

# **POLITICAL ACTIVITY OF ENVIRONMENTAL GROUPS AND THEIR SUPPORTING FOUNDATIONS UPDATE 2008**

**REPORT TO THE RANKING MEMBER  
SENATOR JAMES M. INHOFE  
U.S. SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE  
MINORITY STAFF**

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## INTRODUCTION

Environmental activism has become a multibillion dollar industry in the U.S. Campaigns to save the whales or stop mining beg average Americans for their support through donation of their hard earned dollars. These environmental campaigns also receive millions from charitable foundations such as the PEW Foundation, Turner Foundation, and Heinz Foundation. But what most don't know when they donate to a cause to "save the rainforest" or "save the polar bear" is that their money could end up being used for partisan activities that are only tangentially related, if related at all, to the cause for which they are intended.

The majority of environmental activist groups present themselves as objective, nonpartisan, nonprofit groups that are dedicated to environmental integrity and protection. To accomplish their goals, these groups typically set up 501(c)(3) nonprofit organizations with affiliated 501(c)(4) organizations.<sup>1</sup> It is difficult to detail these organizations' specific spending habits. On December 19, 2007, the *Wall Street Journal* published an article that documented just how difficult this process is, and how political several 501(c) organizations were in the last year.<sup>2</sup> The article stated:

"Because the IRS doesn't require 501(c) organizations to detail election spending or to list contributors, it's difficult to track their political activity. The Journal analyzed data on 30 separate 501(c) groups active in elections from 2000 to 2006, culled from a variety of sources. The data show that the 30 organizations spent at least \$155 million on the 2006 elections, nearly twice what they spent in 2000."<sup>3</sup>

As early as 1995, the Internal Revenue Service (IRS) noticed a growing problem in today's non-profit sector.<sup>4</sup> The IRS published an educational document about the difficulties in separating such non-profit organizations' nonpartisan status from the legislative and political activities that such organizations undertake. The report stated:

"[T]he work of exempt organizations specialists reflects diverse ways in which political agendas are forwarded. Today, political agendas are being forged by political parties, candidates, legislative caucuses, educational organizations, and political action committees. When entities employed in this process seek recognition of exemption under IRC 501(c)(3) or 501(c)(4), questions arise about the scope of political campaign,

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<sup>1</sup> 26 U.S.C. §§ 501(c)(3), 501(c)(4).

<sup>2</sup> Brody Mullins, *Interest Groups Gain In Election Cash Quest*, Wall Street Journal (December 18, 2007).

<sup>3</sup> *Id.*

<sup>4</sup> Raymond Chick and Amy Henchey, *M. Political Organizations and IRC 501(c)(4)*, Internal Revenue Service (1995).

legislative, and political educational activities permitted under these sections.”<sup>5</sup>

The IRS categorizes a broad issue that has become very prominent among today’s leading environmental activist groups. For years, there has been public and political scrutiny over the activities of major environmental activist groups, such as Environmental Defense Fund (EDF)<sup>6</sup>, the Natural Resources Defense Council (NRDC)<sup>7</sup>, and the League of Conservation Voters (LCV)<sup>8</sup>, and their financial links to charitable institutions, such as the Tides Foundation and Heinz family Foundations.<sup>9</sup> These issues were brought to the public’s attention several years ago through various publications such as the 2004 articles in *The Hill* and *The Washington Post*.<sup>10</sup>

This report will focus on the financial intricacies and political ties of major environmental activist groups including the League of Conservation Voters, the Environmental Defense Fund, Greenpeace, the Natural Resources Defense Council, and the Sierra Club, and the major foundations that support them.

### 501(c)s and 527

The three different types of nonprofit groups analyzed in this report are 501(c)(3), 501(c)(4), and 527 organizations, all of which have tax-exempt status under the Internal Revenue Code. A single group is often affiliated with other types of organizations. For

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<sup>5</sup> *Id.* at 1.

<sup>6</sup> According to the ED website, the organization was founded in 1968, and tackles “serious environmental problems.” Environmental Defense, *About Us*, <http://www.edf.org/page.cfm?tagID=382> (last visited on July 11, 2008).

<sup>7</sup> According to the NRDC website, the organization uses “law, science and the support of 1.2 million members and online activists to protect the planet’s wildlife and wild places and to ensure a safe and healthy environment for all living things.” Natural Resource Defense Council, *About NRDC: Who We Are*, [http://www.nrdc.org/about/who\\_we\\_are.asp](http://www.nrdc.org/about/who_we_are.asp) (last visited on July 11, 2008).

<sup>8</sup> According to their website, the LCV’s mission “advocate for sound environmental policies and to elect pro-environmental candidates who will adopt and implement such policies.” League of Conservation Voters, *About LCV*, <http://lcv.org/about-lcv/> (last visited on July 11, 2008).

<sup>9</sup> For the purposes of this report, the families of organizations listed throughout will be referred to by their simple, popular names. For example, the Sierra Club Foundation 501(c)(3) and Sierra Club 501(c)(4) will be referred to collectively as “Sierra Club.” Similarly, the League of Conservation Voters, Inc. family of organizations will be referred to collectively, simply as the League of Conservation Voters, or LCV.

<sup>10</sup> Sam Dealey, *Conservation group under fire for Kerry endorsement*, *The Hill* (March 11, 2004); Thomas B. Edsall and James Grimaldi, *New Routes for Money to Sway Voters, 501(c) Groups Escape Disclosure Rules*, *The Washington Post* (September 27, 2004).

example, the League of Conservation Voters, Inc. is a 501(c)(3) that is affiliated with two 501(c)(4) organizations and two “527 groups” and a political action committee (PAC). There are different requirements and restrictions placed upon each group, as analyzed below.<sup>11</sup>

501(c)(3) nonprofits are tax-exempt organizations that can participate in political issues, but not specific campaigns.<sup>12</sup> These organizations must be organized and operated for a qualifying purpose (e.g., a charitable, educational, or religious purpose) and serve the public interest.<sup>13</sup> They are commonly thought of as charitable organizations. The majority of the funds raised by these organizations come from individual donors and other public sources. The individual donations are tax deductible for the donor as long as they meet certain criteria. One such criterion is that the donor must present receipts for amounts of more than two hundred and fifty dollars.<sup>14</sup> These organizations can lose their tax exempt status by supporting or opposing a candidate and engaging in campaign activities that are specifically linked to election periods, such as a presidential primary election.<sup>15</sup>

A 501(c)(3) can lobby on their issues, but lobbying cannot be a substantial part of their activities.<sup>16</sup> The organizations can also educate the public and fund research that supports their positions. However, 501(c)(3) organizations cannot “participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.”<sup>17</sup> Some examples of popular 501(c)(3)s are The Salvation Army,<sup>18</sup> United Way,<sup>19</sup> and Habitat for Humanity.<sup>20</sup> Any funds transferred by the 501(c)(3) to an affiliated organization cannot be used for impermissible purposes (e.g., campaign activities).<sup>21</sup>

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<sup>11</sup> League of Conservation Voters Education Fund I.R.S. Form 990 sched. A, pt. VII (2006).

<sup>12</sup> 26 U.S.C. §§ 501(a), (c)(3).

<sup>13</sup> Internal Revenue Service, *Publication 557: Tax-Exempt Status of Your Organization*, at 19 (2008).

<sup>14</sup> *Id.*

<sup>15</sup> *Id.* At 20.

<sup>16</sup> 26 U.S.C. § 501(c)(3).

<sup>17</sup> *Id.*

<sup>18</sup> The Salvation Army of the United States of America, 2007 National Annual Report, at 18 (2007).

<sup>19</sup> United Way of America I.R.S. Form 990, 2006 Filing (2006).

<sup>20</sup> Habitat for Humanity International, Inc. I.R.S. Form 990, 2006 Filing (2006).

<sup>21</sup> Ward L. Thomas and Judith E. Kindell, *S. Affiliations Among Political, Lobbying, and Educational Organizations*, Internal Revenue Service (2000).

Another type of tax-exempt organization is a 501(c)(4) organization. These organizations are typically “social welfare organizations” whose purpose is to promote the common good and general human welfare.<sup>22</sup> Unlike 501(c)(3) organizations, donations to 501(c)(4) organizations are not tax deductible. Under the scope of promoting the general welfare, the 501(c)(4) organizations can engage in political activities with fewer restrictions than a 501(c)(3). For example, a 501(c)(4)’s general lobbying efforts are almost unlimited.<sup>23</sup> Additionally, a 501(c)(4) can promote a candidate for office, as long as campaigning is not the organization’s primary purpose.<sup>24</sup> A 501(c)(4) can generally receive and give funds to both its affiliated 501(c)(3)s and 527s without risking its tax-exempt status.<sup>25</sup> Any transferred funds, however, may be subject to tax if those funds are used for a taxable purpose.

One of the most prominent examples of a 501(c)(4) campaign is Moveon.org Civic Action, more commonly known as Moveon.org. This organization, which began in 2002, is most famous for its television and print advertisements campaigning against the war in Iraq. The organization also utilizes electronic mail and petitions to achieve its goals. Under the scope of promoting the social welfare, Moveon.org is legally able to become politically involved to campaign for its goals and objectives.

Many 501(c)(3) and 501(c)(4) organizations also have affiliated 527 political organizations.<sup>26</sup> Because 527s are political organizations, they can cross the partisan barrier that is off-limits to 501(c)(3) organizations. For example, a 527 organization can attempt to directly influence the election, appointment, or nomination of a particular political candidate for public office.<sup>27</sup> 527 political organizations include the entities that are regulated as political committees under federal election law, such as political action committees (PACs). They also include organizations that appear intended to influence federal elections in ways that may be outside the scope of federal election law and therefore are not regulated by the Federal Election Commission (FEC). These latter organizations are commonly referred to as “527s” or “527 groups,” and that is how this report identifies them. A 501(c)(3) may not transfer money to an affiliated 527 organization for campaign activities, but a 501(c)(4) organization may be able to do so without losing its tax-exempt status, although the funds may be subject to tax.

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<sup>22</sup> Internal Revenue Service, *Social Welfare Organizations*, <http://www.irs.gov/charities/nonprofits/article/0,,id=96178,00.html> (last visited on July 24, 2008).

<sup>23</sup> Internal Revenue Service, *Political Campaign and Lobbying Activities of IRS 501(c)(4), (c)(5) and (c)(6) Organizations*, L2 (2003).

<sup>24</sup> *Id.*

<sup>25</sup> *Id.*

<sup>26</sup> 26 U.S.C. § 527.

<sup>27</sup> Internal Revenue Service, *Exempt Functions – Political Organization*, <http://www.irs.gov/charities/political/article/0,,id=175345,00.html> (last visited on July 22, 2008).

A 527 group can conduct several partisan activities similar to a PAC. However, unlike a PAC, a 527 group cannot have as its major purpose the nomination or election of a federal office candidate, cannot expressly advocate for election or defeat of a clearly identified federal candidate, and cannot contribute money directly to a candidate's campaign.<sup>28</sup> 527 groups can, however, utilize unregulated "soft" money to highlight specific candidate's strengths or weaknesses, and generally promote said candidate without specifically endorsing his or her election. Therefore, a 527 group may be able to essentially operate as a "soft money" PAC without having to register with the FEC.<sup>29</sup>

In recent history, 527s have received increased scrutiny for not complying with IRS regulations, including donor disclosure requirements. Consequently, some organizations may have switched over to campaigning through their 501(c)(4) organizations. The 501(c)(4) retains the ability to engage in campaign activities but is not subject to donor disclosure requirements.

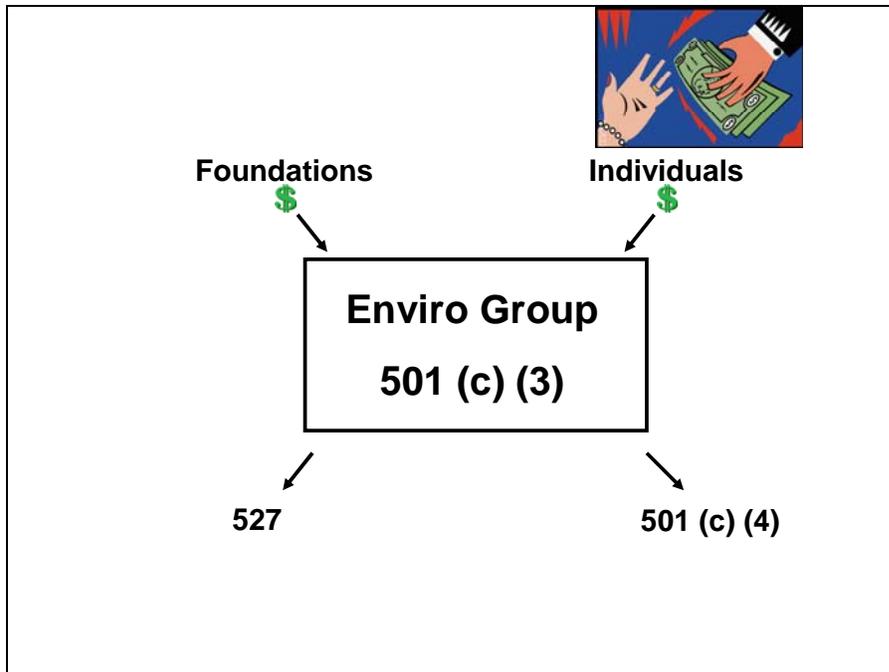
It is the ability to shift funds easily among these different organizations that has generated a stir of political attention and has raised some very serious questions about the validity of each.<sup>30</sup> Supposed "nonprofit, nonpartisan organizations" can shift funds very easily to organizations formed for the sole purpose of partisan, political activity. 501(c)(3) organizations can shift funds to 501(c)(4) organizations, which can participate in partisan activities, although the funds could not lawfully be used for campaign activities. A 501(c)(4) can shift funds to a 527 organization, often founded for political campaign purposes. Clearly, without a system for tracking funding in these types of organizations, a donor could contribute to a nonpartisan, nonprofit organization and the donation could ultimately be used for partisan political activities. While this practice, if caught, would cause a 501(c)(3) organization to lose its tax-exempt status, it is nearly impossible to detect these funding shifts.

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<sup>28</sup> Opensecrets.org, *Types of Advocacy Groups*, <http://www.opensecrets.org/527s/types.php> (last visited on July 24, 2008).

<sup>29</sup> *Id.*

<sup>30</sup> Internal Revenue Service, *Political Campaign and Lobbying Activities of IRS 501(c)(4), (c)(5) and (c)(6) Organizations*, L2 (2003); Internal Revenue Service, *Publication 557: Tax-Exempt Status of Your Organization*, at 19 (2008).



There are also questions about the exact scope and limitations placed upon 501(c)(3), 501(c)(4)s, 527s and PACs. With the existence of the 501(c)(4) and the PAC, what is the point of the 527? With significant partisan campaign activity undertaken by 501(c)(4) and 527 groups which are regulated by the IRS, how do lawmakers control and police how much money is actually being spent on campaigns, when the FEC’s role in regulating these organizations is often unclear?

Outlined below are several examples that highlight the complexity of the web of nonprofit organizations and their political activities.

League of Conservation Voters

LCV represents itself as “turning environmental values into national priorities.”<sup>31</sup> The organization’s mission is “to advocate for sound environmental policies and to elect pro-environmental candidates who will adopt and implement such policies.”<sup>32</sup>

The LCV is registered as a 501(c)(4) organization, with affiliations to several other organizations: the League of Conservation Voters Education Fund, a 501(c)(3), which claims to refrain from campaign activities, and the LCV Accountability Project, another 501(c)(4) organization.<sup>33</sup> These affiliates, referred to as a “family of

<sup>31</sup> League of Conservation Voters, *About LCV*, <http://lcv.org/about-lcv/> (last visited on July 11, 2008).

<sup>32</sup> *Id.*

<sup>33</sup> League of Conservation Voters, Inc. I.R.S. Form 990, sched. A, pt. VII (2006); League of Conservation Voters Education Fund (2006); LCV Accountability Project I.R.S. Form 990 (2006); League of

organizations,” are committed to running “tough and effective campaigns to defeat anti-environment candidates, and support those leaders who stand up for a clean, healthy future for America.”<sup>34</sup> The very purpose of LCV is to campaign against anti-environmental candidates, an action that a 501(c)(3) cannot engage in. LCV does, however, make the claim that the LCV Education Fund is a separate entity, committed “to bring[ing] the environment to the center of the public’s attention as an issue critical to good public policy and a healthy political system.”<sup>35</sup>

In 2006, LCV had two 527 groups the League of Conservation Voters – SSF, and the League of Conservation Voters Inc. SSF – 527 II. These 527 groups were fined by the FEC for violating the following three separate provisions:



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Conservation Voters – SSF I.R.S. Form 990 (2005); League of Conservation Voters, Inc. SSF – 527 II I.R.S. Form 990 (2005).

<sup>34</sup> League of Conservation Voters, *About LCV*, <http://www.lcv.org/about-lcv/> (last visited on July 14, 2008).

<sup>35</sup> League of Conservation Voters, *LCV Education Fund*, <http://www.lcv.org/about-lcv/lcv-family-of-organizations/> (last visited on July 14, 2008).

- Failure to register with the FEC as a PAC<sup>36</sup>
- Failure to report contributions and expenditures to the FEC<sup>37</sup>, and
- Knowingly accepting individual's donations in excess of \$5,000. (The FEC found that more than \$6 million of LCV's expenditures during 2004 violated the \$5,000 individual maximum amount restriction.<sup>38</sup>)

"Nonprofit, nonpartisan" environmental organizations are intricately linked. The current LCV board of directors includes a former president and the founding director of the NRDC,\* and the senior vice president of programs at the Environmental Defense Fund.\*\* The Board also includes members from the following:

- Friends of the Earth
- Natural Resource Defense Council
- Environmental Defense
- Arca Foundation (which granted \$50,000 to the LCV in 2008)\*\*\*
- Rockefeller Family and Associates
- Global Environment Project Institute
- National Parks Conservation Association
- The Wilderness Society
- American Conservation Association
- Defenders of Wildlife
- Center for American Progress

\*"John Adams was the NRDC executive director and later president from 1970-2006." Natural Resources Defense Council, *About NRDC: John. H. Adams*, <http://www.nrdc.org/about/jha.asp> (last visited on July 11, 2008).

\*\*Marcia Aronoff is the current Senior Vice President for Program for the Environmental Defense Fund. Environmental Defense Fund, *About Us: Marcia Aronoff*, <http://www.edf.org/page.cfm?tagID=891> (last visited on July 11, 2008).

\*\*\*The Arca Foundation, *Current Grantees: Spring 2008 Grantees*, [http://www.arcafoundation.org/current\\_grantees.htm](http://www.arcafoundation.org/current_grantees.htm) (last visited on July 11, 2008).

The LCV was fined a total of \$180,000 by the FEC. According to an FEC press release, LCV received this fine for acting as a clear political committee and violating federal election law.<sup>39</sup> The organization was required to disclose all current and future contributions and expenditures and register as a PAC should it engage in activities that qualified it as such.<sup>40</sup> *The Wall Street Journal* highlighted these violations in an article published in December 2007.<sup>41</sup> Following this incident, the LCV restructured its organization into a 501(c)(4), which allows the organization to run with fewer disclosure restrictions.

Every election cycle, the LCV lists "the Dirty Dozen," a list of federal candidates for election or re-election whom the LCV deems as environmentally unfriendly. The first

<sup>36</sup> 2 U.S.C. § 433.

<sup>37</sup> 2 U.S.C. § 434.

<sup>38</sup> 2 U.S.C. § 441a(f); Press Release, *FEC Collects \$630,000 in Civil Penalties from Three 527 Organizations*, Federal Election Commission (December 13, 2006) <http://www.fec.gov/press/press2006/20061213murs.html>.

<sup>39</sup> Press Release, *FEC Collects \$630,000 in Civil Penalties from Three 527 Organizations*, Federal Election Commission (December 13, 2006) <http://www.fec.gov/press/press2006/20061213murs.html>.

<sup>40</sup> *Id.*

<sup>41</sup> Brody Mullins, *Interest Groups Gain In Election Cash Quest*, *Wall Street Journal* (December 18, 2007).

list was created in 1996, and contained four members of the Senate, and eight members of the House. That year, LCV spent \$1.5 million “sending two hundred and fifty-four pieces of persuasion mail to targeted voters [and] running nine thousand television and radio ads” against the members of the “Dirty Dozen” which included eleven Republicans and one Democrat.<sup>42</sup> The one Democrat listed on the “Dirty Dozen” regained his seat in the House that year while seven of the Republican candidates on the list were not re-elected.

In 1998, the “Dirty Dozen” list was comprised of eleven Republicans and two Democrats. That year, the LCV spent a total of \$2.3 million on election campaigning, “where our efforts could provide the winning margin of difference.”<sup>43</sup> The two Democrats on the list retained their seats and nine of the eleven Republicans on the list were defeated.

In 2000, the LCV spent more than \$4 million, “the largest expenditure in history,”<sup>44</sup> on the election. Their “Dirty Dozen” list focused on eleven Republicans and one Democrat. In that election cycle, seven of the Republicans on the list were defeated; the one Democrat kept his seat.

Again, in 2002, the “Dirty Dozen” list was comprised of eleven Republicans and one Democrat.<sup>45</sup> LCV did not report how much it spent on the year’s election cycle. Five Republicans on the list lost their seats while the one Democrat retained his seat.

Two years later, in 2004, the “Dirty Dozen” list contained twelve Republicans and one Democrat. LCV and its affiliates spent a total of \$16 million during that year’s elections targeting the 13 candidates.<sup>46</sup> As in previous years, the one Democrat on the list retained his seat while four of the twelve Republicans were defeated. For the first time, in 2004, the LCV included a presidential administration on their list. The LCV endorsed Senator John Kerry (D-MA) for President.<sup>47</sup>

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<sup>42</sup> League of Conservation Voters, *Campaigns: Dirty Dozen 1996*, <http://lcv.org/campaigns/dirty-dozen/dirty-dozen-1996.html> (last visited on July 14, 2008).

<sup>43</sup> League of Conservation Voters, *Campaigns: Dirty Dozen 1998*, <http://lcv.org/campaigns/dirty-dozen/dirty-dozen-1998.html> (last visited on July 14, 2008).

<sup>44</sup> League of Conservation Voters, *Campaigns: Dirty Dozen 2000*, <http://lcv.org/campaigns/dirty-dozen/dirty-dozen-2000.html> (last visited on July 14, 2008).

<sup>45</sup> League of Conservation Voters, *Campaigns: Dirty Dozen 2002*, <http://www.lcv.org/campaigns/dirty-dozen/dirty-dozen-2002.html> (last visited on July 14, 2008).

<sup>46</sup> State Capacity Building is a division of the League of Conservation Voters. State Capacity Building, *10 Years of State League Growth*, <http://www.fscvl.org/> (last visited on July 14, 2008); League of Conservation Voters, *Campaigns: Dirty Dozen 2004*, <http://www.lcv.org/campaigns/dirty-dozen/2004-dirty-dozen.html> (last visited on July 24, 2008).

<sup>47</sup> Miguel Llanos, *Democrats Seeking Presidency Reflect Varieties of Green*, MSNCB.com, <http://www.msnbc.com/id/3890462/print/1/displaymode/1098> (last visited on July 14, 2008).

In 2006, the LCV chose fifteen candidates for their “Dirty Dozen” list.<sup>48</sup> The list was comprised of thirteen Republicans and two Democrats. While the two Democrats on the “Dirty Dozen” list retained their seats, nine Republicans lost their seats.<sup>49</sup> During this election, the LCV asked viewers of their website to choose one candidate for the “Dirty Dozen” list. The viewers chose Rep. Charles Taylor (R-NC) to join the “Dirty Dozen” list. Taylor lost his seat in 2006 to Heath Shuler (D-NC).<sup>50</sup> The LCV and its affiliates used its extensive budget of \$27 million on campaign activities.<sup>51</sup>

At the time of this report, the LCV had yet to release a completed version of the 2008 “Dirty Dozen” list. However, it has released the names of nine individuals who will fill up the ranks of the completed list. Of those nine, there is one Democrat joining the “Dirty Dozen.”<sup>52</sup>

While there is no means of calculating or anticipating what LCV will spend this year, as their budget has grown every election cycle, they will most likely have at least the \$27 million that they did in 2006.<sup>53</sup>

For more than a decade, the LCV has produced its “Dirty Dozen” list, targeting select Congressional figures. The organization has operated under the guise of “the independent political voice for the environment,” since even before the publication of the “Dirty Dozen”. To date, eighty-three names have been placed on the LCV’s “Dirty Dozen”, including seventy-four Republicans. By their bipartisan claims, it would be expected that LCV’s support would be split evenly; however, almost 90 percent of LCV’s recommendations have been to remove Republican candidates. The publishers of the “Dirty Dozen” have yet to name even a dozen Democrats to their list in the past twelve years. It has become increasingly apparent that the LCV has been allowed to participate in partisan politics while conveying the impression of objectivity. The organization, however still continues to make the claim that they don’t support one political party over another.

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<sup>48</sup> During this election cycle, Reps. Tom Delay (R-TX) and Bob Ney (R-OH), both decided to not seek reelection. After the candidates’ resignations, the LCV replaced their names on the Dirty Dozen list.

<sup>49</sup> League of Conservation Voters, *Campaigns: Dirty Dozen 2006*, <http://lcv.org/newsroom/press-releases/2006-dirty-dozen.html> (last visited on July 14, 2008).

<sup>50</sup> Press Release, *Voters Select North Carolina's Charles Taylor as 10th Member of "Dirty Dozen" in LCVAF Online Poll*, League of Conservation Voters (Sept. 14, 2006).

<sup>51</sup> State Capacity Building, *10 Years of State League Growth*, <http://www.fscvl.org/> (last visited on July 14, 2008).

<sup>52</sup> League of Conservation Voters, *2008 Dirty Dozen*, <http://www.lcv.org/campaigns/dirty-dozen/> (last visited on July 14, 2008).

<sup>53</sup> *Id.*

## NRDC

The Natural Resources Defense Council, Inc. is registered as a 501(c)(3) organization.<sup>54</sup> Like the LCV “family of organizations,” it is also affiliated with a 501(c)(4) organization, the NRDC Action Fund, and a 527 organization, the Environmental Accountability Fund.<sup>55</sup> By having at least one of each category of tax-exempt organizations, groups can essentially transfer wealth throughout their family of organizations and remain virtually undetected. In its 2006 tax filing, Natural Resources Defense Council, Inc. transferred \$98,801 to NRDC Action Fund, and NRDC Action Fund transferred \$124,500 to undisclosed “other organizations” that same year.<sup>56</sup>

Founded in 1970, NRDC purports to be the “nation's most effective environmental action group” whose mission is to “[t]o safeguard the Earth: its people, its plants and animals and the natural systems on which all life depends.”<sup>57</sup> The NRDC uses grassroots efforts and the power of legal and scientific expertise to achieve its goals, which they describe frequently as “independent.”

From 2001 through 2005, the NRDC reported on the Bush Administration by creating the Bush Record.<sup>58</sup> The Record categorized Bush’s presidency as an administration that “will cater to industries that put America's health and natural heritage at risk.” The NRDC predicted that Bush would continue “to undermine environmental enforcement and weaken key programs will be made.” The organization gave up the effort and stopped tracking the Administration’s moves after President Bush defeated Sen. Kerry in the 2004 election.

NRDC has also showed their party leanings in popular culture. In an episode of the HBO long-running comedy, *Curb Your Enthusiasm*, the NRDC was featured in connection with Senator Barbara Boxer (D-CA).<sup>59</sup> The episode, which features Boxer as the event opener for the NRDC event, initially aired on September 16, 2007. Boxer currently serves as Chairman of the Senate Committee on Environment and Public Works.

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<sup>54</sup> Natural Resources Defense Council, Inc. I.R.S. Form 990 (2006).

<sup>55</sup> Natural Resources Defense Council, Inc. I.R.S. Form 990, sched. A, pt. VII (2006); NRDC Action Fund I.R.S. Form 990 (2006); Environmental Accountability Fund I.R.S. Form 990 (2006).

<sup>56</sup> Natural Resources Defense Council, Inc. I.R.S. Form 990, sched. A, pt. VII (2006); NRDC Action Fund I.R.S. Form 990 (2006).

<sup>57</sup> Natural Resources Defense Council, *About Us*, <http://www.nrdc.org/about/> (last visited on July 15, 2008).

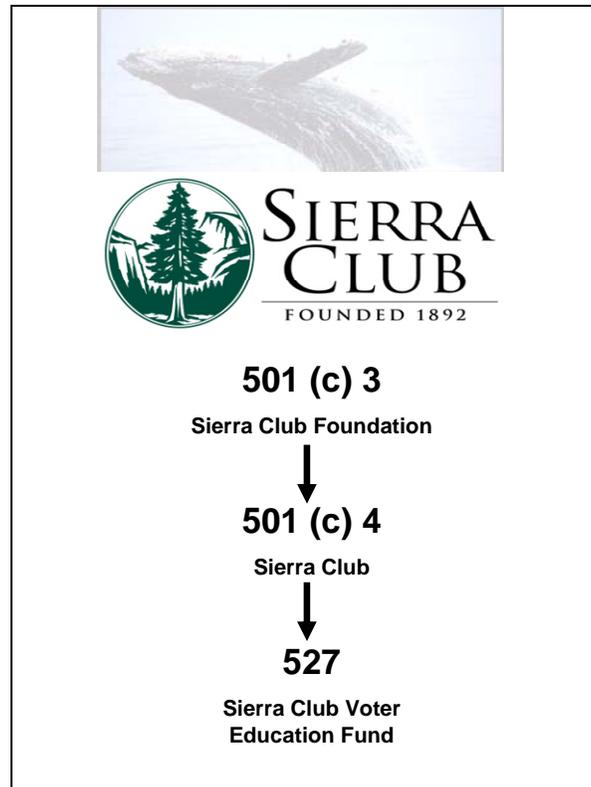
<sup>58</sup> Natural Resources Defense Council, *The Bush Record*, <http://www.nrdc.org/BushRecord/> (last visited on July 15, 2008).

<sup>59</sup> HBO, *Curb Your Enthusiasm: Episode Guide*, <http://www.hbo.com/larrydavid/episode/season6/episode52.html> (last visited on July 24, 2008).

At the time of this report, the NRDC had made no formal declaration of support for a presidential candidate.

### Sierra Club

The Sierra Club Foundation is a 501(c)(3) tax-exempt organization with an affiliated 501(c)(4) group, Sierra Club.<sup>60</sup> There is also a 527 organization called the Sierra Club Voter Education Fund, which claims to be a “separate segregated fund of the Sierra Club.”<sup>61</sup> The Sierra Club Foundation does not claim affiliation with this 527 organization, however the Sierra Club Voters Education Fund “does not have its own Board of directors, officers or trustees.”<sup>62</sup> In 2006, the Sierra Club 501(c) organizations brought in more than \$110 million and spent nearly \$104 million; the Sierra Club Voter Education Fund only brought in \$60,000, but managed to spend nearly \$1 million.<sup>63</sup>



<sup>60</sup> The Sierra Club Foundation I.R.S. Form 990, sched. A, pt. VII (2006); Sierra Club I.R.S. Form 990 (2006).

<sup>61</sup> Sierra Club Voter Education Fund I.R.S. Form 990 (2006); Sierra Club Voter Education Fund I.R.S. Form 990 (2006).

<sup>62</sup> The Sierra Club Foundation I.R.S. Form 990, sched. A, pt. VII (2006); Sierra Club Voter Education Fund I.R.S. Form 990 (2006).

<sup>63</sup> The Sierra Club Foundation Form 990, at 12, 17 (2006).

The Sierra Club Voter Education Fund has a history of receiving support from its “unaffiliated and unpartisan company” of the same name and address. During 2002, the Sierra Club Voter Education Fund reported total contributions of slightly more than \$3 million.<sup>64</sup> During that calendar year, the Voter Education Fund reported received \$2.25 million, the vast majority of their total revenue, in contributions from the Sierra Club.<sup>65</sup>

It’s not hard to understand why the Sierra Club’s web of affiliations, or “non-affiliations,” becomes so intertwined. A brief glimpse at the activities of Carl Pope, Sierra Club’s executive director, shows a tangle even more convoluted than the organization that he spearheads. In the past five years, Carl Pope has played a major role in the following organizations:

- Sierra Club
- California League of Conservation Voters, executive director<sup>66</sup>
- Public Voice<sup>67</sup>
- California Common Cause<sup>68</sup>
- Zero Population Growth,<sup>69</sup> now Population Connection, political director
- America Coming Together<sup>70</sup>, founding member and treasurer

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<sup>64</sup> Sierra Club Voter Education Fund I.R.S. Form 990, 2002 Filing, line 12 (2002).

<sup>65</sup> Sierra Club Voter Education Fund I.R.S. Form 8872, sched. A (October 2002).

<sup>66</sup> The California LCV’s mission is “to protect the environmental quality of the state by increasing public awareness of the environmental performance of all elected officials, working to elect environmentally responsible candidates, and holding them accountable to the environmental agenda once elected.” California League of Conservation Voters, *About CLCV*, <http://www.ecovote.org/about/> (last visited on July 15, 2008).

<sup>67</sup> Public Voice is an organization that devotes itself to the promotion of “public participation in decisions concerning the future of the Internet. [They have] pursued issues ranging from privacy and freedom of expression to consumer protection and Internet governance” The Public Voice, *About Us*, [http://thepublicvoice.org/about\\_us/default.html](http://thepublicvoice.org/about_us/default.html) (last visited on July 15, 2008).

<sup>68</sup> “Common Cause is a nonpartisan, nonprofit advocacy organization founded...as a vehicle for citizens to make their voices heard in the political process and to hold their elected leaders accountable to the public interest.” California Common Cause, *About Us*, <http://www.commoncause.org/site/pp.asp?c=dkLNK1MQIwG&b=189955> (last visited on July 15, 2008).

<sup>69</sup> For forty years Population Connection (formerly Zero Population Growth) has been educating young people through advocating for progressive action to stabilize world population at a level that can be sustained by Earth’s resources. Population Connection, *About Us*, [http://www.zpg.org/index.php?option=com\\_content&view=article&id=398&Itemid=20](http://www.zpg.org/index.php?option=com_content&view=article&id=398&Itemid=20) (last visited on July 15, 2008).

<sup>70</sup> “[T]he liberal group America Coming Together was on the cutting edge of national politics, spending tens of millions of dollars on a massive voter-mobilization project in every presidential battleground state.” Thomas Edsall, *Soros-Backed Activist Group Disbands as Interest Fades*, *The Washington Post* (August 3, 2005). ACT is a PAC that also has a non-federal account registered under section 527 of the Internal Revenue Code. ACT paid \$775,000 “to settle charges that it used funds raised outside federal limits and

- America Votes<sup>71</sup>
- American Rights at Work<sup>72</sup>
- America's Families United<sup>73</sup>

In addition to Pope's extensive organizational involvement, he also co-authored a book, "Strategic Ignorance: Why the Bush Administration Is Recklessly Destroying a Century of Environmental Progress."<sup>74</sup> The Sierra Club continues to maintain that it is an independent organization whose mission is solely "to receive, administer, and disburse funds donated for tax-exempt, charitable, scientific, literary, and educational purposes."<sup>75</sup>

The Sierra Club has a history of endorsing candidates for political office. Currently, the Sierra Club has announced that it will support Senator Obama's (D-IL) presidential bid. While there is no reported activity yet from the organization, Sierra Club has been historically known to run television and radio advertisements both supporting their candidate and criticizing the opposition. Additionally, at the time of this report, Sierra Club announced its support of thirteen candidates for seats in the United States Senate. Of those thirteen candidates, none are Republicans.<sup>76</sup> The organization has also announced its endorsement of one hundred and fifty-six candidates to the United State House of Representatives. Of the candidates, four are Republicans.<sup>77</sup> Essentially, ninety-eight percent of Sierra Club's endorsements favor Democrat candidates.

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source prohibitions to pay for expenses that should have been paid with funds raised within the federal contribution limits and prohibitions. This settlement represents the third largest civil penalty in an enforcement matter in the Commission's thirty-three year history." Press Release, *FEC to Collect \$775,000 Civil Penalty from America Coming Together*, Federal Election Commission (August 29, 2007).

<sup>71</sup> America Votes is a coalition of over 40 of the most powerful national groups working together to increase progressive voter registration and turnout. America Votes, *about*, <http://www.americavotes.org/site/content/about/> (last visited on July 15, 2008).

<sup>72</sup> Founded in 2003, American Rights at Work is an informative organization, with issues on workplace democracy for a variety of workers. Their vision "is a nation where the freedom of workers to organize unions and bargain collectively with employers is guaranteed and promoted." American Rights at Work, *About Us*, <http://www.americanrightsatwork.org/about-us.html> (last visited on July 15, 2008).

<sup>73</sup> America's Families United is a "non-profit, non-partisan organization working to make our democracy stronger by increasing political participation." The organization aims to register 1 million new low-income, under-represented voters. Idealist.org, *America Families United*, <http://www.idealists.org/en/org/116335-122> (last visited on July 15, 2008).

<sup>74</sup> Carl Pope and Paul Rauber, *Strategic Ignorance: Why the Bush Administration Is Recklessly Destroying a Century of Environmental Progress* (Sierra Club Books 2004).

<sup>75</sup> The Sierra Club Foundation, *The Sierra Club Foundation: Annual Report 2006* (2006)

<sup>76</sup> Sierra Club, *Endorsements 2008*, <http://www.sierraclub.org/endorsements/2008/> (last visited on July 15, 2008).

<sup>77</sup> *Id.*

## Greenpeace

Greenpeace USA presents itself as “an independent campaigning organization that uses peaceful protest and creative communication to expose global environmental problems.”<sup>78</sup> With two hundred fifty thousand members in the United States (and 2.5 million worldwide) Greenpeace is represented by Greenpeace, Inc., a 501(c)(4) organization, and Greenpeace Fund, Inc., a 501(c)(3) organization.<sup>79</sup> Through those organizations, Greenpeace reported that it had raised \$11.5 million in 2006; its 501(c)(3) and (c)(4) collectively reported contributions of \$26 million for their 2006 tax filings (which extend past the 2006 year).<sup>80</sup>

Greenpeace, like other environmental activist organizations has strong ties to other politically oriented groups. The chairman of the Board of Directors, Donald Ross, is involved in multiple organizations, including the LCV, where he is a board member.<sup>81</sup> Ross is also the founder of M+R, a campaign strategy firm whose clients include, among others: Environmental Defense Fund, LCV, and the Democratic Congressional Campaign Committee.<sup>82</sup> Greenpeace is also a client of Earthjustice, the legal entity which represents the Sierra Club, NRDC and Environmental Defense Fund. Additionally, Greenpeace remains officially affiliated with the Partnership Project, whose members also include Sierra Club, Environmental Defense Fund, NRDC and LCV. While Greenpeace may not make a Dirty Dozen list, or endorse hundreds of Democratic candidates, it is affiliated and supports the organizations that do. Furthermore, it represents those affiliations to the rest of the world.

## Environmental Defense Fund

Environmental Defense Fund (EDF) describes itself as an organization that “is dedicated to protecting the environmental rights of all people” by using a scientific approach that is “nonpartisan, cost-effective and fair.”<sup>83</sup> Environmental Defense Fund is

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<sup>78</sup> Greenpeace, *A Vision For The Future: 2007 Annual Report* at 22 (2007).

<sup>79</sup> Greenpeace, *About Us*, <http://www.greenpeace.org/usa/about> (last visited on July 16, 2008); Greenpeace, Inc. I.R.S. Form 990 (2006); Greenpeace Fund, Inc. I.R.S. Form 990, (2006).

<sup>80</sup> Greenpeace, *A Vision For The Future: 2007 Annual Report*, at 17 (2007); Greenpeace, Inc. I.R.S. Form 990 (2006); Greenpeace Fund, Inc. I.R.S. Form 990 (2006).

<sup>81</sup> M+R, *Executive Leadership Team*, [http://www.mrss.com/leadership\\_team.html](http://www.mrss.com/leadership_team.html) (last visited on July 16, 2008).

<sup>82</sup> M+R, *Executive Leadership Team*, [http://www.mrss.com/leadership\\_team.html](http://www.mrss.com/leadership_team.html) (last visited on July 16, 2008); M+R, *About M+R*, <http://www.mrss.com/about.html> (last visited on July 16, 2008); M+R, *Recent Clients*, <http://www.mrss.com/clients.html> (last visited on July 16, 2008).

<sup>83</sup> Environmental Defense, *2006 Annual Report*, at ii (2006).

represented by its family of organizations, Environmental Defense, Inc., a 501(c)(3) organization, and Environmental Defense Action Fund, Inc., a 501(c)(4) organization.<sup>84</sup>

EDF is also intimately connected with other environmental and political organizations. Frank E. Loy, Environmental Defense Fund's chairman of the board, served as Clinton's Under Secretary of State for Global Affairs.<sup>85</sup> Until 2006, Teresa Heinz, wife of Sen. John Kerry (D-MA), served on the board of trustees for EDF.<sup>86</sup> Heinz is also the current chairman of Heinz Endowments, a part of the Heinz Family Foundation, one of the nation's twenty-five largest charitable foundations.<sup>87</sup> This report will discuss the Heinz Foundation's activities in more detail later. Current EDF trustee George Woodwell also serves on the board of the NRDC.<sup>88</sup>

Additionally, the trustees of EDF are connected with partisan activities. Trustee Frank Loy currently serves as one of Senator Obama's "top environmental advisers" for the 2008 Presidential Campaign.<sup>89</sup> This past year, trustee Douglas Shorenstein donated \$272,100 to Democratic political objectives, including the Hillary Clinton and Al Franken campaigns.<sup>90</sup> Trustee Joanne Woodward, wife of noted Hollywood star Paul Newman, donated significantly to both the Clinton and Obama campaigns.<sup>91</sup>

EDF reported raising \$71.8 million for the 2006 calendar year, and reported receiving contributions totaling more than \$94 million during the 2006 IRS filing period (which extends beyond the 2006 calendar year).<sup>92</sup> Of that amount, the organization spent \$18.9 million to promote their stance on climate change issues, and \$19.5 collectively on land and ocean environmental issues.<sup>93</sup>

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<sup>84</sup> Environmental Defense Inc. I.R.S. Form 990, sched. A, pt. VII (2006).

<sup>85</sup> AHC Group, Inc., *Frank E. Loy*, [http://www.ahcgroup.com/board\\_loy.htm](http://www.ahcgroup.com/board_loy.htm) (last visited on July 17, 2008).

<sup>86</sup> Environmental Defense, *2006 Annual Report*, 30 (Environmental Defense 2006).

<sup>87</sup> U.S. Securities and Exchange Commission, *Heinz H J Co.* <http://www.secinfo.com/dsvRr.a7d.c.htm> (last visited on July 22, 2008).

<sup>88</sup> Natural Resources Defense Council, *About NRDC: Board of Trustees*, <http://www.nrdc.org/about/board.asp> (last visited on July 17, 2008).

<sup>89</sup> James A. Barnes, *Campaign 2008: Obama's Inner Circle*, National Journal (March 31, 2008).

<sup>90</sup> Federal Election Commission, *Transaction Query By Individual Contributor: Douglas Shorenstein*, <http://query.nictusa.com/cgi-bin/qind/> (last visited on July 17, 2008).

<sup>91</sup> Associated Press, *Celebrity Donors*, USA Today (January 13, 2008).

<sup>92</sup> Environmental Defense, *2006 Annual Report*, 30 (Environmental Defense 2006); Environmental Defense, Inc. I.R.S. Form 990 (2006); Environmental Defense Action Fund I.R.S. Form 990 (2006).

<sup>93</sup> Environmental Defense, *2007 Annual Report*, at 27 (2007); Press Release, *Bush CAFE Standards Overturned on Appeal*, Environmental Defense (November 16, 2007).

## FOUNDATIONS

All of the above groups receive a significant amount of their funds from foundations that regularly give to groups with allied interests. Note that each foundation and charity mentioned is also organized as a 501(c)(3) and is not able to engage in campaign activities.. These foundations, however, do not have to make meaningful disclosures about the purpose of their donations and grants or what happens to the money after it is donated. Therefore, tracking such funds is impossible. Many times these foundations donate significant funds to other foundations who in turn donate significantly to environmental groups. The Tides Foundation has a history of making donations and grants to every environmental group mentioned in this report. While neither the Pew Charitable Trust nor the Heinz family of foundations has given directly to all five mentioned groups, they have donated millions to Tides, creating an interlocking system of money-changing, with no transparency.

The following are a few of the foundations that regularly give to environmental activist, “nonpartisan,” groups such as those mentioned above.

### Pew Charitable Trusts

Made up of seven different charities,<sup>94</sup> the Pew Charitable Trusts claims that it is an “independent nonprofit” that “applies a rigorous, analytical approach to improve public policy, inform the public and stimulate civic life.”<sup>95</sup> In 2004, Pew made the switch from a private foundation to a public charity in order to provide the organization more flexibility and range in their efforts.<sup>96</sup> The switch to a public charity gives Pew the ability to lobby on the federal and state level, and combine certain resources required to be separate when Pew was operating as a private foundation.<sup>97</sup>

The switch to public charity also allows the organization to spend the money generated on issues and in sectors not originally intended by its founders. According to a 2004 *Wall Street Journal* article, the foundation was set up “to disburse money to charities and research that the founders believed reflected their values and priorities,” not to venture into the whims of the current directors.<sup>98</sup>

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<sup>94</sup> The seven different charities making up the Pew Charitable Trusts are: Pew Memorial Trust, J.N. Pew, Jr. Charitable Trust, J. Howard Pew Freedom Trust, Mabel Pew Myrin Trust, Medical Trust, Knollbrook Trust, and Mary Anderson Trust. The Pew Charitable Trusts, *Sustaining the Legacy: A History of the Pew Charitable Trusts*, at 17, 20, 23, 26 (2001).

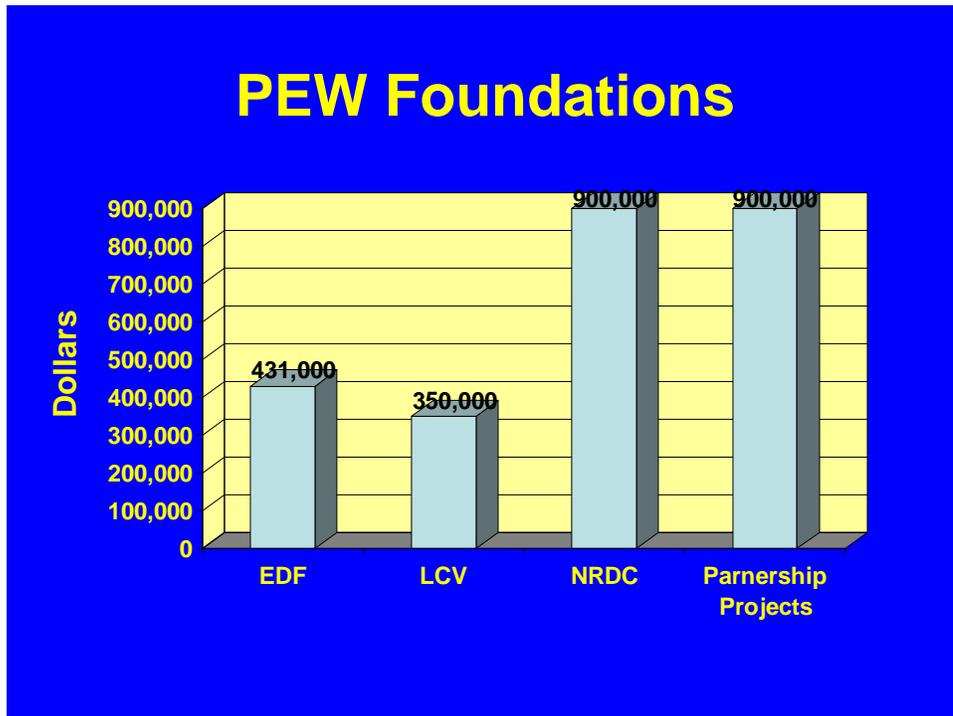
<sup>95</sup> The Pew Charitable Trusts, *About Us*, [http://www.pewtrusts.org/about\\_us.aspx](http://www.pewtrusts.org/about_us.aspx) (last visited July 18, 2008).

<sup>96</sup> Stephanie Strom, *Pew Charitable Trusts Will Become Public Charity*, *New York Times* (November 7, 2003).

<sup>97</sup> *Id.*

<sup>98</sup> Wall Street Journal Editorial Board, *Trusting Pew: Dubious accounting shouldn't be acceptable in the nonprofit world*, *Wall Street Journal* (February 22, 2004).

The change in Pew's status allows the organization to pursue more partisan activities than it had undertaken previously.<sup>99</sup> The *Wall Street Journal* article highlighted that Pew, because of its status shift, would now be able to spend five percent of its budget on lobbying efforts, funding "a lot of K Street lunches."<sup>100</sup> With a \$4 billion budget, that means that Pew can spend \$200 million in lobbying. This means that "Pew's shift promises to have a seismic impact on the foundation and political worlds."<sup>101</sup>



Since the shift, Pew has given a substantial amount of money to environmental activist groups directly, and through other private funds that finance those groups. Pew contributed \$431,000 to EDF; \$900,000 to NRDC; and \$700,000 to the Partnership Project, which is a joint venture of the nation's leading environmental groups.<sup>102</sup> The Partnership Project's membership includes such names as LCV, EDF, NRDC, Greenpeace, and Sierra Club.<sup>103</sup> Additionally,

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<sup>99</sup> *Id.*

<sup>100</sup> *Id.*

<sup>101</sup> *Id.*

<sup>102</sup> Pew Charitable Trusts I.R.S. Form 990 (2006); Pew Charitable Trusts I.R.S. Form 990 (2005); Pew Charitable Trusts I.R.S. Form 990 (2004); Saveourenvironment.org, *Who We Are*, <http://www.saveourenvironment.org/about.html> (last visited on July 17, 2008).

<sup>103</sup> Saveourenvironment.org, *Who We Are*, <http://www.saveourenvironment.org/about.html> (last visited on July 17, 2008).

Pew gave more than \$7 million to the Tides Foundation.<sup>104</sup> During that time, the Tides Foundation contributed a collective \$1.8 million to the following organizations: EDF, LCV, Greenpeace, NRDC, and Sierra Club.<sup>105</sup>

### Heinz Foundations

Based in Pittsburgh, the Heinz family of foundations is made up of several different foundations. Two of the major organizations within this empire are the Heinz Endowments, and the Heinz Family Philanthropies (hereinafter collectively referred to as ‘Heinz’).<sup>106</sup> In 2006, the Heinz Endowments combined the Howard Heinz Endowment and the Vira I. Heinz Endowment, two of the Heinz foundations more major funds, with a common purpose “to develop solutions that are national in scope.”<sup>107</sup> The Heinz Family Philanthropies are made up of three funds: The Teresa and H. John Heinz III Foundation, the H. John Heinz III Foundation, and the Heinz Family Foundation. The Philanthropies focus on three key issues: healthcare and the elderly, environment concerns, and advancing female opportunities in the workplace.<sup>108</sup>

At the center of the Heinz empire is Teresa Heinz. She is the current chairman of both the Heinz Endowments and the Heinz Family Philanthropies.<sup>109</sup> As previously stated, Ms. Heinz, wife of Sen. John Kerry (D-MA), is known for her environmental and political activities. When her husband ran for President in 2004, the LCV publicly endorsed him - the earliest the organization had ever endorsed a Presidential candidate.<sup>110</sup> LCV had previously received more than \$57,000 from Heinz donations, but made the

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<sup>104</sup> Tides Foundation was founded in 1976 in San Francisco. Since that time that time, the organization has described itself as providing “professional and innovative services to individuals and institutions committed to accelerating positive social change through philanthropy.” Tides, *Tides Foundation: Supporting Progressive Change*, <http://www.tides.org/tides-foundation/index.html> (last visited on July 18, 2008); Pew Charitable Trusts I.R.S. Form 990 (2006); Pew Charitable Trusts I.R.S. Form 990 (2005); Pew Charitable Trusts I.R.S. Form 990 (2004); Pew Charitable Trusts I.R.S. Form 990 (2003).

<sup>105</sup> Tides Foundation I.R.S. Form 990 (2006); Tides Foundation I.R.S. Form 990 (2005); Tides Foundation I.R.S. Form 990 (2004); Tides Foundation I.R.S. Form 990 (2003).

<sup>106</sup> The Heinz Endowments, *Mission & Goals*, [http://www.heinz.org/about\\_mission.aspx](http://www.heinz.org/about_mission.aspx) (last visited on July 18, 2008); Heinz Family Philanthropies, *The Philanthropies*, <http://www.heinzfamily.org/aboutus/philanthropies.html> (last visited on July 18, 2008).

<sup>107</sup> *Id.*

<sup>108</sup> *Id.*

<sup>109</sup> The Heinz Endowments, *Board of Directors*, [http://www.heinz.org/about\\_board.aspx](http://www.heinz.org/about_board.aspx) (last visited on July 18, 2008); Heinz Family Foundations, *Teresa Heinz*, <http://www.heinzfamily.org/aboutus/teresaheinz.html> (last visited on July 18, 2008).

<sup>110</sup> Ron Arnold, *The Heinz Foundations and the Kerry Campaign*, Capital Research Center (April 2004).

assertion that the money had no effect on their endorsement.<sup>111</sup> Ms. Heinz oversees more than \$1.5 billion of Heinz foundation resources.<sup>112</sup>

Heinz, like Pew, has a history of giving both to environmental organizations individually, as well as to other funds and private foundations that also donate significant sums to environmental activists. Last year alone, Heinz gave \$160,000 to NRDC directly.<sup>113</sup> Since 2002, Heinz has given a total of \$740,000 to EDF, LCV, and NRDC specifically.<sup>114</sup> Over the past five years, Heinz has also given \$3.8 million to Tides.<sup>115</sup> Tides, as previously stated, has donated significantly to all five of the mentioned environmental organizations, and receives a bulk of their funds from foundations such as Heinz.

### Turner Foundation

Founded in 1990 by Ted Turner, the Turner Foundation is a self-proclaimed “private, independent family foundation committed to preventing damage to the natural – water, air, and land – on which all life depends.”<sup>116</sup> Since 1991, the Turner Foundation has reported giving out \$297.6 million in grants to organizations “aimed at creating a better world.”<sup>117</sup> In its 2006 filing, the Turner Foundation raised more than \$12 million and contributed more than \$8.6 million in grants.<sup>118</sup>

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<sup>111</sup> *Id.*

<sup>112</sup> The Heinz Endowments I.R.S. Form 990PF (2006); Heinz Family Foundations I.R.S. Form 990PF (2006).

<sup>113</sup> Natural Resources Defense Council, Inc. I.R.S. Form 990, sched. A, pt. VII (2006); NRDC Action Fund I.R.S. Form 990 (2006); Environmental Accountability Fund I.R.S. Form 990 (2006).

<sup>114</sup> Heinz Family Foundations I.R.S. Form 990 PF (2006); Heinz Family Foundations I.R.S. Form 990 PF (2005); Heinz Family Foundations I.R.S. Form 990 PF (2004); Heinz Family Foundations I.R.S. Form 990 PF (2003); Heinz Family Foundations I.R.S. Form 990 PF (2002); The Heinz Endowments I.R.S. Form 990 PF (2006); Howard Heinz Endowment I.R.S. Form 990 PF (2005); Howard Heinz Endowment I.R.S. Form 990 PF (2004); Howard Heinz Endowment I.R.S. Form 990 PF (2003); Howard Heinz Endowment I.R.S. Form 990 PF (2002); Vira I. Heinz Endowment I.R.S. Form 990PF (2006); Vira I. Heinz Endowment I.R.S. Form 990PF (2005); Vira I. Heinz Endowment I.R.S. Form 990PF (2004); Vira I. Heinz Endowment I.R.S. Form 990PF (2003); Vira I. Heinz Endowment I.R.S. Form 990PF (2002).

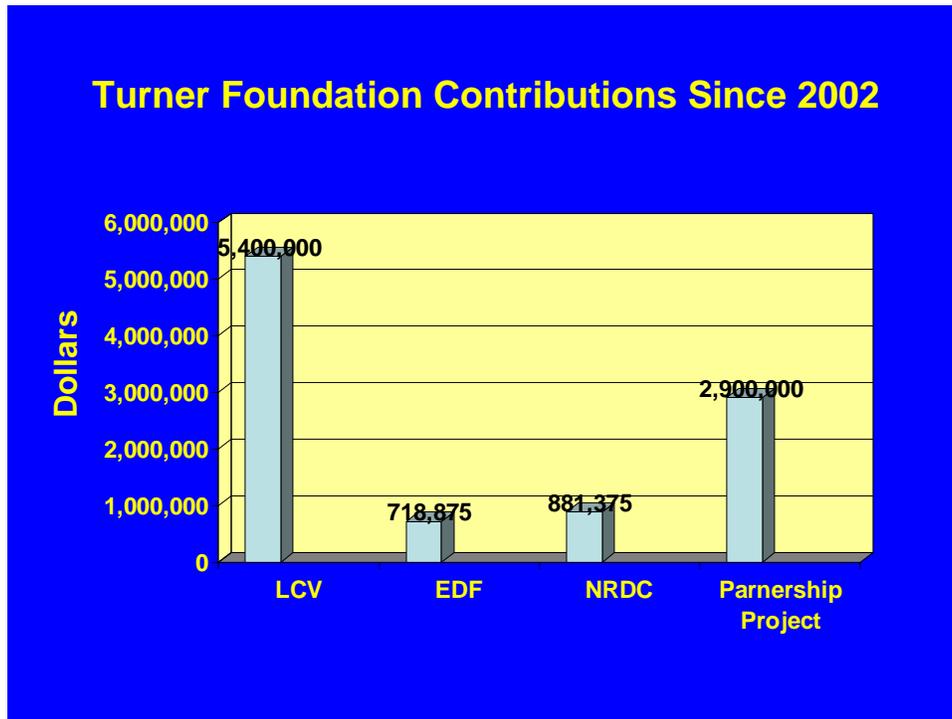
<sup>115</sup> *Id.*

<sup>116</sup> The Turner Foundation, *About The Foundation*, <http://www.turnerfoundation.org/about/index.asp> (last visited on July 17, 2008).

<sup>117</sup> The Turner Foundation, *Affiliated Organizations*, <http://www.turnerfoundation.org/about/ao.asp> (last visited on July 17, 2008); The Turner Foundation, *Financial Information*, <http://www.turnerfoundation.org/about/fi.asp> (last visited on July 17, 2008).

<sup>118</sup> The Turner Foundation I.R.S. Form 990PF (2006).

The Turner Foundation focuses its philanthropic efforts almost solely on environmental pursuits. In 2001, for instance, Ted Turner co-founded the “Nuclear Threat Initiative,” with former Democratic Senator Sam Nunn, to combat the growing nuclear threat.<sup>119</sup> In addition, the Foundation has historically undertaken “special projects” which include the League of Conservation Voters Education Fund and the Partnership Project.



Since 2002, the Turner Foundation has contributed more than \$2.9 million to the Partnership Project.<sup>120</sup> The Turner Foundation also contributed significant sums to several of the mentioned members individually. Since 2002, the Turner Foundation has given more than \$1 million to the NRDC; \$778,875 to EDF; and \$6.7 million to the LCV Education Fund.<sup>121</sup>

<sup>119</sup> The Turner Foundation, *Affiliated Organizations*, <http://www.turnerfoundation.org/about/ao.asp> (last visited on July 17, 2008).

<sup>120</sup> The Turner Foundation I.R.S. Form 990PF (2006); The Turner Foundation I.R.S. Form 990PF (2003); The Turner Foundation I.R.S. Form 990PF (2002). There were no reported contributions to the Partnership Project in the 2004 or 2005 I.R.S. 990 filings.

<sup>121</sup> The Turner Foundation I.R.S. Form 990PF (2006); The Turner Foundation I.R.S. Form 990PF (2005); The Turner Foundation I.R.S. Form 990PF (2004); The Turner Foundation I.R.S. Form 990PF (2003); The Turner Foundation I.R.S. Form 990PF (2002).

## CONCLUSION

This report by no means paints a complete picture of environmental activism and its political and financial ties to election politics. There are additional activities that the environmental groups mentioned participated in, and additional organizations that the foundations mentioned funded. Each of the groups cited, including the foundations, are represented by a 501(c)(3) organization. Under this structure, these organizations collect funds from individual donors by representing themselves as unbiased, objective, and nonpartisan. They are able to amass wealth because those funds are tax-deductible to their donors.

Each of these organizations has also, both individually and collectively, given numerous examples of their partisanship activities. The LCV is, by its very nature, a partisan organization. Additionally, its history has shown it to consistently favor Democratic candidates. It is closely followed by the Sierra Club, which is currently only giving two percent of its support to Republican candidates this year. The NRDC has gone on television showing its support for a Democratic Senator. EDF has a board comprised of publicly-disclosed advisors and financial supporters to the Senator Barack Obama Presidential Campaign. Greenpeace, aside from being affiliated with all the above organizations, is chaired by a man who is directly associated with the Democratic Congressional Campaign Committee. Furthermore, all of these organizations are associated with each other through the Partnership Project, which has consistently supported the Democratic environmental platform.

In conclusion, as we turn to another election year, these environmental groups continue to campaign in much the same manner. With a presidential campaign in full swing, these organizations and foundations are likely to wield an even bigger sword than in years previous. Yet for all of the activities that take place, both those mentioned above and others, these groups remain unchecked. They continue to do business under the scope of charitable organizations. While it is not likely that their partisan habits are going to change, the public should see these nonprofits for what they are, and what they stand for.

Because of the complicated web of 501(c), 527, and PAC organizations, it is clear that individuals who donate to a 501(c)(3) organization intending to contribute to the cause of the organization, have no clear mechanism for verifying that their donation was used for the cause. Unsuspectingly, these donors may be contributing to partisan activities when they originally intended their donation to aid an environmental cause. Additionally, there is not sufficient oversight over these organization to police their political and campaign activities.