



Washington State: Charter Advocates Refuse to Take “No” for an Answer

In November 2012, Washington State voters passed the Charter School Ballot Initiative 1240, which provided for the establishment of up to 40 charter schools within five years. [It passed by a very slim margin](#), 50.69% in favor to 49.31% opposed. This was Washington State’s fourth charter school ballot initiative with the first three attempts having failed in 1996 (64.43% opposed to 35.57% in favor), 2000 (51.83% opposed to 48.17% in favor), and 2004 (58.3% opposed to 41.7% in favor).

In addition to ballot initiatives, pro-charter legislation had also been proposed and failed. In January of 2012, Senator Rodney Tom, [a former Republican turned Democrat](#), sponsored Senate Bill 6202. [The bill called for the creation of 50 charter schools](#) in Washington State, with no more than 10 opening in any given year. The bill faced opposition from Senator Rosemary McAuliffe, the chairwoman of the Senate education committee, and she ultimately [refused to post the bill for a vote](#).

Senator Tom, with support coming mainly from Senate Republicans, made an effort to revive the bill during that year’s budget negotiations. The bill once again faced clear opposition, this time from Governor Chris Gregoire, [who](#)

[stated](#), “I have told them I will veto it. I will veto it. Get over it. Stop wasting time. Let’s get to work. Let’s get a budget.” By July of 2012, a coalition of education reform and business organizations began working with legislators (including Senator Tom) to get charters back on the ballot. On July 6th, [over 350,000 signatures were submitted](#) to Secretary of State Kim Wyman.

The effort to collect signatures and get the charter initiative on the ballot was a well-coordinated, well-financed effort that spent close to \$2.5 million dollars. The largest pre-ballot contribution came from Microsoft co-founder, Paul Allen followed by Washington’s own Bill Gates. Other notable contributions came from fellow [Washington billionaire and education reformer](#), Nick Hanauer, and Jackie and Mike Bezos, parents of Amazon founder Jeff Bezos. Out of state money came from Netflix founder Reed Hastings of California, and Education Reform Now, the [501\(c\)\(4\) of Democrats for Education Reform \(DFER\)](#), based in New York. Tables 1 and 2 show the [notable pre ballot cash and in-kind contributions to the “Yes on 1240: Washington Coalition for Public Charter Schools” committee](#), as well as contributions from the education reform organizations involved in the effort.

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Table 1: In-State Pre Ballot Contributions to Yes on 1240: Washington Coalition for Public Charter Schools

CONTRIBUTOR	DATE	AMOUNT
Jackie Bezos	06/13/2012	\$125,000.00
	06/22/2012	\$100,000.00
Mike Bezos	06/13/2012	\$125,000.00
	6/22/2012	\$100,000.00
Bill Gates	05/22/2012	\$53,000.00
	06/07/2012	\$200,000.00
	06/19/2012	\$800,000.00
Nick Hanauer	06/05/2012	\$25,000.00
	06/28/2012	\$175,000.00
Vulcan Inc - (Paul Allen)	06/14/2012	\$100,000.00
Katherine Binder - Chairwoman of EMFCO Holdings	06/05/2012	\$100,000.00
	06/29/2012	\$100,000.00
League Of Education Voters	06/01/2012	\$1,817.00
	06/30/2012	\$3,279.93
Hadi Partovi - CEO of Code.org	06/29/2012	\$25,000.00
Ali Partovi - Hadi's twin brother	06/29/2012	\$25,000.00
Benjamin Slivka - Former Microsoft employee	06/21/2012	\$100,000.00
Stand For Children Inc.	06/01/2012	\$952.65
	06/30/2012	\$1,053.57
Tom Vander Ark - Education entrepreneur	07/02/2012	\$1,000.00
Karen Vander Ark - Wife of Tom Vander Ark	07/02/2012	\$1,000.00

Source: Washington State Public Disclosure Commission

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Table 2: Out-of-State Pre Ballot Contributions to Yes on 1240: Washington Coalition for Public Charter Schools

CONTRIBUTOR	DATE	AMOUNT
Democrats For Education Reform	06/01/2012	\$1,595.36
	06/30/2012	\$1,862.40
Education Reform Now Advocacy	07/02/2012	\$50,000.00
Reed Hastings	06/27/2012	\$100,000.00

Source: Washington State Public Disclosure Commission

Once Initiative 1240 was on the ballot, the money really started to pour in. Although much of the money came from the same individuals and organizations that worked to get Initiative 1240 on the ballot, there were some notable newcomers as well. Out of state money came from [education reform super-donor Eli Broad](#) and Doris Fisher, both from

California; Houston, Texas based Walton heiress Alice Walton; and [New York power couple, Anne Dinning and Michael Wolf](#).

Tables 3 and 4 show the largest of the contributions made between when Initiative 1240 was placed on the ballot (July 7, 2012) and the election (November 6, 2012).

Table 3: In-State Contributions to Yes on 1240: Washington Coalition for Public Charter Schools between July 7, 2012 and November 6, 2012

CONTRIBUTOR	DATE	AMOUNT
Richard Alvord - Board member of the pro-charter Washington Policy Center	09/14/2012	\$5,000.00
Connie Ballmer - Wife of former Microsoft CEO Steve Ballmer	08/13/2012	\$100,000.00
	10/10/2012	\$400,000.00
Rich Barton - Expedia founder	10/19/2012	\$25,000.00
Sarah Barton - Wife of Rich Barton	10/19/2012	\$25,000.00
Jackie Bezos	07/11/2012	\$25,000.00
	08/28/2012	\$250,000.00
Mike Bezos	07/11/2012	\$25,000.00
	08/28/2012	\$250,000.00

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Table 3 continued: In-State Contributions to Yes on 1240: Washington Coalition for Public Charter Schools between July 7, 2012 and November 6, 2012

CONTRIBUTOR	DATE	AMOUNT
Katherine Binder	11/01/2012	\$50,000.00
Jeff Brotman - Co-founder and chairman of Costco	10/26/2012	\$10,000.00
Csg Channels - Washington based sales and marketing firm	10/09/2012	\$60,000.00
Lloyd Frink - Zillow co-founder and vice-chairman	10/24/2012	\$10,000.00
Bill Gates	10/04/2012 10/09/2012	\$2,000,000.00 \$1,000.00
Nick Hanauer	07/11/2012 09/14/2012	\$250,000.00 \$550,000.00
Peter Horvitz - Chairman, President and Chief Executive Officer of Horvitz Newspapers	10/22/2012	\$10,000.00
Kemper Holdings LLC	10/11/2012 10/22/2012	\$10,000.00 \$100,000.00
League Of Education Voters	07/31/2012 08/31/2012 10/15/2012 10/29/2012 11/30/2012	\$3,837.46 \$2,345.60 \$3,147.21 \$1,169.69 \$1,927.57
Bruce McCaw - Member of the McCaw family that owned McCaw Cellular Communication, a company that was bought by AT&T	07/14/2012	\$50,000.00
Jolene McCaw - Wife of Bruce McCaw	07/14/2012	\$50,000.00
Microsoft	09/19/2012 10/17/2012	\$50,000.00 \$50,000.00

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Table 3 continued: In-State Contributions to Yes on 1240: Washington Coalition for Public Charter Schools between July 7, 2012 and November 6, 2012

CONTRIBUTOR	DATE	AMOUNT
Gabe Newell – Former Microsoft programmer	07/30/2012	\$100,000.00
Partnership For Learning	08/31/2012	\$2,826.04
	11/30/2012	\$3,095.32
Michael Slade – Seattle venture capitalist	10/01/2012	\$5,000.00
Benjamin Slivka	11/01/2012	\$24,000.00
Stand For Children Inc.	07/31/2012	\$578.55
	11/30/2012	\$952.65
Stand For Children WAPAC	08/31/2012	\$996.25
	10/15/2012	\$2,512.63
	10/29/2012	\$1,428.98
John Stanton – Seattle Mariners owner	10/16/2012	\$10,000.00
Kevin Turner – Ex Microsoft COO	10/02/2012	\$5,000.00
Vulcan Inc.	10/24/2012	\$1,500,000.00

Source: Washington State Public Disclosure Commission

Table 4: Out-of-State Contributions to Yes on 1240: Washington Coalition for Public Charter Schools between July 7, 2012 and November 6, 2012.

CONTRIBUTOR	DATE	AMOUNT
Eli Broad	10/10/2012	\$200,000.00
Democrats For Education Reform	07/31/2012	\$1,460.00
	08/31/2012	\$1,222.20
	10/15/2012	\$1,626.00
	10/29/2012	\$520.00
	11/30/2012	\$813.00

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Table 4 continued: Out-of-State Contributions to Yes on 1240: Washington Coalition for Public Charter Schools between July 7, 2012 and November 6, 2012

CONTRIBUTOR	DATE	AMOUNT
Ann Dinning – New York based hedge fund manager	10/02/2012	\$250,000.00
Michael Wolf – Husband of Ann Dinning	10/02/2012	\$250,000.00
Doris Fisher	10/11/2012	\$100,000.00
Robert Karr – New York based hedge fund manager	09/21/2012	\$10,000.00
Alice Walton	07/11/2012 10/05/2012	\$600,000.00 \$1,100,000.00

Source: Washington State Public Disclosure Commission

After the initiative was passed on November 6, 2012, money continued to flow from Gates and some of the most ardent supporters of the initiative such as Jackie and Mike Bezos and Nick Hanauer. Out of state contributions came from New York based DFER affiliated Education Reform Now. Two Washington State based groups - the [League of Education Voters](#), a charter supporting, pro-charter lobbying group, and Partnership for Learning, the education foundation of the Washington Roundtable, a corporate public policy group – made significant contributions as well. Additionally, Chris Korsmo, CEO of the League of Education Voters, and Steve Mullin, president of the Washington Roundtable, hold seats on the [board of the Washington State Charter Schools Association](#).

It is worth noting the role that the League of Education Voters, a 501 (c)(4), which filed its first 990 in 2004, has played in the push for charter schools. Its founding President was Nick Hanauer. The organization began with a huge infusion of cash—more than \$3 million dollars. It is affiliated with the League of Education Voters Foundation (LEV Foundation) a 501 (c)(3), on whose board Hanauer also served for many years. The LEV Foundation has been kept afloat by millions in donations from the Gates Foundation, some of which is passed to the 501 (c)(4) for lobbying. The Gates Foundation also provided the seed money to start the Washington Charter Schools Association by giving a grant to the LEV Foundation which passed it on to the Washington State Charter Schools Association.

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Table 5: In-State Contributions to Yes on 1240: Washington Coalition for Public Charter Schools between November 7, 2012 and March 6, 2013

CONTRIBUTOR	DATE	AMOUNT
Jackie Bezos	01/22/2013	\$50,000.00
Mike Bezos	01/22/2013	\$50,000.00
Bill Gates	01/17/2013	\$75,000.00
Melinda Gates	01/17/2013	\$75,000.00
Nick Hanauer	02/07/2013	\$50,000.00
League of Education Voters	03/07/2013	\$50,000.00
Partnership For Learning	03/06/2013	\$25,000.00

Source: Washington State Public Disclosure Commission

Table 6: Out-of-State Contributions to Yes on 1240: Washington Coalition for Public Charter Schools between November 7, 2012 and March 6, 2013

CONTRIBUTOR	DATE	AMOUNT
Education Reform Now Advocacy	03/28/2013	\$100,000.00

Source: Washington State Public Disclosure Commission

Table 7: Top 5 Out-of-State Contributions to Yes on 1240: Washington Coalition for Public Charter Schools between May 22, 2012 and March 6, 2013

TOP FIVE OUT-OF-STATE CONTRIBUTORS	AMOUNT
Alice Walton	\$1,700,000.00
Ann Dinning/Michael Wolff	\$500,000.00

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Table 7 continued: Top 5 Out-of-State Contributions to Yes on 1240: Washington Coalition for Public Charter Schools between May 22, 2012 and March 6, 2013.

TOP FIVE OUT-OF-STATE CONTRIBUTORS	AMOUNT
Eli Broad	\$200,000.00
DFER/Education Reform Now	\$159,098.96
Reed Hastings	\$100,000.00

Source: Washington State Public Disclosure Commission

Table 8: Top 5 In-State Contributions to Yes on 1240: Washington Coalition for Public Charter Schools between May 22, 2012 and March 6, 2013.

TOP FIVE IN-STATE CONTRIBUTORS	AMOUNT
Bill and Melinda Gates/Microsoft	\$3,304,000.00
Paul Allen/Vulcan Inc.	\$1,600,000.00
Jackie and Mike Bezos	\$1,100,000.00
Nick Hanauer	\$1,050,000.00
Connie Ballmer	\$500,000.00

Source: Washington State Public Disclosure Commission

Researchers Wayne Au and Joseph J. Ferrare, professors at the University of Washington and the University of Kentucky, respectively, [looked at the cash and in-kind contributions of over \\$50,000 to the Yes on 1240 Initiative](#) and concluded that, "compared to the average voter in Washington, an elite group of wealthy individuals, either directly through individual donations or indirectly through their affiliated philanthropic organizations, wielded disproportionate influence over the outcome of the charter school initiative in the state, thereby raising serious concerns about the

democratic underpinnings of an education policy that impacts all of the children in Washington State."

As if to confirm that the vote was controlled by only a handful of elite billionaires, on November 10, 2012 [Nick Hanauer tweeted the following:](#)

"We will have charter schools in Washington state. BOOYA. Thanks Bill and Melinda (Gates) and Mike and Jackie (Bezos) and Anne and Michael (Dinning/Wolf) and Paul (Allen)."

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In an interview with [The Atlantic](#), Hanauer was asked what drives him in his political work. He responded, "If I'm really being honest, part of it is a moral sensibility about wanting to remake America and part of it is I just love to win."

Hanauer and his fellow big money donors may have "won" the vote on Initiative 1240, but their victory was challenged, and ultimately overturned. In September 2015, the Washington State Supreme Court found Washington's charter school law to be in violation of the state constitution because its funding provisions attempted to tap into and shift a portion of money allocated for common schools to charter schools. The ruling did not declare the concept of charter schools unconstitutional, but since funding is an integral part of opening the schools, the whole Act effectively was voided.

The Washington Supreme Court's decision did not sit well with some of the politicians and billionaires that had finally gotten the green light for charters in Washington State. They decided that the judges up for re-election had to be defeated. Former Senator Rodney Tom, who had led the charge in the Washington Senate prior to Initiative 1240, teamed up with Ken Fisher, another Washington billionaire, to form a new political action committee - Judicial Integrity Washington.

Fisher contributed \$350,000 to the PAC, and Kemper Holdings (which also contributed to Yes on 1240) contributed \$50,000. Microsoft board member and Washington billionaire, John Stanton, contributed another \$50,000.

In November of 2016 Chief Justice Barbara Madsen and two of her fellow Justices, Justice Mary Yu and Justice Charlie Wiggins, faced reelection. [In an interview, former Senator Tom said](#), "There's a lot of different groups out there that are kind of upset with the current court. That's what we're trying to change." Senator Tom did not hide that they wanted to get the Justices off the bench because of the Court's recent decisions, especially the charter school decision.

Commenting on a what was clearly an issues-driven challenge funded by billionaires, [long-time, respected Chief Justice Madsen clearly stated](#), "It puts the courts at risk when anybody with money determines who can be on the Supreme Court."

Table 9 shows the contributions to Justice Madsen's opponent, Greg Zemple, and the other two candidates running to unseat Justice Yu and Justice Wiggins.

Table 9: Contributions to the opponents of incumbents Chief Justice Barbara Madsen, Justice Mary Yu and Justice Charlie Wiggins

DIRECT CONTRIBUTIONS TO GREG ZEMPLE (Madsen's opponent)	DATE	AMOUNT
Stand For Children Washington PAC	07/22/2016	\$2,000.00
Kenneth Fisher	07/01/2016	\$1,000.00
Kenneth Fisher	07/01/2016	\$1,000.00

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Table 9 continued: Contributions to the opponents of incumbents Chief Justice Barbara Madsen, Justice Mary Yu and Justice Charlie Wiggins

DIRECT CONTRIBUTIONS TO GREG ZEMPLE (Madsen's opponent)	DATE	AMOUNT
Sherrilyn Fisher	07/01/2016	\$1,000.00
Sherrilyn Fisher	07/01/2016	\$1,000.00
Steve Triplett	09/16/2016	\$1,000.00
Elizabeth Triplett	09/16/2016	\$1,000.00

Source: Washington State Public Disclosure Commission

INDEPENDENT EXPENDITURE COMMITTEE EXPENDITURES FOR GREG ZEMPLE	DATE	AMOUNT
Judicial Integrity WA PAC	08/02/2016	\$100,000.00
Stand For Children WA PAC	07/21/2016	\$30,000.00
Stand For Children WA PAC	07/20/2016	\$28,571.43
Stand For Children WA PAC	07/20/2016	\$28,571.43
Stand For Children WA PAC	07/25/2016	\$28,571.43
Stand For Children WA PAC	08/01/2016	\$14,285.71

Source: Washington State Public Disclosure Commission

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THE NETWORK FOR PUBLIC EDUCATION ACTION

We are many. There is power in our numbers. Together we will save our schools.

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DIRECT CONTRIBUTIONS TO DAVID DEWOLF (Yu's opponent)	DATE	AMOUNT
Fisher Creek Campus LLC	07/01/2016	\$2,000.00
Kenneth Fisher	07/01/2016	\$1,000.00
Kenneth Fisher	07/01/2016	\$1,000.00
Sherrilyn Fisher	07/01/2016	\$1,000.00
Sherrilyn Fisher	07/01/2016	\$1,000.00
Steve Triplett	09/16/2016	\$1,000.00
Elizabeth Triplett	09/16/2016	\$1,000.00

Source: Washington State Public Disclosure Commission

DIRECT CONTRIBUTIONS TO DAVE LARSON (Wiggins' opponent)	DATE	AMOUNT
Fisher Creek Campus, LLC	06/27/2016	\$2,000.00
Vulcan, Inc.	06/27/2016	\$2,000.00
Kenneth Fisher	06/27/2016	\$1,000.00
Kenneth Fisher	06/27/2016	\$1,000.00
Sherrilyn Fisher	06/27/2016	\$1,000.00
Sherrilyn Fisher	06/27/2016	\$1,000.00
Steve Triplett	09/16/2016	\$1,000.00

Source: Washington State Public Disclosure Commission

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All of the Independent Expenditure Committee money for Chief Justice Madsen's opponent came from the Judicial Integrity Washington PAC and Stand for Children Washington PAC. [Stand for Children's money](#) came almost entirely from the major contributors to Yes on 1240, including Connie Ballmer, Reed Hastings, and Vulcan Inc..

The Washington State Charter Schools Association formed its own PAC, WA Charter PAC, which contributed \$150,000 to Stand for Children's PAC. Stand for Children's PAC was also funded by some of the same elite Washington State donors. Connie Ballmer and her husband Steve donated \$125,000 each, and Katherine Binder contributed another \$100,000 to the PAC. Out of state donors John Arnold (Texas) and Walmart heir Jim Walton (Arkansas) each pitched in \$25,000.

In Washington State, big money is not only being spent on ballot initiatives and to unseat judges. Since Yes on 1240

was approved, the Gates Foundation has contributed \$13.5 million dollars and the Walton Foundation has contributed over \$800,000 to the Washington Charter Schools Association. That organization in turn gave \$8 million dollars to both Green Dot Public Schools, and Summit Public Schools Charter Management Organizations to expand into Washington State.

And despite the uncertainty of the future of charters in the state, the United States Department of Education has invested heavily in the charter sector. \$6.97 million dollars of taxpayer money was recently awarded to Washington charter schools. [Maggie Meyers of the Gates and Walton funded Washington Charter Schools Association said](#), "I think it is a great show of confidence from the federal government showing that Washington charter schools are here to stay." ■