

Buying the Democrat Party Lock, Stock and Barrel



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Executive Summary

During this 2016 election cycle, “crony capitalism” has become a major issue, mostly from the left and even against the left side of the political spectrum. The attention given to this problem appears to have pushed the crony capitalists into as a low profile as possible, but by no means have they given up the notion that they can increase their own wealth through political action without giving anything back to the economy.

This E&E Legal Report exposes the most affluent crony capitalist and how he is using his money to buy off the Democrat Party. That person is Tom Steyer, the single largest campaign contributor for either party. His approach is a model for others on both the left and the right.

Crony capitalists leverage their donations. An examination of Steyer’s giving documents an evolving approach that creates the loudest amount of echo per dollar and the largest support for the capitalist’s investments.

If you have made a major investment in renewable energy, you reap the greatest advantage by eliminating the non-renewable energy competitors. This is what Tom Steyer has attempted to do in the U.S. We should note, however, that his opposition to coal-based energy ends at the U.S. border. He remains a major investor in coal for other nations. But those nations cannot afford renewables, so his strategy is to make the U.S. a coal-free country, the country where his renewables investments reside.

So, how does he do it? He uses donations to environmental groups, candidates and political parties to spread the word at a cost far less than if he took out advertisements on his own, an approach he tried in the 2014 election cycle but which failed. In the 2014 cycle he spent \$74 million, not to support candidates, but to buy advertising to oppose those who did not favor renewable energy or accept the climate alarmism meme. This approach had no discernable effect on election results.

Having failed through straight advertising, he moved to a much more leveraged four-part approach. He began with the White House and EPA, getting their buy-in to organize governors to support the EPA anti-coal agenda at his expense. He then conditioned his political support to Senate candidates on their adoption of his agenda. And, he funded the Democratic National Committee in what now appears to be purchase of the DNC’s 2016 Campaign Platform regarding climate change and renewable energy. The DNC adopted the Steyer agenda word for word. Finally, he is encouraging state Attorneys General to silence anyone who disagrees with his views on renewable energy and climate change.

James Madison warned us against such tactics. He crafted and supported a Constitution that would prevent this through guarantees of free speech and representative government. Crony capitalism as practiced by Tom Steyer is the latest effort to side-step these Constitutional protections.

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Introduction

James Madison predicted it – wealthy individuals attempting to control the government and policy in order to become even more wealthy at the political and economic expense of the rest of us.¹ Our Constitution is intended to prevent this through the guarantee of free speech and representative government. In this report we chronicle the efforts of one wealthy individual in order to show how he and others attempt to side-step Constitutional protections intended to allow everyone fair access to the political process. That individual is Tom Steyer.

Billionaire Tom Steyer is invested in the renewable energy industry and is using political donations to cheaply advertise his products and to obtain government-forced expansion of the marketplace for his products. He can't allow a discussion on the scientific basis of climate change as that diminishes the size and value of his solar power investments, so he has organized efforts to silence scientists, apparently using the Democrat Attorney Generals' Association and, it appears, U.S. Senators, each attempting to quash free speech. And, in an effort expected to increase his investment portfolio, he wants governmental expansion of the solar energy market so is attempting to purchase a Senate majority² and thereby replace representative government with one that does what he wants. As well, he appears to have already purchased the Democratic Party Platform. This report chronicles these various ongoing efforts.

Buying the Democratic Party Platform

In November 2015, NextGen Climate, an organization founded and bankrolled by Steyer in 2013 to advance his climate change agenda in the political arena, released a report entitled, "Fact Sheet: Powering America With More Than 50 Percent Clean Energy by 2030."³ The report, along with an [email](#) uncovered from Steyer's surrogates by E&E Legal through public records requests, has been adopted as the proposed 2016 Democratic National Convention (DNC) climate change

¹ See, Federalist 10, <http://www.constitution.org/fed/federa10.htm> as discussed in brief at <http://www.gradesaver.com/the-federalist-papers/study-guide/summary-essay-10>.

² By a wide margin, Tom Steyer is the largest contributor to Democrats this election cycle. See, OpenSecrets – Top Individual Contributors, see, <https://www.opensecrets.org/overview/topindivs.php>.

³ See, <https://nextgenclimate.global.ssl.fastly.net/wp-content/uploads/2015/07/NGC-Fact-Sheet-50-by-30-0728-2015-rev.pdf>.

platform. The chart below shows the striking similarities between Steyer’s “accountability” campaign and the 2016 proposed DNC platform on climate change, a similarity known as policy plagiarism.

NextGen’s Climate Change Goals⁴	2016 Democratic National Convention’s Climate Change Platform Draft⁵
Calls on candidates to produce a plan to power America with more than 50 percent carbon free energy by 2030 and 100 percent carbon free energy by 2050.	Goal is to power America with 50 percent clean energy sources in the next decade, and believes America must be running entirely on clean energy by mid-century.
Email uncovered by E&E Legal by NextGen surrogates encouraging governors to hold ‘climate deniers’ “accountable.” Steyer is publically encouraging states to join in prosecuting Exxon Mobil over its disagreement with climate change.	Corporations who fail to notify their shareholders of the risk of climate change should be held “accountable” through fraud investigations conducted by the Department of Justice.
The transition to a clean energy economy will create over a million jobs by 2030 and up to two million by 2050.	A transition to a clean energy economy will create millions of middle class jobs.
A clean energy economy will reduce electric bills for American families.	Clean energy will save families money on their energy bills.
The Clean Power Plan must be implemented.	The Clean Power Plan must be implemented.
Climate change aggravates poverty.	Climate change disproportionately affects low income communities.
The United States is expected to install enough solar panels to power 4 million American homes in the next two years.	Goal to install half a billion solar jobs in the next four years.

Steyer is a one-issue political player, and that issue is obtaining substantial support for his investments in solar energy. Virtually all of his political donations are funneled through his single issue super PAC, the NextGen Climate Action Committee, and his political statements focus on climate change. At the Los Angeles World Affairs Council on April 2, 2015, Steyer declared that climate change should be a top public policy concern.⁶ As he told the *New York Times* regarding his campaign to rid the world of carbon: “I think that would be a really cheap price to answer the

⁴ NextGen Climate, “[Fact Sheet: Powering America With More Than 50 Percent Clean Clean Energy by 2030](#),” November 25, 2015, Accessed July 11, 2016.

⁵ Democratic National Convention Committee, “[2016 Democratic Party Platform Draft](#),” July 1, 2016, Accessed July 11, 2016.

⁶ Wayne Lusvadi, “[Climate change should be top issue despite apathy, Steyer and Cisneros say](#),” CaLWatchdog.com, April 7, 2015, Accessed July 14, 2016.

generational challenge of the world.”⁷ When examining the 2016 Democrat Party climate change plank, it’s clear that Steyer, the Party’s largest donor, has left his fingerprints.

Keep in mind, party platforms are not simply for Presidential candidates. The “down ticket” works from this playbook. Steyer does not rely only on the platform to pursue his goals, he funds efforts aimed at both Governors and Senators.

Muzzling Free Speech and Bypassing Representative Government

Steyer believes that climate change is no longer up for debate. In 2014, he proclaimed: “I think the days of the climate deniers are over. To deny basic science is to risk the trust of the general public.”⁸

Steyer is currently orchestrating a plan with the Democratic Governors Association (DGA) to recruit governors to join his fight to hold ‘climate denier’ organizations and companies “accountable” through criminal prosecutions under fraud and RICO statutes. By combining this initiative with his massive federal campaign donations, Steyer is simultaneously advancing his climate change agenda at both the state and federal levels in an attempt to silence those who argue that investing in solar power is a bad idea.

E&E Legal, through transparency law inquiries, recently uncovered an [email](#) from Kwame Boadi, Policy Director of DGA, to Sam Ricketts, an advisor to Washington governor Jay Inslee. The email outlines NextGen Climate’s efforts to recruit governors to join Steyer’s “accountability” campaign to not only promote his goal to power America with fifty percent carbon free energy by 2030, but punish ‘climate deniers’ through the criminal justice system. This correspondence was a follow on from the earlier NGA Winter Meeting session moderated by Steyer and entitled “Taking Action on Climate Change and Protecting Prosperity” and the Governors’ White House meeting the next day.

It reflected a typical Steyer arm twisting technique, use of other power centers to leverage and expand governmental resources. In this case, Steyer used the White House to leverage the NGA. He met with John Podesta, the President’s Climate Change advisory, in the White House the day

⁷ Nicholas Confessore, “Financier Plans Big Ad Campaign on Climate Change,” *The New York Times*, February 17, 2014, Accessed July 11, 2016.

⁸ Pat Morrison, “[Tom Steyer’s Green Ambitions](#),” *The Los Angeles Times*, July 29, 2014, Accessed June 30, 2016.

before the NGA session, giving credibility to his arguments based on that White House visit. To seal the deal, the following day the Governors visited the White House on the same subject, allowing Podesta to “make the close” on the Steyer program.⁹

As Steyer’s lead employee on climate, Ted White, [explained](#) to one Governor’s office,

“Tom’s office (Fahr LLC) is currently determining which of the affiliated groups that we founded and fund (such as Next Gen Climate Action, or Next Generation, or AEE) will be taking the lead for us on this [Governors’ initiative to support the Clean Power Plan].”

The mission of NextGen, founded, financed and directed exclusively by Steyer in 2013, is: “Working at every level, we are committed to supporting candidates, elected officials, and policymakers across the country that will take bold action on climate change.”¹⁰

Although Steyer is covertly recruiting governors to promote his climate agenda and prosecute those who disagree with it, he does not keep his desire to trample the First Amendment a secret. He is publically lobbying state attorneys general to join the coalition of seventeen currently investigating oil company ExxonMobil and many other individual scientists and non-profit groups, claiming ExxonMobil failed to adequately inform its investors about climate change, based on the fact that ExxonMobil and the other investigatory targets participated in the debate about climate science.¹¹ In April, 2016, NextGen hosted and funded a rally in New Hampshire to encourage the state’s Attorney General Joseph Foster to join the investigation into Exxon.¹² Steyer revealed his disdain for organizations opposing climate change, telling *The Guardian*, “Anybody who puts out intentionally misleading information I think should be answering to us.”¹³

Steyer’s efforts to strip citizens of their First Amendment rights, which is parroted in the unprecedented climate stance of the 2016 Democratic National Convention’s platform, is unprecedented, and raises significant Constitutional issues. However, Steyer’s campaign to prosecute those who disagree his energy views is not the first time he has colluded with governors in secret.

⁹ White House Visitor Access Records, see <https://www.whitehouse.gov/briefing-room/disclosures/visitor-records>.

¹⁰ NextGen Climate website, “[About Us](#),” NextGen Climate, Accessed July 13, 2016.

¹¹ Michael Bastasch, “[Liberal Billionaire Jumps On The Anti-Exxon Bandwagon](#),” *The Daily Caller*, April 19, 2014, Accessed July 14, 2015.

¹² *Id.*

¹³ Anita Chabria, “[Billionaire supports reported inquiry into possible ExxonMobil cover-up](#),” *The Guardian*, January 20, 2016, Accessed July 13, 2016.

In 2015, through open records requests over the course of a year at the federal level and nearly 30 offices in over a dozen states, E&E Legal uncovered Steyer's efforts to orchestrate and fund a campaign to use governors' and state attorneys' general offices to advance President Obama's climate change regulatory agenda with the active support of major green groups and the White House.¹⁴ Emails unearthed through the Freedom of Information Act (FOIA), as well as state transparency laws, reveal that along with Steyer, other major climate change movement funders such as Michael Bloomberg, the Rockefeller Brothers Foundation, the Energy Foundation (a Steyer funded group) and the William and Flora Hewlett Foundation, financed Steyer's scheme. The goal of this initiative was to ensure that as many states as possible implemented President Obama's Clean Air Act (which limits carbon dioxide emissions) by creating a political "climate compact" of governors across the nation.

Emails show that Steyer's campaign was developed with the early, active support and participation of prominent White House operatives, who enthusiastically embraced the plan, even lobbying for, and gaining the support of, several governors. Steyer visited the White House five times in 2014, four times meeting with John Podesta and once with Rohan Patel, who staffed climate change issues. In addition, a May 2015 e-mail revealed the governors' close coordination with the State Department to promote the president's energy regulations in the states.

The Steyer-funded scheme took shape at a meeting in the White House in December 2013. After the gathering, the Obama Administration coordinated with a "core group" of activist Democrat governors to collude with green organizations to design the first of the three tracks to promote the climate agenda. The second (activists' track) was orchestrated by Tom Steyer, and the third by the White House, which was described by a senior aide as, "a few other tracks with the private sector and unusual allies."

This first (state level) track "core group" of governors' aids and consultants collaborated with Steyer and his managing partner, Ted White, who directed them to green activist groups to assist in implementing the Obama energy agenda in their respective states. This "core group," according to emails obtained by E&E Legal, soon expanded to over a dozen.

The "core group" includes:

¹⁴ Christopher C. Horner, "[Private Interests & Public Office: Coordination Between Governors, the Obama White House and the Tom Steyer-“Founded and Funded” Network of Advocacy Groups to Advance the “Climate” Agenda.](#)” The Energy and Environment Legal Institute, August 24, 2015, Accessed July 7, 2016.

- Sam Ricketts (Washington State Gov. Inslee)
- Alexander Cochran (New York Gov. Cuomo)
- Blake Oshiro (Hawaii Gov. Abercrombie)
- Dana Thompson (Maryland Gov. O'Malley)
- Emily Kuiken and Garth Spencer (Delaware Gov. Markell)
- Jena Griswold (Colorado Gov. Hickenlooper)
- Pamela Walsh (New Hampshire Gov. Hassan)
- Rebecca Byers (Kentucky Gov. Beshear)
- Sam Reid (unknown; using a private email account)
- Valerie Young (of States Services Organization, a joint venture of the Council of State Governments, the National Conference of State Legislatures and the National Governors Association)
- William Richard (private email account but a consultant for Minnesota Gov. Dayton)
- Alyson Richards (Vermont Gov. Shumlin)
- Shayna Cherry, Kevin Greene, and Lauren Eiten (Illinois Gov. Quinn)
- Jonathan Feipel (a Quinn appointee as Executive Director of the Illinois Commerce Commission)
- Traci DeShazor and Maribel Ramos (Virginia Gov. McAuliffe).

This “core group” quickly embraced a four-point plan that they called the Governor’s Climate Compact or GCC, which was later rebranded as the Governors’ Climate Accord or GCA, and ultimately, changed to Governors Clean Energy Initiative. A “compact” is an agreement among states, and/or foreign governments. Under Article I, Section 10 of the U.S. Constitution, 49 of these instruments require approval by Congress. It is thus likely that the governors rebranded from the GCC to the Governors’ Governors’ Climate Accord or GCA50 and finally, to the Governors Clean Energy Initiative in an attempt to avoid any constitutional restraints, as their interstate compact was not likely to receive approval from Congress.

According to emails unearthed by E&E Legal, Steyer funded green groups including: NextGen Climate, the National Governor’s Association Center for Best Practices, the Governors Wind Coalition, ICF International, the National Association of State Utility Consumer Advocates (NASUCA), the Regulatory Assistance Project, and the Natural Resources Defense Council worked in concert with then-Obama Chief of Staff John Podesta, Gina McCarthy (EPA Administrator), Todd Stern (the State Department’s top climate official), and the White House’s Dan Utech, to help the “core group” of governors secretly devise ways to implement President Obama’s ‘clean energy policies.’ The emails also reveal Steyer’s awareness of the lack of

popularity of Obama's energy policies in Republican-governed states, leading him to ensure that the involved governors' offices, green activists, and White House operatives covered their tracks well and kept silent about their plans.

The overall objective of Steyer's governors' initiative is to increase the value of his solar power investment by secretly promoting energy policies, in reality, were never going to be enacted and that Congress had twice rejected. This state-compact approach is how Steyer attempts to sidestep the Constitution, a compact that has never received Congressional approval. The uncovered emails not only reveal Steyer's vast influence over the climate change movement, but more importantly, his willingness to ignore the Constitution, trampling representative government and shutting down free speech.

Leveraging Senate Campaign Donations

In the 2010 *Citizens United*¹⁵ decision, the Supreme Court held that political spending is a form of protected speech under the First Amendment, and the government may not keep corporations or unions from spending money to support or denounce individual candidates in elections. While Steyer is prepared to deny free speech to participants in the public debate regarding climate science, he supports his own right to free speech through massive political spending, taking advantage of the *Citizens United* decision.

Founding NextGen Climate in 2013, Steyer funneled \$74 million, mostly through the organization's super PAC, the NextGen Climate Action Committee, to help defeat candidates that did not agree with his views on climate change, during the 2014 midterms.¹⁶ In addition, he personally donated seven million to the Party, making him the largest individual donor to either party in the 2014 election cycle, giving a grand total of \$74 million.¹⁷

Instead of using the majority of its resources to back Democratic climate alarmist candidates, however, most of NextGen's spending attacked Republican candidates unsupportive of Steyer's climate change agenda. Of the \$74 million, Steyer donated only \$5 million to the Democratic Senate Majority PAC and a paltry \$1.3 million to Democratic candidates in key swing states. In

¹⁵ This Supreme Court Decision is available at: <https://www.supremecourt.gov/opinions/09pdf/08-205.pdf>.

¹⁶ Katie Savchuk, "[Billionaire Tom Steyer on Money in Politics, Spending \\$74 M on the Election](#)," *Forbes Magazine*, Nov. 3, 2014, Accessed June 29, 2016. *And see*, FEC Itemizer, "[NextGen Climate Action Committee | 2014 Cycle](#)," *ProPublica*, November 24, 2014, Accessed July 7, 2015.

¹⁷ *Id.*

contrast, NextGen spent over \$17 million against ‘climate denying’ Republican candidates.¹⁸ The super PAC spent \$3,149,317 against New Hampshire Republican Senator Scott Brown, \$4,352,422 against Iowa Republican Senator Joni Ernst, \$6,980,834 against Colorado Republican Senator Corey Gardner, and \$3,698,623 against Michigan Republican Senatorial Candidate Terri Lynn Land.¹⁹ The remainder of the \$74 million was devoted to advertisements promoting Steyer’s climate narrative.

Steyer’s spending spree continues in the 2016 cycle, as he is currently the leading political benefactor in the country, contributing nearly \$25 million to Democrats,²⁰ with a plan to spend up to \$50 million while raising matching \$50 million from other like-minded wealthy donors.²¹

Unlike the 2014 election cycle, however, Steyer is now directly supporting Democrat candidates rather than opposing ones he dislikes. Still, his spending has a very narrow purpose. He has developed a qualification schema so that his direct candidate funding goes only to those who adopt his interest in non-carbon electricity. To qualify for Steyer donations a Senate candidate must: (1) agree to oppose the Keystone XL pipeline; (2) oppose legislative efforts to “delay, block, or roll back” the EPA climate rules called the “Clean Power Plan”; and, (3) support a goal of 50% carbon-free electricity by 2030.²²

Since the American electorate does not consider climate change a major problem facing the nation today²³ and does not vote based on that issue, Steyer’s motive for making political contributions comes into question. After looking closely at how he spends his money, it appears his agenda is only partially about ensuring the continuation of subsidies to solar energy. It appears Steyer’s goal is to ensure the continuation of subsidies to the solar energy sector, while advancing a public relations effort to advertise the use of solar energy. In doing so, he is growing the financial value of his stakes in solar energy companies

¹⁸ Center for Responsive Politics, “[Next Gen Climate Action Independent Expenditures, Communication Costs and Coordinated Expenses: 2014 Election Cycle](#),” *OpenSecrets.org*, June 13, 2016, Accessed July 7, 2016.

¹⁹ *Id.*

²⁰ OpenSecrets.org, “[Top Individual Contributors: All Federal Contributions](#),” *Center for Responsive Politics*, June 27, 2016, Accessed July 11, 2016.

²¹ Politico, “Steyer plots 2016 Senate Endorsements”, see <http://www.politico.com/story/2016/04/tom-steyer-senate-endorsements-221677>.

²² Politico, “Steyer plots 2016 Senate Endorsements”, see <http://www.politico.com/story/2016/04/tom-steyer-senate-endorsements-221677>.

²³ CBS News Poll, April 8-12, 2016; and July 29-Aug. 4, 2014, see, <http://www.pollingreport.com/prioriti.htm>.

Using Political Donations to Generate Free Advertising

Requiring campaign donation recipients to advertise a narrow message, illustrates the tremendous amount of leverage a crony capitalist can get out of political donations. If Tom Steyer applied his \$74 million political campaign funding for direct advertising in the most popular newspaper in America, the *New York Times*, he could only afford to post one full page ad costing \$214,733 each work day of the year.²⁴ Compare that with the leveraging he gets out of political donations that require candidates and other political actors to push his non-carbon message in multiple local, state and national media outlets during the non-stop campaigning period.

NextGen funneled money to numerous climate activist organizations and Democratic PACS throughout the 2014 cycle: \$650,000 to Fair Share Action, \$600,000 to the League of Conservation Voters/Michigan, \$500,000 to the Senate Majority PAC, \$475,000 to the League of Conservation Voters, \$240,000 to the House Majority PAC, \$200,000 to American Bridge 21st Century, and \$5,000 to Democratic Governors Association (DGA) Action, among many others.²⁵ The vast majority of Steyer's money, spent directly through NextGen, or indirectly through NextGen's subsidized political echo chamber, promoted massive growth in the non-carbon energy sector.

Steyer's involvement in politics as a means of advertising solar energy spans well over a decade. He served as a delegate at the Democratic National Convention in 2004 and 2008, was a major fundraiser for President Obama, worked with former Secretary of State George Shultz to defeat California's Proposition 23, which attempted to suspend the state's watershed climate change law, co-chaired a committee backing a successful California ballot measure to create 'clean energy' jobs, and bankrolled Terry McAuliffe's successful Virginia gubernatorial bid in 2013 that made climate alarmism a major plank in his campaign.²⁶

This is not an advertising campaign that is merely imputed to Steyer. He has publically announced this approach as the driving force in his political donations since 2013, as demonstrated in a pattern that shows he is interested in expanding his solar market through government intervention.

²⁴ New York Times 2016 Rate Card. *See*, https://issuu.com/nytimesglobal/docs/invt_2015_dollar_rate_card_e0dc99b36c5e2b.

²⁵ Center for Responsive Politics, "[PAC to PAC/Party, 2014 Cycle](#)," *OpenSecrets.org*, June 13, 2016, Accessed July 7, 2016.

²⁶ Forbes, "[Billionaire Tom Steyer on Money in Politics, Spending \\$74 M on the Election](#)," *Forbes Magazine*, Nov. 3, 2014, Accessed June 29, 2016.

Consider his action plan as laid out in a factually inaccurate tract entitled “The Economic Case for Clean Energy by NextGen Climate”:

“If government leaders move as quickly as possible to create a level playing field for all energy sources, and if industry decision makers pursue investments with long-term profit models, the United States can [...] be the global energy leader of the 21st century.”

It is a silly goal. The U.S. coal, natural gas and petroleum reserves have already made the United States the global energy leader of the 21st century.²⁷ But U.S. coal, natural gas and petroleum are not in Steyer’s investment portfolio, so he discounts the Nation’s energy dominance and instead pursues climate change activism as the mechanism through which to grow his solar energy portfolio.

Without major regulations on carbon, Steyer’s major financial interests in renewable energy are less valuable than the rest of the major investments in his portfolio, a portfolio that is energy heavy, and ironically, closely tied with international carbon-based energy, the sector with which renewables cannot compete.

Steyer made his billions as a hedge fund manager, founding and operating Farallon Capital Management through 2012, which has pumped hundreds of millions of dollars into companies operating coal mines and coal-fired power plants from Indonesia to China over the past fifteen years, and, according to the *New York Times*, will continue to generate millions of tons of carbon pollution for years to come.²⁸

In 2009, Farallon became a leading investor in an Australian coal mine known as Maules Creek, lending an Australian entrepreneur hundreds of millions to buy out the previous owner.²⁹ As of mid-2014, Farallon remained an investor in Maules Creek.³⁰ In 2013, while Steyer was still the Senior Managing Partner at Farallon Capital Management, the firm owned \$440 million worth of stock in oil and gas companies, about 10 percent of the business’ publicly disclosed equity

²⁷ Energy Tomorrow, “U.S. Oil Exports and the Global Market” Dec. 9, 2015, *see*, http://www.energytomorrow.org/blog/2015/12/09/us-oil-exports-and-the-global-market_citing_to_U.S. Energy Information Administration, April 7, 2015, *see*, <http://www.eia.gov/todayinenergy/detail.cfm?id=20692&src=email>.

²⁸ Michael Barbaro and Coral Davenport, “[Aims of Donor Are Shadowed by Past in Coal](#),” *The New York Times*, July 4, 2014, Accessed July 12, 2016.

²⁹ *Id.*

³⁰ *Id.*

portfolio.³¹ Even after his well-publicized departure from the hedge fund, Steyer continued to endorse Farallon's traditional funds, which still include several fossil-fuel companies.³² In his "goodbye" note, he encouraged investors to keep their money with Farallon, stressing that his exit would not change the firm's "mode of operation."³³ Although Steyer sold his ownership stake in Farallon in 2012, according to his aides in 2014, he remained a passive investor.³⁴ However, they refused to disclose the size of his investment.³⁵

Steyer's investments in renewable energy are many. Kilowatt Financial, LLC, which provides financing for rooftop solar panel installations, listed Steyer as a manager in publically filed documents until he resigned from the board in 2015.³⁶ In 2014, GreenTech Media reported that Kilowatt had provided over \$400,000 in financing for green energy projects since 2011.³⁷ When Kilowatt's investment tax credit was set to expire in 2016, NextGen Climate Action adamantly pushed for an extension, calling those opposing the measure "Republican job killers."³⁸

NextGen is currently pushing a California ballot measure that would impose an "extraction tax" on the state's oil industry, with the objective of using the revenue for additional tax credits for solar installations.³⁹ The ballot measure is not Steyer's first attempt to shape California energy law. In 2012, he actively helped advance Proposition 39, which used a tax increase to subsidize solar installations, and in 2010, co-chaired the effort against Proposition 23, which would have eliminated a California law subsidizing solar panel installations.⁴⁰⁴¹ Throughout both legislative battles, Steyer was the main financier of EFW Capital (formerly known as Greener Capital), a

³¹ Alec Torres, "[Global warming darling Tom Steyer has made millions off of oil and coal.](#)" *The National Review*, February 19, 2014, Accessed July 11, 2016.

³² Carol D. Leonnig, Tom Hamburger and Rosalind S. Helderman, "[Tom Steyer's slow, and ongoing, conversion from fossil-fuels investor to climate activist.](#)" *The Washington Post*, June 9, 2014, Accessed June 9, 2014.

³³ *Id.*

³⁴ Michael Barbaro and Coral Davenport, "[Aims of Donor Are Shadowed by Past in Coal.](#)" *The New York Times*, July 4, 2014, Accessed July 12, 2016.

³⁵ *Id.*

³⁶ Lachlan Markey, "[Tom Steyer Listed as Manager of Green Energy Investment Firm.](#)" *The Washington Free Beacon*, July 8, 2015, Accessed July 12, 2016.

³⁷ *Id.*

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ Dana Hull, "[Prop. 23 defeat sweet for Tom Steyer.](#)" *East Bay Times*, November 3, 2010, Accessed July 12, 2016.

venture firm that invests in “start-up” renewable energy companies, which had invested \$6 million in Sungevity, a California solar company that benefited from Proposition 23’s failure.⁴²

TomKat Charitable Trust, founded and bankrolled by Steyer and his wife, is invested in at least three green energy companies, and is a limited partner in BrightPath Capital Partners, L.P., a solar energy investment firm.⁴³ After Steyer poured an initial \$175 million into the TomKat, \$72 million out of the Trust’s total of \$74 million in revenue since its 2009 inception stemmed from investment income.⁴⁴ In its 2012 and 2013 IRS filings, TomKat reported nearly \$21 million in contributions to BrightPath.⁴⁵ Moreover, a month after the Steyer-led Proposition 23 defeat, BrightPath, along with Steyer-run Greener Capital, invested heavily in Sungevity.⁴⁶ As of 2012, BrightPath was listed as a “partner provider” of the Steyer-founded Beneficial State Bank.⁴⁷ One hundred percent of the bank’s profits go to the Beneficial State Bank Foundation, and is “mandated to produce meaningful social justice and environmental benefits at the same time that it is financially sustainable.”⁴⁸

Conclusion

Money talks. Tom Steyer’s aggressive attempt to implement his climate change agenda through political contributions is unmatched, as he is willing to do everything in his power to achieve his goal of running America on fifty percent carbon free energy by 2030, including encouraging the legal prosecution of those who stand in his way. As the leading mega-donor of both the Democratic Party and the climate change movement, Steyer is in the unique position to use his vast wealth to sway the Democratic Party to push his ambitious renewable energy initiative, while lining his own pockets in the process. Since public debate and disagreement of the science behind climate change risks decreasing the value of his investments in carbon-free energy, Steyer decided he needed to silence ‘climate deniers’ to the detriment of the First Amendment, abusing the criminal justice system by unconstitutionally subjecting organizations, whose political speech runs contrary to that of the green movement, to fraud and RICO investigations.

⁴² Lachlan Markay, “[Steyer Nonprofit Owns Stake in Green Energy Investment Firm](#),” *The Washington Free Beacon*, April 15, 2015, Accessed July 12, 2016.

⁴³ *Id.*

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ *Id.*

⁴⁷ *Id.*

⁴⁸ Beneficial State Bank website, “[History](#),” Beneficial State Bank, Accessed July 12, 2016.

It also appears the 2016 Democratic National Convention adopted Steyer's stance on climate change, as many of Steyer's goals, unprecedented at previous Democratic Party Conventions, are parroted, almost verbatim, in the platform. Since he is currently recruiting members of the Democratic Governors Association to support holding those who disagree with the climate movement "accountable," and recently coordinated a behind the scenes effort among a dozen governors' offices and prominent green activists to try implementing President Obama's renewable energy policies in the states, it is clear that Steyer is willing to trample representative government and the rights of free speech to suit his personal interests.

Tom Steyer's motives are transparent. Although he is the number one donor to the Democratic Party, the only issue Steyer has openly advocates, and financially supports, is climate change, with most of his giving directed towards renewable energy advertisements. After studying his strong financial ties to renewable energy, it is likely that Steyer's vast giving to the Democratic Party is not about investing in candidates, or even for the good of the Party itself. Instead, it appears that Steyer is using the Democrats to push laws favorable to the advancement of the renewable energy industry, an industry in which he is heavily invested. It's not about 'saving the world from man-made climate change.' It's about him. That is the crony capitalists' model and we expect others to replicate those elements that Mr. Steyer finds actually work.

The Energy and Environment Legal Institute (E&E Legal) is a 501(c)(3) organization engaged in strategic litigation, policy research, and public education on important energy and environmental issues. Primarily through its strategic litigation efforts, E&E Legal seeks to address and correct onerous federal and state governmental actions that negatively impact energy and the environment. E&E Legal advocates responsible resource development, sound science, respect for property rights, and a commitment to markets as it holds accountable those who seek excessive and destructive government regulation that's based on agenda-driven policy making, junk science, and hysteria.

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