



# Campaign Contributions and Lobbying Expenditures of Tobacco Interests in California

**2009-2010 Election Cycle: January – December 2009**

*This report details spending by tobacco interests on lobbying expenditures and campaign contributions for the first year of the 2009-2010 election cycle. This report is one in a series of regular updates produced by the Center for Tobacco Policy & Organizing, a project of the American Lung Association in California.*

## Introduction

In the first year of the 2009-2010 election cycle, tobacco interests have already spent more than \$1.7 million on lobbying and more than \$1.4 million on campaign contributions to influence legislative policy and elections in California. Spending by tobacco interests on lobbying and campaign contributions in the 2009-2010 election cycle is ahead of the spending pace by tobacco interests during the first year of the previous election cycle (2007-2008).

The amount spent on lobbying during the first year of the 2009-2010 election cycle is nearly \$500,000 more than the amount spent during the first year of the 2007-2008 election cycle. Philip Morris USA Inc. was mainly responsible for this increase in spending while the lobbying spending by the other three tobacco interests remained consistent with their spending from the previous election cycle. There were a total of six bills related to a tobacco tax increase listed on the lobbying reports for Philip Morris USA Inc. The company spent more in the second quarter of 2009 (April – June) than it has spent in any other quarter over the last 20 years on lobbying.

The amount spent on campaign contributions in the first year of the 2009-2010 election cycle is more than double the amount spent during the first year of the 2007-2008 election cycle. The reason for this increase was the statewide special election in May 2009. Philip Morris USA Inc. and Reynolds American Inc. contributed \$625,000 to *Budget Reform Now – Yes on 1A Through 1F*, the committee in support of the six ballot initiatives. If passed, these ballot measures would have generated billions of dollars for the state general fund and redirected a portion of the Proposition 10 tobacco tax revenues. Despite the increase in contributions to political committees, tobacco interests' contributions to legislators is consistent with the previous election cycle. So far in the 2009-2010 election cycle, tobacco interests have contributed to 50 legislators, which is three fewer than during the first year of the 2007-2008 election cycle.

## Background

The tobacco interests profiled in this report hire lobbyists and are therefore considered lobbyist employers by the Secretary of State and are required to submit quarterly disclosure reports. These reports must state which legislative or administrative actions, such as bills or regulations, were lobbied during that quarter and how much money was spent on payments to lobbying firms and activity expenses, which is defined to include gifts, honoraria, consulting fees and salaries. Each quarter covers three months out of the calendar year (January through March, April through June, July through September, and October through December) making a total of eight quarters for the two-year reporting period. The figures on lobbying expenditures in this update come from the first four of eight quarterly disclosure reports in the 2009-2010 election cycle.

These tobacco entities, like other interest groups, are required by law to submit statements to the Secretary of State that detail campaign contributions twice annually and more often in election years. Campaign contributions include all monetary contributions and non-monetary contributions, such as donated goods or services. Philip Morris USA Inc. used to file its report of campaign contributions under the name Altria Group Inc.'s Affiliates, and the campaign contributions figures in this report contain all Altria Group Inc.'s Affiliates' contributions. Prior to 2007, that included contributions from Kraft Foods Global, Inc. which had filed its contributions under the name Altria Group Inc.'s Affiliates. However, in 2007, Kraft Foods Global, Inc. was spun off from Altria Group Inc.'s Affiliates and stopped filing its campaign contributions under the Altria Group Inc.'s Affiliates name. The US Smokeless Tobacco Company files under the name UST Inc., which includes the US Smokeless Tobacco Company and UST Public Affairs. The campaign finance figures in this report contain all UST Inc. contributions. The data on campaign contributions in this update comes from the first two of four semiannual contributions reports for the 2009-2010 election cycle.

The Secretary of State's website, <http://cal-access.ss.ca.gov>, contains a searchable database with all of the figures that are found in this report. While this report attempts to convey accurate campaign finance and lobbying data, it is important to note that these records are subject to amendment by donors and data is subject to change.

The Center for Tobacco Policy & Organizing produces regular reports on lobbying expenditures and campaign contributions as this information is filed with the Secretary of State. For past reports, please visit the Center's website at [www.Center4TobaccoPolicy.org/tobaccomoney](http://www.Center4TobaccoPolicy.org/tobaccomoney). In addition, the Center maintains a database of campaign contributions to legislators and candidates from tobacco interests for the 2001-2002 election cycle through the present. This searchable database is available at [www.Center4TobaccoPolicy.org/database](http://www.Center4TobaccoPolicy.org/database).

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**Table 1: Lobbying Expenditures and Legislation Lobbied by Tobacco Interests (January 1, 2009 – December 31, 2009)**

**Table 1** shows the amount each tobacco entity spent on lobbying and the bills or administrative actions they lobbied during 2009. In this first year of the two-year cycle, the tobacco interests have spent more than \$1.7 million to lobby the legislature on 12 tobacco-related bills and the Board of Equalization on several issues.

**Altria Client Services Inc. and its Affiliates (Philip Morris USA Inc.)**

| Quarter          | Amount Spent          | Bills/Issues Lobbied   |
|------------------|-----------------------|--|
| 1st Quarter 2009 | \$139,111.71          | AB 89 (Torlakson) Increasing the Tax on Cigarettes<br>SB 53 (DeSaulnier) Authorizing Attorney General to Negotiate Amendments to the MSA<br>SB 600 (Padilla) Increasing the State Tobacco Tax<br>SB 601 (Padilla) Restricting Eligibility for State Tobacco Retailer License<br>SB 602 (Padilla) Restricting State Tobacco Retailer Licenses<br>SB 603 (Padilla) Creating Annual Fee for State Tobacco Retailer License  |
| 2nd Quarter 2009 | \$751,564.69*         | AB 89 (Torlakson) Increasing the Tax on Cigarettes<br>ACA 22 (Torlakson) Increasing the Tax on Cigarettes<br>ABX3 2 (Evans) Budget, Tobacco Tax Increase<br>ABX3 39 (Evans) Budget, Tobacco Tax Increase<br>SB 76 (Budget Committee) Budget, Tobacco Tax Increase<br>SB 600 (Padilla) Increasing the State Tobacco Tax<br>SB 601 (Padilla) Restricting Eligibility for State Tobacco Retailer License<br>SB 602 (Padilla) Restricting State Tobacco Retailer Licenses<br>SB 603 (Padilla) Creating Annual Fee for State Tobacco Retailer License |
| 3rd Quarter 2009 | \$212,437.10          | AB 89 (Torlakson) Increasing the Tax on Cigarettes<br>ABX3 2 (Evans) Budget, Tobacco Tax Increase<br>ABX3 39 (Evans) Budget, Tobacco Tax Increase<br>SB 76 (Budget Committee) Budget, Tobacco Tax Increase<br>SB 600 (Padilla) Increasing the State Tobacco Tax<br>SB 601 (Padilla) Restricting Eligibility for State Tobacco Retailer License<br>SB 603 (Padilla) Creating Annual Fee for State Tobacco Retailer License  |
| 4th Quarter 2009 | \$128,216.74          | Board of Equalization - Proposed Regulations   |
| <b>TOTAL</b>     | <b>\$1,231,330.24</b> |  |

\*Philip Morris filed an amendment to its 2nd Quarter lobbying report. This update contains the spending figures that were reported on the amended report.

**California Distributors Association\***

| Quarter          | Amount Spent       | Bills/Issues Lobbied  |
|------------------|--------------------|---|
| 1st Quarter 2009 | \$13,040.00        | AB 89 (Torlakson) Increasing the Tax on Cigarettes<br>AB 689 (Calderon) Changing the Definition of a Tobacco Product<br>SB 600 (Padilla) Increasing the State Tobacco Tax<br>SB 601 (Padilla) Restricting Eligibility for State Tobacco Retailer License<br>SB 602 (Padilla) Restricting State Tobacco Retailer Licenses<br>SB 603 (Padilla) Creating Annual Fee for State Tobacco Retailer License<br>Board of Equalization: Excise Tax Issues |
| 2nd Quarter 2009 | \$13,301.60        | AB 689 (Calderon) Changing the Definition of a Tobacco Product<br>SB 600 (Padilla) Increasing the State Tobacco Tax<br>SB 601 (Padilla) Restricting Eligibility for State Tobacco Retailer License<br>SB 602 (Padilla) Restricting State Tobacco Retailer Licenses<br>SB 603 (Padilla) Creating Annual Fee for State Tobacco Retailer License   |
| 3rd Quarter 2009 | \$13,040.00        | SB 76 (Budget Committee) Budget, Tobacco Tax Increase<br>SB 400 (Corbett) Authorizing Enforcement Action Against Sales of E-Cigarettes<br>SB 600 (Padilla) Increasing the State Tobacco Tax<br>SB 602 (Padilla) Restricting State Tobacco Retailer Licenses<br>SB 603 (Padilla) Creating Annual Fee for State Tobacco Retailer License  |
| 4th Quarter 2009 | \$13,040.00        | SB 400 (Corbett) Authorizing Enforcement Action Against Sales of E-Cigarettes   |
| <b>TOTAL</b>     | <b>\$52,421.60</b> |   |

\*The California Distributors Association lobbies on other issues besides tobacco issues. The table reflects total amount of money spent on lobbying but only lists the tobacco-related bills.

**Table 1: Lobbying Expenditures and Legislation Lobbied by Tobacco Interests (January 1, 2009 – December 31, 2009)**

(continued)

**Reynolds American Inc. (R.J. Reynolds Tobacco Company)**

| Quarter          | Amount Spent        | Bills/Issues Lobbied  |
|------------------|---------------------|---|
| 1st Quarter 2009 | \$56,697.73         | AB 89 (Torlakson) Increasing the Tax on Cigarettes<br>SB 600 (Padilla) Increasing the State Tobacco Tax   |
| 2nd Quarter 2009 | \$62,323.86         | AB 89 (Torlakson) Increasing the Tax on Cigarettes<br>ACA 22 (Torlakson) Increasing the Tax on Cigarettes<br>SB 600 (Padilla) Increasing the State Tobacco Tax<br>SB 601 (Padilla) Restricting Eligibility for State Tobacco Retailer License<br>SB 602 (Padilla) Restricting State Tobacco Retailer Licenses |
| 3rd Quarter 2009 | \$67,204.15         | SB 600 (Padilla) Increasing the State Tobacco Tax   |
| 4th Quarter 2009 | \$72,283.11         | No bills listed this quarter  |
| <b>TOTAL</b>     | <b>\$258,508.85</b> |   |

**UST Public Affairs, Inc. (U.S. Smokeless Tobacco Company)**

| Quarter          | Amount Spent        | Bills/Issues Lobbied   |
|------------------|---------------------|--|
| 1st Quarter 2009 | \$70,500.00         | AB 89 (Torlakson) Increasing the Tax on Cigarettes<br>SB 600 (Padilla) Increasing the State Tobacco Tax  |
| 2nd Quarter 2009 | \$25,500.00         | AB 89 (Torlakson) Increasing the Tax on Cigarettes<br>ACA 22 (Torlakson) Increasing the Tax on Cigarettes<br>SB 600 (Padilla) Increasing the State Tobacco Tax<br>SB 601 (Padilla) Restricting Eligibility for State Tobacco Retailer License<br>SB 602 (Padilla) Restricting State Tobacco Retailer Licenses<br>SB 603 (Padilla) Creating Annual Fee for State Tobacco Retailer License |
| 3rd Quarter 2009 | \$70,500.00         | Board of Equalization: tax ramifications of SB 601 (Padilla) and SB 603 (Padilla)  |
| 4th Quarter 2009 | \$25,500.00         | Board of Equalization: Wholesale tobacco cost  |
| <b>TOTAL</b>     | <b>\$192,000.00</b> |  |

**Table 2: Historical Lobbying Expenditures of Tobacco Interests (January 1, 2001 – December 31, 2009)**

Table 2 shows the historical spending of tobacco interests on lobbying expenditures from 2001 through 2009. During this time period, tobacco interests have spent more than \$12.5 million on lobbying expenditures.

| Company  | 2001-2002          | 2003-2004          | 2005-2006          | 2007-2008          | 2009-2010 (1/1/09 - 12/31/09) | Totals              |
|--|--------------------|--------------------|--------------------|--------------------|-------------------------------|---------------------|
| Altria Client Services Inc. and its Affiliates (Phillip Morris USA Inc.) | \$799,693          | \$1,070,237        | \$884,694          | \$1,680,953        | \$1,231,330                   | <b>\$5,666,907</b>  |
| Reynolds American Inc. (R.J. Reynolds Tobacco Company)                   | \$615,058          | \$489,916          | \$598,507          | \$469,646          | \$258,509                     | <b>\$2,431,635</b>  |
| UST Public Affairs, Inc. (US Smokeless Tobacco Company)                  | \$310,073          | \$465,446          | \$391,137          | \$403,564          | \$192,000                     | <b>\$1,762,220</b>  |
| Lorillard Tobacco Company*   | \$493,975          | \$381,657          | \$187,202          | -                  | -                             | <b>\$1,062,834</b>  |
| Brown & Williamson Tobacco Corporation**                                 | \$587,781          | \$304,239          | -                  | -                  | -                             | <b>\$892,020</b>    |
| California Distributors Association                                      | \$87,537           | \$95,378           | \$99,324           | \$104,353          | \$52,422                      | <b>\$439,014</b>    |
| Smokeless Tobacco Council, Inc.***                                       | \$263,817          | \$67,500           | -                  | -                  | -                             | <b>\$331,317</b>    |
| <b>TOTALS</b>  | <b>\$3,157,934</b> | <b>\$2,874,372</b> | <b>\$2,160,864</b> | <b>\$2,658,516</b> | <b>\$1,734,261</b>            | <b>\$12,585,947</b> |

\* Lorillard Tobacco Company terminated lobbying in December 2005. | \*\* Brown & Williamson Tobacco Corporation merged with RJ Reynolds Tobacco Company in August 2004. | \*\*\* Smokeless Tobacco Council, Inc. terminated lobbying in December 2003.

**Table 3: Contributions to Assembly Members from Tobacco Interests  
(January 1, 2009 – December 31, 2009)**

In 2009, tobacco interests made campaign contributions to 34 Members of the State Assembly and contributed a total of nearly \$215,000 to these Assembly Members. **Table 3** shows the contributions from tobacco interests to Members of the California State Assembly.

Tobacco interests have actually contributed to fewer Assembly Members through the first year of the 2009-2010 election cycle than in the first year of the previous 2007-2008 election cycle. During the first year of that cycle, 37 Assembly Members had accepted campaign contributions. Despite contributing to fewer members, the tobacco interests have contributed more money in the first year of this election cycle, increasing by nearly \$40,000.

| Party/<br>District | Assembly Member      | Philip Morris<br>USA Inc. | Reynolds American<br>Inc. (R.J. Reynolds<br>Tobacco Company) | UST Inc.<br>(US Smokeless<br>Tobacco Company) | California Distributors<br>Association PAC | Totals         |
|--------------------|----------------------|---------------------------|--|---|--|----------------|
| R-59               | Adams, Anthony       | \$3,900                   | \$1,500  | -   | -  | <b>\$5,400</b> |
| D-13               | Ammiano, Tom         | -                         | -  | -   | -  | -              |
| R-77               | Anderson, Joel       | \$3,900                   | \$3,000  | -   | \$1,500                                    | <b>\$8,400</b> |
| D-31               | Arambula, Juan       | -                         | -  | -   | -  | -              |
| D-47               | Bass, Karen          | -                         | -  | -   | -  | -              |
| D-24               | Beall, Jim Jr.       | -                         | -  | -   | -  | -              |
| R-26               | Berryhill, Bill      | \$7,800                   | \$1,500  | -   | -  | <b>\$9,300</b> |
| R-25               | Berryhill, Tom       | \$7,800                   | \$1,500  | -   | -  | <b>\$9,300</b> |
| R-33               | Blakeslee, Sam       | -                         | -  | -   | -  | -              |
| D-78               | Block, Marty         | -                         | -  | -   | -  | -              |
| D-40               | Blumenfield, Bob     | -                         | -  | -   | -  | -              |
| D-51               | Bradford, Steven*    | -                         | -  | -   | -  | -              |
| D-41               | Brownley, Julia      | -                         | -  | -   | -  | -              |
| D-15               | Buchanan, Joan       | -                         | -  | -   | -  | -              |
| D-28               | Caballero, Anna      | -                         | -  | -   | -  | -              |
| D-58               | Calderon, Charles    | \$3,900                   | -  | -   | \$2,500                                    | <b>\$6,400</b> |
| D-62               | Carter, Wilmer Amina | -                         | \$1,500  | -   | -  | <b>\$1,500</b> |
| D-01               | Chesbro, Wes         | -                         | -  | -   | -  | -              |
| R-34               | Conway, Connie       | \$7,800                   | \$1,500  | -   | -  | <b>\$9,300</b> |
| R-65               | Cook, Paul           | \$3,900                   | \$2,000  | -   | -  | <b>\$5,900</b> |
| D-23               | Coto, Joe            | -                         | -  | -   | -  | -              |
| D-48               | Davis, Mike          | -                         | -  | -   | -  | -              |
| D-50               | De La Torre, Hector  | -                         | -  | -   | -  | -              |
| D-45               | de León, Kevin       | -                         | -  | -   | -  | -              |
| R-70               | DeVore, Chuck        | -                         | -  | -   | -  | -              |
| R-72               | Duvall, Mike         | \$3,900                   | \$1,500  | -   | -  | <b>\$5,400</b> |
| R-63               | Emmerson, Bill       | \$3,900                   | \$3,000  | -   | -  | <b>\$6,900</b> |
| D-49               | Eng, Mike            | -                         | -  | -   | \$1,500                                    | <b>\$1,500</b> |
| D-07               | Evans, Noreen        | -                         | -  | -   | -  | -              |
| D-42               | Feuer, Mike          | -                         | -  | -   | -  | -              |
| R-75               | Fletcher, Nathan     | \$3,900                   | \$2,000  | -   | -  | <b>\$5,900</b> |
| D-22               | Fong, Paul           | -                         | -  | -   | -  | -              |
| D-39               | Fuentes, Felipe      | -                         | -  | -   | -  | -              |
| R-32               | Fuller, Jean         | \$3,900                   | \$1,500  | -   | -  | <b>\$5,400</b> |
| D-55               | Furutani, Warren     | -                         | -  | -   | -  | -              |
| R-04               | Gaines, Ted          | \$7,800                   | \$1,500  | -   | -  | <b>\$9,300</b> |
| D-17               | Galgiani, Cathleen   | \$3,900                   | \$1,500  | -   | -  | <b>\$5,400</b> |
| R-74               | Garrick, Martin      | \$3,900                   | \$2,000  | -   | -  | <b>\$5,900</b> |
| R-30               | Gilmore, Danny       | \$3,900                   | \$1,500  | -   | -  | <b>\$5,400</b> |
| R-60               | Hagman, Curt         | \$3,900                   | \$2,000  | -   | -  | <b>\$5,900</b> |

\*Steven Bradford won a special election for Assembly District 51 and was sworn into office on September 10, 2009.

**Table 3: Contributions to Assembly Members from Tobacco Interests  
(January 1, 2009 – December 31, 2009)**

(continued)

| Party/<br>District | Assembly Member     | Philip Morris<br>USA Inc. | Reynolds American<br>Inc. (R.J. Reynolds<br>Tobacco Company) | UST Inc.<br>(US Smokeless<br>Tobacco Company) | California Distributors<br>Association PAC | Totals           |
|--------------------|---------------------|---------------------------|--|---|--|------------------|
| D-52               | Hall, Isadore       | -                         | \$2,000  | -   | -  | <b>\$2,000</b>   |
| R-73               | Harkey, Diane       | \$7,800                   | \$1,500  | -   | -  | <b>\$9,300</b>   |
| D-18               | Hayashi, Mary       | -                         | -  | -   | -  | -                |
| D-57               | Hernandez, Ed       | -                         | -  | -   | -  | -                |
| D-19               | Hill, Jerry         | -                         | -  | -   | -  | -                |
| D-10               | Huber, Alyson       | -                         | -  | -   | -  | -                |
| D-06               | Huffman, Jared      | -                         | -  | -   | -  | -                |
| R-66               | Jeffries, Kevin     | \$3,900                   | \$2,000  | -   | -  | <b>\$5,900</b>   |
| D-09               | Jones, Dave         | -                         | -  | -   | -  | -                |
| R-36               | Knight, Steve       | \$7,800                   | \$1,500  | -   | -  | <b>\$9,300</b>   |
| D-43               | Krekorian, Paul     | -                         | -  | -   | -  | -                |
| D-53               | Lieu, Ted           | -                         | -  | -   | -  | -                |
| R-03               | Logue, Dan          | \$7,800                   | \$1,500  | -   | -  | <b>\$9,300</b>   |
| D-54               | Lowenthal, Bonnie   | -                         | -  | -   | -  | -                |
| D-12               | Ma, Fiona           | -                         | -  | -   | -  | -                |
| D-56               | Mendoza, Tony       | -                         | -  | -   | -  | -                |
| R-71               | Miller, Jeff        | \$3,900                   | \$1,500  | -   | -  | <b>\$5,400</b>   |
| D-27               | Monning, William    | -                         | -  | -   | -  | -                |
| D-35               | Nava, Pedro         | -                         | -  | -   | -  | -                |
| R-64               | Nestande, Brian     | \$3,900                   | \$2,000  | -   | -  | <b>\$5,900</b>   |
| R-05               | Niello, Roger       | -                         | -  | -   | -  | -                |
| R-02               | Nielsen, Jim        | \$7,800                   | \$1,500  | -   | -  | <b>\$9,300</b>   |
| D-46               | Perez, John         | \$3,900                   | -  | -   | -  | <b>\$3,900</b>   |
| D-80               | Perez, V. Manuel    | -                         | -  | -   | -  | -                |
| D-44               | Portantino, Anthony | -                         | -  | -   | -  | -                |
| D-51               | Price, Curren Jr.** | \$7,800                   | \$2,000  | -   | -  | <b>\$9,800</b>   |
| D-21               | Ruskin, Ira         | -                         | -  | -   | -  | -                |
| D-79               | Salas, Mary         | -                         | -  | -   | -  | -                |
| D-76               | Saldaña, Lori       | -                         | -  | -   | -  | -                |
| R-67               | Silva, Jim          | \$3,900                   | \$1,500  | -   | -  | <b>\$5,400</b>   |
| D-14               | Skinner, Nancy      | -                         | -  | -   | -  | -                |
| R-38               | Smyth, Cameron      | \$7,800                   | \$2,000  | -   | -  | <b>\$9,800</b>   |
| D-69               | Solorio, Jose       | \$3,900                   | -  | -   | -  | <b>\$3,900</b>   |
| R-37               | Strickland, Audra   | -                         | -  | -   | -  | -                |
| D-16               | Swanson, Sandre     | -                         | \$1,500  | -   | -  | <b>\$1,500</b>   |
| D-11               | Torlakson, Tom      | -                         | -  | -   | -  | -                |
| D-61               | Torres, Norma       | -                         | -  | -   | -  | -                |
| D-20               | Torrico, Alberto    | -                         | -  | -   | -  | -                |
| R-68               | Tran, Van           | -                         | \$2,000  | -   | -  | <b>\$2,000</b>   |
| R-29               | Villines, Michael   | \$6,500                   | \$2,000  | -   | -  | <b>\$8,500</b>   |
| D-08               | Yamada, Mariko      | -                         | -  | -   | -  | -                |
|                    | <b>TOTALS</b>       | <b>\$154,700</b>          | <b>\$53,500</b>  | <b>\$0</b>                                    | <b>\$5,500</b>                             | <b>\$213,700</b> |

\*\*Curren Price served in the Assembly until June 8, 2009 when he was sworn into the State Senate. He also appears in Table 4 since he served in the Senate during the time period covered by this report. All of his contributions from tobacco interests are shown in this table since they were received while he served in the Assembly.

**Table 4: Contributions to State Senators from Tobacco Interests  
(January 1, 2009 – December 31, 2009)**

**Table 4** shows the contributions from tobacco interests to Members of the California State Senate. During 2009, the first year of 2009-2010 election cycle, 16 Senators received campaign contributions from tobacco interests for a total of nearly \$70,000. This is very similar to after the first year in the previous 2007-2008 election cycle, when 16 Senators had received contributions from tobacco interests for a total of \$72,000.

| Party/<br>District | Senator                | Philip Morris<br>USA Inc. | Reynolds American<br>Inc. (R.J. Reynolds<br>Tobacco Company) | UST Inc.<br>(US Smokeless<br>Tobacco Company) | California Distributors<br>Association PAC | Totals          |
|--------------------|------------------------|---------------------------|--|---|--|-----------------|
| R-04               | Aanestad, Sam          | -                         | -  | -   | -  | -               |
| D-13               | Alquist, Elaine        | -                         | -  | -   | -  | -               |
| R-18               | Ashburn, Roy           | \$5,000                   | \$2,000  | -   | -  | <b>\$7,000</b>  |
| R-37               | Benoit, John           | \$3,900                   | \$2,000  | -   | -  | <b>\$5,900</b>  |
| D-30               | Calderon, Ronald       | -                         | \$1,500  | -   | -  | <b>\$1,500</b>  |
| D-22               | Cedillo, Gil           | -                         | -  | -   | -  | -               |
| R-14               | Cogdill, Dave          | -                         | \$1,000  | -   | -  | <b>\$1,000</b>  |
| D-10               | Corbett, Ellen         | -                         | -  | -   | -  | -               |
| D-34               | Correa, Lou            | -                         | \$1,500  | -   | -  | <b>\$1,500</b>  |
| R-01               | Cox, Dave              | -                         | \$2,000  | -   | -  | <b>\$2,000</b>  |
| R-12               | Denham, Jeff           | \$5,000                   | \$3,500  | -   | -  | <b>\$8,500</b>  |
| D-07               | DeSaulnier, Mark       | -                         | -  | -   | -  | -               |
| D-40               | Ducheny, Denise Moreno | -                         | -  | -   | -  | -               |
| R-31               | Dutton, Bob            | \$2,000                   | \$1,500  | -   | -  | <b>\$3,500</b>  |
| D-16               | Florez, Dean           | -                         | -  | -   | -  | -               |
| D-09               | Hancock, Loni          | -                         | -  | -   | -  | -               |
| R-35               | Harman, Tom            | -                         | \$3,000  | -   | -  | <b>\$3,000</b>  |
| R-36               | Hollingsworth, Dennis  | \$3,900                   | \$2,000  | -   | -  | <b>\$5,900</b>  |
| R-29               | Huff, Bob              | \$3,900                   | \$2,000  | -   | -  | <b>\$5,900</b>  |
| D-39               | Kehoe, Christine       | -                         | -  | -   | -  | -               |
| D-03               | Leno, Mark             | -                         | -  | -   | -  | -               |
| D-21               | Liu, Carol             | -                         | -  | -   | -  | -               |
| D-27               | Lowenthal, Alan        | -                         | -  | -   | -  | -               |
| R-15               | Maldonado, Abel        | -                         | -  | -   | \$1,500                                    | <b>\$1,500</b>  |
| D-32               | Negrete McLeod, Gloria | -                         | -  | -   | -  | -               |
| D-28               | Oropeza, Jenny         | -                         | -  | -   | -  | -               |
| D-20               | Padilla, Alex          | -                         | -  | -   | -  | -               |
| D-23               | Pavley, Fran           | -                         | -  | -   | -  | -               |
| D-26               | Price, Curren Jr.*     | -                         | -  | -   | -  | -               |
| D-24               | Romero, Gloria         | -                         | -  | -   | -  | -               |
| R-17               | Runner, George         | -                         | \$4,000  | -   | \$1,000                                    | <b>\$5,000</b>  |
| D-11               | Simitian, Joe          | -                         | -  | -   | -  | -               |
| D-06               | Steinberg, Darrell     | -                         | -  | -   | -  | -               |
| R-19               | Strickland, Tony       | \$3,900                   | \$2,500  | -   | -  | <b>\$6,400</b>  |
| R-33               | Walters, Mimi          | \$3,900                   | \$1,500  | -   | -  | <b>\$5,400</b>  |
| D-02               | Wiggins, Patricia      | -                         | -  | -   | -  | -               |
| D-05               | Wolk, Lois             | -                         | -  | -   | -  | -               |
| D-25               | Wright, Rod            | \$3,900                   | \$2,000  | -   | -  | <b>\$5,900</b>  |
| R-38               | Wyland, Mark           | -                         | -  | -   | -  | -               |
| D-08               | Yee, Leland            | -                         | -  | -   | -  | -               |
| <b>TOTALS</b>      |                        | <b>\$35,400</b>           | <b>\$32,000</b>  | <b>\$0</b>                                    | <b>\$2,500</b>                             | <b>\$69,900</b> |

\*Curren Price was sworn into the State Senate on June 8, 2009. He also appears in Table 3 since he served in the Assembly during the time period covered by this report. All of his contributions (\$9,800) from tobacco interests are shown in Table 3 since they were received while he served in the Assembly.

**Table 5: Contributions to Constitutional Officers from Tobacco Interests (January 1, 2009 – December 31, 2009)**

**Table 5** shows contributions to constitutional officers, which includes statewide offices and the four Board of Equalization districts. While not being able to vote on tobacco-related legislation as state legislators can, these elected officials influence laws and government actions related to the tobacco industry. For example, the State Board of Equalization oversees the administration of cigarette and tobacco products taxes and tobacco licensing statutes.

| Statewide Office                     | Name of Official       | Philip Morris USA Inc. | Reynolds American Inc. (R.J. Reynolds Tobacco Company) | UST Inc. (US Smokeless Tobacco Company) | California Distributors Association PAC | Totals         |
|--------------------------------------|------------------------|------------------------|--|---|---|----------------|
| Governor                             | Schwarzenegger, Arnold | -                      | -  | -                                       | -                                       | -              |
| Lieutenant Governor                  | Garamendi, John        | -                      | -  | -                                       | -                                       | -              |
| Secretary of State                   | Bowen, Debra           | -                      | -  | -                                       | -                                       | -              |
| Controller                           | Chiang, John           | -                      | -  | -                                       | -                                       | -              |
| Treasurer                            | Lockyer, Bill          | -                      | -  | -                                       | -                                       | -              |
| Attorney General                     | Brown, Jerry           | \$2,500                | -  | -                                       | -                                       | <b>\$2,500</b> |
| Superintendent of Public Instruction | O'Connell, Jack        | -                      | -  | -                                       | -                                       | -              |
| Insurance Commissioner               | Poizner, Steve         | -                      | -  | -                                       | -                                       | -              |
| Board of Equalization District 1     | Yee, Betty             | -                      | -  | -                                       | -                                       | -              |
| Board of Equalization District 2     | Leonard, Bill          | -                      | -  | -                                       | -                                       | -              |
| Board of Equalization District 3     | Steel, Michelle        | -                      | -  | -                                       | \$1,500                                 | <b>\$1,500</b> |
| Board of Equalization District 4     | Chu, Judy*             | -                      | -  | -                                       | -                                       | -              |
| Board of Equalization District 4     | Horton, Jerome*        | -                      | -  | -                                       | -                                       | -              |
| <b>TOTALS</b>                        |                        | <b>\$2,500</b>         | <b>\$0</b>   | <b>\$0</b>                              | <b>\$1,500</b>                          | <b>\$4,000</b> |

\*Judy Chu vacated her Board of Equalization seat after being elected to Congress. Jerome Horton became a member of the Board on October 5, 2009.

**Table 6: Contributions to Candidates for Legislative and Constitutional Offices from Tobacco Interests (January 1, 2009 – December 31, 2009)**

Candidates who wish to challenge incumbent legislators or to vie for open legislative seats have already begun fundraising for the 2010 primary election scheduled for June 8, 2010. In addition, some candidates also accepted contributions for special elections that were held in 2009 for vacant seats. **Table 6** shows the contributions made by tobacco interests to candidates running for a state legislative or constitutional office who are not currently elected to one of those offices. Currently, this table includes only four candidates. At this point in the 2007-2008 election cycle, only five candidates had received contributions from tobacco interests.

| Name of Candidate | Elected Office       | Philip Morris USA Inc. | Reynolds American Inc. (R.J. Reynolds Tobacco Company) | UST Inc. (US Smokeless Tobacco Company) | California Distributors Association PAC | Totals          |
|-------------------|----------------------|------------------------|--|---|---|-----------------|
| Ackerman, Linda   | Assembly District 72 | \$3,900                | -  | -                                       | -                                       | <b>\$3,900</b>  |
| Gray, Adam        | Assembly District 17 | -                      | -  | -                                       | \$1,500                                 | <b>\$1,500</b>  |
| Gorell, Jeff      | Assembly District 37 | \$7,800                | -  | -                                       | -                                       | <b>\$7,800</b>  |
| Hegy, Paul        | Assembly District 10 | \$2,000                | \$2,000  | -                                       | -                                       | <b>\$4,000</b>  |
| <b>TOTALS</b>     |                      | <b>\$13,700</b>        | <b>\$2,000</b>   | <b>\$0</b>                              | <b>\$1,500</b>                          | <b>\$17,200</b> |

[www.Center4TobaccoPolicy.org](http://www.Center4TobaccoPolicy.org)

**Table 7: Contributions to Political Committees from Tobacco Interests  
(January 1, 2009 – December 31, 2009)**

**Table 7** shows the contributions from tobacco interests to different political committees. Tobacco interests have already contributed to 12 political committees during the 2009-2010 election cycle for more than \$1.1 million in contributions. At this time in the 2007-2008 election cycle, tobacco interests had only contributed to six political committees for just more than \$300,000 in contributions.

The names of political committees do not always make it clear what types of candidates and issues that committee supports or opposes. To provide a clearer picture about what type of committees are accepting contributions from tobacco companies, some background information about what each committee primarily spends its funds on is provided below.

**Budget Reform Now - Yes on 1A Through 1F** - Uses funds to support campaigns for Propositions 1A, 1B, 1C, 1D, 1E, and 1F

**California Republican Party** – Uses funds to get Republican candidates elected

**California Business PAC** - Uses funds to support pro-business campaigns

**Alliance for California's Tomorrow** - Uses funds to support pro-business candidates

**JOBSPAC** - Uses funds to support pro-business candidates

**Voting for a New California** - Uses funds to support specific campaigns

**Californians for Voter Turnout, Education and Registration** - Uses funds for voter registration

**The Diversity PAC** - Uses funds to contribute to specific campaigns, formerly called Latino PAC

**Protect Jobs, the Economy and Education** – Uses funds to support specific campaigns

**Committee for Community Values** - Uses funds to support specific candidates

**Neighborhood Market Association PAC** - Uses funds to monitor and lobby on issues relevant to independent retailers in the food and alcohol beverage industry

**ChamberPAC, Small Contributor Committee** - Uses funds to support pro-business candidates

| Committee Name   | Philip Morris USA Inc. | Reynolds American Inc. (R.J. Reynolds Tobacco Company) | UST Inc. (US Smokeless Tobacco Company) | California Distributors Association PAC | Totals             |
|--|------------------------|--|---|---|--------------------|
| Budget Reform Now - Yes on 1A Through 1F                   | \$500,000              | \$125,000  | -                                       | -                                       | <b>\$625,000</b>   |
| California Republican Party                                | \$237,400              | \$7,500  | -                                       | -                                       | <b>\$244,900</b>   |
| California Business PAC                                    | \$100,000              | -  | -                                       | -                                       | <b>\$100,000</b>   |
| Alliance for California's Tomorrow                         | \$40,000               | -  | -                                       | -                                       | <b>\$40,000</b>    |
| JOBSPAC  | \$30,000               | -  | -                                       | -                                       | <b>\$30,000</b>    |
| Voting for a New California                                | \$25,000               | -  | -                                       | -                                       | <b>\$25,000</b>    |
| Californians for Voter Turnout, Education and Registration | \$25,000               | -  | -                                       | -                                       | <b>\$25,000</b>    |
| The Diversity PAC  | \$15,000               | -  | -                                       | \$2,931                                 | <b>\$17,931</b>    |
| Protect Jobs, the Economy and Education                    | \$15,826               | -  | -                                       | -                                       | <b>\$15,826</b>    |
| Committee for Community Values                             | \$10,000               | -  | -                                       | -                                       | <b>\$10,000</b>    |
| Neighborhood Market Association PAC                        | \$4,000                | -  | -                                       | -                                       | <b>\$4,000</b>     |
| ChamberPAC, Small Contributor Committee                    | -                      | \$200  | -                                       | -                                       | <b>\$200</b>       |
| <b>TOTALS</b>  | <b>\$1,002,226</b>     | <b>\$132,700</b>                                       | <b>\$0</b>                              | <b>\$2,931</b>                          | <b>\$1,137,857</b> |

**Table 8: Historical Contributions from Tobacco Interests  
(January 1, 2001 – December 31, 2009)**

Tobacco interests have contributed \$74.7 million to candidates and Members of the Legislature, constitutional officers, political committees and ballot initiative campaigns during the past four election cycles and the first year of the 2009-2010 election cycle. **Table 8** shows this historical spending.

| COMPANY  | 2001-2002          | 2003-2004          | 2005-2006           | 2007-2008          | 2009-2010<br>(1/1/09 –<br>12/31/09) | Totals              |
|--|--------------------|--------------------|---------------------|--------------------|-------------------------------------|---------------------|
| Phillip Morris USA Inc.*                               | \$1,081,751        | \$2,239,254        | \$37,703,162        | \$1,567,100        | \$1,208,526                         | <b>\$43,799,793</b> |
| Reynolds American Inc. (R.J. Reynolds Tobacco Company) | \$316,250          | \$202,600          | \$25,732,898        | \$173,450          | \$220,200                           | <b>\$26,645,398</b> |
| UST Inc. (US Smokeless Tobacco Company)**              | \$76,792           | \$327,768          | \$3,097,642         | \$198,944          | \$0                                 | <b>\$3,701,146</b>  |
| Brown & Williamson Tobacco Corporation***              | \$270,000          | \$24,500           | -                   | -                  | -                                   | <b>\$294,500</b>    |
| California Distributors Association PAC                | \$57,250           | \$39,400           | \$34,400            | \$26,100           | \$13,931                            | <b>\$171,081</b>    |
| Lorillard Tobacco Company                              | \$40,500           | \$61,500           | \$15,000            | -                  | -                                   | <b>\$117,000</b>    |
| <b>TOTALS</b>  | <b>\$1,842,543</b> | <b>\$2,895,022</b> | <b>\$66,583,102</b> | <b>\$1,965,594</b> | <b>\$1,442,657</b>                  | <b>\$74,728,918</b> |

\* Kraft and Philip Morris filed a joint report under the name Altria Group, Inc.'s Affiliates (Philip Morris USA Inc. and Kraft Foods Global, Inc.) until 2007. The campaign finance figures in this report contain all Altria Group contributions during that time. | \*\* U.S. Smokeless Tobacco Company files under the name UST Inc., which also includes UST Public Affairs. The campaign finance figures in this report contain all UST Inc. contributions. | \*\*\* Brown & Williamson Tobacco Corporation merged with RJ Reynolds in August 2004.