



Campaign Contributions and Lobbying Expenditures of Tobacco Interests in California

2011-2012 Election Cycle: January 2011 – June 2011

This report details spending by tobacco interests on lobbying expenditures and campaign contributions for the first six months of the 2011-2012 election cycle. This report is one in a series of regular updates produced by the American Lung Association in California's Center for Tobacco Policy & Organizing.

Introduction

During the first six months of the 2011-2012 election cycle, tobacco interests spent more than \$3.1 million on campaign contributions and lobbying. This spending is an increase from the \$2.2 million that tobacco interests spent during the first six months of the previous election cycle (2009-2010).

Campaign contributions from Philip Morris USA Inc. and its Affiliates to the political committee named Taxpayers Against Out-of-Control Spending are the reason for this increase in spending. This political committee was formed by Philip Morris USA Inc. to oppose the California Cancer Research Act, a ballot measure that will be voted on in the June 2012 primary election. The California Cancer Research Act would increase the state's tobacco tax by \$1 per pack to fund cancer research and tobacco control programs. Philip Morris USA Inc. and its Affiliates has already contributed more than \$1.9 million to the opposition campaign committee. The last time a tobacco tax ballot measure was voted on was Proposition 86 in 2006, when Philip Morris USA Inc. spent more than \$34.1 million on the opposition campaign and the major tobacco interests combined spent more than \$62 million.

In addition to political committees, campaign contributions to members of the California Legislature also increased. Tobacco interests have already contributed to 55 legislators for a total of \$280,600 in campaign contributions. This is ahead of the pace for the first six months of the previous election cycle when tobacco interests had contributed to 46 legislators for \$168,300.

For lobbying expenditures, tobacco interests lobbied on nine bills and spent more than \$700,000 during these first six months of the 2011-2012 election cycle. Total spending is on pace with what the tobacco interests have spent on lobbying during other two-year periods over the past decade. However, it is lower than the amount spent during the first six months of the previous election cycle (2009-2010), when Philip Morris USA Inc. spent more on lobbying expenditures in one quarter than in any other quarter since Proposition 99 was adopted.

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 election cycle. The figures on lobbying expenditures in this update come from the first two of eight quarterly disclosure reports in the 2011-2012 election cycle.

For campaign contributions, these tobacco entities, like other interest groups, are required by law to submit statements to the Secretary of State 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 during that time. 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 data on campaign contributions in this update comes from the first of four semiannual contributions reports for the 2011-2012 election cycle.

The four active tobacco interests that are included in this report are listed below. Throughout the report, they are identified under the name in which they are listed on the lobbying reports and contributions statements filed with the Secretary of State:

Altria Client Services Inc. and its Affiliates – Parent company of Philip Morris USA, John Middleton and U.S. Smokeless Tobacco Company.

California Distributors Association – Trade group that represents tobacco wholesales and distributors.

Cigar Association of America – Trade group that represents cigar manufacturers, importers and distributors

RAI Services Company and its Affiliates – Parent company of RJ Reynolds Tobacco Company, American Snuff Company LLC and Santa Fe Natural Tobacco Company, Inc.

Resources

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 contributions and lobbying data, it is important to note that these records are subject to amendment by donors and data is subject to change.

The American Lung Association in California's 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 or the American Lung Association in California's website at www.lungusa.org/california. 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.

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www.Center4TobaccoPolicy.org

Table 1: Lobbying Expenditures, Legislation Lobbied and Firms Employed by Tobacco Interests (January 1, 2011 – June 30, 2011)

Table 1 shows the amount each tobacco interest spent on lobbying, the bills or administrative actions they lobbied and the lobbying firms they employed during the first six months of 2011. In this first half-year of the two-year cycle, the tobacco interests spent more than \$700,000 to lobby the legislature on nine tobacco-related bills as well as the Board of Equalization on tax issues. As part of this lobbying, each tobacco interest employed at least one lobbying firm to represent their interests in the Capitol.

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

Quarter	Amount Spent	Bills/Issues Lobbied	Lobbying Firms (Amount Paid)
1st Quarter 2011	\$143,110.20	SB 116 (De Leon) Modifying Single Sales Factor for Income Tax SB 330 (Padilla) Increasing the State Tobacco Tax SB 331 (Padilla) Restricting Sales of Tobacco Products Near Schools	The Apex Group (\$15,000) Capitol Connection (\$30,000) Lang Hansen O'Malley and Miller Governmental Relations (\$82,500)
2nd Quarter 2011	\$353,440.45	SB 116 (De Leon) Modifying Single Sales Factor for Income Tax SB 330 (Padilla) Increasing the State Tobacco Tax SB 331 (Padilla) Restricting Sales of Tobacco Products Near Schools SB 653 (Steinberg) Authorizing Local Taxes Including Tobacco Taxes SB 928 (Evans) Authorizing Counties to Levy the Same Taxes as Cities SBX1 23 (Budget and Fiscal Review Committee) Authorizing Local Taxes Including Tobacco Taxes Board of Equalization - Other Tobacco Products Tax Rate	The Apex Group (\$15,000) Capitol Connection (\$30,000) Lang Hansen O'Malley and Miller Governmental Relations (\$82,500)
TOTAL	\$496,550.65		

California Distributors Association¹

Quarter	Amount Spent	Bills/Issues Lobbied	Lobbying Firms (Amount Paid)
1st Quarter 2011	\$13,040.00	AB 1030 (Achadjian) Allowing for Suspension of a Distributors License for Tax Violations	The Capitol Strategies Group (\$13,040)
2nd Quarter 2011	\$12,171.00	AB 1030 (Achadjian) Allowing for Suspension of a Distributors License for Tax Violations SB 653 (Steinberg) Authorizing Local Taxes Including Tobacco Taxes	The Capitol Strategies Group (\$12,171)
TOTAL	\$25,211.00		

¹The 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.

Cigar Association of America

Quarter	Amount Spent	Bills/Issues Lobbied	Lobbying Firms (Amount Paid)
1st Quarter 2011	\$20,703.06	AB 718 (Hall) Making Minor Technical Changes to State Licensing Law SB 330 (Padilla) Increasing the State Tobacco Tax SB 575 (DeSaulnier) Expanding Smokefree Indoor Workplaces	Jack Advocacy Group (\$20,000)
2nd Quarter 2011	\$40,000.00	AB 718 (Hall) Making Minor Technical Changes to State Licensing Law SB 330 (Padilla) Increasing the State Tobacco Tax SB 575 (DeSaulnier) Expanding Smokefree Indoor Workplaces	Capitol Strategic Advisors, LLC (\$20,000) Jack Advocacy Group (\$20,000)
TOTAL	\$60,703.06		

Table 1: Lobbying Expenditures, Legislation Lobbied and Firms Employed by Tobacco Interests (January 1, 2011 – June 30, 2011) (continued)

RAI Services Company and its Affiliates (R.J. Reynolds Tobacco Company)

Quarter	Amount Spent	Bills/Issues Lobbied	Lobbying Firms (Amount Paid)
1st Quarter 2011	\$64,841.18	SB 330 (Padilla) Increasing the State Tobacco Tax	The Flanigan Law Firm (\$64,841.18)
2nd Quarter 2011	\$64,994.90	California Legislature - Budget Issues SB 330 (Padilla) Increasing the State Tobacco Tax	The Flanigan Law Firm (\$53,550)
TOTAL	\$129,836.08		

Table 2: Activity Expenses and Gifts by Tobacco Interests (January 1, 2011 – June 30, 2011)

Table 2 details both the activity expenses and campaign contributions that are listed on the lobbying reports of tobacco interests. In addition to the total amount spent, lobbying reports also include details about activity expenses, such as providing meals or drinks to a legislator. These activity expenses are included in the monetary totals found in Table 1, but the details are listed below in Table 2. Lobbying reports also include campaign contributions or gifts that are not reported elsewhere (for example if the total amount of contributions did not meet the minimum monetary threshold for filing a campaign contributions report for that time period) and these are not included in the monetary totals found in Table 1. During the first six months of this two-year election cycle, the tobacco interests provided food and drinks to three legislators and two state board members and provided cigars to one legislator and one political group.

Date	Tobacco Interest	Individual/Group	Expenditure	Amount	Location
1/10/11	Cigar Association of America	Assembly Member Isadore Hall and four staff members	Dinner and Drinks	\$100.44	Ella Dining Room & Bar
3/8/11	Altria Client Services and its Affiliates (Philip Morris USA Inc.)	Dennis Hollingsworth (Unemployment Insurance Appeals Board Member)	Food and Beverage	\$67.50	Esquire Grill
4/6/11	Altria Client Services and its Affiliates (Philip Morris USA Inc.)	Senator Ted Gaines	Food and Beverage	\$49.54	Spataro Restaurant & Bar
4/6/11	Altria Client Services and its Affiliates (Philip Morris USA Inc.)	Assembly Member Beth Gaines	Food and Beverage	\$49.54	Spataro Restaurant & Bar
4/27/11	Cigar Association of America	Assembly Member Diane Harkey	Box of Cigars	\$85	n/a
4/30/11	Cigar Association of America	California Young Democrats	Four Boxes of Cigars	\$320	n/a
6/15/11	Altria Client Services and its Affiliates (Philip Morris USA Inc.)	George Plescia (Unemployment Insurance Appeals Board Member)	Food and Beverage	\$25.30	Spataro Restaurant & Bar

**Table 3: Historical Lobbying Expenditures of Tobacco Interests
(January 1, 2003 – June 30, 2011)**

Table 3 shows the historical spending of tobacco interests on lobbying expenditures from 2003 through the first six months of 2011. During this time period, tobacco interests have spent more than \$11.1 million on lobbying expenditures.

Company	2003-2004	2005-2006	2007-2008	2009-2010	2011-2012 (1/1/11- 6/30/11)	Totals
Altria Client Services Inc. and its Affiliates (Phillip Morris USA Inc.)	\$1,070,237	\$884,694	\$1,680,953	\$1,911,569	\$496,551	\$6,044,004
Reynolds American Inc. (R.J. Reynolds Tobacco Company)	\$489,916	\$598,507	\$469,646	\$546,434	\$129,836	\$2,234,339
UST Public Affairs, Inc. (US Smokeless Tobacco Company) ¹	\$465,446	\$391,137	\$403,564	\$192,000	-	\$1,452,147
Lorillard Tobacco Company ²	\$381,657	\$187,202	-	-	-	\$568,859
California Distributors Association	\$95,378	\$99,324	\$104,353	\$105,222	\$25,211	\$429,488
Brown & Williamson Tobacco Corporation ³	\$304,239	-	-	-	-	\$304,239
Smokeless Tobacco Council, Inc. ⁴	\$67,500	-	-	-	-	\$67,500
Cigar Association of America ⁵	-	-	-	-	\$60,703	\$60,703
TOTALS	\$2,874,373	\$2,160,864	\$2,658,516	\$2,755,225	\$712,301	\$11,161,279

¹UST Public Affairs, Inc. terminated lobbying in December 2009. | ²Lorillard Tobacco Company terminated lobbying in December 2005. | ³Brown & Williamson Tobacco Corporation merged with R.J. Reynolds Tobacco Company in August 2004. | ⁴Smokeless Tobacco Council, Inc. terminated lobbying in December 2003. | ⁵Lobbying expenditures of the Cigar Association of America started being tracked in 2011.

**Table 4: Contributions to Assembly Members from Tobacco Interests
(January 1, 2011 – June 30, 2011)**

Table 4 show the contributions from tobacco interests to California Assembly Members during the six months of the 2011-2012 election cycle. During these six months, 37 Assembly Members accepted contributions from tobacco interests. This is an increase from the first six months of the 2009-2010 election cycle when 31 Assembly Members accepted tobacco interests' contributions. The tobacco interests also contributed more money in the first half year of this election cycle. Overall contributions to members of the Assembly have increased by nearly \$60,000 compared to the same point in the previous election cycle.

Party/ District	Assembly Member	Philip Morris USA Inc. and its Affiliates	Reynolds American Inc. (R.J. Reynolds Tobacco Company)	California Distributors Association PAC	Totals
R-33	Achadjian, Katcho	-	-	\$1,000	\$1,000
D-28	Alejo, Luis	-	-	-	-
D-07	Allen, Michael	-	-	-	-
D-13	Ammiano, Tom	-	-	-	-
D-76	Atkins, Toni	-	-	-	-
D-24	Beall, Jim Jr.	-	-	-	-
R-26	Berryhill, Bill	\$3,900	\$1,500	-	\$5,400
D-78	Block, Marty	-	-	-	-
D-40	Blumenfield, Bob	-	-	-	-
D-11	Bonilla, Susan	-	-	-	-
D-51	Bradford, Steven	\$3,900	\$1,500	-	\$5,400
D-41	Brownley, Julia	-	-	-	-
D-15	Buchanan, Joan	-	-	-	-
D-53	Butler, Betsy	-	-	-	-
D-58	Calderon, Charles M.	-	\$2,000	-	\$2,000
D-23	Campos, Nora	-	-	-	-
D-62	Carter, Wilmer Amina	-	\$1,500	-	\$1,500
D-45	Cedillo, Gil	-	-	-	-
D-01	Chesbro, Wes	-	-	-	-
R-34	Conway, Connie	\$3,900	\$3,900	-	\$7,800
R-65	Cook, Paul	\$3,900	\$2,500	-	\$6,400
D-48	Davis, Mike	-	-	-	-
D-09	Dickinson, Roger	-	-	-	-
R-59	Donnelly, Tim	\$3,900	-	-	\$3,900
D-49	Eng, Mike	-	-	-	-
D-42	Feuer, Mike	-	-	-	-
R-75	Fletcher, Nathan	\$3,900	\$2,500	-	\$6,400
D-22	Fong, Paul	-	-	-	-
D-39	Fuentes, Felipe	-	-	-	-
D-55	Furutani, Warren	-	-	-	-
R-04	Gaines, Beth	\$3,900	-	-	\$3,900
D-17	Galgiani, Cathleen	-	\$2,500	-	\$2,500
R-74	Garrick, Martin	-	\$3,900	-	\$3,900
D-43	Gatto, Mike	-	-	-	-
D-21	Gordon, Richard	-	-	-	-
R-37	Gorell, Jeff	\$3,900	\$1,500	-	\$5,400
R-32	Grove, Shannon	\$3,900	\$1,500	-	\$5,400
R-60	Hagman, Curt	\$3,900	\$1,500	-	\$5,400
R-29	Halderman, Linda	-	-	-	-

**Table 4: Contributions to Assembly Members from Tobacco Interests
(January 1, 2011 – June 30, 2011)**

(continued)

Party/ District	Assembly Member	Philip Morris USA Inc. and its Affiliates	Reynolds American Inc. (R.J. Reynolds Tobacco Company)	California Distributors Association PAC	Totals
D-52	Hall, Isadore	\$3,900	\$3,900	\$2,500	\$10,300
R-73	Harkey, Diane	\$3,900	\$1,500	-	\$5,400
D-18	Hayashi, Mary	-	-	-	-
D-57	Hernandez, Roger	-	-	-	-
D-19	Hill, Jerry	-	-	-	-
D-10	Huber, Alyson	-	-	-	-
D-79	Hueso, Ben	-	-	-	-
D-06	Huffman, Jared	-	-	-	-
R-66	Jeffries, Kevin	-	\$1,500	-	\$1,500
R-77	Jones, Brian	-	\$1,500	-	\$1,500
R-36	Knight, Steve	\$3,900	\$2,500	-	\$6,400
D-50	Lara, Ricardo	-	-	-	-
R-03	Logue, Dan	\$3,900	\$1,500	-	\$5,400
D-54	Lowenthal, Bonnie	-	-	-	-
D-12	Ma, Fiona	-	-	-	-
R-68	Mansoor, Allan	-	\$1,500	-	\$1,500
D-56	Mendoza, Tony	-	-	-	-
R-71	Miller, Jeff	\$3,900	\$1,500	-	\$5,400
D-47	Mitchell, Holly	-	-	-	-
D-27	Monning, William W.	-	-	-	-
R-63	Morrell, Mike	\$3,900	\$1,500	-	\$5,400
R-64	Nestande, Brian	\$3,900	\$3,900	\$1,500	\$9,300
R-02	Nielsen, Jim	\$3,900	\$2,000	-	\$5,900
R-72	Norby, Chris	\$3,900	\$1,500	-	\$5,400
R-25	Olsen, Kristin	\$3,900	\$1,500	-	\$5,400
D-05	Pan, Richard	-	-	-	-
D-31	Perea, Henry	-	\$2,000	\$1,000	\$3,000
D-46	Perez, John	-	\$3,900	-	\$3,900
D-80	Perez, V. Manuel	-	-	\$1,000	\$1,000
D-44	Portantino, Anthony	-	-	-	-
R-67	Silva, Jim	\$3,900	\$2,500	-	\$6,400
D-14	Skinner, Nancy	-	-	-	-
R-38	Smyth, Cameron	\$3,900	\$2,500	-	\$6,400
D-69	Solorio, Jose	\$3,900	-	-	\$3,900
D-16	Swanson, Sandre R.	-	\$2,000	-	\$2,000
D-61	Torres, Norma	-	-	-	-
R-30	Valadao, David	\$3,900	\$1,500	-	\$5,400
R-70	Wagner, Donald	\$3,900	\$1,500	-	\$5,400
D-20	Wieckowski, Bob	-	-	-	-
D-35	Williams, Das	-	-	-	-
D-08	Yamada, Mariko	-	-	-	-
	TOTALS	\$97,500	\$68,000	\$7,000	\$172,500

**Table 5: Contributions to State Senators from Tobacco Interests
(January 1, 2011 – June 30, 2011)**

Table 5 show the contributions from tobacco interests to California State Senators during the first six months of the 2011-2012 election cycle. During these six months, 18 Senators accepted contributions from tobacco interests. This is an increase from the first six months of the 2009-2010 election cycle when 15 Senators accepted tobacco interests' contributions. The tobacco interests also contributed more money in the first half year of this election cycle. Overall contributions to members of the Senate have increased by nearly \$55,000 compared to the same point in the previous election cycle.

Party/ District	Senator	Philip Morris USA Inc. and its Affiliates	Reynolds American Inc. (R.J. Reynolds Tobacco Company)	California Distributors Association PAC	Totals
D-13	Alquist, Elaine	-	-	-	-
R-36	Anderson, Joel	-	\$3,900	-	\$3,900
R-14	Berryhill, Tom	\$7,800	\$3,000	-	\$10,800
R-15	Blakeslee, Sam	-	-	-	-
D-30	Calderon, Ron	-	\$3,000	-	\$3,000
R-12	Cannella, Anthony	\$7,800	\$3,000	-	\$10,800
D-10	Corbett, Ellen	-	-	-	-
D-34	Correa, Lou	-	\$2,000	-	\$2,000
D-22	De Leon, Kevin	-	-	-	-
D-07	DeSaulnier, Mark	-	-	-	-
R-31	Dutton, Bob	-	\$3,900	-	\$3,900
R-37	Emmerson, Bill	-	\$2,000	-	\$2,000
D-02	Evans, Noreen	-	-	-	-
R-18	Fuller, Jean	\$3,900	\$3,000	-	\$6,900
R-01	Gaines, Ted	\$7,800	\$2,000	-	\$9,800
D-09	Hancock, Loni	-	-	-	-
R-35	Harman, Tom	\$2,900	\$2,000	-	\$4,900
D-24	Hernandez, Ed	-	-	-	-
R-29	Huff, Bob	-	\$2,000	-	\$2,000
D-39	Kehoe, Christine	-	-	-	-
R-04	La Malfa, Doug	\$3,900	\$2,000	-	\$5,900
D-03	Leno, Mark	-	-	-	-
D-28	Lieu, Ted	-	-	-	-
D-21	Liu, Carol	-	-	-	-
D-27	Lowenthal, Alan	-	-	-	-
D-32	Negrete-McLeod, Gloria	-	-	-	-
D-20	Padilla, Alex	-	-	-	-
D-23	Pavley, Fran	-	-	-	-
D-26	Price, Curren	\$3,900	\$2,000	-	\$5,900
D-16	Rubio, Michael	-	-	-	-
R-17	Runner, Sharon	\$3,900	\$2,000	-	\$5,900
D-11	Simitian, Joe	-	-	-	-
D-06	Steinberg, Darrell	-	-	-	-
R-19	Strickland, Tony	\$3,900	\$2,000	-	\$5,900
D-40	Vargas, Juan	-	-	-	-
R-33	Walters, Mimi	\$6,500	\$2,000	-	\$8,500
D-05	Wolk, Lois	-	-	-	-
D-25	Wright, Rod	\$10,000	\$3,000	-	\$13,000
R-38	Wyland, Mark	-	\$3,000	-	\$3,000
D-08	Yee, Leland	-	-	-	-
TOTALS		\$62,300	\$45,800	\$0	\$108,100

Table 6: Contributions to Candidates for Legislative Offices from Tobacco Interests (January 1, 2011 – June 30, 2011)

Candidates who wish to challenge incumbent legislators or to vie for open legislative seats have already begun fundraising for the 2012 primary election scheduled for June 5, 2012. **Table 6** shows the contributions made by tobacco interests to candidates running for a state legislative office who are not currently elected to one of those offices. Currently, this table includes only two candidates, but as the 2012 primary election gets closer, it is likely that tobacco interests will contribute to more candidates. At this point in the 2009-2010 election cycle, only one candidate had accepted contributions from tobacco interests.

Name of Candidate	Elected Office	Philip Morris USA Inc. and its Affiliates	Reynolds American Inc. (R.J. Reynolds Tobacco Company)	California Distributors Association PAC	Totals
Bocanegra, Raul	Assembly District 39	-	-	\$1,000	\$1,000
Chavez, Arturo	Assembly District 45	-	-	\$1,000	\$1,000
TOTALS		\$0	\$0	\$2,000	\$2,000

Table 7: Contributions to Constitutional Officers from Tobacco Interests (January 1, 2011 – June 30, 2011)

Table 7 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 Governor has the opportunity to sign or veto all bills passed by the legislature, the State Board of Equalization oversees the administration of cigarette and tobacco products taxes and tobacco licensing statutes and the Controller and Treasurer are members of the Public Employee Retirement System Board. Only one constitutional officer accepted contributions from tobacco interests during the first six months of the election cycle.

Statewide Office	Name of Official	Philip Morris USA Inc. and its Affiliates	Reynolds American Inc. (R.J. Reynolds Tobacco Company)	California Distributors Association PAC	Totals
Governor	Brown, Jerry	-	-	-	-
Lieutenant Governor	Newsom, Gavin	-	-	-	-
Secretary of State	Bowen, Debra	-	-	-	-
Controller	Chiang, John	-	-	-	-
Treasurer	Lockyer, Bill	-	-	-	-
Attorney General	Harris, Kamala	-	-	-	-
Superintendent of Public Instruction	Torlakson, Tom	-	-	-	-
Insurance Commissioner	Jones, Dave	-	-	-	-
Board of Equalization District 1	Yee, Betty	-	-	-	-
Board of Equalization District 2	Runner, George	\$6,500	-	-	\$6,500
Board of Equalization District 3	Steel, Michelle	-	-	-	-
Board of Equalization District 4	Horton, Jerome	-	-	-	-
TOTALS		\$6,500	\$0	\$0	\$6,500

**Table 8: Contributions to Political Committees from Tobacco Interests
(January 1, 2011 – June 30, 2011)**

Table 8 shows the contributions from tobacco interests to different political committees. Tobacco interests have already contributed to nine political committees during the 2011-2012 election cycle for more than \$2.1 million in contributions. At this time in the 2009-2010 election cycle, tobacco interests had contributed to seven political committees, but for only about \$800,000 in contributions.

The reason for this increase is that Philip Morris USA Inc. and its Affiliates has already contributed more than \$1.9 million to the committee named Californians Against Out-of-Control Taxes and Spending. This committee was formed by Philip Morris USA Inc. to oppose the California Cancer Research Act, which is a ballot measure that would increase the state's tobacco tax by \$1/pack. This ballot measure will be voted on in the June 2012 primary election. Through the first six months of 2011, Philip Morris USA Inc. and its Affiliates is the only company or organization that has made campaign contributions to this committee.

The names of political committees do not always make it clear what types of candidates and issues that specific 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.

Californians Against Out-of-Control Taxes and Spending - Uses funds to oppose the California Cancer Research Act

California Republican Party – Uses funds to get Republican candidates elected

California Vote Project - Uses funds for voter registration

JOBSPAC - Uses funds to support pro-business candidates

Yes We Can - Uses funds to elect Latino candidates in California state elections

Inspiration and Hope for California- Committee controlled by Assembly Member Isadore Hall

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

San Gabriel Valley Healthcare Ballot Measure - Committee controlled by Senator Ed Hernandez and uses funds to qualify a measure to create a special healthcare district in San Gabriel Valley

Latino Political Action Committee of Santa Cruz County – Uses funds to support Latino candidates in Santa Cruz County.

Committee Name	Philip Morris USA Inc. and its Affiliates	Reynolds American Inc. (R.J. Reynolds Tobacco Company)	California Distributors Association PAC	Totals
Californians Against Out-of-Control Taxes and Spending	\$1,954,106	-	-	\$1,954,106
California Republican Party	\$59,204	\$25,000	-	\$84,204
California Vote Project	\$50,000	-	-	\$50,000
JOBSPAC	\$30,000	-	-	\$30,000
Yes We Can	\$20,000	-	-	\$20,000
Inspiration and Hope for California	-	\$5,000	-	\$5,000
Neighborhood Market Association	\$4,000	-	-	\$4,000
San Gabriel Valley Healthcare Ballot Measure	-	-	\$1,500	\$1,500
Latino Political Action Committee of Santa Cruz County	\$1,000	-	-	\$1,000
TOTALS	\$2,118,310	\$30,000	\$1,500	\$2,149,810

**Table 9: Historical Contributions from Tobacco Interests
(January 1, 2003 – June 30, 2011)**

Tobacco interests have contributed \$80.4 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 six months of the 2011-2012 election cycle. **Table 9** shows this historical spending.

COMPANY	2003-2004	2005-2006	2007-2008	2009-2010	2011-2012 (1/1/11 – 6/30/11)	Totals
Phillip Morris USA Inc. and its Affiliates ¹	\$2,239,254	\$37,703,162	\$1,567,100	\$6,119,012	\$2,284,610	\$49,913,138
Reynolds American Inc. (R.J. Reynolds Tobacco Company)	\$202,600	\$25,732,898	\$173,450	\$395,400	\$143,800	\$26,648,148
UST Inc. (US Smokeless Tobacco Company) ²	\$327,768	\$3,097,642	\$198,944	-	-	\$3,624,354
California Distributors Association PAC	\$39,400	\$34,400	\$26,100	\$40,681	\$10,500	\$151,081
Lorillard Tobacco Company	\$61,500	\$15,000	-	-	-	\$76,500
Brown & Williamson Tobacco Corporation ³	\$24,500	-	-	-	-	\$24,500
TOTALS	\$2,895,022	\$66,583,102	\$1,965,594	\$6,555,093	\$2,438,910	\$80,437,721

¹ 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. | ² US Smokeless Tobacco Company was acquired by Altria in January 2009. | ³ Brown & Williamson Tobacco Corporation merged with RJ Reynolds in August 2004.