



NAMES IN THE NEWS: BILL RICHARDSON

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OVERVIEW

When President-elect Barack Obama nominated New Mexico Gov. Bill Richardson to be Secretary of Commerce on Dec. 3, 2008, he selected a seasoned politician who could raise millions in donations — even when he faced little opposition — from the very interests he was to regulate: finance, insurance and real estate. In fact, Richardson has been the focus of an ongoing federal probe into a financial company and the contracts it received from the state, and he withdrew his name from consideration because of that investigation.

Richardson has been the governor of New Mexico since 2002. He has held other high-profile political positions as well: he served in the U.S. House of Representatives from 1983 until 1997, then was appointed U.S. Ambassador to the United Nations from 1997 until 1998, followed by a stint as U.S. Secretary of Energy from 1998 until 2001. Gov. Richardson also raised over \$23 million for his candidacy in the 2008 Democratic presidential primary, according to the Center for Responsive Politics.¹

As the Secretary of Commerce, Richardson would have headed a staff of about 38,000 and a budget of \$6.8 billion in addition to being involved in decisions that affect a wide array of areas and interests, including issues related to domestic and foreign trade, patents and trademarks, recording climatic conditions, communications, economic development and other matters.²

As a gubernatorial candidate in New Mexico, Richardson raised \$21.7 million from 2002 through 2008 — \$8.1 million during his 2002 campaign and \$13.3 million during his 2006 re-election campaign, a staggering sum considering he faced little opposition. His opponent, Republican John Dendahl, raised just \$316,000 and received 31 percent of the votes. Richardson raised an additional \$164,880 during the 2004 and 2008 election cycles, when his office was not up for re-election.

Richardson has raised millions of dollars from the very interests he would have been regulating.

CONTRIBUTIONS TO RICHARDSON'S GUBERNATORIAL CAMPAIGN

ELECTION CYCLE	STATUS	TOTAL
2002	Won	\$8,174,645
2004	Not up for election	\$160,600
2006	Won	\$13,295,349
2008	Not up for election	\$34,280
TOTAL		\$21,664,874

¹ "Banking on Becoming President," *Center for Responsive Politics*, available from <http://www.opensecrets.org/pres08/alsorans.php>, accessed Dec. 19, 2008.

² "Secretary Carlos M. Gutierrez," *U.S. Department of Commerce*, available from <http://www.commerce.gov/CommerceSecretary/index.htm>, accessed Dec. 19, 2008.

WHO GAVE?

DONORS FROM SPECIFIC ECONOMIC INTERESTS

Donors from the finance, insurance and real estate economic sector provided \$4.5 million, or one-fifth of Richardson's gubernatorial campaign funds. Donors from the general business and lawyers/lobbyists sectors each gave more than \$2 million and were the second and third ranking sectors, respectively. Of the \$1.5 million contributed by the other/retiree/civil servants sector, \$538,172 was contributed by Native American tribes and groups. Richardson also received more than \$1 million each from interests affiliated with political parties and other candidates, energy and natural resources, labor, and healthcare.

TOP 10 CONTRIBUTING SECTORS

ECONOMIC SECTOR	TOTAL	% OF TOTAL
Finance, Insurance & Real Estate	\$4,530,370	20.9%
General Business	\$2,266,906	10.5%
Lawyers & Lobbyists	\$2,128,182	9.8%
Other/Retiree/Civil Servants	\$1,530,609	7.1%
Political Party/Other Candidates	\$1,428,255	6.6%
Energy and Natural Resources	\$1,231,427	5.7%
Labor	\$1,123,549	5.2%
Health	\$1,094,760	5.1%
Construction	\$915,608	4.2%
Communications & Electronics	\$861,433	4.0%

RICHARDSON'S TOP CONTRIBUTORS

In 2002, Richardson founded a political action committee (PAC) called Moving America Forward (MAF),³ that has been involved in registering Hispanic and American Indian voters.⁴ MAF was Richardson's largest single donor, giving \$487,326 to his gubernatorial campaigns, most of which came in one contribution of \$463,277 on April 1, 2005.

MAF also contributed an additional \$419,004 to various other campaigns and committees: \$103,819 to the New Mexico Democratic Party, \$14,000 to the New Mexico Democratic Legislative Campaign Committee, and \$269,987 to other Democratic candidates in New Mexico. Outside of New Mexico, MAF gave \$10,000 to a California ballot committee in 2006 named Yes on 82 Preschool for All (the major proponent of a failed ballot measure in California to make preschool widely available), and \$21,200 to Cruz M. Bustamante, the Lieutenant Governor in California who ran unsuccessfully for governor in 2003 during the Gray Davis recall election.

Moving
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Richardson's
campaign.

³ In 2003, Richardson established a non-profit foundation with the same name.

⁴ Augustín Armendariz, "The Limits of Charity: Governor Bill Richardson is Taking Advantage of a Regulatory Gray Area to Get Out the Vote," The Center for Public Integrity, Oct. 25, 2004, available from <http://www.publicintegrity.org/articles/entry/510/>, accessed Dec. 30, 2008.

TOP 10 CONTRIBUTORS

CONTRIBUTOR	CITY, STATE	2002	2006	TOTAL
Moving America Forward	Albuquerque, NM	\$0	\$487,326	\$487,326
Democratic Governors Association	Washington, D.C.	\$427,500	\$0	\$427,500
American Federation of State, County, and Municipal Employees/AFSCME*	Washington, D.C.; Albuquerque, NM; Las Cruces, NM	\$301,000	\$100,645	\$401,645
Pueblo Tribes & Organizations	NM	\$185,148	\$160,573	\$345,722
New Mexicans for Bill Richardson	Santa Fe, NM	\$289,347	\$0	\$289,347
A. Jerrold and Margaret Perenchio	Los Angeles, CA	\$100,000	\$152,443	\$252,443
CAP II Properties	Albuquerque, NM	\$50,000	\$141,000	\$191,000
American Federation of Teachers/AFT*	Washington, D.C.; Albuquerque, NM; Belen, NM	\$50,000	\$103,250	\$153,250
Paul and Kandace Blanchard	Albuquerque, NM	\$20,000	\$120,000	\$140,000
Forest City Covington NM, LLC	Denver, CO; Las Vegas, NV	\$30,000	\$109,249	\$139,249

*Includes contributions from state and local chapters, as well as the union headquarters in Washington, D.C.

Federal investigators are examining the relationship of CDR's donations and New Mexico transportation contracts.

Richardson withdrew his nomination as Secretary of Commerce because of an ongoing federal probe into a possible relationship between donations made by David Rubin, president of the California-based CDR Financial Products (formerly Chambers, Dunhill, Rubin and Co.), and contracts awarded to this company by the state of New Mexico.⁵ According to recent news reports, in late October of 2003, Rubin made a \$25,000 donation to MAF. In March of 2004, CDR received two state contracts worth \$1.48 million from the New Mexico Finance Authority related to a bond program to fund transportation projects. In June of 2004, Rubin made a \$75,000 contribution to Si Se Puede! Boston 2004, Inc., a Richardson PAC set up to pay for transportation to the 2004 Democratic National Convention (DNC) for Richardson's supporters and staff.⁶ Richardson chaired the 2004 DNC. Rubin contributed \$5,000 to Lt. Gov. Diane Denish's campaign in 2004 and again in 2006. In 2005, Rubin donated \$10,000 to Richardson's re-election campaign, and CDR contributed another \$10,000. Richardson has denied any wrongdoing, saying, "Let me say unequivocally that I and my

Administration have acted properly in all matters and that this investigation will bear out that fact. But I have concluded that the ongoing investigation also would have forced an untenable delay in the confirmation process. Given the gravity of the economic situation the nation is facing, I could not in good

⁵ Dan Frosch and James C. McKinley Jr., "Political Donor's Contracts Under Inquiry in New Mexico," New York Times, Dec. 18, 2008, available from <http://www.nytimes.com/2008/12/19/us/politics/19richardson.html?ref=us>, accessed Dec. 19, 2008.

⁶ Mark Evans, "AP Source: Donor to Commerce Nominee Being Probed," Associated Press, Dec. 17, 2008, available from http://www.google.com/hostednews/ap/article/ALeqM5i4djsTNZP_tNj5Svz4MSfV15XxHQD9543TI00, accessed Dec. 22, 2008.

conscience ask the President-elect and his Administration to delay for one day the important work that needs to be done.”⁷

The second largest contributor to Richardson was the **Democratic Governors Association (DGA)**, giving \$427,500 during Richardson's 2002 governor's campaign. Richardson went on to chair the DGA in 2005 and 2006.

Third, the American Federation of State, County, and Municipal Employees (**AFSCME**) gave about \$300,000 in the 2002 election cycle and about \$100,000 in the 2006 cycle. More than half of AFSCME's money — \$260,000 — came from AFSCME's headquarters in Washington, D.C. The rest came from state and local chapters in New Mexico.

The \$345,722 donated from **Pueblo tribes and organizations** is the combined total of all donations from the pueblos of Sandia (\$74,648), Tesuque (\$49,550), Santa Ana (\$45,000), Pojoaque (\$22,423), Isleta (\$21,000), Acoma (\$20,500), Zuni (\$17,000), San Juan (\$16,000), Santo Domingo (\$10,000), Santa Clara (\$8,500), San Felipe (\$7,500), San Ildelfonso (\$9,000), Laguna (\$5,000), Nambe (\$3,500), and Zia (\$3,100). It also includes contributions from Eight Northern Indian Pueblos Council (\$10,500), Indian Pueblos Marketing, Inc. (a for-profit corporation owned by the 19 pueblo tribes in New Mexico) (\$9,000), the Nambe Pueblo Development Corp. (\$5,500), and the Taos Pueblo governor's office (\$3,000). The pueblos contributed over \$185,000 in 2002 and over \$160,000 in 2006.

Richardson's U.S. House campaign committee, **New Mexicans for Bill Richardson**, donated \$289,347 during his first run for the governor's office in 2002.

A. Jerrold Perenchio, of Los Angeles, Calif., contributed \$100,000 in 2002 and \$102,443 in 2006. His wife, **Margaret Perenchio**, contributed an additional \$50,000 in 2006. Perenchio was chair of the Chartwell Partners investment firm and also of the Spanish-language media company Univision Communications. An interesting note: Perenchio served as co-finance director for John McCain's 2008 presidential campaign.

CAP II Properties, a real estate development business, contributed \$50,000 in the 2002 cycle and \$141,000 in the 2006 cycle.

\$150,000 of the American Federation of Teachers (**AFT**) total came from their Washington, D.C. office. Of the \$153,250 contributed by the AFT and its local branches, all but \$50,000 was donated in the 2006 cycle.

Paul and Kandace Blanchard, of Albuquerque, N.M., donated \$140,000, primarily during Richardson's 2006 re-election campaign. Paul Blanchard is the president of Downs at Albuquerque, a racetrack and casino, which contributed an additional \$100,500 in 2002 and \$36,000 in 2006.

Forest City Covington NM, LLC, a joint real estate development business venture, contributed \$30,000 in 2002 and \$109,249 in 2006.

⁷ Mark Murray, "Transition: Richardson's Out," MSNBC, Jan. 5, 2009, available from <http://firstread.msnbc.msn.com/archive/2009/01/05/1731916.aspx>, accessed Jan. 5, 2009.