



Money in Politics Research Action Project

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Select Oregon Corporations May Get Big Payoff from Small Political Investment, Despite Budget Crisis

Several Oregon businesses--and one based in Washington--may emerge as big winners, despite a budget crisis that has led to the longest legislative session in the state's history.

The Senate is slated to vote tomorrow on House Bill 3183A, a proposal that would lower taxes on Oregon-based companies that sell a large percentage of their products outside of the state.

The bill, backed by a group of businesses and associations dubbed the Smart Growth Coalition, also includes provisions designed to allow "forest product companies with 300,000 to 400,000 acres of forest land," to take advantage of this change as well. The Legislative Revenue Office estimates that four companies meet those criteria, including Longview Fibre Company, a Washington-based corporation that was named in a hearing on the bill. (Under confidentiality rules, the other businesses remain unknown.)

Other tax provisions have been stuffed into this bill, bringing its total revenue impact to \$54.8 million in the 2005-07 biennium and \$130.3 million in the 2007-09 biennium. The sales factor change alone will cause the state to forego \$11.7 million in the 2005-07 biennium, and \$22.5 million in 2007-09.

Members of the Smart Growth Coalition and Longview Fibre Company spent just over \$2 million on lobbying from 1997 to 2002, the last year for which lobby group expenditure data is available. (Data for 2003 lobby group expenditures will not be available until January 2004.) They gave \$97,656 to current state senators in the 2000 and 2002 election cycles, \$23,100 of which went to members of the Senate Revenue Committee.

"By 2009, companies that benefit from this change will receive a 15-to-one return on their investment in this public policy change. It's not right that Oregon taxpayers--including other businesses in the state that do not benefit from this tax-policy change--will be handing off cash to a select group of corporations. I can't help but see the connection between political spending and policy decisions here," said Janice Thompson, executive director, Money in Politics Research Action Project.

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Lobbyist Employers	1997-2002 Lobby Expenditure Totals
American Electronics Association	\$372,476.00
Intel Corp	\$381,492.93
Jeld-Wen, Inc	\$205,224.45
Les Schwab Tire Co	\$70,775.00
Longview Fibre Company	\$196,627.05
Nike, Inc	\$120,639.00
Oregon Bankers Association	\$343,877.00
Oregon Metals Industry Council	\$225,827.00
Schnitzer Steel Industries	\$136,270.67
Tektronix Inc	\$2,557.00
Grand Total	\$2,055,766.10

MiPRAP analysis based on reports filed with the Oregon Government Standards and Practices Commission (GSPC). For a more extensive break out of lobby group expenditures, please see our website--www.oregonfollowthemoney.org.

2000 and 2002 Contributors to Current Oregon State Senators	Subtotals
COLUMBIA SPORTSWEAR CO	\$400
LES SCHWAB TIRE CENTERS	\$5,700
LONGVIEW FIBRE CO	\$3,500
MONACO COACH CORP	\$500
NIKE INC & AFFILIATES	\$24,235
OR AMERICAN ELECTRONICS ASSOC/OR AEA	\$18,695
OR BANKERS PAC	\$36,061
OR METALS INDUSTRY PAC	\$3,000
PACWEST COMMUNICATIONS	\$4,065
SCHNITZER STEEL INDUSTRIES INC	\$1,500
Grand Total	\$97,656

MiPRAP Analysis based on 2000 and 2002 Contribution reports filed with the Secretary of State and compiled into a database by the National Institute for Money in State Politics. Current Senators include those elected in 2000 and 2002.