

On Missouri taxes and education policies, Rex Sinquefield's clout is growing

By JASON HANCOCK The Star's Jefferson City correspondent

JEFFERSON CITY When Rep. Nate Walker started seeing ads questioning his conservative bona fides pop up in his rural northeast Missouri district, he knew exactly what was coming.

The Kirksville Republican running for a second term was one of 15 GOP legislators who sided with Democrats last year to sustain Democratic Gov. Jay Nixon's veto of a tax cut bill.

For that, he earned the scorn of Rex Sinquefield. Or at least his money.

The Missouri Club for Growth, a conservative group funded largely by Sinquefield, paid for the TV ads criticizing Walker. Then it donated \$50,000 to the campaign of his opponent in the Aug. 5 Republican primary.

"They said last year that if I didn't vote the way they wanted, that they would spend money to get rid of me," Walker said. "And that's what they're doing."

When Sinquefield has gotten involved in campaigns, he has largely ended up on the losing side.

But he's winning all the same.

His deep pockets promise a seemingly endless fight over his pet causes — revamping the state's education system and eliminating the Missouri income tax. Lawmakers who don't see things his way risk running into a buzz saw of Sinquefield money ready to rip them

from office or watching as he uses his fortune to go around them and directly to the statewide ballot.

That willingness to spend his money to advance his agenda is on sharp display in the \$973,000 Sinquefield dished out to the Missouri Club for Growth this year. That organization, in turn, passed out \$25,000 checks to Republican candidates challenging GOP Reps. Paul Fitzwater, Jeff Messenger and Lyle Rowland.

Each, like Walker, voted to sustain Nixon's veto last year.

The donations mark just the latest foray into Missouri politics for Sinquefield, who over the past six years has contributed more than \$30 million to local candidates and political action committees.

He has given \$4 million in just the past five months.

Unlike his more well-known megadonor contemporaries, Sinquefield shuns the national stage, focusing instead on local and state politics.

"Improving public policy looks like it's going to take place at the local and state level, in contrast to the horrible policy that's coming out of Washington," Sinqufield said in a 2013 presentation.

Even his fiercest critics admit that though he has few victories to show for his massive spending, Sinquefield's impact on Missouri politics has been vast.

"He's moved the needle on his issues, especially in the legislature, because people don't want to cross him," said Mike Wood, a lobbyist for the Missouri State Teachers Association. "Members of the General Assembly are aware that if they make him mad, they can end up with a well-funded primary opponent."

Sinquefield has made it clear he's not worried about the short-term losses, said George Connor, a professor of political science at Missouri State University. He's playing for the future.

"He's trying to think two or three steps ahead. He's definitely a chess player," Connor said.

(In fact, Sinquefield is a chess enthusiast who has turned St. Louis into the nation's chess capital by relocating the World Chess Hall of Fame there.)

Sinquefield provided seed money for Kansans for No Income Tax, a 501(c)(4) social welfare organization. He helped start the group in part because tax cut supporters in Missouri thought lowering Kansas taxes would pressure Missouri lawmakers to do the same.

He has also given \$50,000 to Catherine Hanaway, the only Republican currently running for governor in 2016, and \$260,000 in 2012 to Chris Koster, the presumptive Democratic nominee.

Sinquefield rarely talks with the Missouri media. Through his spokeswoman, he declined to comment for this story.

But in a 2012 interview with The Wall Street Journal, Sinquefield said that because of his spending, "voters are provided with more choices, not less."

Raised in a St. Louis area orphanage, Sinquefield received his MBA at the University of Chicago in 1972. He made his fortune — he has never disclosed its exact size — after founding the money management firm Dimensional Fund Advisors.

He retired in 2005 and returned to Missouri. Since then, he has donated millions through the Sinquefield Charitable Foundation to various causes, including a music composition program at the University of Missouri in Columbia and the St. Vincent Home for Children, the orphanage where Sinquefield grew up.

But it is in the political realm where Sinquefield's money has gotten the most attention.

"His generosity and passion for ensuring all kids have a high quality education has certainly inspired me," said Kate Casas, the state policy director for the Children's Education Alliance of Missouri, a group that has received funding from Sinquefield.

This summer, Casas is helping lead the push for a ballot measure that would eliminate teacher tenure and base teacher employment on student achievement. The issue has long been a priority for Sinquefield. He has donated \$1.6 million to the effort in the past two years.

In addition to donations to various candidates — mostly Republican but not exclusively — Sinquefield employs an army of lobbyists. He also underwrites think tanks and funds right-leaning campaign committees.

Todd Abrajano, spokesman for the Missouri Club for Growth, said that while Sinquefield is a significant donor — contributing more than \$2.3 million over the past three years — he has no hand in the organization's policies.

"We are not a puppet of Mr. Sinquefield," Abrajano said. "His contributions are truly his only involvement."

Abrajano said Sinquefield has changed the course of debate in Missouri.

"I was working in the Missouri Capitol 10 years ago, and even with a Republican majority I can't remember even the thought of passing a significant income tax cut," he said. "Mr. Sinquefield has certainly helped move the ball forward."

The four Republicans that Club for Growth is trying to defeat ultimately supported a tax cut bill this year that became law over the governor's veto.

But Abrajano said that's not good enough.

"We can't be sure that those four lawmakers can be trusted to hold the line in the future," he said.

John Bailey, the Republican challenging Walker in Kirksville, said his decision to jump into the primary had nothing to do with the Club for Growth, although it's "an endorsement that conservatives hope to receive."

Those types of primary challenges, Connor said, go to the heart of Sinquefield's longterm approach to Missouri politics. "Slowly but surely, he's nudging the Republican Party to the right," he said.

He may not have a lot of victories to show for his spending yet, but Sinquefield isn't too concerned.

"We're playing offense and the other side is constantly and chronically playing defense," Sinquefield said during a 2010 interview with the St. Louis Post-Dispatch. "We move the ball down the field every year a bit more. And my guess is that pretty soon we're going to be looking to go into the end zone."

Sinquefield shows no signs of slowing down. In fact, his spending thus far may just be the tip of the iceberg.

He told The Wall Street Journal in 2012 that whenever his former company is eventually sold, "that's when I'll really be able to give money away."

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