



Lobbying Expenditures of Tobacco Interests in California

2007-2008 Election Cycle: January – March 2007

Introduction

This policy report examines the lobbying expenditures of tobacco interests during the first three months of 2007, which compose the first of eight reporting quarters during the 2007-2008 election cycle. This report is one in a series of quarterly reports on tobacco industry campaign contributions and lobbying expenditures produced by the Center for Tobacco Policy & Organizing.

This first quarter nearly coincides with the beginning of the 2007-2008 legislative session for the California Legislature. With a new legislative session, hundreds of bills on a variety of issues have been introduced, including several tobacco-related bills. From January 1, 2007 through March 31, 2007, tobacco interests spent more than \$360,000 to lobby on four of these new tobacco-related bills. Details about how much each tobacco interest spent on lobbying and what bills they lobbied during this quarter, as well as historical data on lobbying expenditures from 1999 to the present, are included in this report.

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 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 lobbying data, it is important to note that these records are subject to amendment 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.

Table 1: Lobbying Expenditures and Legislation Lobbied by Tobacco Interests (January 1, 2007 – March 31, 2007)

Table 1 shows the amount of money spent by each tobacco interest to lobby the California Legislature during the first reporting quarter of 2007 and which bills they lobbied. During this time, tobacco interests spent more than \$360,000 and lobbied four tobacco-related bills.

Philip Morris USA Inc.

Quarter	Amount Spent	Bills/Issues Lobbied
1st Quarter 2007	\$183,678.07	SB 24 (Torlakson) Environmental Tobacco Smoke Mitigation Fee
TOTAL	\$183,678.07	

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

Quarter	Amount Spent	Bills/Issues Lobbied
1st Quarter 2007	\$54,621.55	No legislation lobbied this quarter
TOTAL	\$54,621.55	

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

Quarter	Amount Spent	Bills/Issues Lobbied
1st Quarter 2007	\$109,082.03	SB 24 (Torlakson) Environmental Tobacco Smoke Mitigation Fee SB 624 (Padilla) Increased STAKE Act Enforcement
TOTAL	\$109,082.03	

California Distributors Association

Quarter	Amount Spent	Bills/Issues Lobbied
1st Quarter 2007	\$13,533.23	SB 295 (Cogdill) Reporting of Tobacco Products Sales SB 625 (Padilla) Tobacco Product Retailers License Reinstatement Fee
TOTAL	\$13,533.23	

Table 2: Historical Lobbying Expenditures of Tobacco Interests (January 1, 1999 – March 31, 2007)

Table 2 shows the historical spending of tobacco interests on lobbying expenditures. During the past four election cycles and the first three months of 2007, tobacco interests have spent nearly \$11 million on lobbying expenditures.

Company	1999-2000	2001-2002	2003-2004	2005-2006	2007-2008	Totals
Phillip Morris USA Inc.	\$714,986	\$799,693	\$1,070,237	\$884,694	\$183,678	\$3,653,288
RJ Reynolds Tobacco Company	\$472,184	\$615,058	\$489,916	\$598,507	\$54,622	\$2,230,286
Brown & Williamson*	\$611,531	\$587,781	\$304,239	-	-	\$1,503,551
UST Public Affairs, Inc. (US Smokeless Tobacco Company)	\$210,077	\$310,073	\$465,446	\$391,137	\$109,082	\$1,485,815
Lorillard Tobacco Company**	\$206,815	\$493,975	\$381,657	\$187,202	-	\$1,269,649
Smokeless Tobacco Council***	\$197,317	\$263,817	\$67,500	-	-	\$528,634
California Distributors Association****	\$20,564	\$87,537	\$95,378	\$99,324	\$13,533	\$316,336
TOTALS	\$2,433,474	\$3,157,934	\$2,874,372	\$2,160,864	\$360,915	\$10,987,559

* Brown & Williamson merged with RJ Reynolds in August 2004. | ** Lorillard terminated lobbying in December 2005. | *** Smokeless Tobacco Council terminated lobbying in December 2003. | **** California Distributors Association includes data from the last 2 quarters of 2000 to the present.

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