

Democracy Reform Oregon

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Measures 49, 50 Draw More Than \$18 Million in Cash for Hotly Contested Legislative Referrals

With three weeks left until Election Day, two contentious measures have attracted more than \$18 million in campaign cash – more than 2006 fundraising for campaigns for and against 10 measures.

As of the end of the day Monday, October 15, 2007, campaigners for and against measures 49 and 50 had raised \$18,118,012, or about \$15,000 more than the \$17,961,616 total raised by campaigns for and against 10 measures on the 2006 ballot.

One legislative referral, Measure 49, asks voters to approve a land-use law to address concerns about Measure 37. Measure 37, which passed in 2004, requires local and state governments to compensate landowners for any loss in value caused by land-use regulations, or to waive those regulations.

The Measure 49 referral, according to its supporters, restores fairness to the land-use system by allowing landowners to build a limited number of houses on their land while stopping unfettered commercial development. Detractors say that the referral guts Measure 37, taking away important property rights granted by the measure and ignoring the will of the voters.

Chart 1: Top 10 Contributors to Yes on 49 Committee

| Contributor | Amount | Percentage |
|--|----------------|------------|
| The Nature Conservancy in Oregon | \$1,205,235 | 29.2% |
| Eric Lemelson | \$1,025,000 | 24.9% |
| Lemelson, Dorothy (Trust Account) | \$126,000 | 3.1% |
| Philip Knight, John D. Gray, and Edmund Hayes, Jr. | \$100,000 each | 2.4% each |
| 1000 Friends of Oregon | \$90,457 | 2.2% |
| James Ratzlaff, Oregon AFSCME Council 75, Paul Brainerd and Pacificorp | \$50,000 each | 1.2% each |
| Top 10 Contributors Subtotal | \$2,946,692 | 71.5% |
| Miscellaneous Cash Contributions \$100 and under | \$208,416 | 5.1% |
| Remaining Contributions | \$965,919 | 23.4% |
| Total Yes on 49 Contributions | \$4,121,027 | 100% |

Supporters include The Nature Conservancy in Oregon, which has contributed more than \$1.2 million to the Yes on 49 campaign. On its website, the Conservancy describes itself as, "the leading conservation organization working around the world to protect ecologically important lands and waters for nature and people" and has made the campaign a top priority in Oregon. Eric Lemelson, an Oregon

vineyard owner, has contributed more than \$1 million. Together, these two donors account for 54.1 percent of the "yes" campaign's total fundraising. (See Chart 1.)

The Yes on 49 committee has also raised \$208,416, or 5.1 percent, of its total from donors giving \$100 or less. Assuming an average contribution of \$50, the campaign has 4168 donors in this category.

Chart 2: Top 10 Contributors to No on 49 Campaign Committees (Fix Measure 49, Oregonians in Action

PAC and Stop Taking Our Property)

| Contributor | Amount | Percentage |
|---|----------------|------------|
| A-Dec Dental Equipment | \$213,500 | 12.1% |
| Stimson Lumber | \$200,000 | 11.4% |
| Swanson Group Inc. and Seneca Jones Timber Co. | \$163,500 each | 9.3% each |
| Columbia Helicopters/Wes Lematta | \$138,500 | 7.9% |
| Hire Calling, Inc. (Dick Wendt) | \$100,000 | 5.7% |
| George Advertising, Inc. | \$74,684 | 4.2% |
| Rosboro, Freres Lumber Co., Inc., and Cascade Timber Consulting, Inc. | \$50,000 | 2.8% |
| Top 10 Contributors Subtotal | \$1,203,684 | 68.4% |
| Miscellaneous Cash Contributions \$100 and under | \$174,423 | 9.9% |
| Remaining Contributions | \$380,766 | 21.6% |
| Total No on 49 Contributions | \$1,758,873 | 100.0% |

Three PACs are actively opposing measure 49, Fix Measure 49, Oregonians in Action PAC and Stop Taking Our Property. Timber-related companies are responsible for at least \$815,500, or 46.5 percent of the campaign's total. George Advertising, a marketing business owned by State Senator Larry George, is one of the campaign's top 10 donors, providing \$74,684 in contributions. (See Chart 2.)

No on 49 campaigners have raised \$174,423 from contributors giving \$100 or less. Assuming an average contribution of \$50, the "no" side has 3488 donors in that category. Yes on 49 has out fundraised the "no" side more than 2 to 1.

The other legislative referral Oregonians face this fall is Measure 50, 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.

Top contributors in support of measure 50 include prominent medical groups, such as Providence Health System; American Cancer Society and Regence BlueCross and number of others, which have given at least \$1,153,609, or 56.5 percent of the campaign's fundraising. (See Chart 3.)

Supporters giving \$100 or less to the "yes" campaign comprise \$11,306, or less than 1 percent of the total raised. Assuming an average contribution of \$50 from these contributors, the campaign has about 226 donors in this group.

Chart 3: Top 10 Contributors to Yes on Healthy Kids Plan (Yes on 50) campaign committee

| Contributor | Amount | Percentage |
|--|----------------|------------|
| Providence Health System; American Cancer Society, Great West Division | \$200,000 each | 9.3% each |
| Regence BlueCross | \$150,609 | 7.0% |
| Opportunity PAC II | \$150,000 | 7.0% |
| SEIU Local 503 | \$132,312 | 6.2% |
| Healthy Communities Coalition | \$103,000 | 4.8% |
| Philip Knight, Oregon Education Association, Oregon State Council of Service Employees | \$100,000 | 4.7% |
| Kaiser Foundation Health Plan of the Northwest, Nurses United PAC, American Heart Association, PeaceHealth, CareOregon, Doctors for Healthy Communities, AFSCME Council 75, Coalition for a Healthy Oregon, American Cancer Society, American Cancer Society | | |
| Cancer Action Network, Legacy Health Systems | \$50,000 | 2.3% |
| Top 10 Contributors Subtotal | \$1,785,921 | 83.1% |
| Miscellaneous Cash Contributions \$100 and under | \$11,306 | <1% |
| Remaining Contributions | \$350,890 | 16.3 |
| Total Yes on 50 Contributions | \$2,147,847 | 100.0% |

^{*} 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.

Two tobacco companies are responsible for almost all of the \$10 million various "no" on 50 political committees have raised. Philip Morris USA Inc. and parent company Altria Corporate services have given \$5,801,054, or 57.5 percent of the total, while Reynolds American contributed \$4,284,561, or 42.5 percent. The "no" effort garnered \$150 in miscellaneous contributions of \$100 or less from three contributors (assuming an average gift of \$50 each). (See Chart 4.) The "no" side is out-fundraising the "yes" side nearly 5 to 1, and has set a new fundraising record for Oregon measure campaigns, surpassing the old record by nearly \$3 million in inflation-adjusted dollars.

Chart 4: Top 10 Contributors to No on 50 campaign committees (Oregonians against the Blank Check and Stop the Measure 50 Tax Hike)

| Contributor | Amount | Percentage |
|--|--------------|------------|
| Philip Morris USA Inc. | \$5,648,168 | 56.0% |
| Reynolds American | \$4,284,561 | 42.5% |
| Altria Corporate Services, Inc. | \$152,886 | 1.5% |
| Rich & Rhine Distributors; Northern Sales Company, Inc; Capitol Distributing, Inc. | \$1000 each | <1% each |
| Taxpayers Association of Oregon PAC, Oregon Neighborhood Store | | |
| Association Political Action Committee, Plaid Pantries, Inc. | \$500 each | <1% each |
| Top 10 Contributors Subtotal | \$10,090,115 | ~100.0% |
| Miscellaneous Cash Contributions \$100 and under | \$150 | <1% |
| Remaining Contributions | \$0 | 0% |
| Total Yes on 50 Contributions | \$10,090,265 | 100% |

[&]quot;These are unprecedented fundraising levels, and voters are well served by improved campaign finance disclosure rules to allow Oregonians to track who is buying all of the TV ads and direct mail to persuade them to vote one way or another," said Sarah Wetherson, research and outreach associate with Democracy Reform Oregon.

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.