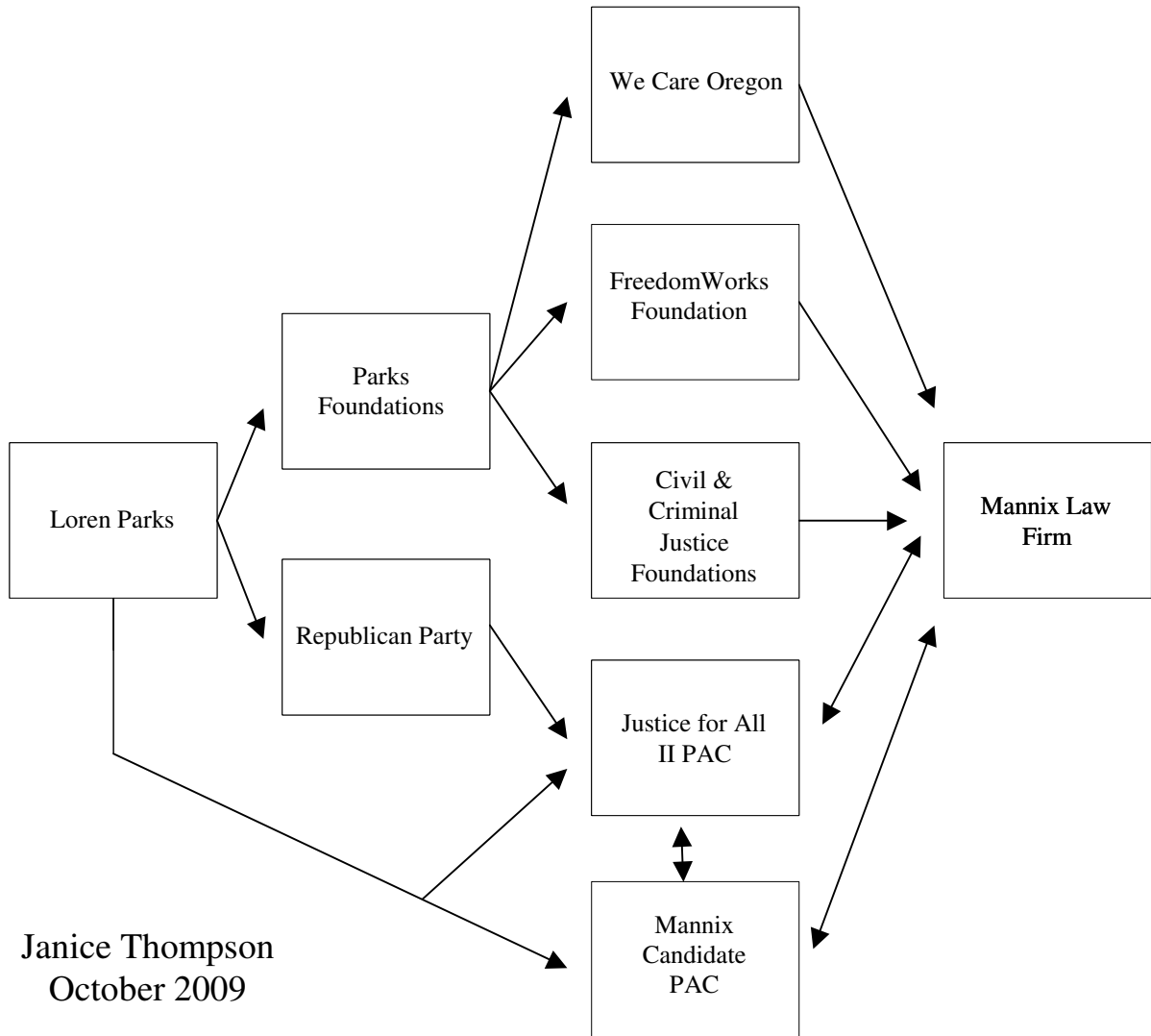


A Political History of Kevin Mannix: A Mix of Politics and Business and One Major Patron



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A Political History of Kevin Mannix

A Mix of Politics and Business and One Major Patron

Introduction

Kevin Mannix has been active in Oregon policy development as a legislator since 1988 and through use of the ballot measure process since 1994. Mannix has unsuccessfully vied for the statewide offices of attorney general and governor and lost the May 2008 Republican primary in the 5th Congressional District. Mannix's positions on 18 measures on the ballot from 1994 through 2008 carried the day with voters nine times, but there were also eight losses and one measure overturned as unconstitutional.

This report focuses on Kevin Mannix's impact on state politics and policies as a candidate and ballot measure advocate. Though unsuccessful in his attorney general and gubernatorial campaigns, Mannix's "tough on crime" measures have had a significant effect on Oregon politics. For example, Kevin Mannix's Measures 61 and 62, which would have had major policy and budget implications, were on the November 2008 ballot.

"A fantasy" was Mannix's response to fiscal estimates of Measures 61 and 62 that began at \$461 million with future increases that were developed by the Secretary of State, State Treasurer, Directors of the Department of Revenue and Administrative Services and a local government representative.¹ An *Oregonian* editorial, however, identified the need for Oregonians to take a "long, hard look" at 2008 ballot measures.²

Kevin Mannix's work continues to have potential impact on Oregon's budget. Mannix is partner with Russ Walker of FreedomWorks and Ross Day, formerly an attorney with Oregonians in Action, 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 tax brackets and to increase from \$10 the minimum corporate tax rate.³ Signature gathering was successful and these will be Measures 66 and 67 on a January 26, 2010 special election.

Loren Parks, a Nevada based businessman, has been Kevin Mannix's long time political patron whose financial support since 1994 comes to over \$4 million.

Given his continued influence in our state's politics and the troublingly narrow base of his financial support, Common Cause Oregon offers this updated analysis of Kevin Mannix's political career done in fall 2008 by our precursor group, Democracy Reform Oregon.

- Section 1 provides an overview of Mannix campaigns from 1994 through 2008.
- Section 2 discusses the fall 2009 signature gathering to qualify Measures 66 and 67.

¹ http://www.sos.state.or.us/elections/nov42008/es_fi/m61_fe.pdf retrieved September 2, 2008

² "Tune in to Oregon issues," *Oregonian*, September 2, 2008

³ "Conservatives aim to restore initiative clout," *Oregonian*, August 2, 2009

- Section 3 summarizes major campaign donors for and against Mannix’s ballot measure and statewide candidate campaigns from 1994 through 2008.
- In light of the budget implications of Mannix’s ballot measure priorities, it seems particularly pertinent to focus on his tendency to mix politics and business as discussed in Section 4.
- Section 5 reviews political advertising involved in Mannix’s candidacies, including an attack ad featuring Kip Kinkel.
- Section 6 discusses the connection between Kevin Mannix and his major political patron, Loren Parks.
- Section 7 provides a more detailed analysis of campaign contributions supporting and opposing Mannix’s candidate and issue campaigns from 1994 through 2008.

SECTION 1 – OVERVIEW OF MANNIX CAMPAIGNS 1994-2008

First Candidate Campaigns and 1994 “Tough on Crime” and “Anti Obscenity” Measures

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. Measure 11 set mandatory minimum sentences for certain violent crimes and required that minors as young as 15 be treated as adults when charged with these crimes Measure 17 required inmates to work full time or be engaged in job training. Measure 10 required a supermajority 2/3 vote of the legislature to reduce voter-approved mandatory sentences.

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 ran for attorney general. However, Mannix’s motivation for turning to the initiative process could be frustration with making policy gains as a legislator.

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. For example, as of spring 2007, Oregon was spending essentially equivalent amounts of money for incarcerating 13,401 inmates and for educating 438,000 university and community college students. In addition, spending on prisons increased at a faster rate than changes in the amount of public dollars going to education and other state services.⁴

Also on the 1994 ballot was Measure 19 to ensure that the state constitution could not prevent laws regulating or prohibiting child pornography or other obscene materials. Kevin Mannix was a chief petitioner along with then-State Senator Gordon Smith. This measure failed.

⁴ “Prison costs shackling Oregon,” *Oregonian*, April 22, 2007

1996 Attorney General Attempt as Democrat, Another “Anti Obscenity” Attempt and “Tough on Crime” Measure 40 Overturned in *Armatta*

In 1996, Kevin Mannix lost to Hardy Myers in the Democratic attorney general primary. Myers was recruited to run due to concerns that Mannix would politicize the office, particularly given his conservative social agenda that includes opposition to gay marriage, abortion, and assisted suicide. For example, during the 1995 legislature Mannix introduced bills to ban artificial insemination of unmarried women and prohibit surrogate motherhood. Though Mannix said he was trying to support “dual parenthood” it was perceived as a mean-spirited attack on single women.⁵ Oregon State University political science professor Bill Lunch said that Mannix “alienated in a profound way other politicians and political activists within what was then his party that in 1996 ultimately prevented him from becoming attorney general.”⁶

Kevin Mannix’s other loss in 1996 was the failure of Measure 31 that would have made Oregon’s free-speech protections relating to obscene materials on par with protections enabled by the federal First Amendment. Now-U.S. Senator Gordon Smith was the chief proponent of the legislative referral that became Measure 31 when he was Senate President in Salem. Mannix was a key player in moving this referral through the Oregon House.⁷

Kevin Mannix’s Measure 40, however, was successful with the voters in 1996. Measure 40 amended the constitution with a wide range of tough-on-crime provisions with a focus on victim rights. The multiple aspects of Measure 40 prompted a legal challenge and it was overturned by the Oregon Supreme Court in June 1998. That case, *Armatta v. Kitzhaber*, found that “though it purported to be a single amendment to the Oregon Constitution, Measure 40 contains two or more constitutional amendments that must be voted upon separately under Article XVII, section 1,” another section of the state Constitution.⁸

1998 Return to Legislature as a Republican and Referred Measures 69 through 75

In 1998, Kevin Mannix was re-elected to his previously held House seat, this time as a Republican. During the 1999 session, a Mannix priority was passage of what became seven legislative referrals in the wake of Measure 40 being overturned. The seven referrals each contained different provisions of Measure 40 and were 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. These mixed results were generally viewed as suggesting that voters wanted to balance crime-victims’ rights with fairness in the criminal justice system.⁹

2000 and 2002 Attorney General and Gubernatorial Races

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.

⁵ “In leadership style, Governor hopefuls couldn’t be more different,” *Oregonian*, October 27, 2002

⁶ “Political firebrand gears up for hot race,” *Oregonian*, September 11, 2000

⁷ “Measure 31 reacts against obscenity,” *Oregonian*, October 16, 1996

⁸ *Armatta v. Kitzhaber*, 327 Or 250, 959 P2d 49 (1998) <http://www.publications.ojd.state.or.us/S44995.htm> retrieved March 28, 2008.

⁹ “Experts ponder crime-issues vote,” *Oregonian*, November 4, 1999

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. Jack Roberts had started the contest with frontrunner status with Saxton being considered too moderate to please Republican Party stalwarts and Mannix considered too conservative on social issues to win in November. Ted Kulongoski defeated Mannix in the November general election, indicating that Mannix's history of attempts to portray himself as more of a populist than a social conservative wasn't convincing to voters.¹⁰

2003 and 2004 Special Elections – Measures 28 and 30

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.

Next, Kevin Mannix opposed a bipartisan bill that ended legislative gridlock during the 2003 session by balancing a state budget with a temporary tax increase. A signature-gathering effort put that bill on a February 2004 special election ballot as a referendum that became Measure 30 after enough valid signatures were collected. Measure 30 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.

Support for the referendum that became Measure 30 by Kevin Mannix drew the ire of some elected officials since during the session he had told legislators that an income tax surcharge was the appropriate method for a tax increase. Mannix characterized his comments as an “intellectual exercise” but Governor Ted Kulongoski called his behavior “shameless.”¹¹ Closer to the Measure 30 campaign Kevin Mannix released a list of ideas to balance the budget. Representative Lane Shetterly, R-Dallas, who chairs the House Revenue Committee said, “It’s no exaggeration to say that every one of these proposals was examined in depth during the course of the session.”¹²

Citizens for a Sound Economy is a national group formed in 1984 that is now called FreedomWorks. FreedomWorks believes that individual liberty and the freedom to complete increases consumer choices and provides individuals with the greatest control over what they own and earn. FreedomWorks advocates for lower taxes and less government.¹³

2006 and 2008 – Another Gubernatorial Loss, Defeat in Congressional Primary and Statewide in Vote on Measures 57, 61, and 62

Kevin Mannix's major political activity in 2006 was making another gubernatorial attempt. This time, however, Mannix was defeated in the May Republican primary by Ron Saxton in a race that also included Jason Atkinson. This time around Saxton ran to the right of his moderate stances in his 2002 primary attempt while continuing to garner support from many party

¹⁰ “Political fire brand gears up for hot race,” *Oregonian*, September 11, 2000

¹¹ “Anti tax referendum filing starts clock,” *Oregonian*, August 30, 2003

¹² “Mannix outlines plan to easy budget crisis,” *Oregonian*, December 9, 2003

¹³ <http://www.FreedomWorks.org/know/> retrieved September 10, 2008.

members concerned that Mannix would lose again in a statewide 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 Jason Atkinson was pushing his anti-abortion credentials. “His [Mannix’s] stand, unless you’re brand new to the state, is not a secret to the voters. They know where he stands on this issue,” said Right to Life’s director Gayle Atteberry. “Kevin has been supporting the protection of unborn children for many, many, many years.”¹⁴ Saxton won the Republican primary, but was defeated by Governor 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.

Summaries of Kevin Mannix candidate and ballot measures campaigns are provided in charts 1 and 2 below.

**Chart 1 – Kevin Mannix Statewide Candidate Campaigns – Opponents and Results
Ran as Republican, Except for 1996**

| Year | Race | Opponent | Mannix Vote % | Opponent Vote % | Mannix Result |
|------|--|-------------------------------------|---------------|-----------------------------|---------------|
| 1996 | Democratic Attorney General Primary | Hardy Myers | 37% | 63% | Lost |
| 2000 | Attorney General – General Election Ran unopposed in Republican Primary | Hardy Myers | 46% | 50% others 4% | Lost |
| 2002 | Governor – General Election Beat Jack Roberts and Ron Saxton in Primary | Ted Kulongoski | 46% | 49% others 5% | Lost |
| 2006 | Governor – Primary Election | Ron Saxton Jason Atkinson | 30% | 42% 22% others 6% | Lost |

¹⁴ “Mannix hops softer touch provides winning formula,” *Eugene Register-Guard*, April 17, 2006

Chart 2: 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 ¹⁵ | \$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 |

¹⁵ Itemized lists of contributors are not available for chief petitioner committees in 1994 and 1996 due to Secretary of State archive policies to only retain those reports for six years. It is also difficult to determine which PACs were involved in signature gathering under the laws applicable at that time.

| | | | | | | | | |
|------|----|--|---|---|--|--|-----|------|
| 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 two PACs focused just on these measures | \$507,042 raised by the one 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 | | | | | |

Grover Norquist Now Opposes Mandatory Minimum Sentencing

In testimony before a House subcommittee in Washington, D.D. in July 2009, Grover Norquist concluded that “mandatory minimum sentencing policies are not worth the high cost to America’s taxpayers.” Though he identifies some advantages of this sentencing policy he said, “The biggest problem from the perspective of the taxpayer, however, is that mandatory 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.”¹⁶

¹⁶ Statement of Grover Norquist, July 14, 2009. Retrieved on October 20, 2009 from <http://judiciary.house.gov/hearings/pdf/Norquist090714.pdf>

SECTION 2 – FALL 2009 REFERENDA SIGNATURE GATHERING

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. (See Section 4 for more discussion of the partnership between Kevin Mannix, Russ Walker, and Ross Day.)

The possibility of a referendum surfaced during the 2007 legislative session. “If they [legislators] do anything on individual or corporate income taxes, we will refer it, said Russ Walker, Oregon director of FreedomWorks. “We’ve been preparing for this for several months, so they do it at their own risk.”¹⁷

In discussions of potential legislation being vulnerable to a referendum challenge, House Majority Leader Mary Nolan, D-Portland said, “If Russ Walker, Bill Sizemore – whoever – decide they want to refer this plan to the voters – we’ve been listening to the voters.” “We won’t balance the budget on the backs of the middle class or working folks,” summarized Nolan.¹⁸ House Revenue Committee Chair Phil Barnhart, D-Eugene said, “Fortunately, the polling data and what we think is fair coincide very well.”¹⁹

Business Support for Referenda Signature Gathering

Russ Walker, Oregon director of FreedomWorks, welcomed support 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 Walker. 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.”²⁰

The Oregon Business Association voted to stay neutral on the 2009 referendum effort. They had contributed to the campaign opposing Measure 30 in 2004 supported by Kevin Mannix, then as head of the Oregon Republican Party. Associated Oregon Industries stayed out of the Measure 30 campaign but is a major donor in the 2009 petition circulation. A representative from AOI was particularly concerned about the process, “It was decided by fiat. There was no input by business.”²¹

Jack Roberts, head of an Eugene area economic development agency, former state commissioner of labor and industry, and unsuccessful Republican gubernatorial candidate thinks that the

¹⁷ “Lawmakers expect to look at higher taxes,” *Eugene Register-Guard*, May 9, 2006

¹⁸ “Higher taxes proposed for wealthy,” *Oregonian*, May 15, 2009

¹⁹ “Legislative tax plans could go to voters,” *Oregonian*, May 30, 2009

²⁰ “Business backs anti-tax effort,” *Eugene Register-Guard*, July 4, 2009

²¹ “Business backs anti-tax effort,” *Eugene Register-Guard*, July 4, 2009

business lobby reaction isn't about the tax increases breaking the bank but rather discomfort with populist elements in the Democratic legislature that targeted corporate and personal wealth. "At this point, it's more psychological than, 'My gosh, I can't afford this,?'" summarized Roberts.²²

Oregonians Against Job-Killing Taxes hired Voice of the Electorate. VOTE LLC, the signature-gathering firm established by Kevin Mannix, Ross Day, and Russ Walker. In response to early reports of fundraising, Kevin Looer of Our Oregon said, "The overall campaign can be succinctly summarized as greed vs. need."²³ Before focusing on this message, however, Our Oregon publicized criminal convictions of some petition circulators. "Apparently they don't want us to give these folks a chance to go out and earn an honest living," said Ross Day who also said that many of the convictions were from over twelve years ago. Pat McCormick of Oregonians Against Job-Killing Taxes wasn't surprised by the publicity about petition circulators saying that tax increase supporters would "do anything they can but talk about raising taxes in the middle of a recession."²⁴

Top contributors to the Referendum Petition 301 and Referendum Petition 302 PACs are summarized below in charts 3 and 4. 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. There were also in-kind contributions from VOTE LLC, the signature-gathering firm, worth \$50,000 to Referendum 301 PAC. There were also support valued at \$16,621 to each of the referendum PACs by Americans for Prosperity, \$8,722 each from Taxpayers Association of Oregon and its affiliated PAC, and \$4,735 each from Common Sense for Oregon, Inc.

Chart 3: Top 15 Contributors to Referendum Petition 301 PAC

| Contributor | Contribution | Percentage |
|---|---------------------|-------------------|
| Oregonians Against Job-Killing Taxes (See chart 5 for donors to this PAC) | \$280,036 | 58.3% |
| Taxpayer Defense Fund (See chart 6 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% |
| Common Sense for Oregon, Inc | \$4,735 | 1.0% |
| John Watt & Associates | \$3,430 | 0.7% |
| Oregon Local Grocery PAC/NW Grocery Association | \$3,315 | 0.7% |
| Friends of Vic Gilliam | \$2,926 | 0.6% |
| Committee to Elect John Huffman | \$2,523 | 0.5% |
| Friends of Bruce Hanna | \$1,962 | 0.4% |
| Oregon Farm Bureau | \$1,484 | 0.3% |
| Oregon Republican Party/Oregon Republican Party Federal Account | \$1,264 | 0.2% |
| Blue Line Transportation | \$1,108 | 0.2% |
| Oregon Association of Realtors | \$675 | 0.1% |

²² "Business backs anti-tax effort," *Eugene Register-Guard*, July 4, 2009

²³ "Opponents ready to fight tax increase," *Oregonian*, July 21, 2009

²⁴ "Tax-hike fight turns to canvassers' pasts," *Oregonian*, August 4, 2009

| | | |
|--|-----------|-------|
| Top Contributors Subtotal | \$475,940 | 99.1% |
| Miscellaneous Contributions of \$100 or less | \$728 | 0.2% |
| Remaining Contributions | \$3,429 | 0.7% |
| 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 4: Top 15 Contributors to Referendum Petition 302 PAC

| Contributor | Contribution | Percentage |
|---|--------------|------------|
| Oregonians Against Job-Killing Taxes (See chart 5 for donors to this PAC) | \$330,036 | 68.7% |
| Taxpayer Defense Fund (See chart 6 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% |
| John Watt & Associates | \$3,430 | 0.7% |
| Oregon Local Grocery PAC/NW Grocery Association | \$3,315 | 0.7% |
| Friends of Vic Gilliam | \$2,926 | 0.6% |
| Committee to Elect John Huffman | \$2,523 | 0.5% |
| Friends of Bruce Hanna | \$1,962 | 0.4% |
| Oregon Farm Bureau | \$1,484 | 0.3% |
| Oregon Republican Party/Oregon Republican Party Federal Account | \$1,264 | 0.2% |
| Blue Line Transportation | \$1,108 | 0.2% |
| Daniel Kosmatka | \$794 | 0.2% |
| Oregon Association of Realtors | \$675 | 0.1% |
| Top Contributors Subtotal | \$476,734 | 99.1% |
| Miscellaneous Contributions of \$100 or less | \$728 | 0.2% |
| Remaining Contributions | \$2,635 | 0.5% |
| 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.

Since the two top donors to the referendum campaigns are political committees, “following the money” requires review of the donors to those committees - Oregonians Against Job-Killing Taxes and Taxpayer Defense Fund. During the signature gathering by Russ Walker’s Taxpayer Defense Fund to qualify Measure 30, this pattern of contributions seemed designed to obscure transparency. That problem is alleviated now by the electronic reporting system ORESTAR that also provides online access with the requirement to report each transaction within 7 days during petition circulation. In 2009, giving to these two political committees rather than directly to the referendum PACs seemed linked to business groups giving to Oregonians Against Job-Killing Taxes and Loren Parks being the major donor to Taxpayer Defense Fund.

The largest single donation to Oregonians Against Job-Killing Taxes (see chart 5) 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.

Timber interests were major contributors including \$51,194 from Weyerhaeuser, \$45,000 from Roseburg Timber and \$36,000 from Plum Creek as well as contributions ranging from \$10,000 to \$16,000 from Longview Timberlands, Oregon Forest Industries Council and its PAC, Stimson Lumber, Seneca Jones Timber, Associated Oregon Loggers and its PAC, Cascade Timber Consulting, Rosoboro, and Lone Rock Timber Management. In all, \$225,235 came from the forestry industry.

Chart 5: Top 25 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% |
| Oregon Farm Bureau Federation/OR Farm Bureau PAC | \$21,888 | 1.9% |
| Fifth Avenue Building | \$20,000 | 1.8% |
| Stimson Lumber Company | \$16,000 | 1.4% |
| Seneca Jones Timber Company | \$13,500 | 1.2% |
| Associated Oregon Loggers/OrLoggers PAC | \$13,288 | 1.2% |
| Cascade Timber Consulting | \$12,000 | 1.1% |
| Rosboro | \$11,500 | 1.0% |
| Lone Rock Timber Management Co | \$10,500 | 0.9% |
| Oregon Association of Realtors | \$10,400 | 0.9% |
| Albina Fuel, Boise Paper Holding, LLC, Timothy Boyle (Columbia Sportswear), Brettbauer Oil Co, Cain Petroleum, Carson Oil Co, Colvin Oil Co. Common Sense Investment Management LLC, General Distributors, Inc, Leathers Oil, Morgan Distributing, Inc, Pacific Seafood, Plaid Pantries, Inc, John Truax, WSCO Petroleum Corp | \$10,000 each | 0.9% each |
| Top Contributors Subtotal | \$946,329 | 83.5% |
| Miscellaneous Contributions of \$100 or less | \$8,601 | 0.8% |
| Remaining Contributions | \$178,356 | 15.7% |
| 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. If the 25th contribution has multiple donors, all are listed.

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 6 below.

Chart 6: Top 10 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% |
| Common Sense for Oregon PAC | \$6,000 | 3.2% |
| Gary Davis | \$1,000 | 0.5% |
| Victoria Frei and Craig Danielson | \$500 each | 0.3% each |
| Tracy Hopkins | \$450 | 0.2% |
| Top Contributors Subtotal | \$144,342 | 75.8% |
| Miscellaneous Contributions of \$100 or less | \$44,504 | 23.4% |
| Remaining Contributions | \$1,600 | 0.8% |
| 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. If the 25th contribution has multiple donors, all are listed.

SECTION 3 – 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 are summarized below in chart 7. Loren Parks is Mannix’s top supporter giving a total of \$4,050,873. Most of these dollars are from Parks, but Parks Foundation gave \$14,101 in 1999 in support of Measures 69 through 75. Also included are contributions from Loren Parks’ Conservative PAC that supported Mannix’s Measures 10, 11, and 17 in 1994. Parks Medical Electronics gave \$75,000 in 2008 to Mannix’s Oregon Anti-Crime Alliance PAC.

Chart 7 below also includes pass-through contributions from Parks to Mannix’s 2000 and 2002 candidate campaigns that came via other PACs. In 2000 Parks was the only donor to a no on Measure 94 campaign that made a \$62,761 in-kind contribution to Mannix’s attorney general race. Measure 94 unsuccessfully attempted to repeal Mannix’s Measure 11. In 2002 Parks gave a \$125,000 contribution to the Oregon Republican Party that reportedly Mannix hand carried to party headquarters where a check was written for his gubernatorial campaign. (See more discussion on page 25.)

Personal support from Kevin Mannix and his law firm, primarily in the form of in-kind contributions and loans, has also been a key element in financial support for Mannix’s political efforts.

The major financial support for opposition to Measures 28 and 30 on special election ballots in 2003 and 2004 came from Russ Walker’s Citizens for a Sound Economy and its affiliated political committee. This group changed its name to FreedomWorks and supported signature gathering on Initiatives 51 and 53 in 2008. Walker’s Initiative 51 and 53 committees also supported signature gathering for Mannix’s Measures 61 and 62.

Major contributions from state and national Republican Party committees are linked to Mannix’s various bids for statewide office.

Several major donors, Lawrence Epping, Richard Withnell, James Monaghan, and brothers Frank and James Salerno, made contributions in the form of large loans. As discussed in Section 4, all of these loans have now been paid off, but a history of campaign debt and loans is a hallmark of Mannix’s candidate fundraising. Contributions from Robert Randall and affiliated businesses triggered a campaign finance complaint that is discussed in Section 4.

In general, the list of top donors to Kevin Mannix’s campaigns over the years is dominated by individuals, particularly in comparison to supporters of campaigns opposing Mannix’s political efforts as outlined in chart 8.

Chart 7: Top 25 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> |

| | | |
|-----------|--|---|
| \$444,927 | Citizens for a Sound Economy/Oregon Citizens for a Sound Economy/OCSE PAC/FreedomWorks Issues PAC/Taxpayer Defense Fund | 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 |
| \$315,000 | Republican National State Elections Committee | 2000 – Mannix for Attorney General 2002 – Mannix for Governor |
| \$301,562 | Oregon Republican Party | 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 |
| \$295,395 | Kevin Mannix | 1996 – Yes on 31 1996 – Yes on 40 1996 – Mannix for Attorney General 2000 – Mannix for Attorney General 2002 – Mannix for Governor 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 |
| \$152,647 | Jeld-Wen/Richard Wendt/Hire Calling Public Affairs | 2002 – Mannix for Governor 2004 – No on M 30 2006 – Mannix Sept. Supplemental Report 2008 - Taxpayer Defense Fund and Oregon |

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| | | Citizens for a Sound Economy PAC that opposed Measures 56 and 57 and supported Measures 58 through 64 |
| \$175,350 | Frank Salerno | 1996 – Mannix for Attorney General 2004 – Mannix Sept. Supp. Reports 2006 – Mannix for Governor |
| \$165,275 | Oregonians in Action PAC | 2002 – Mannix for Governor |
| \$165,000 | Oregon War Veterans Association | 2008 – No on 57, Yes on 61 and 62 |
| \$160,600 | James Monaghan | 1996 – Mannix for Attorney General 1996 – Yes on 40 1999 – Yes on Measures 69 through 75 2000 – Mannix for Attorney General 2002 – Mannix for Governor 2001 and 2005 – Mannix Sept. Supp. Reports 2006 – Mannix for Governor |
| \$159,971 | DR Johnson Lumber Company | 2000 – Mannix for Attorney General 2002 – Mannix for Governor 2004 and 2005 – Mannix Sept. Supp. Reports 2006 – Mannix for Governor |
| \$150,000 | National Republican Senatorial Committee | 2002 – Mannix for Governor |
| \$150,000 | Roderick Wendt | 2002 – Mannix for Governor |
| \$135,564 | Donald Weathers | 2002 – Mannix for Governor 2003, 2004 and 2005 – Mannix Sept. Supplemental Reports 2006 – Mannix for Governor |
| \$126,500 | Larry Tokarski | 1996 – Mannix for Attorney General 2000 – Mannix for Attorney General 2002 – Mannix for Governor 2003 and 2005 – Mannix Sept. Supp. Reports 2006 – Mannix for Governor Workers Compensation Progress PAC |

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 8.²⁵ The top donors over this period are public employee unions who opposed Mannix as a candidate and supported Measures 28 and 30. The unions listed in chart 8 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 8.

²⁵ 2002 contributions to Mannix opponents in the Republican primary are not factored into this aggregate total.

Two top donors, Oregon Entertainment Corp. and Calistoga Mining, were opponents to both Measure 19 and 31, Mannix’s anti-obscenity regulatory attempts.

Chart 8: Top 25 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 ²⁶ | 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 ²⁷ 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 ²⁸ | 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 Rockit Fund | 2008 – Yes on 57 |
| 131,100 | Oregon School Employees Association/Voices of Involved Classified Employees/VOICE PACs Current membership – 20,000 workers ²⁹ | 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 ³⁰ | 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 ³¹ | 2002 – Kulongoski for Governor |

²⁶ <http://www.seiu503.org/local503/Default.aspx> retrieved October 10, 2009

²⁷ <http://www.oregoned.org/site/pp.asp?c=9dKKKYMDH&b=130916> retrieved October 10, 2009

²⁸ <http://www.oregonafscme.com/> retrieved October 10, 2009

²⁹ http://www.osea.org/pages/About_OSEA/about_osea.html retrieved October 10, 2009

³⁰ Personal communication, October 12, 2009

| | | |
|----------|---|--|
| \$51,000 | Oregon Criminal Defense Lawyers Association | 1996 – Myers for Attorney General 1999 – No on Measures 69-75 2004 – Yes on 30 |
| \$50,000 | James Leininger | 2006 – Atkinson for Gov-primary |
| \$50,000 | Seneca Jones Timber <i>Gave \$50,000 to Mannix for Gov in 2002</i> | 2006 – Saxton for Governor-primary |
| \$45,590 | Oregon League of Conservation Voters PAC | 1996 – Myers for Attorney General 2000 – Myers for Attorney General 2002 – Kulongoski for Governor |
| \$45,300 | Roseburg Forest Products <i>Gave \$12,500 to Mannix for Gov in 2002</i> | 2000 – Myers for Attorney General 2006 – Saxton for Governor-primary |
| \$45,000 | RB Pamplin Corp <i>Gave \$10,000 to Mannix for Gov in 2002</i> | 2002 – Kulongoski for Governor 2006 – Saxton for Governor-primary |
| \$45,000 | Eric Lemelson | 2008 – Yes on 57 |
| \$44,150 | American Federation of Teachers and AFT PACs Current membership – 11,000 workers ³² | 2000 – Myers for Attorney General 2002 – Kulongoski for Governor 2003 – Yes on 28 2004 – Yes on 30 |
| \$42,700 | Robert Miller | 2002 – Kulongoski for Governor 2006 – Saxton for Governor |
| \$41,107 | Oregon AFL-CIO/Oregon AFL-CIO Political Education Committee Current membership – 145,000 workers 55,000 Working America members and 90,000 members of affiliated unions ³³ | 1996 – Myers for Attorney General 2000 – Myers for Attorney General 2002 – Kulongoski for Governor 2003 – Yes on 28 2004 – Yes on 30 |
| \$40,400 | Calistoga Mining Company | 1994 – No on 19 1996 – No on 31 |

SECTION 4 – 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 whose office is reported to be in space donated by Kevin Mannix adjacent to his law firm in Salem.³⁴

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.³⁵ Both of these groups are

³¹ <http://www.carpenterspnwrc.org/cms/htdocs/modules/tinycontent/index.php?id=1> retrieved October 10, 2009

³² <http://or.aft.org/index.cfm?action=cat&categoryID=4651bda0-3be6-49f9-b7b3-7ee2c2da570e> retrieved October 10, 2009

³³ <http://orafclcio.org/aboutus/unionsoftheafclcio/> retrieved October 10, 2009

³⁴ “Conservatives aim to restore initiative clout,” *Oregonian*, August 2, 2009

³⁵ Oregon Corporations Division. Retrieved on October 7, 2009 from http://egov.sos.state.or.us/br/pkg_web_name_srch_inq.show_detl?p_be_rsn=1365939&p_srce=BR_INQ&p_print=TRUE and

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.

In May of 2009, Common Sense for Oregon issued an Oregon Golden Fleece Award to the Oregon Corrections Department for not cutting spending on soda pop in state prisons. The Corrections Department for both health and budget reasons reduced access to pop a year ago and cautioned against abrupt cuts in the supply of soda pop because food is used as a "management tool" to improve inmate behavior.³⁶

Press reports about the Common Sense for Oregon partnership as it geared up signature gathering on what has become Measures 66 and 67 on the January 26, 2010 ballot, 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.³⁷

One motivation for this new partnership is to move beyond past domination by Bill Sizemore of ballot measure advocacy by conservatives. Russ Walker has worked with Bill Sizemore, but now says that Sizemore has become an issue, "If we don't get past that, our movement will just die."³⁸

It should be noted, however, that Russ Walker worked with Bill Sizemore on all but one citizen initiative on the ballot in November 2008 after distancing himself from Bill Sizemore in 2003 during signature gathering for Measure 30. At that time Russ Walker said, "I think those [Sizemore's] legal issues are serious issues. And until those are resolved, his credibility is in question with the general public."³⁹ Sizemore's legal troubles continued, nevertheless, Walker was co-petitioner with Bill Sizemore on numerous measures during the 2008 election season.

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-

http://egov.sos.state.or.us/br/pkg_web_name_srch_inq.show_det?p_be_rsn=1365943&p_srce=BR_INQ&p_print=TRUE

³⁶ "Group bubbling over soda pop in prisons," *Oregonian*, May 12, 2009

³⁷ "Conservatives aim to restore initiative clout," *Oregonian*, August 2, 2009

³⁸ "Conservatives aim to restore initiative clout," *Oregonian*, August 2, 2009

³⁹ "Sizemore a bit player in anti-tax play," *Eugene Register-Guard*, September 23, 2003

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, signature gathering 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.⁴⁰

Reports from foundations controlled by Loren Parks filed in 2007 regarding activity from August 2007 through August 2008, obviously do not include any grants to either of the Oregon Common Sense for Oregon non-profits since they were not yet formed. That support from either the Parks Foundation or Parks Educational Foundation is possible, however, is indicated by past support from these foundations controlled by Loren Parks to groups formed by Kevin Mannix as discussed below.

Oregon Anti-Crime Alliance Non-Profits and PAC

Kevin Mannix is listed as 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 2008.⁴¹ Contributions to a 501 (c) 3 are tax-deductible and, with limits, these groups can work on ballot measures but no on candidate campaigns. Contributions to 501 (c) 4 groups are not tax-deductible and these groups can work on ballot measures without any limit but work on candidate campaigns are allowed as long as it is not the organization's primary activity, with less than 50 percent being the typical interpretation of what constitutes primary. Kevin Mannix opened Oregon Anti-Crime Alliance PAC in July of 2008.

The top donor to Oregon Anti-Crime Alliance PAC that supported Measures 61, and 62 and opposed Measure 57 was Loren Parks who gave \$600,000 directly and another \$75,000 from Parks Medical Electronics. The Oregon War Veterans Association gave \$165,000 and more background on this group is discussed below. Two committees controlled by Russ Walker, FreedomWorks Issues PAC and Taxpayer Defense Fund gave \$41,250 each while the Oregon Anti-Crime Alliance, Inc. gave \$17,820.

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.

⁴⁰ "Petition workers scrutinized," *Eugene Register-Guard*, August 4, 2009

⁴¹ Oregon Corporations Division. Retrieved on September 9, 2009 from http://egov.sos.state.or.us/br/pkg_web_name_srch_inq.show_det1?p_be_rsn=1328437&p_srce=BR_INQ&p_print=TRUE and http://egov.sos.state.or.us/br/pkg_web_name_srch_inq.show_det1?p_be_rsn=1328433&p_srce=BR_INQ&p_print=TRUE

The 2008 report of the Oregon Anti-Crime Alliance Foundation shows receipt of grants worth \$345,000 from Parks Foundation, \$100,000 from Parks Education Foundation, and \$150,000 from We Care Oregon for \$595,000 given during the 2008 calendar year.

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.⁴² 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.

Review of ORESTAR records of contributions to Oregon Veterans PAC is that \$21,561 was given by the Oregon War Veterans Association from March through June of 2007. This is a discrepancy with the \$58,608 is reported on the Oregon War Veterans Association tax forms.

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 by Randy Carl to provide services to nonprofits with a religious focus. We Care Oregon is the top recipient of support from the Parks Foundation and Parks Educational Foundation, receiving a total of \$1,357,000. The tax forms for

⁴² 2006 990 form for Oregon War Veterans Association available at 990 finder for activity from November 2006 through 2007. This was the group's initial report and later reports are not yet available.

2006 filed by these two foundations controlled by Loren Parks show that \$232,000 was given to We Care Oregon with \$1,125,000 in grants to that group listed on 2007 reports of the Parks foundations. See the left side of chart 9 below.

Total gifts reported by We Care Oregon on their 2006 and 2007 reports are \$163,288 and \$809,523 respectively for a total of \$972,811. These are calendar year reports while the Parks foundation reports go from September through August. Though these reporting schedules are not an exact match, it is clear that support from the Parks foundations have been a major source of funds for We Care Oregon.

We Care Oregon’s 2007 report lists grants of \$80,000 each were made to Salvation Army Kroc Center and Family Building Blocks, \$75,000 to Life Directions, \$50,000 to Liberty House, \$25,000 to Oregon War Veterans Association, \$20,000 to Catholic Community Services, \$10,000 each to YWCA Salem Outreach Center and Friends of Pimpollo, and an additional \$3,950 to five other groups.

The We Care Oregon Foundation also lists the Mannix Law Firm as a fundraiser contractor who received a payment of \$126,000 for fundraising services on its 2007 report.. See right side of chart 9 below.

Chart 9 – 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 |

The workload at the Mannix Law Firm seems to be significant. Assuming a payment rate of \$200 per hour work, 630 hours of fundraising services would have been provided to the We Care Oregon Foundation. Assuming a work year of 2080 hours (52 weeks times 40 hours/week), 630 hours would have represented 30 percent of the Mannix’s workload in 2007. This would have been in addition to the estimated 20 percent of Mannix’s time being devoted to legal services in 2007 provided to FreedomWorks Foundation as described below.

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

Arme y.⁴³ It has a 501 (c) 3 companion, the FreedomWorks Foundation to which tax-deductible contributions can be made. The Oregon chapter of FreedomWorks is led by Russ Walker.

Chart 10 – 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 |

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.⁴⁴ 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 2005.⁴⁵ These grants are shown on the left side of chart 10 above.

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.⁴⁶ These grants are listed on the right side of chart 10 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

⁴³ <http://www.FreedomWorks.org/know/mission.php>

⁴⁴ The Oregon Parks Foundation also reports a \$30,000 grant to FreedomWorks Foundation on its 2000 990 form.

⁴⁵ This pattern is true for Parks Foundation and Parks Educational Foundation 2006, 2005, and 2004 990s. These are Nevada foundations. The 2003 990 for the Nevada Parks Foundation says it covers December 1, 2003 through August of 2004. This is during the period of time that the Oregon Parks Foundation was being disbanded. The 2002 990 for the Oregon Parks Foundation shows that it covers the time period from December 1, 2002 through November 2003. The bottom line is that for most 990s the report year coincides with the calendar year reporting of activities in the report. As allowed by law, this is not the case with Parks foundations. This needs to be factored into comparing 990 forms of Parks foundations with the 990 forms of other organizations.

⁴⁶ Earlier reports for FreedomWorks Foundation are not available via Guidestar at <http://www.guidestar.org/>

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.

As noted earlier, 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.⁴⁷

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."⁴⁸ 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's Civil Justice and Criminal Justice 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, obtained much of their support from the Parks Foundation controlled by frequent Mannix political donor Loren Parks.⁴⁹

Mannix formed the Civil Justice Foundation and Criminal Justice Foundation in January 1998. The tax forms filed by these foundations list Kevin Mannix as executive secretary and three other officers. Steve Doell was on the Criminal Justice Foundation board in 1998 and 1999. Mannix reportedly handled all the bookkeeping for both foundations. Analysis by the *Oregonian* in 2002 indicates that at least \$327,000 went from these foundations to Mannix's law firm and an

⁴⁷ Oregon State Bar Association, Oregon Rules of Professional Conduct. Retrieved on October 19, 2009 from <http://www.osbar.org/docs/rulesregs/orpc.pdf>

⁴⁸ "With Mannix, it's hard to follow the money," *Oregonian*, March 23, 2008

⁴⁹ "Foundations directed by Mannix prove boon to his law firm," *Oregonian*, August 14, 2002

associated business, PSA Services. Mannix indicated that he recommended what projects the foundations will fund and that other firms weren't asked to submit bids to do that work.⁵⁰

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. (See page 24 for information on Mannix controlled PACs, Justice for All II and Workers Compensation Progress.) The Civil and Criminal Justice Foundations closed in 2003.⁵¹

PSA Services stands for Public Safety Alliance Services. Oregon Corporation Division records show that Kevin Mannix was the authorized representative and formed the business in July 1999. Its registration was not renewed in July of 2003.⁵² In all PSA Services was reportedly paid almost \$84,000 from either political committees or foundations under Mannix's control. A Mannix campaign staffer during his 2000 attorney general race, Debra Gilmour, said, "I asked what benefit the campaign was getting from this expense" and "I was told not to worry about it."⁵³

The research projects conducted by Kevin Mannix ranged on topics from judicial selection and public employee retirement programs to litigation rights in workers compensation cases. There were also several research reports and community forums on a range of criminal justice issues including search and seizure policies, funding and budgets of district attorney offices, and repeat offenders. Gregg Clapper received support for radio advertising and an education campaign on pretrial release issues and sentencing policies.⁵⁴

Kevin Mannix began to receive foundation support to do these projects during a period when his law firm is reported to have been in financial trouble. This came to light during a 1997 wrongful termination lawsuit filed by a former partner, Conrad Yunker. In a sworn affidavit Mannix admitted to being distracted from law firm business during his 1996 attorney general race. Yunker's statement indicated that the firm was \$217,000 in debt and that Mannix told him that the firm "has always existed to support my political activity and will continue to do so." Yunker reached a \$35,000 settlement. Mannix's response was that he didn't improperly mix his firm with his campaign and that the law firm's financial statement was personal and should not have been included in the lawsuit filings.⁵⁵

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

The role of Loren Parks and Parks foundations in supporting both foundations and PACs controlled by Kevin Mannix began in the 1990's. The major donor to Mannix's Criminal and Civil Justice Foundations was the Parks Foundation controlled by Loren Parks. The Parks

⁵⁰ "Foundations directed by Mannix prove boon to his law firm," *Oregonian*, August 14, 2002

⁵¹ "Mannix freely mixes business, politicking," *Oregonian*, April 9, 2006

⁵² Retrieved on August 20, 2008 from

http://egov.sos.state.or.us/br/pkg_web_name_srch_inq.show_detl?p_be_rsn=283390&p_srce=BR_INQ&p_print=FALSE

⁵³ "Mannix freely mixes business, politicking," *Oregonian*, April 9, 2006

⁵⁴ 990 reports filed by Criminal Justice Foundation and Civil Justice Foundation.

⁵⁵ "Foundations directed by Mannix prove boon to his law firm," *Oregonian*, August 14, 2002

Foundation gave \$361,800 to these two Mannix groups as reported on their tax forms from 1997 through 2000.⁵⁶ It is reported that this comprised more than 70 percent of the nearly \$500,000 raised by the Criminal and Civil Justice Foundations through 2001.⁵⁷ Indeed, the Criminal Justice Foundation's 2001 tax form lists a \$175,800 grant that was 99.7 percent of total revenues of \$176,420. A \$175,800 grant to Criminal Justice Foundation from the Parks Foundation is on that group's 2000 tax report.⁵⁸

Nick Nyhart, head of Public Campaign, a national campaign finance reform advocacy group, commented on the connection between Kevin Mannix and Loren Parks: "If he [Mannix] gets elected he obviously owes a great debt to a person who funded his job, his campaign and his causes, all through different avenues." Mannix's response is that the foundation work was not a major source of revenue for his law firm. "If we weren't doing these projects, I would direct our resources to do other work," Mannix said. "In fact, I have been turning away work ever since I got into this [2002 gubernatorial] campaign."⁵⁹

Loren Parks gave what was at the time 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 picked up the \$125,000 check and delivered it to Republican Party headquarters. Party executive director Darryl Howard indicated that Mannix handed him the check and said that his campaign needed help. First Mannix asked that a \$125,000 check be written to his Justice for All II committee, but "Kevin was told we couldn't do that," said Howard. Howard's wife was then the party's bookkeeper and they both told him it would be illegal to give the money to another Mannix committee when they understood from Mannix that the purpose of the money was to support his gubernatorial campaign. The check was then written to Mannix's candidate committee while Mannix waited. Mannix denied asking that the party check be written to Justice for All II or that he had any prior arrangement with Loren Parks that the \$125,000 check to the Republican Party would end up in his candidate PAC. After taking over as Party chair in 2003 Kevin Mannix fired Darryl Howard, though Howard says that he resigned.⁶⁰

Candidate Campaign and Company Work Intertwined

Money reportedly 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.⁶¹ 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.⁶²

⁵⁶ 990 reports filed by Parks Foundation

⁵⁷ "Foundations directed by Mannix prove boon to his law firm," *Oregonian*, August 14, 2002

⁵⁸ 2000 990 report filed by Parks Foundation and 2001 990 report filed by Criminal Justice Foundation

⁵⁹ "Foundations directed by Mannix prove boon to his law firm," *Oregonian*, August 14, 2002

⁶⁰ "Mannix freely mixes business, politicking," *Oregonian*, April 9, 2006

⁶¹ "Foundations directed by Mannix prove boon to his law firm," *Oregonian*, August 14, 2002

⁶² "Mannix freely mixes business, politicking," *Oregonian*, April 9, 2006

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.” Mannix’s response is that he didn’t enter politics “sitting on a gold mine” and that he would rent the space next to his law office anyway. Mannix also said that he keeps his rental charge to his campaign slightly below market value so as to not appear to be “profiteering” from his political activities. In general, it was reported that the practice of candidates renting themselves office space was unusual among political campaigns.⁶³

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. Mannix did not respond to repeated requests for records to provide details about services performed.⁶⁴

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, Justice for All II and Workers Compensation Progress, which paid his law firm and PSA Services for numerous activities.

Justice for All II was formed in October 1997 to gather signatures for Initiative 53 that became Measure 61. This measure was described as picking up where minimum sentences in Measure 11 left off, but with a focus on property crimes and repeat offences.⁶⁵ Measure 61 initially qualified for the ballot, but with barely enough signatures. A lawsuit was filed objecting to Secretary of State Phil Keisling’s certification decision. The Oregon Supreme Court found that the administrative rules governing Keisling’s decision violated state law. Due to time constraints Measure 61 remained on the ballot, but its results were not counted. (See more detailed discussion on page 58 and chart 29.)

The Justice for All II PAC was active during the November 1999 special election on Measures 69 and 75. These were legislative referrals of components of Measure 40 that was overturned due to the *Armatta* decision. (See more details on page 59 and chart 33.) During the 2000 election season Justice for All II continued collecting campaign contributions and made a \$65,087 donation to Kevin Mannix’s attorney general campaign. (See page 62 and chart 37.)

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. See chart 8 below.

⁶³ “Foundations directed by Mannix prove boon to his law firm,” *Oregonian*, August 14, 2002

⁶⁴ “Mannix freely mixes business, politicking,” *Oregonian*, April 9, 2006

⁶⁵ “Election 98 initiative watch, measure 61 what the measure would do,” *Oregonian*, October 7, 1998

Chart 8: Top 10 Contributors to Justice for All II (2001- 2005)

| Contributor | Contribution | Percentage |
|---|---------------------|-------------------|
| Mannix, Citizens for Kevin | \$20,000 | 16% |
| Wes LeMatta | \$18,750 | 15% |
| Robert Randall | \$12,500 | 10% |
| Lanphere Enterprises | \$10,500 | 8% |
| Pacific Frontier Wood and Gentry Properties Inc | \$10,000 each | 8% each |
| Kevin L. Mannix, PC | \$6,916 | 5% |
| Loren Parks | \$6,600 | 5% |
| CSL Properties, Inc, Dee Coffman, Don Morissette Homes, Inc, and Kevin Mannix | \$5,000 each | 4% each |
| Top Ten Contributors Subtotal | \$115,266 | 90% |
| Miscellaneous Contributions of \$100 or less | \$323 | <1% |
| Remaining Contributions | \$12,100 | 9.5% |
| Total | \$127,788 | |

Based on campaign finance disclosure reports with the Secretary of State from 2001 through 2005. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

A summary of top contributors to Justice for All II during its entire lifespan is in chart 9. Loren Parks is the top supporter and the Parks Foundation also made contributions. Money also flowed between Mannix’s candidate committee and the Justice for All II PAC. In addition, Kevin Mannix’s law firm was a major donor primarily in the form of in-kind contributions.

Chart 9: Top 20 Contributors to Justice for All II (1998- 2005)

| Contributor | Contribution | Percentage |
|---|---------------------|-------------------|
| Loren Parks | \$132,800 | 35% |
| Kevin L. Mannix, PC | \$52,416 | 14% |
| Mannix, Citizens for Kevin | \$28,400 | 8% |
| Oregon Gun Owner Issues PAC | \$20,000 | 5% |
| Wes LeMatta | \$18,750 | 5% |
| Parks Foundation | \$14,101 | 4% |
| Robert Randall | \$12,500 | 3% |
| Lanphere Enterprises | \$10,500 | 3% |
| CSL Properties, Pacific Frontier Wood and Gentry Properties Inc | \$10,000 each | 3% each |
| Liberty Northwest Insurance Co | \$8,300 | 2% |
| Mark Hemstreet Property Development | \$7,000 | 2% |
| Crime Victims United | \$6,000 | 2% |
| Dee Coffman, Don Morissette Homes, Inc, K.R. West Construction, Inc. and Kevin Mannix | \$5,000 each | 1% each |
| Richard Kreitzberg and Oregon Family Council Issues PAC | \$2,000 each | 1% each |
| Top 20 Contributors Subtotal | \$364,767 | 97% |
| Miscellaneous Contributions of \$100 or less | \$223 | <1% |
| Remaining Contributions | \$12,800 | 3% |
| Total | \$377,789 | |

Based on campaign finance disclosure reports with the Secretary of State from 1998 through 2005. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

The Workers Compensation Progress PAC was formed by Kevin 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. Top donors to this committee are summarized below in chart 10.

Chart 10: Top 10 Contributors to Workers Compensation Progress PAC (2002- 2007)

| Contributor | Contribution | Percentage |
|--|---------------|------------|
| Kevin Mannix | \$32,000 | 27% |
| Alan James | \$25,000 | 21% |
| CSL Properties Inc, Pacific Frontier Wood Markets Inc, and Zenitram Properties | \$10,000 each | 8% each |
| KT Contracting Co Inc | \$6,000 | 5% |
| Western Medical Consultants Inc and Gentry Properties Inc | \$5,000 each | 4% each |
| William Colson, Peterson Chiropractic Clinic and Oregon Nurserymen's PAC | \$2,000 each | 2% each |
| Top Ten Contributors Subtotal | \$109,000 | 91% |
| Miscellaneous Contributions of \$100 or less | \$0 | 0% |
| Remaining Contributions | \$10,211 | 9% |
| Total | \$119,211 | |

Based on campaign finance disclosure reports with the Secretary of State from 2002 through 2007. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Spending by these two committees indicate the extent to which the donors identified above were providing work for the Mannix businesses and funneling money to his candidate campaigns.

Chart 11: Spending by Justice for All II and Workers Compensation Progress PAC

| Recipients of Campaign Spending or Payees | Justice for All II 1999-2005 ⁶⁶ | | Workers Compensation Progress PAC 2002-2007 | |
|---|--|-----|---|-----|
| Non-Mannix Vendors | \$92,098 | 35% | \$26,379 | 24% |
| Kevin L. Mannix, PC | \$76,903 | 65% | \$32,333 | 76% |
| Mannix candidate PAC | \$60,500 | | \$49,500 | |
| Kevin Mannix | \$5,000 | | \$3,500 | |
| PSA Services, Inc | \$31,925 | | NA | |
| Justice for All II | NA | | \$500 | |
| Totals | \$266,426 | | \$112,212 | |

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 six 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. (See chart 11 above.)

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. Rent payments from a Mannix candidate controlled committee to Mannix for office space is still allowed, but payments to Mannix for services would not be allowed due to legislation enacted in 2005. One contributing factor to this legislative action was formation of a

⁶⁶ Itemized 1998 spending data from Justice for All II is no longer available due to archive policies, but all indications are that their activity that election season was focused on signature gathering for Initiative 53 that became Measure 61.

campaign finance disclosure panel by Secretary of State Bill Bradbury, in large part triggered by a campaign finance complaint against Kevin Mannix.

Campaign Finance Complaint – Allegation of Contributions in a False Name

Same-day transfers of money from Justice for All II and Workers Compensation Progress political committees to the Kevin Mannix’s gubernatorial PAC after \$50,000 in contributions from Portland businessman Robert Randall triggered an election complaint.

It is illegal to make contributions in a false name or shield the identity of a campaign donor. Campaign finance director in the Elections Division, Fred Neal, said to the *Oregonian*: “The question is, what was the intent of the contribution? They happened in the same 24 hours. It raises an issue of transparency.” Mannix said that Randall gave to Justice for All II and Workers Compensation Progress PAC to “symbolically” show his support for Mannix’s work to reform workers compensation law and crime fighting efforts. Mannix also said to Randall, “Well, if you want to demonstrate support, those PACs are out there, but I’m going to tell you, those PACs are going to support my campaign.”⁶⁷

An election complaint was filed by Richard Burke in August 2002. Burke was executive director of the Libertarian Party whose nominee Tom Cox was one of Mannix’s opponent in the governor’s race that year. The complaint cited the *Oregonian*’s reporting on the 24-hour gap between Robert Randall’s \$50,000 in contributions to the two PACs and those committees giving \$50,000 to the Mannix gubernatorial PAC. The complaint alleged a violation of the restriction on contributions in a false name.

As is standard procedure, the Secretary of State referred the complaint to the Department of Justice. Because Attorney General Hardy Myers had faced Kevin Mannix as an election opponent, he recused himself from the investigation. An outside attorney, W. Robert Hamilton of Bend, conducted an investigation.

Hamilton’s report was given to the Department of Justice in November of 2003. The factual determinations are that three companies associated with Robert Randall made a total of \$50,000 in contributions to Justice for All II and Workers Compensation Progress PAC on September 7, 2001. CSL Properties Inc gave \$10,000, \$5,000 each to these two Mannix-affiliated PACs. Pacific Frontier Wood Markets Inc gave \$20,000, \$10,000 each to Justice for All II and Workers Compensation Progress PAC. Gentry Properties, Inc. also gave \$20,000, \$10,000 each to the two Mannix committees.⁶⁸

On the same day, Justice for All II and Workers Compensation Progress PACs gave \$25,000 each for a total of \$50,000 to the Mannix for Oregon, Mannix’s gubernatorial PAC.

This contribution pattern also occurred on July 23, 2001 and December 27, 2000. Robert Randall made \$5,000 and \$7,500, respectively, to Justice for All II PAC. On July 23, 2001 Justice for All

⁶⁷ “Foundations directed by Mannix prove boon to his law firm,” *Oregonian*, August 14, 2002

⁶⁸ Secretary of State data provided to Democracy Reform Oregon on contributions to Workers Compensation Progress PAC indicates that its Gentry Properties contribution was \$5,000 rather than the \$10,000 identified by Mr. Hamilton.

II made a loan payment of \$5,000 to the Mannix law firm while on December 27, 2000 Justice for All II gave \$7,500 to the Mannix gubernatorial PAC.

Robert Randall

Robert Randall was also a top contributor to Bill Sizemore's efforts giving a total of \$272, 500 to Oregon Taxpayers United PAC, Sizemore's gubernatorial candidacy, Oregon Family Farm PAC for its Yes on 7 effort in 2000, the Yes on 59 and No on 62 campaigns in 2000, and the Yes on 8 campaign in 1994.

Robert Randall also paid \$100,000 for stock in Bill Sizemore's signature gathering company, I & R Petition Services. Becky Miller, a former aide to Sizemore, testified against him in a trial held in 2002 that found him in violation of the Oregon Racketeer Influenced and Corrupt Organization Act. The jury awarded \$2.5 million in damages while the trial judge called Sizemore's organization a "sham charity" used for "his own personal gain." In regard to Robert Randall's stock purchase, Miller said that Sizemore told her that purpose of the stock purchase was for Randall to support ballot measures without being disclosed.

(See chart 49 on page 76 and discussion of Becky Miller's testimony on page 51 in *A Political History of Bill Sizemore: Profit vs. Policy Motives, Supporters and Opponents, Fair Fights or Fraudulent Tactics*. Available at www.commoncause.org/oregon)

Another donor, Alan James, made similar contributions. On Friday May 10, 2002, James loaned \$25,000 to Workers Compensation PAC. On Monday, May 13, this PAC gave \$24,000 to the Mannix gubernatorial PAC. On the same day \$500 was transferred from Workers Compensation Progress PAC to the Justice for All II committee. The following day, May 14, \$500 went from Workers Compensation Progress PAC to the Mannix gubernatorial campaign. The original loan was repaid to the estate of Alan James in October 2005.⁶⁹

Careful analysis by Hamilton of the Oregon statute banning contributions in a false name, however, was found to not provide grounds for finding that this law was violated by the pattern of contributions from Robert Randall (and affiliated companies) and Alan James to Justice for All II and Workers Compensation Progress committee with subsequent contributions to the Mannix gubernatorial committee. The reason for this finding was that the law did not apply to contributions from one committee treasurer to the treasurer of another PAC. In this case Kevin Mannix was the treasurer of all the political committees involved.

Campaign Finance Disclosure Panel and 2005 Legislation

On the same day that the Secretary of State Bill Bradbury released the findings by Hamilton on the Mannix complaint, Bradbury also announced that he would convene a nonpartisan panel to review campaign finance disclosure law and make legislative recommendations to close loopholes and improve enforcement.⁷⁰ Bradbury said, "To protect the public's trust in the election system, we have to make it easy to follow the money."⁷¹

⁶⁹ W. Robert Hamilton letter to Oregon Department of Justice, November 23, 2003

⁷⁰ Janice Thompson, executive director of Democracy Reform Oregon, then called Money in Politics Research Action Project served on this panel.

⁷¹ "Panel studies election finance," *Salem Statesman Journal*, January 3, 2004

A *Willamette Week* article on these Kevin Mannix money transfers and investigation found the complaint resolution less an exoneration of Mannix and more an indictment of Oregon's election laws for not ensuring full disclosure of campaign contributions.⁷²

The Eugene *Register-Guard* editorialized in support of the Secretary of State's disclosure panel saying "amen" to Bill Bradbury's comment: "The point is so that people know before they vote who's contributing how much to various candidates."⁷³

Kevin Mannix said, "I'm pleased to note that they spent more than a year sifting through 1,500 pages of campaign finance reports – weighing 15 pounds – and found that we've done nothing wrong." Mannix said he supported a review of campaign finance disclosure, "but what Mr. Bradbury said is more of an excuse, rather than a reason."⁷⁴

Mannix indicated that he opposed efforts to prevent contributors from giving money to PACs that then pass money through to candidates. Mannix also called for the state to develop a better means of electronically compiling contribution data with online access to the public.⁷⁵

Legislation enacted during the 2005 legislative session included many recommendations from the Bradbury campaign finance disclosure panel, particularly electronic reporting and online availability in a searchable format of contributions and expenditures. This program launched in 2007 and is called ORESTAR.

Provisions of the 2005 bill related to the Mannix complaint include clarifying language in the contributions in a false name law, creating the category of candidate controlled committee, and requiring that ORESTAR facilitate the easy identification of all political committees connected to a candidate. In other words, Mannix's involvement as campaign treasurer of Justice for All II and Workers Compensation Progress PACs would now be easier to track due to ORESTAR.

Personal use of campaign funds violations by Representative Dan Doyle that resulted in his resignation from the Oregon House and subsequent guilty finding and jail time also contributed to the legislation that led to ORESTAR. That bill also banned use of candidate campaign funds for candidate salaries or for services provided by the candidate. A candidate's committee paying a candidate for rent is allowed, if the rent charged is fair market value.

In 2006 the *Oregonian* reported additional past examples of contributions moving from Mannix controlled committees to his law firm. Liberty Northwest Insurance on March 22, 2000 gave \$8,300 to Justice for All that, the following day, paid \$6,200 to Mannix's law firm.⁷⁶ On June 1, 2000, a PAC supporting Republican candidates, Impact Oregon, gave \$1,000 to Mannix's attorney general candidate PAC that on the same day paid \$1,000 for office rent to Mannix's law

⁷² "Mannix's transparent act, He didn't break any election laws. He just shows how flexible they are," *Willamette Week*, December 3, 2003

⁷³ "A timely inquiry," *Eugene Register-Guard*, December 8, 2003

⁷⁴ "Review sought for finance laws," *Salem Statesman Journal*, December 4, 2003.

⁷⁵ "Campaign finance loopholes scrutinized," *Eugene Register-Guard*, December 4, 2003

⁷⁶ Democracy Reform Oregon's review of expenditures on that date, however, indicates that \$6,200 went to Mannix's business affiliate, PSA Services.

firm. On March 12, 2003, William Colson contributed \$2,000 to the Mannix-controlled Workers Compensation Progress PAC that on the same day paid \$2,000 for management services to the Mannix law firm.⁷⁷

Representative Derrick Kitts, R-Hillsboro who helped write the 2005 legislation, called payments to Mannix's law firm "mind-boggling." "If people are paying the Mannix law firm," Kitts said, "then the question is, what did the law firm do for those services."⁷⁸ As noted, earlier, fair market value rent payments from a candidate PAC for space owned by the candidate is still legal.

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. A total of \$295,000 in loans was received including a \$100,000 loan from his law firm. Other loans came from nine individuals and businesses. One loan for \$25,000 was paid off during the final reporting period. The largest loan was \$35,000 from Loren Parks. This support from Parks was dwarfed by his \$175,000 in cash contributions to Mannix in that election.

Kevin Mannix's 2002 gubernatorial PAC started with outstanding loans of \$87,500. Though \$248,000 in loan payments was made during 2001, an additional \$65,500 in loans was received. (Itemized information on who was repaid and who made new loans is not available because Mannix's 2001 September report no longer exists due to archive retention policies.)

The Mannix campaign received \$639,000 in loans during the primary and another \$335,917 during the general election. Self-financing with either personal or law firm loans totaled \$300,917 with \$145,817 paid back after the election. The other loans totaled \$674,000 from 15 individuals or businesses. Eight of these donors were still owed \$402,500 as of the final campaign finance report filed for that election. Outstanding loans to Kevin Mannix and his law firm came to \$131,600.

Kevin Mannix's comment on going into debt during his gubernatorial contest was "to borrow money to keep everything flying, knowing we'd have bills to pay after the election. Had I won the election, I could have done what Ted (Kulongoski) did. Within 30 days, he raised about half a million dollars."⁷⁹

Records indicate, however, that Kulongoski raised just shy of \$110,000 on or after Election Day that in 2002. Also Kulongoski's campaigns did not receive any loans.

In general, the extent to which Mannix candidate campaigns have relied on loans is in stark contrast to all of his statewide contest opponents. In addition to Kulongoski not relying on loans in 2002, Mannix's Republican primary opponents Jack Roberts did not receive any loan and Ron Saxton received only a \$50,000 loan. Hardy Myers didn't receive any loans in his 1996 or 2000

⁷⁷ "Mannix freely mixes business, politicking," *Oregonian*, April 9, 2006

⁷⁸ Mannix freely mixes business, politicking," *Oregonian*, April 9, 2006

⁷⁹ "Borrowing \$670,000 just to stay afloat," *Oregonian*, March 20, 2005

attorney general contests against Mannix. In 2006, neither Ron Saxton nor Jason Atkinson received any loans during their primary contest against Kevin Mannix.

Kevin Mannix said, “The people I deal with know my word is my bond” in regards to repaying his campaign debt. On his 2004 September report, however, unpaid loans of \$100,000 from Industrial & Marine Management and \$175,000 from Frank Salerno remained on the books. During this same period Mannix’s campaign PAC paid his law firm \$81,576 in interest and loan payments. This raised questions about Mannix’s repayment priorities, but it should be noted that this payment did not resolve all the debt owned by Mannix’s law firm to his political committee.⁸⁰

It was also reported that eleven vendors that provided services to the Mannix gubernatorial campaign were asked to delay and accept reduced payments, otherwise payment would be in small monthly payments over an even longer time period. Seven firms agreed to Mannix’s reduced payment suggestion. For example, Creative Strategies was a political consulting firm that settled for a \$15,000 payment dated December 29, 2003, a reduction of almost \$10,000 in what they were originally due.⁸¹ (As discussed in the next section, Creative Strategies then began work for the Oregon Republican Party, under the chairmanship of Kevin Mannix. See page 37.)

Annual campaign finance reports filed in September of 2003, 2004, and 2005 show that Mannix continued borrowing more money to pay off old loans but did not erase his debt load. Mannix ended his 2002 gubernatorial bid with a debt of \$531,600 as reflected in his beginning loan balance on his 2003 report. During 2003 Mannix received another \$470,500 in loans and made \$477,500 in loan payments, reducing his overall debt load by about \$7,000. During the year covered in his 2004 report Mannix’s debt load increased by about \$56,000. In 2005 more progress was made at making loan payments and his campaign’s debt load was reduced by almost \$119,000. The Mannix candidate PAC, however, was still \$462,522, or almost half a million dollars in debt at the end of the reporting period in September of 2005.

One way Kevin Mannix was managing his debt was by obtaining new loans to pay off old loans. Some of the loans were from one-time donors. For example, R J Z Farms owned by Robert and Juanita Zielinski⁸² made a \$10,000 loan on October 15, 2003 that was repaid six months later at the end of April 2004. On October 15, 2003 a loan repayment check of \$10,000 was sent to Lawrence Epping, a real estate developer.

Lawrence Epping is an example of a frequent lender. Epping gave a total of \$261,000 in loans to Mannix’s candidate PAC between his 2002 primary election and September of 2004. Loan repayments began in 2002, but the total debt was not paid off until the fall of 2004. Epping’s financial support for Mannix’s candidacy for governor in 2006, however, was only a \$2,500 cash contribution.

⁸⁰ “Borrowing \$670,000 just to stay afloat,” *Oregonian*, March 20, 2005

⁸¹ “Mannix freely mixes business, politicking,” *Oregonian*, April 9, 2006

⁸² http://egov.sos.state.or.us/br/pkg_web_name_srch_inq.show_detl?p_be_rsn=524200&p_srce=BR_INQ&p_print=FALSE

One multiple lender, Frank Salerno, helped pay off another repeat lender Lawrence Tokarski. Tokarski gave Mannix's PAC two loans totaling \$99,000 during the 2002 general election and in July 2003. His first loan of \$54,000 was paid off by Mannix in January of 2003. Tokarski's second loan of \$45,000 was paid off on March 19, 2004 the same day that Salerno gave Mannix a \$50,000 loan, the first of several.

As reported in the *Oregonian*, Frank Salerno's financial services company has been represented by Kevin Mannix's law firm. "He has my full confidence in anything he does," said Salerno. When asked about his \$50,000 loan coming in the same day that Tokarski's \$45,000 loan was paid off Salerno said, "It is my understanding when I loaned him [Mannix] the money that it was to pay back a higher rate of interest. So, yes, I did know about that."

During Kevin Mannix's 2006 primary run for the Republican Party's gubernatorial nomination his PAC received \$353,900 in loans with \$48,900 from Mannix himself. Five individuals loaned his campaign \$305,000. One of those donors was repaid during the primary season and another past debtor was paid off. The bulk of loan payments, \$93,452, went to Kevin Mannix. Loren Parks was one of the five lenders giving a \$35,000 loan that was overshadowed, however, by \$731,000 in cash contributions from Parks.

Though not involved in the general election, on September 21, 2006 the Mannix for Governor PAC received another \$158,000 loan from Loren Parks. Three individuals who have made frequent loans to Mannix's candidate PAC, Don Weathers, Richard Withnell, and James Salerno, were paid off on September 22 and 27 to the tune of \$30,000, \$75,000, and \$50,000 respectively. Richard Withnell also forgave \$15,000 in debt and interest. Withnell is a Salem area car dealer who since 2002 loaned a total of \$160,000 to Mannix's candidate PACs. James Salerno owns a financial services business with his brother Frank.⁸³ James Salerno loaned Mannix's candidate PAC \$185,000 beginning during Mannix's 2000 attorney general race. Don Weathers is a fellow supporter with Mannix of the Blanchet Catholic School whose total loans of \$125,000 to Mannix's candidate committee begin in 2002.⁸⁴

In late October and early November of 2007, two payments were made by Mannix's candidate PAC to pay off \$100,000 due since 2003 from Industrial & Marine Management Services. This was a no-interest loan, a practice that is now more closely regulated due to legislation passed in 2005. In mid-January 2008, Mannix's committee made a \$25,000 payment to Frank Salerno.

Loan Consolidation and Run for Congress

The pace of loan payments, however, picked up significantly after the February 7, 2008 announcement by Darlene Hooley that she was retiring from her seat in Congress. Kevin Mannix announced his bid for the 5th District seat on March 6, 2008. Even before this there had been speculation that Kevin Mannix might run against Hooley.

Loren Parks was sent a \$150,000 loan payment on February 25, 2008 and three checks for a total of \$125,000 went to Frank Salerno between that date and March 10, 2008. Mannix's law firm loaned his candidate PAC \$177,000 on February 25, 2008.

⁸³ "Borrowing \$670,000 just to stay afloat," *Oregonian*, March 20, 2005

⁸⁴ http://www.blanchetcatholicschool.com/presidents_annual_report_2003.pdf

Mannix's firm gave his campaign committee a \$70,000 loan on March 5, 2008 and the same day Loren Parks received a loan payment of \$43,000. On March 6, 2008 Mannix's law firm loaned his candidate PAC \$50,000 and the same day another loan payment, this time a \$50,000 check, went to Frank Salerno. On March 10 the Mannix candidate committee received another \$50,000 loan from his law firm and cut a final loan payment check of \$50,000 to Frank Salerno.

Oregonian reporting in March 2008 questioned the source of money to Kevin Mannix's law firm and the 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 none of the money came from Loren Parks. Langdon also said that Mannix just wanted to pay off his debts before starting his congressional campaign. Mannix's state candidate PAC still has outstanding loans, but they are now consolidated and owed to his law firm. "It's all legitimate; there is no funny business," said Langdon. Kevin Mannix declined to be interviewed about campaign finances.⁸⁵

When contacted by the *Oregonian* Janice Thompson (author of this report) questioned why Mannix didn't pay off creditors earlier if he had the ability to do so. "I think it raises questions about the full transparency of the source of the money" stated Thompson. One source of Mannix's legal income was reported to be \$540,000 for consulting and legal work for FreedomWorks Foundation from 2004 through 2006.⁸⁶

The *Oregonian* editorialized against Mannix's continued mixing of business and political fundraising. Though legal, the editorial characterizes his recent money shifts as "neither aboveboard nor wise." They cited attacks made by his 2006 primary opponent Ron Saxton in advertising slamming Mannix for being in debt. Given his run for a federal office they wonder if his opponents would run new TV spots "asking how he expected to clean up the federal budget when he can't do the same to his own finances." Discussing the legal work for FreedomWorks they acknowledge that there is nothing wrong with those payments. But then they write, "Nothing, that is, if the money was truly compensation for legal work as opposed to campaign contributions masquerading as attorney fees. But even if the fees were entirely legitimate, doesn't the candidate owe Oregon voters an unlauded accounting of who's bankrolling his campaign?"⁸⁷

The *Oregonian* article and subsequent editorial did not include information about \$509,980 in grants to FreedomWorks Foundation from the Parks Foundation and Parks Educational Foundation as outlined in their tax reports for 2004 through 2007. These are private family foundations under the control of Loren Parks and his sons.

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

⁸⁵ "Mannix pays old debt as he preps for the new race," *Oregonian*, March 18, 2008

⁸⁶ "Mannix pays old debt as he preps for the new race," *Oregonian*, March 18, 2008

⁸⁷ "With Mannix, it's hard to follow the money," *Oregonian*, March 23, 2008

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.⁸⁸ If this information, outlined on page 28 in chart 10, had also been reported, it may well have increased the *Oregonian's* concerns about "campaign contributions masquerading as attorney fees."⁸⁹

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. His goal was to stop political infighting between then-chair Perry Atkinson of Medford who objected to Senator Gordon Smith's advocacy for former House Speaker Lynn Snodgrass to take on this role. Kevin Mannix stepped into the fray saying, "I want to work for the unity of the party – pulling people together, reaching out to Republicans throughout the state and then reaching out to all Oregonians on behalf of the party." Atkinson withdrew from the race and wrote a letter to party members in support of Mannix because it was "the right thing to do."⁹⁰

Kevin Mannix was a successful leader for the Republican Party in special election ballot measure tax increase fights in 2003 and 2004. Mannix was re-elected party chair in January 2005 even though there were some concerns about his lackluster performance in recruiting strong candidates to run in statewide contests in 2004.⁹¹

Tempers began to fray, however, in the spring of 2005 when Mannix publicly criticized Ron Saxton, his anticipated rival for the party nomination in the 2006 governor's race. Mannix objected to Saxton as being "bonded together at the hip" with former Governor Neil Goldschmidt, recently exposed for sexual abuse of a young girl. "It appears to me that he's running for governor," said Tootie Smith, the Clackamas County Republican Party chairwoman. "He probably should (step down) if he's going to actively run." Mannix said that the criticism was valid and that "I need to be more guarded in what I have to say about fellow Republicans as long as I'm party chairman."⁹²

In June of 2005 Kevin Mannix announced that he wouldn't seek re-election as Republican Party chair at the July meeting of the Republican State Central Committee. Mannix cited that activity related to the 2006 governor's race was "heating up sooner than expected" as the reason for speeding up the timing of his leaving the party's leadership position.⁹³

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, began work for the Oregon Republican Party in December 2003. Their first payment was on December 19, 2003, shortly after final payment by Mannix's gubernatorial PAC. Creative Strategies worked for the Oregon Republican Party through 2004 with its last payment dated

⁸⁸ Earlier reports for FreedomWorks Foundation are not available via Guidestar at <http://www.guidestar.org/>

⁸⁹ "With Mannix, it's hard to follow the money," *Oregonian*, March 23, 2008

⁹⁰ "Mannix seeks to lead state GOP," *Salem Statesman Journal*, December 12, 2002

⁹¹ "Mannix re-elected as state republican leader," *Oregonian*, January 16, 2005

⁹² "Some say the chairman of the Republican Party should resign his post after comments," *Salem Statesman Journal*, April 19, 2005

⁹³ "Mannix will quite GOP post in July," *Oregonian*, June 10, 2005

November 11, 2004. Services provided were for general consulting, issue research, and production of a television commercial with total payments coming to \$76,122.⁹⁴

Oregonian reporting in 2006 indicates 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 that the consultants didn't attend party business meetings. These comments didn't match those made by the current Republican Party chair, Vince Day, who said that Creative Strategies did provide research and political services, but dealt directly with Mannix or the executive director of the party. As noted on page 33 Creative Strategies forgave almost \$10,000 in accounts payable to Mannix's candidate committee. Kevin Mannix and Jack Kane, Creative Strategies principal, both said that there was no connection between the reduced payment from the Mannix candidate PAC and receiving work from the Oregon Republican Party.⁹⁵

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.

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 for 20 months after Mannix's gubernatorial run in 2002.⁹⁶ This reporting dovetails with a gap in payments to Kuhlman from Mannix's candidate committee during the 2002 general election through March 2003 with payments to her starting up again in August of 2005 by Mannix's 2006 gubernatorial 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. Yue said that he proposed it as a "win-win situation" because he couldn't find a volunteer to raise money for a meeting of West Coast Republican leaders. The original offer was a one-third to the party/two-thirds to Mannix split, but the money going to Mannix was rounded up to 70 percent in a meeting with Yue, Mannix, and the Party's executive director at the time, Darryl Howard.⁹⁷

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. For example, on April 2, 2001, Mannix gave to the Republican Party two \$5,000 contribution checks, one from Hallwood, Inc. and the other from Portland General Electric. On April 3, 2001, the Republican Party gave \$7,000 to Mannix's candidate PAC. On that same day Mannix's candidate committee gave \$3,000 to

⁹⁴ It should be noted that all the 2004 payments to Creative Strategies were after the Measure 30 election, so there work wasn't focused on that campaign.

⁹⁵ "Mannix freely mixes business, politicking," *Oregonian*, April 9, 2006

⁹⁶ "Mannix freely mixes business, politicking," *Oregonian*, April 9, 2006

⁹⁷ "Mannix freely mixes business, politicking," *Oregonian*, April 9, 2006

Justice for All II and \$3,000 to Mannix's law firm. Darryl Howard recalls instances when Mannix hand-carried contributions to the Party to headquarters and waited for staff to write a check for his share.⁹⁸

Mannix originally told *Oregonian* reporters that there was no deal for a fundraising commission and called the notion "ludicrous." But later said he could not dispute Yue's description of the 70 percent commission arrangement. Mannix recalled that this was after his loss against Hardy Myer in the attorney general race and that he expected the party to help retire his debt. Mannix cited the party as having given fellow Republican candidate for a statewide office, Lynn Snodgrass, \$250,000 during her race for Secretary of State and that "I got zilch."⁹⁹

Review of campaign finance reports, however, indicate that Snodgrass received \$110,000 and Mannix got \$37,500 from the Oregon Republican Party during their 2002 contests. Kevin Mannix's candidate PAC also received \$39,900 from the Oregon Republican Party in 2001.

The Republican Party chair when Mannix was doing this fundraising said that he was aware of the commission deal but didn't recall the percentage split. 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.¹⁰⁰

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."¹⁰¹

The Republican Party chair position is unpaid and the Litigation Fairness Project reported spending \$65,221 on lobbying during 2005. One fellow lobbyist, Christopher Bishop, only worked through March 2005 while Kelly Fuller ended his lobbyist registration in October of that year. Kevin Mannix's registration as a lobbyist for the Litigation Fairness Project expired at the end of that year and was not renewed.¹⁰²

Bills pushed by Kevin Mannix that received public hearings would have discouraged lawsuits and encouraged settlements instead of trials and limited Oregonians' ability to sue prescription drug companies if their products have unforeseen side effects. "It would basically give immunity to the drug companies from being sued by people that are injured by any of their products," said

⁹⁸ "Mannix freely mixes business, politicking," *Oregonian*, April 9, 2006

⁹⁹ "Mannix freely mixes business, politicking," *Oregonian*, April 9, 2006

¹⁰⁰ "Mannix freely mixes business, politicking," *Oregonian*, April 9, 2006

¹⁰¹ "Mannix's moonlighting," *Willamette Week*, April 20, 2005

¹⁰² Information from Oregon Government Ethics Commission

Maribeth Healey of Oregonians for Health Security. The Department of Justice division focused on consumer protection opposed this bill.¹⁰³

During a 2005 interview with *Willamette Week* Kevin Mannix conceded that he would be 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. Mannix acknowledged that there are risks to lobbying during the period of time before active gubernatorial campaigning begins, but said, “I’m not about to go off and become a hermit for a few months and then suddenly appear on the governor’s-race racetrack.”¹⁰⁴

Mannix’s support for the bills had begun to wane. “I think some of these ideas need to be dramatically modified, and I think some of them need to be backed away from.” When asked by the reporter whether people are likely to link these bills, the Republican Party, and Mannix’s clients the response was “I think this is a challenge that we face in a complex society” and that “every legislator that I deal with on legislation understands the distinction.”¹⁰⁵

SECTION 5 – MANNIX AND POLITICAL ADVERTISING

2000 Ad Invokes Kip Kinkel in Attack on Hardy Myers

Loren Parks was the top donor to Kevin Mannix’s 2000 attorney general campaign against Hardy Myers. In all, Parks gave \$313,961 to support Mannix and his contributions comprised 32.1 percent of total fundraising. Reports indicate that at least part of Parks’ motivation was to settle a score with Hardy Myers. Though Myers was not personally involved so as to avoid any appearance of a conflict of interest, the Department of Justice filed a lawsuit in August 2000 against Loren Parks alleging illegal use of his foundation for political purposes.¹⁰⁶

An email from Parks to Kevin Mannix said, “I want Hardy out of there in the worst way, and I will do all I can to knock him down for the crap he’s pulled on me. Remember, I told you you have to get people (expletive) off about something, not just boost yourself.” The email was accidentally sent to an anti-Mannix website operated by Ernie Delmazzo who gave it to the *Oregonian*. Parks would not talk with *Oregonian* reporters, but did send a written statement comparing the Department of Justice lawsuit to the Nixon White House’s targeting of political enemies.¹⁰⁷

Perhaps because of Parks’ urging the use of negative advertising, Kevin Mannix ran ads featuring Kip Kinkel, the Springfield Thurston High School student who killed his parents and two fellow students in 1998. The Mannix ads claimed that Hardy Myers supported sentencing guidelines that could have set Kinkel free in four years compared to his sentence of 111 years due to Measure 11. Serving only four years could have occurred before Measure 11 if prosecutors had not been able to convince a judge to try Kinkel as an adult. However, the

¹⁰³ “Mannix’s moonlighting,” *Willamette Week*, April 20, 2005

¹⁰⁴ “Mannix’s moonlighting,” *Willamette Week*, April 20, 2005

¹⁰⁵ “Mannix’s moonlighting,” *Willamette Week*, April 20, 2005

¹⁰⁶ “Nonprofit accused of promoting ballot issues,” *Oregonian*, August 26, 2000

¹⁰⁷ “Politics one of tycoon’s obsessions,” *Oregonian*, October 8, 2000

likelihood of Kinkel not being tried as an adult in those circumstances was considered to have been highly unlikely. In addition, as a legislator in 1989, Kevin Mannix voted for pre-Measure 11 steps to toughen sentencing guidelines that were developed by a committee chaired by then-legislator Hardy Myers.

“I think it is a serious distortion to describe what might have happened to Kip Kinkel under the pre-ballot Measure 11 as the Hardy Myers sentencing plan,” said Myer. The sentencing guidelines focused on adults and Mannix “voted for them.” Kevin Mannix defended the ads featuring Kinkel saying, “They may simplify things, but they don’t distort them.” The former principal of Thurston High School said, “I’m frankly a little bit appalled that such a sensitive matter would be used in such a race.”¹⁰⁸

The Kinkel ads were produced by Gregg Clapper and pulled by the Mannix campaign after being criticized as inflammatory and unfair by editorial boards across Oregon. Indeed, some consider the Kinkel ads a factor in Mannix’s loss. Clapper is a former radio owner and news reporter who first got involved in state politics in 1990 working on Don McIntire’s Ballot Measure 5. But after forming a friendship with Loren Parks in 1993, Clapper gained prominence as a political consultant producing and narrating radio ads, often with funding from Parks through political committees with colorful names. For example, Kevin Mannix’s Measures 10,11, and 17 were supported by the Maybe if the Politicians Didn’t Give Themselves Pay Raises committee that received \$78,655 from Loren Parks’ Conservative PAC.

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

During the 2002 Republican gubernatorial primary Jack Roberts was considered to be the frontrunner with particular support by those who felt that Kevin Mannix was too conservative to win in the general election. Indeed, even political consultant Gregg Clapper, characterized as “far right,” said that he didn’t believe Kevin Mannix could win in November because of his anti-abortion views. For this reason, Clapper joined the Roberts campaign as a political consultant in the fall of 2001. Clapper’s exact role wasn’t clear and Roberts’ campaign manager wouldn’t say whether Clapper had really been hired to help persuade Loren Parks to stop supporting Kevin Mannix. Though Parks gave contributions totaling \$115,000 to Mannix in 2001 before he entered the governor’s contest, Clapper said that Parks wouldn’t make any primary season contributions.¹⁰⁹

(Clapper was correct that Parks would not contribute to Mannix before the primary. However, once Mannix won the Republican gubernatorial primary, Loren Parks made a post-election, late May donation of \$25,000. This was followed by general election contributions of \$250,000 and \$25,000 for a total of \$300,000 during that entire campaign. The \$250,000 was considered to be the largest one-time contribution by an individual to an Oregon candidate campaign.¹¹⁰ This record was repeated with another \$250,000 contribution from Parks to Kevin Mannix when he ran for governor again in 2006 and received a total of \$766,000 in support from Loren Parks.)

¹⁰⁸ “Political ads use Kinkel case,” *Oregonian*, October 18, 2000

¹⁰⁹ “Roberts’ campaign gains voice of far right,” *Oregonian*, October 10, 2001

¹¹⁰ “Millionaire gives Mannix \$250,000, possibly setting an Oregon record,” *Oregonian*, October 30, 2002

Gregg Clapper formed a PAC in May 2002 to run independent expenditure ads against Ron Saxton. That committee, the “Let’s Not Elect a Soft-On-Crime, Democrat Contributing, Liberal-Judge Backing” PAC spent \$25,536, all of it contributed by Loren Parks, on radio ads attacking Ron Saxton for wanting to “take the teeth” out of Measure 11. The ads also identified Saxton as a campaign donor to a judicial candidate who later wrote an Oregon Supreme Court decision that on a 6-1 vote overturned a murder conviction as well as involvement in his law firm’s political donations to some Democratic candidates. Saxton stated, “I think it’s [the ad] very inaccurate and very unfair, but things that are very inaccurate and unfair are sometimes effective.”¹¹¹

Questions were raised about the genuine independence of Clapper’s anti-Saxton ads from the Jack Roberts campaign given Clapper’s earlier involvement in that campaign and evidence that information from Roberts was used in developing the advertisements. However, Clapper left the Roberts campaign in January and both he and Roberts’ campaign manager denied any cooperation in regard to production of the anti-Saxton ads. Clapper’s motivation was concern that Saxton could cut into primary election support for Jack Roberts and assist Mannix, who Clapper believed would lose in November if he was the primary victor.¹¹² Though Clapper accurately predicted the eventual general election result, his primary season ads didn’t carry the day for Roberts. Indeed, ironically enough, Mannix’s primary victory may well have been assisted by Clapper’s attacks on Ron Saxton.

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 that received all of its \$175,000 in contributions from Parks. Involvement of Clapper and Parks in candidate related independent expenditures were seen during the 2002 gubernatorial primary. The target, Ron Saxton, was the same as in 2006. But now the intended beneficiary was Kevin Mannix. In 2002 Clapper accurately considered Mannix to be unelectable in November and supported his opponent Jack Roberts. This time around, however, Saxton ran to the right of his 2002 campaign as a moderate and beat Mannix in the Republican 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, who is a Republican. Saxton was also chair of the Portland School Board when Goldschmidt’s brother, Steve, was a controversial director of human resources for the school district. 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.

Saxton’s campaign manager raised questions about the independence of the ads, “Is it any coincidence that Kevin Mannix’s largest contributor, Loren Parks, is now funding a negative campaign against Ron Saxton?” Clapper indicated that he turned to Parks for support for an independent advertising effort after not succeeding in convincing the Mannix campaign to

¹¹¹ “Attack-ad duo takes shots at Saxton,” *Oregonian*, May 8, 2002

¹¹² “See Jack sling,” *Willamette Week*, May 15, 2002

publicize connections between Saxton and Goldschmidt. Mannix political consultant Jack Kane said, “We’re not tied to this at all. It is truly independent.”¹¹³

The Saxton campaign responded with ads focused more on Loren Parks than Kevin Mannix or issues. The Saxton ads highlighted 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 defending his philanthropic contributions in addition to his support for political campaigns from the Clapper independent expenditure PAC.¹¹⁴

SECTION 6 – KEVIN MANNIX AND LOREN PARKS

Introduced by Bob Tiernan

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?’”¹¹⁵

In all Loren Parks has made contributions of \$4,050,873 since 1994 through the 2008 petition circulation season to Mannix’s attempts at statewide office as well as Justice for All II PAC and numerous chief petitioner and ballot measure committees. These contributions are discussed below and summarized in chart 13.

Parks Support for Mannix Statewide Candidate Campaigns

As described in Section 5, in addition to direct contributions to Mannix’s political efforts, Loren Parks has supported independent expenditures targeting Ron Saxton. In 2006, Parks gave \$175,000 to the Neil Goldschmidt’s Real Good Friend Ron Saxton committee formed by Gregg Clapper. During that Republican gubernatorial primary Parks gave a record-setting \$766,000 in contributions directly to Mannix’s candidate committee.

The direct contributions from Loren Parks to Mannix’s 2006 candidacy were just shy of half (47 percent) of all the money raised. In an April article the connection between Parks and Mannix was the subject of comments from both campaigns. “He [Parks] likes my feistiness, and he keeps reminding me that it’s (fighting) crime and taxes and red tape,” said Mannix. “He trusts that I’m going to reform government... and I’m good at that.” Felix Schein, Ron Saxton’s campaign manager, said, “There’s a case to be made that Kevin Mannix answers to Loren Parks.”¹¹⁶

The timing of Parks contributions over the primary season also helped keep Mannix’s campaign going in the face of polling that showed Saxton beginning to lead in the contest. Indeed, Saxton’s

¹¹³ “Ad cranks up rhetoric of GOP primary race,” *Oregonian*, April 18, 2006

¹¹⁴ “Negative ads from outside groups lead candidates to stray from issues,” *Eugene Register-Guard*, May 14, 2006

¹¹⁵ “Aloha manufacturer gives conservatives a big boost,” *Oregonian*, June 6, 1994

¹¹⁶ “Mannix’s richest fan seems his unlikeliest,” *Oregonian*, April 12, 2006

campaign manager, Felix Schein, said, “The Mannix campaign would have been long dead but for Loren Parks.”¹¹⁷

Two contributions totaling \$250,000 in early May 2006 from Loren Parks assisted the Mannix campaign’s release of an ad accusing Ron Saxton of “flip-flopping” on several issues. In return the Saxton campaign accused Mannix of being “willing to sell his campaign to the highest bidder.”¹¹⁸

In 2002, however, Loren Parks did not contribute to Mannix’s gubernatorial efforts until after he won the Republican primary in May. This could be an indication that Parks agreed with Gregg Clapper’s sentiment that Mannix could not win in November due to his anti-abortion views. Indeed, Gregg Clapper worked for a Mannix opponent, Jack Roberts, early in the primary season. Loren Parks also gave \$25,536 for radio ads attacking Ron Saxton from Clapper’s Let’s Not Elect a Soft-On-Crime, Democrat Contributing, Liberal-Judge Backing PAC. Clapper’s stated goal was to support Jack Roberts, but it is possible that these ads may have helped Mannix in his primary victory.¹¹⁹

But after becoming the Republican’s 2002 general election nominee, Loren Parks opened up his wallet and gave a total of \$300,000 to Mannix’s candidate PAC. In addition, a \$125,000 contribution from Parks to the Oregon Republican Party was hand delivered by Mannix to Party headquarters. As described in more detail on page 16, Mannix first wanted the money to go to his Justice For All II PAC. But party officials insisted on writing the check to his candidate PAC because to do otherwise would have been a violation of the state law against contributions in a false name since it was clear to them that the purpose of the donation was to support Mannix’s candidacy.¹²⁰

Single Largest One-Time Candidate Contribution

Loren Parks’ interest in giving to the Oregon Republican Party instead of to Mannix’s candidate committee could be due to that \$125,000 check being written only five days after Parks wrote a \$250,000 to the Mannix campaign. This contribution got media attention that cited it as likely being the single largest one-time contribution to a candidate in Oregon history.¹²¹

The *Oregonian* editorialized with its concern about the large \$250,000 contribution from Loren Parks. Mannix’s campaign said that the Parks donation was equivalent to \$283,000 given at that point to Kulongoski’s candidate committee from labor unions. But the *Oregonian* editorial team wrote, “Voters are likely to see a difference in contributions from labor unions or business associations, which represent many Oregonians and openly declare their reasons for supporting a candidate, compared to one from a secretive, rich individual who refuses to speak publicly about his support or his political goals.”¹²²

¹¹⁷ “Benefactor gives Mannix big boost,” *Salem Statesman Journal*, May 9, 2006

¹¹⁸ “Two GOP candidates for governor swap attacks,” *Oregonian*, May 9, 2006

¹¹⁹ “Roberts’ campaign gains voice of far right,” *Oregonian*, October 10, 2001

¹²⁰ “Mannix freely mixes business, politicking,” *Oregonian*, April 9, 2006

¹²¹ “Millionaire gives Mannix \$250,000, possibly setting an Oregon record,” *Oregonian*, October 30, 2002

¹²² “The man behind Mannix,” *Oregonian*, October 31, 2002

Loren Parks gave another \$250,000 check to Kevin Mannix in March of 2006 during Mannix's unsuccessful attempt to win the gubernatorial nomination of the Republican Party. Total support from Parks to Mannix during that primary came to \$766,000.

Parks Support for Mannix Ballot Measures

Before and after Loren Parks initially stepped away from supporting Kevin Mannix in the 2002 Republican primary for governor, Parks remained a firm financial ally for Mannix's anti-crime initiatives. This support began in 1994 with financial support that totaled \$154,405 from Parks and his Conservative PAC for Measures 10, 11, and 17.

In 1996 Loren Parks gave \$33,641 for another minimum sentencing proposal, Initiative 63, from Kevin Mannix that did not qualify for the ballot. Mannix did qualify Measure 40, an anti-crime measure that emphasized crime victims' rights, for the 1996 November ballot. This effort received a total of \$470,162 in support from Loren Parks. He gave \$270,162 to Mannix's Justice for All II PAC and \$200,000 to Gregg Clapper's Only the Lawyers and Politicians Will Vote Against This One committee. Kevin Mannix was also running for attorney general in the Democratic primary against Hardy Myers and received a contribution of \$500, the maximum allowed under the candidate contribution limits in place during the 1996 elections.

In 1998 Loren Parks contributed \$85,000 for petition circulation on Initiative 53, another minimum sentencing proposal from Kevin Mannix and Steve Doell. As described on page 50, this proposal was put on the ballot but votes were not counted because the Oregon Supreme Court ruled that the Secretary of State had broken state law in use of an administrative rule during its signature qualifying process.

In June 1998, the Oregon Supreme Court overturned Measure 40 because it unconstitutionally contained two or more constitutional amendments that should have been voted on separately.

(As described in *Loren Parks: Oregon's \$13 Million Man*, Parks supported Supreme Court candidates Bob Tiernan in 1998 and Greg Byrne in 2000 as well as measures in 2002 and 2006 to change judicial election. These contributions may reflect frustration over the *Armatta* decision on the part of Loren Parks.)

After Mannix's loss as a Democrat in the attorney general primary, he became a Republican and in 1998 won back his House seat. Though this report only focuses on Mannix's statewide candidate campaigns Loren Parks did give \$8,645 to Kevin Mannix in that legislative contest. Being back in the legislature positioned Mannix to push for legislative referrals that re-packaged Measure 40 into different proposals that wouldn't run afoul of the *Armatta* ruling.

Measures 60 through 75, "sons of 40," were on a November 1999 special election. That campaign was run by Mannix's Justice for All II PAC that received \$14,101 from the Parks Foundation. Loren Parks also \$181,837 to the This is About Crime Victims Not Greedy Defense Lawyers committee formed by Gregg Clapper.

After focusing on his candidate campaigns in 2002 and 2006, Mannix returned to ballot measure politics. With a total of \$476,666 in contributions from Loren Parks, Mannix circulated three

petitions. Two of them, Measures 61 and 62, continue the “tough on crime “partnership between Parks and Mannix on the November 2008 ballot. See Section 2 for a full discussion of Mannix’s recent signature gathering activities.

Kevin Mannix’s comment on returning to ballot measure politics was that he thought, “How could I be of service” and that “It’s me just returning to some of my old hobbies.” Fellow Republican leader, Solomon Yue Jr. said that, “In his [Mannix’s] heart, he always is a conservative activist first.” Patty Wentz, speaking for the union-backed Our Oregon, however, characterized Mannix’s return to initiative politics as, “I think it’s business as usual – find a project, get Loren Parks to pay for it.”¹²³

Mannix Measures Not Supported by Parks

Indeed, it may be no coincidence that Mannix’s Initiative 54 aimed at the 2008 ballot was withdrawn and garnered minimal financial support that did not include any contributions from Loren Parks. Mannix worked with other Salem residents on this proposal to allow state or local governments to regulate strip clubs. This requires a constitutional amendment and it grew out of neighborhood frustration with a proposed strip club in South Salem.¹²⁴

Kevin Mannix’s previous attempts to regulate obscene materials, Measure 19 in 1994 and Measure 31 in 1996 did not receive any support from Loren Parks. As described on page 44, Measure 19 that Mannix worked on with then-State Senator Gordon Smith received its major support through the Oregon Right to Life Issues PAC. Measure 31 was a legislative referral pushed through the 1995 session by Senator Smith and Rep. Mannix. The yes on 31 campaign received most of its support from the Oregon Family Council group and Shilo Inn chain owner, Mark Hemstreet. Both of these measures failed with opposition funding coming primarily from adult businesses, bookstores, and free speech advocates.

Mannix is also characterized, not surprisingly since he is a devout Catholic, as an opponent of Oregon’s doctor-assisted suicide program.¹²⁵ Loren Parks did not contribute to any of the campaigns supporting Measure 16 in 1994 that brought this option to our state.¹²⁶ But Parks did give \$150,000 to the Oregon Right to Die committee that opposed the legislative referral, Measure 51, to repeal Measure 16 that was on a special election in November 1997. Measure 51 was defeated.

Conflict Between Mannix Values and Parks’ “Sex Therapy Views”

This contrast between Mannix’s anti-crime efforts that have a long history of financial support from Loren Parks and his work on topics of interest to social conservatives has prompted review of their political relationship. One article characterized Mannix and Parks as being in “one of the

¹²³ “A familiar face returns to state’s political arena,” *Salem Statesman Journal*, February 5, 2007

¹²⁴ “Trio plans initiative to regulate strip clubs, acts,” *Salem Statesman Journal*, February 10, 2007

¹²⁵ “Mannix hops softer touch provides winning formula,” *Eugene Register-Guard*, April 17, 2006

¹²⁶ There are Conservative PAC signature gathering expenditures that are not identified by which initiative was being circulated. But there are no media reports that indicate that the initiative that became Measure 16 was assisted by Loren Park’s Conservative PAC. Gregg Clapper did form the Death with Dignity committee that ran ads in support of Measure 16, but its support came from the Oregon Right to Die PAC that also didn’t receive support from Parks or Conservative PAC.

most unusual partnerships in Oregon politics” that presents a “sharp conflict in the GOP candidate’s values and Loren Parks’ sex therapy views.”¹²⁷

Even when the *Statesman Journal* endorsed Kevin Mannix in the 2006 Republican gubernatorial primary, after not supporting him in 2002, they admitted, “We are troubled by the questions raised about Mannix’s campaign finances and his ties to the odd out-of-state financier Loren Parks.”¹²⁸

The *Daily Astorian* focused on Mannix’s self-interest in his partnership with Loren Parks writing, “If an even-numbered year is approaching and Kevin Mannix is short on money, there must be a ballot measure coming. Sure enough, Mannix is pursuing a knock-off of his successful Measure 11.” This editorial also raised concern about the cost of Mannix’s Measure 11 and its squeeze on other state spending writing, “Prison, not quality education became Oregonian’s only birthright.”¹²⁹

Kevin Mannix told reporters he was talking to four national groups in search of money for his 2008 signature gathering, but wouldn’t name the organizations. However, as demonstrated in charts 3 and 4, no such support materialized. Direct contributions from Loren Parks to qualify Measure 61 comprised 67 percent of that campaign’s total fundraising. Another 28 percent came from two PACs focused on signature gathering for Russ Walker’s Initiatives 51 and 53 that, in turn, received most of their funding from Parks. Loren Parks gave 73 percent of the money raised by the committee that put Measure 62 on the ballot. Most of the rest, 22 percent, came from the PACs working on Initiatives 51, 53, and 132 – each of which got most of their support from Loren Parks.¹³⁰

Overall, Loren Parks has focused more on ballot measure politics and less on candidates and trying to influence the composition of the Oregon legislature. The notable exception, of course, is Parks extensive contributions to Kevin Mannix’s candidate campaigns. Another Parks beneficiary, Bill Sizemore, said, ‘I believe there is some kind of personal relationship and loyalty that was built up over the years.’ This relationship however, is called “mystifying” by Our Oregon’s Patty Wentz given “Parks’ predilection for sexual hypnosis and the sexual harassment suits filed against him and Kevin Mannix’s conservative values.”¹³¹

On Loren Parks’ website, <http://www.psychresearch.com>, he discusses extensive experience using hypnosis to treat a wide range of physical and emotional ailments, including sexual complaints of both men and women. The website’s discussions of sexual problems include stories of Parks mixing sexual involvement and hypnosis. One story is of a trip Parks took with a one of his secretaries that included hypnotic therapy, then going to bed with her, followed by more therapy and additional lovemaking. This woman later married and reported to Parks some years later that she said the therapy was still working. On several of the website’s pages the

¹²⁷ “Mannix’s richest fan seems his unlikeliest,” *Oregonian*, April 12, 2006

¹²⁸ “Mannix is pragmatic, stands up for his belief,” *Salem Statesman Journal*, April 30, 2006

¹²⁹ “How gullible will we be for Mannix,” *Daily Astorian*, September 20, 2007

¹³⁰ “Mannix going for results, one way or another,” *Oregonian*, June 15, 2007

¹³¹ “Mannix, contributor seem an unlikely pair,” *Oregonian*, April 12, 2006

following caveat is provided: “The author of this page is not a state or medically-licensed professional.”

Loren Parks’ website also surfaced during the 2006 gubernatorial primary contest between Kevin Mannix and Ron Saxton. “Republican voters ought to ask themselves whether they are comfortable with a candidate who’s willing to sell his campaign to the highest bidder,” said Felix Schein, Saxton campaign manager. Schein said Parks “operates a questionable sex therapy Web site” and also noted that Parks has been sued for sexual harassment. Schein continued, “It reeks of hypocrisy for Kevin Mannix to tout his values and respect for women and yet allow his campaign to be bought by Loren Parks.”¹³²

Parks responded by email: “I give to Kevin because I believe he is honest and is the best man by far to head our state. I haven’t asked Kevin for anything but more control over criminals, improvement of the fishery and less waste in government...As for my website, I rarely talk to anyone who has been to my website. I work best with depression, headaches, fingernail biting and cancer. I do not do sex therapy and haven’t for 15 years or more, and then only with girlfriends, not the public. I have been impotent for years. I am 79. Any wealthy person is subject to nuisance lawsuits.”¹³³

Copyright dates of 2004-2009 are listed at the bottom of the home page on Parks’ website, www.psychresearch.com, with a visitor count of 81,291 as of September 12, 2009.¹³⁴

Loren Parks has settled two separate lawsuits pertaining to his sexual activity. One in 1986 involved a woman who said Parks had sex with her when he was approached for hypnotic therapy. In 2002, a woman employee at Parks Medical Electronics charged him with sexual harassment and that she felt pressured to have sex with Parks.^{135,136}

Long time collaborator and friend Gregg Clapper is annoyed by reports of Loren Parks’ sexual interests that lose sight of his contributions to causes such as enhancing fish habitat. “Look, this guy is a guy who is successful,” Clapper said, and “one of the most telling things he ever said was, ‘Look I’ve been a success because of this country, and I want to give something back.’”¹³⁷ Parks didn’t respond to interview requests and emailed, “I don’t grant interviews due to extremely bad past experiences with the Oregonian.” When asked about Loren Parks personal life Kevin Mannix said, “I’m not going there” but that Parks “doesn’t expect me to do anything that undermines my principles and values.”¹³⁸

Chart 13 summarizes contributions in support of Mannix’s statewide candidate campaigns and work on initiatives and ballot measures. The chart does not include independent expenditures in the 2002 or 2006 Republican primary races or the \$8,645 contribution to Mannix’s 1998 legislative contest.

¹³² “Two GOP candidates for governor swap attacks,” *Oregonian*, May 9, 2006

¹³³ “Two GOP candidates for governor swap attacks,” *Oregonian*, May 9, 2006

¹³⁴ <http://www.psychresearch.com> retrieved September 12, 2009

¹³⁵ “Dirty old [money] man,” *Willamette Week*, May 15, 2002

¹³⁶ “Mannix, contributor seem an unlikely pair,” *Oregonian*, April 12, 2006

¹³⁷ “Mannix, contributor seem an unlikely pair,” *Oregonian*, April 12, 2006

¹³⁸ “Mannix, contributor seem an unlikely pair,” *Oregonian*, April 12, 2006

Chart 13: 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 PAC | | | | |
| \$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 | | | |

SECTION 7 – CAMPAIGN CONTRIBUTIONS 1994-2006

1994

“Tough on Crime” – Measures 10, 11, and 17

While Kevin Mannix first appeared in Oregon politics in 1988, winning a Salem-area House seat as a Democrat, all of Oregon first felt his influence in 1994. For the 1994 ballot, Mannix wrote and championed Measure 11, which created mandatory minimum sentences for certain violent crimes and required that minors as young as 15 be treated as adults when charged with these crimes. Mannix was also chief petitioner and main proponent of Measure 17, which required inmates to work full time or be engaged in job training, as well as Measure 10 that required a supermajority 2/3 vote of the legislature to reduce voter-approved mandatory sentences. All three

measures were constitutional amendments and were enacted with “yes” votes of 65, 66, and 71 percentages, respectively.

News coverage in February of 1994 indicates that Kevin Mannix was “approached by a wealthy benefactor who offered to pay \$100,000 to get anti-crime initiatives on the ballot.”¹³⁹

Contributions to the signature gathering efforts on the petitions that became Measures 10, 11, and 17 are no longer available from the Secretary of State Elections Division. But spending by Conservative PAC show signature gathering expenditures of \$38,250 in support of what became Measure 10 and \$19,500 to help qualify Measure 11.

(Conservative PAC shows other expenditures for signature gathering in 1994, but which initiatives also received petition circulation support isn’t specified. Under the law at that time, however, one political committee could collect signatures on more than petition. Though this makes it difficult to completely “follow the money” and changes were later made to improve this category of campaign finance reporting.)

Representative Mannix was introduced to Loren Parks during the fall of 1993 by fellow Representative Bob Tiernan, R-Lake Oswego. “Loren wanted to support anti-crime efforts,” Mannix recalled.¹⁴⁰

Another legislator, Rep. Michael Payne, D-Baker City, pushed a “three-strikes-and-you’re-out” initiative that didn’t qualify for the ballot. Mannix characterized this approach as “one of those things that, short term, makes people feel good, but long term doesn’t do much good.”¹⁴¹ Neither legislator appears to have attempted to move their ideas in the form of legislative referrals.

A fourth Mannix initiative would have required prison time for essentially all convicted felons, but did not qualify for the ballot. This proposal’s complexity and extremely high price tag hindered its signature-gathering success. Similar criticisms were leveled against the signature gathering campaigns for Measure 11, albeit unsuccessfully, since that proposal did qualify for the ballot. In general, these initiatives were occurring within what media reports characterized as a “pervasive, get-tough-on-crime sentiment sweeping the state and the nation.”¹⁴²

Two political committees formed to help pass measures 10, 11 and 17. Total “yes” fundraising for these measures totaled \$172,830. Contributions to these two PACs help illustrate the budding relationship between Loren Parks and Kevin Mannix. Parks now lives in Nevada, but at the time lived in Oregon and his medical manufacturing company is still located in Aloha.

The Tough on Crime Committee, for which Kevin Mannix served as treasurer, raised \$94,175. Of that total, \$17,750, or 18.8 percent, came from Conservative PAC, which, in turn raised most of its money from Loren Parks. (See charts 14 and 16.) In all, during both signature gathering and the general election \$154,405 supported Measures 10, 11, and 17 either from Parks directly or from his Conservative PAC.

¹³⁹ “Maximum Mannix,” *Oregonian*, February 26, 1994

¹⁴⁰ “Aloha manufacturer gives conservatives big boost,” *Oregonian*, June 20, 1994.

¹⁴¹ “Lock-up initiatives would flood prisons,” *Oregonian*, February 17, 1994.

¹⁴² “Initiative proposals: the stretch,” *Oregonian*, July 2, 1994.

Chart 14: Top 5 Contributors to Tough on Crime Committee (Yes on 10, 11 & 17, 1994)

| Contributor | Contribution | Percentage |
|--|-------------------------|------------|
| Mark Hemstreet | \$40,604 | 43% |
| Conservative Pac (83.2% supported by Loren Parks – See Chart 16) | \$17,750 ¹⁴³ | 19% |
| Mannix, Citizens For | \$8,000 | 8.5% |
| Robert Randall | \$7,500 | 8% |
| Louisiana-Pacific Corp., Wes Lematta and Aaron Jones (each) | \$5,000 each | 5.3% each |
| Top 5 Contributor Subtotal | \$88,854 | 94% |
| Miscellaneous Contributions of \$100 or less | \$810 | <1% |
| Remaining Contributions | \$4,511 | 5% |
| Total Contributions | \$94,175 | |

Based on 1994 General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding. The top five contributor list may include more than five contributors due to ties in the lowest amount.

The other pro-Measure 11 PAC, The Maybe If The Politicians Didn't Give Themselves Pay Raises Committee, raised all of its funding, \$78,655, from Conservative PAC. Loren Parks served as the treasurer for Conservative PAC and contributed 83.2 percent of its \$1.1 million fundraising. Parks was also a director for the “Maybe” Committee. (See charts 15 and 16.)

Chart 15: Top Contributor to The Maybe If The Politicians Didn't Give Themselves Pay Raises Committee (Yes on 10, 11 & 17, 1994)

| Contributor | Contribution | Percentage |
|--|--------------|------------|
| Conservative Pac (83.2% supported by Loren Parks – See Chart 16) | \$78,655 | 100% |
| Total Contributions | \$78,655 | |

Based on 1994 General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans.

Chart 16: Top 5 Contributors to Conservative PAC (1994)

| Contributor | Contribution | Percentage |
|--|--------------|------------|
| Loren Parks | \$920,000 | 83% |
| Lind Waldock (brokerage firm) | \$100,000 | 9% |
| Income Earned From Lind Waldock Account | \$41,354 | 4% |
| K.R. West Co Inc | \$35,000 | 3% |
| Canvassers Services | \$5,000 | 0.5% |
| Top 5 Contributor Subtotal | \$1,101,354 | 99% |
| Miscellaneous Contributions of \$100 or less | \$0 | 0% |
| Remaining Contributions | \$4,352 | <1% |
| Total Contributions | \$1,105,706 | |

Based on 1994 Primary and General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Opposition to Measures 10, 11, and 17 was minimal. The Committee to Protect the Oregon Constitution opposed Measure 11, but raised only \$778, \$526 in small contributions of less than \$100 and \$250 from David Fidanque of the ACLU of Oregon. Two committees formed to oppose Measure 17. A Michigan based group representing office furniture manufacturers, Prison Industries Reform Alliance, was the sole donor giving \$2,043 to a political committee with the

¹⁴³ Spending by Conservative PAC indicates \$18,000 in support for this Tough on Crime PAC.

same name against Measure 17.¹⁴⁴ Linen companies and the Teamsters union contributed to the Committee against 17 as outlined in chart 17.

Chart 17: Top Contributors to Committee against 17 (No on 17, 1994)

| Contributor | Contribution | Percentage |
|---|----------------|---------------|
| PNTMA (Pacific Northwest Textile Maintenance Association) | \$5,000 | 54% |
| American Linen and Hospital Linen Service | \$2,000 each | 21.5% each |
| Joint Council of Teamsters No 37 Political Fund | \$300 | 3% |
| Total Contributions | \$9,300 | 100.0% |

Based on 1994 General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans.

Regulation of Child Pornography and Obscenity – Measure 19

State Senator Gordon Smith, R-Pendleton, and Kevin Mannix, then a Democrat, worked together on an initiative that removed free speech protections from the Oregon constitution for obscene materials and child pornography. Unlike their 1996 effort that took the form of a legislative referral, this 1994 initiative does not appear to have been discussed during the 1993 legislature. Measure 19 failed with the voters with a 46 percent “yes” and 54 percent “no” result.

Chart 18: Top 5 Contributors to Oregon Right to Life Issues PAC (Yes on 19, 1994)

| Contributor | Contribution | Percentage |
|--|------------------|------------|
| Richard G. Faith | \$50,000 | 11% |
| ORTL (Oregon Right to Life) | \$17,200 | 4% |
| Oregon Right to Life PAC | \$6,052 | 1% |
| E. Henry Fitzgibbon | \$500 | <1% |
| Hubert Barker | \$308 | <1% |
| Top 5 Contributor Subtotal | \$74,060 | 16% |
| Miscellaneous Contributions of \$100 or less | \$386,616 | 82% |
| Remaining Contributions | \$12,775 | 3% |
| Total Contributions | \$473,451 | |

Based on 1994 Primary and General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding

The most likely group involved in signature gathering for what became Measure 19 is the Oregon Right to Life Issues PAC that was also the major committee working for this measure in November of 1994. Both Representative Mannix and Senator Smith were committee directors for the Right to Life PAC during this period of time. But legal requirements at that time regarding chief petitioner campaign finance reporting make it difficult to determine who was doing signature gathering. This difficulty is aggravated due to archives policies such that records are no longer available from the Secretary of State Elections Division. For this reason chart 18 summarizes primary and general election contributions to the Oregon Right to Life Issues PAC.

Media reports on Loren Parks’ involvement in the 1994 ballot measure season indicate that his focus was on anti-crime efforts and give no indication that he supported Mannix’s work on regulation of obscene materials.

¹⁴⁴ “Fair Trade?” Crain’s Small Business, September 1995, <http://www.kayhan.com/aboutus/craains.html> retrieved April 23, 2008

Opponents to Measure 19 formed the No on Censorship PAC whose contributions were dominated by adult entertainment industry players, bookstores, and free speech advocates. (See chart 19.)

Chart 19: Top 10 Contributors to No on Censorship (No on 19, 1994)

| Contributor | Contribution | Percentage |
|--|--------------|------------|
| Oregon Entertainment Corp | \$120,000 | 36% |
| AAV Ltd | \$16,000 | 5% |
| Calistoga Mining Co | \$15,000 | 4% |
| H & I Enterprises | \$11,000 | 3% |
| Free Speech Coalition | \$10,600 | 3% |
| Powell's Books, Inc | \$10,461 | 3% |
| Video Software Dealers Association | \$10,000 | 2% |
| Fred N. Bay News Co | \$7,500 | 2% |
| Bob's Book and Allied Entertainment Group | \$7,000 each | 2% each |
| Top 10 Contributor Subtotal | \$214,561 | 64% |
| Miscellaneous Contributions of \$100 or less | \$5,247 | 2% |
| Remaining Contributions | \$117,433 | 35% |
| Total Contributions | \$337,240 | |

Based on 1994 General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding

1996

Primary Race for Attorney General

In 1996, Kevin Mannix sought election as attorney general as a Democrat. Several of Mannix's positions, particularly on rights for workers and women, prompted Democratic Party leaders to recruit Hardy Myers to run against him.¹⁴⁵ Mannix lost decisively in the primary with a 37 percent "no" vote.

Candidate campaigns in 1996 took place under contribution limits in place only for that election season that capped contributions for statewide office at \$500. These limits did not apply to candidate self-financing and were overturned due to Oregon's strong free speech provisions after the 1996 election season. This is why large contributions to 1996 candidate elections are lower than those seen in subsequent candidate elections discussed in this report.

Mannix relied on self-financing in the form of a loan for \$28,225, or about a third (30.3 percent) of his campaign total of \$93,092. His contributions summary includes 64 contributors who gave \$500 each, for a total of \$32,000 or 34.4 percent. Notable \$500 contributors include Loren Parks, Oregon Right to Life PAC, the NRA Political Victory Fund and the Oregon Council of Police Associations PAC. Mannix received \$5,537 or 5.9 percent of his total from contributors who gave \$50 or less. (See chart 20.)

Chart 20: Contributions to Mannix for Attorney General (1996 primary)

| Contributor | Contribution | Percentage |
|--------------|--------------|------------|
| Kevin Mannix | \$28,255 | 30% |
| 64 donors | \$500 each | |

¹⁴⁵"Political firebrand gears up for hot race," *Oregonian*, September 11, 2000

| | | |
|--|---------------------|-----|
| | times 64 = \$32,000 | 34% |
| Miscellaneous Contributions of \$50 or under | \$5,537 | 6% |
| Remaining Contributions | \$27,300 | 29% |
| Total | \$93,092 | |

Based on 1996 Primary Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Hardy Myers received four contributions of more than \$500 during the primary. Family member Mary Ann Myers contributed \$1,274 to his campaign, which was considered self-financing. Peter J. Cookson and Karen Kammerer gave him \$1000 each.¹⁴⁶ The Benton County Democratic Central Committee gave him \$600. Myers also received 108 contributions of \$500 each, including ones from traditional Democratic supporters like the Oregon Trial Lawyers Association PAC, the Oregon League of Conservation Voters State PAC, the Oregon AFL-CIO Committee on Political Education, and various teachers unions. (See chart 21 below.)

Chart 21: Contributions to Myers for Attorney General (1996 primary)

| Contributor | Contribution | Percentage |
|--|------------------------------------|------------|
| Mary Ann Myers | \$1,274 | <1% |
| Peter Cookson and Karen Kammerer | \$1,000 each | <1% each |
| Benton County Democratic Central Committee | \$600 | <1% |
| 108 donors | \$500 each times 108 = \$54,000 | 39% |
| Miscellaneous Contributions of \$50 or under | \$15,026 | 11% |
| Remaining Contributions | \$65,893 | 47.5% |
| Total | \$138,793 | |

Based on 1996 Primary Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Obscenity Regulation – Second Attempt - Measure 31

As a legislator in 1995, Kevin Mannix championed a referral that became Measure 31 on the November 1996 ballot. The measure, which failed with voters, would have amended the Oregon Constitution to allow the government to regulate or ban certain obscene materials to the same extent allowed under the federal First Amendment. Kevin Mannix pushed this idea as HJR 20 in the Oregon House, but the legislative referral was SJR 41 pushed by then-State Senate President Gordon Smith.¹⁴⁷ Smith was elected to the U. S. Senate in 1996.

The Safe Neighborhoods PAC was run by Kevin Mannix and raised \$194,889 in support of Measure 31. The Oregon Family Council Issues PAC was the top donor giving \$51,505, which was 26.4 percent of total contributions. This committee received most of its support from another top donor to the Safe Neighborhoods PAC, the Oregon Family Council Ballot Measure PAC. Mark Hemstreet, who provided 43.1 percent of the funding for Mannix’s Tough on Crime Committee in 1994, gave 11.5 percent of the total for the yes on 31 effort. (See chart 22.)

Chart 22: Top 10 Contributors to Safe Neighborhoods PAC (Yes on 31, 1996)

| Contributor | Contribution | Percentage |
|----------------------------------|--------------|------------|
| Oregon Family Council Issues PAC | \$51,505 | 26% |
| Mark Hemstreet | \$22,487 | 11.5% |

¹⁴⁶ It appears that these \$1000 contributions were from couples and, thus, in compliance with the contribution limits.

¹⁴⁷ “Measure 31 reacts against obscenity,” *Oregonian*, October 16, 1996

| | | |
|--|---------------|---------|
| Oregon Family Council Ballot Measure PAC | \$21,437 | 11% |
| Smith Frozen Foods, Inc. and Mark Wattles | \$10,000 each | 5% each |
| Oregon Women's Leadership Task Force PAC | \$6,577 | 3% |
| Weston Pontiac-Buick-GMC | \$5,250 | 3% |
| Archdiocese of Portland | \$5,220 | 3% |
| Craig Berkman | \$5,000 | 3% |
| Bible Temple Church | \$3,850 | 2% |
| Top Ten Contributors Subtotal | \$141,326 | 72.5% |
| Miscellaneous Contributions of \$50 or under | \$6,597 | 3% |
| Remaining Contributions | \$46,966 | 24% |
| Total | \$194,889 | |

Based on 1996 General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

The third top donor to the Safe Neighborhoods PAC, Oregon Family Council Ballot Measure PAC, was charged with violating the campaign finance limits law due to a mailing with a letter that included the phrase “Fortunately, one candidate, Gordon Smith, has shown a deep commitment to pro-family causes.” As a ballot measure PAC, this election season’s campaign finance limits did not apply, but measure committees were required to limit their activities to issues and not support candidates.¹⁴⁸

The campaign to defeat Measure 31 raised \$489,821 in total. The top donors to the No Censorship PAC included adult entertainment industry players and Powell’s Books. (See chart 23.)

Chart 23: Top 10 Contributors to 1996 No Censorship PAC (No on 31, 1996)

| Contributor | Contribution | Percentage |
|---|--------------|------------|
| Oregon Entertainment Corp. | \$156,690 | 32% |
| Cloverdale Enterprises, Inc. | \$30,000 | 6% |
| Calistoga Mining, Inc. | \$25,400 | 5% |
| Oregon Business Alliance | \$25,000 | 5% |
| Paragon Publishing Inc. | \$20,000 | 4% |
| Motion Picture Association of America, Inc | \$17,598 | 4% |
| Video Software Dealers Association | \$15,000 | 3% |
| Powell’s Books | \$10,903 | 2% |
| TCI Media Services | \$9,720 | 2% |
| Playboy Enterprises, Inc | \$9,000 | 2% |
| Top Ten Contributors Subtotal | \$319,311 | 65% |
| Miscellaneous Contributions of \$50 or less | \$11,521 | 2% |
| Remaining Contributions | \$158,989 | 32.5% |
| Total | \$489,821 | |

Based on 1996 General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

More “Tough-on-Crime” - Measure 40

Representative Mannix also spearheaded an effort to amend the constitution in 1996 with Measure 40, an initiative billed as a package of crime-victims’ rights. The amendment passed,

¹⁴⁸ “Campaign watch state says Family Council PAC broke campaign laws,” *Oregonian*, January 18, 1996

but was overturned by the Oregon Supreme Court in June 1998 on the basis of what has become known as violating the single amendment rule. That case, *Armatta v. Kitzhaber*, found that “though it purported to be a single amendment to the Oregon Constitution, Measure 40 contains two or more constitutional amendments that must be voted upon separately under Article XVII, section 1,” another section of the state Constitution.¹⁴⁹

The signature-gathering effort for what became Measure 40 was run by Justice for All PAC formed by Kevin Mannix. This PAC raised \$384,491 with 64 percent of the money coming from Loren Parks. Mark Hemstreet continued previous patterns of support to Mannix-- giving \$10,000. However, the second top donor to this signature gathering effort was Bill Sizemore’s Oregon Taxpayers United PAC. (See chart 24.)

Chart 24: Top 10 Contributors to Justice for All Chief Petitioner PAC for Initiative 62 – Became Measure 40, 1996

| Contributor | Contribution | Percentage |
|---|--------------|------------|
| Loren Parks | \$244,412 | 64% |
| Oregon Taxpayers United PAC | \$71,175 | 18.5% |
| Mark S. Hemstreet Properties | \$10,000 | 3% |
| Liberty Northwest Insurance Co. | \$7,500 | 2% |
| James Furman & Co., James Loftus and Greenbrier Companies | \$5,000 each | 1% each |
| Keizer Retirement and Healthcare Village Inc and Oregon Committee of Automobile Retailers | \$3,000 each | <1% each |
| Wes LeMatta and Phil Knight | \$2,500 each | <1% each |
| Top Ten Contributors Subtotal | \$359,087 | 93% |
| Remaining Contributions | \$25,404 | 7% |
| Total | \$384,491 | |

Based on 1996 Chief Petitioner campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding. The top ten contributor list may include more than ten contributors due to ties in the lowest amount.

General election efforts in support of Measure 40 were undertaken by three political committees that raised a total of \$237,269 with \$225,750 or 95 percent of the dollars coming from Aloha businessman Loren Parks. The sole contributor to the major committee to pass Measure 40 was Loren Parks, who gave \$200,000 to Only the Lawyers and Politicians Will Vote Against This One. Parks was also the top donor to the general election activity of the Justice for All PAC. (See charts 25 and 26 below.)

Chart 25: Top 5 Contributors to Justice for All (Yes on 40, 1996 General Election)

| Contributor | Contribution | Percentage |
|---------------------------------------|--------------|------------|
| Loren Parks | \$25,750 | 81% |
| Oregon Council of Police Associations | \$2,000 | 6% |
| Richard A. and James S. Kreitzberg | \$1,000 each | 3% each |
| J.D. Monaghan | \$500 | 2% |
| Top Five Contributors Subtotal | \$30,250 | 96% |

¹⁴⁹ *Armatta v. Kitzhaber*, 327 Or 250, 959 P2d 49 (1998) <http://www.publications.ojd.state.or.us/S44995.htm> retrieved March 28, 2008.

| | | |
|---|----------|----|
| Miscellaneous Contributions of \$50 or less | \$0 | 0% |
| Remaining Contributions | \$1,400 | 4% |
| Total | \$31,650 | |

Based on 1996 General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Chart 26: Top Contributor to Only the Lawyers and Politicians Will Vote Against This One (Yes on 40, 1996)

| Contributor | Contribution | Percentage |
|---------------------|--------------|------------|
| Loren Parks | \$200,000 | 100% |
| Total Contributions | \$200,000 | |

Based on 1996 General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans.

Mark Hemstreet gave \$4,750, or 85 percent of the \$5,619 total, to a smaller pro-40 PAC, Oregonians Fed up with Crime, whose treasurer was Bob Tiernan. (See chart 27 below.)

Chart 27: Contributions to Oregonians Fed up with Crime (Yes on 40, 1996)

| Contributor | Contribution | Percentage |
|------------------------------------|--------------|------------|
| Mark Hemstreet | \$4,750 | 84.5% |
| Citizens Who Are Fed up with Crime | \$869 | 15.5% |
| Total | \$5,619 | |

Based on 1996 General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

The opposition PAC, Committee for Oregonians Rights, raised about 19 percent of the total that supporting PACs raised, or \$37,945. (See chart 28.)

Chart 28: Top 10 Contributors to Committee for Oregonians Rights (No on 40, 1996)

| Contributor | Contribution | Percentage |
|--|--------------|------------|
| David G Terry, PC | \$2,500 | 7% |
| John H. Hingson, III | \$2,000 | 5% |
| Mccrea, PC | \$1,705 | 4.5% |
| Thuemmel & Uhle | \$1,200 | 3% |
| James A Arneson, PC | \$1,025 | 3% |
| David G. Terry, PC; James Patrick McHugh, Jr; David T McDonald, PC; and Valerie Wright | \$1000 each | 3% each |
| Robert C. Hansen | \$600 | 2% |
| Top Ten Contributors Total | \$13,030 | 34% |
| Miscellaneous Contributions of \$50 or less | \$8,022 | 21% |
| Remaining Contributions | \$16,893 | 44.5% |
| Total | \$37,945 | |

Based on 1996 General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Kevin Mannix was also chief petitioner with Bob Tiernan on a minimum sentencing proposal, Initiative 63 that did not qualify for the 1996 ballot. Loren Parks gave \$32,641 for that signature gathering effort.

1998

Still More “Tough on Crime”

Kevin Mannix’s statewide political activity in 1998 focused on signature gathering to place another initiative increasing minimum sentences on the ballot.¹⁵⁰ What became Measure 61 was characterized as picking up where Measure 11 left off, but with more of a focus on property crimes.¹⁵¹ Mannix formed the Justice for All II PAC to act as chief petitioner committee with major support from Loren Parks who gave \$85,000 along with a \$17,500 loan from Mannix’s law firm. (See chart 29.)

Chart 29: Contributors to Justice for All Chief Petitioner PAC for Initiative 53 – Became Measure 61, 1998

| Contributor | Contribution | Percentage |
|---|--------------|------------|
| Loren Parks | \$85,000 | 83% |
| Kevin L. Mannix PC | \$17,500 | 17% |
| Capitol Chevrolet | \$200 | <1% |
| Top Contributors Subtotal | \$102,700 | 100.0% |
| Miscellaneous Contributions of \$50 or less | \$0 | 0% |
| Total | \$102,700 | |

Based on 1998 Chief Petitioner campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

However, the signature-gathering margin on this initiative was very close resulting in a lawsuit against Secretary of State Phil Keisling. Based on two statistical sampling steps, the signature-gathering threshold was not met. But election officials qualified the measure because it fell within ½ of 1 percent of margin for statistical error as allowed by administrative rule. The Oregon Supreme Court found that this administrative rule violated state law and that Measure 61 should not have been qualified for a November 1998 vote. However the Supreme Court did not remove the measure from the ballot, leaving it up to Keisling to resolve the issue. Kevin Mannix objected, “They [the Supreme Court] are not just opening up a can of worms, they are opening a box of snakes.” The challenging attorney said, “Close, but no cigar” and considered it ludicrous that Mannix, a champion of law and order, would suggest fudging the law in regard to number of signatures required to qualify for the ballot.¹⁵²

The Secretary of State asked the court to reconsider its decision, especially since oversea absentee ballots had already been mailed out, but they declined. So Keisling decided to not count Measure 61 votes.

Since Measure 61 did not go into effect, it was assumed that there would be legislative discussion of this topic in 1999. Indeed, some stated a preference for this approach. “I’d rather do it in the legislative session rather than in an initiative where you have to consider the financial impact,” said Sen. Neil Bryant, R-Bend, “Let it go through the difficult process of having

¹⁵⁰ In 1998 Kevin Mannix successfully ran again to return to the legislature. Given the focus on Mannix’s statewide political efforts, these legislative campaign contributions are not considered in this analysis.

¹⁵¹ “Election 98 initiative watch, measure 61 what the measure would do,” *Oregonian*, October 7, 1998

¹⁵² “Ruling casts doubt on measure 61,” *Oregonian*, October 8, 1998

hearings in both the House and Senate and have some thoughtful legislative process.”¹⁵³ It does not appear, however, that legislative action on topics covered by Measure 61 occurred.

The 1999 legislature, however, did enact a bill supported by Kevin Mannix to change Secretary of State procedures for evaluating initiative petitions. A major factor contributing to the close margin on Measure 61 related to assessment of duplicate signatures. Before this bill, the Elections Division assumed that 2 percent of any petition signatures were duplicates and tossed out that number. Mannix, however, pulled duplicates from the Measure 61 petition sheets before they were submitted, but the standard 2 percent penalty was assessed anyway.¹⁵⁴

Bill Sizemore objected to the new signature verification process, even though it was based on long established statistical methods. Kevin Mannix said, “This is a fairer process than the one we had before.”¹⁵⁵

Kevin Mannix and Bill Sizemore agree, however, in their disapproval of reforms designed to combat signature-gathering fraud adopted in HB 2082 by the 2007 legislative session. Bill Sizemore said that, “It’s clearly unconstitutional, and they probably know it. Bill Bradbury works for the public employee’s unions. They want all my initiatives shut down, and that’s all they are doing.”¹⁵⁶ “It is the most drastic restriction ever perpetrated by a power elite of legislators,” said Kevin Mannix who advised participants in an unsuccessful lawsuit against HB 2082. The Secretary of State’s spokesman said, “It shows the new law is designed to make it more difficult for people to break the law but easier for people to get their idea onto the ballot by legal methods.”¹⁵⁷

1999 Special Election

“Sons of 40” Legislative Referrals

During the 1999 legislative session, Mannix worked to re-pass the package of crime-victim’s rights that passed in 1996 as Measure 40, but was overturned by the Oregon Supreme Court. He broke Measure 40 down into 8 bills to avoid *Armatta* violations of the single amendment rule and won legislative enactment of seven referrals of constitutional amendments to the voters. These referrals became measures 69 through 75 on November 1999 special election ballot and were sometimes called the “son of 40” proposals.

Results were mixed, with four measures passing and three failing. Political observers offer various opinions about what the results mean, but the prevailing wisdom suggests that voters were sending a message that they wanted to balance crime-victims’ rights with fairness in the criminal justice system.¹⁵⁸

There were four committees primarily focused on passing the seven measures that raised \$468,239 in aggregate. (See charts 30 through 34.) Loren Parks was a major donor giving

¹⁵³ “Keisling plans no count for Measure 61; Supporter considers legal challenge,” *Oregonian*, October 14, 1998

¹⁵⁴ “Petitions get close scrutiny,” *Salem Statesman Journal*, June 17, 2000

¹⁵⁵ “Initiative rule faces challenge,” *Salem Statesman Journal*, February 5, 2000

¹⁵⁶ “New law cuts off 14 citizen initiatives,” *Oregonian*, February 1, 2008.

¹⁵⁷ “Judge lets new petition rules stand,” *Salem Statesman Journal*, January 10, 2008.

¹⁵⁸ “Experts ponder crime-issues vote,” *Oregonian*, November 4, 1999

\$181,837, which was the only contribution to This is About Crime Victims not Greedy Defense Lawyers. The Parks Foundation gave another \$14,101 to Mannix’s Justice for All II PAC. (See charts 30 and 33.)

Chart 30: Top Contributor to This is about Crime Victims not Greedy Defense Lawyers (Yes on Measures 69-75, 1999)

| Contributor | Contribution | Percentage |
|---------------------|--------------|------------|
| Loren Parks | \$181,837 | 100% |
| Total Contributions | \$181,837 | |

Based on 1999 Special Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans.

Mark Hemstreet, through his development company, was the top donor giving \$136,920 to three PACs. His largest contribution was to the Yes on 69 through 75 effort, but he also gave to the Victim Rights Committee and Justice for All II PAC. (See charts 31, 32, and 33.)

Chart 31: Top 5 Contributors to Yes on 69-75 to Reduce Crime (1999)

| Contributor | Contribution | Percentage |
|--|--------------|------------|
| Mark Hemstreet Property Development | \$109,920 | 60% |
| Victims Rights Committee (See chart 32) | \$66,100 | 36% |
| Howard Rodstein | \$2,903 | 2% |
| Lanphere Enterprises, Inc. | \$1,000 | <1% |
| Linda Lusk, Bob Hemstreet, and Carr Auto Group | \$500 each | <1% each |
| Top Five Contributors Subtotal | \$181,423 | 100% |
| Miscellaneous Contributions of \$50 or less | \$0 | 0% |
| Remaining Contributors Subtotal | \$650 | <1% |
| Total | \$182,073 | |

Based on 1999 Special Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding. The top five contributor list may include more than five contributors due to ties in the lowest amount.

Chart 32: Contributors to the Victims Rights Committee (Yes on Measures 69-75, 1999)

| Contributor | Contribution | Percentage |
|---|---------------|------------|
| Mark Hemstreet Property Development and Wes Lematta | \$20,000 each | 30% each |
| Robert D. Randall | \$10,000 | 15% |
| William P. McCormick | \$7,500 | 11% |
| R.B. Pamplin | \$5,000 | 8% |
| Cudahy Lumber Co | \$2,500 | 4% |
| R.B. Pamplin Corp | \$1,000 | 1.5% |
| Marilyn Steward | \$100 | <1% |
| Total | \$66,100 | |

Based on 1999 Special Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Chart 33: Top 5 Contributors to the Justice for All II Committee (Yes on Measures 69-75, 1999)

| Contributor | Contribution | Percentage |
|-------------------------------------|--------------|------------|
| Oregon Gun Owners Issues PAC | \$20,000 | 38% |
| Parks Foundation | \$14,101 | 27% |
| Mark Hemstreet Property Development | \$7,000 | 13% |

| | | |
|---|--------------|---------|
| Crime Victims United | \$6,000 | 11.5% |
| Ron Tonkin Mgt. Co., Jim D. Monaghan and Hagen, Dye, Hirshcy & Dilorenzo PC | \$1,000 each | 2% each |
| Top Five Contributors Subtotal | \$50,101 | 96% |
| Miscellaneous Contributions of \$50 or less | \$0 | 0% |
| Remaining Contributions | \$2,200 | 4% |
| Total | \$52,301 | |

Based on 1999 Special Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding. The top five contributor list may include more than five contributors due to ties in the lowest amount.

The Oregon Family Council Committee supported Measures 69 through 75 and raised most of its money from small contributions. (See chart 34.)

Chart 34: Top Contributors to Oregon Family Council Committee (Yes on Measures 69-75, 1999)

| Contributor | Contribution | Percentage |
|---|------------------------|------------|
| 11 individual contributors | \$100 each for \$1,000 | 2% |
| Miscellaneous Contributions of \$50 or less | \$50,878 | 98% |
| Total | \$52,028 | |

Based on 1999 Special Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Opponents of Measures 69 through 75 raised \$159,995. The top donors were the Oregon Criminal Defense Lawyers Association and American Civil Liberties Union whose contributions came to \$72,957 or 31 and 14 percent, respectively of total dollars raised by the Crime Victims for Justice PAC. (See chart 35.)

Chart 35: Top 10 Contributors to Crime Victims for Justice (No on 69-75, 1999)

| Contributor | Contribution | Percentage |
|---|--------------|------------|
| Oregon Criminal Defense Lawyers Association | \$50,000 | 31% |
| American Civil Liberties Union | \$22,957 | 14% |
| Ransom Blackman LLP, Phillip M. Margolin and John H. Hingson III | \$5,000 each | 3% each |
| William (Chip) Shields | \$3,000 | 2% |
| David G. Terry, Leland Berger, Arwen Bird and Hoevet, Snyder & Boise PC | \$2,500 each | 2% each |
| Top Ten Contributors Subtotal | \$100,957 | 63% |
| Miscellaneous Contributions of \$50 or less | \$8,763 | 5.5% |
| Remaining Contributions | \$50,275 | 31% |
| Total | \$159,995 | |

Based on 1999 Special Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

2000

Running for Attorney General as a Republican

In 2000, Kevin Mannix turned his attention to the attorney general position, this time running against Hardy Myers as a Republican. Both Mannix and Myers were unopposed in their respective primary elections and then faced each other during the November general election.

Mannix lost by four points receiving 46 percent of the vote compared to 50 percent support for Hardy Myers and 4 percent for Libertarian Tom Cox.

Also on the November 2000 ballot was Measure 94, an attempt to repeal Mannix’s Measure 11. This failed and Loren Parks gave \$132,200 to a Gregg Clapper opposition committee, the No on 94-If 94 Passes, Up To 1300 of Oregon’s Most Violent Criminals Will Be Released.

Loren Parks also returned to his previous role as a key contributor to Mannix as a candidate, giving \$210,000, or over a fifth of the money Mannix raised into his principal campaign committee. Parks was also responsible for all of the \$132,200 that the If 94 Passes, Up To 1300 Of Oregon's Most Violent Criminals Will Be Released committee raised; that committee made an in-kind contribution of \$62,761 to Mannix’s campaign for attorney general. In addition, Parks gave \$41,200 to Justice for All II, a PAC that Mannix controlled and that contributed \$66,087 to his candidate campaign. (See chart 36 and 37.)

Chart 36: Top 10 Contributors to Citizens for Mannix (Primary and General 2000)

| Contributor | Contribution | Percentage |
|---|---------------------|-------------------|
| Loren E. Parks | \$210,000 | 21.5% |
| Mannix, Kevin L., PC | \$100,000 | 10% |
| Justice For All II (\$41,200 contributed by Loren Parks – see Chart 37) | \$65,087 | 7% |
| Republican National State Elections Committee | \$65,000 | 7% |
| If 94 Passes, Up To 1300 Of Oregon's Most Violent Criminals Will Be Released (Only contributor to this PAC was Loren Parks) | \$62,761 | 6% |
| Oregon Republican Party / Oregon Victory 2000 | \$37,500 | 4% |
| Seneca Jones Timber Co., Mark Hemstreet Property Development | \$35,000 each | 4% each |
| Doerfler Farms, Inc. | \$28,500 | 3% |
| James Salerno | \$27,000 | 3% |
| Top Ten Contributors Subtotal | \$665,848 | 68% |
| Miscellaneous Contributions of \$50 or less | \$4,625 | <1% |
| Remaining Contributions | \$305,717 | 31% |
| Total | \$976,190 | |

Based on 2000 Primary and General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Chart 37: Top Contributors to Justice for All II (2000)

| Contributor | Contribution | Percentage |
|---|---------------------|-------------------|
| Loren E. Parks | \$41,200 | 43% |
| Mannix, Kevin L., PC | \$28,000 | 29.5% |
| Liberty Northwest Insurance Corp. | \$8300 | 9% |
| Mannix, Citizens for (Kevin) | \$7500 | 8% |
| K.R. West Construction, Inc. and CSL Properties, Inc. | \$5000 each | 5% each |
| Total | \$95,000 | |

Based on 2000 Primary and General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Altogether, Loren Parks was responsible for 32.1 percent of Mannix’ total fundraising in 2000, giving directly, or through other PACs, \$313,961. Reports indicate that at least part of Parks’ motivation was to settle a score with Hardy Myers. As discussed in Section 5, this may well have contributed to some controversial negative advertising aired by Mannix against Myers.

Hardy Myers, the Democratic candidate for attorney general, raised 15.4 percent of his funding from his top five contributors in 2000. Key contributors included teachers and public employee unions and law firms. (See chart 38 below.)

Chart 38: Top 10 Contributors to Elect Hardy Myers Attorney General (Primary and General 2000)

| Contributor | Contribution | Percentage |
|---|--------------|------------|
| Oregon Education Association - People For Improvement of Education | \$27,500 | 5% |
| Citizen Action By Public Employees | \$19,000 | 3% |
| Hagens Berman | \$17,000 | 3.0% |
| Jeffrey Foote & Associates | \$8,950 | 2% |
| Holding Onto Oregon's Priorities and Niles Hanson | \$7,500 each | 1% each |
| Stoll, Stoll, Berne, Lokting & Shlachter | \$6,000 | 1% |
| Tresidder Co. (The), Oregon Auto Dealers Association, Rock Creek Country Club, Oregon AFSCME Council 75, and Lawrence Black | \$5,000 each | <1% each |
| Top Ten Contributors Subtotal | \$118,826 | 21% |
| Miscellaneous Contributions of \$50 or Less | \$9,783 | 2% |
| Remaining Contributions | \$439,227 | 77% |
| Total | \$567,836 | |

Based on 2000 Primary and General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding. The top 10 contributor list may include more than 10 contributors due to ties in the lowest amount.

2002

Gubernatorial Attempt

Mannix returned in 2002 to run for governor, despite being urged by some Republican leaders to stay out of the race because of his conservative views on social issues.¹⁵⁹ In the Republican primary Mannix beat Ron Saxton and Jack Roberts. Kevin Mannix received 39 percent of the vote compared to 29 and 28 percent for Jack Roberts and Ron Saxton respectively.

As discussed in Section 5 Mannix’s electoral success during the primary may have been helped by attacks against Ron Saxton, who ran as a moderate. Those independent expenditures were produced by Gregg Clapper and paid for by Loren Parks. But they were intended to help Jack Roberts who Clapper felt would be a better general election candidate. Clapper felt, accurately it turned out, that Kevin Mannix was too conservative to win the November election.

However, once Mannix won the Republican gubernatorial primary, Loren Parks made a post-election, late May donation of \$25,000. This was followed by general election contributions of \$250,000 and \$25,000 for a total of \$300,000 during that entire campaign. The \$250,000 was considered to be the largest one-time contribution by an individual to an Oregon campaign.¹⁶⁰

¹⁵⁹“Showdown for governor: populist vs. veteran state political figure,” *Oregonian*, May 22, 2002

¹⁶⁰ “Millionaire gives Mannix \$250,000, possibly setting an Oregon record,” *Oregonian*, October 30, 2002

Total primary and general election fundraising by Kevin Mannix came to \$4,950,516. Even though financial support from Loren Parks only came after the primary, his \$300,000 comprised 6 percent of Mannix’s total election season contributions. (See chart 39.)

National Republican groups also made major contributions of \$250,000 each during the general election. Waiting until after the primary is a fairly typical giving pattern for such national organizations. Another national Republican contribution, \$150,000 from the National Republican Senatorial Committee caught the attention of the *Oregonian*. Candidates for Oregon offices can take so-called soft money from federal campaigns because there are no limits on size of contributions to state races. The recently adopted Bipartisan Campaign Reform Act, commonly called McCain-Feingold, however, was going to limit soft money contributions by national parties after the 2002 elections. This meant that groups, like the National Republican Senatorial Committee, needed to spend their soft money funds when they still could. Amy Casterline, Mannix’s campaign manager wasn’t concerned about the source saying, “It spends the same.”¹⁶¹

Other major individual contributors to Mannix were Joan Austin, owner of Newberg based A-Dec, a dental equipment company, and Roderick Carl Wendt from the family that founded Klamath Falls based Jeld-Wen, giving \$250,000 and \$150,000 respectively. Richard Wendt also gave \$100,000 but this contribution wasn’t large enough to be in the top 10 summarized in chart 38. All of these contributions came during the general election. Austin and the Wendts supported Ron Saxton in the primary with contributions of \$55,000 and \$50,000 respectively.

Self-financing by Mannix totaled \$303,917 in personal contributions and donations from his law firm. All but \$3,000 of in-kind support was in the form of loans from Mannix to his campaign.

Chart 39: Top 10 Contributors to Mannix for Oregon (Primary and General 2002)

| Contributor | Contribution | Percentage |
|---|----------------|------------|
| Loren Parks | \$300,000 | 6% |
| Republican Governors' Association and Republican National State Elections Committee | \$250,000 each | 5% each |
| Joan Austin | \$200,000 | 4% |
| Kevin L. Mannix, PC | \$196,300 | 4% |
| Oregon Republican Party / Oregon Victory 2002 | \$172,662 | 3.5% |
| Oregonians In Action PAC | \$165,275 | 3% |
| Roderick Carl Wendt and National Republican Senatorial Committee | \$150,000 each | 3% each |
| Dr Johnson Lumber | \$116,471 | 2% |
| Top Ten Contributors Subtotal | \$1,950,707 | 39% |
| Miscellaneous Contributions of \$50 or less | \$56,689 | 1% |
| Remaining Contributions | \$2,943,120 | 59.5% |
| Total | \$4,950,516 | |

Based on 2002 Primary and General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Democratic candidate Ted Kulongoski counted teachers’ and public employees’ unions among his top contributors. (See chart 40.) Despite raising almost \$900,000 less than Mannix,

¹⁶¹ “Political notebook: National GOP finds a way to hand Mannix \$150,000,” *Oregonian*, October 28, 2002

Kulongoski did have enough resources to get out his message and captured the governor’s seat. One factor in this election result where Kulongoski won with a 49 percent to Mannix’s 46 percent was the 5 percent of votes that went to Libertarian Tom Cox.

Chart 40: Top 10 Contributors to Kulongoski for Governor (Primary and General 2002)

| Contributor | Contribution | Percentage |
|--|---------------------|-------------------|
| Democratic Governors' Association | \$325,000 | 8% |
| Service Employees Political Action Committee II | \$312,919 | 8% |
| Oregon Education Association - People For Improvement of Education | \$251,552 | 6% |
| Democratic Party Of Oregon | \$103,453 | 2.5% |
| Citizen Action By Public Employees | \$99,000 | 2% |
| SEIU Local 503, OR Public Employees Union | \$58,045 | 1% |
| AFSCME International | \$50,000 | 1% |
| Oregon League of Conservation Voters PAC | \$44,811 | 1% |
| Oregonians to Maintain Community Standards | \$40,000 | 1% |
| Essie M. Cummins | \$33,829 | <1% |
| Top Ten Contributors Subtotal | \$1,318,610 | 3% |
| Miscellaneous Contributions of \$50 or less | \$101,934 | 2.5% |
| Remaining Contributions | \$2,675,103 | 65% |
| Total | \$4,095,647 | |

Based on 2002 Primary and General Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

2003 Special Election

Measure 28

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

The Oregon Republican Party, Oregon Citizens for a Sound Economy, and Taxpayers Association of Oregon committees, ran campaigns against Measure 28. Total fundraising against this legislative referral was \$41,971. (See charts 41 through 43.)

Chart 41: Top 5 Contributors to Oregon Republican Party (No on Measure 28, 2003)

| Contributor | Contribution | Percentage |
|--|---------------------|-------------------|
| Swanson Group Inc, Giustina Land & Timber Co, and Columbia Helicopters | \$5,000 each | 27% each |
| Wildish Land Co | \$2,000 | 11% |
| Amerititle | \$500 | 3% |
| Top Contributors Subtotal | \$17,500 | 94% |
| Miscellaneous Contributions of \$50 or less | \$500 | 3% |
| Remaining Contributions | \$550 | 3% |
| Total | \$18,550 | |

Based on 2003 special election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Chart 42: Contributors to Citizens for a Sound Economy PAC (No on 28, 2003)

| Contributor | Contribution | Percentage |
|---|--------------|------------|
| Citizens for a Sound Economy | \$4,029 | 31% |
| 50 \$100 contributions | \$5,000 | 38% |
| Miscellaneous Contributions of \$50 or less | \$4,109 | 31% |
| Total | \$13,138 | |

Based on 2003 special election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Chart 43: Contributors to Taxpayers Association of Oregon PACs (No on 28, 2003)

| Contributor | Contribution | Percentage |
|---|--------------|------------|
| Taxpayer Association of Oregon | \$3,625 | 35% |
| Jay Woodworth | \$2,000 | 19% |
| 5 \$100 donors | \$500 | 5% |
| Miscellaneous Contributions of \$50 or less | \$4,158 | 40% |
| Total | \$10,283 | |

Based on 2003 special election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Significantly more money, \$571,934, was raised in an unsuccessful Yes on 28 campaign with dollars primarily coming from public employee unions whose members and their ability to serve Oregonians is directly affected by revenue declines. (See chart 44.)

Chart 44: Top 10 Contributors to Yes on 28, 2003

| Contributor | Contribution | Percentage |
|--|--------------|------------|
| Oregon AFSCME Council 75 | \$125,000 | 22% |
| AFSCME – Washington DC | \$118,735 | 21% |
| SEIU Local 503, Oregon Public Employees Union | \$79,938 | 14% |
| National Education Association | \$75,000 | 13% |
| Oregon Education Association | \$46,981 | 8% |
| Oregon Public Employees Union PAC | \$31,000 | 5% |
| Oregon School Employees Association – Voice of Involved Classified Employees | \$29,500 | 5% |
| AFT-Oregon Action PAC | \$23,700 | 4% |
| Oregon AFL-CIO | \$15,187 | 3% |
| Kulongoski for Governor | \$10,000 | 2% |
| Top Ten Contributors Subtotal | \$555,041 | 97% |
| Miscellaneous Contributions of \$50 or less | \$1,865 | <1% |
| Remaining Contributions | \$15,029 | 3% |
| Total | \$571,934 | |

Based on 2003 special election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

2004 Special Election

Measure 30

Kevin Mannix opposed a bipartisan bill that ended legislative gridlock during the 2003 session by balancing a state budget with a temporary tax surcharge. A signature-gathering effort put that bill on a February 2004 special election ballot as a referendum, Measure 30. This was successful with voters and overturned the budget-balancing bill.

The Taxpayer Defense Fund was the chief petitioner committee that carried out the signature gathering effort on Referendum 401 that became Measure 30. Kevin Mannix contributed almost \$41,000 to this signature gathering effort in the form of in-kind services.

Chief petitioners were Russ Walker and Jason Williams. Williams is with Taxpayer Association of Oregon whose affiliated measure committee provided \$68,522 as in-kind support to the Taxpayers Defense Fund PAC. Russ Walker is Oregon director of FreedomWorks, which was called Oregon Citizens for a Sound Economy during the referendum drive and subsequent Measure 30 campaign. In-kind contributions to Taxpayer Defense Fund from Oregon Citizens for a Sound Economy represented 55 percent of total fundraising at \$337,608. (See chart 45.)

In terms of financial support, Kevin Mannix was a much smaller player during the Measure 30 effort compared to either Taxpayer Association of Oregon or FreedomWorks/Oregon Citizens for a Sound Economy. However, Kevin Mannix received an award from Grover Norquist’s group Americans for Tax Reform along with Jason Williams and Russ Walker for their leadership in putting Measure 30 on the ballot and campaigning for its defeat.¹⁶²

Analysis by the Money in Politics Research Action Project, now Democracy Reform Oregon, indicated that the Taxpayer Defense Fund met the letter but not the spirit of Oregon’s disclosure laws which, at that time, only required one campaign finance report of referendum signature gathering efforts. Taxpayer Defense Fund’s heavy reliance on in-kind contributions from ally groups, in effect if not by design, circumvented disclosure by essentially creating a “shell” committee. The report, *Transparency or Transparency Defeated? Campaign Finance Disclosure Loopholes Identified in Analysis of Taxpayer Defense Fund Chief Petitioner Disclosure Report* is available at www.commoncause.org/oregon.

Chart 45: Top 10 Contributors to Taxpayer Defense Fund PAC for Referendum 401 – Became Measure 30, February 2004

| Contributor | Contribution | Percentage |
|--|--------------|------------|
| Oregon Citizens for a Sound Economy | \$337,608 | 55% |
| Taxpayer Association of Oregon Ballot Measure PAC | \$68,522 | 11% |
| Goli Ameri for Congress | \$54,000 | 9% |
| Kevin Mannix PC | \$40,585 | 7% |
| Citizens for a Sound Economy (Washington DC) | \$24,819 | 4% |
| Oregon Family Council PAC | \$7,910 | 1% |
| Oregon Republican Party-Victory 2004 | \$7,000 | 1% |
| Friends of Linda Flores | \$6,500 | 1% |
| Committee to Re-Elect Jeff Kropff, Citizens to Elect Dennis Richardson, and NFIB/Oregon Safe Trust | \$5,500 each | 1% each |
| Top Contributors Subtotal | \$563,443 | 92% |
| Miscellaneous Contributions of \$50 or less | \$28,283 | 5% |
| Remaining Contributions | \$18,824 | 3% |
| Total | \$610,550 | |

Based on Chief Petitioner campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

¹⁶² Americans for Tax Reform, Taxpayer Group Honors Oregonian ‘Dragon Slayers’ April 12, 2004 press release. Retrieved August 18, 2009 from <http://www.atr.org/content/pdf/2004/apr/pr-or-dragonslayers-4-12-04.pdf>

The Taxpayer Defense Fund continued past the referendum signature-gathering phase and raised \$239,334 urging a “no” vote on Measure 30 that would result in overturning the budget bill. Oregon Citizens for a Sound Economy raised \$445,574 on its “no on 30” campaign. (See charts 46 and 47.)

Washington DC based Citizens for a Sound Economy was the top donor to both the major campaigns urging a no vote on Measure 30. Frequent donors to conservative causes were major donors to Oregon Citizens for a Sound Economy including Wes LeMatta and his company Columbia Helicopters, A-Dec owned by the Austin family, Jeld-Wen owned by the Wendt family, and timber interests Seneca Sawmill and Freres Lumber. (See chart 48.)

Chart 46: Top 10 Contributors to Taxpayers Defense Fund (No on 30, 2004)

| Contributor | Contribution | Percentage |
|---|---------------------|-------------------|
| Citizens for a Sound Economy | \$23,653 | 10% |
| Goli Ameri for Congress | \$18,792 | 8% |
| Taxpayer Association of Oregon Ballot Measure PAC | \$13,591 | 6% |
| Jim Zupancic for Congress | \$3,590 | 2% |
| Friends of Tootie Smith | \$3,296 | 1% |
| Oregon Family Council PAC | \$2,500 | 1% |
| Adams & Company, Friends of Betsy Close, Friends of Linda Flores, Glenn Pelikan, and Taxpayer Association of Oregon | \$1,000 each | <1% each |
| Committee to Re-Elect Jeff Kropff and Ned Baker Real Estate | \$500 each | <1% each |
| Top Ten Contributors Subtotal | \$71,422 | 30% |
| Miscellaneous Contributions of \$50 or less | \$24,898 | 10% |
| Remaining Contributions | \$143,014 | 60% |
| Total | \$239,334 | |

Based on 2004 special election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Chart 47: Top 10 Contributors to Oregon Citizens for a Sound Economy (No on 30, 2004)

| Contributor | Contribution | Percentage |
|---|---------------------|-------------------|
| Citizens for a Sound Economy | \$104,038 | 23% |
| Columbia Helicopters/Wes LeMatta | \$85,100 | 19% |
| A-Dec Inc | \$80,100 | 18% |
| Seneca Sawmill Co | \$75,100 | 17% |
| Jeld-Wen, Inc | \$55,100 | 12% |
| Freres Lumber Co Inc | \$27,550 | 6% |
| Oregon Grocery Industry Association PAC | \$7,500 | 2% |
| Robert Bobosky | \$5,000 | 1% |
| Committee to Elect Tom Butler | \$1,000 | <1% |
| John Mitchell | \$500 | <1% |
| Top Ten Contributors Subtotal | \$440,988 | 99% |
| Miscellaneous Contributions of \$50 or less | \$2,261 | <1% |
| Remaining Contributions | \$2,325 | <1% |
| Total | \$445,574 | |

Based on 2004 special election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Our Oregon, the PAC formed to run the “yes on 30” campaign, raised \$744, 010. Their top four donors, giving between \$100,500 and \$157,531, were public employee unions representing 134,000 members affected by anticipated revenue cuts if the referendum was successful. Others, however, were also concerned about revenue cuts as indicated by major donations of \$76,292 and \$35,147, respectively, from AARP and the Oregon Business Association and its affiliated PAC. (See chart 48.)

Chart 48: Top 10 Contributors to Our Oregon (Yes on 30, 2004)

| Contributor | Contribution | Percentage |
|---|---------------------|-------------------|
| Oregon Education Association | \$157,531 | 21% |
| SEIU Local 503 | \$137,748 | 18% |
| Oregon School Employees Association/SEED | \$101,500 | 14% |
| Oregon AFSCMCE Council 75 | \$100,500 | 14% |
| American Association of Retired Persons | \$76,292 | 10% |
| Oregon Business Association/OBA PAC | \$35,147 | 5% |
| Oregonians for Health Security | \$23,967 | 3% |
| Nurses United PAC | \$20,500 | 3% |
| Oregon Public Employees Union PAC | \$20,500 | 3% |
| AFT-Oregon COPE PAC | \$15,000 | 2% |
| Top Ten Contributors Subtotal | \$686,686 | 92% |
| Miscellaneous Contributions of \$50 or less | \$2,887 | <1% |
| Remaining Contributions | \$54,437 | 7% |
| Total | \$744,010 | |

Based on 2004 special election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

2006

Gubernatorial Primary

Loren Parks gave several contributions that total \$766,000 to Mannix’s failed bid for the Republican nomination for governor in 2006 - nearly half of the dollars Mannix raised for that race. The bulk of Parks’ contributions were cash donations, but he did give the Mannix campaign a loan of \$35,000. Other major loans were received from Mannix, Richard Withnell, Dixie Powers, and Donald Weathers. (See chart 49.)

Chart 49: Top 10 Contributors to Citizens for Mannix (Primary 2006)

| Contributor | Contribution | Percentage |
|----------------------------|---------------------|-------------------|
| Loren E Parks | \$766,000 | 47% |
| Richard Withnell | \$101,000 | 6% |
| Neil Nedelisky | \$59,000 | 4% |
| Glenn W. Pelikan | \$55,747 | 3% |
| Kevin L. Mannix | \$49,000 | 3% |
| Dale R. Stockamp | \$40,000 | 2.5% |
| Lynx Communication Group | \$33,830 | 2% |
| Neil Nedelisky Investments | \$33,300 | 2% |
| Powers, Dixie B. | \$31,000 | 2% |
| Weathers, Donald C. | \$30,000 | 2% |

| | | |
|--|-------------|-----|
| Top Ten Contributors Subtotal | \$1,198,877 | 74% |
| Miscellaneous Contributions of \$100 or less | \$33,537 | 2% |
| Remaining Contributions | \$390,698 | 24% |
| Total | \$1,623,111 | |

Based on 2006 Primary Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

As discussed in Section 5 independent advertising by Gregg Clapper with financial support from Loren Parks also played a role in the 2006 Republican primary. See chart 50.

Chart 50: Contributor to Neil Goldschmidt's Real Good Friend Ron Saxton (Primary 2006)

| Contributor | Contribution | Percentage |
|---------------|--------------|------------|
| Loren E Parks | \$175,000 | 100% |
| Total | \$175,000 | |

Based on 2006 Primary Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans.

Total contributions in support of Mannix's campaign can be calculated as \$1,798,111 if direct contributions to Mannix's PAC (\$1,623,111) are added to this (\$175,000) independent expenditure effort.

Mannix's opponents in that race included former Portland School Board member Ron Saxton, who won the nomination, and state senator Jason Atkinson. Saxton's top contributors highlight his support from the timber industry and developers, while Atkinson's were more diversified. (See charts 51 and 52.)

Several past Mannix financial supporters turned to Saxton in 2002, perhaps because he abandoned his 2002 strategy as running as a moderate or perhaps due to concern that Mannix would again fail in a statewide race. For example, Roderick Wendt gave \$150,000 to Mannix over the entire 2002 election season, but gave \$125,000 to Saxton in the 2006 primary followed by another \$250,000 contribution to Saxton in his general election contest against Ted Kulongoski. Joan Austin had given Mannix \$250,000 in 2002, but made no 2006 primary contributions and turned to Saxton with a \$50,000 contribution during the general election.

Chart 51: Top 10 Contributors to Friends of Ron Saxton (Primary 2006)

| Contributor | Contribution | Percentage |
|--|---------------|------------|
| Roderick C Wendt | \$125,000 | 7% |
| Norman L Brenden | \$100,000 | 6% |
| Don Morissette Homes, Inc. and Swanson Group, Inc. | \$75,000 each | 4% each |
| Seneca Jones Timber/Sawmill Company | \$50,000 | 3% |
| Roseburg Forest Products | \$45,000 | 3% |
| Robert G Miller | \$35,000 | 2% |
| Peter Stott | \$30,500 | 2% |
| Sidney B Deboer | \$29,028 | 2% |
| Cal Cannon; Shirley Kuse; Platt Electric Supply; Nancy Wendt; and Jed D. Meese | \$25,000 each | 1% each |
| Top Ten Contributors Subtotal | \$689,528 | 39% |
| Miscellaneous Contributions of \$100 or less | \$63,946 | 4% |

| | | |
|-------------------------|-------------|-----|
| Remaining Contributions | \$995,593 | 57% |
| Total | \$1,749,067 | |

Based on 2006 Primary Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding. The top 10 contributor list may include more than 10 contributors due to ties in the lowest amount.

Chart 52: Top 10 Contributors to Friends of Jason Atkinson (Primary 2006)

| Contributor | Contribution | Percentage |
|--|--------------|------------|
| James Leininger | \$50,000 | 12% |
| Rodney Schaefer | \$25,000 | 6% |
| Peggy Atkinson | \$22,300 | 5% |
| John Duke | \$15,625 | 4% |
| SJ Strategic Investment | \$15,000 | 4% |
| Bernice Rehana | \$12,500 | 3% |
| Grizzly Adams Production | \$11,193 | 3% |
| Nancy Smith | \$10,000 | 2% |
| Bridgeview Vineyards Inc | \$9,560 | 2% |
| Rainmakers | \$9,282 | 2% |
| Top Ten Contributors Subtotal | \$180,460 | 44% |
| Miscellaneous Contributions of \$100 or less | \$32,374 | 8% |
| Remaining Contributions | \$200,264 | 48.5% |
| Total | \$413,098 | |

Based on 2006 Primary Election campaign finance disclosure reports as filed with the Secretary of State. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Post-2006 Primary Contributions

In addition to campaign finance reports filed during election years supplemental reports are filed in September of years between campaigns. September Supplemental reports are available for Kevin Mannix's candidate campaigns from 2001 through 2006. Top donors are summarized below in chart 53.

Chart 53: Top 10 Contributors to Mannix September Supplemental Reports (2001- 2006)

| Contributor | Contribution | Percentage |
|--|--------------|------------|
| Frank Salerno | \$175,000 | 9% |
| Larry T. Epping | \$161,000 | 8% |
| Loren Parks | \$115,000 | 6% |
| James Salerno | \$101,970 | 5% |
| Industrial & Marine Management Services | \$100,000 | 5% |
| Oregon Republican Party | \$84,400 | 4% |
| Kevin L. Mannix | \$66,729 | 4% |
| Thelma Derfler | \$65,000 | 3% |
| Richard Withnell | \$55,760 | 3% |
| Larry Tokarski | \$55,000 | 3% |
| Top Ten Contributors Subtotal | \$982,859 | 50% |
| Miscellaneous Contributions of \$100 or less | \$10,837 | 1% |
| Remaining Contributions | \$954,040 | 49% |
| Total | \$1,947,736 | |

Based on September Supplemental campaign finance disclosure reports with the Secretary of State from 2002 through 2006. Earlier reports are no longer available due to archive retention policies. Data from 2001 is from the National Institute from Money in State Politics and is not complete. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

After Mannix’s 2006 September Supplemental report, all campaign finance transactions in and out of his candidate committee are reported on ORESTAR. Chart 54 below summarizes top contributors to Mannix reported through August 30, 2008. These include contributions and loans made to his state candidate PAC, especially from the Mannix law firm, to pay off other debts as described on page 25.

Chart 54: Top 10 Contributors to Mannix after 2006 September Support as Reported on ORESTAR through August 30, 2008

| Contributor | Contribution | Percentage |
|--|---------------------|-------------------|
| Kevin L. Mannix, PC | \$465,600 | 49% |
| Loren Parks | \$333,000 | 35% |
| Oregon Excellence, LLC | \$69,000 | 7% |
| Neil Nedlisky | \$25,000 | 3% |
| Andrew Honzel and Karl Dang | \$15,000 each | 2% each |
| David Nierenberg | \$10,000 | 1% |
| Glenn Pelican | \$7,500 | 1% |
| Seneca Jones Timber | \$5,940 | 1% |
| Douglas Weathers | \$5,000 | 1% |
| Top Ten Contributors Subtotal | \$951,040 | 99% |
| Miscellaneous Contributions of \$100 or less | \$150 | <1% |
| Remaining Contributions | \$6,500 | 1% |
| Total | \$957,690 | |

Figures include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

2008

Signature Gathering

Kevin Mannix was chief petitioner on two more “tough on crime” initiatives that were Measures 61 and 62 on the November 2008 ballot. Measure 61 would have required mandatory prison sentences for identify theft, forgery, and drug related burglary charges. Measure 62 would have diverted 15 percent of lottery profits from its current support of public education, parks and salmon, and economic development to criminal justice activities.

Measures 61 and 62 lost. The legislatively referred alternative to Measure 62, Measure 57, was adopted by the voters. Measure 57 was less costly and rehabilitation-oriented proposal.

Top contributors to the chief petitioner committees are summarized in charts 55 and 56. Loren Parks is the major donor giving \$122,500 to qualify Measure 61 and \$179,166 for petition circulation of what became Measure 62. In addition, Parks gave major contributions to the efforts to qualify Russ Walker’s Initiatives 51 and 53 that, in turn, assisted the signature gathering efforts for Measures 61 and 62.

Chart 55: Contributors to Initiative 40 committee, Oregonians for Safe Neighborhoods – Became Measure 61, 2008

| Contributor | Contribution | Percentage |
|---|---------------------|-------------------|
| Loren Parks | \$122,500 | 67% |
| IP 51 Protect Citizens from Excessive Lawyer Fees (got 63% of its money from Loren Parks) | \$24,596 | 14% |
| IP 53 Citizens Against Lawsuit Abuse PAC (got 63% of its money from Loren Parks) | \$24,596 | 14% |
| Kevin L. Mannix PC | \$9,514 | 5% |
| Democracy Direct | \$318 | <1% |
| Oregon Excellence, LCC DBA Oregon Crime Fighters | \$307 | <1% |
| Total | \$181,830 | |

Based on September 2007 chief petitioner campaign finance disclosure reports and transactions reported through August 30, 2008 through ORESTAR. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Chart 56: Contributors to Initiative 41 committee, Crimefighters PAC – Became Measure 62, 2008

| Contributor | Contribution | Percentage |
|---|---------------------|-------------------|
| Loren Parks | \$179,166 | 73% |
| IP 132 Hold Criminals Accountable PAC (got 99% of its money from Loren Parks) | \$30,224 | 12% |
| IP 51 Protect Citizens from Excessive Lawyer Fees (got 63% of its money from Loren Parks) | \$13,386 | 5% |
| IP 53 Citizens Against Lawsuit Abuse PAC (got 63% of its money from Loren Parks) | \$13,386 | 5% |
| Kevin L. Mannix PC | \$10,129 | 4% |
| Oregon Excellence, LCC DBA Oregon Crime Fighters | \$377 | <1% |
| Democracy Direct | \$318 | <1% |
| Total | \$246,986 | |

Based on September 2007 chief petitioner campaign finance disclosure reports and transactions reported through August 30, 2008 through ORESTAR. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Initiatives 51 and 53 pertained to limiting fees to plaintiff lawyers and so-called frivolous lawsuit penalties. Russ Walker was a chief petitioner on those proposals. Walker is head of the Oregon chapter of FreedomWorks, formerly Oregon Citizens for a Sound Economy, and the vice-chairman of the Oregon Republican Party. Both Loren Parks and Kevin Mannix, primarily as in-kind support from his law firm, made contributions directly to Initiatives 51 and 53 signature-gathering efforts. As outlined above in charts 55 and 56, Walker’s Initiatives 51 and 53 PACs assisted signature gathering for Mannix’s Measure 61 and 62. In general, there seems to be cooperation between Kevin Mannix and Russ Walker and this is why this report includes Initiatives 51 and 53 in its analysis of Mannix’s political activities. More information on Russ Walker and FreedomWorks is in Common Cause Oregon’s political history of Walker.

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 committee formed to work on Initiative 132, Hold Criminals Accountable PAC raised \$176,938. Loren Parks was the major donor giving \$175,000 while the Mannix law firm gave \$1,798 of in-kind support. See chart 57 below.

Chart 57: Contributors to Hold Criminals Accountable PAC

| Contributor | Contribution | Percentage |
|--|--------------|------------|
| Loren Parks | \$175,000 | 99% |
| Kevin Mannix Law Firm | \$1,798 | 1% |
| Oregon Excellence, LLC DBA Oregon Crime Fighters | \$140 | 0.8% |
| Total | \$176,938 | |

Based on September 2007 chief petitioner campaign finance disclosure reports and transactions reported through August 30, 2008 through ORESTAR. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

The Hold Criminals Accountable PAC, in turn, made contributions to Initiatives 51, 53, and 134 as outlined above in charts 55, 56, and 57. Initiative 134 was an attempt to roll back various reforms designed to combat fraud in the initiative process that had been adopted during the 2007 legislative session.

Kevin Mannix was also a financial supporter of Initiative 131, another anti-crime proposal, and Initiative 134 that, as mentioned above, proposed a repeal of initiative reform provisions. Both of these initiatives were withdrawn. Major contributors to these unsuccessful chief petitioner committees that had received support from Kevin Mannix are summarized in chart 58.

Chart 58: Top 10 Contributors to Initiatives 51, 53, 54, 131, 132, and 134– Did Not Qualify or Were Not Submitted for the 2008 Ballot

| Contributor | Initiatives Contributed To | Total Contribution | Percentage of Total |
|---|----------------------------|--------------------|---------------------|
| Loren Parks | 51, 53, and 132 | \$510,334 | 62% |
| IP 132 Hold Criminals Accountable PAC (got 99% of its money from Loren Parks) | 51, 53, and 134 | \$70,359 | 9% |
| Save Our Society From Drugs | 131 | \$50,277 | 6% |
| Kevin L. Mannix PC | 51, 53, 54, 131, 132, 134 | \$38,108 | 5% |
| FreedomWorks | 51 and 53 | \$35,000 | 4% |
| Oregon Tort Reform Project Coalition/Oregon Litigation Fairness Project | 51 and 53 | \$32,700 | 4% |
| Columbia Helicopters | 51 and 53 | \$20,000 | 2% |
| Glenn Pelikan | 51 and 53 | \$15,000 | 2% |
| Doctors Company PAC and Northwest Physicians | 51 and 53 | \$6,000 each | <1% each |
| Top 10 Contributors Subtotal | | \$738,206 | 95% |
| Miscellaneous Contributions of \$100 or less | | \$482 | <1% |
| Remaining Contributions | | \$34,836 | 4% |
| Total | | \$819,096 | |

Based on September 2007 chief petitioner campaign finance disclosure reports and transactions reported through August 30, 2008 through ORESTAR. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Kevin Mannix’s Hold Criminals Accountable PAC also provided in-kind support to the signature gathering efforts of Russ Walker and Bill Sizemore on the initiatives that became Measures 58, 59, 60, 63, and 64 as summarized in charts 59 through 63 below.

Chart 59: Contributors to Initiative 19 committee, English Immersion PAC– Became Measure 58, 2008

| Contributor | Contribution | Percentage |
|---|--------------|------------|
| Loren Parks | \$123,000 | 87% |
| IP 78 Requires Legislative Supermajority to Declare Emergency PAC (got 82% of its money from Hire Calling Public Affairs) | \$17,292 | 12% |
| IP 132 Hold Criminals Accountable PAC (got 99% of its money from Loren Parks) | \$1,710 | 1% |
| Democracy Direct | \$253 | 0.2% |
| Total | \$142,254 | |

Based on September 2007 chief petitioner campaign finance disclosure reports and transactions reported through August 30, 2008 through ORESTAR. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Chart 60: Contributors to Initiative 3 committee, Stop Double Tax PAC– Became Measure 59, 2008

| Contributor | Contribution | Percentage |
|---|--------------|------------|
| Loren Parks | \$122,500 | 79% |
| IP 21 Fairness in Home Improvement PAC (got 99% of its money from Hire Calling Public Affairs) | \$21,553 | 14% |
| IP 78 Requires Legislative Supermajority to Declare Emergency PAC (got 82% of its money from Hire Calling Public Affairs) | \$9,393 | 6% |
| IP 132 Hold Criminals Accountable PAC (got 99% of its money from Loren Parks) | \$1,930 | 1% |
| Democracy Direct | \$279 | 0.2% |
| Total | \$155,656 | |

Based on September 2007 chief petitioner campaign finance disclosure reports and transactions reported through August 30, 2008 through ORESTAR. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Chart 61: Contributors to Initiative 20 committee, Preserve Our Best Teachers PAC– Became Measure 60, 2008

| Contributor | Contribution | Percentage |
|---|--------------|------------|
| Loren Parks | \$121,000 | 78% |
| IP 78 Requires Legislative Supermajority to Declare Emergency PAC (got 82% of its money from Hire Calling Public Affairs) | \$32,447 | 21% |
| IP 132 Hold Criminals Accountable PAC (got 99% of its money from Loren Parks) | \$1,922 | 1% |
| Democracy Direct | \$252 | 0.2% |
| Total | \$155,620 | |

Based on September 2007 chief petitioner campaign finance disclosure reports and transactions reported through August 30, 2008 through ORESTAR. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Chart 62: Contributors to Initiative 21 committee, Fairness in Home Improvement PAC– Became Measure 63, 2008

| Contributor | Contribution | Percentage |
|---|--------------|------------|
| Hire Calling Public Affairs (Richard Wendt) | \$175,000 | 99% |
| IP 132 Hold Criminals Accountable PAC (got 99% of its money from Loren Parks) | \$1,675 | 0.9% |
| Democracy Direct | \$261 | 0.1% |
| Total | \$176,936 | |

Based on September 2007 chief petitioner campaign finance disclosure reports and transactions reported through August 30, 2008 through ORESTAR. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

Chart 63: Contributors to Initiative 25 committee, Bans Public Money for Politics PAC– Became Measure 64, 2008

| Contributor | Contribution | Percentage |
|---|---------------------|-------------------|
| Loren Parks | \$125,000 | 82% |
| IP 78 Requires Legislative Supermajority to Declare Emergency PAC (got 82% of its money from Hire Calling Public Affairs) | \$27,641 | 19% |
| IP 132 Hold Criminals Accountable PAC (got 99% of its money from Loren Parks) | \$201 | 0.1% |
| Democracy Direct | \$194 | 0.1% |
| Total | \$153,036 | |

Based on September 2007 chief petitioner campaign finance disclosure reports and transactions reported through August 30, 2008 through ORESTAR. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding. ORESTAR. Figures may include cash and in-kind contributions as well as loans. Percentages may not add to 100 due to rounding.

The involvement of Kevin Mannix’s Hold Criminals Accountable PAC in qualifying more than his top priority Measures 61 and 62 is clearly indicated in the charts above. The dollar amounts involved, however, are relatively minimal. For this reason the fundraising by these chief petitioner PACs are not included in chart 1 summarizing the ballot measures of primary concern to Kevin Mannix. This fundraising was also not included in the aggregate contributor charts Section 3.

November 2008 Campaign

Oregon Anti-Crime Alliance – non-profits and political committee

In June of 2008 Kevin Mannix formed the Oregon Anti-Crime Alliance Foundation, a 501 (c) 3 and Oregon Anti-Crime Alliance, Inc., a 501 (c) 4. Both categories of 501 groups can be involved in ballot measure politics under limits determined by the IRS. Contributions to 501 (c) 3 are tax-deductible and work on candidate campaigns are off limits to these groups. Contributions to 501 (c) 4 groups are not tax-deductible and work on candidate campaigns are allowed but cannot comprise most of such group’s activities.

In July of 2008 Kevin Mannix formed the Oregon Anti-Crime Alliance PAC to support his Measures 61 and 62 and defeat Measure 57.

The 2007 tax reports of the Parks Foundation and Parks Educational Fund report 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 report of the Oregon Anti-Crime Alliance Foundation shows receipt of grants worth \$345,000 from Parks Foundation, \$100,000 from Parks Education Foundation, and \$150,000 from We Care Oregon for \$595,000 given during the 2008 calendar year.

The top donor to Oregon Anti-Crime Alliance PAC that supported Measures 61, and 62 and opposed Measure 57 were Loren Parks who gave \$600,000 directly and another \$75,000 from Parks Medical Electronics. The Oregon War Veterans Association gave \$165,000 and more background on this group is provided in Section 4 on page 17. Two committees controlled by Russ Walker, FreedomWorks Issues PAC and Taxpayer Defense Fund gave \$41,250 each while the Oregon Anti-Crime Alliance, Inc. gave \$17,820.

Another PAC focused just on supporting Measure 61 and opposing Measure 57, the If you absolutely, positively, one hundred percent want to put felons in prison it's mandatory that you vote yes on 61, formed by Steve Doell and Ross Day. This committee got essentially all of its money from the Common Sense for Oregon PAC that, in turn, got most of its money from the Oregon Anti-Crime Alliance PAC.

Top donors to the "yes on 57" The Better Way To Fight Crime Committee are the Rokit Fund giving \$200,000 and AFSCME Council 75 providing \$82,500. In chart 64 below the top donors for and against Measures 57, 61, and 62 are summarized. This fundraising is reflected in chart 1 and aggregate contributor charts 7 and 8.

Chart 64 – 2008 Ballot Measure Campaigns – Total Fundraising and Top Donors – Measures 57, 61 and 62

| Committee and Positions | Amount | Committee and Positions | Amount |
|--|------------------|--|----------------------------|
| The Better Way To Fight Crime Committee Yes on 57 | \$507,042 | Oregon Anti-Crime Alliance PAC – Yes on 61 and 62, No on 57 | \$971,416 |
| *The Rokit Fund - \$200,000 (39.4%) *Oregon AFSCME (American Federation of State County and Municipal Employees) Council 75 - \$82,500(16.3%) *Eric Lemelson - \$45,000 (8.9%) *Defend Oregon - \$25,250 (5.0%) *SEIU (Service Employees International Union) Local 503 and Oregon Education Association - \$20,000 each (3.9% each) *AARP Oregon - \$16,372 (3.2%) *Ballot Initiative Strategy Center - \$15,000 (3.0%) *Safety and Justice Action Fund - \$13,059 (2.6%) *Linda Love and Portland General Electric - \$10,000 each (2.0 % each) *Nike Inc and Affiliates - \$7,500 (1.5%) *Stoel Rives LLP - \$5,000 (1.0%) *Our Oregon - \$2,320 ((0.4%) Basic Rights Oregon Measure PAC, Providence Health System, Northwest Natural Gas, and Arthur Johnson - \$2,000 each (0.4% each) *Miscellaneous Contributions of \$100 or less - \$704 (0.1%) *The rest - \$17,900 (3.5%) | | *Loren Parks - \$600,000 (61.8%) *Oregon War Veterans Association - \$165,00 (17.0%) *Parks Medical Electronics - \$75,000 (7.7%) *FreedomWorks Issue PAC- \$41,250 (4.3%) *Taxpayer Defense Fund - \$41,250 (4.3%) *Oregon Anti-Crime Alliance, inc - \$17,820 (2.9%) *Oregon Excellence LLC DBA Oregon Crime Fighters - \$9,128 (1%) *If you absolutely, positively, one hundred percent want to put felons in prison its mandatory that you vote yes on 61... \$3,918 (0.4%) *Kevin L. Mannix PC - \$2,700(0.3%) *Sierra Gopher Service LLC and Oregon Anti-Crime Alliance Foundation- \$1,000 each (0.1% each) *Miscellaneous Contributions of \$100 or less - \$3,350 (0.3%) (Parks and Parks Medical together = 69.5% of contributions) | |
| | | If you absolutely, positively, one hundred percent want to put felons in prison it's mandatory that you vote yes on 61 | \$126,501 (2008 \$) |
| | | *Common Sense for Oregon PAC - \$456,150 (99.9%) *Steve Doell - \$250 (0.1%) (Common Sense for Oregon PAC run by Ross Day got 98.5% of its money, \$451,250, from Oregon Anti-Crime Alliance PAC that (see above) got most of its money from Loren Parks. The only other donors to Common Sense PAC was \$5,000 from Ross Day doing business as TommyKnocker Ent and \$2,000 from the Oregon Loggers PAC | |

*Includes cash and in-kind contributions and any loans received. Reflects data obtained from ORESTAR for transactions through December 31, 2008. Figures could change due to auditing or amendments.

As discussed earlier, though Kevin Mannix’s priority in the 2008 general election was “tough on crime” Measures 61 and 62, Mannix’s Hold Criminals Accountable PAC made in-kind contributions to qualify Measures 58, 59, 60, 63 and 64. The support from Hold Criminals Accountable was nominal, however, compared to support from its top donor, Loren Parks. For this reason not all of the fundraising for and against these measures is included in chart 65 below. Rather chart 65 focuses on summarizing total fundraising and top donors to Defend Oregon and the three Russ Walker’s PACs that also focused on supporting and opposing a broader range of measures on the November 2008 ballot. These dollars are not included in chart 1 and or the aggregate contributor charts 7 and 8 but are provided below for informational purposes.

Chart 65 – 2008 Ballot Measure Campaigns – Total Fundraising and Top Donors – Key Groups Focused for and Against Measures 56, 57, 58, 59, 60, 61, 62, 63 and 65

| Committee and Positions | Amount | Committee and Positions | Amount |
|---|---------------------|--|--------------------------------|
| Defend Oregon - Yes on 56 & 57 No on 58, 59, 60, 61, 62, 63, & 64 | \$15,503,689 | FreedomWorks Issues PAC - No on 56 & 57, Yes on 58, 59, 60, 61, 62, 63, & 64 | \$126,501 (2008 \$) |
| *Oregon Education Association - \$5,342,976 (34.5%) *National Education Association - \$ 3,018,617,(19.5%) *SEIU (Service Employees International Union) Local 503 - \$1,140,000 (7.4%) *Don't Silence Our Voice Committee - \$807,500 (5.2%) *American Federation of Teachers-Oregon Issues PAC – \$807,500 (5.2 %) *Service Employees International Union (Washington DC) - \$700,000 (4.5%) *School Employees Exercising Democracy (Oregon School Employees Association PAC) - \$600,296 (3.9%) *Oregon State Council of Service Employees -\$479,654 (3.1%) *Oregon AFSCME (American Federation of State County and Municipal Employees) Council 75 - \$4256,500 (2.9%) *Laborers' Political League Education Fund - \$200,000 (1.3%) *The Better Way to Fight Crime Committee - \$175,466 (1.1%) *Oregon AFL-CIO - \$159,648 (1.0%) International Brotherhood of Electrical Workers, United Food and Commercial Workers, AFSCME, and American Federation of Labor and Congress of Industrial Organizations - \$100,000 each (0.7% each) *Miscellaneous Contributions of \$100 or less - \$3,851 (0.02%) *The rest - \$1,141,105 (7.4%) | | *Parks Medical Electronics - \$100,000 (79%) *Oregonians in Action PAC - \$10,000 (7.9%) *Hire Calling, Inc (Dick Wendt) – \$10,000 (7.9%) *FreedomWorks - \$6,001 (4.7%) *Taxpayer Association of Oregon PAC - \$500 (0.4%) | |
| | | Taxpayer Defense Fund - No on 56 and 57, Yes on 58,59, 60, 61, 62, 63, | |
| | | *Parks Medical Electronics - \$100,000 (89 %) *Hire Calling, Inc (Dick Wendt) – \$10,000 (9%) *FreedomWorks - \$2,612 (2%) | |
| | | Oregon Citizens for a Sound Economy PAC - No on 56 and 57, Yes on 62, 63, and 64 | |
| | | *Parks Medical Electronics - \$200,000 (81.1 %) *Hire Calling, Inc (Dick Wendt) – \$20,000 (8.1%) *John Bryan - \$10,000 (4.0%) *Conservative Majority Project PAC - \$6,542 (2.7%) (major donor is Loren Parks) *FreedomWorks - \$5,967 (2.4%) *Miscellaneous Contributions of \$100 or less - \$4,039 (1.6%) | |

*Includes cash and in-kind contributions and any loans received. Reflects data obtained from ORESTAR for transactions through December 31, 2008. Figures could change due to auditing or amendments.