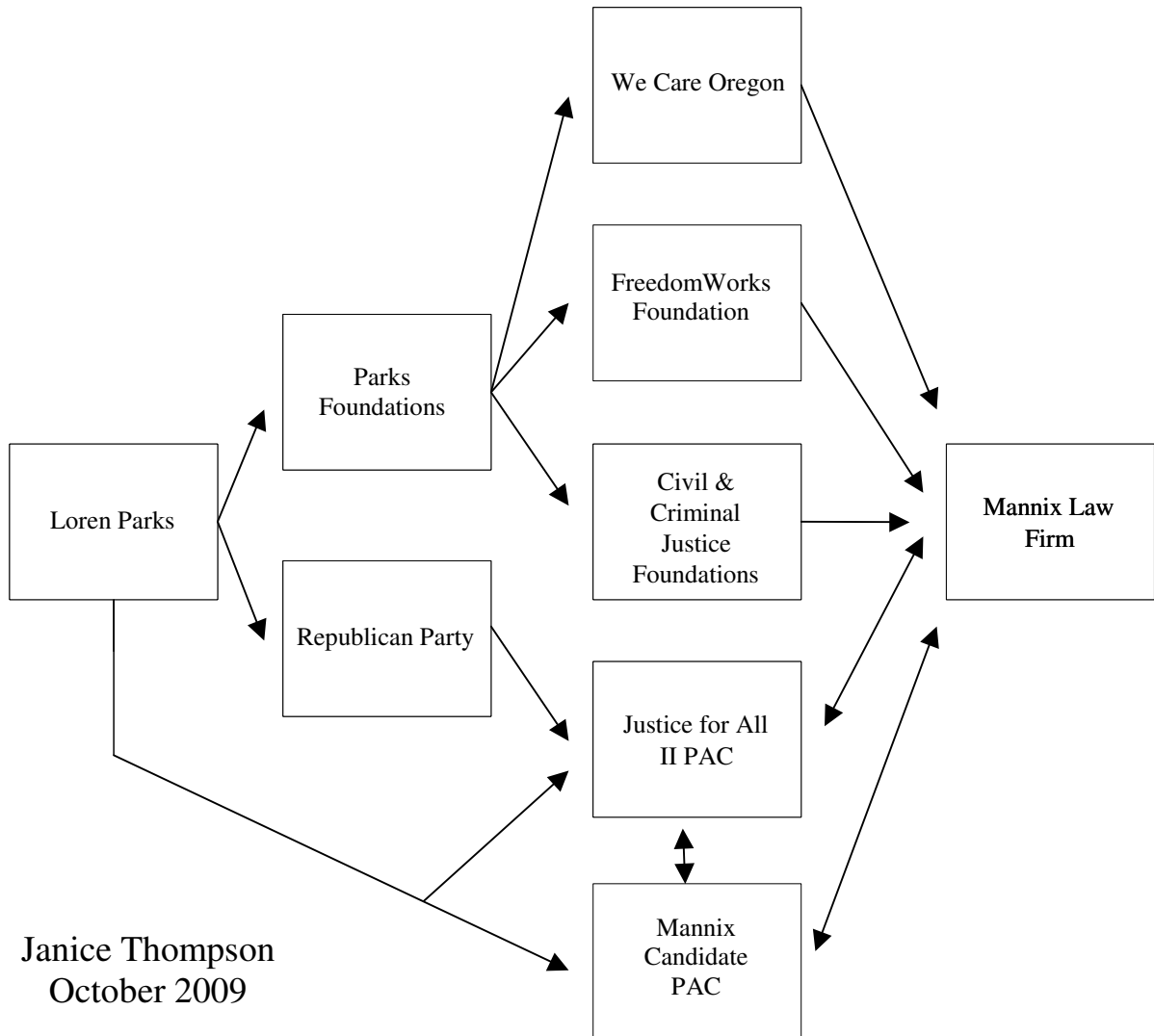


A Political History of Kevin Mannix: A Mix of Politics and Business and One Major Patron SUMMARY



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SUMMARY

PURPOSE

This political history of Kevin Mannix reflects his importance as a candidate for statewide office and as a proactive user of Oregon's initiative process and subsequent impact on state politics and policies. This report includes an examination of Mannix's mixing of politics and business, his use of political advertising and his connection with his major political patron, Loren Parks. Charts in this summary are based on charts in the full analysis but more background details as well as newspaper citations for quotes are included in the full report.

INTRODUCTION

Kevin Mannix has been active in Oregon policy development as a legislator since 1988 and through the use of the ballot measure process since 1994. In addition, Mannix has vied unsuccessfully for the statewide offices of attorney general and governor.

During the fall of 2009, Kevin Mannix, with partners Ross Day and Russ Walker, supported signature gathering to qualify Measures 66 and 67, referenda to require public votes on bills passed by the 2009 legislature to increase the marginal tax rates imposed on top tax brackets and to increase from \$10 the minimum corporate tax.

Though unsuccessful in his statewide candidates campaigns, Kevin Mannix's "tough on crime" measures have had a significant effect on Oregon budgets. Mannix's most recent measures on this topic, though, Measures 61 and 62 were rejected by voters in November 2008. Mannix's positions on 18 measures on the ballot from 1998 through 2008 carried the day with voters nine times, but there were also eight losses and one measure overturned as unconstitutional.

Grover Norquist, head of Americans for Tax Reform, has supported mandatory minimum sentences such as those proposed by Kevin Mannix. However, in testimony before a House subcommittee in July 2009 Norquist said, "...minimum sentencing policies have proven prohibitively expensive. In 2008, American taxpayers spent over \$5.4 billion on federal prisons, a 925 percent increase since 1982. This explosion of cost is driven by the expanded use of prison sentences for drug crimes and longer sentences required by mandatory minimums."

Throughout his political career, Mannix has exhibited a tendency to mix politics and business in ways that, though lawful, have sparked controversy over the years. For example, the Mannix law firm has received large payments from foundations that, in turn, received support from foundations controlled by Mannix's major political patron, Loren Parks. Contributions from Parks to Mannix's statewide candidate and ballot measure campaigns total \$4,050,873. (This figure increases to \$4,059,518 if a 1998 legislative contribution of \$8,645 is included.)

CURRENT ACTIVITIES – PETITION CIRCULATION FOR MEASURES 66 AND 67

Kevin Mannix, Russ Walker, and Ross Day Partnership

Kevin Mannix partnered with Oregon director of FreedomWorks, Russ Walker and Ross Day in gathering signatures on Referendums 301 and 302 to require public votes on HB 2649 and HB 3405, bills passed by the 2009 legislature to increase the marginal tax rates imposed on top personal income tax brackets and to increase from \$10 the minimum corporate tax rate. Their signature gathering effort was successful and Measures 66 and 67 will be on the ballot on a January 26, 2010 special election.

Business Support for Referenda Signature Gathering

Support came from mainstream business lobbyists and their clients as it became clear that two referendums would be filed. “It is a new thing in Oregon to have the business community in Oregon united with the grass-roots, fiscal conservative community. That is a big deal,” said Mannix ally, Russ Walker with FreedomWorks in Oregon. Kevin Looper director of Our Oregon, a political non-profit primarily funded by unions, said that the campaign will be more of a challenge with support from some major business players, “But I never assumed we were going to just be up against the right-wing reactionaries.” Looper also said, “The overall campaign can be succinctly summarized as greed vs. need.”

Top contributors to the Referendum Petition 301 and Referendum Petition 302 PACs are summarized below in charts 1 and 2. The largest donor to both of these committees was Oregonians Against Job-Killing Taxes giving \$280,036 and \$330,036 for a total of \$610,072. The second highest contributor is Russ Walker’s Tax Defense Fund giving support valued at \$97,140 to each referendum PAC for a total of \$194,280.

Chart 1: Top 5 Contributors to Referendum Petition 301 PAC

Contributor	Contribution	Percentage
Oregonians Against Job-Killing Taxes (See chart 3 for donors to this PAC)	\$280,036	58.3%
Taxpayer Defense Fund (See chart 4 for donors to this PAC)	\$97,140	20.2%
VOTE LLC	\$50,000	10.4%
Americans for Prosperity	\$16,621	3.5%
Taxpayers Association of Oregon/TAO PAC	\$8,722	1.8%
Top Contributors Subtotal	\$452,519	94.3%
Miscellaneous Contributions of \$100 or less	\$728	0.2%
Remaining Contributions	\$25,850	5.6%
Total	\$480,098	

Based on disclosure reports filed with the Secretary of State through September 25, 2009. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Chart 2: Top 5 Contributors to Referendum Petition 302 PAC

Contributor	Contribution	Percentage
Oregonians Against Job-Killing Taxes (See chart 3 for donors to this PAC)	\$330,036	68.7%
Taxpayer Defense Fund (See chart 4 for donors to this PAC)	\$97,140	20.2%
Americans for Prosperity	\$16,621	3.5%
Taxpayers Association of Oregon/TAO PAC	\$8,722	1.8%
Common Sense for Oregon, Inc	\$4,735	1.0%

Top Contributors Subtotal	\$457,254	95.2%
Miscellaneous Contributions of \$100 or less	\$728	0.2%
Remaining Contributions	\$22,115	4.6%
Total	\$480,098	

Based on disclosure reports filed with the Secretary of State through September 25, 2009. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

The largest single donation to Oregonians Against Job-Killing Taxes (see chart 3) was \$100,000 from the Oregon Bankers Association. Associated Oregon Industries and its affiliated PAC, however, gave a total of \$125,000 as reported by the day signatures were due on September 25, 2009. Common Sense for Oregon, Inc., a joint effort of Ross Day, Kevin Mannix, and Russ Walker gave \$50,000 in support to Oregonians Against Job-Killing Taxes.

Chart 3: Top 15 Contributors to Oregonians Against Job-Killing Taxes

Contributor	Contribution	Percentage
Associated Oregon Industries/Associated Oregon Industries PAC	\$125,300	11.1%
Oregon Bankers Association	\$100,000	8.8%
Weyerhaeuser Company	\$51,194	4.5%
Common Sense for Oregon, Inc	\$50,000	4.4%
Roseburg Timber	\$45,000	4.0%
Associated General Contractors of America, Inc	\$38,497	3.4%
ChamberPAC (Medford Area Chamber of Commerce PAC)	\$36,500	3.2%
Plum Creek	\$36,000	3.2%
Portland Business Alliance/Alliance-PAC	\$28,838	2.5%
Oregon Restaurant Association/ORAC PAC	\$27,600	2.4%
Oregon Local Grocery PAC	\$26,544	2.3%
Longview Timberlands LLC	\$26,000	2.3%
Oregon Auto Dealers Association/OADA PAC	\$25,527	2.3
Oregon Forest Industries Council/OFIC PAC	\$25,253	2.2%
Oregonians for Affordable Housing (Building industry PAC)	\$25,000	2.2%
Top Contributors Subtotal	\$667,253	58.9%
Miscellaneous Contributions of \$100 or less	\$8,601	0.8%
Remaining Contributions	\$457,432	40.4
Total	\$1,133,286	

Based on disclosure reports filed with the Secretary of State through September 25, 2009. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

The top donor to Russ Walker's Taxpayer Defense Fund was Loren Parks, now based in Nevada but still owner of an Aloha based medical equipment manufacturing company, who gave \$75,000. FreedomWorks in Washington, D.C. provided \$22,752. See chart 4 below.

Chart 4: Top 5 Contributors to Taxpayer Defense Fund

Contributor	Contribution	Percentage
Loren Parks	\$75,000	39.4%
FreedomWorks, Inc	\$22,752	11.9%
Oregonians Against Job-Killing Taxes	\$20,000	10.5%
John Bryan	\$10,000	5.3%
Oregon Citizens for a Sound Economy PAC	\$8,140	4.3%
Top Contributors Subtotal	\$135,892	71.4%
Miscellaneous Contributions of \$100 or less	\$44,504	23.4%

Remaining Contributions	\$10,050	5.3%
Total	\$190,446	

Based on disclosure reports filed with the Secretary of State through September 25, 2009. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

HISTORICAL OVERVIEW – 1998 THROUGH 2008

Kevin Mannix was first elected to the Oregon House as a Democrat from Salem in 1988 and continued to serve his district until 1996 when he gave up the seat for an unsuccessful bid for Attorney General against Hardy Myers in that year’s Democratic primary.

Mannix’s interest in state level politics, however, began in 1994 when he successfully championed tough-on-crime Measures 10, 11 and 17. These measures, particularly Measure 11’s mandatory sentencing requirements, have had a major impact on our state’s criminal justice system as well as state budgets due to an increase in prison construction. As of spring 2007, Oregon was spending essentially as much for incarcerating 13,401 inmates as for educating 438,000 university and community college students.

Kevin Mannix’s move into the ballot measure arena could be viewed as an attempt to increase his statewide profile before attempting a statewide candidate campaign, which he did two years later in 1996 when he unsuccessfully ran for attorney general. However, Mannix’s motivation for turning to the initiative process could be frustration with making policy gains as a legislator.

Mannix enjoyed mixed success with the voters in 1996. In addition to his loss to Myers in the attorney general primary, Mannix’s Measure 19, amending the state constitution to permit regulation of child pornography and other obscene materials failed. Mannix’s Measure 40, however, won. Measure 40 amended the constitution with a wide range of tough-on-crime provisions with a focus on victim rights. Two years later, the Oregon Supreme Court overturned the measure, which had been challenged in *Armatta v. Kitzhaber* for containing multiple constitutional amendments in a single measure.

In 1998, Mannix was re-elected to his previously held House seat, this time as a Republican. During the 1999 session, he worked for passage of seven referrals containing different provisions of Measure 40 and designed to avoid *Armatta* challenges. These referrals became Measures 69 through 75 and were on the ballot in a November 1999 special election. Four of these measures won and three lost. Another attempt to regulate obscenity, Measure 31 lost.

Kevin Mannix returned to statewide candidate politics with an unsuccessful run against Hardy Myers for Attorney General in 2000. Both Mannix and Myers ran unopposed in their respective party primary races and then faced off against each other in the November general election.

Making a third attempt at statewide office, Kevin Mannix ran against Ted Kulongoski for Governor in 2002. In the Republican primary Mannix beat Ron Saxton and Jack Roberts. Mannix’s major political patron, Loren Parks, only made campaign contributions, however, after Mannix’s primary victory. Ted Kulongoski defeated Mannix in the November general election, indicating that Mannix’s history of attempt to portray himself as more of a populist than a social conservative wasn’t convincing to voters.

In 2003, as head of the Oregon Republican Party, Kevin Mannix joined with others to speak out against a legislative referral with tax increases that became Measure 28 on a special election ballot in February. Measure 28 failed with the voters.

Kevin Mannix opposed a bipartisan bill that ended legislative gridlock during the 2003 session by balancing a state budget with a temporary tax increase. Measure 30, a referendum in a February 2004 special election, was successful with voters and overturned the tax increase legislation. Key partners with Mannix were Jason Williams of Taxpayers Association of Oregon and Russ Walker of Oregon Citizens for a Sound Economy, now called FreedomWorks.

Mannix's major political activity in 2006 was making another gubernatorial attempt. He was defeated in the May Republican primary by Ron Saxton who ran to the right of his moderate stances in his 2002 primary while garnering support from party members concerned that Mannix would lose again with general election voters. Jason Atkinson was also in the race. Mannix tried to downplay his anti-abortion stand and opposition to Oregon's assisted suicide law. Nevertheless Oregon Right to Life endorsed Mannix in the primary even though Atkinson was pushing his anti-abortion credentials. Saxton won the primary, but was defeated by Kulongoski.

In May 2008, Mike Erickson defeated Mannix in the Republican primary for the 5th Congressional seat being vacated by Darlene Hooley. Campaign contributions in that race are not included in this analysis, given this report's focus on Mannix's statewide political efforts.

Kevin Mannix worked to qualify Measures 61 and 62 to the November 2008 ballot and raised money in support of these measures and to oppose the legislative referral, Measure 57, designed to be an alternative to Measure 62. Measure 61 would have required a minimum three-year sentence for first-time drug and property offenders. Measure 62 would have required that 15 percent of lottery funds be devoted for public safety spending, reducing lottery money provided to education and economic development. Measure 57 was a legislatively referred alternative to Measure 61 and included more options for drug and alcohol treatment. Both the Mannix measures lost and Measure 57 was enacted.

Kevin Mannix was also chief petitioner as well as a financial supporter of Initiative 54 to regulate strip clubs and Initiative 132, another anti-crime proposal. Both of these measures were withdrawn but the Initiative 132, with most of its funding from Loren Park, supported Russ Walker's initiatives to limit plaintiff attorney fees and so-called frivolous lawsuits. Walker's Initiatives 51 and 53 committees also contributed to the signature gathering effort for Mannix's Measures 61 and 62. Mannix was also a financial supporter the Walker proposals, primarily through in-kind support from his law firm. Information on these Measures 61 and 62 are included in the full report, but since they were the main priority of Walker contributions on these efforts are not reflected in charts 5 through 7 below.

Chart 5 below provides a summary of Kevin Mannix's ballot measure efforts with total fundraising, election results, and whether or not voters agreed with Mannix's positions.

Chart 5: Summary of Mannix Measures, Pro and Con Contributions and Vote Results with Mannix position

Year	BM	Ballot Measure Caption	Mannix Signature Gathering	Pro Mannix dollars	Anti Mannix dollars	Yes vote	No vote	Mannix position
1994	10	Amends Constitution: Legislature cannot reduce voter-approved sentence without 2/3 vote	No longer available ¹	\$172,830	No opposition PAC	65%	35%	WON
1994	11	Amends Constitution: Mandatory sentences for listed penalties; covers persons 15 and up	No longer available		\$750	66%	34%	WON
1994	17	Amends Constitution: Requires state prison inmates to work full time	No longer available		\$11,343	71%	29%	WON
1994	19	Amends Constitution: No free speech protection for obscenity, child pornography	No longer available	\$473,451	\$337,240	46%	54%	LOST
1996	31	Amends Constitution: Obscenity may receive go greater protection than under federal constitution	Not applicable-Legislative Referral	\$194,889	\$489,821	48%	52%	LOST
1996	40	Amends Constitution: Gives crime victims rights, expands admissible evidence, limits pretrial release	\$384,491	\$237,269	\$37,945	59%	41%	WON Overturned in <i>Armatta</i>
1998	61	Amends Constitution: Changes minimum sentences for listed crimes, including certain repeat offenses	\$102,700	Yes and No on 61 campaigns were gearing up but stopped activity when determined that Measure 61 did not qualify for the ballot.		No votes tallied because of court determination that Measure did not qualify for the ballot. This was decided too late to remove from the ballot. but votes were not counted.		
1999	69	Amends Constitution: Grants victims constitutional rights in criminal prosecutions, juvenile court delinquency proceedings	Not applicable-Legislative Referral	\$468,239	\$159,995	58%	42%	WON
1999	70	Amends Constitution: Gives public, through prosecutor, right to demand jury trial in criminal cases	Not applicable-Legislative Referral			42%	58%	LOST
1999	71	Amends Constitution: Limits pretrial release of accused person to protect victims, public	Not applicable-Legislative Referral			58%	42%	WON
1999	72	Amends Constitution: Allows murder conviction by 11 to 1 jury verdict	Not applicable-Legislative Referral			45%	55%	LOST
1999	73	Amends Constitution: Limits immunity from criminal prosecution of person ordered to testify about his or her conduct	Not applicable-Legislative Referral			46%	54%	LOST
1999	74	Amends Constitution: Requires terms of imprisonment announced in court be fully served, with exceptions	Not applicable-Legislative Referral			53%	47%	WON

1999	75	Amends Constitution: Persons convicted of certain crimes cannot serve on grand juries, criminal trial juries	Not applicable- Legislative Referral			58%	42%	WON
2003	28	Temporarily increases tax rates on personal, corporate income; triggers repeal of certain state budget cuts	Not applicable- Legislative Referral	\$41,971	\$571,934	46%	54%	WON
2004	30	Enacts temporary personal income tax surcharge; increases, changes corporate, other taxes; avoids specific budget cuts	\$610,550	\$684,908	\$744,010	41%	59%	WON
2008	57	Increases Sentences For Drug Trafficking, Theft Against Elderly And Specified Repeat Property And Identity Theft Crimes; Requires Addiction Treatment For Certain Offenders.	Not applicable- Legislative Referral	\$1,427,816 raised by the only two PACs focused just on these measures	\$507,042 raised by the only PAC focused just on these measures	61%	39%	LOST
	61	Creates Mandatory Minimum Prison Sentences For Certain Theft, Identity Theft, Forgery, Drug, And Burglary Crimes	\$181,830			49%	51%	LOST
	62	Amends Constitution: Allocates 15% Of Lottery Proceeds To Public Safety Fund For Crime Prevention, Investigation, Prosecution	\$246,986			39%	61%	LOST
		Total Dollars	\$1,526,557	\$3,701,373	\$2,890,080	8 Losses and 9 Wins and 1 Win overturned as unconstitutional		
			Combined signature gathering & general election \$5,227,930					

TOP DONORS FOR AND AGAINST MANNIX CAMPAIGNS

Top donors to Mannix - aggregate totals for 1994 through 2008

Top contributors to Kevin Mannix's statewide candidate campaigns as well as signature gathering efforts and ballot measure committees from 1994 through 2008 are summarized below in chart 6.

The top donor is Loren Parks whose contributions over time total \$4,050,873. Kevin Mannix's law firm is also a major supporter, primarily in the form of in-kind contributions.

Several major donors made contributions in the form of large loans. These loans have now been paid off, but a history of campaign debt and loans is a hallmark of Mannix's candidate fundraising.

Support from the Oregon Republican party and other party committees occurred during Kevin Mannix's statewide candidate campaigns.

Chart 6: Top 15 Contributors to Mannix Statewide Candidate and Measure Campaigns, 1994- 2008, includes cash and in-kind contributions and loans

Total Contributions	Contributor	Supported
<p>\$4,050,873</p> <p>\$4,059,518 if Mannix's 1998 legislative contribution of \$8,645 from Parks is added That is the same as in chart 10 of Loren Parks: Oregon's \$13 Million Man</p>	<p>Loren Parks - \$3,807,367 Conservative PAC - \$154,405 Parks Foundation - \$14,101 to Justice for All Yes on 69-75 in 1999 Parks Medical Electronics - \$75,000 to Oregon Anti-Crime Alliance PAC in 2008</p> <p>Includes pass through contributions to: *If 94 Passes, Up to 1300 of Oregon's Most Violent Criminals Will Be Released that gave \$62,761 to Mannix for Attorney General in 2000 *Oregon Republican Party that gave \$125,000 to Mannix for Gov. in 2002</p> <p>Does not include \$200,536 of independent expenditures paid by Parks in 2002 and 2006 governor's races targeting Mannix's opponents</p>	<p>1994 – Yes on 10, 11, and 17 1996 – Mannix for Attorney General 1996 – Yes on 40 1996 – Initiative 63 (did not qualify) 1999 – Yes on Measure 69-75 2000 – Mannix for Attorney General including in-kind pass through from no on 94 PAC and 2001 – Mannix Sept. Supplemental Report 2002 – Mannix for Governor including pass through from Oregon Republican Party Justice for All PAC II 2006 – Mannix for Governor 2008 – Mannix candidate PAC 2008 – Initiatives 51, 53 and 132 (did not qualify) 2008 – Initiatives 40 and 41, became Measures 61 and 62</p>
<p>\$929,609</p>	<p>Kevin L. Mannix PC</p>	<p>1996 – Yes on 40 1996 – Initiative 63 (did not qualify) 1999 – Yes on Measure 69-75 2000 – Mannix for Attorney General 2002 – Mannix for Governor 2006 – Mannix for Governor 2008 – Mannix candidate PAC 2008 – Initiatives 51, 53, 54, 131, 132 & 134 2008 – Initiatives 40 and 41, became Measures 61 and 62</p>
<p>\$517,570</p>	<p>Oregon Anti-Crime Alliance PAC/Oregon Anti-Crime Alliance Foundation/Oregon Anti-Crime Alliance, Inc</p>	<p>2008 – Anti-Crime Alliance Foundation & Inc. gave to affiliated PAC that, in turn, gave \$488,750 to Common Sense for Oregon PAC</p>
<p>\$456,150</p>	<p>Common Sense for Oregon PAC</p>	<p>2008 – Yes on 61 PAC</p>
<p>\$444,927</p>	<p>Citizens for a Sound Economy/Oregon Citizens for a Sound Economy/OCSE PAC/FreedomWorks Issues PAC/Taxpayer Defense Fund</p>	<p>2003 – No on 28 2004 – no on 30 2008 – Initiatives 51 & 53 (did not qualify) 2008 – Measures 61 and 62 by support to Oregon Anti-Crime Alliance PAC</p>
<p>\$315,000</p>	<p>Republican National State Elections Committee</p>	<p>2000 – Mannix for Attorney General 2002 – Mannix for Governor</p>
<p>\$301,562</p>	<p>Oregon Republican Party</p>	<p>2000 – Mannix for Attorney General 2001 – Mannix Sept. Supplemental Report 2002 – Mannix for Governor 2003 and 2004 – Mannix September Supplemental Reports 2004 – No on 30</p>
<p>\$295,395</p>	<p>Kevin Mannix</p>	<p>1996 – Yes on 31 1996 – Yes on 40 1996 – Mannix for Attorney General 2000 – Mannix for Attorney General 2002 – Mannix for Governor</p>

		2006 – Mannix for Governor Justice for All II PAC Workers Compensation Progress PAC
\$210,500	Joan Austin/ADEC Inc	2000 – Mannix for Attorney General 2002 – Mannix for Governor 2003 – Mannix Sept. Supplemental Reports 2004 – No on 30
\$265,050	Lawrence Epping	1996 – Yes on 40 2000 – Mannix for Attorney General 2002 – Mannix for Governor 2003 and 2005 – Mannix September Supplemental Reports 2006 – Mannix for Governor
\$250,211	Mark Hemstreet/Hemstreet Properties	1994 – Yes on 11 and 17 1996 – Yes on 31 and 40 1999 – Yes on Measures 69 through 75 2000 – Mannix for Attorney General 2002 – Mannix for Governor
\$250,000	Republican Governor's Association	2002 – Mannix for Governor
\$196,750	Columbia Helicopters/Wes Lematta	1994 – Yes on 11 and 17 1996 – Yes on 40 1996 – Mannix for Attorney General 1999 – Yes on Measures 69-75 – Victims Rights Committee 2000 – Mannix for Attorney General and Justice for All II PAC 2002 – Mannix for Governor 2003 – No on 28 2004 – No on 30
\$190,170	James Salerno	1996 – Mannix for Attorney General 2000 – Mannix for Attorney General 2002 – Mannix for Governor 2003 and 2004 – Mannix Sept. Supp. Reports

Top Donors against Mannix - Aggregate Totals for 1994 through 2008

Top contributors to campaigns opposing Kevin Mannix's signature gathering efforts and ballot measure campaigns as well as his candidate committees from 1994 through 2008 are summarized in chart 7. The top donors over this period are public employee unions who opposed Mannix as a candidate and supported Measures 28 and 30. In general, unions working against Mannix's political efforts represent approximately 320,000 workers in Oregon.

Another donor to campaigns opposing Kevin Mannix measures with many members is AARP that has 535,000 members in Oregon.

Large contributions from state or national Democratic Party committees are to the campaigns of Hardy Myers and Ted Kulongoski, who ran against Mannix in 2000 and 2002. Several large contributions against Kevin Mannix also surfaced during his 2006 primary run for the Republican gubernatorial nomination against Ron Saxton and Jason Atkinson. Interestingly enough, some of these 2006 donors to Mannix opponents gave to Kevin Mannix during his 2002 gubernatorial campaign as indicated in italics in chart 7.

Chart 7: Top 15 Contributors against Mannix Candidate and Measure Campaigns, 1994-2008, includes cash and in-kind contributions and loans

Total Contributions	Contributor	Supported
\$782,151	SEIU Local 503 OPEU/OPEU Local 503 PAC/Citizen Action by Public Employees PAC/SEIU International/Oregon State Council of Service Employees Current membership – 45,000 workers	1996 – No on 31 2000 – Myers for Attorney General 2002 – Kulongoski for Governor 2003 – Yes on 28 2004 – Yes on 30 2008 – Yes on 57
\$586,571	Oregon Education Association/OEA- PIE/National Education Association Current Oregon membership – 47,000 workers NEA – national membership is 3.2 million	1996 – No on 31 1996 – Myers for Attorney General 2000 – Myers for Attorney General 2002 – Kulongoski for Governor 2003 – Yes on 28 2004 – Yes on 30 2008 – Yes on 57
\$533,192	AFSCME Council 75/National AFSCME Current membership – 25,000 workers	2000 – Myers for Attorney General 2002 – Kulongoski for Governor 2003 – Yes on 28 2004 – Yes on 30 2008 – Yes on 57
\$325,000	Democratic Governors' Association	2002 – Kulongoski for Governor
\$276,690	Oregon Entertainment Corp	1994 – No on 19 1996 – No on 31
\$200,000	The Rokit Fund	2008 – Yes on 57
131,100	Oregon School Employees Association/Voices of Involved Classified Employees/VOICE PACs Current membership – 20,000 workers	2000 – Myers for Attorney General 2003 – Yes on 28 2004 – Yes on 30
\$125,000	Roderick Wendt <i>Gave \$150,000 to Mannix for Gov in 2002</i>	2006 – Saxton for Governor- primary
\$105,453	Democratic Party of Oregon	2000 – Myers for Attorney General 2002 – Kulongoski for Governor
\$100,000	Norman Brenden <i>Gave \$10,000 to Mannix for Gov in 2002</i>	2006 – Saxton for Governor- primary
\$92,665	American Association of Retired People/AARP Oregon 535,000 AARP members in Oregon	2004 – Yes on 30 2008 – Yes on 57
\$75,000	Don Morissette Homes, Inc <i>Gave \$5,000 to Mannix for Gov in 2002</i>	2006 – Saxton for Governor- primary
\$75,000	The Swanson Group <i>Gave \$50,000 to Mannix for Gov in 2002</i>	2006 – Saxton for Governor- primary
\$56,050	Pacific Northwest Regional Carpenters Separate Segregated Fund Current membership – 25,000 workers	2002 – Kulongoski for Governor
\$51,000	Oregon Criminal Defense Lawyers Association	1996 – Myers for Attorney General 1999 – No on Measures 69-75 2004 – Yes on 30

MIXING POLITICS AND BUSINESS

Common Sense for Oregon Non-Profits and PAC and Voice for the Electorate LLC

Kevin Mannix is a partner with Russ Walker and Ross Day in four affiliated organizations. Two are political non-profits, one is a political committee, and one is a for-profit signature gathering company.

In September of 2008, Ross Day formed Common Sense for Oregon PAC. Kevin Mannix became a director of this political committee in April 2009. The Common Sense for Oregon Foundation and Common Sense for Oregon, Inc. were formed in January of 2009 with Kevin Mannix as their registered agent. Both of these groups are organized under IRS tax-exempt rules. The Common Sense for Oregon foundation is a 501 (c) 3 organization that can accept tax-deductible contributions and may support or oppose ballot measures, with some limits, but may not be involved in candidate elections. Common Sense for Oregon, Inc. is a 501 (c) 4 whose contributions are not tax-deductible. A 501 (c) 4 group may be involved in ballot measures without any limit and can work for or against candidates as long as that is not the group's primary activity, typically advised to be less than 50 percent.

Press reports about the Common Sense for Oregon partnership identified Russ Walker, Oregon director of FreedomWorks as a partner with Kevin Mannix and Ross Day in forming a for-profit petition circulation firm called Voice of the Electorate or VOTE, LLC. Ross Day is chief executive of the signature-gathering firm as well as the two Common Sense for Oregon non-profits and works in an office donated by Kevin Mannix that is next to the Mannix law firm in Salem. As is allowed under tax law, Ross Day declined to reveal donors to the Common Sense for Oregon non-profits, but did indicate hope that his partnership efforts with Kevin Mannix and Russ Walker would attract major conservative donors including Loren Parks.

One concern about the same group of partners adding a for-profit petition circulation firm to the Common Sense for Oregon non-profits and political committee is the potential for business interests as much or more than policy interests driving the use of the ballot measure process. It is very common for organizations at either end of the political spectrum to have a PAC and both 501 (c) 3 and c (4) groups. It is less common for the leaders of these groups to also form a for-profit arm such as the Voice of the Electorate signature gathering company. Unfortunately Bill Sizemore is the best previous example of a player in Oregon ballot measure politics adding a for-profit petition company to the typical trio of political committee and political non-profits and his abusive use of the initiative process raises concerns about this business model.

Ross Day said that Voice of the Electorate, VOTE LLC, petition circulation company is complying with all petition circulation rules. Beyond state requirements Day's company is requiring circulators to carry a "VOTE Oregon" bag, wear a badge with name and circulator registration number, and provide a business card upon request.

Oregon Anti-Crime Alliance Non-Profits and PAC

Kevin Mannix opened Oregon Anti-Crime Alliance PAC in July of 2008 and supported Measures 61 and 62 and opposed Measure 57, the legislatively referred alternative to Measure 61. The top donor to Oregon Anti-Crime Alliance PAC was Loren Parks who gave \$600,000 directly and another \$75,000 from Parks Medical Electronics.

Kevin Mannix is the registered agent for Oregon Anti-Crime Alliance, Inc., a 501 (c) 4 group and a 501 (c) 3, the Oregon Anti-Crime Alliance Foundation. Both were formed in June of 2008.

The 2007 tax reports of the Parks Foundation and Parks Educational Fund shows grants totaling \$395,000 to the Oregon Anti-Crime Alliance Foundation. These Parks foundations are controlled by Loren Parks and their reports cover activities from September 2007 through August of 2008.

The 2008 Oregon Anti-Crime Alliance Foundation report shows that grants of \$15,000 went to the Military Family Support Forum while \$22,500 went to the Oregon Anti-Crime Alliance, Inc. Another \$26,000 was loaned by the Anti-Crime Alliance Foundation to the Oregon Anti-Crime Alliance, Inc. that is also controlled by Kevin Mannix. The 2008 report of the Oregon Anti-Crime Alliance, Inc. shows a \$15,000 grant to the Oregon War Veterans Association. Another \$32,257 was spend to advocate for criminal justice reform using a website, mailings, and polling.

Oregon War Veterans Association

The Oregon War Veterans Association is a 501 (c) 19 group. This is an Internal Revenue Service designation that allows the receipt of tax-deductible contributions while still engaging in partisan policy activity, though that can't be the group's primary purpose.

The Oregon War Veterans Association's federal tax form indicates that its primary purpose is advocating for veterans including development of legislation, home loan assistance, charitable networking and member services. Their 2006 report indicates that \$56,608 went to the Oregon Veterans PAC out of a total of \$119,165 in grant activity. That 48 percent of foundation spending went to an affiliated political committee raises questions about whether Oregon War Veterans Association primary activity is political and getting close enough to the 50 percent guideline for allowable political activities that a complaint could be viable. Greg Warnock, Robin Brown, and Rob Bratian are listed as Oregon War Veterans Association officers and are also directors of the Oregon Veterans PAC that was formed in December of 2006.

The Parks Educational Foundation, controlled by Loren Parks, gave the Oregon War Veterans Association \$100,000 as reported on the Parks' foundation 2007 tax report that covered activity from September 2007 to September of 2008. The Oregon War Veterans Association's contribution of \$165,000 to the Oregon Anti-Crime Alliance against Measure 57 and for Measures 61 and 62 doesn't seem to fit into the Associations' stated focus on concerns facing veterans. However, an interest in this topic is indicated by the \$15,000 grant received from Oregon Anti-Crime Alliance, Inc. as reported on that group's 2008 tax report.

We Care Oregon, Parks Foundations and Payments to Mannix Law Firm

We Care Oregon is a 501 (c) 3 group formed in 2006 provide services to nonprofits with a religious focus. Foundations controlled by Loren Parks show that \$232,000 was given to We Care Oregon in 2006 with \$1,125,000 in grants to that group listed on 2007 reports of the Parks foundations. See the left side of chart 8 below.

We Care Oregon's 2007 report shows a \$126,000 payment to Kevin Mannix's law firm for fundraising services. See right side of chart 8 below.

Chart 8 – Side-by-Side Summary of Parks Foundation Grants to We Care Oregon Foundation and Payments by We Care Oregon Foundation to Mannix Law Firm

Grants from Parks foundations to We Care Oregon Foundation			Contract Work by Kevin L. Mannix, PC by We Care Oregon Foundation	
2007 Report for August 2007 through August 2008 grants	\$1,125,000		2008 Report Not Yet Available	
2006 Report for August 2006 through August 2007 grants	\$232,000		2007 Report for 2007 calendar year for fundraising services	\$126,000
No previous grants from Parks foundations to We Care Oregon Foundation			No report – We Care Oregon formed in 2007	
Total	\$1,357,000		Total	\$126,000

FreedomWorks Foundation, Parks Foundations and Payments to Mannix Law Firm

A total of \$509,980 was given to FreedomWorks Foundation from Parks Foundation and Park Educational Foundations in reports filed by the Parks foundations for 2004 through 2007. These foundations are controlled by Loren Parks. Another \$30,000 was given earlier as reported on the 2000 report of the Parks Foundation when it was still based in Oregon.

FreedomWorks, a national 501 (c) 4 group, fights for “lower taxes, less government and more economic freedom for all Americans” and is led by former U.S. House Majority Leader Dick Armey. It has a 501 (c) 3 companion, the FreedomWorks Foundation to which tax-deductible contributions can be made. In Oregon FreedomWorks is led by Russ Walker.

Grants from the two Parks family foundations to FreedomWorks Foundation were \$197,000 reported on 2007 tax forms, \$20,000 listed on 2006 tax forms, \$120,000 reported in 2005 and \$172,980 on 2004 tax forms. The 2007 report lists activity that occurred from August 2007 through August of 2008. The 2005 report primarily covers activities in 2006, while the 2004 report indicates payments primarily in 2005. These grants are shown on the left side of chart 9.

Chart 9 – Side-by-Side Summary of Parks Foundation Grants to FreedomWorks Foundation and Payments by FreedomWorks Foundation to Mannix Law Firm

Grants from Parks foundations to FreedomWorks foundation			Contract Work by Kevin L. Mannix, PC by FreedomWorks Foundation	
2007 Report for August 2007 through August 2008 grants	\$197,000		2008 Report Not Yet Available	
2006 Report for August 2006 through August 2007 grants	\$20,000		2007 Report for 2007 calendar year for legal services	\$85,000
2005 Report for August 2005 through August 2006 grants	\$120,000		2006 report for 2006 calendar year for legal services	\$268,650
2004 Report for August 2004 through August 2005 grants	\$172,980		2005 report for 2005 calendar year for fundraising consulting	\$200,089
There is a gap in dollars from Parks foundations to Freedomworks with the only other contribution being \$30,000 on 2000 forms			2004 report for 2004 calendar year for consulting	\$70,939
			Reports for previous years no longer available on either Guidestar or 990 finder	
Total	\$509,980		Total	\$624,678

Tax records for FreedomWorks Foundation indicates payments to the Mannix law firm totaling \$624,678 from 2004 through 2007. In 2004 the payment to the Mannix law firm was \$70,939

for unspecified consulting. The payment listed on the 2005 report was \$200,089 for fundraising consulting. Legal services by Mannix's firm worth \$268,650 was reported in 2006 with another \$85,000 of legal services reported on FreedomWorks Foundation's 2007 tax form. These grants are listed on the right side of chart 9 above.

The workload for FreedomWorks Foundation at the Mannix Law Firm seems to be significant. Assuming a payment rate of \$200 per hour work for FreedomWorks Foundation would mean 355 hours in 2004, 1000 hours in 2005, 1343 hours in 2006, and 425 hours in 2007. Assuming a work year of 2080 hours (52 weeks times 40 hours a week) this would mean that work for the FreedomWorks Foundation represented 17, 48, 65, and 20 percent of Mannix's workload in 2004, 2005, 2006, and 2007 respectively. Also in 2007 an estimated 630 hours of fundraising services were provided to the We Care Oregon Foundation by the Mannix law firm. That would have represented 30 percent of the Mannix's workload in 2007.

Given other activities by Kevin Mannix, for example, running for office and working on ballot measures it seems possible that there was a higher rate of pay for consulting work provided to the FreedomWorks Foundation. Especially if fundraising work provided in 2005 for FreedomWorks Foundation primarily required calling Loren Parks, the payment to the Mannix Law Firm seems particularly generous given the likely work involved. The rate of pay for fundraising services provided to We Care Oregon may also be higher than \$200/hour, but if the Mannix Law Firm was involved in securing the \$1,357,000 in support from foundations controlled by Loren Parks a higher rate of pay may well be justified.

The rationale for a potentially higher rate of pay for legal services provided to FreedomWorks Foundation in 2006 and 2007 than the \$200/hour used in this analysis isn't clear. It should be noted that the Oregon Rule of Professional Conduct 1.5 prohibits lawyers from charging excessive fees.

The *Oregonian* editorialized about an article written in March of 2008 about payments to his law firm from FreedomWorks Foundation being a factor in Kevin Mannix's paying off old campaign debts as he prepared to run in the Republican primary for the 5th Congressional District seat that opened up due to the resignation of Darlene Hooley. The editorial said that nothing was wrong with the payments from FreedomWorks Foundation, "if the money was truly compensation for legal work as opposed to contributions masquerading as attorney fees." Presumably the *Oregonian* would have been even more troubled if the article included the information above about foundations controlled by Loren Parks giving grants to FreedomWorks Foundation.

Mannix Foundations – "Boon to His Law Firm"

An August 2002 *Oregonian* article identified a legal but questionable flow of money to Kevin Mannix's law firm from two foundations that operated primarily under his control. These foundations, in turn, received the bulk of their support from the Parks Foundation controlled by frequent Mannix political donor Loren Parks.

Mannix formed the Civil Justice Foundation and Criminal Justice Foundation in January 1998 and closed them in 2003. He served as executive secretary, handling all bookkeeping for both foundations. Analysis by the *Oregonian* in 2002 indicates at least \$327,000 went from these foundations to Mannix's law firm and an associated business, PSA Services. Mannix says he

recommended what projects the foundations will fund and bids from other firms weren't sought. He began receiving foundation support during a period when his firm, according to a former partner, was \$217,000 in debt.

Reporting by the *Oregonian* in 2006 indicates that an additional \$112,000 went from the Civil and Criminal Justice Foundations to Kevin Mannix's law firm in 2002. In all, \$838,000 was reported to have been paid to Mannix personally; his law firm, or affiliated business by these foundations or political committees controlled by Mannix.

Loren Parks and Parks Foundation Dollars to Mannix Foundations and PACs in 1990's

The major donor to the Criminal and Civil Justice Foundations was the Parks Foundation controlled by Loren Parks. The Parks Foundation gave \$361,800 to the two Mannix groups, reportedly comprising more than 70 percent of the nearly \$500,000 raised by the Criminal and Civil Justice Foundations through 2001.

Parks gave what was reported to be the single largest contribution to a candidate, \$250,000 to Kevin Mannix's gubernatorial campaign. That donation check was dated October 23, 2002 and five days later Parks gave \$125,000 to the Oregon Republican Party. As reported by the *Oregonian* in the spring of 2006, Mannix hand-delivered this check to party headquarters and then, according to Darryl Howard, the party's executive director, suggested it be given to Mannix's Justice for All II committee. Howard refused since it seemed clear the check was intended for Mannix's gubernatorial committee. After taking over as Party chair in 2003 Kevin Mannix fired Darryl Howard, though Howard says that he resigned.

Candidate Campaign and Company Work Intertwined

Money flowed from Kevin Mannix's candidate campaign committees to his law firm for rent and other services in both 2000 and 2002. During Mannix's attorney general candidacy his law firm charged his campaign PAC \$10,000 for rent and \$5,000 for legal services. During Mannix's 2002 gubernatorial contest he collected \$24,000 in rent from his campaign PAC. In 2003, Mannix's candidate committee is reported to have paid \$27,000 to Mannix personally for rent and personal campaign expenses while \$8,700 was paid to his law firm for expenses in the building owned by Mannix and used by his campaign.

The *Oregonian* coverage indicated that a political consultant who frequently works with the Senate Republican caucus, Melissa Williams, discourages the mixing of candidate campaign and business finances. "All it does is raise eyebrows," she said. "We advise a candidate there are other issues you want to talk about rather than about paying yourself rent."

When questions about Kevin Mannix's campaign spending surfaced again during the 2006 primary, his comment was, "I lose money doing this," he said. "I'm not into politics to make money. I'm in politics to make policy." Reporters, however, pointed out that this spending included more than the routine personal expenses reimbursements frequently reported by candidates and included direct payments for rent, management fees and other services.

Multiple PACs Spending Money on Services from Mannix

Over the years Kevin Mannix has formed several chief petitioner and ballot measure committees as well as his own candidate PAC. In addition, however, Mannix established two other PACs that paid his law firm and PSA Services for numerous activities.

Justice for All II, formed in October 1997 to gather signatures for Initiative 53, was active during the November 1999 special election on Measures 69 and 75. During the 2000 election season the PAC made a \$65,087 donation to Mannix's attorney general campaign. Though not focused on any one candidate or measure campaign, Justice for All II raised another \$127,788 from 2001 until it closed in 2005. The Workers Compensation Progress PAC was formed by Mannix at the end of 2000 and filed campaign finance reports for the 2002 election season and then filed September Supplemental Reports from 2003 through 2007, when this PAC closed.

Spending by these two committees indicate the extent to which the donors were providing work for the Mannix businesses and funneling money to his candidate campaigns. Sixty-five percent of the expenditures from the Justice for All II PAC went to either Kevin Mannix, Mannix's candidate PAC, Mannix's law firm, or his business, PSA Services, over its 6 years of operation. Workers Compensation Progress PAC raised less money but an even higher 76 percent went to either Kevin Mannix, his campaign PAC, or the Mannix law firm. Under current law, these committees would be considered candidate controlled committees because Mannix was their treasurer and they operated parallel to Mannix running candidate campaigns.

Campaign Finance Complaint – Allegation of Contributions in a False Name

It is illegal to make contributions in a false name or shield the identity of a campaign donor. In August 2002, Libertarian Party executive director Richard Burke filed a complaint with the Secretary of State alleging that Mannix had violated the restriction on the restriction on contributions in a false name. A subsequent investigation for the Department of Justice determined:

- Robert Randall contributed \$50,000 to Mannix's Justice for All II and Workers Compensation Progress PACs.
- Within the same 24 hours these PACs contributed \$50,000 to Mannix's gubernatorial PAC.
- A similar exchange pattern occurred in May 2002 with a \$25,000 contribution from Alan James.
- Kevin Mannix was treasurer of all three PACs.

No violation occurred because the law restricting contributions in a false name did not apply to contributions from one committee treasurer to the treasurer of another PAC.

A nonpartisan panel convened by Secretary of State Bill Bradley subsequently reviewed campaign finance disclosure law and made legislative recommendations to close loopholes and improve enforcement. Legislation enacted during the 2005 legislative session included many these provisions as well requirements for electronic reporting and online availability that resulted in ORESTAR.

Loans and Debt but Who Gets Repaid First?

A consistent pattern in Kevin Mannix candidate campaigns is a reliance on loans and unpaid debts. This began during the 2000 general election when Mannix was running against Hardy Myers for attorney general and appears to continue today. Pattern is composed of:

- Multiple loans. In his 2002, his gubernatorial PAC received loans totaling \$674,000 from 15 individuals and businesses.
- Delaying repayment. Mannix has routinely delayed payment or made partial payments. Between 2002 and 2004, real estate developer Lawrence Epping made loans totaling \$261,000. Loan repayments began in 2002 but the entire debt was not paid off until 2004.
- Pay old loans with new loans. On March 19, 2004, Mannix secured a \$50,000 loan, the first of several, from Frank Salerno. That same day, Mannix paid off a \$45,000 loan from multiple-lender Lawrence Torarski.
- Repay himself first. In the 2006 primary run, Mannix's PAC received \$353,900 in loans, including \$48,900 from Mannix himself. One donor was paid off during the primary season and another past debt paid off. The bulk of payments, \$93,452, went to Mannix.

Loan Consolidation and Run for Congress

In late October and early November 2007, two payments were made by Mannix's candidate PAC to pay off \$100,000 due since 2003. Payments to another major donor, Frank Salerno, were made in early 2008. The pace of loan payments picked up significantly after the February 7, 2008 retirement announcement of Congresswoman Darlene Hooley. Even before this there had been speculation that Kevin Mannix was contemplating a run against Hooley.

Mannix's law firm loaned his candidate PAC money during this period of time to pay off other donors and consolidate his debt. *Oregonian* reporting in March 2008 questioned the source of money to Kevin Mannix's law firm and timing of its loans to Mannix's candidate campaign that enabled paying off other lenders. Mannix's campaign manager, Amy Langdon, said that this was feasible by "calling in accounts receivable" from his solo law practice that had a boost in income since his May 2006 race for the Republican gubernatorial nomination. Langdon did not reveal the source of those dollars, citing client confidentiality, but she did say that that none of the money came from Loren Parks. Mannix declined to be interviewed about campaign finances.

As noted earlier the *Oregonian* editorialized against Mannix's continued mixing of business and political fundraising. The *Oregonian* article and subsequent editorial did not include information described in chart 9 above. If this information had also been reported, it may well have increased the *Oregonian's* concerns about "campaign contributions masquerading as attorney fees."

Wearing Two Hats as Chair of Oregon Republican Party

Kevin Mannix became chair of the Oregon Republican Party in early 2003, shortly after his first failed bid for governor. Faced with infighting between sitting chair Perry Atkinson and Senator Gordon Smith who was advocating former House Speaker Lynn Snodgrass for the position, Oregon Republicans accepted his offer to serve to bring unity to the party. Mannix was a successful leader in special election ballot measure tax increase fights in 2003 and 2004. He was re-elected in January 2005 even though there were some concerns about his lackluster performance in recruiting strong candidates to run in statewide contests in 2004.

Following critical comments of Ron Saxton, his anticipated rival for party nomination in the 2006 governor's race, Mannix announced he wouldn't seek re-election as party chair.

Mannix Candidate Vendor Gets Party Work after Forgiving Accounts Payable

Creative Strategies, the political consulting firm used by the Mannix for Governor campaign in 2002, worked for the Oregon Republican Party from the end of 2003 through 2004. Their first payment was shortly after final payment by Mannix's gubernatorial PAC. Services provided were for general consulting, issue research, and production of a television commercial with total payments coming to \$76,122. Beginning with a February 14, 2005 payment, Creative Strategies switched back to working for Mannix's candidate committee and was a vendor during Mannix's 2006 gubernatorial bid.

Oregonian reported in 2006 that Republican Party chairs before Mannix didn't make such use of consultants. Executive committee members told reporters that they didn't see any reports and consultants didn't attend party business meetings, an assertion the current party chair disputed, saying the consultant dealt directly with Mannix or the executive director.

Mannix Secretary Paid by Republican Party

Another Kevin Mannix expense as Republican Party chair was paying for a secretary. Current party chair, Vince Day, said this was not current practice nor an expense of chairmen prior to Mannix, but that Mannix needed a half-time scheduler. Mannix's law firm secretary, Maxine Kuhlman, was reported to have been paid \$39,779 by the Oregon Republican Party. Before and after this period of time Kuhlman had been paid by Mannix's candidate committee.

Mannix Benefits from Republican Party Fundraising

A proposal made in 2001 by Solomon Yue, Republican national committeeman gave Mannix's law firm and political committee 70 percent of what Kevin Mannix raised for the Oregon Republican Party. Six checks totaling \$39,900 from the Oregon Republican Party are reported to have gone to Mannix in 2001. Each check represented 70 percent of a donation to the Party that was considered to have been obtained by Kevin Mannix. Three members of the party's Executive Committee said they only learned of the arrangement after it was established. "I remember folks being upset about that," said Bob Avery, a committee member. State elections officials said that this kind of arrangement could create disclosure problems because of the possibility that some of the donations should have been reported as a contribution to the recipient of the commission.

Mannix Lobbying While Republican Party Chair

During the 2005 legislative session Kevin Mannix formed the Oregon Litigation Fairness Project to "make the litigation system fair to all concerned." Mannix told *Willamette Week* that unnamed "business groups" are behind this effort but did not name his backers. "That's one reason why you create an organization sometimes," Mannix says. "People want to come together, and they don't want to publicize themselves." Mannix conceded that he's running for governor in 2006. The reporter drew the connection between his 2005 legislative lobbying and the opportunity it provides to enlist campaign support from large contributors. The Republican Party chair position is unpaid and the Litigation Fairness Project reported spending \$65,221 on lobbying during 2005.

MANNIX AND POLITICAL ADVERTISING

2000 Ad Invokes Kip Kinkel in Attack on Hardy Myers

In his 2000 race against Hardy Myers for attorney general, Kevin Mannix ran ads featuring Kip Kinkel, the Springfield Thurston High School student who killed his parents and two fellow students in 1998. The ads claimed Myers supported sentencing guidelines that could have set Kinkel free in four years compared to his 111-year sentence under Measure 11. Questions were raised about the ad's accuracy and they also failed to mention Mannix's support of a pre-Measure 11 steps to toughen sentencing guidelines developed by a committee then-legislator Myers chaired in 1989.

Mannix may have been moved to run negative ads by his top donor, Loren Parks, who was on the record as wanting "Hardy out of there in the worst way" and "you have to get people (expletive) off about something, not just boost yourself." The Kinkel ads were produced by Gregg Clapper, who had worked with Mannix on Measures 10, 11 and 17. They were pulled after being criticized as inflammatory and unfair by editorial boards across Oregon.

Allies Step Away During 2002 Primary but Anti-Saxton Ad May Have Helped Mannix

During the 2002 Republican gubernatorial primary Jack Roberts was considered the frontrunner with particular support by those who felt Mannix was too conservative to win in the general election. Political consultant Gregg Clapper, who didn't believe Mannix could win in November because of his anti-abortion views, joined the Roberts campaign as a political consultant, possibly to help persuade Loren Parks to not support Kevin Mannix.

Parks gave contributions totaling \$115,000 to Mannix in 2001 before he entered the governor's contest, but none during the primary. However, once Mannix won the Republican gubernatorial primary, Parks made a late May donation of \$25,000 followed by general election contributions of \$250,00 and \$25,00. The \$250,000 was considered to be the largest one-time contribution by an individual to an Oregon candidate campaign.

Gregg Clapper formed a PAC in May 2002 to run independent expenditure ads against Ron Saxton. The Let's Not Elect a Soft-On-Crime, Democrat Contributing, Liberal-Judge Backing PAC spent \$25,536, all contributed by Parks, on radio ads attacking Ron Saxton for, among other things, wanting to "take the teeth" out of Measure 11. Questions were raised about the independence of Clapper's ads given his earlier involvement in the Roberts campaign and evidence that information from Roberts was used in developing the ads.

More Parks Funded Independent Expenditures against Saxton in 2006 Primary

Independent advertising by Gregg Clapper with financial support from Loren Parks also played a role in the 2006 Republican primary. Clapper formed the Neal Goldschmidt's Real Good Friend Ron Saxon committee, receiving all of its \$175,000 in contributions from Parks. The target was again Ron Saxton, but now the intended beneficiary was Kevin Mannix. This time around, Saxton ran to the right of his 2002 campaign as a moderate and beat Mannix in the primary.

Clapper's anti-Saxton ads linked Ron Saxton to Neil Goldschmidt through connections to Goldschmidt's wife and brother. During Saxton's 2002 run in the Republican gubernatorial primary he received support from Diana Snowden, Goldschmidt's wife. Connecting Saxton to

Neil Goldschmidt was damaging since two years earlier Goldschmidt had been exposed in *Willamette Week* for his sexual abuse of a 14-year-old girl. The Clapper ad also criticized Saxton for past contributions to Democratic candidates.

The Saxton campaign responded with ads focused more on Loren Parks than Kevin Mannix or issues, highlighting Parks as an out-of-state millionaire “trying to buy the Oregon governorship for Mannix” and cited references on Parks website to his past activities as an “amateur sex therapist.” In response, Parks was featured in advertisements from the Clapper independent expenditure PAC defending his philanthropic and political contributions.

KEVIN MANNIX AND LOREN PARKS

Kevin Mannix was introduced to Loren Parks through fellow legislator Rep. Bob Tiernan, R-Lake Oswego, who had been chief petitioner with Mannix on Measures 10, 11, and 17. Mannix said, “Loren wanted to support anti-crime efforts,” and reflected about Parks that “He’s one of the folks who says, ‘You can’t take it with you, so why don’t you do something good with it while you’re here?’” So began a 14-year relationship between the social conservative and the electronics millionaire and amateur hypnotherapist. Total contributions from Loren Parks to Kevin Mannix’s political efforts are summarized below in chart 10.

Chart 10: Contributions from Loren Parks and Conservative PAC in Support of Kevin Mannix Statewide Candidate Campaigns and Measures (cash and in-kind contributions and loans)

Contribution	Year	Number	Ballot Title	Chief Petitioners
\$38,250 From PAC funded by Conservative PAC to qualify Measure 10	1994	M 10	Amends Constitution: Legislature Cannot Reduce Voter-Approved Sentence Without 2/3 Vote	Kevin L. Mannix Robert J. Prinslow Bob Tiernan
\$19,500 From PAC funded by Conservative PAC to qualify Measure 11		M 11	Amends Constitution: Legislature Cannot Reduce Voter-Approved Sentence Without 2/3 Vote	Kevin L. Mannix Robert J. Prinslow Bob Tiernan
\$18,000 From PAC funded by Conservative PAC for 10, 11, & 17		M 17	Amends Constitution: Mandatory Sentences for Listed Penalties; Covers Persons 15 and Up	Kevin L. Mannix Robert J. Prinslow Bob Tiernan
\$78,655 From PAC funded by Conservative PAC for 10, 11, & 17				
\$500	1996	Mannix for Attorney General – Democratic Primary Against Hardy Myers		
\$33,641		IP 63	Establishes Minimum Presumptive Sentences, Increases Minimum Sentences for Listed Crimes	Kevin L. Mannix Bob Tiernan Thomas W. Cutsforth
\$270,162 Justice for All PAC II		M 40	Amends Constitution: Gives Crime Victims Rights, Expands Admissible Evidence, Limits Pretrial Release	Kevin L. Mannix Doris D. Kouns Robert B. Kouns
\$200,000 Only the Lawyers and Politicians Will Vote Against This One				
\$85,000	1998	IP 53/M61	Changes Minimum Sentences For Listed Crimes, Including Certain Repeat Offenses	Kevin Mannix Steve Doell

\$14,101 from Parks Foundation to Justice for All II	1999	M 69-75		Legislative Referral
\$181,837 This is About Crime Victims Not Greedy Defense Lawyers				
\$210,000	2000	Kevin Mannix for Attorney General – Running as Republican Against Hardy Myers		
\$41,200		Pass through contribution from Parks to Justice for All II PAC that contributed to Mannix for Attorney General		
\$62,761		Pass through contribution from Parks to If 94 Passes, Up To 1300 of Oregon's Most Violent Criminals Will be Released that contributed to Mannix for Attorney General		
\$115,000	2001	Kevin Mannix for Attorney General – September Supplemental Report		
\$300,000	2002	Kevin Mannix for Governor – Parks contributions came after primary win.		
\$125,000		Oregon Republican Party – on the same day this contribution was delivered to the party by Kevin Mannix, a check was cut by the party to Mannix's PAC		
\$6,600	2004	Justice for All II PAC		
\$766,000	2006	Kevin Mannix for Governor – Republican primary		
\$333,000	2008	Contributions to Mannix candidate PAC after 2006 primary and 2008		
\$167,667		IP 51 did not qualify	Limits Amount of Contingent Fees That Lawyers May Charge Clients For Representation In Civil Cases	R. Russell Walker Michael Reeder Glenn Pelikan
\$167,667		IP 53 did not qualify	Court Must Sanction, Under Specified Circumstances, Attorneys Who File Frivolous Pleadings Or Motions in Lawsuits	R. Russell Walker Michael Reeder Glenn Pelikan
\$175,000		IP 132 withdrawn	Modifies Criminal Sanction Laws; Prioritizes Certain DNA Processing; Requires Jails To Check Inmates' Criminal History	Kevin Mannix Julia Allison Wayne Brady
\$122,500		IP 40 that became M 61	Creates Mandatory Minimum Prison Sentences For Certain Theft, Identity Theft, Forgery, Drug, And Burglary Crimes	Kevin L. Mannix Steve Doell Duane Fletchall
\$179,166		IP 41 that became M 62	Amends Constitution: Allocates 15% Of Lottery Proceeds To Public Safety Fund For Crime Prevention, Investigation, Prosecution	Kevin L. Mannix Steve Doell Duane Fletchall
\$675,000		Contributions to Oregon Anti-Crime Alliance PAC that opposed Measure 57 and supported Measures 61 and 62. Loren Parks gave \$600,000 and Parks Medical Electronics gave \$75,000		
\$4,050,873		Total from Parks and Conservative PAC to Mannix Statewide Candidate Campaigns and Measures through 2008		
\$4,059,518	Total plus \$8,645 Parks contribution to Mannix's 1998 legislative campaign			