FINGER ON THE SCALE:

Examining Private Funding of Elections in Wisconsin



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TABLE OF CONTENTS

EXECUTIVE SUMMARY	3
WHAT IS CTCL?	4
WHERE DID THE MONEY GO?	6
SPENDING BREAKDOWN	, 7
BIAS TOWARD LARGER CITIES	10
DID THE MONEY MATTER?	13
AN OPPORTUNITY FOR REFORM	15

EXECUTIVE SUMMARY

The 2020 election was one of the most politically divided, polarizing events in recent American history. There are many factors that play into that, but one phenomenon that did not help cure the problem of polarization was the massive amounts of money pouring into swing states from organizations claiming to be "non-partisan." The Center for Technology and Civic Life (CTCL) was one of those organizations, and grants they distributed prior to the 2020 Election caused a great deal of controversy, in both Wisconsin and the country at large.

In an effort to understand the impact of these grants in Wisconsin, WILL completed open records requests to more than 200 municipalities in the state that received grants. This report represents a comprehensive analysis of where the money was spent, and whether the distribution of funds from CTCL was equitable. The key takeaways from this report are that:

Wisconsin Municipalities Received Over \$10 million from CTCL. WILL received records from 196 communities that received a total \$10.3 million in funding from CTCL. These grants ranged from a high of \$3.4 million for the City of Milwaukee to \$2,212 for the Town of Mountain in Oconto County.

Large Cities got the Lion's Share of Funding. The largest five cities in the state (Milwaukee, Madison, Green Bay, Kenosha, and Racine) received nearly 86% of all CTCL grant funds in Wisconsin.

Large Cities Spent Tens of Thousands on Voter Education. While most small towns used CTCL resources for voting equipment and COVID-related equipment, Milwaukee, Green Bay, and Madison spent close to or above \$100,000 on ostensibly "non-partisan" voter education efforts.

Spending Increased Turnout for Joe Biden. Areas of the state that received grants saw statistically significant increases in turnout for Democrats. Increases in turnout were not seen for Donald Trump.

Wisconsin Needs Reform. This report highlights the inequitable distribution of private resources that came into the state during the 2020 election. Reforms that are designed to ensure that any grant money is distributed in a per capita manner across the state will go a long way in increasing faith that our elections are being conducted in an open and honest manner.

WHAT IS CTCL?

The Center for Tech and Civic Life is a foundation that, as of 2020, receives most of its funding from Mark Zuckerberg and his wife, Priscilla Chan. The organization uses data to increase voter turnout and improve election administration. According to their website¹, the nonprofit was founded in 2012 to *"connect Americans with the information they need to become and remain civically engaged; and, ensure that our elections are more professional, inclusive and secure."*

However, many have questioned² whether the organization is, in fact, nonpartisan. Prior to launching CTCL, the organization's three founders³ were a civic technologist, an election official, and a civic data expert. According to Influence Watch, the three founders were co-workers at the New Organizing Institute (NOI) until 2015, when that organization dissolved. A Washington Post reporter once referred⁴ to NOI as the *"the Democratic Party's Hogwarts for digital wizardry."* With CTCL's mission so similar to that of NOI, it certainly served as a training ground. There are two arms of CTCL, the civic data arm—which involves collecting and dispersing information on candidates and elections. CTCL has an infrastructure in place to collect data from almost every local voting location throughout the country.

In the summer of 2020, CTCL awarded \$15 million in grants. Then in September, CTCL received \$250 million from Zuckerberg and Chan; and in October, another \$100 million more. According to CTCL, the second round of funding was to ensure that every eligible community that applied for a grant could receive one.⁵ Zuckerberg and Chan cited⁶ *"inadequate public funds and a global pandemic"* as their reasons for *"doubling down on [their] commitment to ensuring that every qualified jurisdiction has the resources it needs to allow every eligible citizen to vote safely and have their vote counted."* But whatever the reason, this is an astounding amount of money. In fact, \$350 million is quite close to the \$425 million that the federal government designated⁷ to states in FY2020 budget for election security.

Prior to Chan and Zuckerberg's donation, CTCL had received money from other center-left organizations in much smaller amounts. For instance, in April 2020 the Skoll Foundation gave them a \$1.5 million grant. And in the funding years from 2015-2017 CTCL received more than \$1.3 million from the John S. and James L. McKnight Foundation, \$690,000 from the Democracy Fund, and \$10,000 from the Rockefellers Brothers Fund.⁸ However, it is unclear as to where the donations came from for the grants they distributed for the grants distributed in the summer of 2020.



The largest municipalities to receive grants nationwide tended to be left-leaning. According to the Amistad Project,⁹ which is an initiative of the Thomas More Society, CTCL's 20 largest donations, a total of \$76.5 million, all went to cities that Hillary Clinton won in 2016– targeting states such as Minnesota, Pennsylvania, and Wisconsin.

In July 2020, CTCL announced¹⁰ that it had donated \$6.3 million to five largest cities in Wisconsin—the specific amount that the five mayors of those cities had requested from CTCL. With subsequent rounds of funding according to open records requests by WILL, this amount eventually ballooned to approximately \$8.8 million for Wisconsin's five largest cities. Then in August, CTCL launched their COVID-19 relief grant program for rural municipalities, indicating in the press release¹¹ that they would give priority to *"jurisdictions that are required to provide language assistance under section 203 of the Voting Rights Act and have a higher percentage of historically disenfranchised residents,"* and jurisdictions that changed absentee laws or voting rules in response to the pandemic.

According to the "Wisconsin Safe Voting Plan 2020,"¹² proposed by the five recipient cities of the \$8.8 million from CTCL, there are four main recommendations to ensure a safe and secure election. The first is to "Encourage and Increase Absentee Voting." The second is to "Dramatically Expand Strategic Voter Education & Outreach Efforts, Particularly to Historically Disenfranchised Residents." The third is to "Launch Poll Worker Recruitment, Training & Safety Efforts." And the fourth is to "Ensure Safe & Efficient Election Day Administration." In CTCL's responses¹³ to the cities awarding the grants, CTCL stipulates, among other things, that the municipalities must hold to the "Wisconsin Safe Voting Plan" or "CTCL may discontinue, modify, withhold part of, or ask for the return of all or part of the grant funds." Amistad Project also found¹⁴ that the donations to Philadelphia had strict requirements attached, including the opening of 800 new polling locations. CTCL also paid election officials to help count the vote.

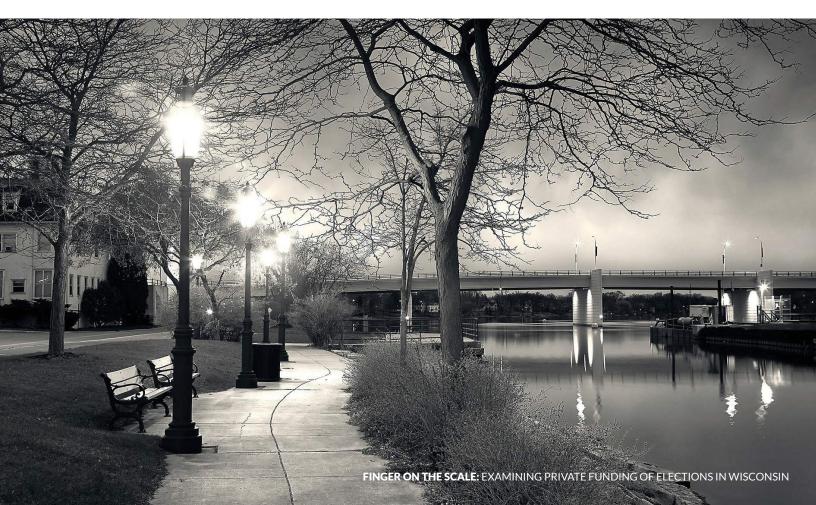
Stories about a concerning amount of control exercised by CTCL have emerged in Wisconsin as well. In Milwaukee, CTCL assisted in the ballot curing process¹⁵—where clerks attempt to get missing information on a ballot filled in, either on their own or by contacting the voter. In Green Bay, CTCL officials were given keys and access to absentee ballots. The process was so frustrating that assistants to the clerk were threatening to leave.¹⁶

While much attention has been paid to the largest recipients of CTCL grants in Wisconsin, to date no one has painted the entire picture of the impact of the grants on the state. This study represents a comprehensive look at each of these grants, and answers the question of whether or not they could have affected the outcome of the presidential election.

WHERE DID THE MONEY GO?

For this analysis WILL sent record requests to 257 different communities. To determine where our requests should be directed, we utilized a list of grant recipients by CTCL,¹⁷ who inferred that 216 communities in Wisconsin received a grant. Because this list did not specify the county where each town or municipality was located, we sent duplicate requests to towns of the same name around the state, which accounts for the higher number of requests. Many clerks were not receptive to our requests. Some took months to respond. One clerk even told us that he "usually ignores open records requests." Through a number of follow ups and the threat of lawsuits, we were able to acquire the records from all but six municipalities.¹⁸ A number of listed communities also stated that they inquired about the grant, but ultimately decided not to follow through with it. What follows is a breakdown of what we learned.

A large number of municipalities in Wisconsin received grants from CTCL. WILL received records from 196 municipalities that received grants totaling more than \$10.3 million, the vast majority of which were in the amount of \$5,000. These went to smaller municipalities around the state, after the initial round of grants that went to the five large requestors (Milwaukee, Madison, Green Bay, Racine, and Kenosha) that also received the greatest amount of media attention.



SPENDING BREAKDOWN

As a condition of receiving the grant, CTCL required communities to report how the money was spent. To ensure uniform reporting, the categories below represent the same manner in which communities reported back to CTCL. The figure below shows the percentage breakdown of spending for all municipalities in the state that received grants for which we have data. Note that a few municipalities reported spending that was above the grant amount received, presumably including both CTCL money and funds from other sources. *The amounts from non-CTCL sources are not large – roughly 3% of the total - and it is unlikely that they would materially alter the picture presented here*. Because we cannot "back out" non – CTCL money, we analyze total spending reported by the municipality. The largest percentage of funding overall was spent on paying poll workers. The next largest percentage was spent on purchasing additional supplies, postage, and equipment for absentee voting. Perhaps of most interest is the 5.2% of funding that was spent on Nonpartisan Voter Education (NVE).

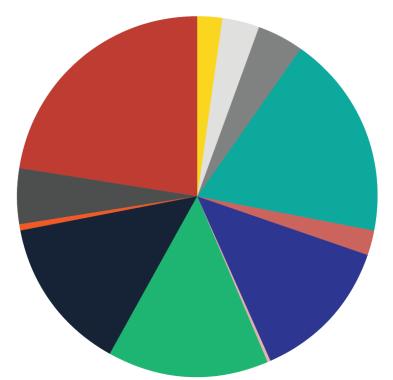
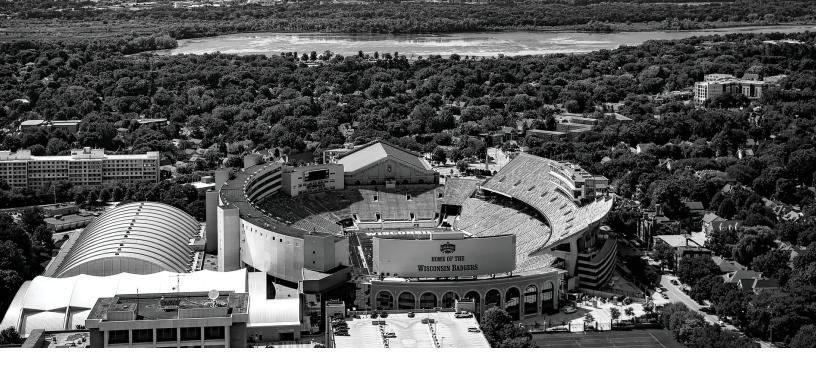


FIGURE 1. CTCL GRANT SPENDING BY CATEGORY

- 2.4% BALLOT DROP BOXES \$245,917.43
- 3.6% DRIVE-THRU VOTING \$370,917.23
- 4.5% PERSONAL PROTECTIVE EQUIPMENT (PPE) \$465,443.48
- 19% POLL WORKER RECRUITMENT, HAZARD PAY & TRAINING \$1,959,482.82
- **2.4% POLLING PLACE RENTAL & CLEANING EXPENSES -** \$242,359.30
- **13.7% TEMPORARY STAFFING SUPPORT** \$1,408,456.56

- 0.4% ELECTION DEPARTMENT ESTATE COSTS AND/OR SATELLITE OFFICE \$45,931.07
- **15.3% VOTE-BY-MAIL/ABESENTEE VOTING EQUIPMENT OR SUPPLIES** \$1,482,713.55
- 14.4% ELECTION ADMINISTRATION EQUIPMENT \$1,484,464.63
- 0.5% VOTING MATERIALS IN LANUAGES OTHER THAN ENGLISH \$52,460.59
- **5.3% NONPARTISAN VOTER EDUCATION -** \$547,059.88
- 23.6% UNSPENT FUNDS \$2,438,699.13



NVE is the category that includes outreach to local residents; and could include funding events such as the "Democracy in the Park" event in Madison, where more than 17,000 voters turned in their absentee ballot at parks around the city.¹⁹ Only 16 municipalities that received CTCL grants reported spending money on NVE, and the bulk of that money was spent in left-leaning municipalities that voted 71.5% for Joe Biden relative to about 49.4% statewide. The table below lists the municipalities that spent money on NVE.

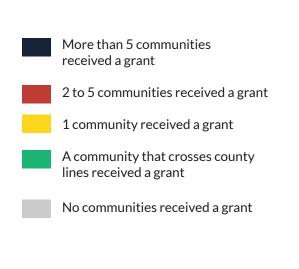
Milwaukee	\$260,621.73
Green Bay	\$167,849.00
Madison	\$88,866.67
Racine	\$24,887.00
Marathon County	\$2,500.00
Sun Prairie	\$1,368.00
Mount Hope	\$200.00
Oakland	\$200.00
Elkhart Lake	\$153.79
Mountain	\$111.95
Riverview	\$111.95
Hammond	\$75.00
Plymouth	\$64.79
Rush River	\$50.00

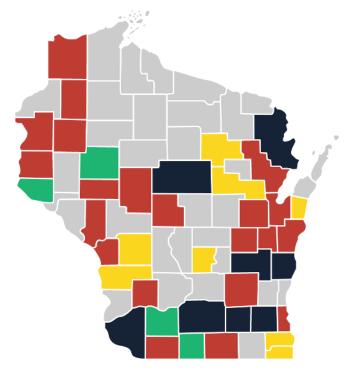
TABLE 1. SPENDING ON NVE BY CITY

A number of municipalities got creative with how they spent their CTCL grant money. The City of Racine spent \$222,045 on an RV to serve as a mobile voting booth. Green Bay used CTCL funds to pay artists to create a number of "I Voted" stickers and paint voting rights murals. The Town of Goodman in Marinette County spent \$4,223 to purchase a surveillance system in their town hall, and another community verbally indicated they planned to use the money to replace the doors on their town hall. A large portion of communities that received a smaller grant utilized the funding for additional staffing, postage, and the purchase of new equipment to tabulate or process absentee ballots.

Some municipalities reported to us that they had not spent any or all of the money yet, and had requested an extension from CTCL. Under the terms of their grant contract with CTCL, municipalities could request a 6-month extension to expend the remainder of the funds. Some cities had significant funding remaining after the November 2020 election. For example, the City of Racine reported having \$757,012 of CTCL funding remaining. Similarly, the City of Green Bay reported having \$734,041 of their grant funding remaining.

Despite over 200 communities receiving a grant, geographic diversity of recipients was limited. For example, 55 of the grant recipients were either partially or completely located within Marathon County. A municipal clerk in Marathon County told us that the County Clerk alerted communities of the grant as an opportunity to buy new voting machines. Multiple invoices show the county purchasing and billing communities \$3,482 for each machine. Eight counties had just one municipality that received a grant, and 31 counties had communities that did not receive any grant. Figure 2 below shows the geographic breakdown of grant recipients.





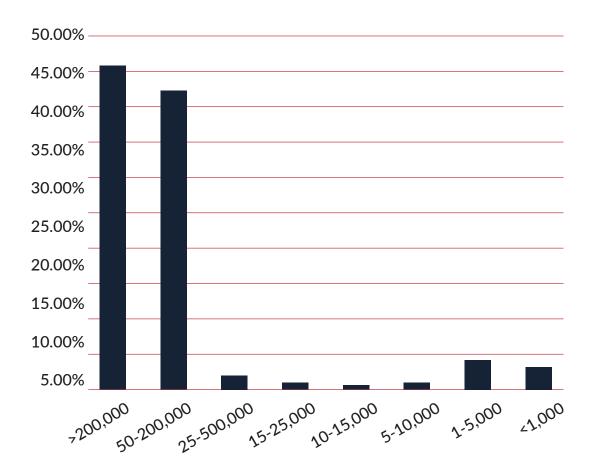


FIGURE 3. DISTRIBUTION OF CTCL SPENDING BY MUNICIPALITY SIZE

BIAS TOWARD LARGER CITIES

While there were small towns that received grants, a sizeable amount per capita in some cases, many more municipalities in Wisconsin received no funding. Figure 3 depicts the amount of money CTCL distributed to municipalities by their population. In the aggregate, Wisconsin's only two cities with populations over 200,000 (Milwaukee and Madison) got the lion's share of the spending at more than 45%. The 13 municipalities between 50,000 and 200,000 got the second most. The funds that went to these two groups account for 89.5% of the total CTCL expenditure in the state. The numbers step down in the expected fashion perhaps until we get to the smallest municipalities—areas between 1,000 and 5,000 residents. These municipalities collected about 5% of the spending compared to only about 1% in the subsequent 5,000-10,000 range. However, note that the most common municipality size in Wisconsin is under 1,000, constituting more than half out observations.

Another approach to looking at the fairness of CTCL's distribution of funds is to use a statistical analysis comparing spending per capita²⁰ with our categories of municipality size. These results are found in Table 2 below.²¹

VARIABLES	SPENDING PER '16 VOTER
>200,000	8.672*** (1.672)
50-199,000	9.015** (4.121)
15-24,999	-1.055 (1.162)
25-49,999	-1.236 (1.634)
10-14,999	-1.394 (1.105)
5-9,999	-1.518** (0.680)
1-4,999	-0.440 (0.302)
African American	0.0376 (0.0495)
Household Income	2.70e-05 (1.84e-05)
Constant	0.0319 (0.877)
Observations R-Squared	1,854 0.023

TABLE 2. SPENDING PER 2016 VOTER BY MUNICIPALITY SIZE

Standard errors in parentheses *** p<0.01, ** p<0.05, * p<0.1 The coefficients here represent the number of dollars given per 2016 voter to municipalities of the listed population, relative to the omitted baseline of the smallest municipalities (those under 1,000 residents). For example, cities with more than 200,000 residents received approximately \$9 more per voter on average than cities with under 1,000 residents. Overall, our findings suggest that those in the largest two groups (municipalities with more than 50,000 residents) received the most money per person. No other grouping of municipalities was statistically different from the smallest municipalities, with the exception of the group of cities between 5,000 and 9,999 residents that actually fared worse than the smallest towns.

There was also a bias toward the top five largest cities even at the expense of others in the state. Table 3 lists the amount of CTCL grant funding for each of Wisconsin's ten largest cities. The so-called "Big Five" cities received substantially more funding per 2016 voter than did the 6th through 10th largest cities in the state. Indeed, the "Big Five" received about 86% of all funding that CTCL sent to Wisconsin.

MUNICIPALITY	CTCL FUNDING PER 2016 VOTER	TOTAL CTCL GRANT AMOUNT
Milwaukee	\$13.82	\$3,409,500
Madison	\$8.30	\$1,271,788
Green Bay	\$36.00	\$1,600,000
Kenosha	\$20.94	\$862,799
Racine	\$53.41	\$1,699,100
Appleton	\$0.51	\$18,330
Waukesha	\$1.18	\$42,100
Eau Claire	\$2.01	\$71,000
Oshkosh	\$0.00	\$0
Janesville	\$6.11	\$183,292

TABLE 3. SPENDING PER 2016 VOTER, TEN LARGEST WISCONSIN CITIES

The bottom line from this analysis is that grant funds were not distributed in a manner to ensure that every Wisconsinite had an equal chance to benefit from them.

DID THE MONEY MATTER?

When this issue was first brought up following the election, WILL conducted a preliminary analysis in which it appeared that receiving CTCL grants did have an impact on turnout. In the analysis below, we expand on those initial findings through the addition of relevant, county-level control variables as well as an improved data set where additional municipalities have confirmed whether or not they received the grant. These variables include the percentage of residents who are African American and average income. Recognizing that third party turnout was quite high in 2016 and might affect the turnout for the major parties, we also control for the 2016 third party vote in each city.

The dependent variable in this analysis is the change in turnout between 2016 and 2020 (Δ Turnout) for Democrats and Republicans. We look at turnout changes between Hillary Clinton in 2016 versus Biden in 2020, and for President Trump in both elections. The results of this analysis are found in Table 4 below.



TABLE 4. RELATIONSHIP BETWEEN CTCL GRANTS AND TURNOUT CHANGE, WISCONSIN 2020

VARIABLES	TURNOUT, BIDEN-CLINTON	TURNOUT, TRUMP
CTCL Grant	40.93*** (15.16)	8.359 (9.424)
Turnout 2016	-0.179*** (0.00519)	0.216*** (0.00633)
CTCL Grant Third Party Vote, 2016	2.106*** (0.0603)	-0.828*** (0.0438)
African American	15.05*** (1.770)	-0.158 (1.079)
Income	0.00137** (0.000639)	0.000814** (0.000399)
>200,000	14,014*** (508.7)	3,102*** (309.1)
15-25,000	-48.54 (89.68)	-252.8*** (55.79)
25-49,999	107.6 (84.30	-369.7*** (54.83)
10-14,999	-369.5*** (96.08)	-252.3*** (59.49)
5-9,999	-355.6*** (95.87)	-309.3*** (59.20)
1-4,999	-473.1*** (100.6)	-327.7*** (61.80)
<1,000	-472.0*** (102.0)	-343.9*** (62.59)
Constant	388.4*** (105.1)	315.6*** (64.95)
Observations R-Squared	1,869 0.864	1,869 0.697

Standard errors in parentheses, *** p<0.01, ** p<0.05, * p<0.1

For President Biden there was a statistically significant increase in turnout in cities that received CTCL grants. In those cities, President Biden received approximately 41 more votes on average. While the coefficient was also positive for President Trump, it did not reach traditional levels of statistical significance. This means that we cannot say that turnout for Republicans in CTCL receiving areas was any different than it would have been without the grants. Given the number of municipalities in the state that received grants, this a potential electoral impact of more than 8,000 votes in the direction of Biden.



An Opportunity for Reform

Whether CTCL grants were made in an ostensibly nonpartisan manner or not, the municipalities they went to had an outsized impact on election results in Wisconsin. For better or worse, Wisconsin's elections are run largely by clerks at the local level. For some of these clerks, this is a part-time, unpaid job. They likely lack the time and resources to seek out every grant that may be available from an out-of-state entity. This creates a fundamental unfairness in the voting system, where residents of larger municipalities with full-time elections staff are more likely to enjoy the benefits of election grants than residents of small town or rural parts of the state. Moreover, in the absence of electoral reform, there is little to stop an organization—on either side of the aisle—from assisting in election administration in an even more openly partisan manner.

Reforms to remedy the problem of unequal distribution of grant funds could go one of two ways: a ban on the practice altogether, or taking steps to ensure that any such funds are distributed equitably. In our mind, the latter proposal seems preferable. Individuals and groups may wish to donate money toward elections with good intentions, but the state should work to ensure that all Wisconsinites benefit equally from that funding. Legislation from Senator Duey Stroebel (R-Saukville) and Representative Adam Neylon (R-Pewaukee) proposes to do just that. It is expected to pass the legislature this Spring, and we urge Governor Evers to take action.

While we have no objection to the use of resources to help people vote (with appropriate safeguards), it is important to remember that elections are a contest. When resources are expended that ease voting in some areas and not in others, their expenditure has a distorting effect on the election. CTCL contributions were not the non-partisan civic beneficence that they are claimed to be. They were close to a thinly disguised and undisclosed independent partian expenditure, mostly partially a ground game in heavily Democratic areas. It is not surprising that they were perceived as unfair. They were unfair.

ENDNOTES

1. "Our Story." Center for Tech and Civic Life. <u>https://www.techandciviclife.org/our-story/</u>

2. "Amistad Project: Time To Fully Unmask Mark Zuckerberg's \$350 Million Funnelled For Election Administration And The Motivation Behind It," Amisted Project. PRNewswire, Oct. 8, 2020. https://www.prnewswire.com/news-releases/amistad-project-time-to-fully-unmask-mark-zuckerbergs-350-million-funnelled-for-election-administration-and-the-motivation-behind-it-301161751.html

3. "Our Story." Center for Tech and Civic Life. <u>https://www.techandciviclife.org/our-story/</u>

4. "Inside the Democratic party's Hogwarts for digital wizardry." Brian Fung. Washington Post. July 8, 2014. Post <u>https://www.washingtonpost.com/news/the-switch/wp/2014/07/08/inside-the-democratic-partys-hogwarts-for-digital-wizardry/</u>

5. "Press Release: CTCL Receives Additional \$100 Million Contribution to Support Critical Work of Elections Officials" <u>https://www.techandciviclife.org/100m/</u>

6. "Press Release: CTCL Receives Additional \$100M Contribution to Support Critical Work of Election Officials." Center for Tech and Civic Life. Oct. 13, 2020. https://www.techandciviclife.org/100m/

7. "Federal Funds for Election Security in FY2020 Budget Legislation, by State." Rebecca Autrey. Brennan Center for Justice. Dec. 17, 2019. <u>https://www.brennancenter.org/our-work/analysis-opinion/federal-funds-election-security-fy 2020-budget-legislation-state</u>

8. See reference 2.

9. See reference 2.

10. "Wisconsin Safe Voting Plan for 2020 Submitted to the Center for Tech and Civic Life June 15, 2020." City of Green Bay, City of Kenosha, City of Madison, City of Milwaukee, City of Racine. <u>https://www.techandciviclife.org/wp-content/uploads/2020/07/Approved-Wisconsin-Safe-Voting-Plan-2020.pdf</u>

11. "CTCL Announces COVID-19 Response Rural Grant Program." Center for Tech and Civic Life. Aug. 7, 2020. <u>https://www.techandciviclife.org/covid-19-rural-grants/</u>

12. See reference 6.

13. "Center for Tech and Civic Life Revised Grant Agreement Green Bay." Empower Wisconsin. July 2020. <u>https://empowerwisconsin.org/wp-content/uploads/2021/03/CTCL-contract-.pdf</u>

14. See reference 2.

15. Empower Wisconsin Open Records Request email, Green Bay. <u>https://empowerwisconsin.org/wp-</u>content/uploads/2021/03/Green-Bay-email-SR-curing-.pdf

16. Kittle, M.D. 2021. "Special Investigation: Infiltrating the Election." Wisconsin Spotlight

17. "CTCL Program Awards Over 2,500 COVID-19 Response Grants." Center for Tech and Civic Life. Oct. 29, 2020. <u>https://www.techandciviclife.org/grant-awards/</u>

18. For the following analyses, we treat these six communities as missing data. They are all small towns that likely received small grants and are unlikely to affect the overall findings. However, this does represent a limitation on our work worth mentioning.

19. "Was 'Democracy in the Park' Illegal?" Eric Litke. Politifact. March 10, 2021. <u>https://www.politifact.</u> com/article/2021/mar/10/was-democracy-park-illegal/

20. In this case, we divided spending by 2016 voter turnout in the area.

21. Flanders, Will. 2021. "CTCL Grants to Wisconsin Municipalities Boosted Democratic Turnout." Wisconsin Institute for Law & Liberty blog post. <u>https://will-law.org/analyis-ctcl-grants-to-wisconsin-municipalities-boosted-democrat-turnout/</u>



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