Internet appendix for

Corporate Contributions to Ballot Measure Campaigns: Real Effects and Valuation

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ABSTRACT

This document includes additional figures and tables supporting the main conclusion of the paper. We show additional summary statistics of the contributions to state-level ballot measure campaigns. We also provide results from several additional tests confirming the robustness of our main results.

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Internet Appendix IA.1
Definition of variables

Variable	Definition	Data Source
Direct initiated state initiatives	Citizen-initiated proposals that are placed on the election ballot once the minimum required number of citizen signatures is collected (Ballotpedia codes = CICA, CISS, ITP, VR).	Ballotpedia.org
Indirect initiated state initiatives	Citizen-initiated proposals that are sent to the state legislature for a vote once the minimum required number of citizen signatures is collected (Ballotpedia codes = ITL, IndISS, IndiCA).	Ballotpedia.org
Legislative proposals	Statutes and constitutional amendments that are voted on by the state legislature to be put on the election ballot (Ballotpedia codes = LRCA, LRSS, CR).	Ballotpedia.org
Close contests	A ballot measure that receives between 45% and 55% (or between 40% and 60%) of the votes.	Ballotpedia.org
CAR[0,+1] / CAR[0,+2]	Cumulative abnormal return from the day of the ballot measure to one or two days after the ballot measure. The predicted return is calculated by estimating a market model with the value weighted CRSP index, or alternatively the four-factor model including the Fama-French factors SMB, HML, and MOM on stock return data between 251 and 21 days before the ballot measure.	CRSP, Kenneth French's website
Equal-weighted ballot success	The number of successes (ballot measures that firms supported and that passed plus ballot measures that firms opposed and that failed) divided by the total number of ballot measures to which a firm contributed on a given ballot date.	Ballotpedia.org
Value-weighted ballot success	The successes (ballot measures that firms supported and that passed plus ballot measures that firms opposed and that failed) weighted by the fraction of the total contributions that a firm spent on each measure on a given ballot date divided by the total number of ballot measures to which a firm contributed on a given ballot date.	Ballotpedia.org
Assets	Total assets.	Compustat
Market capitalization	Number of shares outstanding multiplied by the end-of-the-year stock price.	Compustat
Employees	Number of employees.	Compustat
Tobin's Q	Total liabilities minus deferred taxes and investment tax credit plus preferred equity plus market capitalization divided by total assets.	Compustat
Leverage	Total long-term debt plus total debt in current liabilities divided by total assets.	Compustat
Profitability	Operating income before depreciation divided by total	Compustat

	assets.	
Cash Flow	Operating income before depreciation minus total income taxes minus dividends (common and preferred) divided by total assets.	Compustat
ROE	Income before extraordinary items divided by total common equity.	Compustat
EBITDA-to-assets	Operating income before depreciation divided by total assets.	Compustat
Market-to-book ratio	(Number of share outstanding × share price + total assets – shareholders' equity)/total assets.	Compustat
Business expansion	Identifies ballot measures that likely lead to a business expansion.	Ballotpedia.org Own calculations
Business neutral	Identifies ballot measures that likely are neutral for business.	Ballotpedia.org Own calculations
Business contraction	Identifies ballot measures that likely lead to a business contraction.	Ballotpedia.org Own calculations
Sales growth	Growth in sales from the year of the ballot to two years after.	Compustat
Support spending	Total spending in support of a ballot measure ($ million).	Ballotpedia.org
Opposition spending	Total spending against a ballot measure ($ million).	Ballotpedia.org
Ballot not in November	Dummy variable equals one if ballot measure is not in November on the ballot, zero otherwise.	Ballotpedia.org
# of ballot measures	Number of ballot measures on the ballot on the specific ballot date.	Ballotpedia.org
Midterm	Dummy variable equals one if ballot year is 2002, 2006, 2010, 2014, or 2018, zero otherwise.	Ballotpedia.org
Citizen initiative	Dummy variable equals one if ballot measure is a direct initiated state initiative, zero otherwise.	Ballotpedia.org
Change unemployment rate	Yearly change in the unemployment rate.	Federal Reserve at St. Louis
Concentrated economic impact	Dummy variable equal to one for all ballot measure categories for which the economic benefits (or costs) are large and captured (borne) by a narrow interest group, and zero otherwise.	Ballotpedia.org
Political activity by category	Fraction of firms with political action committees in a specific industry, averaged across all industries that are matched to a specific ballot measure by category.	Ballotpedia.org

Internet Appendix IA.2

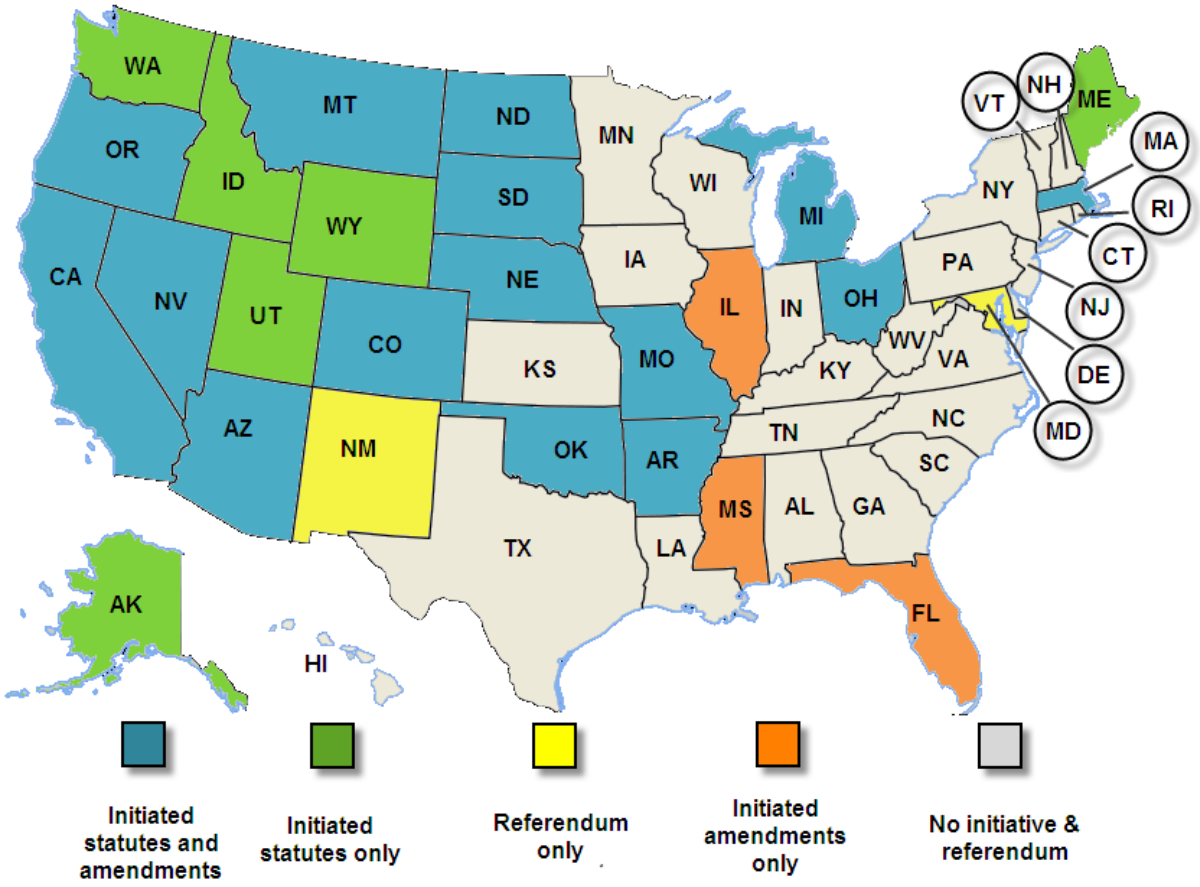
Evidence from annual reports on the importance of state-level ballot measures for U.S. corporations

Altria lists an increase in tobacco excise taxes as one of the key risk factors in its annual report for fiscal year 2016, and explicitly mentions a lost ballot initiative in California. Altria states that *"Tax increases are expected to continue to have an adverse impact on sales of the tobacco products of our tobacco subsidiaries through lower consumption levels and the potential shift in adult consumer purchases from the premium to the non-premium or discount segments […]."*

Amgen lists as one of the key risk factors in their annual report of 2016: *"Our sales depend on coverage and reimbursement from third-party payers, and pricing and reimbursement pressures may affect our profitability. Ohio voters are expected to consider in their November 2017 election a ballot proposition that would prohibit the state from paying a greater price for drugs than the lowest price paid by the U.S. department of Veterans Affairs. Passage of this proposition could lead to the introduction of additional ballot initiatives in other states."*

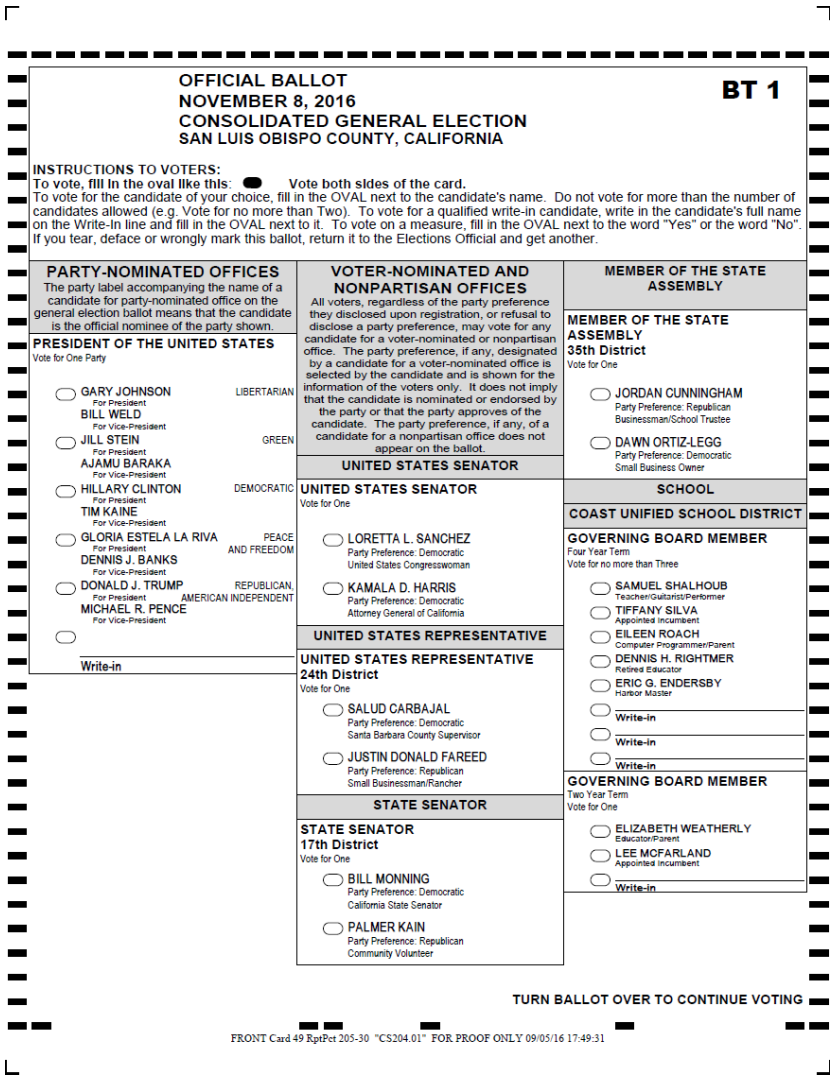
Finally, MGM Resorts spent approximately $40 million in favor of a pro-gaming ballot measure in Maryland in 2012. The measure sought to increase state casino licenses from five to six in 2012 and was approved by voters. MGM Resorts highlights the passage of the pro-gaming ballot measure on page 5 of their annual report 2012.

Figure IA.1
States that allow initiatives and referendums



Source: https://ballotpedia.org/Initiative_and_referendum

Figure IA.2: California 2016 General Election ballot



OFFICIAL BALLOT
NOVEMBER 8, 2016
CONSOLIDATED GENERAL ELECTION
SAN LUIS OBISPO COUNTY, CALIFORNIA

BT 1

INSTRUCTIONS TO VOTERS:
To vote, fill in the oval like this: ● Vote both sides of the card.
To vote for the candidate of your choice, fill in the OVAL next to the candidate's name. Do not vote for more than the number of candidates allowed (e.g. Vote for no more than Two). To vote for a qualified write-in candidate, write in the candidate's full name on the Write-In line and fill in the OVAL next to it. To vote on a measure, fill in the OVAL next to the word "Yes" or the word "No". If you tear, deface or wrongly mark this ballot, return it to the Elections Official and get another.

PARTY-NOMINATED OFFICES
The party label accompanying the name of a candidate for party-nominated office on the general election ballot means that the candidate is the official nominee of the party shown.

PRESIDENT OF THE UNITED STATES
Vote for One Party

- GARY JOHNSON / BILL WELD — LIBERTARIAN
  For President / For Vice-President
- JILL STEIN / AJAMU BARAKA — GREEN
  For President / For Vice-President
- HILLARY CLINTON / TIM KAINE — DEMOCRATIC
  For President / For Vice-President
- GLORIA ESTELA LA RIVA / DENNIS J. BANKS — PEACE AND FREEDOM
  For President / For Vice-President
- DONALD J. TRUMP / MICHAEL R. PENCE — REPUBLICAN, AMERICAN INDEPENDENT
  For President / For Vice-President
- Write-in

VOTER-NOMINATED AND NONPARTISAN OFFICES
All voters, regardless of the party preference they disclosed upon registration, or refusal to disclose a party preference, may vote for any candidate for a voter-nominated or nonpartisan office. The party preference, if any, designated by a candidate for a voter-nominated office is selected by the candidate and is shown for the information of the voters only. It does not imply that the candidate is nominated or endorsed by the party or that the party approves of the candidate. The party preference, if any, of a candidate for a nonpartisan office does not appear on the ballot.

UNITED STATES SENATOR
Vote for One

- LORETTA L. SANCHEZ
  Party Preference: Democratic
  United States Congresswoman
- KAMALA D. HARRIS
  Party Preference: Democratic
  Attorney General of California

UNITED STATES REPRESENTATIVE

UNITED STATES REPRESENTATIVE
24th District
Vote for One

- SALUD CARBAJAL
  Party Preference: Democratic
  Santa Barbara County Supervisor
- JUSTIN DONALD FAREED
  Party Preference: Republican
  Small Businessman/Rancher

STATE SENATOR

STATE SENATOR
17th District
Vote for One

- BILL MONNING
  Party Preference: Democratic
  California State Senator
- PALMER KAIN
  Party Preference: Republican
  Community Volunteer

MEMBER OF THE STATE ASSEMBLY

MEMBER OF THE STATE ASSEMBLY
35th District
Vote for One

- JORDAN CUNNINGHAM
  Party Preference: Republican
  Businessman/School Trustee
- DAWN ORTIZ-LEGG
  Party Preference: Democratic
  Small Business Owner

SCHOOL

COAST UNIFIED SCHOOL DISTRICT

GOVERNING BOARD MEMBER
Four Year Term
Vote for no more than Three

- SAMUEL SHALHOUB
  Teacher/Guitarist/Performer
- TIFFANY SILVA
  Appointed Incumbent
- EILEEN ROACH
  Computer Programmer/Parent
- DENNIS H. RIGHTMER
  Retired Educator
- ERIC G. ENDERSBY
  Harbor Master
- Write-in
- Write-in
- Write-in

GOVERNING BOARD MEMBER
Two Year Term
Vote for One

- ELIZABETH WEATHERLY
  Educator/Parent
- LEE MCFARLAND
  Appointed Incumbent
- Write-in

TURN BALLOT OVER TO CONTINUE VOTING

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CAYUCOS ELEMENTARY SCHOOL DISTRICT

GOVERNING BOARD MEMBER
Vote for no more than Two

- VAL WRIGHT
  Educator
- SHERRY PECKHOON SIM
  Real Estate Broker
- STEVE GEIL
  Retired Businessman
- SUSAN H. BROWNELL
  Homemaker/Investor
- Write-in
- Write-in

DISTRICT

CAYUCOS FIRE PROTECTION DISTRICT

DIRECTOR
Vote for no more than Two

- CHRISTOPHER H. POPE
  Businessman
- CHERYL CONWAY
  Retired Manager
- STEVE BEIGHTLER
  Retired Firefighter
- Write-in
- Write-in

MEASURES SUBMITTED TO THE VOTERS

STATE

PROPOSITION 51
SCHOOL BONDS. FUNDING FOR K-12 SCHOOL AND COMMUNITY COLLEGE FACILITIES. INITIATIVE STATUTE. Authorizes $9 billion in general obligation bonds for new construction and modernization of K-12 public school facilities; charter schools and vocational education facilities; and California Community Colleges facilities. Fiscal Impact: State costs of about $17.6 billion to pay off both the principal ($9 billion) and interest ($8.6 billion) on the bonds. Payments of about $500 million per year for 35 years.

- YES
- NO

PROPOSITION 52
MEDI-CAL HOSPITAL FEE PROGRAM. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE. Extends indefinitely an existing statute that imposes fees on hospitals to fund Medi-Cal health care services, care for uninsured patients, and children's health coverage. Fiscal Impact: Uncertain fiscal effect, ranging from relatively little impact to annual state General Fund savings of around $1 billion and increased funding for public hospitals in the low hundreds of millions of dollars annually.

- YES
- NO

PROPOSITION 53
REVENUE BONDS. STATEWIDE VOTER APPROVAL. INITIATIVE CONSTITUTIONAL AMENDMENT. Requires statewide voter approval before any revenue bonds can be issued or sold by the state for certain projects if the bond amount exceeds $2 billion. Fiscal Impact: State and local fiscal effects are unknown and would depend on which projects are affected by the measure and what actions government agencies and voters take in response to the measure's voting requirement.

- YES
- NO

PROPOSITION 54
LEGISLATURE. LEGISLATION AND PROCEEDINGS. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE. Prohibits Legislature from passing any bill unless published on Internet for 72 hours before vote. Requires Legislature to record its proceedings and post on Internet. Authorizes use of recordings. Fiscal Impact: One-time costs of $1 million to $2 million and ongoing costs of about $1 million annually to record legislative meetings and make videos of those meetings available on the Internet.

- YES
- NO

PROPOSITION 55
TAX EXTENSION TO FUND EDUCATION AND HEALTHCARE. INITIATIVE CONSTITUTIONAL AMENDMENT. Extends by twelve years the temporary personal income tax increases enacted in 2012 on earnings over $250,000, with revenues allocated to K-12 schools, California Community Colleges, and, in certain years, healthcare. Fiscal Impact: Increased state revenues - $4 billion to $9 billion annually from 2019-2030 - depending on economy and stock market. Increased funding for schools, community colleges, health care for low-income people, budget reserves, and debt payments.

- YES
- NO

PROPOSITION 56
CIGARETTE TAX TO FUND HEALTHCARE, TOBACCO USE PREVENTION, RESEARCH, AND LAW ENFORCEMENT. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE. Increases cigarette tax by $2.00 per pack, with equivalent increase on other tobacco products and electronic cigarettes containing nicotine. Fiscal Impact: Additional net state revenue of $1 billion to $1.4 billion in 2017-18, with potentially lower revenues in future years. Revenues would be used primarily to augment spending on health care for low-income Californians.

- YES
- NO

PROPOSITION 57
CRIMINAL SENTENCES. PAROLE. JUVENILE CRIMINAL PROCEEDINGS AND SENTENCING. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE. Allows parole consideration for nonviolent felons. Authorizes sentence credits for rehabilitation, good behavior, and education. Provides juvenile court judge decides whether juvenile will be prosecuted as adult. Fiscal Impact: Net state savings likely in the tens of millions of dollars annually, depending on implementation. Net county costs of likely a few million dollars annually.

- YES
- NO

PROPOSITION 58
ENGLISH PROFICIENCY. MULTILINGUAL EDUCATION. INITIATIVE STATUTE. Preserves requirement that public schools ensure students obtain English language proficiency. Requires school districts to solicit parent/community input in developing language acquisition programs. Requires instruction to ensure English acquisition as rapidly and effectively as possible. Authorizes school districts to establish dual-language immersion programs for both native and non-native English speakers. Fiscal Impact: No notable fiscal effect on school districts or state government.

- YES
- NO

PROPOSITION 59
CORPORATIONS. POLITICAL SPENDING. FEDERAL CONSTITUTIONAL PROTECTIONS. LEGISLATIVE ADVISORY QUESTION. Asks whether California's elected officials should use their authority to propose and ratify an amendment to the federal Constitution overturning the United States Supreme Court decision in *Citizens United v. Federal Election Commission*. *Citizens United* ruled that laws placing certain limits on political spending by corporations and unions are unconstitutional. Fiscal Impact: No direct fiscal effect on state or local governments.

Shall California's elected officials use all of their constitutional authority, including, but not limited to, proposing and ratifying one or more amendments to the United States Constitution, to overturn Citizens United v. Federal Election Commission (2010) 558 U.S. 310, and other applicable judicial precedents, to allow the full regulation or limitation of campaign contributions and spending, to ensure that all citizens, regardless of wealth, may express their views to one another, and to make clear that corporations should not have the same constitutional rights as human beings?

- YES
- NO

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Figure IA.3
Contributions to ballot measure campaigns by category, 2003 - 2018

The figure reports the total amount of money contributed to ballot measure campaigns broken down by measure category over the period 2003 – 2018. All amounts are in 2018 dollars. Areas shaded in grey reflect contributions by individuals, areas shaded in blue reflect contributions by firms, and areas shaded in orange are contributions by all other entities.

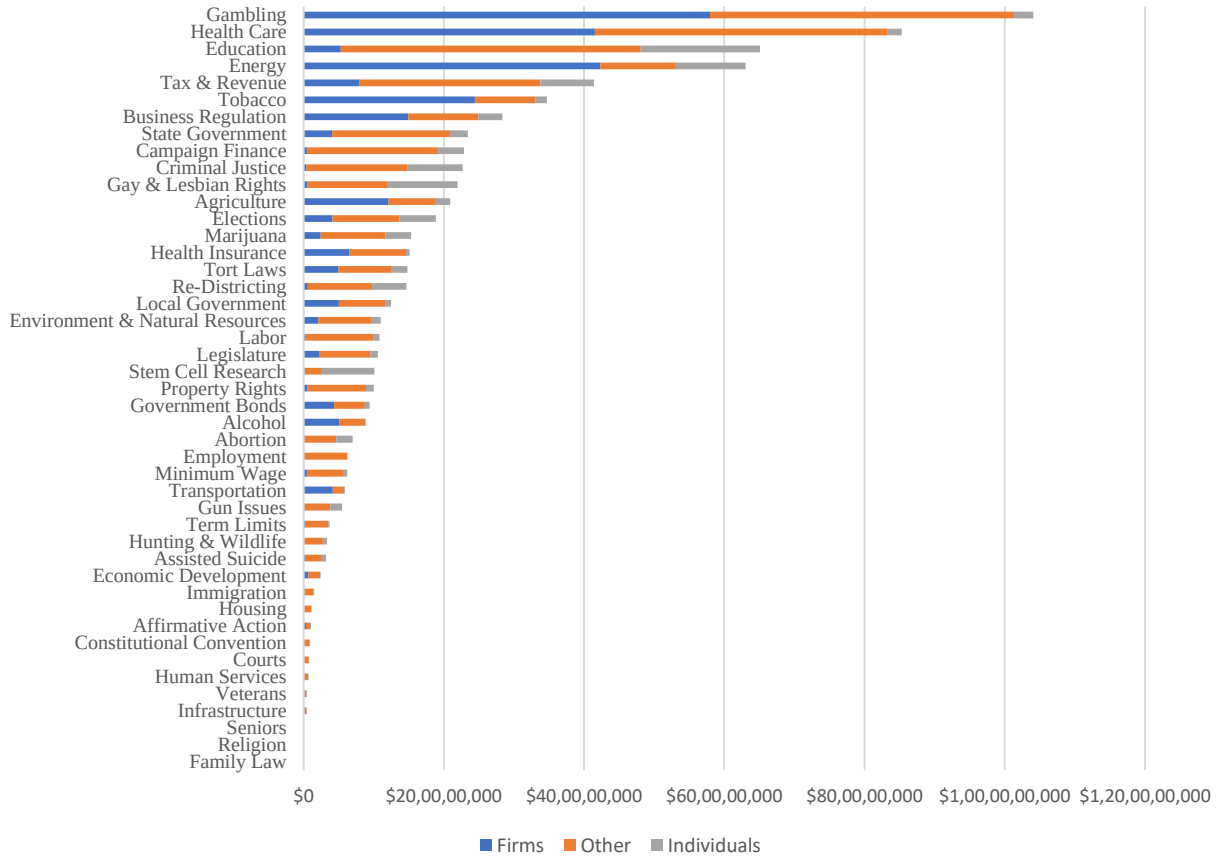
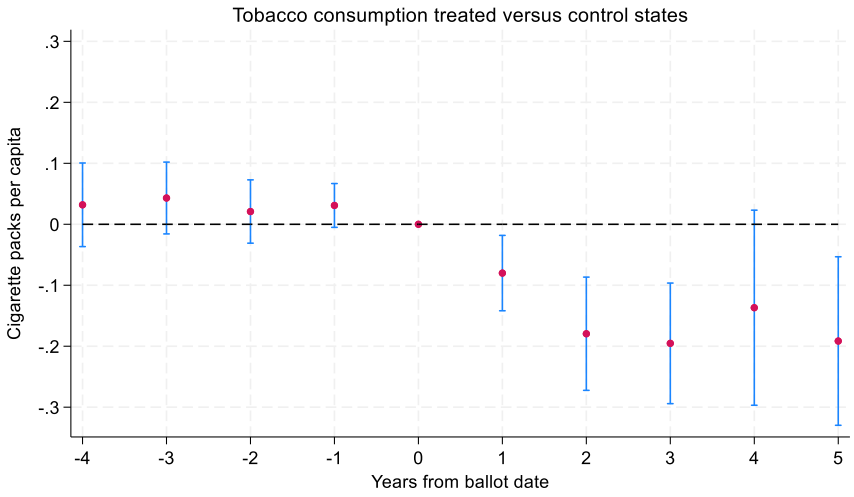


Figure IA.4

The figures show estimates of stacked difference-in-differences regressions of cigarette consumption on treatment and post indicator variables. The dependent variable is cigarette packs per capita consumption normalized by the consumption in the ballot year at the state level. In Panel A, states that passed the tobacco tax increase are CO (2004), MT (2004), OK (2004), and SD (2006). Control states are matched with replacement based on number of tobacco establishments and the state tax in the year of the ballot measures. The control states include AK, MS, ND, and TN. In Panel B, states that passed the tobacco tax increase are CO (2004), MT (2004), OK (2004), and SD (2006). States that failed to pass the tobacco tax increase are CA (2006), MO (2006), and OR (2007). In both panels, the sample includes data from 4 years before to five years after the ballot measure. We estimate stacked regressions of the dependent variables on the interaction between a treatment indicator variable (states that pass a tobacco tax increase, and zero for matched states that do not pass such ballot measure) and event time variables. The figures display the coefficients of the interaction terms. We exclude the year zero from the regression, which serves as the base year. The regressions include state-by-cohort and year-by-cohort fixed effects, and standard errors are clustered by state. The bars in the figures indicate statistical significance at the 90 percent confidence level.

Panel A: Control states are matched based on number of establishments and state tax



Panel B: Control states include states that failed to passed a tobacco tax increase

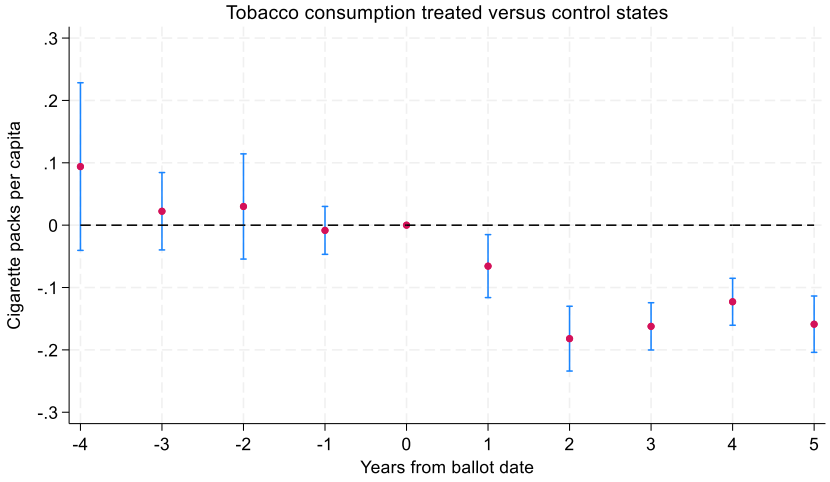
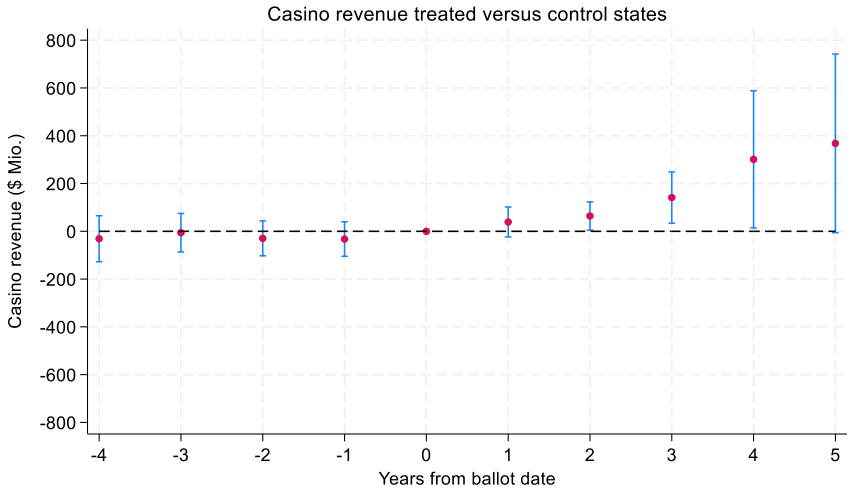


Figure IA.5

The figures show estimates of stacked difference-in-differences regressions of casino revenues on treatment and post indicator variables. The dependent variable is casino revenue at the state level in $ million. In Panel A, states that pass a ballot measure expanding casino activity are CO (2008), MA (2014), MO (2008), OH (2009), OK (2004), RI (2012). Control states are matched with replacement based on GDP per capita, the number of casino establishments, and the number of casino per capita in the ballot year and include AK, AL, DC, IN, MS, NC, and VT. In Panel B, states that pass a ballot measure expanding casino activity are CO (2008), MA (2014), MO (2008), NY (2013), OH (2009), OK (2004), RI (2012). Control states are randomly matched states with no casino ballot measure activity during our sample period and include DE, FL, IA, IL, LA, and MS. In both panels, the sample includes data from 4 years before to five years after the ballot measure. We estimate stacked regressions of the dependent variable on the interaction between a treatment indicator variable (states that pass a ballot measure that expands casino activity in a state, and zero for matched states that do not pass such ballot measure) and event time variables. The figures display the coefficients of the interaction terms. We exclude the year zero from the regression, which serves as the base year. The regressions include state-by-cohort and year-by-cohort fixed effects, and standard errors are clustered by state. The bars in the figures indicate statistical significance at the 90 percent confidence level.

Panel A: As original sample, but excluding NY and AL



Panel B: Control states randomly matched to states with no gambling revenue

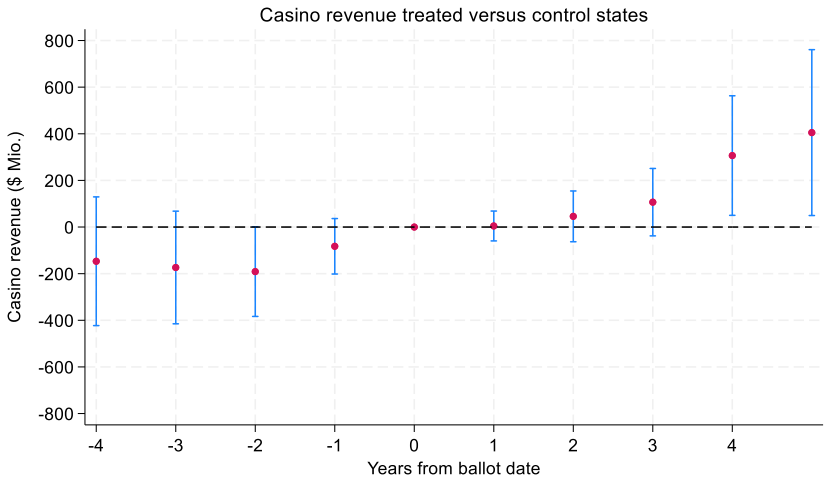
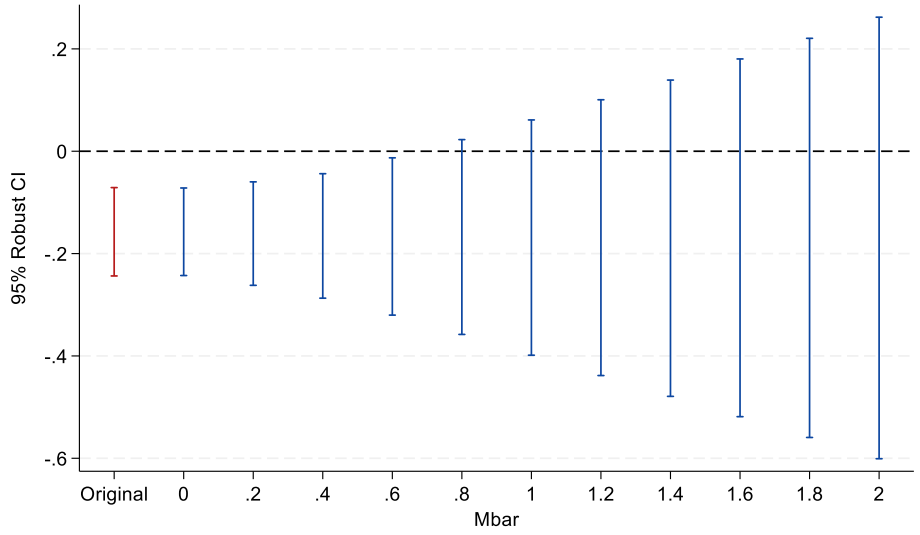


Figure IA.6

This figure shows robust confidence intervals for different values of the constant M based on Rambachan and Roth (2023). The confidence intervals are guaranteed to include the true parameter at least 95% of the time when the restriction imposed is satisfied. Panel A shows the robust confidence intervals for the estimates presented in Panel A of Figure 1 (Tobacco excise tax ballots). Panel B shows the robust confidence intervals for the estimates presented in Panel B of Figure 1 (Gambling expansion ballots).

Panel A: Robust confidence intervals for tobacco consumption



Panel B: Robust confidence intervals for casino revenues

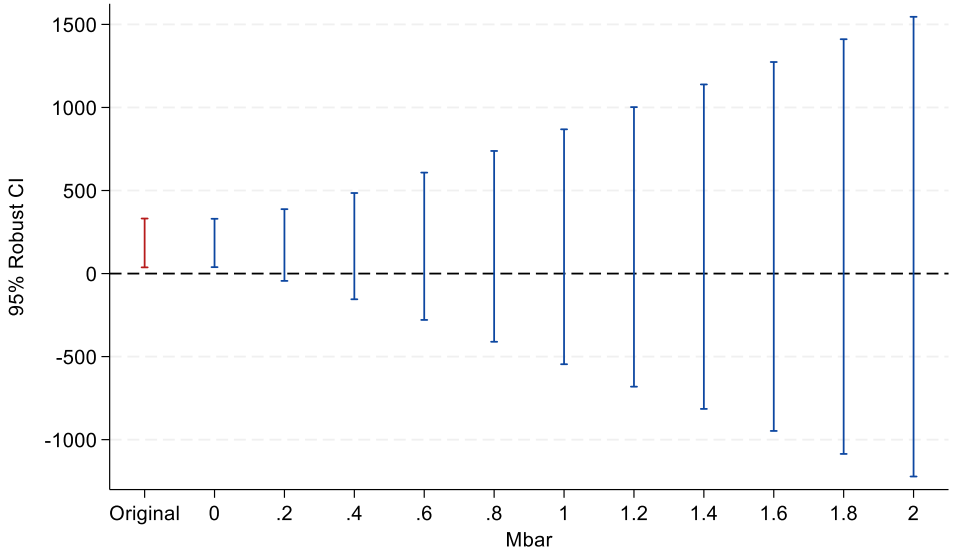
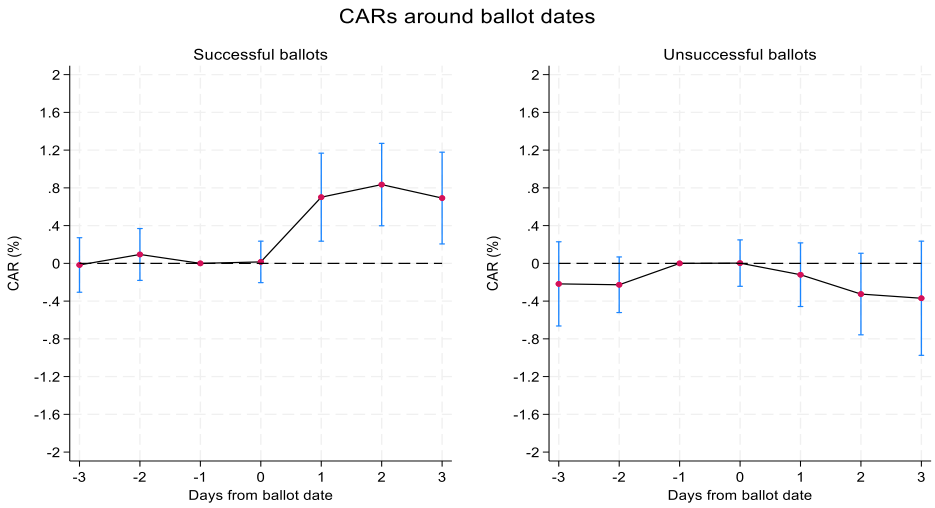


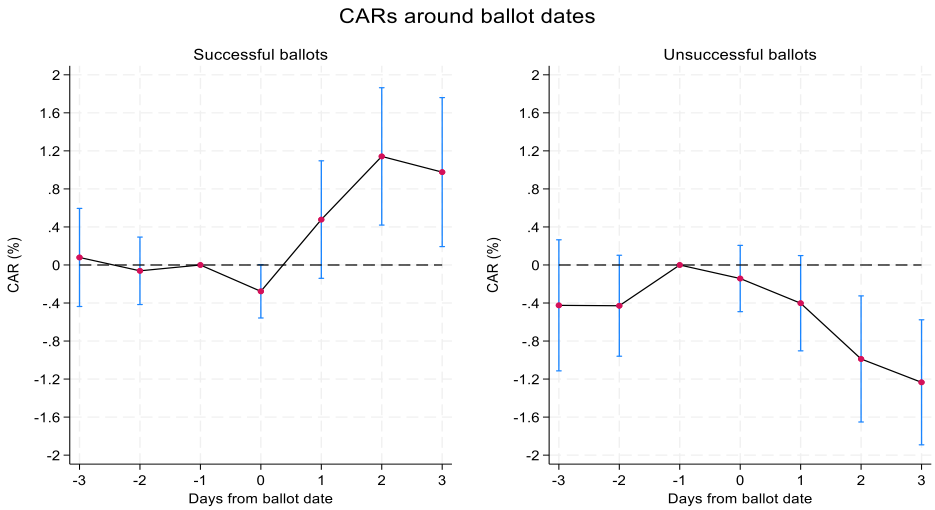
Figure IA.7
Cumulative abnormal returns (CARs) for successful and unsuccessful ballots

This figure shows the cumulative abnormal returns (CARs) and the 95% confidence intervals for different event windows and for different specifications of close elections. Panel A shows results for an event window from three days before to three days after the ballot date, separately for successful and unsuccessful ballots, and with a close election defined as a final voting outcome within (40%, 60%). Panel B shows results for an event window from three days before to three days after the ballot date, separately for successful and unsuccessful ballots, and with a close election defined as a final voting outcome within (45%, 55%). Panels C and D extend the event window to five days before and five days after the election. The point estimates come from a regression of the CARs on event day dummies (day -1 is the base event day), controlling for firm characteristics (log of total assets, book leverage, EBITDA-to-assets, and the book-to-market ratio measured at the end of the fiscal year immediately prior to the ballot date), firm and year fixed effects. Standard errors are clustered at the four-digit SIC industry level.

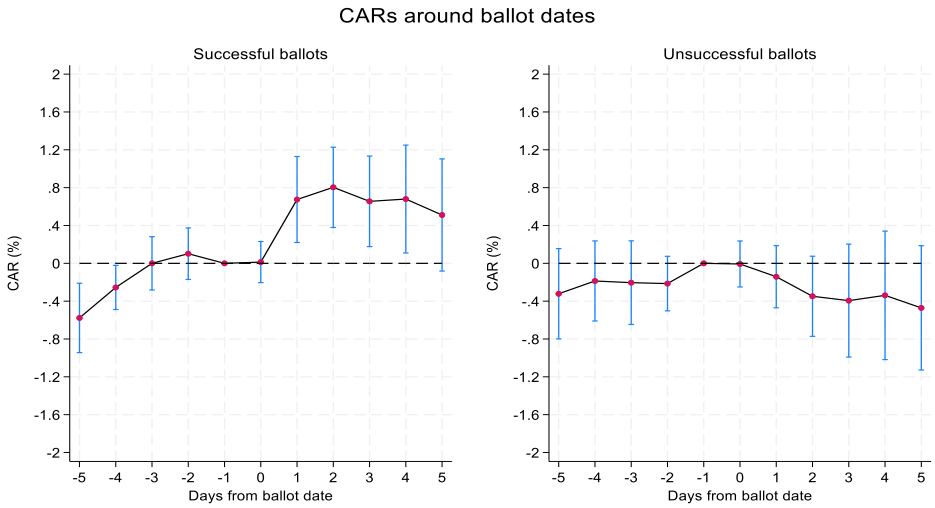
Panel A: -3 to +3 window, ballot measures within 40% and 60%



Panel B: -3 to +3 window, ballot measures within 45% and 55%



Panel C: -5 to +5 window, ballot measures within 40% and 60%



Panel D: -5 to +5 window, ballot measures within 45% and 55%

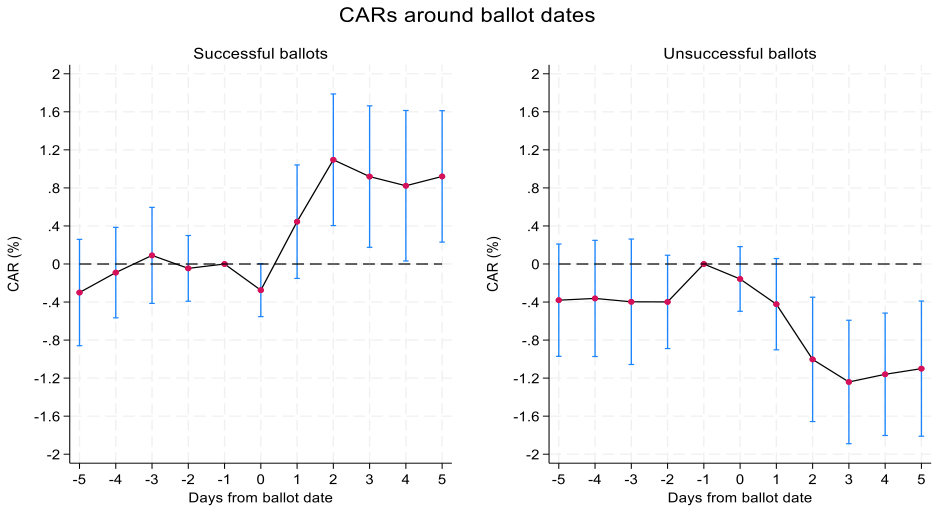


Table IA.1: Firm contributions to ballot measure campaigns, 2003 – 2018

The table reports the annual number of firms making contributions to ballot measure campaigns in our sample. The sample includes firms making at least $100,000 in total contributions to ballot measure committees over the period 2003 – 2018. We further restrict our sample to ballot measure campaigns that receive at least $100,000 in corporate money. The final sample includes 432 unique firms making 7,510 contributions to 417 ballot measure committees totaling $1.765 billion. All monetary contributions are in December 2018 dollars.

Year	Number of firm / ballot measure committees	Number of supported ballot measure committees	Total amount contributed by firms
2003	181	27	$19,237,859
2004	370	44	$80,127,027
2005	246	26	$109,287,722
2006	274	48	$212,371,304
2007	52	11	$22,926,260
2008	142	34	$181,469,909
2009	123	21	$30,954,941
2010	193	31	$113,960,427
2011	27	9	$28,861,454
2012	144	29	$222,563,440
2013	94	15	$39,417,539
2014	128	23	$100,611,887
2015	48	11	$44,763,152
2016	220	29	$220,143,128
2017	45	12	$5,239,076
2018	273	47	$333,190,373
Total	2,560	417	$1,765,125,498

Table IA.2: Spending on ballot measures, federal, and state elections, by industry, 2003 – 2018

The data on ballot measure and state election spending is from the National Institute on Money in Politics. The data on federal election spending is from the Federal Election Commission's *Contributions from Committees to Candidates & Independent Expenditures* file. All figures are in December 2018 dollars.

	Total amount, in thousands, spent on		
Fama-French 49 Industry	Ballot measures	Federal elections	State elections
Entertainment	$288,878	$5,794	$13,501
Tobacco Products	$287,361	$12,597	$27,305
Petroleum and Natural Gas	$205,139	$48,982	$39,319
Utilities	$191,245	$85,250	$54,254
Pharmaceutical Products	$176,115	$67,450	$55,598
Healthcare	$102,455	$18,742	$4,229
Retail	$82,583	$48,431	$28,991
Insurance	$67,932	$74,480	$40,879
Communication	$47,143	$81,757	$96,569
Agriculture	$26,076	$2,467	$4,117
Beer & Liquor	$25,328	$13,135	$11,454
Trading	$24,899	$47,080	$2,429
Food products	$23,947	$13,573	$1,124
Candy & Soda	$22,002	$4,899	$5,244
Banking	$10,197	$85,933	$6,826
Chemicals	$9,565	$18,601	$28,552
Construction	$9,071	$7,880	$2,864
Medical Equipment	$7,300	$18,089	$1,521
Precious Metals	$6,765	$1,329	$5,366
Restaurants, Hotels, Motels	$5,752	$15,587	$200
Computer Software	$5,034	$33,304	$4,511
Automobiles and Trucks	$4,634	$18,674	$7,510
Computers	$3,677	$9,796	$6,138
Electronic Equipment	$2,994	$51,269	$2,839
Non-Metallic and Industrial Metal Mining	$2,691	$3,322	$2,332
Construction Materials	$2,428	$9,722	$688
Wholesale	$2,056	$16,039	$3,038
Machinery	$1,884	$19,674	$2,419
Consumer Goods	$1,588	$6,500	$5,116
Business Services	$1,462	$15,695	$424
Transportation	$1,253	$75,856	$19,991
Other	$831	$3,807	$514
Personal Services	$802	$6,372	$3,009
Business Supplies	$745	$8,227	$3,262
Aircraft	$713	$40,338	$1,619
Steel Works	$683	$4,373	$2,236
Apparel	$570	$756	$138
Shipping Containers	$377	$2,293	
Real Estate	$349	$273	$414
Defense	$226	$22,741	$609
Electrical Equipment	$169	$3,418	$208
Shipbuilding, Railroad Equipment	$152	$1,006	$645
Printing and Publishing	$119	$1,316	
Fabricated Products	$0	$0	
Recreation	$0	$525	
Rubber and Plastic Products	$0	$319	
Textiles	$0	$61	
Coal	$0	$5,598	
Total	**$1,655,189**	**$1,036,861**	**$498,002**

Table IA3: Correlations between log-contributions and subsequent poll changes

The table shows the correlation between log-contributions to ballot measure campaigns and subsequent poll changes for 54 ballot measure campaigns with repeated polls. Panel A presents the results for opposition campaigns. Panel B presents the results for support campaigns. Δ Margin is the change in the percentage of respondents in favor of the ballot measure less the percentage of respondents against the ballot measure between successive polls. Δ For is the change in the percentage of respondents in favor of the ballot measure between successive polls. Δ Against is the change in the percentage of respondents against the ballot measure between successive polls. Δ Undecided is the change in the percentage of respondents who are undecided about the ballot measure between successive polls. Log-contributions is the natural logarithm of firm contributions to the opposition campaigns (panel A) and to the support campaigns (panel B) between successive polls. P-values are in parentheses.

Variable	Correlation with log-contributions (p-values in parentheses)
Panel A: Opposition campaigns	
Δ Margin (i.e., $(\text{for} - \text{against})_{t+1} - (\text{for} - \text{against})_t$)	-0.524
	(0.004)
Δ For (i.e., $(\text{for})_{t+1} - (\text{for})_t$)	-0.528
	(0.003)
Δ Against (i.e., $(\text{against})_{t+1} - (\text{against})_t$)	0.410
	(0.027)
Δ Undecided (i.e. $(\text{undecided})_{t+1} - (\text{undecided})_t$)	0.111
	(0.566)
Panel B: Support campaigns	
Δ Margin (i.e., $(\text{for} - \text{against})_{t+1} - (\text{for} - \text{against})_t$)	0.129
	(0.566)
Δ For (i.e., $(\text{for})_{t+1} - (\text{for})_t$)	0.079
	(0.728)
Δ Against (i.e., $(\text{against})_{t+1} - (\text{against})_t$)	-0.168
	(0.456)
Δ Undecided (i.e. $(\text{undecided})_{t+1} - (\text{undecided})_t$)	0.083
	(0.714)

Table IA.4
Diff-in-diff regression results for tobacco tax increase and gaming ballots: Robustness

The table shows estimates of stacked difference-in-differences regressions of cigarette consumption and casino revenue on treatment × post indicator variables. In columns 1 and 2, the dependent variable is cigarette packs per capita consumption normalized by the consumption in the ballot year at the state level. In columns 3 and 4, the dependent variable is casino revenue at the state level. In columns 1 and 2, the treatment indicator variable equals one for states that pass a tobacco tax increase, and zero for states that do not pass a tobacco tax increase. States that passed the tobacco tax increase are CO (2004), MT (2004), OK (2004), and SD (2006). Control states are matched based on GDP per capita, the number of tobacco establishments, and the number of establishments per capita in the ballot year and include HI, ID, and ND. In columns 3 and 4, the treatment indicator equals one for states that pass a ballot measure that expands casino activity in a state, and zero for states that do not pass such ballot measure. States that pass a ballot measure expanding casino activity are CO (2008), MA (2014), MO (2008), NY (2013), OH (2009), OK (2004), RI (2012). Control states are matched based on GDP per capita, the number of casino establishments, and the number of casino per capita in the ballot year and include AK, AL, DC, IN, MS, NC, and VT. In both panels, the sample includes data from 4 years before to five years after the ballot measure. Post is an indicator variable that equals one for the years after the ballot measure passed, and zero otherwise. All regressions include state-by-cohort and year-by-cohort fixed effects. Standard errors, reported in parentheses, are robust in columns 1 and 3, and robust to heteroskedasticity and clustered by year in columns 2 and 4. Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

	(1)	(2)	(3)	(4)
Dependent variable:	Cigarette packs		Casino revenue	
Treatment × Post	-0.175***	-0.175**	257.397***	257.397***
	(0.024)	(0.029)	(61.183)	(50.240)
Standard errors	Robust	Cl by year	Robust	Cl by year
Year-by-cohort FE	Yes	Yes	Yes	Yes
State-by-cohort FE	Yes	Yes	Yes	Yes
Observations	118	118	658	658
Adjusted R2	0.79	0.78	0.98	0.98

Table IA.5
Revenue losses caused by cigarette excise taxes

The table shows our estimates of the losses resulting from all successful ballot initiatives to increase the tobacco tax. Data on packs / capita and price / pack come from Orzechowski and Walker (2020). Population estimates are from the NBER US Intercensal Population by County and State database. All three variables are measured at two points in time; t = 0 is the year of the passage of the tax increase ballot measure and t = 2 is the second year after the increase. The predicted decrease in packs / capita is an estimate of the decline in tobacco consumption. It is equal to the two-year decline in packs / capita in states in which a tobacco excise ballot measure failed. The actual revenue loss is calculated as $\text{Population}_{t=2} \left(\frac{\text{Packs}}{\text{capita}}\right)_{t=2} \text{x} \left(\frac{\text{Price}}{\text{pack}}\right)_{t=2} - \text{Population}_{t=0} \left(\frac{\text{Packs}}{\text{capita}}\right)_{t=0} \text{x} \left(\frac{\text{Price}}{\text{pack}}\right)_{t=0}$. The predicted revenue loss is calculated as $\text{population}_{t=2} \left(\left(\frac{\text{Packs}}{\text{capita}}\right)_{t=0} - \text{predicted decrease}\right) \text{x} \left(\frac{\text{Price}}{\text{pack}}\right)_{t=2} - \text{Population}_{t=0} \left(\frac{\text{Packs}}{\text{capita}}\right)_{t=0} \text{x} \left(\frac{\text{Price}}{\text{pack}}\right)_{t=0}$.

State	Year	$\text{Population}_{t=0}$	$\text{Population}_{t=2}$	$\left(\frac{\text{Packs}}{\text{capita}}\right)_{t=0}$	$\left(\frac{\text{Packs}}{\text{capita}}\right)_{t=2}$	Actual decrease	Pred. decrease	$\left(\frac{\text{Price}}{\text{pack}}\right)_{t=0}$	$\left(\frac{\text{Price}}{\text{pack}}\right)_{t=2}$	Actual revenue loss	Predicted revenue loss
AZ	2002	5,452,108	5,759,425	52.00	42.50	9.5	4.86	$2.11	$2.22	$55,254,538.12	$25,318,111.82
AZ	2006	6,192,100	6,499,377	42.20	31.80	10.4	3.94	$2.57	$2.85	$83,966,799.51	$32,564,348.24

CO	2004	4,599,681	4,753,044	60.70	53.10	7.6	5.67	$2.63	$2.59	$80,768,480.42	$46,366,506.00
MT	2004	925,887	946,230	68.00	51.60	16.4	6.35	$2.64	$2.61	$38,475,721.27	$12,208,990.99
OK	2004	3,514,449	3,574,334	101.60	87.20	14.4	9.49	$2.41	$2.42	$104,729,356.25	$67,062,216.92
SD	2006	788,519	804,532	69.20	49.50	19.7	6.46	$2.39	$2.46	$32,140,819.96	$9,771,503.86
CA	2016	39,167,117	39,461,588	22.00	16.60	5.4	2.05	$3.45	$3.69	$558,342,843.14	$257,473,284.78
								Total		$953,678,558.67	$450,764,962.63

Table IA.6: Equity analyst sales forecast changes around ballot measure initiatives: Robustness

The table shows estimates of regressions of sales growth forecasts on an indicator variable equal to one for ballot measures that expand business activity, and zero otherwise. The regressions include firm characteristics and election controls. The sample is the analyst-firm level. Columns 2 and 4 only use successful ballot measures. All regressions include ballot date fixed effects. Columns 1 and 2 include four-digit SIC industry fixed effects. Columns 3 and 4 include firm fixed effects. Standard errors, reported in parentheses, are robust to heteroskedasticity and clustered at the four-digit SIC industry level. Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

	(1)	(2)	(3)	(4)
Dependent variable: Sales forecast growth				
Business expansion	0.019*	0.025***	0.021**	0.034***
	(0.010)	(0.009)	(0.010)	(0.010)
Log(total assets)	0.000	0.001	-0.020**	-0.017
	(0.003)	(0.002)	(0.008)	(0.014)
Leverage	-0.058***	-0.092***	-0.119***	-0.109**
	(0.022)	(0.029)	(0.031)	(0.054)
EBITDA-to-assets	-0.105**	-0.108***	-0.039	-0.100
	(0.050)	(0.039)	(0.057)	(0.093)
Market-to-book ratio	0.013**	0.013***	-0.005	0.001
	(0.005)	(0.005)	(0.004)	(0.006)
Ballot date FE	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	No	No
Firm FE	No	No	Yes	Yes
Election controls	Yes	Yes	Yes	Yes
Observations	6,490	4,558	6,486	4,553
Adjusted R2	0.28	0.34	0.38	0.44

Table IA.7
Robustness: CARs [0; +1], between 45% and 55% of the votes received

The table presents cumulative abnormal returns (CARs) over the [0; + 1] event window for different ballot measure types, split by successful and failed campaigns. Panel A presents [0; +1] CARs for all votes; Panel B presents [0; +1] CARs for close contests. A close contest is defined as a ballot measure that received between 45% and 55% of the votes. Direct initiated state initiatives are all citizen-initiated proposals that are placed on the election ballot once the minimum required number of citizen signatures is collected (Ballotpedia codes = CICA, CISS, ITP, VR). Indirect initiated state initiatives are all citizen-initiated proposals that are sent to the state legislature for a vote once the minimum required number of citizen signatures is collected (Ballotpedia codes = ITL, IndISS, IndiCA). Legislative proposals are statutes and constitutional amendments that are voted on by the state legislature to be put on the election ballot (Ballotpedia codes = LRCA, LRSS, CR). Standard errors, reported in parentheses, are robust to heteroskedasticity and clustered by four-digit SIC industry. The numbers in square brackets are the number of firm-ballot measure observations for each category of ballot measures. Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Panel A: CARs [0; +1] for all votes								
Direct initiated state initiatives	0.328***	-0.155	0.370***	-0.462**	0.169	0.061	0.145	NA
	(0.109)	(0.157)	(0.128)	(0.206)	(0.273)	(0.238)	(0.362)	
	[919]	[344]	[729]	[142]	[190]	[202]	[132]	
Indirect initiated state initiatives	0.278	0.581	0.260	0.733	0.509	0.454	0.659*	NA
	(0.362)	0.580)	(0.387)	(0.695)	(0.180)	(0.619)	(0.096)	
	[72]	[33]	[67]	[15]	[5]	[18]	[4]	
Legislative proposals	-0.055	-0.292	0.459	-0.344	-0.065	-0.289	-0.025	NA
	(0.120)	(0.263)	(0.331)	(0.649)	(0.121)	(0.283)	(0.204)	
	[380]	[340]	[7]	[15]	[373]	[325]	[199]	
Panel B: CARs [0; +1] for close contests								
Direct initiated state initiatives	0.356	-0.482	0.439	-0.733	-0.024	-0.238	-0.036	NA
	(0.266)	(0.288)	(0.313)	(0.482)	(0.327)	(0.390)	(0.264)	
	[195]	[87]	[160]	[43]	[35]	[44]	[20]	
Indirect initiated state initiatives	1.120***	-0.036	1.187***	-0.036	NA	NA	NA	NA
	(0.276)	(1.340)	(0.277)	(1.340)				
	[19]	[4]	[18]	[4]				
Legislative proposals	0.283	0.106	NA	0.806	0.283	0.044	0.382	NA
	(0.302)	(0.385)		(1.150)	(0.302)	(0.407)	(0.317)	
	[72]	[37]		[3]	[72]	[34]	[65]	

Table IA.8
Robustness: CARs [0; +2], between 45% and 55% of the votes received. Bootstrapped standard errors and portfolio returns

The table presents cumulative abnormal returns (CARs) over the [0; + 2] event window for direct initiated state initiatives (Ballotpedia codes = CICA, CISS, ITP, VR), split by successful and failed campaigns, for close contests. A close contest is defined as a ballot measure that received between 45% and 55% of the votes. In Panel A, standard errors are bootstrapped, clustered by four-digit SIC industry, and reported in parentheses below the CARs. Panel B reports average CARs for equal-weighted portfolios. Panel C reports average CARs for value-weighted portfolios. Portfolios are constructed at the ballot date-four-digit SIC industry level, and the variances of portfolio CARs are estimated following MacKinlay (1997). The number in square brackets is the number of firm-ballot measure observations (Panel A) or the number of portfolios (Panel B and Panel C). Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

Panel A: Standard errors bootstrapped and clustered at four-digit SIC industry level

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state initiatives	0.925***	-1.231***	0.923**	-1.637**	0.932*	-0.836	0.787	NA
	(0.284)	(0.428)	(0.337)	(0.690)	(0.541)	(0.604)	(0.746)	
	[195]	[87]	[160]	[43]	[35]	[44]	[20]	

Panel B: Cumulative abnormal returns for portfolios – equal-weighted

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state initiatives	0.988***	-1.229**	0.743***	-2.284**	1.698**	-0.368	1.333*	
	(0.236)	(0.521)	(0.240)	(1.071)	(0.649)	(0.363)	(0.790)	
	[138]	[69]	[111]	[31]	[29]	[38]	[15]	

Panel C: Cumulative abnormal returns for portfolios – value-weighted

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state initiatives	1.058***	-1.248**	0.827***	-2.320**	1.734**	-0.386	1.403*	
	(0.234)	(0.517)	(0.238)	(1.064)	(0.647)	(0.366)	(0.786)	
	[138]	[69]	[111]	[31]	[29]	[38]	[15]	

Table IA.9
Robustness: CARs [0; +1], between 45% and 55% of the votes received. Bootstrapped standard errors and portfolio returns

The table presents cumulative abnormal returns (CARs) over the [0; + 1] event window for direct initiated state initiatives (Ballotpedia codes = CICA, CISS, ITP, VR), split by successful and failed campaigns, for close contests. A close contest is defined as a ballot measure that received between 45% and 55% of the votes. In Panel A, standard errors are bootstrapped, clustered by four-digit SIC industry, and reported in parentheses below the CARs. Panel B reports average CARs for equal-weighted portfolios. Panel C reports average CARs for value-weighted portfolios. Portfolios are constructed at the ballot date-four-digit SIC industry level, and the variances of portfolio CARs are estimated following MacKinlay (1997). The number in square brackets is the number of firm-ballot measure observations (Panel A) or the number of portfolios (Panel B and Panel C). Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

Panel A: Standard errors bootstrapped and clustered at four-digit SIC industry level

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state initiatives	0.356	-0.482	0.439*	-0.733	-0.024	-0.238	-0.036	NA
	(0.235)	(0.309)	(0.260)	(0.455)	(0.349)	(0.396)	(0.319)	
	[195]	[87]	[160]	[43]	[35]	[44]	[20]	

Panel B: Cumulative abnormal returns for portfolios – equal-weighted

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state initiatives	0.364*	-0.478	0.453**	-1.118	0.024	0.043	0.582**	NA
	(0.193)	(0.426)	(0.196)	(0.874)	(0.530)	(0.297)	(0.295)	
	[138]	[69]	[111]	[31]	[29]	[38]	[15]	

Panel C: Cumulative abnormal returns for portfolios – value-weighted

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state initiatives	0.422**	-0.500	0.522**	-1.174	0.051	0.030	0.526*	
	(0.191)	(0.422)	(0.194)	(0.869)	(0.528)	(0.298)	(0.286)	
	[138]	[69]	[111]	[31]	[29]	[38]	[15]	

Table IA.10
Robustness: CARs [0; +2], between 40% and 60% of the votes received

The table presents cumulative abnormal returns (CARs) over the [0; + 2] event window for different ballot measure types, split by successful and failed campaigns. Panel A presents [0; +2] CARs for all votes, and Panel B presents [0; +2] CARs for close contests. A close contest is defined as a ballot measure that received between 40% and 60% of the votes. Direct initiated state initiatives are all citizen-initiated proposals that are placed on the election ballot once the minimum required number of citizen signatures is collected (Ballotpedia codes = CICA, CISS, ITP, VR). Indirect initiated state initiatives are all citizen-initiated proposals that are sent to the state legislature for a vote once the minimum required number of citizen signatures is collected (Ballotpedia codes = ITL, IndISS, IndiCA). Legislative proposals are statutes and constitutional amendments that are voted on by the state legislature to be put on the election ballot (Ballotpedia codes = LRCA, LRSS, CR). Standard errors, reported in parentheses, are robust to heteroskedasticity and clustered by four-digit SIC industry. The numbers in square brackets are the number of firm-ballot measure observations for each category of ballot measures. Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Panel A: CARs [0; +2] for all votes								
Direct initiated state initiatives	0.351*	-0.221	0.248	-0.650**	0.748***	0.081	0.786***	NA
	(0.183)	(0.208)	(0.206)	(0.341)	(0.275)	(0.283)	(0.349)	
	[919]	[344]	[729]	[142]	[190]	[202]	[132]	
Indirect initiated state initiatives	0.031	0.088	0.018	-0.241	0.197	0.362	0.702	NA
	(0.405)	0.591)	(0.431)	(0.734)	(0.703)	(0.633)	(0.263)	
	[72]	[33]	[67]	[15]	[5]	[18]	[4]	
Legislative proposals	-0.220	-0.497	1.374*	0.643	-0.249	-0.550	-0.316	NA
	(0.160)	(0.331)	(0.661)	(1.474)	(0.156)	(0.355)	(0.245)	
	[380]	[340]	[7]	[15]	[373]	[325]	[199]	
Panel B: CARs [0; +2] for close contests								
Direct initiated state initiatives	0.613***	-0.425*	0.467*	-1.067***	0.953***	-0.038	0.876**	NA
	(0.223)	(0.230)	(0.273)	(0.388)	(0.313)	(0.293)	(0.372)	
	[508]	[282]	[355]	[106]	[153]	[176]	[110]	
Indirect initiated state initiatives	0.651	0.030	0.734	-0.551	-1.821	0.465	N/A	NA
	(0.621)	(0.695)	(0.636)	(1.290)	(NA)	(0.827)		
	[31]	[14]	[30]	[6]	[1]	[8]		
Legislative proposals	0.035	0.561	2.514	2.840	-0.010	0.394	0.084	NA
	(0.362)	(0.612)	(NA)	(3.322)	(0.342)	(0.600)	(0.417)	
	[112]	[43]	[2]	[3]	[110]	[40]	[78]	

Table IA.11
Robustness: CARs [0; +1], between 40% and 60% of the votes received

The table presents cumulative abnormal returns (CARs) over the [0; + 1] event windows for different ballot measure types, split by successful and failed campaigns. Panel A presents [0; +1] CARs for all votes; Panel B presents [0; +1] CARs for close contests. A close contest is defined as a ballot measure that received between 40% and 60% of the votes. Direct initiated state initiatives are all citizen-initiated proposals that are placed on the election ballot once the minimum required number of citizen signatures is collected (Ballotpedia codes = CICA, CISS, ITP, VR). Indirect initiated state initiatives are all citizen-initiated proposals that are sent to the state legislature for a vote once the minimum required number of citizen signatures is collected (Ballotpedia codes = ITL, IndISS, IndiCA). Legislative proposals are statutes and constitutional amendments that are voted on by the state legislature to be put on the election ballot (Ballotpedia codes = LRCA, LRSS, CR). Standard errors, reported in parentheses, are robust to heteroskedasticity and clustered by four-digit SIC industry. The numbers in square brackets are the number of firm-ballot measure observations for each category of ballot measures. Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Panel A: CARs [0; +1] for all votes								
Direct initiated state initiatives	0.328***	-0.155	0.370***	-0.462**	0.169	0.061	0.145	NA
	(0.109)	(0.157)	(0.128)	(0.206)	(0.273)	(0.238)	(0.362)	
	[919]	[344]	[729]	[142]	[190]	[202]	[132]	
Indirect initiated state initiatives	0.278	0.581	0.260	0.733	0.509	0.454	0.659	NA
	(0.362)	0.580)	(0.387)	(0.695)	(0.180)	(0.619)	(0.096)	
	[72]	[33]	[67]	[15]	[5]	[18]	[4]	
Legislative proposals	-0.055	-0.292	0.459	-0.344	-0.065	-0.289	-0.025	NA
	(0.120)	(0.263)	(0.331)	(0.649)	(0.121)	(0.283)	(0.204)	
	[380]	[340]	[7]	[15]	[373]	[325]	[199]	
Panel B: CARs [0; +1] for close contests								
Direct initiated state initiatives	0.560***	-0.209	0.642***	-0.548**	0.371	-0.005	0.279	NA
	(0.187)	(0.163)	(0.209)	(0.227)	(0.330)	(0.235)	(0.417)	
	[508]	[282]	[355]	[106]	[153]	[176]	[110]	
Indirect initiated state initiatives	1.285***	-0.052	1.331***	0.327	-0.089	-0.335	NA	NA
	(0.425)	(0.653)	(0.437)	(0.919)	(NA)	(0.949)		
	[31]	[14]	[30]	[6]	[1]	[8]		
Legislative proposals	0.238	0.595	0.966	0.806	0.225	0.580	0.387	NA
	(0.248)	(0.508)	(NA)	(1.149)	(0.248)	(0.543)	(0.310)	
	[112]	[43]	[2]	[3]	[110]	[40]	[78]	

Table IA.12
Robustness: CARs [0; +2], between 40% and 60% of the votes received. Bootstrapped standard errors and portfolio returns

The table presents cumulative abnormal returns (CARs) over the [0; + 2] event window for direct initiated state initiatives (Ballotpedia codes = CICA, CISS, ITP, VR), split by successful and failed campaigns, for close contests. A close contest is defined as a ballot measure that received between 40% and 60% of the votes. In Panel A, standard errors are bootstrapped, clustered by four-digit SIC industry, and reported in parentheses below the CARs. Panel B reports average CARs for equal-weighted portfolios. Panel C reports average CARs for value-weighted portfolios. Portfolios are constructed at the ballot date-four-digit SIC industry level, and the variances of portfolio CARs are estimated following MacKinlay (1997). The number in square brackets is the number of firm-ballot measure observations (Panel A) or the number of portfolios (Panel B and Panel C). Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

Panel A: Standard errors bootstrapped and clustered at four-digit SIC industry level

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state initiatives	0.613***	-0.425*	0.467*	-1.067***	0.953***	-0.038	0.876**	NA
	(0.212)	(0.225)	(0.268)	(0.405)	(0.270)	(0.262)	(0.348)	
	[508]	[282]	[355]	[106]	[153]	[176]	[110]	

Panel B: Cumulative abnormal returns for portfolios – equal-weighted

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state initiatives	0.576***	-0.612**	0.247	-1.418***	1.197***	-0.003	1.053***	
	(0.169)	(0.254)	(0.193)	(0.534)	(0.305)	(0.264)	(0.362)	
	[298]	[183]	[224]	[67]	[98]	[123]	[72]	

Panel C: Cumulative abnormal returns for portfolios – value-weighted

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state initiatives	0.636***	-0.397	0.354	-1.471***	1.047***	0.048	0.974***	
	(0.165)	(0.240)	(0.191)	(0.528)	(0.297)	(0.260)	(0.350)	
	[298]	[183]	[224]	[67]	[98]	[123]	[72]	

Table IA.13
Robustness: CARs [0; +1], between 40% and 60% of the votes received. Bootstrapped standard errors and portfolio returns

The table presents cumulative abnormal returns (CARs) over the [0; + 1] event window for direct initiated state initiatives (Ballotpedia codes = CICA, CISS, ITP, VR), split by successful and failed campaigns, for close contests. A close contest is defined as a ballot measure that received between 40% and 60% of the votes. In Panel A, standard errors are bootstrapped, clustered at the four-digit SIC industry level, and reported in parentheses below the CARs. Panel B reports average CARs for equal-weighted portfolios. Panel C reports average CARs for value-weighted portfolios. Portfolios are constructed at the ballot date-four-digit SIC industry level, and the variances of portfolio CARs are estimated following MacKinlay (1997). The number in square brackets is the number of firm-ballot measure observations (Panel A) or the number of portfolios (Panel B and Panel C). Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

Panel A: Standard errors bootstrapped and clustered at four-digit SIC industry level

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state initiatives	0.560***	-0.209	0.642***	-0.548**	0.371	-0.005	0.279	NA
	(0.195)	(0.180)	(0.212)	(0.230)	(0.294)	(0.208)	(0.352)	
	[508]	[282]	[355]	[106]	[153]	[176]	[110]	

Panel B: Cumulative abnormal returns for portfolios – equal-weighted

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state initiatives	0.646***	-0.272	0.655***	-0.699	0.604**	0.131	0.582**	NA
	(0.138)	(0.208)	(0.158)	(0.436)	(0.249)	(0.215)	(0.295)	
	[298]	[183]	[224]	[67]	[98]	[123]	[72]	

Panel C: Cumulative abnormal returns for portfolios – value-weighted

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state initiatives	0.607***	-0.119	0.643***	-0.691	0.483**	0.163	0.526*	
	(0.134)	(0.196)	(0.156)	(0.431)	(0.242)	(0.212)	(0.286)	
	[298]	[183]	[224]	[67]	[98]	[123]	[72]	

Table IA.14
Robustness: CARs [0; +2], between 45% and 55% of the votes received. Alternative return measures

The table presents cumulative abnormal returns (CARs) over the [0; + 2] event window for direct initiated state initiatives (Ballotpedia codes = CICA, CISS, ITP, VR), split by successful and failed campaigns, for close contests. A close contest is defined as a ballot measure that received between 45% and 55% of the votes. Panel A reports raw returns. Panel B reports CARs from a four factor model. Panel C report excess CARs relative to returns from Fama-French 49 industries. Standard errors are clustered by four-digit SIC industry and reported in parentheses below the CARs. The number in square brackets is the number of firm-ballot measure observations. Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

Panel A: Raw returns

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state	1.769***	-2.877***	1.583***	-4.161***	2.624***	-1.622**	3.277***	NA
initiatives	(0.394)	(0.553)	(0.452)	(0.799)	(0.745)	(0.768)	(0.868)	
	[195]	[87]	[160]	[43]	[35]	[44]	[20]	

Panel B: Four-factor model

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state	0.876**	-1.150***	0.986**	-1.541**	0.372	-0.768	0.719	NA
initiatives	(0.372)	(0.395)	(0.429)	(0.659)	(0.581)	(0.570)	(0.664)	
	[195]	[87]	[160]	[43]	[35]	[44]	[20]	

Panel C: Excess returns relative to Fama-French 49 industries

	All campaigns		Opp campaigns		Support campaigns		Support and Expansion	
	Succ.	Fail	Succ.	Fail	Succ.	Fail	Succ.	Fail
Direct initiated state	0.216	-1.062***	0.030	-1.329**	1.065*	-0.801*	0.860	
initiatives	(0.249)	(0.295)	(0.274)	(0.600)	(0.582)	(0.454)	(0.654)	
	[195]	[87]	[160]	[43]	[35]	[44]	[20]	

Table IA.15
Robustness: CARs [0; +2] regression results for contributing firms and peers, value-weighted success measure, between 45% and 55% of the votes received

The table presents regressions of cumulative abnormal returns (CARs) on a measure of ballot success, firm, and election control variables. The sample consists of firms that contributed to direct initiated state initiatives in close contests (columns 1-3) and firms from the same industries that did not contribute (columns 4-6). The dependent variable is the CAR over the [0; + 2] event window. Both, the dependent and independent variables are aggregated to the industry-ballot date level. A close contest is defined as a ballot measure that receives between 45% and 55% of the votes. The value-weighted ballot success weighs each success and failure by the fraction of the total contributions that was spent on each measure. Standard errors reported in parentheses, are robust to heteroskedasticity and clustered by four-digit SIC industry. Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

	Contributing firms			Peer firms		
	(1)	(2)	(3)	(4)	(5)	(6)
Value-weighted ballot success	1.663***	2.164**	2.156**	0.663	0.750	0.732
	(0.574)	(0.986)	(0.978)	(0.555)	(0.774)	(0.782)
Log(total assets)		-0.378	-0.429*		0.859**	0.806*
		(0.233)	(0.249)		(0.390)	(0.414)
Book leverage		-1.352	-1.647		1.745	1.161
		(3.846)	(3.961)		(3.138)	(3.095)
EBITDA-to-assets		-3.694	-3.708		-10.542***	-10.543***
		(8.257)	(8.312)		(3.694)	(3.797)
Market-to-book ratio		0.540	0.543		0.164	0.098
		(0.504)	(0.506)		(0.553)	(0.573)
Percentage winners supported			0.412			0.682
			(1.167)			(0.922)
Two-digit SIC industry FE	No	Yes	Yes	No	Yes	Yes
Election controls	No	Yes	Yes	No	Yes	Yes
Observations	203	180	180	187	167	167
Adjusted R2	.025	.055	.049	.002	.065	.062

Table IA.16
Robustness: CARs [0; +1] regression results for contributing firms and peers, equal-weighted success measure, between 45% and 55% of the votes received

The table presents regressions of cumulative abnormal returns (CARs) on a measure of ballot success, firm, and election control variables. The sample consists of firms that contributed to direct initiated state initiatives in close contests (columns 1-3) and firms from the same industries that did not contribute (columns 4-6). The dependent variable is the CAR over the [0; + 1] event window. Both, the dependent and independent variables are aggregated to the industry-ballot date level. A close contest is defined as a ballot measure that receives between 45% and 55% of the votes. Equal-weighted ballot success is the number of successes (ballot measures that firms supported and that passed plus ballot measures that firms opposed and that failed) divided by the total number of ballot measures to which a firm contributed to. Standard errors reported in parentheses, are robust to heteroskedasticity and clustered by four-digit SIC industry. Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

	Contributing firms			Peer firms		
	(1)	(2)	(3)	(4)	(5)	(6)
Equal-weighted ballot success	1.035**	0.987	0.982	0.405	0.482	0.481
	(0.436)	(0.698)	(0.698)	(0.412)	(0.694)	(0.700)
Log(total assets)		-0.277	-0.323		0.567**	0.594**
		(0.178)	(0.194)		(0.269)	(0.265)
Book leverage		-1.623	-1.890		-0.949	-0.654
		(2.635)	(2.603)		(2.227)	(2.170)
EBITDA-to-assets		0.263	0.251		-7.216***	-7.219***
		(3.736)	(3.772)		(2.513)	(2.507)
Market-to-book ratio		0.098	0.102		-0.167	-0.135
		(0.320)	(0.322)		(0.357)	(0.345)
Percentage winners supported			0.372			-0.341
			(0.783)			(0.624)
Two-digit SIC industry FE	No	Yes	Yes	No	Yes	Yes
Election controls	No	Yes	Yes	No	Yes	Yes
Observations	203	180	180	187	167	167
Adjusted R2	.018	.002	.004	.001	.007	.002

Table IA.17
Robustness: CARs [0; +1] regression results for contributing firms and peers, value-weighted success measure, between 45% and 55% of the votes received

The table presents regressions of cumulative abnormal returns (CARs) on a measure of ballot success, firm, and election control variables. The sample consists of firms that contributed to direct initiated state initiatives in close contests (columns 1-3) and firms from the same industries that did not contribute (columns 4-6). The dependent variable is the CAR over the [0; + 1] event window. Both, the dependent and independent variables are aggregated to the industry-ballot date level. A close contest is defined as a ballot measure that receives between 45% and 55% of the votes. The value-weighted ballot success weighs each success and failure by the fraction of the total contributions that was spent on each measure. Standard errors reported in parentheses, are robust to heteroskedasticity and clustered by four-digit SIC industry. Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

	Contributing firms			Peer firms		
	(1)	(2)	(3)	(4)	(5)	(6)
Value-weighted ballot success	0.968**	1.043	1.037	0.408	0.431	0.440
	(0.411)	(0.637)	(0.636)	(0.385)	(0.630)	(0.631)
Log(total assets)		-0.285	-0.330*		0.562**	0.590**
		(0.173)	(0.192)		(0.271)	(0.267)
Book leverage		-1.666	-1.924		-0.846	-0.540
		(2.637)	(2.604)		(2.254)	(2.193)
EBITDA-to-assets		0.439	0.428		-7.149***	-7.149***
		(3.739)	(3.771)		(2.544)	(2.537)
Market-to-book ratio		0.099	0.102		-0.161	-0.127
		(0.320)	(0.321)		(0.358)	(0.346)
Percentage winners supported			0.360			-0.358
			(0.783)			(0.622)
Two-digit SIC industry FE	No	Yes	Yes	No	Yes	Yes
Election controls	No	Yes	Yes	No	Yes	Yes
Observations	203	180	180	187	167	167
Adjusted R2	.016	.006	.000	.000	.006	.001

Table IA.18
Robustness: CARs [0; +2] regression results for contributing firms and peers, equal-weighted success measure, between 40% and 60% of the votes received

The table presents regressions of cumulative abnormal returns (CARs) on a measure of ballot success, firm, and election control variables. The sample consists of firms that contributed to direct initiated state initiatives in close contests (columns 1-3) and firms from the same industries that did not contribute (columns 4-6). The dependent variable is the CAR over the [0; + 1] event window. Both, the dependent and independent variables are aggregated to the industry-ballot date level. A close contest is defined as a ballot measure that receives between 40% and 60% of the votes. Equal-weighted ballot success is the number of successes (ballot measures that firms supported and that passed plus ballot measures that firms opposed and that failed) divided by the total number of ballot measures to which a firm contributed to. Standard errors reported in parentheses, are robust to heteroskedasticity and clustered by four-digit SIC industry. Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

	Contributing firms			Peer firms		
	(1)	(2)	(3)	(4)	(5)	(6)
Equal-weighted ballot success	0.960**	0.764	0.757	1.087***	1.349**	1.344**
	(0.395)	(0.687)	(0.684)	(0.356)	(0.582)	(0.585)
Log(total assets)		-0.358	-0.310		0.068	0.092
		(0.300)	(0.316)		(0.370)	(0.392)
Book leverage		0.151	0.112		-7.932**	-7.809**
		(2.443)	(2.450)		(3.712)	(3.667)
EBITDA-to-assets		1.197	1.341		-10.617**	-10.560**
		(6.696)	(6.650)		(4.705)	(4.642)
Market-to-book ratio		-0.207	-0.228		-0.411	-0.415
		(0.434)	(0.447)		(0.546)	(0.546)
Percentage winners supported			-0.765			-0.514
			(1.532)			(1.107)
Election year FE	No	Yes	Yes	No	Yes	Yes
Four-digit SIC industry FE	No	Yes	Yes	No	Yes	Yes
Election controls	No	Yes	Yes	No	Yes	Yes
Observations	420	366	366	392	334	334
Adjusted R2	.01	.01	.01	.018	.118	.115

Table IA.19
Robustness: CARs [0; +2] regression results for contributing firms and peers, value-weighted success measure, between 40% and 60% of the votes received

The table presents regressions of cumulative abnormal returns (CARs) on a measure of ballot success, firm, and election control variables. The sample consists of firms that contributed to direct initiated state initiatives in close contests as well as their peers from the same industry. The dependent variable is the CAR over the [0; + 1] event window. Both the dependent and independent variables are aggregated to the industry-ballot date level. A close contest is defined as a ballot measure that receives between 40% and 60% of the votes. The value-weighted ballot success weighs each success and failure by the fraction of the total contributions that was spent on each measure. Standard errors reported in parentheses, are robust to heteroskedasticity and clustered by four-digit SIC industry. Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

	Contributing firms			Peer firms		
	(1)	(2)	(3)	(4)	(5)	(6)
Value-weighted ballot success	0.824**	0.744	0.736	1.008***	1.338**	1.333**
	(0.374)	(0.616)	(0.612)	(0.346)	(0.543)	(0.545)
Log(total assets)		-0.360	-0.312		0.068	0.091
		(0.302)	(0.318)		(0.366)	(0.387)
Book leverage		0.128	0.089		-7.880**	-7.760**
		(2.451)	(2.457)		(3.716)	(3.675)
EBITDA-to-assets		1.257	1.400		-10.441**	-10.386**
		(6.682)	(6.638)		(4.681)	(4.621)
Market-to-book ratio		-0.212	-0.234		-0.371	-0.375
		(0.435)	(0.448)		(0.542)	(0.542)
Percentage winners supported			(1.530)			(1.095)
			(1.530)			(1.095)
Election year FE	No	Yes	Yes	No	Yes	Yes
Four-digit SIC industry FE	No	Yes	Yes	No	Yes	Yes
Election controls	No	Yes	Yes	No	Yes	Yes
Observations	420	366	366	392	334	334
Adjusted R2	.007	.011	.009	.016	.120	.117

Table IA.20
Robustness: CARs [0; +1] regression results for contributing firms and peers, equal-weighted success measure, between 40% and 60% of the votes received

The table presents regressions of cumulative abnormal returns (CARs) on a measure of ballot success, firm, and election control variables. The sample consists of firms that contributed to direct initiated state initiatives in close contests (columns 1-3) and firms from the same industries that did not contribute (columns 4-6). The dependent variable is the CAR over the [0; + 1] event window. Both, the dependent and independent variables are aggregated to the industry-ballot date level. A close contest is defined as a ballot measure that receives between 40% and 60% of the votes. Equal-weighted ballot success is the number of successes (ballot measures that firms supported and that passed plus ballot measures that firms opposed and that failed) divided by the total number of ballot measures to which a firm contributed to. Standard errors reported in parentheses, are robust to heteroskedasticity and clustered by four-digit SIC industry. Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

	Contributing firms			Peer firms		
	(1)	(2)	(3)	(4)	(5)	(6)
Equal-weighted ballot success	0.983***	1.334***	1.335***	0.747***	0.782*	0.779*
	(0.304)	(0.491)	(0.490)	(0.241)	(0.433)	(0.435)
Log(total assets)		-0.014	-0.017		0.307	0.325
		(0.178)	(0.185)		(0.269)	(0.282)
Book leverage		2.617	2.620		-4.530	-4.439
		(1.738)	(1.735)		(3.014)	(2.951)
EBITDA-to-assets		-0.303	-0.312		-6.258*	-6.216*
		(2.585)	(2.611)		(3.669)	(3.620)
Market-to-book ratio		-0.215	-0.213		-0.444	-0.447
		(0.255)	(0.264)		(0.308)	(0.310)
Percentage winners supported			0.046			-0.380
			(0.970)			(0.835)
Election year FE	No	Yes	Yes	No	Yes	Yes
Four-digit SIC industry FE	No	Yes	Yes	No	Yes	Yes
Election controls	No	Yes	Yes	No	Yes	Yes
Observations	420	366	366	392	334	334
Adjusted R2	.023	.129	.126	.019	.051	.048

Table IA.21
Robustness: CARs [0; +1] regression results for contributing firms and peers, value-weighted success measure, between 40% and 60% of the votes received

The table presents regressions of cumulative abnormal returns (CARs) on a measure of ballot success, firm, and election control variables. The sample consists of firms that contributed to direct initiated state initiatives in close contests as well as their peers from the same industry. The dependent variable is the CAR over the [0; + 1] event window. Both the dependent and independent variables are aggregated to the industry-ballot date level. A close contest is defined as a ballot measure that receives between 40% and 60% of the votes. The value-weighted ballot success weighs each success and failure by the fraction of the total contributions that was spent on each measure. Standard errors reported in parentheses, are robust to heteroskedasticity and clustered at the four-digit SIC industry level. Statistical significance at the 10%, 5%, and 1% levels is indicated by *, **, and ***, respectively.

	Contributing firms			Peer firms		
	(1)	(2)	(3)	(4)	(5)	(6)
Value-weighted ballot success	0.959***	1.331***	1.332***	0.731***	0.756**	0.752*
	(0.297)	(0.460)	(0.459)	(0.233)	(0.378)	(0.380)
Log(total assets)		-0.016	-0.020		0.306	0.323
		(0.178)	(0.185)		(0.266)	(0.280)
Book leverage		2.576	2.579		-4.498	-4.409
		(1.735)	(1.733)		(3.026)	(2.967)
EBITDA-to-assets		-0.205	-0.216		-6.153*	-6.112*
		(2.553)	(2.581)		(3.663)	(3.616)
Market-to-book ratio		-0.223	-0.222		-0.423	-0.427
		(0.256)	(0.265)		(0.308)	(0.310)
Percentage winners supported			0.057			-0.373
			(0.967)			(0.829)
Election year FE	No	Yes	Yes	No	Yes	Yes
Four-digit SIC industry FE	No	Yes	Yes	No	Yes	Yes
Election controls	No	Yes	Yes	No	Yes	Yes
Observations	420	366	366	392	334	334
Adjusted R2	.023	.133	.129	.019	.052	.049