



TAXPAYER BILL OF RIGHTS:

AN ANALYSIS OF MONEY RAISED AROUND THE
TAX EXPENDITURE LIMITS ON
STATE BALLOTS IN 2006

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OVERVIEW

Advocates of governmental spending limits experienced two major setbacks in 2005 when voters in California rejected a proposal to impose a strict state spending limit and Colorado voters approved a suspension of the state's constitutional spending limit, originally passed in 1992.

These defeats, however, did not stop proponents from moving forward with similar spending-limit initiatives in several states in 2006.¹ The initiatives, known as the Taxpayer Bill of Rights (TABOR), were designed to tie state spending to the rate of inflation plus growth in population.

In the end, TABOR backers fared even worse in 2006. Voters rejected the initiatives in Maine, Nebraska and Oregon, and in five other states – Michigan, Missouri, Montana, Nevada and Oklahoma – successful court challenges by opponents disqualified the measures. In Ohio, backers withdrew the measure from the ballot in exchange for a less sweeping measure passed by the Legislature.

The 2006 TABOR battles in the nine states attracted \$22.6 million in contributions, with proponents raising \$10.25 million and opponents raising \$12.35 million.

Although voters had the last word on Election Day, they had very little to do with the funding of the campaigns leading up to that day. Contributions from residents in the states that faced these ballot measures accounted for less than one percent of the total. Instead, special interests and labor unions provided 94 cents of every dollar raised. Further, more than half of the money raised by the TABOR committees, \$11.9 million, came from out-of-state sources.

These giving patterns dispel any notion that the 2006 TABOR initiative drives were largely grassroots campaigns.

CONTRIBUTIONS TO THE TABOR BALLOT MEASURE COMMITTEES, 2006

ON BALLOT	STATE	PROponents	OPponents	TOTAL
Measure 48	Oregon	\$1,308,062	\$3,333,370	\$4,641,432
Measure 423	Nebraska	\$1,726,766	\$2,531,090	\$4,257,856
Question 1	Maine	\$500,561	\$2,044,855	\$2,545,416
	TOTAL	\$3,535,389	\$7,909,315	\$11,444,704
NOT ON BALLOT				
Question 3	Nevada	\$758,756	\$2,048,085	\$2,806,841
Article 14	Missouri	\$2,351,661	\$0	\$2,351,661
CI-97	Montana	\$510,382	\$1,398,205	\$1,908,587
Proposal 06-6	Michigan	\$1,100,293	\$628,693	\$1,728,986
State Question 726	Oklahoma	\$965,069	\$355,357	\$1,320,426
Tax Expenditure Limitation Amendment	Ohio	\$1,034,546	\$10,290	\$1,044,836
	TOTAL	\$6,720,707	\$4,440,630	\$11,161,337
	OVERALL TOTAL	\$10,256,096	\$12,349,945	\$22,606,041

¹ Pamela M. Prah, "Anti-tax Ballot Box Revolt Stifled," *Stateline.org*, Oct. 18, 2006 [on-line]; available from <http://www.stateline.org/live/details/story?contentId=149788>; Internet; accessed April 3, 2007.

HOWARD RICH VS. LABOR UNIONS

Ultimately, labor unions and a tangled web of groups with direct ties to Howard Rich – a New York state real estate investor with long-standing ties to libertarian causes – were the major players in last fall’s battle to enact state tax and spending limits through ballot measures. Groups affiliated with Rich provided \$7.65 million. Labor organizations countered by raising \$6.87 million. Together, these donors provided nearly two-thirds of the money raised in the 2006 TABOR campaigns.

Howard Rich Groups Form Funding Web

Three of every four dollars raised by TABOR proponents can be traced back to Howard Rich. In fact, four of the top 10 donors overall came from organizations with direct ties to Rich. When asked why he poured so much money into local campaigns outside his home state, Howard Rich said, “I see this as seed money... A lot of times, there’s just nobody there to get them started and that’s how I see part of my role.”² In all, eight groups giving to the 2006 TABOR measures could be traced back to Rich:

- America At Its Best, the largest donor overall, gave \$2.3 million – \$1.36 million to the measure in Nebraska, \$640,000 in Missouri, and \$310,000 in Michigan. Although the organization lists a Montana address in the campaign reports, it is primarily funded by other organizations associated with Rich, according to reports the organization filed with the Nebraska Accountability and Disclosure Commission.
- Fund For Democracy, headed by Rich to provide seed money to state initiative campaigns,³ and based in New York City, gave a total of \$2.28 million – \$1.6 million in Missouri and another \$623,000 in Michigan.
- Americans For Limited Government, chaired by Rich⁴ and based in Illinois, gave nearly \$1.9 million to the ballot measures – \$701,653 in Nevada, \$632,672 in Oregon, \$430,979 in Oklahoma, and \$131,962 in Maine.
- Montanans in Action, with a listed address in Winifred, Mont., gave \$487,667 to the initiative effort in Montana. Although the committee’s treasurer, Trevis Butcher, refused to file campaign finance reports with the state,⁵ Howard Rich said that he poured nearly \$200,000 into the organization to back the Montana TABOR measure.⁶

² Howard Rich Interview with Ray Ring, *High Country News* [on-line]; available from <http://www.hcn.org/audio/richfulledit1.mp3>; Internet; accessed Oct. 16, 2006.

³ *Americans For Limited Government* [on-line], available from <http://www.getliberty.org/people/hrich.php>; Internet; accessed April 9, 2007.

⁴ *Ibid.*

⁵ Alyssa Work, “Following the Money,” *Missoula Independent* [on-line]; Aug. 3, 2006, available from <http://www.missoulanews.com/News/News.asp?no=5864>; Internet, accessed Oct. 16, 2006.

⁶ Ray Ring, “Taking Liberties,” *High Country News*, July 24, 2006 [on-line]; available from http://www.hcn.org/servlets/hcn.Article?article_id=16409; Internet; accessed Oct. 16, 2006.

- Club for Growth, headed by Rich,⁷ and also housed in the same office in Illinois as Rich's Americans For Limited Government and America At Its Best, gave \$300,000, all to the Oregon measure. In addition, the Colorado Club for Growth, in Colorado Springs, Colo., gave \$150,000 to support the initiative effort in Oklahoma.
- Colorado At Its Best, an affiliate of America At Its Best out of Golden, Colo., gave \$110,000 to the Nebraska measure.
- Legislative Education Action Drive, a tax-exempt organization that Rich founded to promote education vouchers and tuition tax credits,⁸ gave \$70,000 in Oklahoma.
- U.S. Term Limits, founded by Rich, gave \$50,000 in Missouri.

Labor Unions Lead the Charge Against Rich

Squaring off with Howard Rich were labor unions, which gave a collective total of \$6.87 million, more than half of the \$12.35 million raised by opponents.

Teachers' unions, in particular, gave heavily. The National Education Association (NEA), the umbrella group for public school teachers' unions, gave nearly \$2.2 million. An additional \$2 million from various state chapters of the NEA brought the union's total to \$4.2 million. In addition, the Federation of Teachers and its chapters gave \$316,705, largely due to \$252,480 from the Oregon Federation of Teachers.

The Service Employees International Union (SEIU) and several of its locals also dug deep, contributing more than \$832,000. These funds came primarily from the national SEIU, which gave \$401,671 followed by Oregon affiliate Local 53, which gave \$307,730.

MAJOR DONORS

The top ten donors in favor of the TABOR measures gave just over \$9 million, which accounted for 88 percent of the total raised by the proponents. Six of the top ten supporters were part of Howard Rich's web of groups. In addition to Rich's groups, two other national anti-tax advocates promoted the TABOR measures. The National Taxpayers Union, based in Arlington, Va., gave to the initiative efforts in Maine, Michigan, Nebraska, Oklahoma and Oregon; the Americans For Tax Reform, in Washington, D.C., gave to the failed efforts in Oklahoma and Ohio.

The top ten donors opposed to the TABOR measures gave nearly \$4.4 million, two-thirds of the money raised by the opponents. Six of the top ten opponents were labor unions, four of which were teacher unions. In addition, the national AARP and the Montana AARP affiliate gave considerably. Based in Washington D.C., AARP, a nonprofit organization for people age 50 and

⁷ *Americans for Limited Government* [on-line]; available from <http://www.getliberty.org/people/hrich.php>; Internet; accessed April 9, 2007.

⁸ Jim Morris and Robert Brodsky, "Following the Money, Part 1," *Center For Public Integrity*, Nov. 1, 2006 [on-line]; available from http://www.takingsinitiatives.org/index.php?option=com_content&task=view&id=210&Itemid=62; accessed April 12, 2007.

over, staunchly opposed TABOR because “it is bad public policy that would cripple the state's ability to provide essential services to seniors, children and the disabled.”⁹

TOP CONTRIBUTORS TO TABOR COMMITTEES, 2006

PROPOSERS	TOTAL
America At Its Best*	\$2,310,000
Fund For Democracy*	\$2,281,000
Americans For Limited Government*	\$1,897,265
National Taxpayers Union	\$692,684
Ohioans For Responsible Government	\$574,000
Montanans In Action*	\$487,667
Club For Growth*	\$300,000
Americans For Tax Reform	\$200,000
Colorado Club For Growth*	\$150,000
Ohioans For Blackwell	\$136,050
TOTAL	\$9,028,666
OPPONENTS	
National Education Association	\$2,197,465
Oregon Education Association	\$723,743
AARP (National)	\$620,774
Nebraska State Education Association	\$569,922
Nevada Tomorrow	\$500,085
Oregon School Employees Association	\$476,840
AARP Montana	\$441,513
Montana Education Association/ Montana Federation Of Teachers	\$432,235
Service Employees International Union	\$401,671
Boyd Gaming	\$390,000
TOTAL	\$6,754,248
OVERALL TOTAL	\$15,781,235

* Groups affiliated with Howard Rich

The major donors typically did not put all their eggs in one basket, choosing instead to distribute their contributions to the TABOR campaigns in several states. Although no donor gave in all nine states, several gave in four or more.

⁹ “AARP Oklahoma Tanks TABOR,” *AARP* [on-line]; available from http://www.aarp.org/states/ok/ok-advocacy/aarp_oklahoma_tanks_tabor.html; Internet; accessed April 8, 2007.

MAJOR CONTRIBUTORS GIVING ACROSS STATE LINES, 2006

CONTRIBUTOR	STATE	POSITION	TOTAL
America At Its Best	Nebraska	For	\$1,360,000
	Missouri	For	\$640,000
	Michigan	For	\$310,000
TOTAL			\$2,310,000
Fund For Democracy	Missouri	For	\$1,658,000
	Michigan	For	\$623,000
TOTAL			\$2,281,000
National Education Association	Maine	Against	\$997,714
	Nebraska	Against	\$770,000
	Montana	Against	\$329,751
	Oklahoma	Against	\$100,000
TOTAL			\$2,197,465
Americans For Limited Government	Nevada	For	\$701,653
	Oregon	For	\$632,672
	Oklahoma	For	\$430,979
	Maine	For	\$131,962
TOTAL			\$1,897,266
National Taxpayers Union	Nebraska	For	\$200,000
	Michigan	For	\$155,000
	Oklahoma	For	\$130,000
	Oregon	For	\$107,684
	Maine	For	\$100,000
TOTAL			\$692,684
AARP (National)	Nebraska	Against	\$365,774
	Maine	Against	\$195,000
	Michigan	Against	\$20,000
	Montana	Against	\$20,000
	Oklahoma	Against	\$20,000
TOTAL			\$620,774
Service Employees/SEIU	Oklahoma	Against	\$156,140
	Maine	Against	\$140,000
	Michigan	Against	\$50,000
	Montana	Against	\$43,031
	Oklahoma	Against	\$10,000
	Nebraska	Against	\$2,500
TOTAL			\$401,671
Americans For Tax Reform	Oklahoma	For	\$175,000
	Ohio	For	\$25,000
TOTAL			\$200,000

OUT-OF-STATE DONORS

The involvement of several national organizations resulted in an infusion of out-of-state cash to both sides. Over half of the money raised overall, \$11.9 million, came from out of state. Proponents relied heavily on out-of-state funds, raising \$8.3 million – or 81 percent of their funds – from elsewhere. By comparison, 29 percent of the opponent’s funds – or \$3.6 million – came from out-of-state sources, mostly from the NEA. Another major out-of-state contributor was the national AARP.

OUT-OF-STATE CONTRIBUTIONS TO TABOR COMMITTEES, 2006

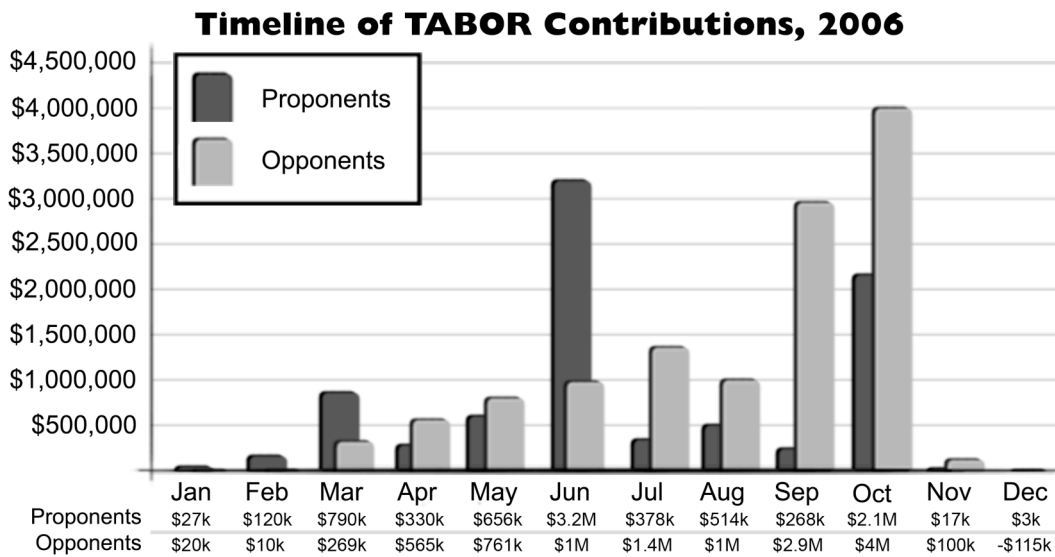
ON BALLOT	FOR	AGAINST	TOTAL OUT OF STATE	PERCENT OF TOTAL
Nebraska	\$1,671,000	\$1,204,141	\$2,875,141	68%
Maine	\$273,262	\$1,448,714	\$1,721,976	67%
Oregon	\$1,040,356	\$165,561	\$1,205,917	26%
TOTAL	\$2,984,618	\$2,818,416	\$5,803,034	51%
NOT ON BALLOT				
Missouri	\$2,348,810	\$0	\$2,348,810	99%
Oklahoma	\$955,979	\$152,100	\$1,108,079	84%
Michigan	\$1,088,000	\$95,750	\$1,183,750	68%
Nevada	\$701,653	\$78,000	\$779,653	28%
Montana ¹⁰	\$0	\$463,727	\$463,727	24%
Ohio	\$220,245	\$50	\$220,295	21%
TOTAL	\$5,314,687	\$789,627	\$6,104,314	55%
OVERALL TOTAL	\$8,299,305	\$3,608,043	\$11,907,348	53%

¹⁰ Although the table indicates the money raised in support of the Montana TABOR measure came entirely from in-state donors, a little digging reveals otherwise. Despite its name and listed Montana address, Montanans in Action – which gave nearly half a million to the CI-97 committee – was funded primarily by Howard Rich, as stated earlier.

WHEN THE MONEY ROLLED IN

June and October were key fund-raising months in the campaign, bringing in 45 percent of the total money raised. Proponents raised the most in the month of June, nearly \$3.2 million, primarily to cover their costs of signature collection and other expenses related to getting the measures certified for the November ballot. October was their next most lucrative fund-raising period, when they raised more than \$2 million, mostly to pay for the campaigns in the three states where the measures made it on the ballot.

October was also the key month for opponents, who raised \$4 million in that month alone. September also saw an influx of \$2.9 million. Each of the three summer months brought in over \$1 million.



TABOR MEASURES THAT MADE THE BALLOT

MAINE

The vote on Maine's TABOR initiative, Question 1, was the closest of the three states, with just 54 percent of the votes cast against it.

Committees organized to support or oppose Maine's TABOR initiative raised \$2.54 million, 80 percent of which was raised by the opponents.

CONTRIBUTIONS TO MAINE'S QUESTION 1, 2006

PROPONENTS	TOTAL
TaxpayerBillofRights.com	\$495,066
Citizens Alliance Of Maine	\$4,040
Mainers For Tax Relief	\$1,455
TOTAL	\$500,561
OPPONENTS	
Citizens United To Protect Our Public Safety Schools & Communities	\$1,333,965
Citizens Who Support Maine's Public Schools ¹¹	\$710,889
TOTAL	\$2,044,854
OVERALL TOTAL	\$2,545,415

The three committees supporting the measure raised more than \$500,000. Rich's Americans For Limited Government was the primary donor, giving nearly \$132,000 to the TaxpayerBillofRights.com committee. The National Taxpayers Union was close behind, contributing \$100,000 to the same committee. Real estate developer Joseph Boulos gave \$25,000 to the TaxpayerBillofRights.com committee, as did New Elm Farm, an agricultural research station in Freeport, Maine.

A fourth organization promoting the measure, the Maine Heritage Policy Center, did not file campaign finance reports with the state, asserting that as an organization concerned with education, not campaigning, it was exempt from financial disclosure laws.¹² The state ethics commission ultimately concurred, though it did rule in late December 2006 that the committee needed to file a different report that disclosed its activity on the TABOR measure.¹³ The committee complied and submitted the report in mid-January 2007, reporting contributions of \$975 and expenditures of nearly \$31,000.

The two opposing committees raised more than \$2 million, almost four times the money raised by the pro-TABOR committees.

¹¹ The Citizens United committee gave \$27,188 to this committee, making it likely the amount was in the disclosure reports twice.

¹² Trevor Maxwell, "Ethics Panel Seeks Information On TABOR Contributions," *Portland Press Herald*, Nov. 29, 2006 [newspaper on-line]; available from <http://pressherald.maine.com/news/state/061129ethics.html>; Internet; accessed Dec. 4, 2006.

¹³ Susan M. Cover, "Heritage Policy Center Ordered to File Form," *Kennebec Journal*, Dec. 21, 2006 [newspaper on-line]; available from <http://kennebecjournal.maine.com/news/local/3444958.html>; accessed April 11, 2007.

Roughly half of the money raised by the opponents came from the NEA, which gave \$550,000 to the Citizens United to Protect Our Public Safety Schools and Communities (Citizens United). The NEA gave an additional \$447,714 to the Citizens Who Support Maine's Public Schools, the political action committee of the Maine Education Association,¹⁴ which passed on \$215,000 to the Citizens United committee.

The national AARP gave \$195,000 in Maine, followed closely by the Maine Municipal Association, which gave \$157,495, and the Service Employees International Union, which gave \$140,000.

Individual donors gave a total of \$223,075, more than in any other state. The majority of the money from individuals – \$185,100 – was given to the proponents.

NEBRASKA

Nebraska voters soundly rejected Initiative 423 last November, with 70 percent of the votes on the measure cast against it.

The TABOR campaign in Nebraska raised a collective total of \$4.2 million, with three opposing committees out-raising the two proponents by more than \$800,000.

CONTRIBUTIONS TO NEBRASKA'S INITIATIVE 423, 2006

PROONENTS	TOTAL
Stop Over Spending Nebraska	\$1,572,352
Committee For State Stewardship ¹⁵	\$154,414
TOTAL	\$1,726,766
OPONENTS	
Nebraskans Against 423	\$2,424,327
Nebraska Taxpayers Against 423	\$99,513
Stop Initiative 423 ¹⁶	\$7,250
TOTAL	\$2,531,090
OVERALL TOTAL	\$4,257,856

Ninety-seven percent of the money raised by proponents of the Nebraska TABOR initiative came from out-of-state donors, most of whom can be traced directly back to Howard Rich. Stop Over Spending Nebraska was funded almost exclusively by Rich's America At Its Best, which provided \$1.36 million of the \$1.57 million raised. Another of Howard Rich's groups, Colorado At Its Best, was the primary source of funds for the Committee For State Stewardship, supplying \$110,000, nearly three-quarters of the \$154,400 the committee raised. In total, Rich's groups provided \$1.47 million to the Nebraska TABOR measure, or 85 cents of every dollar given to the proponents.

¹⁴David Farmer, "Anti-TABOR Forces Pad War Chest," *Sun Journal*, Oct. 11 2006 [newspaper on-line]; available from http://www.sunjournal.com/story/179705-3/MaineNews/AntiTABOR_forces_pad_war_chest/; Internet; accessed April 3, 2007.

¹⁵ 25,000 of this committee's total came from the Stop Over Spending Nebraska committee, making it likely that the money is reported twice in disclosure reports.

¹⁶ The \$7,250 came from the Nebraskans Against 423 committee, making it likely that the money is reported twice in disclosure reports.

The other large donor to proponents was the National Taxpayers Union, which gave an additional \$200,000, all to the Stop Over Spending Nebraska committee.

The main opponent of the measure, Nebraskans Against 423, raised \$2.4 million, thanks largely to support from five major donors: the National Education Association, which gave \$770,000; the Nebraska State Education Association, which gave \$569,922; the national AARP, which gave \$365,774; the League of Nebraska Municipalities, which gave \$118,445; and the Nebraska chapter of AARP, which gave \$112,184.

OREGON

Oregonians rejected Measure 48 resoundingly, with 71 percent of the votes cast in opposition.

The committees in Oregon, all of which were active on other ballot measures as well, raised a total of \$4.6 million. Two committees in support of the measure raised \$1.3 million, while nine opposing committees raised \$3.3 million. However, three of the nine opposing committees did not raise any money – Healthy Communities Coalition, Oregon Sierra Club Ballot Measure, and Oregonians For Public Safety.

CONTRIBUTIONS TO OREGON’S MEASURE 48, 2006

PROPONENTS	TOTAL
Rainy Day Amendment Committee	\$1,307,687
Parents Education Association	\$375
TOTAL	\$1,308,062
OPPONENTS	
Defend Oregon Coalition	\$2,622,791
School Employees Exercising Democracy	\$337,087
Nurses United	\$293,875
Oregon Public Employees Union	\$71,922
PAC 483 (Labor Union)	\$7,544
International Union of Operating Engineers Local 701	\$150
TOTAL	\$3,333,369
OVERALL TOTAL	\$4,641,431

The leading opponent was the Defend Oregon Coalition, which raised \$2.6 million in its campaign to defeat both the TABOR measure and Measure 41, another failed tax measure. More than three-quarters of the funds raised by the Coalition came from labor unions. The largest donor was the Oregon Education Association, which gave \$723,743. SEIU Local 503 gave \$307,700, while the Oregon Federation of Teachers gave \$252,480.

The Rainy Day Amendment Committee raised \$1.3 million to support both the TABOR measure and the failed Measure 45, which would have placed term limits on legislators. Seventy-one percent of the committee’s funds came from two of Rich’s groups: Americans For Limited Government gave \$632,672 and Club for Growth gave \$300,000.

TABOR MEASURES THAT FAILED TO MAKE THE BALLOT

Anti-tax advocates attempted to get TABOR measures on the ballot in six other states but were unsuccessful in their efforts. Courts threw the ballot measures out in Michigan, Missouri, Montana and Oklahoma. In Ohio, the measure was dropped when then-gubernatorial candidate and then-Secretary of State Ken Blackwell met with staunch opposition on the campaign trail and decided instead to settle on a less sweeping plan from the state Legislature.

MICHIGAN

A group called Stop Overspending, bankrolled almost entirely by Howard Rich groups, failed in its effort to get a TABOR measure on Michigan's November ballot in 2006. In mid-September, the state Board of Canvassers ruled that the committee failed to submit enough valid signatures to qualify Proposal 6 for the ballot.¹⁷ The decision was later upheld by the state Court of Appeals.

Michigan's Proposal 6 garnered \$1.7 million in contributions, two-thirds of which was raised by the one committee that organized to promote the measure.

CONTRIBUTIONS TO MICHIGAN'S PROPOSAL 6, 2006

PROPOSERS	TOTAL
Stop Overspending	\$1,100,293
TOTAL	\$1,100,293
OPPONENTS	
Defend Michigan No On Proposal 6	\$306,027
MI Voter Education Project	\$227,666
Citizens For A Better Michigan	\$95,000
TOTAL	\$628,693
TOTAL	\$1,728,986

Two of Rich's groups provided 84 percent of the money raised by the Stop Overspending committee. The Fund For Democracy gave \$623,000, and another \$310,000 came from America At Its Best. The National Taxpayers Union provided an additional \$155,000. Just one percent of the money raised by the committee, or \$12,293, came from within the state.

The three committees that fought the measure raised a total of \$628,693, just over half of the money raised by the proponent. Three organizations provided almost half those funds: the Michigan State Employees Association gave \$110,000; the Michigan League for Human Services gave \$95,000; and the Michigan Health and Hospital Association gave \$78,167. Unlike the pro-TABOR committee, the opposition raised most of its money from within the state. Just 15 percent of the money raised, or \$95,750, came from out of state.

¹⁷ Mike Gallagher, "Board of Canvassers Keep SOS Initiative Off State Ballot; Will Go to Supreme Court," *Council of Michigan Foundations*, Sept. 15, 2006 [on-line]; available from http://www.cmif.org/News_Detailed.asp?ID=1218; Internet; accessed April 5, 2007.

MISSOURI

Missouri's TABOR measure, Article 14, was first rejected in May by Secretary of State Robin Carnahan over problems with the signature-gathering process.¹⁸ The decision was then upheld in July by a county circuit judge.

Missourians In Charge was the one and only proponent of Article 14, which formed to support both the spending lid and a property rights measure that also failed to qualify for the ballot.¹⁹ Despite its name, the group was in fact bankrolled by Howard Rich's groups, which gave 99 percent of the nearly \$2.4 million raised: Fund For Democracy gave \$1.65 million; America At Its Best gave \$640,000; and U.S. Term Limits gave \$50,000.

Protect Missouri's Future, a coalition of organizations, opposed the TABOR measure. However, since the measure did not qualify for the ballot, the coalition did not establish a committee to raise funds in opposition to it, according to Amy Blouin, who helped form and facilitate the coalition.²⁰

MONTANA

On October 24, 2006, less than two weeks before the election, the Montana Supreme Court invalidated three ballot measures on the state's ballot "because of 'pervasive fraud' by out-of-state, paid signature-gatherers...."²¹ The ruling upheld an earlier lower court decision made in September. Because the final ruling was made after the ballots were printed, the three measures appeared on the ballots. However, votes cast on those measures were not counted.

Among the three measures booted off the ballot was the Montana TABOR initiative, CI-97.

The TABOR battle in Montana attracted \$1.9 million in contributions, with three-quarters of the money raised by the opposition.

CONTRIBUTIONS TO MONTANA'S CI-97, 2006

PROPONENTS	TOTAL
Yes CI-97 (Stop Over Spending Montana)	\$510,415
TOTAL	\$510,415
OPPONENTS	
Not In Montana: Citizens Against CI-97	\$1,398,205
TOTAL	\$1,398,205
TOTAL	\$1,908,587

The two committees formed to push the TABOR measure in Montana were both bankrolled by Howard Rich. Yes CI-97 raised \$510,000, 96 percent of which came from Montanans In Action

¹⁸ Amy Blouin, "Ballot Initiative Dead for 2006; Coalition Warns that 'Spending Lid' Will Resurface," *Partners To Protect Missouri's Future* [on-line], available from <http://www.protectmo.org/>; accessed April 11, 2007.

¹⁹ Phone interview with Patrick Tuohey, committee treasurer, April 6, 2007.

²⁰ Phone interview with Amy Blouin, Executive Director, Missouri Budget Project, April 6, 2007.

²¹ Mike Dennison, "State High Court Rules Out Initiatives," *Billings Gazette*, Oct. 27, 2006 [newspaper on-line]; available from <http://www.billingsgazette.net/articles/2006/10/27/news/state/20-initiatives.prt/>; Internet; accessed April 3, 2007.

(MIA). Although MIA did not file campaign finance reports documenting its source of funds, claiming it was not required by law to do so,²² Howard Rich revealed that he poured nearly \$200,000 through MIA to back the Montana TABOR measure, as well as the eminent domain and judicial recall measures, the two other measures that were also struck from the ballot by the courts.²³

Since the Supreme Court’s decision came in the eleventh hour of the campaign, the Not in Montana: Citizens Against CI-97 committee raised funds until the end. Three donors bankrolled the committee’s efforts, providing \$1.2 million, or 86 percent of the money it raised. AARP’s Montana chapter was the largest donor, giving \$441,513, followed by the Montana Education Association-Montana Federation of Teachers, which used union dues to provide the committee with a total of \$432,235.²⁴ The National Education Association gave \$329,751.

NEVADA

Nevada’s Tax and Spend Control initiative (TASC) was stripped from the ballot by the state Supreme Court in early September due to conflicting language in the circulated petitions and non-compliance with the single-subject rule that requires measures to address only one subject.²⁵

Committees organized around the TABOR measure raised a total of \$2.8 million, with proponents raising 63 percent less than the opponents.

CONTRIBUTIONS TO NEVADA’S QUESTION 3, 2006

PROPOSERS	TOTAL
Tax And Spend Control For Nevada	\$758,756
TOTAL	\$758,756
OPPONENTS	
Nevada Tomorrow	\$1,390,000
Nevadans for Nevada	\$658,085
TOTAL	\$2,048,085
TOTAL	\$2,806,841

The one proponent, Tax and Spend Control for Nevada, received nearly all of its funds from Howard Rich’s group, Americans For Limited Government, which provided \$701,653, or 92 percent of the money the committee raised.

²² Alyssa Work, “Following The Money,” *Missoula Independent*, Aug. 3, 2006 [newspaper on-line]; available from <http://www.missoulanews.com/News/News.asp?no=5864>; Internet; accessed Aug. 7, 2006.

²³ Ray Ring, “Taking Liberties,” *High Country News* [on-line]; July 24, 2006, available from http://www.hcn.org/servlets/hcn.Article?article_id=16409; Internet; accessed Oct. 16, 2006.

²⁴ Mike Dennison, “Unidentified Donors Fund Group Backing Ballot Issues,” *Missoulian*, May 17, 2006 [newspaper on-line]; available from <http://www.missoulian.com/articles/2006/05/17/news/mtregional/news08.prt>; Internet; accessed April 2, 2007.

²⁵ Brendan Riley, “Nevada Court Rejects One Ballot Question, OKs Another,” *Las Vegas Sun*, Sept. 8, 2006 [newspaper on-line]; available from <http://www.lasvegassun.com/sunbin/stories/nevada/2006/sep/08/090810448.html>; Internet; accessed April 4, 2007.

Three groups formed to fight the measure and raised a collective total of more than \$2 million. However, Nevadans For Quality Education reported raising no funds. Nevadans for Nevada, which also worked on an eminent domain ballot measure, received \$500,085 from Nevada Tomorrow, making it likely that the money is reported twice in disclosure reports.

The main source of funds for the anti-TASC campaign came from gaming interests, which provided more than \$1 million to Nevada Tomorrow. Top contributors were Boyd Gaming, which gave \$390,000; Harrah’s and Station Casinos, which gave \$155,000 each; MGM Mirage, which gave \$135,000; and International Gaming Technology, which contributed \$100,000.

OKLAHOMA

In late August, the state Supreme Court threw out Oklahoma’s TABOR initiative, State Question 726, due to issues with the signature-gathering process. The legal challenge was funded in large part by AARP Oklahoma.²⁶

The two committees that formed around SQ 726 raised a collective total of \$1.3 million, most of which was raised by the committee supporting the measure.

CONTRIBUTIONS TO OKLAHOMA’S STATE QUESTION 726, 2006

PROPONENT	TOTAL
Oklahomans In Action	\$965,069
TOTAL	\$965,069
OPPONENTS	
Stop SQ 726	\$355,357
TOTAL	\$355,357
TOTAL	\$1,320,426

The funds raised by Oklahomans In Action came almost exclusively from out of state. Groups tied to Howard Rich kicked in a total of \$650,979: Americans For Limited Government gave \$430,979; Colorado Club For Growth gave \$150,000; and the Legislative Education Action Drive gave \$70,000. In addition, Americans For Tax Reform contributed \$175,000, followed by the National Taxpayers Union with \$130,000. Less than one percent raised by the committee came from within the state.

Opponents to the initiative raised slightly more than one-third of the amount raised by the pro-TABOR committee. Over half of the funds – \$192,900 – came from labor organizations, primarily the National Education Association, which provided \$100,000. Fifty-seven percent of the opponents’ money, or \$203,257, came from within the state

OHIO

The TABOR story in Ohio was unlike that of any other state. Backers of the measure, known as the Tax Expenditure Limitation Amendment, were actually successful in having the measure certified for the November 2006 ballot. However, they withdrew the measure from the ballot over

²⁶ “AARP Oklahoma Tanks TABOR [on-line]; AARP [on-line]; available from http://www.aarp.org/states/ok/ok-advocacy/aarp_oklahoma_tanks_tabor.html; Internet; accessed April 5, 2007.

the summer after then-gubernatorial candidate and Secretary of State Ken Blackwell decided instead to settle on a less sweeping plan from the state Legislature.

Three committees raised just over \$1 million in the battle over the spending limit amendment, less than one percent of which was raised by the opposition.

**CONTRIBUTIONS TO OHIO'S TAX EXPENDITURE
LIMITATION AMENDMENT, 2006**

PROPONENT	TOTAL
Citizens For Tax Reform	\$1,034,546
TOTAL	\$1,034,546
OPPONENTS	
Campaign For Ohio's Future	\$10,290
Coalition For Ohio's Future ²⁷	\$00
TOTAL	\$10,290
OVERALL TOTAL	\$1,044,836

A major anomaly to Ohio's story is the absence of identified support from Howard Rich's organizations. Instead, Citizens For Tax Reform, chaired by then Secretary of State Ken Blackwell, who was also running for governor, raised just over \$1 million. Over half of the money came from Ohioans For Responsible Government, which gave \$574,000. However, as a tax-exempt organization, it did not file campaign finance reports with the state, so half of the money raised by Blackwell's group is from unknown sources.

Out-of-state dollars used to fund the pro-TABOR measure were also comparatively low. Over three-quarters of the money raised by Blackwell's group came from the Buckeye State. The largest out-of-state contributor was Utahan Patrick Byrne, CEO of Overstock.com, an on-line retailer. Byrne gave \$100,000 to Citizens for Tax Reform. Christopher Donahue, of Federated Investors in Pennsylvania, gave \$30,000. Bob Perry, Texan home builder and principal Swift Boat Veterans funder, gave \$25,000.

The timing of the contributions to the committees also reflects the unique story of the measure. Ninety percent of the funds raised by Citizens for Tax Reform came in 2005, as the committee had originally planned on getting the measure on the November 2005 ballot. However, in August 2005 backers chose to move the measure to the November 2006 election to assist GOP election efforts, in particular Blackwell's bid for governor.²⁸ The plan ultimately backfired, however. After meeting with staunch opposition on the campaign trail, Blackwell opted instead to support a watered-down spending limit that will be in the state's statutes rather than the constitution.

²⁷ Committee gave itself \$5,000 in August 2005, and returned that in July 2006 so the net amount raised was zero.

²⁸ "Proposed Limit to State Spending Pulled from November Ballot Consideration; Blackwell, in Deal with GOP, Now Aims for 2006 Vote," *Policy Matters Ohio* [on-line]; available from http://www.policymattersohio.org/media/gongwer_Proposed_Limit_to_State_Spending_Pulled_2005_0808.htm; Internet; accessed April 5, 2007.