

# COAL-MINING CONTRIBUTIONS IN THE STATES

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833 NORTH LAST CHANCE GULCH, SECOND FLOOR • HELENA, MT • 59601 PHONE 406-449-2480 • FAX 406-457-2091 • E-MAIL institute@statemoney.org www.followthemoney.org The nation's coal-mining industry — beset this year with a startlingly high number of fatalities to date — has often sought the ear of the officials who decide state-level matters affecting the industry.

Since the 2000 election cycle, the industry has contributed at least \$8.57 million to state-level political candidates and party committees, concentrating its giving most heavily in the coal-rich states of Ohio, Virginia, West Virginia and Pennsylvania. Contributions in those four states totaled nearly \$5.9 million, representing 71 percent of the industry's contributions.

The industry also focused its biggest contributions on some of the top officeholders in the states — typically candidates running for governor — or the political party committees that dole out money to candidates and undertake other activities, such as advertisements and mailings, that support their slates of candidates.

#### AN INDUSTRY IN THE SPOTLIGHT

The coal-mining industry has been under scrutiny this year, with high-profile accidents claiming the lives of 33 miners from Jan. 1 through May 24. That number already surpasses the total number of coal-mining fatalities in each of 2002, 2003, 2004 and 2005.<sup>1</sup> Three accidents resulted in multiple fatalities this year, beginning with the first accident of the year at the Sago Mine in West Virginia, where 12 of 13 miners died after they were trapped underground following an explosion. Two miners died in an underground fire at the Aracoma Alma Mine #1 in West Virginia later in January, and five miners died in late May in Kentucky, following an underground explosion at the Darby Mine #1. Other fatal accidents have occurred in Alabama, Maryland and Utah.<sup>2</sup>

The number of fatalities so far this year already exceeds the average number of fatalities over the previous 10 years, a period when 320 coal miners died. Thirty or fewer fatalities occurred each year from 2002 to 2005.<sup>3</sup>

Not surprisingly, the highest number of mining deaths have occurred in the some of the biggest coal-producing states: West Virginia has recorded 144 mining deaths since 1993, followed by Kentucky with 141, Pennsylvania with 42, Virginia with 39 and Alabama with 35.<sup>4</sup> Wyoming led the nation in coal production in 2004, the most recent years for which figures are available, followed by West Virginia, Kentucky, Pennsylvania, Texas and Montana.<sup>5</sup>

<sup>&</sup>lt;sup>1</sup> "Coal Fatalities by State (Calendar Year)," *U.S. Department of Labor Mine Safety and Health Administration*, May 25, 2006 [on-line]; available from http://www.msha.gov/stats/charts/coalbystate.asp; Internet; accessed May 30, 2006.

<sup>&</sup>lt;sup>2</sup> "2006 Fatalgrams and Fatal Investigation Reports: Coal Mines," *U.S. Department of Labor Mine Safety and Health Administration*, May 25, 2006 [on-line]; available from http://www.msha.gov/fatals/fabc006.asp; Internet: accessed May 30, 2006.

<sup>&</sup>lt;sup>3</sup> "Coal Fatalities by State (Calendar Year)," *U.S. Department of Labor Mine Safety and Health Administration,* May 25, 2006 [on-line]; available from http://www.msha.gov/stats/charts/coalbystate.asp; Internet; accessed May 30, 2006.

<sup>&</sup>lt;sup>4</sup> Ibid.

<sup>&</sup>lt;sup>5</sup> "Annual Coal Report," *Energy Information Administration* [on-line]; available from

http://www.eia.doe.gov/cneaf/coal/page/acr/acr\_sum.html; Internet; accessed May 24, 2006.

#### GIVING BY THE INDUSTRY

The Institute examined contributions by the coal industry during the 2000, 2002 and 2004 election cycles, as well as the coal contributions given in states that held elections in 2005 — Kentucky, New Jersey, Pennsylvania and Virginia. Each election cycle covers elections held that year and the previous year, for states holding odd-year elections. Thus the data set contained contributions for elections held from 1999 to 2005.

During this time period, the coal industry gave in 28 states, but directed its contributions most heavily to some of the major coal-producing states. The table below shows the states in which industry contributions were the highest. (See Appendix A for a state-by-state breakdown of industry contributions.)

			COAL PRODUCTION
STATE		TOTAL	<b>RANK 2004</b>
Ohio		\$2,012,132	13
Virginia		\$1,551,749	10
West Virginia		\$1,512,903	2
Pennsylvania		\$806,019	4
Alabama		\$779,638	14
	TOTAL	\$6,662,440	

#### TOP RECIPIENT STATES OF COAL-INDUSTRY CONTRIBUTUIONS, 1999-2005

#### The Big Givers

The high amount of Ohio contributions stemmed in part from giving by members of the Boich family and a family-owned coal company, Boich Group. They gave nearly \$1.1 million combined, to top the list of contributors. About \$886,000 of their contributions went to Ohio candidates and Republican Party committees. Boich contributors gave another \$105,000 in Indiana and \$61,500 in Pennsylvania, with the remainder spread to four other states.

Other big contributors included:

- Associations representing the coal industry in various states. These groups gave a combined total of \$862,200, led by the Virginia Coal Association with \$343,500. The Ohio Coal Association gave \$212,150, followed by the West Virginia Coal Association with \$138,700 and the Pennsylvania Coal Association with \$125,650. Associations in Illinois and Maryland gave smaller amounts, at \$26,140 and about \$16,100, respectively.
- Massey Energy, which operates coal mines in Kentucky, Virginia and West Virginia, gave \$298,500. It gave about half that amount in Virginia, and another \$100,000 to the Texas Republican Party in 2004. Its other contributions were made to candidates in West Virginia and Kentucky. Massey CEO Don Blankship also gave \$44,500, primarily in West Virginia.

- Steven E. Chancellor, chairman of Black Beauty Coal Co., gave \$257,600, primarily in Indiana. Black Beauty Coal operates mines in Indiana and Illinois. The company itself gave \$64,000, largely in Indiana.
- Ohio Valley Coal Co. gave \$252,200. Nearly all of its contributions went to candidates and committees in Ohio; they received \$239,450.

#### Contributions by Party

Republican candidates and party committees received 68 percent of the industry contributions, or nearly \$5.8 million of the \$8.57 million the industry gave. Democrats received \$2.7 million, in comparison, while third-party and nonpartisan candidates received a mere \$77,660.

Republican Party committees received \$1.2 million of the money that went to GOP candidates and committees, while candidates received nearly \$4.6 million. Democratic Party committees received just \$185,500 of the \$2.7 million channeled to Democratic candidates and committees.

#### Contributions by Office and Candidate Type

The coal industry gave almost half of its candidate contributions to legislative candidates, who would be in a position to act on matters affecting taxation and regulation of the industry. Legislative candidates received \$3.5 million of the nearly \$7.2 million that went to candidates.

Seventy-nine percent of the legislative contributions went to candidates already holding office. These incumbents have a greater likelihood of winning their races, because of the name recognition they have built up while in office and their ability to raise money. Indeed, 82 percent of the legislative incumbents who received money won their races. Another 12 percent were in office but did not run for re-election during the election cycle they received money; most were raising money for future races. So just 6 percent of the legislative incumbents who received coal funds lost their races.

And 74 percent of the industry's contributions to legislative candidates, or \$2.6 million, went to legislative candidates who won their races.

Candidates running for governor or lieutenant governor received the second-highest portion of industry funds, at \$2.5 million, followed by other statewide, non-judicial candidates, at about \$614,600.

The table below shows the amounts of money the coal industry gave to candidates seeking various types of offices.

OFFICE TYPE	TOTAL
Legislature	\$3,519,691
Governor/Lieutenant Governor	\$2,555,853
Party Committee	\$1,410,486
Other Statewide	\$614,633
Supreme Court	\$477,139
TOTAL	\$8,577,801

#### **CONTRIBUTIONS BY OFFICE TYPE, 1999-2005**

#### Contributions by Candidate Status

More than half of the industry's contributions to candidates went to office seekers who won their races — nearly \$4.2 million of the \$7.2 million in candidate contributions. Another \$890,000 went to candidates who were raising money but not on the ballot in a given year; most of those funds went to people who were already holding office.

The industry gave almost \$2.1 million to losing candidates, amounting to 29 percent of its candidate contributions. Two-thirds of that amount went to candidates running for governor or lieutenant governor.

#### WHERE THE MONEY WENT

Ohio candidates and party committees received the highest amounts of coal industry funds in each of the election cycles studied: \$656,400 in the 2000 election cycle, \$725,100 in 2002, and \$630,600 in 2004. West Virginia ranked second in two of the three election cycles, with candidates and committees there receiving \$490,170 in 2000 and \$630,300 in 2004.

Nine of the top 10 recipients were either political party committees or statewide officeholders who ran for governor at some point during the three election cycles. Only one of the top 10 recipients — Larry Householder of Ohio — was a legislative candidate, and he served as speaker of the Ohio House of Representatives. The table below gives the election status for statewide candidates when they were running for governor, rather than any other office they may have sought during the study period.

STATE	RECIPIENT	PARTY	STATUS	TOTAL
VA	Kilgore, Jerry W.	Republican	Lost	\$401,775
VA	Earley, Mark L.	Republican	Lost	\$224,984
OH	Ohio Republican Party	Republican		\$210,200
WV	Manchin III, Joe	Democrat	Won	\$208,593
WV	Underwood, Cecil H.	Republican	Lost	\$202,392
OH	Householder, Larry	Republican	Won	\$188,000
WV	Wise, Bob	Democrat	Won	\$176,450
OH	Republican Senate Campaign Cmte	Republican		\$172,900
IN	Indiana Republican Party	Republican		\$170,799
PA	Fisher, Mike	Republican	Lost	\$136,517

#### **TOP RECIPIENTS OF INDUSTRY CONTRIBUTIONS, 1999-2005**

## APPENDIX A

### INDUSTRY CONTRIBUTIONS BY STATE, 1999-2005

STATE	TOTAL	\$ RANK
Alabama	\$779,638	5
Alaska	\$4,220	23
Colorado	\$50,325	14
Florida	\$500	26
Georgia	\$5,500	22
Idaho	\$500	26
Illinois	\$160,555	8
Indiana	\$596,879	6
Kentucky	\$462,385	7
Maryland	\$55,980	13
Massachusetts	\$250	28
Michigan	\$5,749	21
Missouri	\$141,075	9
Montana	\$16,490	18
Nevada	\$1,500	25
North Carolina	\$7,000	20
North Dakota	\$104,950	10
New Jersey	\$12,600	19
New Mexico	\$20,800	16
Ohio	\$2,012,132	1
Oklahoma	\$97,930	12
Pennsylvania	\$806,019	4
Texas	\$100,550	11
Utah	\$20,400	17
Virginia	\$1,551,749	2
West Virginia	\$1,512,903	3
Wisconsin	\$3,160	24
Wyoming	\$46,062	15
TOTAL	\$8,577,801	