



## VOTERS GIVE WORKERS A RAISE

MONEY RAISED AROUND THE MINIMUM WAGE BALLOT  
MEASURES IN SIX STATES IN 2006

By

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## OVERVIEW

During the 2006 election, Democratic congressional candidates made promises to increase the federal wage that stood at \$5.15 per hour, but six states didn't wait for Congress.<sup>1</sup>

Ballot measures calling for an increase in the state minimum wage made their way onto ballots in Arizona, Colorado, Missouri, Montana, Nevada and Ohio in 2006. Advocates and critics of the proposed increases raised a combined \$14.4 million to argue their positions, but the positions of voters in all six states were clear — raise the minimum wage.

More than 70 percent of Missouri and Montana voters overwhelmingly supported the increases, while Nevada and Arizona passed measures by 69 and 65 percent of the votes, respectively. Votes were slightly closer in Colorado and Ohio with the measures gathering 53 percent and 57 percent of the votes.

## CONTRIBUTIONS AROUND STATE MINIMUM WAGE MEASURES, 2006

STATE	MEASURE	CONTRIBUTIONS			VOTES	
		FOR	AGAINST	TOTAL	FOR	AGAINST
Ohio	Issue 2	\$3,653,549	\$1,784,245	\$5,437,794	57%	43%
Colorado	Amendment 42*	\$1,168,997	\$2,544,991	\$3,713,988	53%	47%
Arizona	Proposition 202	\$1,392,694	\$1,106,064	\$2,498,758	65%	35%
Missouri	Proposition B	\$1,839,896	\$149,900	\$1,989,796	76%	24%
Nevada	Question 6	\$105,035	\$361,325	\$466,360	69%	31%
Montana	Initiative 151	\$169,811	\$99,715	\$269,526	73%	27%
<b>TOTAL</b>		<b>\$8,329,982</b>	<b>\$6,046,240</b>	<b>\$14,376,222</b>		

\* Includes contributions to three committees also active on other ballot measures.

An analysis of money raised by the 21 committees supporting or opposing the proposed minimum wage increases reveals:

- Wage-hike advocates in the six states accounted for \$8.3 million, or 58 percent of the money raised, while opponents received \$6 million, or 42 percent of the total.
- Of the more than 950 contributors, 31 gave in more than one state and accounted for 41 percent of the money raised around the six measures.
- More than half of the total raised, or \$8.5 million, came from out-of-state sources. Of the \$8.5 million, \$6.5 million went to committees supporting wage increases and less than \$2 million went to committees against the increases.
- Ohio's Issue 2 attracted more than 37 percent of the \$14.4 million raised.

<sup>1</sup> Americans have consistently favored minimum wage increases. Gallup polls as far back as 1937 show "that public opinion has never been against raising the minimum wage." In spite of public opinion, the federal government had not increased the federal minimum wage since Sept. 1, 1997. "Time for the \$5.15 Minimum Wage to Punch Out?" *The Wall Street Journal*, Nov. 11-12, 2006, Sec. Hot Topic, p. A5.

- Business interests accounted for 41 percent — or \$5.9 million — of the overall total, with \$5.7 million going to committees opposing the measures.
- Labor organizations gave \$4.9 million, all in support of the measures, accounting for 34 percent of the overall total.
- Donors in the food, beverage, retail and lodging industries gave \$4.3 million to committees opposed to the measures, accounting for 30 percent of the overall total.
- Supporters of the measures raised more money than opponents in all but two of the six states — Nevada and Colorado.<sup>2</sup>
- In Nevada, 69 percent of Nevadans voted in favor of the increase, despite opponents raising three times more than the measure's proponents.

#### AN INTRODUCTION TO THE MINIMUM WAGE HIKE PROPOSALS

As of July 24, 2007, employers are required to pay the federal minimum wage of \$5.85 per hour,<sup>3</sup> or the amount specified by their state minimum wage law — whichever is higher. State minimum wage rates in 23 states eclipsed the federal wage that had stood at \$5.15 per hour since 1997. Others had rates equal to or below the federal rate or had no state rate. Arizona was one of the states with no state rate, but Arizona voters changed that in November of 2006 when they approved Proposition 202.

Proponents of the minimum wage increases argued that besides improving the quality of life for minimum wage workers, an increase was due because the last increase in federal minimum wage occurred in 1997.<sup>4</sup>

But opponents' over-riding message was that an increase in wages would increase the cost of goods and services, therefore forcing businesses to pass the increase on to consumers.<sup>5</sup>

Interestingly, it was suggested that some progressives even counted on hot-button issues like the proposed minimum wage hikes in 2006 to increase voter turnout similar to how conservatives used bans on gay marriage in 2004.<sup>6</sup>

Whatever their reason for heading to the polls, voters chose to give minimum wage workers a raise.

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<sup>2</sup> Colorado totals include contributions to three committees also active on other ballot measures.

<sup>3</sup> On July 24, 2007, the federal minimum wage increased from \$5.15 to \$5.85 per hour.

<sup>4</sup> Christine Vestal, "Minimum-Wage Hikes Sweep State," *Stateline.org* [on-line]; available from <http://www.stateline.org/live/details/story?contentId=143470>; Internet; accessed Nov. 2, 2006.

<sup>5</sup> *Ibid.*

<sup>6</sup> Pamela M. Prah, "Wages, Property Rights on '06 Ballots," *Stateline.org* [on-line]; available from <http://www.stateline.org/live/details/story?contentId=131621>; Internet; accessed Aug. 3, 2006.

*In Addition to the Proposed Increase*

Two other issues became a large part of the discussion surrounding these measures — first, how future increases to the minimum wage would be implemented and calculated, and secondly, how each state would handle tip credits or wage rates for tipped employees.

The first disagreement was not so much that any increase may take place in the future, but with the automatic nature of those increases. Additional concerns centered around the standard by which those increases were calculated. According to the proposed 2006 ballot measures, those standards would be based on the consumer price index (CPI) or cost-of-living increase.

Critics of the increases, including the Nevada National Federation of Independent Business (Nevada NFIB), claimed that any increase would force businesses to raise prices and let workers go, thereby hurting not helping workers.<sup>7</sup>

A second issue that received less attention, but was typically included in discussions about minimum wage, was wage rates for tipped employees. The debate surrounded the method used in determining so-called ‘tip credits.’ Tip credit means the ‘credit’ goes to the employer who can reduce the wage rate they pay to tipped employees. If an individual is determined to be a tipped employee, the employer can take a ‘credit’ towards the per hour rate and is only required to pay that tipped employee the difference between the state rate and the credit.

Of the six states that considered minimum wage hikes in 2006, only Montana and Nevada did not allow tip credits. The other four measures had individual approaches to wage rates for tipped employees.

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<sup>7</sup> “NFIB/Nevada Joins Fight Against Question 6,” *NFIB.com Issues in the News* [on-line]; available from <http://72.14.253.104/search?q=cache:Y-gFaA5-ljoJ:www.nifb.com/object; Internet; accessed August 1, 2007.>

## THE MONEY RAISED AROUND PROPOSED WAGE HIKES

Supporters of the minimum wage increase raised more money than opponents in four of the six states — only opponents in Colorado and Nevada collected more money than the proponents. Colorado’s total includes contributions to three committees also active on other ballot measures, making it impossible to determine exactly how much was raised around the minimum wage issue alone.

### SOURCES OF CONTRIBUTIONS TO MINIMUM WAGE MEASURES, 2006

SOURCE	PROponents	OPponents	TOTAL
Businesses	\$216,550	\$5,704,867	\$5,921,417
Labor Organizations	\$4,891,534	\$0	\$4,891,534
Special-Interest Groups	\$1,848,179	\$50,049	\$1,898,228
Individuals	\$1,036,349	\$257,093	\$1,293,443
Political Parties and Candidates	\$302,953	\$0	\$302,953
Unitemized Contributions	\$34,417	\$34,230	\$68,647
<b>TOTAL</b>	<b>\$8,329,982</b>	<b>\$6,046,239</b>	<b>\$14,376,222</b>

Contributions from groups and individuals on both sides of the issue came from a variety of businesses, labor organizations, political parties, candidates and candidate committees, as well as special-interest groups organized primarily in support or opposition to a minimum wage increase, or ideological groups with conservative to liberal leanings or groups involved in other single-issue causes.

As the single largest source of money, business interests were responsible for more than 41 percent of the total given in the minimum wage battle; they overwhelmingly opposed an increase, with just 4 percent of their money going to committees supporting the increase.

Close behind business sources, but on the other side of the issue, were labor organizations that accounted for nearly 34 percent of the total.

### TOP CONTRIBUTORS

#### *Individuals*

Individual donors gave on both sides, but the preponderance of their money went to support the wage hikes. As a group, individuals gave nearly \$1.3 million — \$1 million in support of the minimum wage increase and \$257,000 opposed.

Twenty-two individuals gave \$10,000 or more in support of the increase and were responsible for 76 percent of the total that individuals contributed. On the other hand, only eight individuals gave more than \$10,000 to defeat the measures, accounting for 10 percent of the total individual contributors — most were representatives of the food service industry.

## TOP INDIVIDUAL CONTRIBUTORS, 2006

CONTRIBUTOR	LOCATION	POSITION	TOTAL
Stryker, Pat	Fort Collins, CO	For	\$150,000
Soros, George	New York, NY	For	\$110,000
Eychaner, Fred	Chicago, IL	For	\$100,000
Gill, Tim	Denver, CO	For	\$100,000
Pritzker, Linda	Houston, TX	For	\$90,000
Schwartz, Bernard L.	New York, NY	For	\$75,000
Bekenstein, Joshua	Wayland, MA	For	\$50,000
Lipson, Steven M.	Evanston, IL	For	\$50,000
Monte, James	St. Joseph, MO	For	\$50,000
Block, Christopher	Orlando, FL	Against	\$30,000
Burkle, Ron	Los Angeles, CA	For	\$25,000
Bass, Anne T.	Fort Worth, TX	For	\$24,000
Abraham, S. Daniel*	West Palm Beach, FL	For	\$23,500
<b>TOTAL</b>			<b>\$877,500</b>

\* Contributors that gave in more than one state.

Three Coloradoans who gave to the Colorado Amendment 42 were also big contributors to the efforts to defeat Colorado's Amendment 43 — the attempted ban on same-sex marriage — Pat Stryker, Tim Gill and Jared Polis.<sup>8</sup> Pat Stryker, from Fort Collins, Colo., contributed \$150,000 to the minimum-wage-increase efforts in Colorado. Her brother, Jon Stryker, gave \$5,000 each to committees in Montana, Nevada and Ohio. Jon Stryker and his Coalition for Progress PAC were active in several arenas, from state legislative races in 15 states, to the hotly contested gubernatorial race in Michigan.<sup>9</sup> He also added his voice, and more than \$1 million, to fight the same-sex marriage bans in Arizona, Colorado, South Carolina, South Dakota, Tennessee, Virginia and Wisconsin.<sup>10</sup>

### *Non-Individuals*

Business sources accounted for \$5.7 million, or 95 percent of the \$6 million raised by groups opposing minimum wage hikes.

Business contributions to pro-wage-hike committees total \$216,550 — \$160,500 came from attorneys, law firms and trial lawyer associations, \$37,500 from real estate development companies, and \$10,000 from a heavy-construction company in Ohio. Other business contributions in support of the increases came from insurance administrators, financial and political consulting firms.

<sup>8</sup> Megan Moore, "The Money Behind the 2006 Marriage Amendments," *National Institute on Money in State Politics*, July 23, 2007, p. 22-23.

<sup>9</sup> Kerry Eleveld, "There Is A Gay Agenda – Winning Elections," *Salon.com*, Nov. 29, 2006 [on-line]; available from [http://www.salon.com/news/feature/2006/11/29/gay\\_millionaires/index\\_np.html](http://www.salon.com/news/feature/2006/11/29/gay_millionaires/index_np.html); Internet; accessed July 10, 2007.

<sup>10</sup> Megan Moore, "The Money Behind the 2006 Marriage Amendments," *National Institute on Money in State Politics*, July 23, 2007, p. 12.

## TOP NON-INDIVIDUAL CONTRIBUTORS, 2006

<b>CONTRIBUTOR</b>	<b>LOCATION</b>	<b>POSITION</b>	<b>TOTAL</b>
Colorado Restaurant Association	Denver, CO	Against	\$1,453,751
National Education Association (NEA)*	Washington, DC	For	\$963,000
New Orleans ACORN Democracy Campaign*	New Orleans, LA	For	\$739,400
National AFL-CIO*	Washington, DC	For	\$640,000
	Washington, DC		
Service Employees International Union (SEIU)*	& Denver, CO	For	\$622,351
National Restaurant Associations SAFE Fund*	Washington, DC	Against	\$603,000
National Federation of Independent Business (NFIB)*	Nashville, TN	Against	\$301,487
American Federation of Teachers (AFT)*	Washington, DC	For	\$300,000
Little Rock ACORN	Little Rock, AR	For	\$300,000
Outback Steakhouse*	Tampa, FL	Against	\$285,000
American Votes – 2006	Washington, DC	For	\$270,000
		<b>TOTAL</b>	<b>\$6,477,989</b>

\* Contributors that gave in more than one state.

For the most part, contributions to committees opposed to an increase came from restaurants, taverns, casinos and restaurant associations. The Colorado Restaurant Association topped the list, giving almost \$1.5 million to defeat the measure in Colorado. The National Restaurant Association SAFE Fund gave in all six states, but favored the Colorado committee with more than one-third of their contribution total. Other state-level restaurant associations gave an additional \$143,000, collectively, to their home state committees.

Most consumers will recognize the names of some of the major contributors. The everyday competition was set aside while these unlikely allies waged a joint battle against any increase in the minimum wage. McDonalds, Kentucky Fried Chicken, Applebees, Jack In The Box, Wendys, Dominos Pizza, Burger King, Chuck E Cheese, Arby's Restaurant and Golden Corral served up sizeable donations helping to make the restaurant industry one of the top contributors to committees organized to defeat minimum wage increases. Other opposition came from retail giants CVS Corporation, Limited Brands, Meijer, and Walgreens, which gave \$25,000 each to defeat Ohio's Issue 2.

As a major wage-hike supporter, organized labor stepped up in a big way, spreading \$4.9 million over all six states and accounting for 58 percent of the money raised by committees backing a minimum wage increase.

Teachers, public employees, national, state and local labor federations accounted for 77 percent of the money unions contributed to increase states' minimum wages. The United Food and Commercial Workers' International Union (UFCW) — which organizes workers in retail grocery stores, meat packing and processing, food and poultry processing, manufacturing, retail stores and various factories — accounted for 7 percent of labor giving. Several building trades unions made up another 6 percent. Other transportation and general trade unions account for the balance.

Twenty-eight special-interest groups gave a collective \$1.9 million, or 13 percent of the total raised. However, special-interest money given in opposition to the minimum wages measures was only \$50,000. Supporters of the measures include five groups that were involved in the issue in multiple states and who accounted for \$886,900 in giving: the New Orleans ACORN Democracy

Campaign spread more than \$1 million over four states; Tides Foundation gave to measures in Arizona and Missouri; Ballot Initiative Strategy Center (BISC) gave in Ohio, Missouri and Colorado; the Coalition for Progress gave in Ohio, Nevada and Montana; and the National Council of the Churches of Christ in the USA gave in Montana and Ohio.

#### GIVING IN MORE THAN ONE STATE

Of the more than 950 contributors, only 30 gave in more than one state but they account for 41 percent of the money raised around the six measures. Twenty minimum-wage-increase supporters gave \$4.4 million among multiple states; 10 contributors opposing the increases gave \$962,000 in multiple states.

Labor organizations giving in more than one state were responsible for \$3.4 million of the \$5.3 million given by multi-state contributors. Business interests gave \$1 million; special-interest groups gave nearly \$887,000. The only individual to give in more than one state was Slim Fast founder S. Daniel Abraham, who gave in support of minimum wage increases in Ohio and Missouri.

#### MAJOR CONTRIBUTORS GIVING IN MULTIPLE STATES, 2006

<b>CONTRIBUTOR</b>	<b>STATE</b>	<b>POSITION</b>	<b>TOTAL</b>
National Education Association (NEA)	Ohio	For	\$710,000
	Missouri	For	\$200,000
	Arizona	For	\$28,000
	Nevada	For	\$25,000
<b>TOTAL</b>			<b>\$963,000</b>
New Orleans ACORN Democracy Campaign	Missouri	For	\$355,400
	Ohio	For	\$330,000
	Colorado	For	\$34,000
	Arizona	For	\$20,000
<b>TOTAL</b>			<b>\$739,400</b>
National AFL-CIO	Ohio	For	\$550,000
	Missouri	For	\$80,000
	Montana	For	\$10,000
<b>TOTAL</b>			<b>\$640,000</b>
Service Employees International Union (SEIU)	Arizona	For	\$615,976
	Colorado	For	\$6,375
<b>TOTAL</b>			<b>\$622,351</b>
National Restaurant Association SAFE Fund	Colorado	Against	\$223,000
	Arizona	Against	\$170,000
	Ohio	Against	\$100,000
	Nevada	Against	\$50,000
	Missouri	Against	\$40,000
	Montana	Against	\$20,000
<b>TOTAL</b>			<b>\$603,000</b>



<b>CONTRIBUTOR</b>	<b>STATE</b>	<b>POSITION</b>	<b>TOTAL</b>
National Federation of Independent Business (NFIB)	Ohio	Against	\$280,000
	Arizona	Against	\$12,162
	Nevada	Against	\$5,000
	Missouri	Against	\$3,000
	Colorado	Against	\$1,000
	Montana	Against	\$325
<b>TOTAL</b>			<b>\$301,487</b>
National Federation of Teachers (AFT)	Colorado	For	\$200,000
	Missouri	For	\$50,000
	Ohio	For	\$50,000
<b>TOTAL</b>			<b>\$300,000</b>
Outback Steakhouse	Arizona	Against	\$90,000
	Ohio	Against	\$75,000
	Colorado	Against	\$60,000
	Missouri	Against	\$30,000
	Nevada	Against	\$30,000
	<b>TOTAL</b>		
AFSCME	Missouri	For	\$200,000
	Ohio	For	\$50,000
<b>TOTAL</b>			<b>\$250,000</b>
National Air Traffic Controllers Associations (NATCA)	Missouri	For	\$100,000
	Ohio	For	\$100,000
<b>TOTAL</b>			<b>\$200,000</b>

#### OUT-OF-STATE CONTRIBUTORS

More than half, or \$8.5 million, of the \$14.4 million raised in connection with minimum wage ballot measures in 2006 came from out-of-state sources. Of the \$8.5 million, \$6.5 went to committees supporting wage increases and less than \$2 million went to committees against the increases.

#### OUT-OF-STATE CONTRIBUTORS, 2006

<b>STATE</b>	<b>PROPONENTS</b>		<b>OPPONENTS</b>		<b>TOTAL</b>	
	<b>IN STATE</b>	<b>OUT OF STATE</b>	<b>IN STATE</b>	<b>OUT OF STATE</b>	<b>IN STATE</b>	<b>OUT OF STATE</b>
Arizona	\$425,706	\$966,988	\$531,402	\$574,662	\$957,108	\$1,541,650
Colorado	\$500,327	\$668,670	\$1,942,251	\$602,741	\$2,442,578	\$1,271,411
Missouri	\$483,496	\$1,356,400	\$51,400	\$98,500	\$534,896	\$1,454,900
Montana	\$120,013	\$49,798	\$52,215	\$47,500	\$172,228	\$97,298
Nevada	\$46,535	\$36,000	\$146,625	\$214,700	\$193,160	\$250,700
Ohio	\$208,384	\$3,443,400	\$1,375,045	\$409,200	\$1,583,429	\$3,852,600
<b>TOTAL</b>	<b>\$1,784,461</b>	<b>\$6,521,256</b>	<b>\$4,098,938</b>	<b>\$1,947,303</b>	<b>\$5,883,399</b>	<b>\$8,468,559</b>

## STATE-BY-STATE ANALYSIS

While the individual measures met with positive results at the polls in each state, the overall total dollars raised around the proposed increases were as diverse as the states themselves — from \$5.4 million on Ohio’s Issue 2 to \$270,000 on Montana’s Initiative 151. Besides the increase in the state’s minimum wage, each state added an annual cost-of-living adjustment based on the Consumer Price Index (CPI).

### ARIZONA

Arizona was one of six states without a state minimum wage law prior to 2006.<sup>11</sup> But Proposition 202 changed that when 65 percent of Arizona’s voters handily approved it to create a state minimum wage law and establish a minimum wage of \$6.75 per hour. Arizona allows a \$3 per hour tip credit to employers whose employees who receive tips.

Three committees supported Proposition 202 and raised nearly \$1.4 million to encourage voters to pass the measure. A single committee organized to defeat the measure raised \$1.1 million.

#### ARIZONA CONTRIBUTIONS BY COMMITTEE, 2006

<b>PROPONENTS</b>	<b>TOTAL</b>
CPC Arizona Minimum Wage Fund I-13-2006	\$706,151
VoteYesOn202.com in Support of I-13-2006 (formerly Arizona Minimum Wage Coalition)	\$658,502
Women’s Voices Women Vote Action Fund Arizona - Support Proposition 202 I-13-2006	\$28,041
<b>TOTAL</b>	<b>\$1,168,997</b>
<b>OPPONENTS</b>	
No on 202 Opposed to I-13-2006 (formerly Jobs First Against I-13-2006)	\$1,106,064
<b>OVERALL TOTAL</b>	<b>\$2,498,758</b>

#### *Proponents*

Labor unions led the charge to pass the wage increase, giving over \$1.1 million in total, which accounted for 82 percent of the money raised by supporters of the measure.

The CPC Arizona Minimum Wage Fund was funded almost entirely by the Service Employees International Union (SEIU) Local 5 out of San Antonio, Texas, and the international SEIU in Washington, D.C. The Phoenix United Food and Commercial Workers Local 99 (UFCW) chipped in \$6,200.

VoteYesOn202.com, formerly the Arizona Minimum Wage Coalition, which included several labor organizations among their supporters, received almost \$436,000 from labor organizations and an additional \$188,000 from special-interest groups.

<sup>11</sup> “Changes in Basic Minimum Wages in Non-Farm Employment Under State Law: Selected Years 1968 to 2006,” *U.S. Department of Labor Employment Standards Administration Wage and Hour Division* [on-line]; available from <http://www.dol.gov/esa/programs/whd/state/stateMinWageHis.htm>; Internet; accessed Jan. 24, 2007.

The national organization Women’s Voices Women Vote’s (WVWV) purpose is to improve the participation of unmarried women in the electorate. The \$28,041 received by the WVWV Action Fund Arizona came from the D.C. parent group.

*Opponents*

Contributors from the food service industry and pro-business organizations were responsible for the \$1.1 million raised to defeat Proposition 202.

The committee organized in opposition to any increase was No On 202, formerly known as Jobs First Against I-13-2006.

**TOP CONTRIBUTORS IN ARIZONA, 2006**

<b>CONTRIBUTOR</b>	<b>LOCATION</b>	<b>INDUSTRY</b>	<b>POSITION</b>	<b>TOTAL</b>
Service Employees International Union (SEIU)	Washington, DC	Public Sector Unions	For	\$615,976
National Restaurant Association SAFE Fund	Washington, DC	Food & Beverage	Against	\$170,000
Service Employees Local 5 (SEIU)	San Antonio, TX & Phoenix, AZ	Public Sector Unions	For	\$153,972
Arizona Chamber of Commerce	Phoenix, AZ	Business Associations	Against	\$121,000
Arizona Restaurant & Hospitality Association	Phoenix, AZ	Food & Beverage	Against	\$117,400
United Food and Commercial Workers Local 99 (UFCW)	Phoenix, AZ	General Trade Unions	For	\$91,003
Outback Steakhouse	Tampa, FL	Food & Beverage	Against	\$90,000
Arizona Working Families	Phoenix, AZ	Ideology/Single Issue	For	\$85,000
Arizona State AFL-CIO	Phoenix, AZ	General Trade Unions	For	\$75,000
Wilson Research Strategies	Washington, DC	Business Services	Against	\$75,000
United Food & Commercial Workers (UFCW)	Washington, DC	General Trade Unions	For	\$70,000
<b>TOTAL</b>				<b>\$1,664,351</b>

**COLORADO**

Colorado voters approved Amendment 42 with 53 percent of the vote, changing Colorado’s Constitution and increasing the state’s minimum wage from \$5.15 to \$6.85 per hour. In addition, the hourly wage of workers who regularly receive tips was increased from \$2.13 to \$3.83.<sup>12</sup> As non-tipped minimum-wage workers receive annual increases, tipped workers will receive the same annual dollar-amount increase.

In Colorado, four amendments and one referendum attracted money for three committees that were also active on the minimum wage increase proposed by Amendment 42. The Hospitality Issue PAC raised just over \$1 million and opposed Amendment 42 as well as the failed measure Amendment 38. The Bell Action Ballot raised \$5,000 and People For the American Way Voters

<sup>12</sup> “Amendment 42 Fiscal Impact Statement,” Analysis of the 2006 Ballot Proposals; Colorado Legislative Council Staff, Sept. 14, 2006, p. 11.

Alliance of Colorado raised \$100. Both groups supported the successful Amendments 42 and 43, and the failed Referendum I but were against three other failed amendments — 38, 39 and 40.<sup>13</sup>

Three Coloradoans gave to committees active on Colorado Amendment 42 and were also big contributors to the efforts to defeat Colorado’s Measure 43 — the attempted ban on same-sex marriage. They were: Pat Stryker, Tim Gill and Jared Polis.<sup>14</sup>

**COLORADO CONTRIBUTIONS BY COMMITTEE, 2006**

<b>PROPOSERS</b>	<b>TOTAL</b>
Coloradoans for a Fair Minimum Wage	\$579,290
America Votes For a Fair Minimum Wage	\$280,000
Civic Participation Campaign/Mi Familia Vota Committee for Working Families	\$274,355
Colorado Progressive Action Issue Fund	\$30,252
Bell Ballot Action*	\$5,000
People For the American Way Voters Alliance of Colorado*	\$100
<b>TOTAL</b>	<b>\$1,168,997</b>
<b>OPPONENTS</b>	
Respect Colorado’s Constitution	\$1,488,441
Hospitality Issue PAC**	\$1,056,550
<b>TOTAL</b>	<b>\$2,544,991</b>
<b>OVERALL TOTAL</b>	<b>\$3,713,988</b>

\* also active on Amendment 40, Referendum I and Amendment 43

\*\* also active on Amendment 38 and Amendment 41

*Proponents*

Coloradoans for a Fair Minimum Wage collected more than half of the money raised to support Amendment 42. This ballot measure committee was organized by a statewide coalition that included ACORN, AFL-CIO, AFSCME, Colorado Education Association, Colorado Progressive Action, Colorado Progressive Coalition, 9 to 5: National Association of Working Women, SEIU and Let Justice Roll.<sup>15</sup>

America Votes for a Fair Minimum Wage was a ballot initiative committee of America Votes and, like the Coloradoans for a Fair Minimum Wage, America Votes was supported by a coalition of progressive groups.

<sup>13</sup> Amendment 38 – Citizen Initiative Process; Amendment 39 – School District Spending Requirements; Amendment 40 – Judicial Term Limits; Amendment 43 – Same-Sex Marriage Ban; Referendum I – Legal Domestic Partnerships.

<sup>14</sup> Megan Moore, “The Money Behind the 2006 Marriage Amendments,” *National Institute on Money in State Politics*, July 23, 2007, p. 22-23.

<sup>15</sup> “ACORN News,” *Association of Community Organizations for Reform Now* [on-line]; available from <http://www.acorn.org/index.php?id=10723>; Internet; accessed July 10, 2007.

The Civic Participation Campaign/Mi Familia Vota Committee for Working Families, which is “dedicated to ensuring the full participation of immigrants into the civic life,”<sup>16</sup> was also active in the efforts to pass minimum wage increases in Colorado and Arizona.

### *Opponents*

Colorado is the only state where the top-contributor list was dominated by the measure’s opponents. The top contributors gave \$826,178 of the \$1 million collected by the Hospitality Issue PAC, the Colorado Restaurant Association’s political action committee.

Together with the other opposition committee, Respect Colorado’s Constitution, the two raised more than \$2.5 million to defeat the measure, but fell short when the votes were tallied.

Respect Colorado’s Constitution was backed by a coalition of businesses and pro-business organizations including local chambers and trade groups for retail stores, businesses and hotels.<sup>17</sup>

## **TOP CONTRIBUTORS IN COLORADO, 2006**

<b>CONTRIBUTOR</b>	<b>LOCATION</b>	<b>INDUSTRY</b>	<b>POSITION</b>	<b>TOTAL</b>
Colorado Restaurant Association	Denver, CO	Food & Beverage	Against	\$1,453,751
America Votes - 2006	Washington, DC	Other/Single Issue	For	\$270,000
National Restaurant Association SAFE Fund	Washington, DC	Food & Beverage	Against	\$223,000
American Federation of Teachers (AFT)	Washington, DC	Public Sector Union	For	\$200,000
Civic Participation Campaign	Denver, CO & Houston, TX	Other/Single Issue	For	\$153,199
Stryker, Pat	Fort Collins, CO	Democratic/Liberal	For	\$150,000
Broadmoor Hotel	Colorado Springs, CO	Lodging & Tourism	Against	\$100,000
Gill, Tim	Denver, CO	Gay/Lesbian Rights	For	\$100,000
Harman Management Corp. (Kentucky Fried Chicken YUM! Brands)	Murray, UT	Food & Beverage	Against	\$72,000
Outback Steakhouse	Tampa, FL	Food & Beverage	Against	\$60,000
United Food & Commercial Workers Local 7 (UFCW)	Wheatridge, CO	General Trade Unions	For	\$50,000
<b>TOTAL</b>				<b>\$2,831,950</b>

## **MISSOURI**

Missouri voters overwhelmingly approved Proposition B by 3-votes-to-1 to increase the state minimum wage rate from \$5.15 to \$6.50 per hour. Employers are allowed a 50 percent tip credit based on the current rate. The increase to \$6.50 per hour gives tipped employees an increase to \$3.25 per hour.

<sup>16</sup> “About Us,” *Civic Participation Campaign* [on-line]; available from <http://www.mifamiliavota.net/about-us/>; Internet; accessed Aug. 3, 2007.

<sup>17</sup> Beth Potter, “Group Forms to Fight Effort for Wage Hike,” *Denver Post*, Aug. 17, 2006, Sec. business.

## MISSOURI CONTRIBUTIONS BY COMMITTEE, 2006

<b>PROPOSERS</b>	<b>TOTAL</b>
Give Missourians a Raise, Inc.	\$1,839,896
<b>OPPONENTS</b>	<b>TOTAL</b>
Save Our State's Jobs	\$149,900
<b>OVERALL TOTAL</b>	<b>\$1,989,796</b>

### *Proponents*

In the end, proponents raised 12 times more than opponents. But one backer of Proposition B was not going to count on that happening. Before the issue was decided, Sara Howard, a spokeswoman for Give Missourians a Raise, Inc., told the *Columbia Business Times*, “We will never underestimate the money — and the money and the money — that big business can bring to this battle, and we expect a fight.”<sup>18</sup>

Associated Industries of Missouri (AIM) Executive Vice President Jim Kistler also told the *Columbia Business Times*, “I wouldn’t be surprised if the unions spent \$1 million or more on this.”

Organized labor contributions accounted for 64 percent, or \$1.2 million, of the money collected by Give Missourians a Raise, Inc., with more than half coming from state employee and teachers’ unions.

Another large contributor was New Orleans ACORN Democracy Campaign which gave \$355,400, or nearly one-fifth of the \$1.8 million raised by proponents.

### *Opponents*

The SOS Jobs Steering Committee is comprised of several different business associations as well as service industry, grocer and retail associations. Surprisingly, the Missouri Chamber of Commerce and Industry was not on the list of steering committee members for Save Our State’s Jobs (SOS Jobs), the group organized to defeat Proposition B. According to the same *Columbia Business Times* article, the Chamber opposed the increase, but decided to exert their efforts and resources towards maintaining a Republican majority in the Missouri Legislature. That left other business groups with the task of battling Proposition B.

## TOP CONTRIBUTORS IN MISSOURI, 2006

CONTRIBUTOR	LOCATION	INDUSTRY	POSITION	TOTAL
New Orleans ACORN Democracy Campaign	New Orleans, LA	Ideology/Single Issue	For	\$355,400
Missouri State Council of Service Employees (SEIU)	St. Louis, MO	Public Sector Unions	For	\$210,000
AFSCME	Washington, DC	Public Sector Unions	For	\$200,000

<sup>18</sup> Randy McConnell, “Foes Prepare to Wage Battle for Voters to Raise Minimum Pay,” *Columbia Business Times*, Sept. 8, 2006, Vol. 13, Issue 3.

National Education Association (NEA)	Washington, DC	Public Sector Unions	For	\$200,000
Air Traffic Controllers (NATC)	Washington, DC	Transportation Unions	For	\$100,000
National AFL-CIO	Washington, DC	General Trade Unions	For	\$80,000
United Food & Commercial Workers (UFCW)	Washington, DC	General Trade Unions	For	\$70,000
United Auto Workers V CAP (UAW)	Detroit, MI	Transportation Unions	For	\$65,000
Bekenstein, Joshua	Wayland, MA	Securities & Investment	For	\$50,000
American Federation of Teachers (AFT)	Washington, DC	Public Sector Unions	For	\$50,000
Laborers' Local 110 (LIUNA)	St. Louis, MO	General Trade Unions	For	\$50,000
Montee, James	St. Joseph, MO	Attorneys & Law Firms	For	\$50,000
SimmonsCooper LLC	East Alton, IL	Attorneys & Law Firms	For	\$50,000
Tides Foundation	San Francisco, CA	Non-Profit Institutions	For	\$50,000
<b>TOTAL</b>				<b>\$1,580,400</b>

## MONTANA

Montana voters gave a huge thumbs-up to I-151 by passing the measure with 73 percent of the vote. The state's minimum wage rose from \$5.15 an hour to \$6.15 an hour. Montana is one of seven states that do not allow tip credits — meaning the minimum wage for tipped employees is the same as all other employees. In addition, the authors of I-151 left in place a portion of the law that “does not change the \$4 an hour minimum wage for a business whose annual gross sales are \$110,000 or less.”<sup>19</sup>

### MONTANA CONTRIBUTIONS BY COMMITTEE, 2006

<b>PROPOSERS</b>	<b>TOTAL</b>
Raise Montana's Committee to Increase the Minimum Wage	\$137,830
Raise Montana	\$31,982
<b>TOTAL</b>	<b>\$169,812</b>
<b>OPPONENTS</b>	
Coalition Against Continual Price Increases - No on I-151	\$99,715
<b>OVERALL TOTAL</b>	<b>\$269,527</b>

<sup>19</sup> “The Complete Text of Initiative No. 151,” *Montana Secretary of State* [on-line]; available from <http://sos.mt.gov/ELB/archives/2006/I/I-151.asp>; Internet; accessed July 11, 2007.

### *Proponents*

Proponents raised more money than the single committee formed to fight the measure. Raise Montana and its Raise Montana Committee to Increase the Minimum Wage were supported in large part by labor organizations.

According to Raise Montana's director, Stephen Bullock, monies reported as contributions to the Raise Montana organization was earmarked towards efforts to increase the minimum wage. Therefore, of the \$137,830 collected by Raise Montana, \$127,220 was passed on to the Raise Montana Committee to Increase the Minimum Wage. Bullock explained that Raise Montana wished to ensure fundraising transparency. It chose to report contributions from both committees.<sup>20</sup>

### *Opponents*

The Coalition Against Continual Price Increases-No On I-151, backed by the Chamber of Commerce, Montana Restaurant Association and the Montana Retail Association,<sup>21</sup> raised most of the \$100,000 from food service industry contributors.

## **TOP CONTRIBUTORS IN MONTANA, 2006**

<b>CONTRIBUTOR</b>	<b>LOCATION</b>	<b>INDUSTRY</b>	<b>POSITION</b>	<b>TOTAL</b>
Montana State AFL-CIO	Helena, MT	General Trade Unions	For	\$57,000
MT Education Assoc MT Federation of Teachers (MEA/MFT)	Helena, MT	Public Sector Unions	For	\$26,890
High Plains Pizza	Liberal, KS	Food & Beverage	Against	\$25,000
National Restaurant Association SAFE Fund	Washington, DC	Food & Beverage	Against	\$20,000
Bullock, Stephen C.	Helena, MT	Other/Single Issue	For	\$17,930
Wendys of Montana	Billings, MT	Food & Beverage	Against	\$14,000
Applebees (six Montana franchises)	Montana	Food & Beverage	Against	\$12,000
National AFL-CIO	Washington, DC	General Trade Unions	For	\$10,000
American Association for Justice	Washington, DC	Lawyers & Lobbyists	For	\$10,000
Unite HERE!	New York, NY	General Trade Unions	For	\$10,000
National Council of the Churches of Christ in the USA	New York, NY	Clergy	For	\$8,500
Rocky Mountain Ribs	Billings, MT	Food & Beverage	Against	\$6,000
			<b>TOTAL</b>	<b>\$217,320</b>

## NEVADA

When voters in Nevada approved Question 6, the state's minimum wage increased to \$5.15 per hour for workers who receive health benefits or \$6.15 an hour for those workers who do not receive health benefits. And, like Montana and five other states, Nevada does not allow tip credits.

<sup>20</sup> Phone interview with Stephen C. Bullock, Director, *Raise Montana*, Sept. 6, 2007.

<sup>21</sup> "Restaurants Fight Plan To Lift Minimum Wage," *The Billings Gazette* [newspaper on-line]; available from [National Institute on Money in State Politics © 2007](http://72.14.205.104/search?q=cache:19TbLFZcg9UJ:www.billingsgazette.net/articles/2006/10/25/news/state/5-fight.txt+%22Coalition+Against+Continual+Price+Increases+No+on+I-151&hl=en&ct=clnk&cd=2&gl=us;Internet; accessed Aug. 27, 2007.</a></p></div><div data-bbox=)



The 2006 vote on Question 6 was the final approval required by Nevada law, passing with 69 percent of the vote. The Nevada Constitution requires that initiative petitions proposing amendments to the state's constitution must be submitted to the voters twice. The measure becomes law after a majority of Nevada's voters approve its passage in two consecutive elections. The measure passed the first time in 2004 with 68 percent of the vote.

#### NEVADA CONTRIBUTIONS BY COMMITTEE, 2004 AND 2006

<b>PROPOSERS</b>	<b>2004</b>	<b>2006</b>	<b>TOTAL</b>
Yes on Question 6	\$1,003,774	\$105,035	\$1,108,809
<b>TOTAL</b>	<b>\$1,003,774</b>	<b>\$105,035</b>	<b>\$1,108,809</b>
<b>OPPOSERS</b>			
NIX 6 - Nevadans Against Question 6	\$0	\$361,325	\$361,325
<b>OVERALL TOTAL</b>	<b>\$1,003,774</b>	<b>\$466,360</b>	<b>\$1,470,134</b>

#### *Proponents*

Interestingly, only one committee, YES ON QUESTION 6, raised money around the ballot question when it was placed on the ballot for the first time in 2004. Yes On Question 6 received more than \$1 million combined in 2004 and 2006 from one contributor — a union-backed committee called Give Nevada a Raise raised a mere \$105,000 in 2006.

#### *Opponents*

In 2006, Question 6 was challenged by Xix 6 – Nevadans Against Question 6. While Nix 6 raised more than three times the amount raised by the measure's proponent, it was nowhere near the amount Yes On Question 6 raised to ensure the initial passage.

All but \$70,000 from the top-10 contributors in Nevada came from donors opposed to the increase and, for the most part, represented food and beverage interests. A portion of the opposition's dollars came from Southern Nevada's 7-Eleven Franchise Owners Association that weighed in with \$45,250 to defeat Question 6.

#### TOP CONTRIBUTORS IN NEVADA, 2006

<b>CONTRIBUTOR</b>	<b>LOCATION</b>	<b>INDUSTRY</b>	<b>POSITION</b>	<b>TOTAL</b>
National Restaurant Association SAFE Fund	Washington, DC	Food & Beverage	Against	\$50,000
7-Eleven Franchise Owners Association of Southern Nevada	Las Vegas, NV	Oil & Gas	Against	\$45,250
GMRI, Inc. (Darden Restaurants)	Orlando, FL	Food & Beverage	Against	\$30,000
Jack In The Box	San Diego, CA	Food & Beverage	Against	\$30,000
Outback Steakhouse	Tampa, FL	Food & Beverage	Against	\$30,000
National Education Association (NEA)	Washington, DC	Public Sector		
		Unions	For	\$25,000
Nevada State Education Association	Las Vegas, NV	Public Sector		
		Unions	For	\$25,000
Fenderson, Kevan (Brinker International)	Dallas, TX	Food & Beverage	Against	\$20,000

Teamsters Joint Council 42		Transportation Unions	For	\$20,000
Las Vegas Mini Grand Prix	Las Vegas, NV	Recreation & Live Entertainment	Against	\$10,000
McCall, James B.	Las Vegas, NV		Against	\$10,000
Puzder, Andrew F. (CKE Restaurants)	Carpenteria, CA	Food & Beverage	Against	\$10,000
RAN Services	Carson City, NV	Computer Equipment	Against	\$10,000
			<b>TOTAL</b>	<b>\$315,250</b>

## OHIO

State Issue 2 increased Ohio's state minimum wage from \$5.15 to \$6.85 an hour. Ohio law allows for a 50 percent tip credit. In addition, the minimum wage for tipped employees of employers whose gross annual sales are \$500,000 or less is adjusted down. Included in Ohio's minimum wage law are exceptions for employers with employees under the age of 16 and employees with "mental or physical disabilities."<sup>22</sup>

The \$5.4 million raised by committees around Ohio's Issue 2 topped the contribution totals of all six states proposing minimum wage increases, but the poll results were much closer than other states, with 57 percent of the voters approving the measure. Only Colorado's proposed hike proved more competitive at 53 percent to 47 percent.

### OHIO CONTRIBUTIONS BY COMMITTEE, 2006

<b>PROPOSERS</b>	<b>TOTAL</b>
Ohioans for a Fair Minimum Wage	\$3,653,549
<b>OPPONENTS</b>	
Ohioans to Protect Personal Privacy	\$1,784,245
<b>OVERALL TOTAL</b>	<b>\$5,437,794</b>

Out-of-state contributions account for 71 percent of the total dollars given to Ohio committees. Out-of-state sources gave \$3.8 million; \$3.4 million of that went to the committee in favor of the increase.

#### *Proponents*

The single proponent, Ohioans for a Fair Minimum Wage — a coalition of non-profit, community, faith-based, civil rights and labor organizations<sup>23</sup> — raised more than twice as much as the only opponent. It received 55 percent of their total contributions from organized labor. The

<sup>22</sup> "Minimum Wage, Proposed Constitutional Amendment (Proposed by Initiative Petition)," State Issue 2 Certified Ballot Language, *Ohio Secretary of State* [on-line]; available from <http://www.sos.state.oh.us/SOS/ElectionsVoter/results2006.aspx?Section=2319>; Internet; accessed on July 11, 2007.

<sup>23</sup> "Ohioans for A Fair Minimum Wage," Raise the Wage [on-line]; available from <http://www.raisethe wage.org/coalition.html>; Internet; accessed Aug. 27, 2007.

Washington-based teachers union, National Education Association (NEA), and the National AFL-CIO gave the committee \$710,000 and \$550,000, respectively.

The Ohio committee was the sole recipient of out-of-state political party contributions to ballot measures. The Democratic Governors' Association (DGA) gave \$250,000 and the Democratic Lt. Governors' Association gave another \$7,000.

Individuals contributing to support Ohio's wage hike gave almost \$569,000. Interestingly, 13 out-of-state contributors gave a combined \$546,000, while Ohio residents gave only \$21,000.

The Ohio measure attracted more business contributions in support of an increased minimum wage than any other state. Business donations favoring Issue 2 accounted for \$127,500 — \$75,000 from a trial lawyers' association in Washington D.C., the American Association for Justice; and \$25,000 from a Cleveland real estate developer, Forest City Enterprises.

### *Opponents*

The sole committee opposing Issue 2 was Ohioans to Protect Personal Privacy. The committee spokesperson, Ty Pine, is the state director of the National Federation of Independent Business/Ohio.<sup>24</sup>

Ohioans to Protect Personal Privacy raised almost \$1.8 million, nearly all from business sources. The majority of the money came from the food and beverage industry that gave \$578,000. Ohio McDonalds and its affiliated fast food restaurants were responsible for \$176,000 of that total. The National Restaurant Association gave an additional \$100,000.

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<sup>24</sup> "Minimum Wage Issue 'Fine Print' Will Create Massive Invasion of Privacy," *Ohioans to Protect Personal Privacy*, News Release Aug. 8, 2006. [on-line]; available from [www.cose.org/advocacy/PDF/2006\\_0809\\_Signature\\_Filing\\_News\\_Release.pdf](http://www.cose.org/advocacy/PDF/2006_0809_Signature_Filing_News_Release.pdf) [Internet]; accessed Oct. 2, 2007.

**TOP CONTRIBUTORS IN OHIO, 2006**

<b>CONTRIBUTOR</b>	<b>LOCATION</b>	<b>INDUSTRY</b>	<b>POSITION</b>	<b>TOTAL</b>
National Education Association (NEA)	Washington, DC	Public Sector Unions	For	\$710,000
National AFL-CIO	Washington, DC	General Trade Unions	For	\$550,000
New Orleans ACORN Democracy Campaign	New Orleans, LA	Other/Single Issue	For	\$330,000
Little Rock ACORN	Little Rock, AR	Other/Single Issue	For	\$300,000
National Federation of Independent Business (NFIB)	Columbus, OH	Business Association	Against	\$280,000
Democratic Governors Association	Washington, DC	Party Committees	For	\$250,000
Change to Win PAC	Washington, DC	General Trade Unions	For	\$200,000
Soros, George	New York, NY	Misc. Finance	For	\$110,000
Northeastern Ohio McDonald's Advertising Association	North Canton, OH	Food & Beverage Transportation	Against	\$107,000
Air Traffic Controllers (NATC)	Washington, DC	Unions	For	\$100,000
Eychaner, Fred	Chicago, IL	Printing & Publishing	For	\$100,000
Laborers' International Union (LIUNA)	Washington, DC	General Trade Union	For	\$100,000
National Restaurant Association	Washington, DC	Food & Beverage	Against	\$100,000
SAFE Fund	Washington, DC	Food & Beverage	Against	\$100,000
			<b>TOTAL</b>	<b>\$3,237,000</b>