

Democracy North Carolina

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PRICE TAG FOR SEAT IN N.C. LEGISLATURE TOPS \$100,000 FOR FIRST TIME

Big Spenders, Incumbents Hold 9 of 10 Seats

Members of the North Carolina General Assembly, who are now struggling to balance the state's budget, spent an average of \$101,000 each to win election last November, according to a study by the non-partisan campaign-finance watchdog group Democracy North Carolina.

Overall, the 170 legislators shelled out \$17.2 million to gain their seats – an all-time record, even though 40 percent had no major-party opponent in November. Losers in the 2002 general election spent \$5.2 million, another record.

The combined \$22.4 million is more than three times the amount spent by legislative winners and losers a decade ago, in the 1992 election, *even after adjusting for inflation*.

A decade ago, one legislative candidate spent over \$150,000. In 2002, 35 topped that figure.

“The high price of running for office, without a public financing option for worthy candidates, poses a serious threat to the notion of a ‘citizen’s legislature,’” said Bob Hall, research director of Democracy North Carolina. “More and more you hear even successful candidates say that the burden of private fundraising is overwhelming. The money chase has too much influence over who can run, who can win, and who gets access to determine important public policy.”

A handful of contested – and very expensive – seats in the state Senate played a major role in pushing up the 2002 totals, he said. By contrast, almost half the House seats went uncontested by a major party, so the amount needed to win actually declined from the record high set in 2000.

“In 2000, Democrats and Republicans focused resources on winning control of the state House, which seemed up for grabs. Spending on House races jumped 70 percent over 1998, because it was thought that whoever won the majority could shape the partisan make-up of Congressional and legislative districts for the next decade,” said Hall. “Of course, as it turned out, the judicial branch drew the maps for the new legislative districts.

“In 2002, with the new court-drawn districts, the Senate looked up for grabs, so huge amounts were invested there. Democrats desperate to hold onto their majority increased spending by \$2 million over 2000 and Republicans doubled their investment,” he said. “Meanwhile, many districts in the House became more predictably winnable by either a Democrat or Republican, so the price tag on those seats went down.”

As a result, he said, state Senators spent an average of \$198,150 to win in November 2002, more than three times the \$61,060 spent by the average House member. Democrats won a 28-22 majority in the Senate; Republicans led 61 to 59 in the House (until Michael Decker's defection.)

Democracy North Carolina's analysis reveals other shifts from previous elections:

Incumbent Advantage: Legislators seeking re-election in 2002 outspent non-incumbents by a ratio of 2-to-1, a decline from their nearly 3-to-1 advantage in 2000. The success rate of incumbents dipped below 90 percent for the first time since the shake-up of 1994. One reason the rate dropped: In six contests, legislators faced each other in new districts, including three House Republicans who unsuccessfully challenged three Senate Democrats.

Uncontested seats: Sixty-eight legislators (40 percent of the 170) were elected without a major-party opponent in the 2002 general election; they include 57 Representatives (or nearly half the 120 House members) and 11 Senators (one fifth of the 50 members). On average, these 68 legislators still spent \$35,600 during the election cycle, even though 43 also had no primary.

Top spenders: The candidate who spent the most won 82 percent of the contested races between a Democrat and Republican, matching the big-spender's average success rate for the decade. When the uncontested races are added, 152 of the 170 legislators either outspent their opponent or faced no opponent from a major party, the highest number in the past six elections. Similarly, 150 of the 170 winners (88%) either outspent their opponents or were incumbents.

Leadership Transfers: In a now familiar pattern, House Speaker Jim Black and Senate President Pro Tem funneled two thirds of the combined \$3 million they raised to aid other candidates, either directly as contributions or indirectly through bank accounts maintained within the political parties. House Republicans Ed McMahan, Connie Wilson, and Leo Daughtry gave a combined total \$211,700 to other General Assembly candidates and state GOP committees.

Party Punch: Democratic candidates poured twice as much money into legislative elections as the Republicans, \$15.3 million compared to \$7.0 million. (Some of this money is double counted, as in past years, because of the way in-kind expenses and transfers between candidates are recorded. On the other hand, some campaign expenses paid by the Republican party to aid candidates are omitted, since the party says they're "independent," not coordinated, expenditures.)

In the House, Democrats outspent Republicans by a ratio of 1.7 to 1, while in the Senate the ratio climbed to 2.7 to 1. "The giant money advantage of Senate Democrats proved effective in enough targeted races to give them a solid 28-22 majority, even though Republican Senate candidates received more total votes statewide," said Hall.

In seven key Senate races where the two candidates spent over \$400,000 together, Democrats outspent their GOP opponent in six cases and won five seats.

"There was some speculation that the compressed campaign season and the large number of legislators retiring would reduce the overall costs of campaigns in 2002," said Hall. "But that turned out to only part of the story. The September primary, single-member districts, and long legislative session did nothing to dampen each party's desire to gain or keep the upper hand."

Democracy North Carolina's analysis is based on reports filed with the State Board of Elections, including adjustments made to correct addition or other errors. Many reports are still unaudited, so further changes may be necessary. As in past years, some candidates' expenditure reports may include double-counted dollars – money listed as spent when it was sent to a state party and then listed again as an in-kind expenditure when the party used it to help the candidate. Loan repayments are not included.

This study treats Rep. Michael Decker as a Republican and Rep. Larry Justus as winning District 117.

Democracy North Carolina

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2002: BIG MONEY IN LEGISLATIVE RACES

Figures for 272 major-party candidates for the General Assembly in the 2002 General Election. Records based on the period from 1991 to 2002

Record amount spent on legislative campaigns by major-party candidates in general election:
\$22.4 million

Record amount spent by 170 winners:
\$17.2 million

Record amount spent by 102 losers:
\$5.2 million

Record percent of winners who faced no major-party opponent in general election (since 1992):
40%

Record number (and percent) of winners who were top spenders or had only token opposition:
152 of 170 -- or 89%

Record margin by which House Democratic candidates outspent House Republican candidates:
1.7 to 1

Record amount by which Democratic Senate candidates outspent Republican Senate candidates:
\$5.6 million

Record amount Republican Senate candidates spent over previous election:
\$1.7 million

Record number of Senate elections where major-party candidates spent over \$300,000 in head-to-head contest:
13 of 39 contested elections

SUMMARY OF 170 GENERAL ASSEMBLY WINNERS, 2002

- ◆ **68** or 40% had no major-party opponent in November general election
(43 of these had no opponent in the primary)
- ◆ **84** or 49% outspent the losing major-party opponent
- ◆ **18** or 11% were outspent by a losing opponent

- ◆ **152** or 89% outspent their opponents or faced no major-party opposition
- ◆ **150** or 88% outspent their opponents or were already legislators

BIG SPENDERS, BIG WINNERS: 2002

Analysis of General Election Winners & Losers for General Assembly

	<u>2002</u>	<u>2000</u>	<u>1998</u>	<u>1996</u>	<u>1994</u>	<u>1992</u>
Number of 170 winners who are unopposed by major-party candidate <u>or</u> who outspent losing opponent(s)	152	147	151	136	142	150
Percent of winners, unopposed <u>or</u> outspending loser:	89%	86%	89%	80%	84%	88%
Percent winners with no major-party opponent	40%	35%	39%	30%	43%	31%

Percent of top spenders who win contested races	82%	87%	86%	77%	78%	87%
Percent of low spenders (under 60% of opponent) who win contested races in single-member districts	16%	9%	4%	11%	13%	10%

Number of incumbents who run	138	157	156	145	143	125
Number of incumbents who win	120	151	146	137	113	116
% incumbents running who win	87%	96%	94%	94%	79%	93%

HOW MUCH MONEY WAS SPENT

In millions of Dollars

	<u>2002</u>	<u>2000</u>	<u>1998</u>	<u>1996</u>	<u>1994</u>	<u>1992</u>
Spending by major-party candidates in gen. elec.	\$22.4	\$19.7	\$15.0	\$13.2	\$7.2	\$5.1

Spending by all winners	\$17.2	\$15.3	\$11.9	\$9.1	\$4.9	\$3.9
Spending by all losers	\$5.2	\$4.4	\$3.1	\$4.1	\$2.3	\$1.2
Ratio of winners-to-losers	3.3 to 1	3.5 to 1	3.8 to 1	2.2 to 1	2.1 to 1	3.1 to 1

Spending by incumbents	\$15.0	\$14.1	\$10.2	\$7.7	\$4.1	\$2.7
Spending by non-incumbents	\$7.5	\$5.6	\$4.8	\$5.5	\$3.2	\$2.4
Ratio incumb-to-nonincumb.	2.0 to 1	2.5 to 1	2.1 to 1	1.4 to 1	1.3 to 1	1.1 to 1

Spending by House Democratic candidates	\$6.4	\$7.1	\$3.7	\$3.0	\$2.3	\$1.8
Spending by House Republican candidates	\$3.7	\$4.3	\$4.2	\$4.2	\$2.2	\$1.2
Ratio of House Dem.-to-GOP	1.7 to 1	1.7 to 1	0.9 to 1	0.7 to 1	1.0 to 1	1.5 to 1

Spending by Senate Democratic candidates	\$8.9	\$6.7	\$5.2	\$4.0	\$1.9	\$1.5
Spending by Senate Republican candidates	\$3.3	\$1.6	\$1.8	\$2.0	\$0.9	\$0.6
Ratio of Senate Dem. to GOP	2.7 to 1	4.2 to 1	2.9 to 1	2.0 to 1	2.3 to 1	2.5 to 1

TOP SPENDING CANDIDATES FOR N.C. GENERAL ASSEMBLY, 2002

District#	Candidate	Party	Won?	Spending	District#	Candidate	Party	Won?	Spending
Senate- 1	Basnight, Marc	D	Won	\$1,770,095	Senate- 16	Coble, Paul Y	R	Lost	\$136,236
House -100	Black, Jim	D	Won	1,187,845	House -111	Dedmon, Andy	D	Lost	133,526
Senate- 40	Odom, T L (Fountain)	D	Lost	701,841	House - 10	Tucker, Russell Won	D	Lost	130,740
Senate- 16	Reeves, Eric M	D	Won	679,930	House - 70	Melton, Max	D	Lost	128,140
Senate- 40	Pittenger, Robert	R	Won	638,299	House - 2	Culpepper, Bill	D	Won	123,472
Senate- 43	Hoyle, David W	D	Won	508,987	Senate- 2	Tyson, Charles F Jr	R	Lost	123,319
Senate- 47	Queen, Joe Sam	D	Won	499,822	House - 44	Glazier, Richard B	D	Won	122,991
Senate- 2	Thomas, Scott	D	Won	414,946	House - 6	Williams, Arthur J	D	Won	122,626
House - 34	Munford, Don	R	Won	384,792	Senate- 13	Weinstein, David*	D	Won	119,627
Senate- 12	Smith, Fred	R	Won	384,122	House - 53	Lewis, David	R	Won	116,979
Senate- 27	Hagan, Kay R	D	Won	377,269	House - 25	Daughtridge, Bill	R	Won	114,054
Senate- 19	Rand, Tony	D	Won	370,157	House - 35	Weiss, Jennifer	D	Won	111,316
Senate- 7	Kerr, John	D	Won	358,501	Senate- 45	Foxx, Virginia	R	Won	109,348
House - 11	Baddour, Phil	D	Lost	307,078	Senate- 7	Russell, Carolyn B	R	Lost	107,422
Senate- 9	Ballantine, Patrick	R	Won	302,208	Senate- 9	Padgett, Laura	D	Lost	107,101
Senate- 5	Moore, Tony P	D	Won	271,402	Senate- 17	Stevens, Richard Y	R	Won	104,105
Senate- 46	Dalton, Walter H	D	Won	263,130	House - 49	Allen, Lucy T	D	Won	103,760
Senate- 10	Albertson, Charlie	D	Won	258,028	House - 63	Bordsen, Alice L	D	Won	103,103
Senate- 11	Swindell, A B IV	D	Won	255,802	House - 69	Gibson, Pryor	D	Won	102,719
House - 3	Underhill, Alice G	D	Lost	252,951	Senate- 48	Apodaca, Thomas M	R	Won	101,530
Senate- 49	Metcalf, Steve	D	Won	252,065	Senate- 43	Harrington, Michael	R	Lost	96,408
Senate- 12	Wellons, Allen	D	Lost	251,303	House - 22	Nye, Edd	D	Won	96,022
Senate- 6	Hargett, Cecil	D	Won	245,736	Senate- 32	Garrou, Linda*	D	Won	95,759
House - 13	Smith, Ronnie	D	Lost	223,263	Senate- 39	Rucho, Robert	R	Won	95,392
House - 17	Redwine, E David	D	Lost	206,868	Senate- 25	Purcell, William R	D	Won	94,907
House -115	Goforth, Bruce	D	Won	194,543	Senate- 10	Wilson, George Won	R	Lost	92,812
House -105	McMahan, W Edwin*	R	Won	188,666	Senate- 6	Pollard, Tommy	R	Lost	91,924
House - 41	Dickson, Margaret	D	Won	185,492	House - 11	Pate, Louis M Jr	R	Won	90,347
House - 28	Daughtry, Leo*	R	Won	185,355	House -110	Clary, Debbie A*	R	Won	86,731
Senate- 50	Robinson, Dan	D	Lost	179,991	House - 59	Jeffus, Maggie	D	Won	86,249
House - 51	Cox, Leslie	D	Lost	176,392	House - 13	Preston, Jean R	R	Won	85,939
Senate- 22	Blake, Harris	R	Won	169,175					
House - 36	Miner, David*	R	Won	165,738					
House - 77	Coates, Lorene T	D	Won	156,559					
House -118	Rapp, Ray	D	Won	153,532					
Senate- 3	Jenkins, Clark	D	Won	147,839					
House -104	Wilson, Connie*	R	Won	143,788					
House - 55	Allen, Gordon P	D	Won	140,905					
Senate- 8	Soles, R C Jr	D	Won	138,757					

Data based on candidate's disclosure reports filed with the State Board of Elections for 2002 election cycle. Some reports are still being audited for errors by the Board. Spending includes campaign operating costs, in-kind expenses, and amounts sent to other committees, parties or candidates. It does not include loan repayments. Prepared April 4, 2003

* These candidates had no major party opponent in the general elections.