

WHY SHOULD YOU CARE ABOUT CAMPAIGN FINANCE & LOBBY REFORM?

**CONNECT THE DOTS:
THE DRUG INDUSTRY'S
PRESCRIPTION FOR POWER**

There is no lobby in Washington as large or as powerful as the pharmaceutical lobby. In 1999 and 2000, the industry spent \$177 million lobbying, \$50 million more than its rivals, insurance and telecommunications. Here in New York State, the industry spends heavily as well.

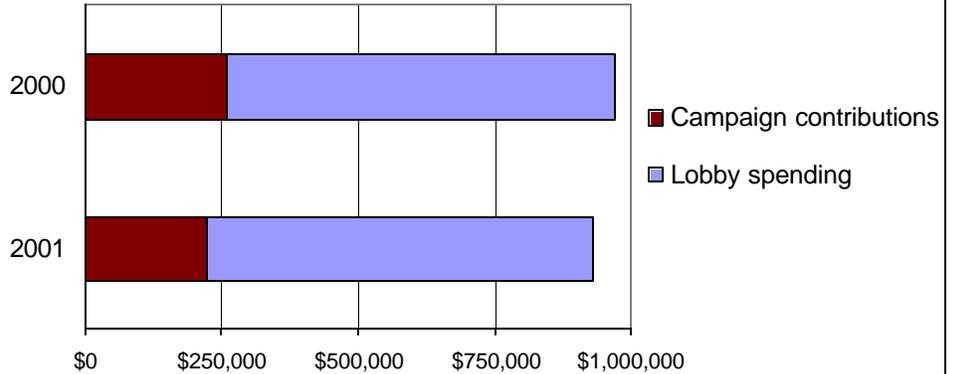
DRUG COMPANIES PAY THEIR WAY TO INFLUENCE ALBANY

In 2000 and 2001, top pharmaceutical companies spent more than **\$1,400,000** lobbying New York State lawmakers.

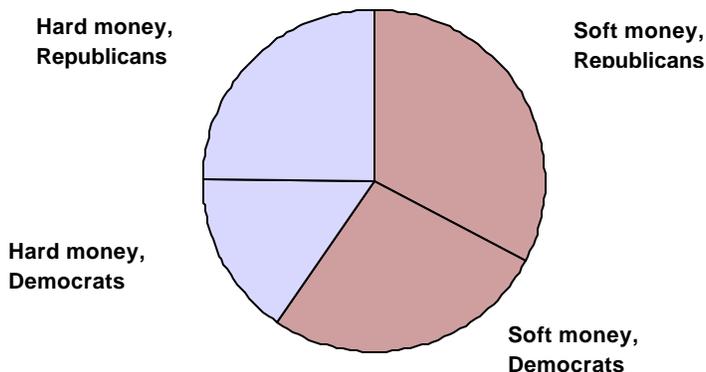
In the same two years, drug companies spent close to **\$500,000** in campaign contributions to elected officials and political parties in New York State.

In total, \$1,900,000.

**Total Spending by Drug Industry:
Campaign Contributions & Lobbying**



Soft vs Hard Money, 2000-2001



More than half of the campaign contributions, **\$288,000**, were in **soft money donations** to the parties.

By law, corporations can give a total of **\$5,000** annually to campaigns across New York State, yet by using the soft money loophole, on average the **companies gave an extra \$10,000 each** per year on top of hard money contributions, circumventing our campaign finance laws.

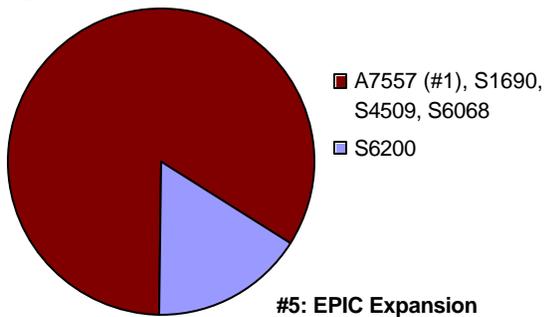
BECAUSE IT AFFECTS THE ISSUES THAT AFFECT YOU

CONNECT THE DOTS: THE DRUG INDUSTRY'S PRESCRIPTION FOR POWER

WHY DO DRUG COMPANIES SPEND SO HEAVILY IN NYS?

Top Five Bills Cited in Drug Industry Lobby Reports, 2000-2001

#1-#4: Drug Pricing



According to pharmaceutical companies' semi-annual lobbying reports, bills concerning prescription drug pricing topped the list of legislation they lobbied on in 2000 and 2001. **Of the five most frequently cited bills, four were directly related to prescription drug pricing.**

The other was legislation impacting the Elderly Pharmaceutical Insurance Coverage program (EPIC), which helps older New Yorkers pay for prescription drugs.

It's not only the elderly who feel the strain of skyrocketing prescription drug prices. The uninsured, the disabled, the chronically ill, and even healthy New Yorkers with insurance bear a heavier burden each year as prices continue to soar.

Drug prices are the fastest growing component of health care bills.

According to the Fiscal Policy Institute, in the first three quarters of 2001 Medicaid spending on drugs and supplies increased 15% over the same period in 2000, and 80% over the first three quarters of 1998. In New York State, lawmakers have proposed a number of bills to lower drug prices. But despite a statewide outcry for more affordable prescription drugs, these bills have made little progress, never making it to the floor for a vote or, at best, passing in one house only to disappear in committee in the other. The drug industry has made it a priority to lobby against this legislation, and so far their spending has paid off.

In a recent poll, 89.7% of respondents said they feel it is important to pursue allegations that the pharmaceutical industry overcharges for prescription drugs.

(Zogby, March 2000)

INSIDER ACCESS IS THE KEY: ALBANY'S REVOLVING DOOR



At the national level, more than half the drug industry's lobbyists are former members of Congress or government employees, according to Public Citizen. Here in New York the same phenomenon is commonplace. Richard Leckerling, who was for seven years a counsel to Assembly Speaker Stanley Fink, now lobbies on behalf of Bristol-Myers. John Quirk, former Finance Secretary under Democratic Minority Leader Manfred Ohrenstein, now is an Eli Lilly lobbyist. Jim Clyne, a lobbyist whose clients include Bayer and Abbot Laboratories, spent 20 years working for the Assembly, most recently as Speaker Sheldon Silver's chief health care advisor. Robert Luria, a former top aide to Senator Jim Lack, now lobbies for GlaxoSmithKline. This revolving door phenomenon leads

to even more access for those able to afford it.

This fact sheet is part of a series called **CONNECT THE DOTS**, which aims to show how money in politics impacts on issues New Yorkers care about. For more information about Common Cause/NY's **CONNECT THE DOTS** coalition, call 1-800-300-8707.

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