

# Racial Justice Advocates Provide Essential Leadership in Pioneering Seattle Democracy Vouchers Victory

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In 2015, a coalition of local activists helped enact a first-of-its-kind program in which Seattle residents receive four \$25 “democracy dollar” vouchers to give to candidates of their choice. Concerned with rising housing costs and the power of the city’s largely white donor class to thwart popular solutions, organizations representing communities of color engaged to improve the proposed program and push it over the finish line.

## **The Context: Inequality in Seattle Leads to Housing Insecurity**

Seattle has historically had a “boom and bust” economy.<sup>1</sup> Amazon, Boeing, and tech giants account for the city’s current wealth, but very little of it is broadly shared. The median income for white families in Seattle in 2018 was \$105,000, more than double that of Black households—45 percent of whom make less than \$30,000 a year in one of wealthiest cities in the world.<sup>2</sup>

Housing prices have skyrocketed recently, causing many Black and brown residents and working families to either move hours outside of the city or to stay and scrape by.<sup>3</sup> Washington State passed a state-wide ban on rent control in the 1970s, which survives today.<sup>4</sup> And wealthy developers and other big money donors have used their power to thwart affordable housing initiatives in the city. Despite sympathetic voices on the Seattle City Council, city government as a whole continued to pursue the priorities of the mostly white donor class.

For example, the council unanimously passed a per-employee tax on Seattle businesses making more than \$20 million per year, with revenues intended to help solve the city's housing crisis, only to repeal it less than a month later.<sup>5</sup> The repeal came as a direct result of threats from wealthy donors that they would spend big money both to repeal the tax and “flush progressives from office in Seattle.”<sup>6</sup> Immediately after the tax measure passed, a new group called No Tax on Jobs collected \$25,000 each from Amazon, Starbucks, Kroger, Albertsons, and Microsoft founder Paul Allen's private company Vulcan, and used these funds to successfully qualify a repeal measure for the ballot.<sup>7</sup> This corporate fundraising compared to a total \$30,000 budget to fight the repeal.<sup>8</sup> Business leaders confirmed privately that their campaign was not just about the tax, but also about pushing aside city leaders who would stand up to their agendas. A No Tax on Jobs consultant told a Downtown Seattle Association meeting, “What do we want? A new city council.”<sup>9</sup>

According to activist and policy advocate Liz Dupee, who led the coalition of groups working on democracy reforms in Seattle, a lack of affordable housing, gentrification, and all the consequences (e.g. people being forced to move out of the city and commute hours to work) were some of the primary reasons that working people of color decided to get involved in the campaign for democracy dollars.<sup>10</sup> Residents in these communities realized the program would build their political power as a community and create pathways for candidates from their communities, who understand the issues and will fight for change, to run for public office themselves.<sup>11</sup>

## Seattle's Political Donor Class

A 2015 study showed that, like political donors across the country, Seattle's political donor class was overwhelmingly white and wealthy. They also tended to live in homes with waterfront views—a detail that put a fine point on an already unmistakable reality: the presence of big money in politics prevents working people of color from equally participating in government.<sup>12</sup> The research revealed that just 4 percent of Seattle residents contributed 21 percent of donations, and the bulk of the cash came from wealthy neighborhoods dubbed “Big Money Zones.” Another 28 percent came from the next wealthiest neighborhoods called “Middle Money Zones.” All told, half of campaign funds raised came from the richest and second richest neighborhoods in the city, which account for only 13 percent of Seattle's total population.<sup>13</sup>

## The Solution: Democracy Dollars

In 2013, a coalition of young policy advocates called Fair Elections Seattle pushed the City Council to refer a proposition to the ballot to address the city's big money problem. The measure failed narrowly (by approximately 1,000 votes), due largely to the coalition's lack of outreach capacity.<sup>14</sup>

Organizations working to fight Seattle's housing crisis and build power for Black and brown communities saw an opportunity. In 2014, groups such as the Win/Win Network and Washington Community Action Network (Washington CAN) decided to engage with 2 goals in mind: make the policy to reduce the impact of big money as inclusive as possible, and help enact it into law.<sup>15</sup> The newly expanded, more diverse coalition decided to bypass the City Council and go straight to the voters with an innovative solution: address the dominance of big money by giving all Seattle residents \$100 in "democracy dollars" to contribute to candidates for city office.<sup>16</sup>

Crucially, the coalition, newly named Honest Elections Seattle, adopted a formal decision-making structure and committed to values around racial equity.<sup>17</sup> As a result, the community-based organizations succeeded on both of their key goals. Originally, democracy dollars were only going to be available to registered voters, but community-based advocates pushed for a more inclusive program open to any Seattle resident eligible to make campaign contributions. In 2015, the Democracy Vouchers proposal passed in a ballot referendum with a whopping 63 percent of the vote.<sup>18</sup> Washington CAN and its allies knocked on thousands of doors to help achieve this historic victory—ultimately contacting 22,000 voters concentrated in neighborhoods with the highest proportion of people of color and youth voters.<sup>19</sup>

"Having community-based coalition leadership ensured that BIPOC community interests would be prioritized by the campaign, which paved the way for the victory we saw in 2015," said Estevan Muñoz-Howard, an early coalition leader and Senior Program Officer at the Piper Fund. "Without BIPOC leaders, the policy wouldn't have been as inclusive, which would have dampened support from key partners and limited the impact of the Democracy Voucher program."<sup>20</sup>

## The Results: A Stronger Voice for Communities of Color in Seattle

Results from democracy dollars' first 2 election cycles show the program is working to diversify the donor pool to give Seattleites of color a stronger voice in their local democracy and open pathways to elected office for candidates of color who otherwise would not run.

In the 2017 cycle, the number of small donors tripled in comparison to the 2013 elections, from 8,200 to 25,000, and were largely from low-income neighborhoods.<sup>21</sup> Nearly 90 percent of voucher users in that initial cycle hadn't made a contribution to a city candidate in recent years.<sup>22</sup> In majority people of color neighborhoods, participation rates were 46 percent higher in City Council and City Attorney races than in the mayoral race. This suggests that the program also significantly expanded participation by people of color.<sup>23</sup> Strikingly, among irregular voters, those who used their vouchers were 4 times more likely to vote in 2017 than those who did not.<sup>24</sup> In 2019, nearly twice as many Seattle residents made voucher contributions as cash contributions, and voucher users were more racially and economically diverse than donors as a whole.<sup>25</sup>

Dupee said, "By connecting the issues that impact Seattleites to the need for more community control over who ends up on the ballot, the coalition effort that brought Democracy Vouchers from idea into reality has changed the face of who interacts in the Seattle donor community. Now, every voting-age Seattleite can financially support their choice candidates regardless of income level."

Gina Owens, a community activist and Washington CAN member and leader, was able to donate to a political campaign for the first time as a result of the Democracy Voucher program. She explained, "I've always been a voter, but my income has never been the highest in Seattle, so I always had a problem using my finances for campaigns, when I have to take care of home."<sup>26</sup> Susan Russell, another housing activist who is herself experiencing homelessness, said, "Being homeless feels like getting erased. The Democracy Voucher program made me feel like becoming visible in our local democracy... I got to donate to a candidate who made clear my voice mattered. It was huge. When you have nothing, the vouchers made me feel like I had value in a community. It gave me the opportunity to make a decision and a contribution."<sup>27</sup>

According to 2019 polling by an independent consulting firm, 45 percent of first-time candidates said they would not have run if the Democracy Vouchers program didn't exist.<sup>28</sup> As one candidate put it bluntly on Twitter: "I'm a Black working-class Millennial candidate with a net worth of approximately \$10,000. If it weren't for the democracy voucher program, running for office would be a pipe dream."<sup>29</sup>

City Council Member Teresa Mosqueda, who was elected in 2017, raised two-thirds of her funds through the program and said the same thing.<sup>30</sup> Mosqueda doesn't come from a wealthy family, and like many working-class Seattleites, is burdened with rent and student debt to pay off every month. She described Seattle's program as similar to "winning the lottery" for someone like her. Just as it enabled her, as an unlikely candidate, to run, it also enabled her to seek the support of the communities she comes from and wants to represent. Mosqueda faced 8 opponents in the primary and did not get the endorsement of Seattle's newspapers, but, she said, "What I did have was the power of the movement that the democracy vouchers helped fuel. I ran a worker-powered campaign with union members, women, people of color, health care advocates, and urbanists who went door-to-door talking about the importance of the race and democracy vouchers." In the end, Mosqueda won by 20 points in the general election.<sup>31</sup>

Ami Nguyen put her hat into the ring for a City Council slot in 2019 as well. She ultimately lost to an incumbent, but the democracy dollars program allowed her to run differently. "Coming from a low-income family, I would have never imagined that one day I would be running for office," she told *Northwest Asian Weekly*.<sup>32</sup> Nguyen told Next City, "The democracy voucher program has allowed me to connect with communities who don't have any money to spare but are in the most need of a political voice, including seniors relying on social security benefits or families who are living paycheck-to-paycheck."<sup>33</sup> A Seattle Times article described her campaigning:

*In other cities, the senior housing complex where Hoa Chau lives might not be a lucrative destination for political candidates seeking campaign donations. The building is occupied by many Vietnamese immigrants who speak little English and have little disposable income.*

*But Seattle has democracy vouchers, and Ami Nguyen is using them to bankroll her City Council bid. Nguyen spent hours at the building recently, chatting with residents and collecting dozens of the \$25 vouchers.*

*She walked the halls with Chau, who had never been visited by a candidate, and hasn't donated to a campaign before. "Because I'm old and I'm very poor," the 77-year-old said bluntly, through an interpreter. "I don't have any money."<sup>34</sup>*

This stronger voice for Seattle's immigrant communities has translated into policy wins. According to Dupee, "Because of Democracy Vouchers, the people giving to campaigns reflect the diversity of the city for the first time. We can already see ripple effects into policy with slight reductions in the Seattle Police Department budget and eviction moratorium extensions in response to the COVID-19 pandemic."

The city may finally be standing up to big business to get a handle on its housing crisis as well. Councilmember Teresa Mosqueda, who is a former Washington CAN board member, led her colleagues to revisit and successfully pass a second version of the big-business tax in 2020.<sup>35</sup> This came after Amazon ran a slate of candidates that largely came up short in 2019, the second cycle democracy dollars were available.<sup>36</sup> Former Washington CAN organizer and democracy dollar campaign steering committee member Chris Genese said, "Democracy dollar vouchers played a significant role in keeping grassroots candidates viable in 2019 as Amazon had geared up to take them out. After that cycle, Amazon lost influence at the council, which opened up a path for the City Council to repass the tax in 2020."<sup>37</sup>

The democracy dollars campaign also helped build power for people of color beyond Seattle's borders. Washington CAN subsequently ran a successful eviction reform ballot initiative in a majority BIPOC suburb called Federal Way.<sup>38</sup> According to Genese, "Washington CAN learned a lot about how to pass ballot initiatives from the democracy vouchers campaign, and we applied that knowledge to our very successful anti-eviction campaign. We saw that leading on the fight against big money was a triple win for the community we represent. We were able to craft and pass great policy to create a more inclusive democracy in our city. That policy has helped our constituents have a stronger voice to win other victories like the big business tax. And we were able to build our organization's capacity along the way so we're stronger for the next fight."

## High Hopes for the Future

In 2021, candidates for mayor will be eligible to seek democracy dollars for the first time, and the open-seat race will be the next big opportunity to amplify the voices of ordinary Seattle residents over large donors.<sup>39</sup> Advocates are optimistic about how that will help communities of color push their policy priorities.

"Already, the Democracy Voucher program has had a dramatic impact on political discourse in Seattle," said Muñoz-Howard. "We're seeing more BIPOC candidates run for office than ever before, increased voter participation among residents who have historically been left out of the democratic process, and a more widespread rejection of corporate influence on the city's policy priorities. I expect this to translate into an increasing number of concrete victories to improve the lives of Seattle's robust and engaged BIPOC communities in the years ahead."<sup>40</sup>

## Endnotes

- <sup>1</sup> Jon Talton, “Seattle’s boom and bust cycle may not be behind us,” *The Seattle Times*, June 10, 2017, <https://www.seattletimes.com/business/our-boom-and-bust-cycle-may-not-be-behind-us/>.
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- <sup>3</sup> Khaleda Rahman, “Protestors Want Seattle De-Gentrified—This is How it Could Happen,” *Newsweek*, June 16, 2020, <https://www.newsweek.com/seattle-capitol-hill-protesters-gentrification-black-lives-matter-1511192>.
- <sup>4</sup> Seattle.gov, “Rent Control FAQs and Myths,” <https://www.seattle.gov/council/meet-the-council/kshama-sawant/rent-strike/rent-control/rent-control-faqs-and-myths#:~:text=In%20response%20to%20grassroots%20organizing,from%20carrying%20out%20rent%20control>.
- <sup>5</sup> Alana Semuels, “How Amazon Helped Kill a Seattle Tax on Business,” *The Atlantic*, June 13, 2018, <https://www.theatlantic.com/technology/archive/2018/06/how-amazon-helped-kill-a-seattle-tax-on-business/562736/>.
- <sup>6</sup> *Id.*
- <sup>7</sup> *Id.*
- <sup>8</sup> *Id.*
- <sup>9</sup> *Id.*
- <sup>10</sup> Ms. Dupee, a longtime leader and advocate in Seattle, was formerly Director of Research and Strategy at Win/Win Network, and the Director of the Washington Democracy Hub Coalition.
- <sup>11</sup> Phone interview with Liz Dupee and Amshula Jayaram, Senior Campaign Strategist at Demos, November, 2020.
- <sup>12</sup> Alan Durning, *Who Funds Seattle’s Political Candidates?*, Sightline Institute, 2015. [https://www.sightline.org/research\\_item/who-funds-seattles-political-candidates/](https://www.sightline.org/research_item/who-funds-seattles-political-candidates/). See also Sean McElwee, Brian Schaffner, and Jesse Rhodes, *Whose Voice, Whose Choice?*, Demos, December 8, 2016, <https://www.demos.org/research/whose-voice-whose-choice-distorting-influence-political-donor-class-our-big-money>; and Adam Lioz, *Stacked Deck: How the Racial Bias in Our Big Money Political System Undermines Our Democracy and Our Economy*, Demos, 2015. <https://www.demos.org/research/stacked-deck-how-racial-bias-our-big-money-political-system-undermines-our-democracy-and>
- <sup>13</sup> Durning, *Who Funds?*. Broken down by income, “Big Money Zones” denote areas where the median income is \$106,000; “Middle Money Zones” describe areas where the median income is \$92,000; “Little Money Zones” indicate areas where the median income is \$80,000; and “Micro Money Zones” have a median income of \$61,000.



- <sup>14</sup> Liz Dupee and Alissa Haslam, *The Honest Elections Seattle Story: The Path to Democracy Vouchers, the Campaign, and What We Learned Along the Way*, Win/Win Network and Washington Democracy Hub, (on file with author) at 6.
- <sup>15</sup> *Id.* at 6.
- <sup>16</sup> *Id.* at 6.
- <sup>17</sup> *Id.* at 6.
- <sup>18</sup> *Supra* note 17.
- <sup>19</sup> Dupee and Haslam, at 12.
- <sup>20</sup> Phone interview and email discussion with Estevan Muñoz-Howard by Adam Lioz, Senior Counsel at Demos, February, 2021.
- <sup>21</sup> *First Look: Seattle's Democracy Voucher Program: Reducing the Power of Big Money and Expanding Political Participation*, Win/Win Network and Every Voice, November 15, 2017. <https://www.proteusfund.org/wp-content/uploads/2018/09/FINAL-Seattle-Post-Election-Report-1-Nov2017.pdf>.
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- <sup>23</sup> *First Look* at 5.
- <sup>24</sup> Jennifer A. Heerwig and Brian J. McCabe, *Expanding Participation in Municipal Elections: Assessing the Impact of Seattle's Democracy Voucher Program*, University of Washington Center for Studies in Demography and Ecology, [https://www.seattle.gov/Documents/Departments/EthicsElections/DemocracyVoucher/UW\\_Seattle\\_Voucher\\_Final.pdf](https://www.seattle.gov/Documents/Departments/EthicsElections/DemocracyVoucher/UW_Seattle_Voucher_Final.pdf), at 5.
- <sup>25</sup> Jennifer A. Heerwig and Brian J. McCabe, *Building a More Diverse Donor Coalition: An Analysis of the Seattle Democracy Voucher Program in the 2019 Election Cycle*, Georgetown University, December 16, 2020, <https://mccourt.georgetown.edu/news/building-a-more-diverse-donor-coalition/>.
- <sup>26</sup> Gene Balk, "Do Seattle's democracy vouchers work? New analysis says yes," *The Seattle Times*, October 13, 2017, accessed November 11, 2017, <https://www.seattletimes.com/seattle-news/data/do-seattles-democracy-vouchers-work-new-analysis-says-yes/>.
- <sup>27</sup> *Elster vs. City of Seattle*, May 31, 2018, <https://www.demos.org/sites/default/files/2019-04/Elster%20Wash%20CAN%20Appeals%20Brief%20FILED.pdf>, at 8.
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- <sup>29</sup> Gregory Scruggs, "Can Small-Money Democracy Vouchers Balance Out Big-Money PACs in Seattle's Municipal Elections?," Next City, August 6, 2019, <https://nextcity.org/daily/entry/can-small-money-democracy-vouchers-balance-out-big-money-pacs-in-seattle>.

- <sup>30</sup> Teresa Mosqueda, “I’m Still Paying off My Student Loans—Here’s How I Funded My Campaign (and Won),” *Bustle*, August 14, 2018, <https://www.bustle.com/p/seattles-democracy-vouchers-helped-me-get-elected-heres-what-i-want-you-to-know-10052772>.
- <sup>31</sup> *Id.*
- <sup>32</sup> Meera Maaytah, “Ami Nguyen—Daughter of Vietnamese refugees, King County public defender running for City Council,” *Northwest Asian Weekly*, May 3, 2019, <http://nwasianweekly.com/2019/05/ami-nguyen-daughter-of-vietnamese-refugees-king-county-public-defender-running-for-city-council/>.
- <sup>33</sup> Scruggs, “Can Small-Money Democracy Vouchers Balance Out?”
- <sup>34</sup> Daniel Beekman, “These voters are using democracy vouchers to influence Seattle’s City Council races,” *The Seattle Times*, September 27, 2019, <https://www.seattletimes.com/seattle-news/politics/candidates-for-seattle-city-council-have-collected-1-6-million-in-democracy-vouchers-so-far/>.
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- <sup>39</sup> David Moore, “Seattle’s Public Financing Breakthrough,” *The American Prospect*, December 25, 2020, <https://prospect.org/power/seattles-public-financing-breakthrough/>.
- <sup>40</sup> *Supra* note 20.



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