



# OSPIRG

Oregon State Public Interest Research Group



2017 Annual Report

# Because Of You: An Update On Our Program Work In 2017

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*Dear OSPIRG member,*

*Why does such a great country have so many problems?*

*I'm talking about problems that we all share—problems that threaten or impact all of Americans' wellbeing. Problems that are neither liberal nor conservative issues. Problems of the public interest.*

*At OSPIRG we seek to address those problems. Because in this day and age, Americans shouldn't tolerate them.*

*For example, we shouldn't have to sacrifice consumer protection in order to reap the benefits of a robust financial sector in our economy. Over the past year, OSPIRG worked to keep the Consumer Financial Protection Bureau, the nation's top consumer cop on the Wall Street beat, strong and independent.*

*Nor should we accept that if we want access to credit, our private information must be at risk of falling into the hands of hackers and thieves. In the wake of the Equifax hack, OSPIRG state and federal advocates led the call for free credit freezes—the best available safeguard against identity theft.*

*Nor does it make sense to gamble with the efficacy of life-saving antibiotics so the food industry can use them to raise cheaper chicken, beef and pork. In 2017, OSPIRG's antibiotics team helped convince KFC to join 14 other top chain restaurants in the U.S. that have taken steps to end the routine use of antibiotics in the meat they serve.*

*Finally, in this day and age we shouldn't have to worry whether our kids are safe when they play with toys or drink water. Last year, Target agreed to stop selling certain fidget spinners after OSPIRG Foundation research found unsafe lead levels. OSPIRG Foundation research also revealed that lead is more prevalent in school drinking water than previously known, prompting officials in California, Texas and other states to act.*

*Read on to learn more how OSPIRG staff and members worked together to find solutions to more problems we should no longer tolerate. None of our work would have been possible without the support of members like you.*

*Sincerely,*

A handwritten signature in black ink that reads "Charlie Fisher". The signature is fluid and cursive, with a long horizontal flourish at the end.

*Charlie Fisher  
State Director, OSPIRG*



**STANDING UP FOR VETERANS**—Ed Mierzwinski, Federal Consumer Program senior director, spoke to veterans about the Consumer Bureau’s work to protect servicemembers.



**OUR CONSUMER COP**—Varsha Nair, staff with our sister group, PennPIRG, spoke at the release of our report detailing the CFPB’s work to protect consumers from unfair overdraft fees.

# Defending The Consumer Bureau

In the aftermath of the 2008 financial crash, we helped create the Consumer Financial Protection Bureau (CFPB) to serve as our consumer cop on the financial beat. The agency has excelled at its mission, returning \$12 billion to 29 million consumers hurt by big banks and lenders in just six years.

## The CFPB Is Under Attack

In 2017, the Trump administration, special interests and their allies in Congress ramped up attacks on the CFPB in the name of reducing regulation. We were there defending the agency every step of the way.

We filed court briefs supporting former CFPB Director Richard Cordray’s appointment of consumer champion Leandra English to the role of acting director when President Trump put long-time agency opponent Mick Mulvaney in charge. And our staff fought back against the so-called Financial CHOICE Act, legislation that would have gutted the agency as we know it.

Our Federal Consumer Program Senior Director Ed Mierzwinski was a reliable agency defender, not only in major media outlets like The New York Times and The Washington Post, but also on Capitol Hill. Mierzwinski testified before multiple Congressional committees in opposition to bills intended to weaken consumer protections enacted by the Consumer Bureau—including

legislation that would have dramatically reduced mortgage market safeguards.

## Standing Up For Our Consumer Cop

One 2017 report by OSPIRG Foundation found that, because of CFPB action in response to complaints, at least 7,000 servicemembers have received either direct monetary relief or other kinds of relief, like stopping debt collection harassment or providing mortgage options to help a servicemember avoid foreclosure.

Another 2017 OSPIRG Foundation report highlighted the Consumer Bureau’s work to protect older Americans from mortgage, credit and debt collection abuses. The report found the bureau had collected 72,000 complaints from consumers 62 years of age and older, and took numerous enforcement actions against companies that received the most complaints.

It’s clear: The idea of the Consumer Bureau needs no defense, only more defenders. That’s why OSPIRG and our sister groups knocked on more than 300,000 doors across the country in the summer, mobilizing more than 60,000 citizens to sign our petition to Congress urging lawmakers to keep the bureau strong and independent.

With member support, we’ll continue defending this vital agency. ■



**KEEPING OUR MEDICINES EFFECTIVE**—Hannah Kim, a public interest advocate with our sister group Illinois PIRG Education Fund, spoke at the release of a report ranking America's largest fast food restaurants on policies relating to antibiotic use in their supply chains.

## Standing Up For Public Health

Thanks to your support in 2017, OSPIRG and OSPIRG Foundation worked to reduce the overuse of antibiotics, get the lead out of school drinking water, and cut the use of dangerous chemicals in farming.

### Save Our Antibiotics

Antibiotic overuse, especially on factory farms, breeds antibiotic-resistant superbugs that kill tens of thousands of Americans, and sicken millions more, every year. We shouldn't raise our food in ways that put public health at risk.

That's why OSPIRG Foundation has worked hard to push major restaurant chains to eliminate meat raised on antibiotics from their menus. In 2017, we helped convince KFC to join a growing list of companies that have pledged to stop serving chicken raised on human antibiotics, and these commitments have sparked an industry-wide shift.

The sale and distribution of medically important antibiotics for food production in the U.S. dropped 14 percent in 2016, according to the Food and Drug Administration, marking the first year-to-year decline in sales since recording began.

OSPIRG Foundation's research and reports added to this urgent campaign, and earned widespread media coverage. Last fall, the group published its "Chain Reaction" report, which ranks the country's largest fast food and fast casual restaurants on policies relating to antibiotic use in their supply chains.

And with the help of our Health Professional Action Network—a group of physicians and other health workers who have signed on to our efforts to combat antibiotic overuse—OSPIRG introduced state-level

legislation that would ban irresponsible antibiotic use on farms here in Oregon, and increase transparency on factory farms in the state.

The effort, supported by a broad coalition of medical organizations, farmers and public health advocates, was covered widely by local media organizations and set Oregon up to take future action on this pressing public health issue.

## Get The Lead Out

We now know that Flint, Mich., was just the tip of the lead-laden iceberg. Schools across the country have tested high for lead in drinking water—and thousands of children in Oregon are at risk.

OSPIRG has been drawing attention to this quiet public health crisis and working to solve it by sounding the alarm in the press, and backing legislation that mandates lead testing and infrastructure improvements in schools.

A 2017 report by OSPIRG Foundation confirmed the urgency of the issue, and pushed states and municipalities to be proactive in testing, pipe and fixture removal, and filtering—and the research helped spark results.

In the fall, after our sister group in California called on the San Diego Unified School District to adopt more stringent standards for lead in drinking water, our advocates joined school officials in announcing the district's new policy—

the strongest adopted by any California school district at the time.

And in early 2018, after mobilizing hundreds of healthcare professionals and families to call on the state Legislature to act on lead in drinking water, our advocates in Wisconsin celebrated the passage of Leading On Lead, a bill that will allow water utilities to help pay for removal of lead service lines—the top source of lead contamination in drinking water.

## Healthy Farms, Healthy Families

Research shows we can dramatically reduce the use of synthetic chemicals in farming, while still growing as much food as we do today. It's shortsighted and dangerous to soak crops in chemicals when we know there are safe and effective alternatives.

In 2017, Rep. Earl Blumenauer (Ore.) unveiled a new blueprint for the federal Farm Bill—legislation that would cut wasteful agriculture subsidies that steer farmers toward harmful and unhealthy farming practices. The bill would also deepen U.S. investments in proven conservation programs that help farmers switch to sustainable farming practices.

With the help of our members, OSPIRG and our national network will continue to support bills like this and keep up our pursuit of common-sense farming regulations that protect our families, land and food. ■



**CLEAN WATER, HEALTHY KIDS**—Jason Pfeifle, a public health advocate with our sister group CALPIRG Education Fund, spoke at the release of “Get The Lead Out,” a report that found widespread lead contamination in school drinking water.



**AN INDUSTRY SHIFT**—Our campaign has helped convince major restaurants to serve chicken raised without the routine use of antibiotics. Now, we're turning our attention to beef and pork.

## EQUIFAX BREACH &amp; CONGRESSIONAL RESPONSE

MIKE LITT  
U.S. PIRGWASHINGTON  
JOURNAL

**RESPONDING WITH RESOURCES**—In the wake of the massive data breach at Equifax, U.S. PIRG Campaign Director Mike Litt spoke to national media outlets to inform consumers about how best to protect themselves.

## A Consumer Watchdog

In 2017, OSPIRG and OSPIRG Foundation warned consumers about defective cars, provided important resources after the Equifax data breach, and pushed for stronger consumer protections.

### Nearly 148 Million Americans At Risk: Our Response To Equifax

In September 2017, the credit bureau Equifax announced it had been hacked, potentially compromising the most sensitive financial data of nearly 148 million Americans—everything from credit card information to Social Security numbers.

The breach was unprecedented, and left a massive number of consumers vulnerable to identity theft and other devastating financial scams.

Our national consumer advocates were able to provide urgent informational resources to affected consumers, testify before multiple Congressional committees about the Equifax hack and data security, and make the case for better consumer protections in the media.

In the state Legislature, OSPIRG campaigned for a bill that would eliminate the fees Oregonians pay to freeze or thaw their credit—one of the only ways to prevent new account identity theft after a hack. After months of work with a diverse array of stakeholders, including the Oregon Department of Justice, OSPIRG celebrated the bill's passage in early 2018.

We will continue supporting state and federal legislation that would make credit freezes free for all Americans, and work to give consumers more control over their credit reports and other personal information.

## Product Safety

For more than three decades, OSPIRG and our national network have worked to ensure the products we buy are safe—everything from the toys our children play with to the cars we drive.

In the fall, OSPIRG Foundation discovered two models of fidget spinners sold at Target that contained alarming levels of lead—up to 300 times the legal limit for lead in children’s products. Within days of releasing our findings, Target had pulled both fidget spinner models from its shelves.

A report released by MASSPIRG Education Fund in 2017 found that CarMax—the nation’s largest used car retailer—has more than doubled the percentage of defective cars for sale since 2015. We worked hard to publicize the research nationwide and warn consumers in the market for used cars.

## Defending Net Neutrality

OSPIRG has campaigned for years in support of the simple idea that the web is a public resource, and internet service providers shouldn’t get to pick winners and losers.

In 2017, the Federal Communications Commission (FCC) dealt a devastating blow to that concept, known as net neutrality, by ending regulations that keep the internet free and open for consumers.

Still, legislators are making headway in efforts to overturn the FCC’s repeal at the state and federal levels, and, with support from our members, OSPIRG will continue to back proposed protections that keep consumers in the driver’s seat online. ■

## Consumer Protection

OSPIRG and OSPIRG Foundation work to ensure consumers are protected from dangerous products and unfair market practices. With your help, we’ll continue to amplify the voices of Oregonians across the state.



1 OSPIRG Foundation research and advocacy spurred Target to remove two models of lead-laden fidget spinners from its shelves.



2 OSPIRG State Director Charlie Fisher (right) and Ben Hoffman, M.D., pediatrician and medical director of OHSU Doernbecher Tom Sargent Safety Center, spoke at the release of OSPIRG Foundation’s “Trouble In Toyland” report.



3 U.S. PIRG Education Fund Campaign Director Kara Cook-Schultz spoke to national media outlets about the dangers posed by toys that contain toxics.





**NO MORE SURPRISES**—OSPIRG succeeded in passing a bill that puts an end to an unfair practice in which patients are forced to pay unexpected medical bills.

# Making Healthcare Work For Oregon

In 2017, OSPIRG and OSPIRG Foundation worked to put an end to unexpected medical bills, rein in prescription drug costs, and cut wasteful healthcare spending in the state.

## Putting An End To Surprise Billing

No patient in Oregon should ever receive a medical bill they didn't expect or plan for.

In 2017, OSPIRG successfully passed a bill that bans so-called "balance billing" by out-of-network healthcare providers operating in in-network hospitals—putting an end to an unfair practice in which patients are forced to pay unexpected, large bills for treatment they assumed would be covered by their insurance plans.

The legislation, a major victory for Oregonians, protects consumers in the state from surprise medical bills starting March 1, 2018.

## Reining In Prescription Drug Costs

Through 2017 and into 2018, OSPIRG built support for an important state bill to create transparency and accountability for drug makers that charge exorbitant and unreasonable prices for prescription medicines.

If signed into law, the bill will require drug makers to explain big price hikes publicly, and require health insurers to outline the impact of high drug prices on premiums and consumer costs. In early 2018, OSPIRG celebrated the bill's passage in the state Legislature.

The bill represents an important first step in reining in outrageous drug pricing practices in our state. When pharmaceutical corporations routinely hike prices 300 percent or more, we think the least Oregon consumers deserve is an explanation.

With support from our members, OSPIRG will continue our support for bills that address the skyrocketing cost of prescription drugs in Oregon, not only by increasing price transparency, but by holding companies accountable for excessive prices.

### Cutting Costs: Health Insurance Rate Watch

Close scrutiny of proposed health insurance rates hikes will cut more than \$100 million from health insurance premiums for Oregon consumers and small businesses in 2018—bringing the total in premiums cut by the Oregon rate review program to more than \$280 million since 2010.

The cuts stem from work done by a new state program designed to contain rate hikes, supported by OSPIRG, combined with close scrutiny of proposed health insurance rates by OSPIRG Foundation and state regulators.

In 2017, OSPIRG Foundation conducted an independent in-depth analysis of the rate hike proposed by Providence Health Plan, the state's largest insurer for families and individuals purchasing coverage on their own, and encouraged the public to participate in the rate review process.

The Oregon Department of Consumer and Business Services agreed with many of OSPIRG Foundation's concerns about the proposed rates, and ultimately cut an estimated \$100 million in waste and unjustified costs from premiums—including more than \$63 million from the Providence rate request. ■

## Better Healthcare

OSPIRG and OSPIRG Foundation worked hard in 2017 to ensure Oregonians have access to high-quality medical care at fair and transparent prices. With member support, we'll continue to make healthcare work better for everyone in the state.



1 In part because of work done by OSPIRG and OSPIRG Foundation, Oregon's rate review program has cut more than \$280 million from premiums since 2010.



2 In 2017, OSPIRG built support for an important state bill that would create transparency and accountability for drug makers who charge unfair, exorbitant prices for prescription medicines.



3 OSPIRG succeeded in passing a bill that puts an end to an unfair practice in which patients are forced to pay unexpected bills for treatment they didn't know was not covered by their insurance plans.





**POWER TO THE VOTERS**—Abe Scarr, director of our sister group Illinois PIRG, spoke at the 2017 signing of the state's automatic voter registration law, model legislation our network hopes to pass in other states.

# Making Democracy & Government Work For You

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In 2017, OSPIRG and OSPIRG Foundation worked to get big money out of politics, end corporate tax loopholes, and increase the power of the vote.

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## Cracking Down On Anonymous Shell Corporations

Creating a U.S. shell company requires less personal information than acquiring a driver's license, and in some states, even a library card. This system allows criminals and bad actors—like narcotics traffickers, corrupt foreign officials, and tax evaders—to easily and regularly set up shell companies through which they launder money.

Law enforcement officials can track the activities of bad actors, but once the money earned through illicit activities disappears into an anonymous corporation, they lose the trail. For years, Oregon's incorporation laws have been especially troublesome—the Federal Bureau of Investigation even flagged our state as a popular location for anonymous shell corporation abuse.

In 2017, OSPIRG helped pass legislation that cracks down on this abuse. The law, passed unanimously by the state Senate and House, requires individuals to provide more information when setting up a new corporation, and empowers state officials to investigate and shut down corporations being used for illegal purposes.

## Big Money In Our Elections

### Democracy For The People

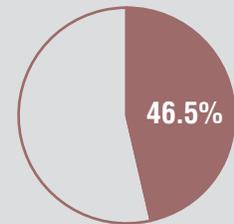
Elections should be determined by voters—not big money. That’s why OSPIRG is supporting laws and policies that return agency to the people at the polls.

In 2017, OSPIRG launched a campaign to balance Oregon’s democracy by creating a matching system for small donors to fund candidates running for state office. Modeled on a successful program used for decades in New York City, the program encourages candidates to focus on their own constituents rather than wealthy donors that may live outside of their districts. And just as importantly, the matching system enables candidates to run for office based on the strength of their ideas—not access to money.

While we were unsuccessful in passing the small donor bill through the Legislature in 2017, we helped raise the issue before legislators and the media. In the spring, we partnered with organizations from around the state to organize a lobby day at the Capitol, calling on lawmakers to get big money out of Oregon politics.

We’re going to keep fighting for these reforms because we know our strategy works. In Washington, D.C., our national network successfully worked to advance the Fair Elections Act of 2017, which lays the foundation for public financing in the District and lowers the barriers standing between local candidates and voters—especially voters of color and women, who make up the majority of small donors.

Policies like these strengthen our democracy, and with support from our members, we’ll continue advocating for a democracy that works for all Oregonians. ■



1 Big donors made up nearly half of all contributions to Oregon’s candidate and ballot campaigns in 2016.



2 Just 25 people—who could all fit on one small school bus—accounted for a quarter of contributions to Oregon’s candidate and ballot campaigns in 2016.



3 A total of 424 people—who could all fit in one 747 airplane—outspent all of Oregon’s small donors in 2016 candidate campaigns.

Source: OSPIRG Foundation & Frontier Group



**BALANCING DEMOCRACY**—In 2017, OSPIRG launched a campaign to create a matching system for small donors to fund candidates running for state office. OSPIRG State Director Charlie Fisher testified in Salem in support of the system.



**EMPOWERING VOTERS**—OSPIRG helped organize a lobby day at the Capitol calling on lawmakers to get big money out of Oregon politics, because elections should be determined by voters.

## OSPIRG

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# OSPIRG

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