**The Washington State Initiative 1240 the Charter School Ballot Measure**

In November 2012, Washington State voters passed the [Charter School Ballot Initiative 1240](http://sos.wa.gov/_assets/elections/initiatives/FinalText_274.pdf), which provided for the establishment of up to 40 charter schools within five years. [It passed by a very slim margin](http://results.vote.wa.gov/results/20121106/Measures-All.html), 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](https://ballotpedia.org/Washington_Charter_Schools,_Initiative_177_(1996)) (64.43% opposed to 35.57% in favor), [2000](https://ballotpedia.org/Washington_Charter_Schools_Act,_Initiative_729_(2000)) (51.83% opposed to 48.17% in favor), and [2004](https://ballotpedia.org/Washington_Charter_School_Authorization,_Referendum_55_(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](http://www.seattlepi.com/local/article/State-Rep-Tom-bolts-GOP-for-Democrats-1198464.php), sponsored Senate Bill 6202. [The bill called for the creation of 50 charter schools](http://www.heraldnet.com/news/charter-schools-measure-revived-and-debated-in-state-senate/) in Washington State, with no more than 10 opening in any given year. The bill faced opposition from Rosemary McAuliffe, the chairwoman of the Senate education committee, and she ultimately [refused to post the bill for a vote](http://washingtonstatewire.com/blog/when-senate-chair-spikes-education-bills-all-hell-breaks-loose/).

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 the Governor Chris Gregoire, [who stated](http://katu.com/news/local/gov-gregoire-pledges-to-veto-charter-schools-bill), “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](http://wacharters.org/supporters-of-public-charter-schools-submit-over-100000-more-signatures-than-needed-to-place-initiative-1240-on-november-ballot/) 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](http://www.nickhanauer.com/philanthropy), Nick Hanauer, and Jackie and Mike Bezos, [parents of Amazon founder Jeff Bezos](http://www.insidephilanthropy.com/home/2014/4/25/forget-jeff-bezos-his-parents-mike-and-jackie-are-the-people.html). Out of state money came from Netflix founder [Reed Hastings of California](https://www.linkedin.com/in/reedhastings), and [Education Reform Now](https://edreformnow.org/), the [501(c)(4) of Democrats for Education Reform](http://www.prwatch.org/news/2016/03/13065/how-dfer-leaders-channel-out-state-dark-money-colorado-and-beyond) (DFER) (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](http://web.pdc.wa.gov/MvcQuerySystem/AdvancedSearch/ContributionsData?contributee=WUVTIFdDIDUwNw%3D%3D%3D%3D&electionYear=ALL&committeeType=IGNORE&election=ALL&orderBy=date-asc&page=1), as well as contributions from the education reform organizations involved in the effort.

*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  06/22/2012 | $125,000.00  $100,000.00 |
| Mike Bezos | 06/13/2012  06/22/2012 | $125,000.00  $100,000.00 |
| Bill Gates | 05/22/2012  06/07/2012  06/19/2012 | $53,000.00  $200,000.00  $800,000.00 |
| Nicolas Hanauer | 06/05/2012  06/28/2012 | $25,000.00  $175,000.00 |
| Paul Allen—Microsoft co-founder | 09/10/2012 | $1,500,000.00 |
| Katherine Binder - Chairwoman of EMFCO Holdings | 06/05/2012  06/29/2012 | $100,000.00  $100,000.00 |
| League Of Education Voters | 06/01/2012  06/30/2012 | $1,817.00  $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  06/30/2012 | $952.65  $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 |
| Vulcan Inc - Paul Allen’s investment company | 06/14/2012 | $100,000.00 |

*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  06/30/2012 | $1,595.36  $1,862.40 |
| Education Reform Now Advocacy | 07/02/2012 | $50,000.00 |
| Reed Hastings | 06/27/2012 | $100,000.00 |

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](http://broadfoundation.org/about-us/)and [Gap founder Doris Fisher](http://www.forbes.com/profile/doris-fisher/), both from California; Houston, Texas based [Walton heiress Alice Walton](http://www.forbes.com/profile/alice-walton/); and [New York power couple, Anne Dinning and Michael Wolf](http://blog.seattlepi.com/seattlepolitics/2012/10/09/gates-walton-big-bucks-to-billionaires-initiative/).

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  10/10/2012 | $100,000.00  $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  08/28/2012 | $25,000.00  $250,000.00 |
| Mike Bezos | 07/11/2012  08/28/2012 | $25,000.00  $250,000.00 |
| 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 |
| Nicolas 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 |
| Gabe Newell – Former Microsoft programmer | 07/30/2012 | $100,000.00 |
| Partnership For Learning | 08/31/2012  11/30/2012 | $2,826.04  $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  11/30/2012 | $578.55  $952.65 |
| Stand For Children WAPAC | 08/31/2012  10/15/2012  10/29/2012 | $996.25  $2,512.63  $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 |

*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  08/31/2012  10/15/2012  10/29/2012  11/30/2012 | $1,460.00  $1,222.20  $1,626.00  $520.00  $813.00 |
| 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 – GAP founder | 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 |

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. Education reform groups also continued to come in. Out of state contributions came from New York based DFER affiliated Education Reform Now. Two Washington State based groups - the [League of Education Voters](http://educationvoters.org/advocacy-agenda/public-charter-schools/), a charter supporting, pro-charter lobbying group, and [Partnership for Learning](http://www.partnership4learning.org/docs/PFL_20yr_InfoSheet_final.pdf), 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](http://wacharters.org/board-of-directors/).

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](http://www.gatesfoundation.org/search#q/k=LEV%20Foundation) from the Gates Foundation, some of which is passed to the 501 (c)(4) for lobbying. The Gates Foundation also [provided the seed money](http://www.gatesfoundation.org/search#q/k=LEV%20Foundation) 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.

*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 |
| Education Reform Now Advocacy | 03/28/2013 | $100,000.00 |
| Bill Gates | 01/17/2013 | $75,000.00 |
| Melinda Gates | 01/17/2013 | $75,000.00 |
| Nicolas 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 |

*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 |

*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 to Yes on 1240: Washington Coalition for Public Charter Schools** | **Amount** |
| Alice Walton | $1,700,000.00 |
| Ann Dinning/Michael Wolff | $500,000.00 |
| Eli Broad | $200,000.00 |
| DFER/Education Reform Now | $159,098.96 |
| Reed Hastings | $100,000.00 |
| Doris Fisher | $100,000.00 |

*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 to Yes on 1240: Washington Coalition for Public Charter Schools** | **Amount** |
| Bill and Melinda Gates | $3,404,100.00 |
| Paul Allen/Vulcan Inc. | $3,100,000.00 |
| Jackie and Mike Bezos | $1,100,000.00 |
| Nick Hanauer | $1,050,000.00 |
| Connie Ballmet | $500,000.00 |

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](https://www.washingtonpost.com/news/answer-sheet/wp/2014/01/30/21-wealthy-donors-had-decisive-impact-on-charter-law-in-washington-state-analysis/) 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](https://twitter.com/nickhanauer/status/267389908044353538):

“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).”

[In an interview with *The Atlantic*](http://www.theatlantic.com/magazine/archive/2016/01/a-plutocrats-case-for-raising-the-minimum-wage/419130/), 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 moneys allocated for common schools to charter schools. The ruling did not declare the concept of charter schools unconstitutional, but since funding is integral part of opening the schools, [the whole Act effectively was voided](https://www.nwprogressive.org/weblog/2015/09/washingtons-supreme-court-strikes-down-i-1240-charter-schools-in-its-entirety.html).

The Washington Supreme Court’s decision did not sit well with some of the politicians and wealthy donors that had finally gotten the green light for charters in Washington State. 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](https://ballotpedia.org/Washington_Supreme_Court_elections,_2016) - 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](http://www.opb.org/news/series/election-2016/npr-billionaire-former-senate-majority-leader-aim-to-oust-washington-chief-justice/), “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, including the charter school decision.

Commenting on a what was clearly an issues-driven challenge funded by billionaires, [long-time, respected Justice Madsen said](http://www.peninsuladailynews.com/politics/state-supreme-court-justices-decry-tactics/), “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 |
| 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 |

|  |  |  |
| --- | --- | --- |
| 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 |

|  |  |  |
| --- | --- | --- |
| 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 |

|  |  |  |
| --- | --- | --- |
| 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 |
| Elizabeth Triplett | 09/16/2016 | $1,000.00 |

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](http://web.pdc.wa.gov/MvcQuerySystem/CommitteeData/contributions?param=U1RBTkNXIDEwMw====&year=2016&type=continuing) 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](https://www.the74million.org/article/washington-state-charter-advocates-to-pump-500k-into-legislative-battle-to-save-schools), WA Charters PAC, which [contributed over $150,000 to Stand’s PAC](https://web.pdc.wa.gov/rptimg/default.aspx?batchnumber=100727521), was also [funded by several of the same elite Washington donors](http://web.pdc.wa.gov/MvcQuerySystem/CommitteeData/contributions?param=V0FTSEMgIDExMQ====&year=2016&type=continuing). 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](http://www.seattletimes.com/seattle-news/politics/bill-gates-others-donate-1m-to-defeat-supreme-court-justice-wiggins/), the Gates Foundation has contributed $13.5 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](http://www.union-bulletin.com/news/education/walla_walla/walla-walla-charter-school-gets-federal-startup-grant/article_00edd118-8cbd-11e6-b5f9-e3dae253f381.html), “I think it is a great show of confidence from the federal government showing that Washington charter schools are here to stay.”

[As researchers Au and Ferrare](https://www.washingtonpost.com/news/answer-sheet/wp/2014/01/30/21-wealthy-donors-had-decisive-impact-on-charter-law-in-washington-state-analysis/) concluded, “Compared to the average voter in Washington, an elite group of wealthy individuals … wielded disproportionate influence over the outcome of the charter school initiative.”