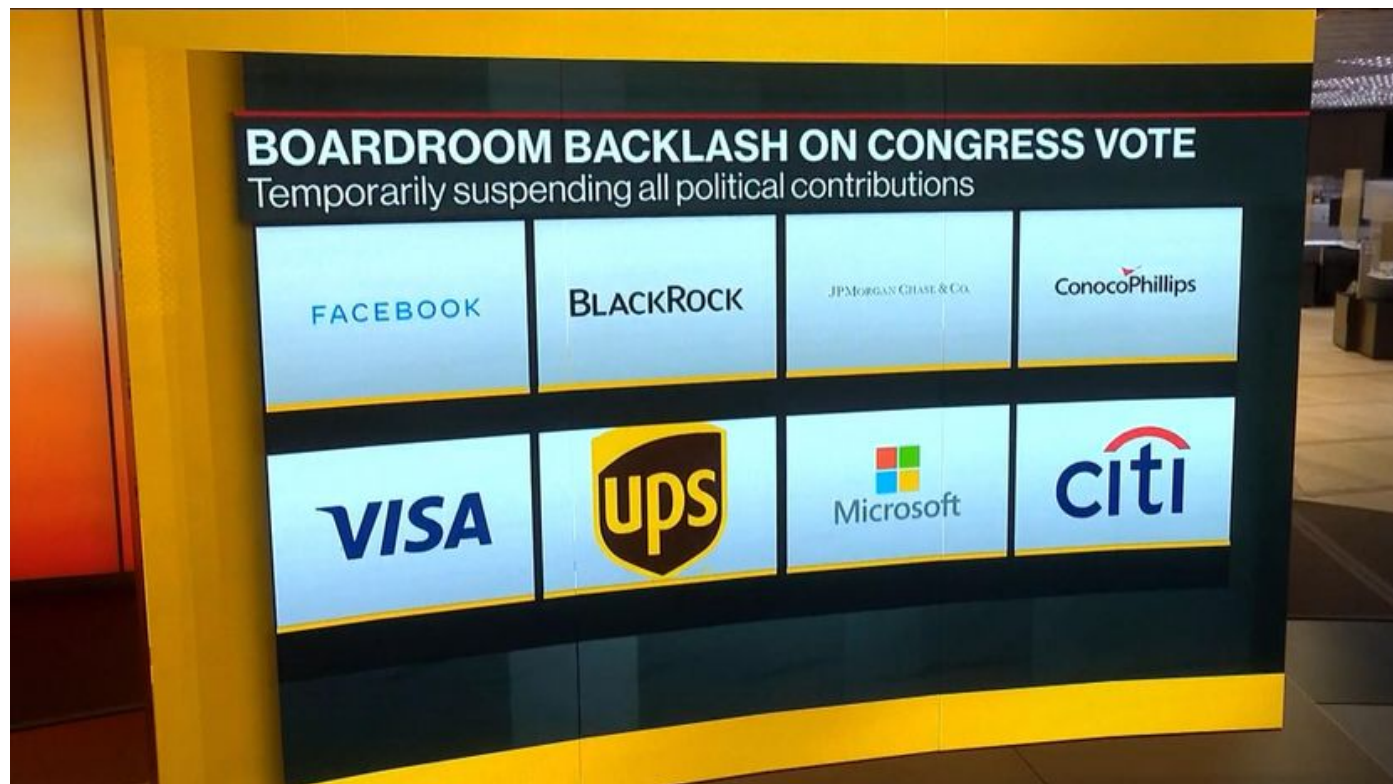


# GOP Lawmakers Hit by Boardroom Backlash for Bid to Undo Election

[Gregory Korte](#)



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Major U.S. corporations are punishing Republicans in Congress who tried to overturn President-elect Joe Biden's electoral victory, vowing to pull their campaign contributions after a right-wing mob stormed the U.S. Capitol last week.

The rapid retreat of financial support played out in an unprecedented series of announcements that began last week and picked up critical mass over the weekend and on Monday. They came from nearly every sector, stretching from Wall Street to the Texas oil patch to Silicon Valley.

Among the first to pull contributions from the objecting Republicans were

the [Blue Cross Blue Shield Association](#), [Marriott International Inc.](#) and [Dow Chemical Co.](#) They were quickly followed by [Goldman Sachs Group](#), [Airbnb](#), [American Express Co.](#), General Electric Co., [MasterCard Inc.](#), [Verizon Communications Inc.](#) and [AT&T, Inc.](#), [Best Buy Co.](#) and [Comcast Corp.](#)

Kansas City-based [Hallmark Inc.](#) went even further, demanding that two local GOP senators -- Josh Hawley of Missouri and Roger Marshall of Kansas -- give the greeting-card company's money back. Hawley and Texas Senator Ted Cruz have faced the harshest reactions for their continued false claims that there was evidence of widespread fraud in the Nov. 3 election.

"We've never seen anything quite like this," said Sheila Krumholz, executive director of the Center for Responsive Politics, adding that corporate PACs typically hedge their bets to keep good relations with both parties. She said there had never been an incident that prompted such a broad response from corporate America.

Indeed, a larger number of corporations decided to suspend all political contributions, rather than single out the eight U.S. senators and 139 House members who voted against certifying Biden's victory -- after a mob broke windows of the U.S. Capitol, stole furniture and briefly occupied the chambers while lawmakers huddled for safety.

"We have suspended all support for officials who have impeded the peaceful transfer of power," said a statement from [Commerce Bank](#), which was typical of many of the companies pulling political action committee contributions. "Commerce Bank condemns violence in any form and believes the actions witnessed last week are abhorrent, anti-democratic and entirely contrary to supporting goodwill for Americans and businesses."

[Here Are the U.S. Companies Hitting Pause on Political Donations](#)

The continuing corporate backlash comes as the House of Representatives drafts articles of impeachment against Trump for inciting the mob, and major industry groups like the [National Association of Manufacturers](#) calls for his removal from office.

Five people — including a U.S. Capitol Police officer — died in the chaos as supporters carrying Trump flags invaded the legislative chambers last Wednesday. One of their targets was Vice President Mike Pence, whom Trump attacked for presiding over the usually routine counting of electoral votes.

Many of the targeted lawmakers were elected with broad support from corporate political action committees, which funnel donations from company executives into contributions of as much as \$10,000 per cycle to federal candidates. In the 2020 elections, they donated \$360 million, with 57% of that amount going to Republicans.

"I think it's a rolling snowball here that's going to get bigger and bigger. It's going to have a dramatic impact," said Craig Holman, who lobbies Congress on ethics legislation on behalf of Public Citizen, a consumer advocacy organization. "This really is an action by corporate America that they're truly offended by the seditious actions we saw by a number of lawmakers. And to tell the truth that's kind of heartwarming."

But the backlash could have broader implications for corporate lobbying and campaign financing even after the Trump presidency, as many companies hold off sending checks to any campaigns as they re-evaluate their political giving.

Many companies said they were putting all their contributions — not just those to the objecting Republicans — on pause, for durations of several months to two years.

Those include Wall Street firms like [BlackRock Inc.](#), [Morgan Stanley](#), [CitiGroup](#), Visa and [JPMorgan Chase & Co.](#), utilities like [Duke Energy](#) and [Edison International](#), and tech giants [Microsoft](#) and [Facebook Inc.](#), which has also indefinitely suspended Trump from using the site.

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The eight senators who voted to object to the election results either declined to comment or did not respond to queries to their spokespeople. The National Republican Senatorial Committee, the main fundraising organ for GOP senate candidates, declined to comment. The National Republican Congressional Committee, which does the same for House candidates, did not immediately respond.

The company announcements represent a growing political sensitivity in corporate boardrooms as social media campaigns have put a spotlight on companies that support politicians seen as out of the mainstream.

"This is really very serious risk management," says Bruce Freed, president of the Center for Political Accountability, a nonpartisan group that has pushed for greater transparency in corporate political giving.

Freed says the companies' contributions associate them with the actions of the politicians they underwrite, something that the deadly riot of Jan. 6 have brought into clearer focus. Companies should also examine their giving to political nonprofit groups and state level organizations as well, and the review should be extensive, he said.

"They have to take a look at how their spending over the last decade has contributed to this crisis," Freed said.

But the impact of corporate policy changes may not be felt for months. The

next federal elections aren't until November 2022, and companies don't have direct control over contributions by their executives, lobbyists and major shareholders.

And critics note that the new corporate policies would do little to stem the flow of money into the less-regulated political nonprofits that have pumped more than \$1 billion into independently produced campaign ads over the last decade without disclosing their donors.

"Right at the beginning of a two-year election cycle is a super-convenient time for companies to get religion and put a pause on political fund-raising," said Mike McKenna, a Republican energy consultant and former energy adviser in the Trump White House. "Most if not all of the money will eventually flow to the candidates through party, leadership, and other PACs, as well as individual contributions. Company PACs are not really that important in this particular ecosystem."

— *With assistance by Kevin Miller, and Jennifer A Dlouhy*

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