



# **NAMES IN THE NEWS: BANK OF AMERICA**

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On Sept. 15, 2008, the Bank of America announced plans to buy troubled investment brokerage company Merrill Lynch.<sup>1</sup> The merger adds stature to an already impressive portfolio for the bank, making the company the nation's largest player in wealth management, the largest mortgage lender, biggest branch banking network, as well as "the biggest issuer of small business, home equity and credit card loans."<sup>2</sup> The company recently took over mortgage lender Countrywide.<sup>3</sup>

Banking analyst Nancy A. Bush described the worldview of Bank of America CEO Kenneth D. Lewis as, "Bigger is better and biggest is best."<sup>4</sup>

As the company has gained in stature among the nation's financial giants, it has made political contributions in a majority of the states during the last two election cycles. Since the 2004 election cycle, the company has given \$3.6 million to state candidates, political party committees, and ballot measure committees in 29 states.

Although the company favored giving to state Republican party committees over their Democratic counterparts, it focused most of its campaign contributions on winners and incumbents not up for election, regardless of their party affiliation.

- Winning legislative candidates and legislators not up for election received \$1.8 million, half the company's total contributions and 95 percent of the nearly \$1.9 million they gave to all legislative candidates.
- Winning gubernatorial candidates and governors and lieutenant governors not up for election received \$274,252, or 88 percent of the funds the company gave to gubernatorial committees.
- The company favored Republican party committees over the Democratic party committees, giving \$357,625 to \$135,450 respectively.

## CONTRIBUTIONS BY STATE

The company gave \$2.3 million, or 64 percent of its contributions, in four states.

- In **California**, the company gave more than \$1,000,000 — \$447,000 to ballot measure committees, \$345,700 to state legislative candidates and incumbent legislators, and \$90,000 to party committees.

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<sup>1</sup> Victoria Coliver, "BofA Has Much to Gain by Buying Merrill Lynch," *San Francisco Chronicle*, Sept. 15, 2008, available from <http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/09/16/BU7J12UBF6.DTL>, accessed Sept. 18, 2008.

<sup>2</sup> Eric Dash, "Bank of America Chief Saw Merrill Purchase as a Rare Opportunity," *New York Times*, Sept. 15, 2008, available from <http://www.nytimes.com/2008/09/16/business/16merrill.html>, accessed Sept. 18, 2008.

<sup>3</sup> Victoria Coliver, "BofA Has Much to Gain by Buying Merrill Lynch," *San Francisco Chronicle*, Sept. 15, 2008, available from <http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/09/16/BU7J12UBF6.DTL>, accessed Sept. 18, 2008.

<sup>4</sup> Eric Dash, "Bank of American Chief Saw Merrill Purchase as a Rare Opportunity," *New York Times*, Sept. 15, 2008, available from <http://www.nytimes.com/2008/09/16/business/16merrill.html>, accessed Sept. 18, 2008.

- In **North Carolina**, the company gave \$614,550 — \$422,050, or 69 percent, of its contributions went to state legislative candidates and incumbent lawmakers. In 2004, the company also gave \$100,000 in support of an economic and community development ballot measure committee in the state.
- In **Texas**, Bank of America gave \$440,000 — 59 percent, or \$261,000 went to legislative candidates and incumbent lawmakers. Candidates for governor or lieutenant governor received \$90,000, and candidates for other statewide offices netted \$89,000.
- In **Florida**, legislative candidates and incumbent lawmakers got \$151,620, or 54 percent of the company's contributions in the state. Party committees also received a great deal from the company: \$119,000.

**BANK OF AMERICA CONTRIBUTIONS BY STATE, 2004-2006**

<b>STATE</b>	<b>2004</b>	<b>2006</b>	<b>TOTAL</b>
California	\$332,950	\$668,750	\$1,001,700
North Carolina	\$357,100	\$254,950	\$612,050
Texas	\$187,000	\$253,000	\$440,000
Florida	\$125,120	\$153,500	\$278,620
Georgia	\$40,025	\$95,750	\$135,775
Virginia	\$82,300	\$49,750	\$132,050
Missouri	\$51,800	\$75,500	\$127,300
Arizona	\$37,345	\$85,000	\$122,345
New York	\$6,686	\$98,650	\$105,336
Nevada	\$26,000	\$75,252	\$101,252
Washington	\$50,200	\$46,275	\$96,475
Illinois	\$49,100	\$45,800	\$94,900
South Carolina	\$26,400	\$45,400	\$71,800
Maryland	\$22,800	\$34,940	\$57,740
Oregon	\$24,250	\$18,500	\$42,750
Tennessee	\$15,050	\$23,500	\$38,550
New Mexico	\$4,400	\$23,225	\$27,625
Arkansas	\$1,750	\$24,700	\$26,450
Connecticut	\$0	\$20,000	\$20,000
Delaware	\$0	\$17,625	\$17,625
Rhode Island	\$1,550	\$14,685	\$16,235
Kansas	\$4,750	\$10,500	\$15,250
Massachusetts	\$0	\$14,500	\$14,500
Oklahoma	\$500	\$10,000	\$10,500
Maine	\$0	\$9,500	\$9,500
Pennsylvania	\$0	\$6,500	\$6,500
Alabama	\$5,000	\$0	\$5,000
Utah	\$1,400	\$2,250	\$3,650
New Hampshire	\$0	\$3,600	\$3,600
<b>TOTAL</b>	<b>\$1,453,476</b>	<b>\$2,181,602</b>	<b>\$3,635,078</b>

## TOP INDIVIDUAL RECIPIENTS

Seven of the candidates who received the most in contributions from Bank of America came from Texas. Four legislative candidates from North Carolina each received \$16,000 from the company, while several gubernatorial candidates each also received more than \$15,000.

### TOP INDIVIDUAL RECIPIENTS OF BANK OF AMERICA CONTRIBUTIONS, 2004-2006

RECIPIENT	OFFICE	STATE	PARTY	TOTAL
Perry, Rick	Governor	Texas	Republican	\$55,000
Schwarzenegger, Arnold	Governor	California	Republican	\$54,600
Craddick, Tom	State House	Texas	Republican	\$52,500
Abbott, Greg	Attorney General	Texas	Republican	\$37,500
Dewhurst, David	Lt. Governor	Texas	Republican	\$35,000
Combs, Susan	Comptroller	Texas	Republican	\$27,500
Strayhorn, Carole Keeton	Comptroller	Texas	Republican	\$24,000
Madigan, Michael J.	State House	Illinois	Democrat	\$20,000
Richardson, Bill	Governor	New Mexico	Democrat	\$19,000
Basnight, Marc	State Senate	North Carolina	Democrat	\$16,000
Black, James B. (Jim)	State House	North Carolina	Democrat	\$16,000
Hoyle, David W.	State Senate	North Carolina	Democrat	\$16,000
Topinka, Judy Baar	Governor	Illinois	Republican	\$16,000
Morgan, Richard T.	State House	North Carolina	Republican	\$15,500
Carona, John	State Senate	Texas	Republican	\$15,000
Cuomo, Andrew	Attorney General	New York	Democrat	\$15,000
<b>TOTAL</b>				<b>\$434,600</b>

## WHERE BANK OF AMERICA'S MONEY WENT

Bank of America gave legislative candidates 51 percent of its contributions, while gubernatorial candidates and other statewide candidates garnered received 9 percent and 8 percent, respectively. Ballot measure committees received 19 percent of Bank of America contributions.

The company slightly favored Republican candidates and committees over their Democratic counterparts, giving nearly \$1.8 million to \$1.2 million.

### BANK OF AMERICA CONTRIBUTIONS BY RECIPIENT TYPE, 2004-2006

TYPE OF RECIPIENT	REPUBLICAN	DEMOCRAT	OTHER	TOTAL
Legislative Candidates	\$1,075,360	\$791,441	\$750	\$1,867,551
Ballot Measure Committees	\$0	\$0	\$682,000	\$682,000
Party Committees	\$357,625	\$135,450	\$0	\$493,075
Governor/Lieutenant Governor	\$227,477	\$85,150	\$0	\$312,627
Other Statewide Candidates	\$133,000	\$145,825	\$1,000	\$279,825
<b>TOTAL</b>	<b>\$1,793,462</b>	<b>\$1,157,866</b>	<b>\$683,750</b>	<b>\$3,635,078</b>

### *Candidate Committees*

Bank of America gave candidates \$2.5 million in contributions, with Republicans receiving \$1.4 million and Democrats receiving \$1 million.

**State legislative** candidates and incumbent legislators garnered nearly \$1.9 million, or 51 percent of Bank of America contributions. Winning candidates and lawmakers not up for election received \$1.8 million, or 94 percent of the company's contributions to the state legislative committees.

The company gave over \$100,000 to legislative candidates in six states, with North Carolina and California receiving the most — \$422,050 and \$345,700, respectively.

The company favored Republicans to Democrats, giving \$1.1 million and \$791,441, respectively.

**Governor and lieutenant governor** candidates and incumbents not up for election received \$312,627, with \$85,150 going to Republican candidates and \$227,477 going to Democratic candidates. Winning candidates or sitting governors or lieutenant governors not up for election received \$274,252, or 88 percent of the funds the company gave to gubernatorial committees.

Two of the top three gubernatorial recipients were from Texas. Republican Gov. Rick Perry received more than any other gubernatorial committee from the Bank of America, gaining \$55,000. Texas Republican Lt Gov. David Dewhurst received \$35,000 from the company.

Candidates and incumbents not up for election for other **statewide offices** received \$279,825 in contributions from Bank of America. Statewide candidates who won election or who were not up for election received \$232,125, or 83 percent of the contributions the bank gave to statewide candidates.

Those seeking or occupying the office of attorney general received \$90,875 from the company, with Republicans receiving \$44,525 and Democrats receiving \$46,350. Bank of America gave candidates for state comptroller \$59,500, and candidates for state treasurer received \$53,250.

### *Party Committees*

The company gave slightly less than \$500,000 to **state party committees**. The company favored Republican committees over their Democratic counterparts, giving \$357,625 and \$135,450, respectively. Florida party committees received the most, with Republicans receiving \$88,000 and Democrats receiving \$31,000. The company gave \$87,000 to Republican committees and just \$3,000 to Democratic committees. Republican party committees in Missouri were also heavily favored by the company, receiving \$71,425 while Democratic party committees in the state received only \$13,000.

### *Ballot Measure Committees*

Bank of America gave nearly \$700,000 to **ballot measure committees** in six states in the last two election cycles. Ballot measure committees in California received 64 percent, or \$447,000. Ballot measure committees in both Arizona and North Carolina received \$100,000 from the company.

- In **California**, the Bank of America gave \$447,000 in contributions to ballot measure committees. In 2005, the company gave \$100,000 in support of Gov. Schwarzenegger's California Recovery Team, a failed

education measure that would have extended the waiting period for public school teachers earning permanent status within the state.

In 2006, Bank of America gave \$100,000 to Rebuilding California, Yes on Propositions 1A, 1B, 1C, 1D and 1E. The company gave funds in support of all five of the victorious measures, which dealt with spending of gas taxes, transportation, housing, education and disaster preparedness.

The bank also gave \$100,000 in support of Proposition 64, a failed measure that would have placed limits on an individual's right to sue a company.

- In **North Carolina**, Bank of America gave \$100,000 to North Carolinians For Jobs and Progress, a committee supporting a victorious measure that sought to allow cities, counties and towns to increase taxes in support of local economic development projects.
- In **Arizona**, the company supported two ballot measures committees by giving \$100,000. The company gave \$75,000 to Arizonans For A Fair Beginning Supporting I-16-2006, a committee supporting a victorious measure that increased tobacco taxes for early childhood health and development programs. The company also gave \$25,000 to AZ Forward, in support of a failed measure that would have allowed the Arizona Board of Regents to license or transfer interests in technology or intellectual property created by its universities in exchange for ownership interests or securities in a company or corporation.