inflation. The eight billionaires in Wisconsin, for instance, increased their wealth by 19.7 billion from March, 2022 to April, 2022. Diane Hendricks has used some of that increased wealth to support candidates and lawmakers who will pass policies that further enrich the ultra-rich and advance their agenda, including tax loopholes that enable many billionaires to pay [lower tax rates](#) than teachers, firefighters and nurses.

The report, BILLIONAIRES BUYING ELECTIONS: How the Nation's Wealthiest Translate Economic Power Into Political Clout, shows that:

- Almost half—\$89 million, or 47%—of the nearly \$190 million raised by the House and Senate GOP super PACs in the first 16 months of the 2022 campaign cycle came from just 27 billionaires. Almost all of that money came from Wall Street tycoons, who particularly benefit from some of the biggest loopholes in the tax code.
- The Democratic counterparts of the two congressional GOP super PACs have received much less billionaire money: about 17%, or about \$26 million out of \$154 million. These billionaire contributions were much less concentrated by industry: while the most still came from finance and investment (35%), cryptocurrency (26%) and high-tech (18%) were also substantial sources.
- Among the biggest billionaire donors are Illinois hedge-fund pioneer Ken Griffin, who alone contributed over \$28 million to the two GOP congressional super PACs; money manager Stephen Schwarzman, who gave the groups \$20 million; and PayPal co-founder Peter Thiel, who handed nearly \$30 million to super PACs backing his U.S. Senate candidates in Ohio (J.D. Vance) and Arizona (Blake Masters) who both used to work for him and deny that President Biden won the 2020 election.

In addition to direct contributions to candidates who will keep laws rigged in their favor, the wealthy also leverage influence through the [corporations they control](#). Many of those corporations also spend big on midterm elections, backing mainly GOP candidates who pledge to keep corporate tax rates low and support lawmakers and candidates that deny the 2020 election outcome. The report highlights seven large corporations—AT&T, Chevron, ExxonMobil, FedEx, GM, Merck, and UPS—that together gave almost \$1.5 million to election deniers this election cycle. In 2021, they paid an average 2.7% tax rate on a combined \$78 billion in profits. Average American families [pay about 13%](#).

Many of the Republicans they supported who are now in Congress are expected to oppose the current reconciliation bill that would raise [taxes on millionaires](#) and corporations while lowering prescription drug prices for seniors and making health care coverage more affordable for people with private insurance plans.

“What’s good for billionaires—like lower tax rates for the ultra-rich and

corporations—is bad for the rest of us. A handful of billionaires already control more wealth than over half the American population and they plan to hold onto that wealth by buying the candidates and election outcomes they want to keep the rules rigged in their favor. Congress should take action now by cleaning up campaign finance rules and tax reforms that hold the super wealthy accountable to the same rules as the rest of us,” said Robert Kraig, Executive Director of Citizen Action of Wisconsin.

[Legislation to tax the ultra-wealthy has been proposed](#) by President Biden, Sen. Ron Wyden (D-OR) and Rep. Jamaal Bowman. Billionaires’ income tax proposals would tax the increased value of rich people’s wealth more like workers’ wages. Right now, the wealthy pass no more in taxes when their wealth increases because of stock assets unless they choose to sell those assets. A billionaires income tax could raise between [\\$360 billion](#) and [\\$550 billion](#) over 10 years.