

Oregon is one of **11 states** that allow people to give as much as they want to political candidates.



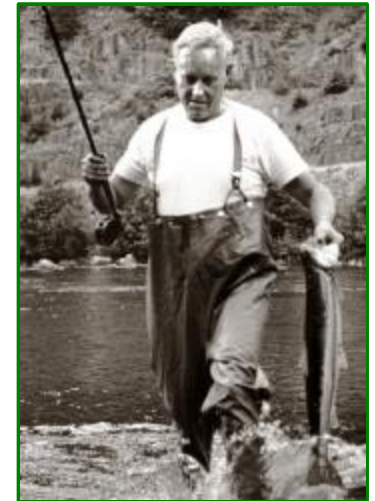
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Skip intro

“Oregon is the key state in the domino structure of North America. If we fall, pollution marches on.”

— OREGON GOV. TOM MCCALL, SPEAKING ON THE FIRST EARTH DAY, 1970



Part One of Four

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The Oregonian/OregonLive

Oregon once aimed to be the greenest state in America.

Its leaders adopted the nation’s first bottle deposit. They controlled urban sprawl. They declared ocean beaches public property.

But in the last four years, Oregon’s most powerful industries have killed, weakened or stalled efforts to deal with climate change, wolf recovery, disappearing bird habitat, cancer-causing diesel exhaust, dwindling groundwater, industrial air pollution, oil spill planning and weed killers sprayed from helicopters.

What changed Oregon?

Money. Lots and lots of money.

The Oregonian/OregonLive spent 18 months examining how and why Oregon has fallen behind on so many important environmental fronts. The newsroom’s investigation found a startling answer, one that may surprise many Oregonians.

Oregon's failure to regulate campaign cash has made it one of the biggest money states in American politics. The flood of money created an easy regulatory climate where industry gets what it wants, again and again.

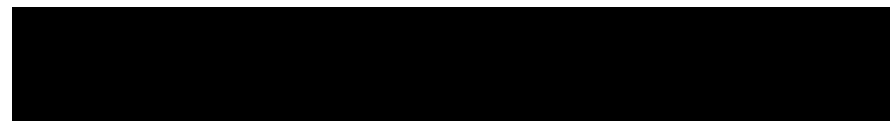
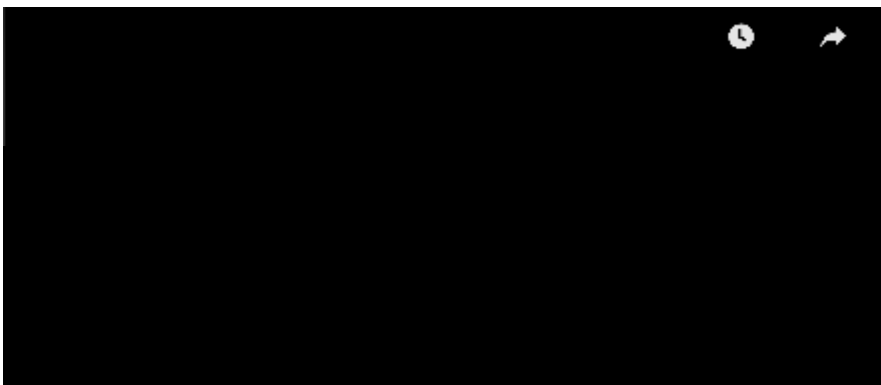
"The state is a laughingstock," says Dave Einolf, a Portland environmental compliance consultant who works with large, multinational corporations. "It has no enforcement. My clients don't care about Oregon. They're not afraid of Oregon. It's just a shame."

No one has given more money to state lawmakers in Oregon than Corporate America. Companies and industry groups contributed \$43 million to winning candidates in elections from 2008 to 2016, nearly half the money legislators raised. Organized labor, single-issue groups and individual donors didn't come close.

Campaign money helped Oregon politicians do more than win election. It paid for luxury hotel rooms in Canadian chateaus, weekly visits to the local sports bar and a variety of wearable Apple accessories. It bought roses for senators' desks, candy for Capitol offices and framed art to hang on the walls.

It paid for Salem lodging and meals that taxpayers already cover for legislative sessions, boosting lawmakers' income.

It even bought one departing lawmaker a year of Amazon Prime.



The Oregonian/OregonLive interviewed 200 lawmakers, residents, regulators, lobbyists and donors while comparing environmental laws and enforcement among West Coast states. The newsroom gathered responses from nearly 500 Oregonians about how they perceive pollution and the institutions responsible for protecting their air and water. Reporters obtained tens of thousands of pages of records from legislators and regulatory agencies.

The newsroom also conducted a groundbreaking national comparison of \$4 billion in state campaign finances, drawing on a massive database compiled by the National Institute on Money in Politics and a decade of spending reports candidates filed with Oregon's Secretary of State.

Among the findings:

- Oregon has betrayed its environmental legacy. It almost sold an 82,500-acre state forest full of old growth trees to a logging outfit that donated \$37,000 to key decision makers including Gov. Kate Brown. Oregon trails almost the entire country in oversight of water polluters. On a long list of environmental protections, Oregon is dead last among West Coast states.
- Lawmakers repeatedly bullied Oregon environmental agencies into submission when corporate campaign donors felt threatened. One lobbyist crushed a clean air initiative with a single phone call. Agencies that resist pay a price.
- Legislators have acknowledged the outsized influence of money on the laws they write. In a 2002 survey sent to every legislator nationwide, Oregon House and Senate members ranked among the highest in the country for

their perception of how strongly money dictated policy, behind notoriously corrupt states like Alabama and Louisiana.

- The law lets Oregon legislators spend campaign money in ways that are prohibited elsewhere. The newsroom found an estimated \$2.2 million in purchases and reimbursements that would be illegal in other states.
- The state’s campaign watchdog is timid. The Oregon State Elections Division does not use its subpoena power to investigate questionable spending. It just sends letters. More than once, the division dropped an investigation because no one wrote back.
- The Legislature’s failures are driving people to move, across town and out of state. The Oregonian/OregonLive interviewed two dozen residents who said they packed up their belongings because of pollution. Another 160 told the newsroom they considered moving or would if they could afford it.

“The system is broken,” said Phil Keisling, a former secretary of state who fought a losing battle to curb campaign contributions in the 1990s. “The need for campaign finance reform in Oregon has never been greater. We’ve lost 20 years we can’t get back.”

An influential corporation might give as little as a few thousand dollars per lawmaker. But taken together, legislators receive millions from industries with a shared interest in weak environmental regulation.

SEARCH THE DATA: See how much money each current legislator has raised and where they got it from. [↗](#)

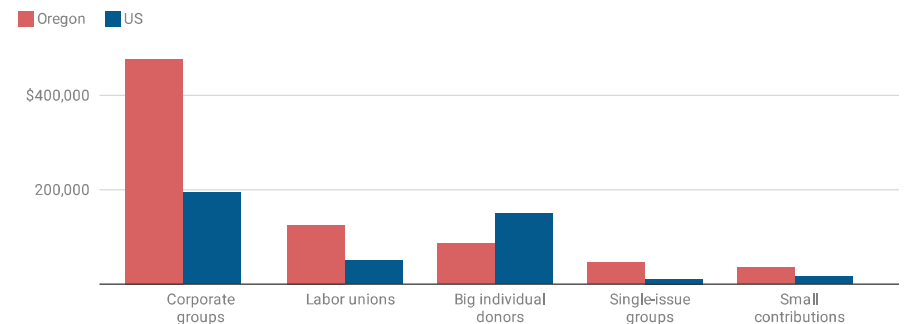
Lawmakers from both parties said money had no impact on their votes, citing examples where they went against donors. Four legislators said Oregon’s

campaign finance system works by showing voters who’s giving money and letting them judge whether it matters.

“It’s ridiculous, the amount of money, but it’s people’s right to do it,” said former Rep. Gene Whisnant, R-Sunriver, who raised 79 percent of his cash from corporations and industry groups. “I don’t know how you stop it.”

Sources of money

The amount given per lawmaker in elections from 2008 through 2016.




[Get the data](#)

Legislators have made some environmental progress, setting ambitious goals for green energy use and for phasing out coal. Last year, they caught up with a dozen other states that control toxic air pollution from factories. A bill to ratchet down greenhouse gas emissions may pass in 2019.

But electric utilities wrote the green energy bill. They included a major loophole that could leave coal in the mix for years longer than advertised. The final version of the toxic air legislation increased acceptable cancer risks, thanks to industry-crafted amendments.

“What it becomes to us, the lowly citizen, is that this is a cahoots kind of thing,” said Roger Pettit, who unwittingly bought a home downwind of a Superfund site in The Dalles. The 46-year-old sold it and moved last year after residents failed to get the state to eliminate the factory’s polluting stench.

Today, the air from Eugene to Portland is getting smoggier. The tree canopy is shrinking in urban areas statewide. The amount of old growth in Oregon's coastal forests is dwindling. Bass, carp and other resident fish are unfit for human consumption in a widening stretch of the Willamette River.

DATA POINT: Three-quarters of the money in winning Connecticut legislative campaigns came from taxpayer subsidies. In Oregon, corporate interests contributed half of what lawmakers raised. [#PollutedByMoney](#) 

Christine Psyk, a retired U.S. Environmental Protection Agency official who oversaw the Pacific Northwest, said Oregon regulators and lawmakers exhibited a clear pattern with polluting businesses.

“Oregon has been extremely deferential to industry and bends over backwards if they have any complaints,” Psyk said.

“For a state that likes to present itself as this great environmental state,” she said, “you’re not doing that great.”

Connecticut largely replaced corporate money with public funding a decade ago. Democratic state Sen. Matt Lesser said it immediately allowed lawmakers to pass legislation that industry had stalled for years, because “the Legislature no longer cared about the particular interests of one random, generous group of political contributors.”

In Oregon, lawmakers don’t feel so liberated.

Betty Komp, a retired Democratic representative, recalled one lobbying group, Doctors for Healthy Communities, summoning lawmakers into a room and announcing the group’s agenda for the next session.

“They would say, ‘We would really like your support,’ and then hand you a check,” Komp said. “That’s pretty blatant.”

Portland attorney Dan Meek said he became an advocate for campaign finance restrictions after winning a case proving illegal billing by Portland General Electric, owned at the time by Enron, the corrupt Texas energy giant. PGE and Enron went to the Legislature, which passed a law to invalidate Meek’s ratepayer victory.

“If government is under the control of Enron, PGE and the like, there’s nothing you can do about it without changing the campaign finance system,” Meek said.

“Without it,” he said, “virtually nothing else matters.”



A century ago, Oregon became a pioneer in campaign finance reform. It limited campaign contributions and enacted the nation’s first public campaign subsidy, allowing candidates to publish statements for free in a pamphlet distributed to voters.

Nearly 50 years ago, legendary Gov. Tom McCall’s environmental agenda landed Oregon on the cover of National Geographic. He began cleaning up the polluted Willamette River before the Clean Water Act existed. He created a state environmental agency before Congress started the EPA.



Index cards Gov. Tom McCall used in his 1970 Earth Day speech.

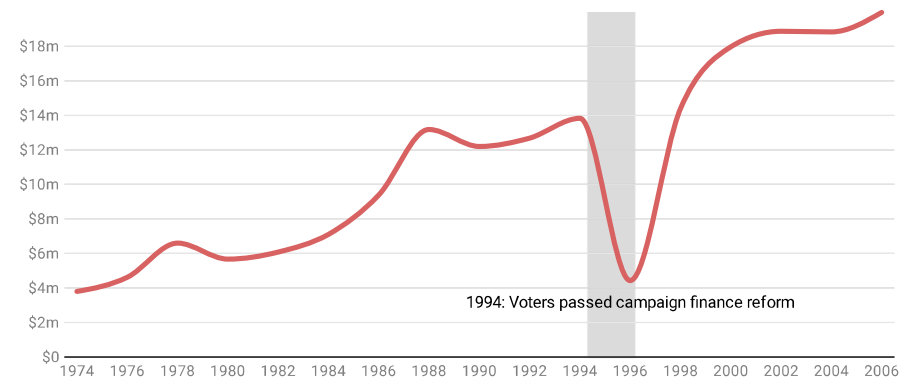
McCall, a Republican, overcame the same corporate lobbying groups that rack up wins today.

“Oregon has wanted industry only when that industry was willing to want what Oregon is,” McCall once said. The state lived by an 11th commandment, he said: “Thou shall not pollute.”

Polls have shown the sentiment remains. Protecting Oregon’s environment should take priority even at the risk of slowing economic growth, a majority of respondents told DHM Research, a nonpartisan firm, in 2013.

But it was McCall who signed a new campaign law that allowed his industry adversaries to gain clout.

Oregon campaign costs, 1974-2006



In 2006 dollars

[Get the data](#)

In 1973, with Watergate-inspired political reforms underway nationwide, Oregon lawmakers voted to limit how much candidates could spend in an election, instead of how much they could raise.

Two years later, the Oregon Supreme Court said the spending limits violated Oregon’s constitutional free speech protections. That left the state with no controls.

Voters tried to bring back contribution limits in 1994, and the court struck down that law change for the same reason.

Even if campaign contributions create temptations for politicians, Supreme Court Justice W. Michael “Mick” Gillette wrote in his opinion, most “will put aside personal advantage and vote honestly and in the public interest.”

Keisling, the former secretary of state, was one of the leading figures backing the 1994 reform effort. He still seethes when he recalls Gillette’s words about the role of money.

“If you’re in the system, you know it has an effect,” Keisling said. “The most common effect isn’t what you do. It’s the bills you never submit, much less never

fight for. It creates a culture of timidity.”

After so many losses in the state Supreme Court, reformers went back to the ballot in 2006, hoping to change the state constitution to allow contribution limits. Liberal groups including the American Civil Liberties Union of Oregon, Planned Parenthood and the state’s powerful teachers union urged defeat, saying the measure would limit their voice. Down it went, by a 20-point margin.

Oregon candidates spent ever-increasing amounts to stay ahead of opponents. By 2016, the cost of a winning Oregon House race hit \$243,555, the price of two in Washington, six in Minnesota or 244 in New Hampshire.

All that money bought results.



Phil Keisling, former Oregon Secretary of State.

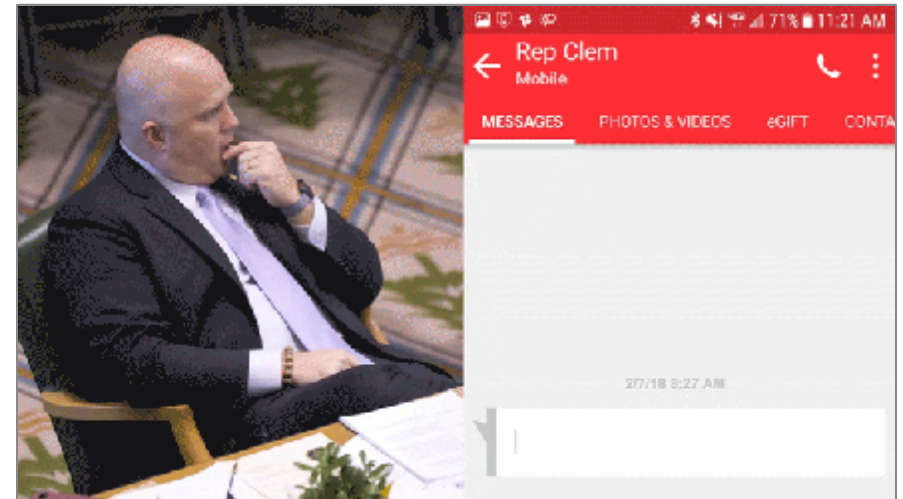


Scientists link timber harvests in Oregon’s coastal forests to the decline of the marbled murrelet. (Photos: Jamie Francis, left, Gwen Baluss, right)

The blowback was intense last year when Oregon wildlife commissioners approved new endangered species protections for the marbled murrelet, a rare seabird that nests in coastal old growth forest. Changes meant new restrictions on logging in state forests, and the timber industry didn’t want them.

Two days before the commission voted, a text message popped up on Curt Melcher’s phone: “Can you give me a call?”

Melcher, director of the Department of Fish and Wildlife, phoned immediately. The text came from Rep. Brian Clem, D-Salem, who’s taken \$34,000 from timber interests since 2008. A six-minute conversation followed. Melcher recalled Clem making clear he didn’t want to see more protection for the murrelet.



Democratic Rep. Brian Clem

“He’s definitely always had an interest in timber-related issues,” Melcher later said. “It’s not entirely a surprise when he calls.”

After commissioners decided to protect the bird, the timber industry’s allies in the Legislature went on the attack.

Clem hauled wildlife officials in for a hearing. If Oregon’s endangered species act hinders logging, he intimated, maybe the law needs to be changed.

Rep. Brad Witt, D-Clatskanie, suggested the state shouldn’t bother protecting the bird since “it appears no matter what we do, this species is on its way to extinction.” He’s taken \$50,000 in timber money since 2006.

No one on the committee spoke in favor of listing the species as endangered. Seven of its nine members received timber money in their careers, a total haul of \$210,000.

Wildlife commissioners reversed their decision in less than four months, keeping Oregon the only West Coast state not to designate the murrelet as endangered.



Clear cutting near the Siletz River in the Oregon Coast Range, Sept. 8, 2018.

Clem told The Oregonian/OregonLive that timber money is not what made him an advocate for the industry. He said he saw what restrictions on logging in federal forests did to the economy of his hometown, Coos Bay, in the 1990s. “I

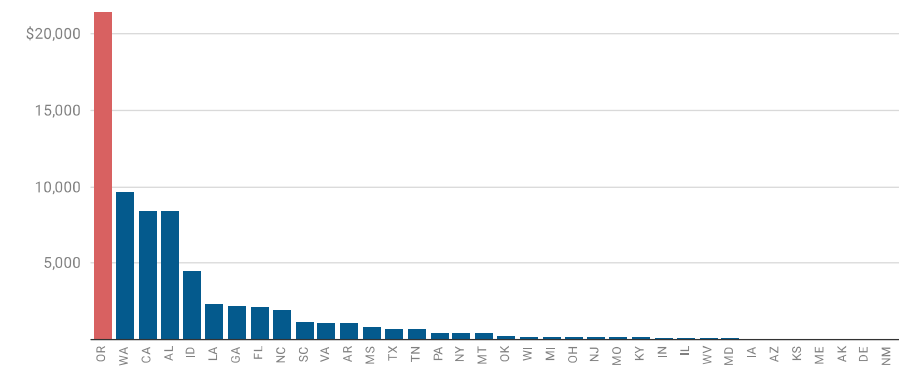
said my piece at the hearing,” Clem said. “I was a little shocked they changed their vote.”

In a decade, only 33 state lawmakers in the country raised as much from the timber industry as Clem. Nineteen of them were from Oregon. Per capita, per lawmaker and in sheer dollars, timber interests gave more to winning candidates in Oregon than anywhere in the nation.

“We support legislators interested in a balanced, science-over-politics, holistic approach to sound environmental protections,” said a spokeswoman for the Oregon Forest & Industries Council, a major lobbying group.

Timber contributions

Contributions per state legislator in elections 2008 through 2017



[Get the data](#)

The consequences of Oregon’s logging practices are clear. State and federal scientists have blamed major population declines in species including the coastal Coho salmon, northern spotted owl and marbled murrelet on timber harvesting and state policies governing it.

The Oregon Department of Forestry found 242 plants and animals listed or at risk of listing under the Endangered Species Act as of 2012. The trend was getting worse. Then the state agency, whose mission includes promoting the timber

industry, stopped publishing the numbers and deleted past reports from its website.

Oregon’s failures on the environment extend well beyond the demise of forest creatures.

Among West Coast states, Oregon alone requires no comprehensive review of environmental risks before approving major construction projects. Washington rejected a proposed terminal to unload oil trains on Vancouver’s waterfront as too dangerous after four years of analysis and public input. Oregon took 22 days to approve a similar operation and didn’t tell the public.

Oregon has also repeatedly killed legislation requiring railroads pay for oil spill planning, as Washington and California do.

That seemed likely to change after a Union Pacific oil train derailed and erupted into flames in the Columbia Gorge in 2016, sending oil into the Columbia River during peak spring chinook migration. Dozens of people in the small town of Mosier had to flee their homes.

West Coast states compared

| Data point | Washington | California | Oregon |
|--|--------------|---------------|-----------|
| Campaign donation limits? | Yes | Yes | No |
| Corporate \$ per capita | \$5.26 | \$4.55 | \$10.90 |
| Biggest campaign fines? ** | \$18 million | \$1 million | \$116,000 |
| % of electricity from coal* | 13% | 4% | 28% |
| Carbon-free energy by?*** | 2045 | 2045 | No target |
| Volume of diesel pollution considered safe, in nanograms/cubic meter | 3.3 | 3.3 | 100 |
| Major water polluters with expired permits, 2017 | 52% | 15% | 84% |
| Air polluters facing enforcement actions, 2016 | 129 | 425 | 12 |
| Penalties against air polluters, 2016 | \$704,400 | \$8.2 million | \$27,600 |
| % of air polluters inspected, 2016 | 61% | 56% | 45% |
| Wolves on state endangered species list? | Yes | Yes | No |
| Environmental impact analysis required for governmental decisions? | Yes | Yes | No |
| Marbled murrelet listed as | Yes | Yes | No |

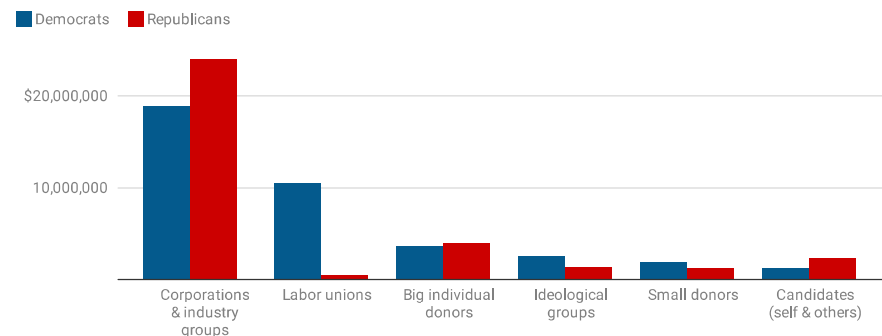
A few months after the tanker cars overturned, Union Pacific wrote a check for \$5,000 to then-Rep. Mark Johnson, R-Hood River. When oil spill legislation came up in 2017, Johnson introduced an amendment Union Pacific wanted: To keep any spill plan secret.

Johnson said he wasn’t motivated by Union Pacific’s donation.

“It just happens that people appreciate effective legislators,” he said in an interview. “I introduced legislation for a variety of people who happened to support me, but I don’t do it because of that.”

Money sources by party

Total contributions to winners in Oregon legislative races from 2008 through 2016.



[Get the data](#)

When asked whether Union Pacific’s \$5,000 donation was specifically to secure Johnson’s support, a company spokesman said the railroad has a long history of supporting candidates from both political parties and “works with elected officials who understand the economic necessity of Oregon’s transportation infrastructure.”

The 2017 legislation died. An oil spill safety bill is up for debate this year for the fifth time.



Like industry, environmental activists take advantage of Oregon’s wide-open campaign finance laws. But activists can’t match the financial firepower of corporations.

The Oregon League of Conservation Voters has contributed \$623,000 to winning legislative campaigns over a decade. That is the most of any green group nationwide, The Oregonian/OregonLive’s analysis found.

It amounts to 1 percent of what industry gave.

“It’s like trying to play Monopoly when the other guy owns all the properties,” said Doug Moore, the league’s executive director. “It’s not just that we’re up against one industry. We’re fighting Corporate America head on, and they can invest as much in this state as they want.”

The disparity matters.

Sen. Elizabeth Steiner Hayward, a Northwest Portland Democrat, gets a lifetime “A” grade from the conservation group for her voting record. The family medicine doctor at Oregon Health & Science University says on her campaign website she is “committed to making Oregon the healthiest state in the nation.” The conservation league has donated \$1,250 to her campaigns.



Sen. Elizabeth Steiner Hayward, a physician, represents areas heavily affected by diesel pollution.

The Oregon chapter of the Associated General Contractors, a powerful national group financed by construction companies, has given Steiner Hayward far more:

Industry contributions

Per lawmaker, Oregon is one of the highest-ranking states for contributions from a wide array of industries.

| Industry | Per lawmaker | Oregon rank |
|----------------------------------|--------------|-------------|
| Finance, Insurance & Real Estate | \$68,572 | 9 |
| Energy production & distribution | \$34,695 | 6 |
| Construction | \$28,748 | 7 |
| Communications & Electronics | \$24,465 | 6 |
| Nursing homes | \$22,133 | 2 |
| Timber | \$21,416 | 1 |
| Beer, wine & liquor | \$18,689 | 5 |
| Restaurants & lodging | \$18,424 | 2 |
| Drug-makers | \$17,120 | 3 |
| Business associations | \$15,277 | 4 |
| Soft drinks | \$13,112 | 1 |
| Farming | \$12,778 | 6 |
| Grocers | \$12,530 | 1 |
| Tobacco | \$9,189 | 4 |
| Hospitals | \$8,653 | 9 |
| Food processors | \$3,600 | 3 |

\$11,500. The association, which poured more than \$1 million into winning state legislative races in the past decade, was one of the biggest donors to her uncontested re-election campaign last year.

“We’ve worked with her on a variety of issues, and my members like the fact that she does her homework and studies the impact of legislation,” said John Rakowitz, a lobbyist for the contractors.

In 2017, the Legislature considered a bill to clean up dirty diesel engines, a major source of cancer-causing pollution in Oregon’s air. It would have forced construction contractors to slowly modernize their fleets.

The contractors were opposed. So was Steiner Hayward. She was one of three Democrats against it, and the only one from Portland, which has the state’s worst diesel soot.

In an interview, Steiner Hayward said she supports getting rid of polluting diesel engines “while not having an adverse impact on industries that don’t need that adverse impact.”

She called it “ludicrous and insulting” to think construction money prompted her opposition to the diesel bill.

“It’s just categorically not true,” she said.

Steiner Hayward said despite Oregon's lack of contribution limits, the state "has some of the most progressive environmental laws in the nation." Asked for an example, Steiner Hayward said she couldn't immediately think of one.

Mary Peveto, president of Neighbors for Clean Air, a Portland nonprofit, said Steiner Hayward once sat in her living room to hear her concerns about air pollution. But Peveto, who lives in Steiner Hayward's district, said her senator wouldn't meet when the diesel cleanup bill faltered.

"I have been ridiculously busy," the senator told Peveto in a Facebook message. Steiner Hayward said she'd talk to her staff so they could find time.

After the initiative died, the construction association sent a newsletter to its members bragging about its successes in Salem, despite Democratic control of both chambers. Thanks to its lobbyist's connections, the group claimed it could get meetings with key lawmakers "in mere minutes."

Peveto didn't hear back from Steiner Hayward.



Betty Komp's 12 years as an Oregon state representative left her with no doubt that corporate money buys power in Salem.




Former Democratic Rep. Betty Komp

The Democrat, a former school administrator who represented Woodburn, said corporate lobbyists from Pac/West Communications would visit her before an upcoming legislative session. "We're going to come to you a time or two, and we'd like your support," she recalled them telling her.

What mattered to them, she said, was "what they thought I should be saying in our leadership meetings about whether a bill should be moving forward."

"It wasn't just about voting on a bill," she said, "but the bill's pathway."

The minute a legislative session ended and House rules permitted fundraising to resume, Democratic legislative leaders made sure she was on the money trail.

DATA POINT: Industry gave Oregon lawmakers \$43 million in a decade of fundraising, dwarfing donations from ideological groups (\$4 million), individuals (\$8 million), organized labor (\$11 million) or political parties (\$12 million).
#PollutedByMoney 

"The pressure to start fundraising when the gavel drops on the last day is ridiculous," Komp said. "It's: 'When are you going to hold your first fundraiser, Betty?' There's someone talking to you about it all the time."

While campaigning, Komp said she spent 90 minutes on the phone each night delivering her fundraising pitch to potential donors. She tracked her prospects with notes in a three-ring binder: Who she talked to. What they'd given. When she should try again.

LEARN: Read about where we got the data for this series and how we analyzed it. 

Komp said she always felt uncomfortable dialing for dollars. But she didn't mind asking lobbyists, "because I know the lobby has money to donate, and it's their job to discern where it goes."

When traveling to national conferences, Komp recalled how surprised lawmakers from other states looked when she told them how much it cost to win a campaign in Oregon.