



Democracy Reform Oregon

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Accessible politics, accountable government

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Big Tobacco Contributions Smash State Ballot Measure Fundraising Records Oregonians' Record Mixed on Tobacco-related Votes

Tobacco companies have smashed previous contribution totals for ballot measure campaigns in Oregon, pouring over \$9 million into campaigns to defeat a legislative referral of a children's health insurance program.

Three tobacco companies, Philip Morris USA, Inc., Reynolds American, and Altria Corporate Services, Inc., have contributed nearly all of the \$9,115,917 raised by two political committees urging a "no" vote on measure 50 (see Chart 1). An estimated nine additional contributors are responsible for the \$4650 not contributed by tobacco companies. (This estimate assumes that three contributors are responsible for the \$150 in unitemized miscellaneous contributions of \$100 or less.)

Chart 1: Total Contributions, Top 10 and Small Dollar Contributors to Oregonians against the Blank Check and Stop the Measure 50 Tax Hike, reported through October 8, 2007

Contributor(s)	Amount	Percentage
Philip Morris USA Inc.	\$5,642,255	61.9%
Reynolds American	\$3,325,136	36.5%
Altria Corporate Services, Inc.	\$143,876	1.6%
Northern Sales Company, Inc., Capitol Distributing, Inc., and Rich & Rhine Distributors	\$1000 each	<1% each
Oregon Neighborhood Store Association Political Action Committee, Taxpayers Association of Oregon PAC, Plaid Pantries, Inc.,	\$500	<1% each
Top 10 Contributor Subtotal	\$9,115,767	~100.0%
Miscellaneous Contributions of \$100 or less	\$150	<1%
Remaining Contributions	\$0	0%
Contribution Total	\$9,115,917	

The total fundraising to defeat Measure 50 surpasses the last ballot measure fundraising record by nearly \$2 million in inflation-adjusted terms. In 1992, committees that defeated measures to shut down the Trojan nuclear power plant raised \$7.1 million in dollars adjusted for inflation to 2006 (the last complete year for which Consumer Price Index figures are available).

Measure 50 is a state constitutional amendment that would raise cigarette taxes by \$0.85 per pack and dedicate the funding for children's health care and other health programs while also

encouraging more smokers to quit because of the increase in cost for cigarettes. Proponents argue that this is a sound way to provide basic health care for thousands of uninsured children across the state. Opponents argue that it is wrong to place a tax increase in the state constitution and that it is wrong to tax smokers to pay for children’s health insurance. A legislative attempt to pass this as a statutory referral failed.

Tobacco companies were big players in two of the top 10 ballot measure fundraising efforts since 1986 (see Chart 2). In 1988, four “no” committees raised nearly \$6.5 million to successfully defeat a ban on indoor smoking in public places. In 1996, a campaign urging voters to reject an increase in cigarette and tobacco taxes raised just over \$6 million in inflation-adjusted figures. That effort failed, indicating past public support for increasing tobacco taxes.

Chart 2: Top 10 Ballot Measures Receiving Top Inflation-adjusted Contribution Levels - 1986 to 2006

Year	BM #	Status*	Topic	Original Contribution total	Adjustment factor**	Contribution total adjusted to 2006 dollars	Adjusted ranking
1992	5 and 6	F	*Closes Trojan Until Safety Standards Met	\$4,949,823 to 2 “no” campaigns	X 1.44	\$7,127,745	1
		F	*Bans Trojan Operation Unless Conditions Met				
1988	6	F	Bans Indoor Smoking in Public Places	\$3,822,324 to 4 “no” campaigns	X 1.70	\$6,497,951	2
2002	27	F	Labeling of Genetically Engineering Food	\$5,483,618 to “no” campaign	X 1.12	\$6,141,652	3
1996	44	P	Increases Cigarette and Tobacco Tax	\$4,714,874 to “no” campaign	X 1.28	\$6,035,039	4
2004	38	F	Disbanding SAIF	\$5,601,154 to “yes” campaign	X 1.07	\$5,993,235	5
1998	59	F	No Public Resources to Collect Money for Politics	\$4,721,218 to “no” campaign	X 1.24	\$5,854,310	6
2000	92 and 98	F	No Public Resources to Collect Money for Politics	\$4,701,664 to “no” campaign	X 1.17	\$5,500,947	7
1990	4	F	Bans Trojan Operation Until Standards Met	\$3,565,580 to 2 “no” campaigns	X 1.54	\$5,490,993	8
1986	14	F	Bans Nuclear Plan Use Until Waste Site Licensed	\$2,792,896 to “no” campaign	X 1.84	\$5,138,929	9
2006	42	F	Bars Insurance Companies from Using Credit Histories to Write Policies	\$5,081,559 to “no” campaign	N/A – base year	\$5,081,559	10

*F=Failed, P=Passed. **Figures adjusted for inflation to 2006 dollars using the Consumer Price Index– Urban (CPI-U).

The “Yes” side has raised nearly \$2 million, mainly from health care associations and companies, as well as from labor unions. The “No” campaign has raised nearly \$5 for every \$1 the “Yes” side has raised.

Chart 3: Total Contributions, Top 10 and Small Dollar Contributors to Yes on the Healthy Kids Plan as reported through October 8, 2007

Contributor(s)	Amount	Percentage
American Cancer Society, Great West Division; Providence Health System and Oregon Education Association	\$200,000 each	10.5% each

Regence BlueCross	\$150,000	7.8%
Healthy Communities Coalition*	\$103,000	5.4%
Opportunity PAC II	\$100,000	5.2%
SEIU Local 503	\$97,312	5.1%
AFSCME Council 75, PeaceHealth, American Cancer Society, Doctors for Healthy Communities, American Cancer Society Cancer Action Network, Coalition for a Healthy Oregon, CareOregon, Nurses United PAC, Kaiser Foundation Health Plan of the Northwest, American Heart Association, Legacy Health Systems	\$50,000 each	2.6% each
Top 10 Contributor Subtotal	\$1,600,312	83.6%
Miscellaneous Contributions of \$100 or less	\$10,211	<1%
Remaining Contributions	\$303,215	15.8%
“Yes” Side Total	\$1,913,738	

* The Healthy Communities Coalition, another “yes on 50” political committee, raised all of its \$103,000 from the Oregon Association of Hospitals & Health Systems (\$93,000) and the St. Charles Medical Center (\$10,000). It contributed the entire amount to the Yes on Healthy Kids Plan committee.

“Big Tobacco has proved that it is willing to spend whatever it takes to protect its industry,” said Sarah Wetherson, research and outreach associate for Democracy Reform Oregon. “Voters need to be aware that there is an unprecedented amount of money being spent to convince them to vote no.”

Democracy Reform Oregon (DRO) is a non-partisan, not-for-profit group working to increase accountability and opportunities for participation in politics and governmental decision-making. DRO has been working on democracy reform issues since 1999 and was formerly the Money in Politics Research Action Project.

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