

Tuesday, January 22, 2002  
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## **"SLIPSHOD" REPORTS VIOLATE CAMPAIGN LAWS; HOUSE SPEAKER FLUNKS, GOVERNOR EARNS C-**

Politicians who demand constant testing in schools were put on notice today: Get ready to be graded yourself!

Democracy South, a campaign finance watchdog, said it will monitor and grade how well state elected officials and candidates fill out their quarterly campaign disclosure reports during 2002. The next reports are due on January 25.

"If lawmakers believe accountability comes through constant testing, then I guess they will welcome being graded on their own performance," said Pete MacDowell, executive director of Democracy South, a research and advocacy center based in Carrboro.

Campaign disclosure reports are meant to give the public a clear and accurate picture of where politicians get their money and how they spend it. But each year, hundreds of reports are turned in late, or incomplete, or with inaccurate information. As a result, staff members at the State Board of Elections spend thousands of hours coaching, cajoling and begging recalcitrant filers in an expensive effort to bring them into compliance with the minimum requirements of the law.

"The public's right to know is seriously impaired by the slipshod way many candidates and elected officials fill out their reports," said MacDowell. "It shows a disrespect for the public."

As a precursor of what's to come, Democracy South handed out some sobering grades to some of the state's top officials for their performance in the fiscal year beginning July 1, 2000.

- F for House Speaker Jim Black. His campaign waited until September 11, 2001 to turn in the report due on July 27, the second time in a year he has violated the law for prompt reporting. He also left out the required occupational information for 35% of the individual donors listed in that report (79 out of 224), even worse than the 30% rate of missing information in his reports covering the previous six months. "We sincerely hope Mr. Black will make complete and timely disclosure a higher priority in 2002, perhaps by using retrained staff and electronic filings," said MacDowell.
- B for Senate President Pro Tem Marc Basnight. Occupational information was missing for 8% of the 277 donations Basnight received from listed individuals for the test year (July 1, 2000 to June 30, 2001), but in the majority of cases he identified the contributor's employer by name rather than simply use a general term, such as "finance" or "health care."

- C- for Governor Mike Easley. The Easley campaign left out even minimal occupational information for 500 of his donations in the last two reports for the 2000 elections. And these are not small donors; the average gift was \$870. In many other cases, he provided vague information that obscures the donor's real occupation. For example, 59 video-poker machine distributors were listed as "business owner/services-entertainment." His campaign eventually supplied information on many names lacking any identification, after repeated efforts by the Board of Elections.
- D for Labor Commissioner Cherie Berry. Her campaign waited for weeks to reply to the Board's request for occupational information for 27 of her 97 donations. The 12/27/2001 response, which came 30 days late, had information on just 10 of the 27 donors and a note saying the others "are being" sent letters to get the missing data - a task that should have been done a year earlier.
- D- for Commissioner of Agriculture Meg Scott Phipps. Despite criticism for taking money from potential bidders for the State Fair, Phipps continued to take their money in the first six months of 2001. Her campaign report shows she got \$71,500 - or 52% of the \$136,360 raised in that period - from donors listed as "Concessionair" [sic] or "Carnival Owner," but the report provides no identification of the donor's company or employer. More than 150 other donations in the test year were left blank or attributed to "businessman" or "self-employed," without any further detail, in violation of the law. On September 26, 2001, the Election Board asked her committee to fill in the missing information and clarify if several donations were even legal; two months later, the letter remained unanswered. (In fact, as of today, there has still been no response.)
- A- for Attorney General Roy Cooper. More than 98% of the 1,310 contributions Cooper got from individuals in the test year were fully identified, with most including the name of the employer. When the Board of Elections asked for more information on several items, the campaign answered all the questions within the 15 days allotted. To aid auditing and public access, Cooper files his reports electronically, as required, which is a good thing: on the paper reports, the contributions are in no apparent order, making it difficult to locate a donor or the activity on a certain date.
- C+ for State Treasurer Richard Moore. Ironically, Treasurer Moore was one of several candidates who turned in reports showing a negative balance, indicating the campaign miraculously spent more money than it received - a sign of an accounting error or an unreported transaction. In his case, his report ending 12/31/2000 showed that his campaign had a net balance of minus \$66,986. On the other hand, Moore is one of the few candidates who itemizes donations of less than \$101, he provides occupational information on most of them, and he lists most of the \$101+ donors with the name of their employer, although over 10% lacked any occupational information.
- B+ for Minority House Leader Leo Daughtry. After his failed gubernatorial bid, Daughtry raised about \$53,000 to retain his House seat in the 2000 election. His reports have shown a marked improvement over the past several years, with nearly all the individual donors now identified, many with the name of the

employer. His reports in the test year also identified by name all the contributors who gave less than the reporting threshold of \$101, rather than lumping these donations together and labeling them "Unitemized Miscellaneous," as the law allows.

- B+ for House Majority Leader Phil Baddour. Of the 198 donations Baddour received from listed individuals in the test year, only 1 is not identified with occupational information. Many, but not the 80% needed for an A, were listed with the employer's name. In most of the other cases, the general category chosen to identify the donor's employer is specific enough to provide the public with meaningful information.
- A- for Senate Minority Leader Patrick Ballantine. Every one of the 244 donations Ballantine received from listed individuals in the test year includes occupational information, with the name of the employer. Given the size of the campaign (\$264,500 raised in the 2000 election), it would help the State Board and the public if he began filing his reports electronically.