



NO CONTEST IN MICHIGAN

HOW MONEY AND INCUMBENCY
REDUCED COMPETITIVENESS IN 2004

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With the 2006 elections just a few months away, the races in Michigan are beginning to heat up. As of April 24, 221 candidates had filed to run for the state's 148 legislative seats (all 110 House and all 38 Senate seats) in the August primary,¹ while 10 candidates were actively raising money for the offices of governor, secretary of state and attorney general.

Those challenging the statewide incumbents in 2006 face a steep uphill battle if they are to match the war chests already amassed by the officeholders:

- Democratic Gov. Jennifer Granholm kicked off 2006 with a bank balance of \$5.1 million, after raising nearly \$2.6 million in contributions during the 2004 cycle and an additional \$4.9 million in 2005.
- Secretary of State Terri Lynn Land, a Republican, started off 2006 with almost \$200,000, after raising more than \$300,000 during the 2004 cycle and another \$300,000 in 2005.
- Republican Attorney General Michael Cox started 2006 with \$725,000, after raising more than \$118,000 during the 2004 election cycle and \$843,000 in 2005.

Meanwhile, those taking on legislative incumbents will face a similar challenge. In 2004, 92 percent of the winning House candidates raised the most money, and 69 percent of the races featured winners who raised twice as much money as their competitors.

WILL THE 2006 RACES IN MICHIGAN BE COMPETITIVE?

According to the state's April 24th primary-election candidate list, 179 candidates had filed for the 110 House seats. Fifty-two incumbents had filed for re-election, while another 23 incumbents are term-limited.² The remaining 35 incumbents have until the May 16 filing deadline to file for re-election.

But regardless of how many candidates appear on the ballot for these races, if the 2004 House races are any indication of how things will play out this November, few races will actually be competitive.

At first glance, it would appear the House races in 2004 were actually competitive, at least on paper, since all but one of the 72 incumbents seeking re-election faced opposition, and more than one candidate vied for the 38 open seats in which no incumbent was running. However, when campaign finances are factored into the equation, quite a different picture emerges.

In 76 races, or almost 70 percent, the results were all but foregone conclusions, with the winners raising more than twice the amount raised by any of their competitors, resulting in a campaign

¹ "2006 Unofficial Michigan Primary Candidate List," *Michigan Secretary of State*, April 25, 2006 [on-line]; available from http://miboecfr.nictusa.com/election/candlist/06PRI/06PRI_CL.HTM; Internet; accessed April 25, 2006.

² "The Effect of Term Limits on the 2006 Elections," *National Conference of State Legislatures*, February 2006 [on-line]; available from <http://www.ncsl.org/programs/legman/ABOUT/effects01-2006.htm>; Internet; accessed April 10, 2006.

where money played an overwhelming factor in the outcome. In fact, in 16 of the races where incumbents won re-election, the competitors reported raising no money at all.³

Incumbency is another major factor to influence the outcome of elections, and Michigan's 2004 elections were no exception to that rule. Seventy of the 72 incumbents seeking re-election were successful, and of those, 67 also raised more money than their competitors.

The votes garnered by the winners also demonstrate the lack of serious opposition. Winners in 51 of the 110 races received two-thirds of the votes or more. In another 44 races, the winner won with at least 55 percent of the votes, a margin considered comfortable by many political analysts. In all, 95 of the 110 races, or 86 percent, were won handily.

Some exceptions to the rules of money and incumbency did occur, however. The losing candidate raised more than the winner in eight general-election races, while in five primary races, at least one of the primary losers actually outraised the primary winner. In one-tenth of the races, the losing candidates actually raised more than the winner.

And while most of the battles occurred in the general election, about a dozen races were fought — and ultimately won — in the August primaries. In 13 House races, the winners had no monetary opposition in the general election, yet they faced stiff competition in the primary race.

DID LARGE CONTRIBUTORS SHUT OUT THE COMPETITION?

In 2004, the 439 House candidates combined raised more than \$16 million in contributions, with the average House race costing about \$150,000. Winners raised almost \$10 million, almost two-thirds of the total, while candidates who lost in the general election raised \$3.5 million. Those who lost in the August primary raised another \$2.6 million.

More than half of the money raised by legislative candidates in 2004 came from individual donors, businesses and special interests. However, due to the state's contribution limits,⁴ no single donor had a major impact in any given race.

Yet the top 10 business and special interest donors collectively gave more than \$841,000 to the winners of non-competitive races, which accounted for 14 percent of the \$5.8 million these winners raised. In comparison, these same donors gave losing candidates in those races \$46,500. So although no committee alone could give enough to influence the outcome of any given race, together the top donors packed quite a punch.

The following table details the amounts these top contributors gave to the winning and losing candidates in races that were not competitive because of the gap between the amounts raised by the winning and losing candidates.

³ Candidates who raised less than \$1,000 per election were not required to file reports with the state's Board of Elections.

⁴ Individuals can give up to \$1,000 per candidate per two-year cycle, and businesses, special interests and organized labor, through their independent political committees, can give a maximum of \$10,000 to any one House candidate.

TOP BUSINESS/SPECIAL INTEREST CONTRIBUTORS, NON-COMPETITIVE RACES

CONTRIBUTOR	WINNERS	LOSERS	TOTAL
Michigan Beer & Wine Wholesalers Association	\$210,212	\$0	\$210,212
Michigan Association of Realtors	\$131,175	\$5,500	\$136,675
Blue Cross Blue Shield of Michigan	\$116,475	\$0	\$116,475
Michigan Auto Dealers Association	\$102,460	\$0	\$102,460
Michigan Manufactured Housing RV & Campground Association	\$77,900	\$0	\$77,900
Michigan Farm Bureau	\$47,250	\$10,000	\$57,250
Michigan Bankers Association	\$50,175	\$3,500	\$53,675
Michigan Trial Lawyers Association	\$39,725	\$13,000	\$52,725
Great Lakes Education Project	\$29,375	\$11,000	\$40,375
Michigan Chamber of Commerce	\$36,592	\$3,500	\$40,092
TOTAL	\$841,338	\$46,500	\$887,838

Unencumbered by limits, however, were candidates themselves and the two House caucus committees, which raise funds to get their party’s candidates elected to the state House of Representatives.

The House Republican Campaign Committee (HRCC) and the Michigan House Democratic Fund were the two largest contributors to legislative campaigns, giving \$844,000 and \$575,000, respectively. The HRCC gave to 13 candidates, five of whom won, while the House Democratic Fund gave to nine candidates, six of whom won. The money from these two caucuses had a direct impact on the outcome of several races:

- The hotly contested race for House District 55 between Republican legislator Matt Milosch and his Democratic challenger, Kathy Angerer, was the most expensive House race in 2004, bringing in more than \$613,000. Fifty-one percent of that amount — \$311,634 — came from the two caucus committees. Attempting to preserve its majority in the House, the HRCC gave Milosch’s campaign \$182,523, accounting for more than half of the \$314,480 he raised. Challenger Angerer received \$129,100 from the House Democratic Fund, or 43 percent of the nearly \$300,000 she raised. Angerer ultimately ousted Milosch by a slim margin of 319 votes out of 48,279 cast,⁵ making her only one of two candidates who beat the odds of defeating an incumbent who had raised the most money.
- The tight race for swing District 97⁶ also drew a lot of money from the two caucuses. This time, the HRCC’s investment in Republican challenger Tim Moore paid off, as he unseated incumbent Democrat

⁵ “Michigan 2004 General Election Results,” *Michigan Secretary of State* [on-line]; available from <http://miboecfr.nicusa.com/election/results/04GEN/08055000.html>; Internet; accessed April 7, 2006.

⁶ Dang, Alain, Hu, Mandy, and Reyes, Randy, “Impact of Voting Against Anti-Gay Marriage Amendments on 2004 Re-Election Campaign,” *The Policy Institute* [on-line]; available from <http://72.14.203.104/search?q=cache:G5PEPw6p5GYJ:www.thetaskforce.org/downloads/MidwestReport.pdf+Moore+%26+elkins+%26+2004+%26+michigan&hl=en&gl=us&ct=clnk&cd=6&ie=UTF-8>; Internet; accessed April 7, 2006.

Jennifer Elkins with 51.6 percent of the votes. The \$202,100 given to Moore by the HRCC made up 71 percent of the \$283,000 he raised. Elkins received nearly \$81,400 from the House Democratic Fund, or 38 percent of the \$214,300 she raised. The \$283,500 from the two caucus committees helped make House District 97 the third most expensive House race in 2004.

- In the race for the open District 57 seat, the House Democratic Fund gave Dudley Spade, brother to outgoing incumbent Doug Spade, \$144,300, or 57 percent of his \$251,000 total. However, perhaps seeing the writing on the wall, the HRCC made no direct contributions to Republican David Abraham, who ultimately lost to Dudley Spade with just 41 percent of the votes.

The candidates themselves gave a total of \$2.7 million to their own races, making up 17 percent of the money raised in the 2004 House races. In three non-competitive races, the winner's own money accounted for more than one-third of the total raised in the race, and thus went a long way towards assuring victory:

- Incumbent Republican Rep. Lorence Wenke contributed \$355,650 of his own money for a successful re-election bid to District 63. His personal funds accounted for 82 percent of the money he raised and 77 percent of the total raised by all three candidates, effectively shutting out his challengers in both the primary and general elections.
- In the open race for House District 46, winner James Marleau contributed \$54,600 — 63 percent of his total and 58 percent of the total raised for that race by all five candidates, three of whom lost to Marleau in the Republican primary.
- Robert Gosselin put \$151,100 of his own money into his successful bid for the open House District 41 seat. Gosselin's own money accounted for 81 percent of his funds and 34 percent of the total raised for that race by the five candidates, three of whom lost in the Republican primary. In fact, one of Gosselin's primary opponents, Martin Knollenberg, would have significantly outraised Gosselin in the contested primary, were it not for Gosselin throwing his own money into the primary race. Knollenberg raised \$183,300 for the primary race — \$80,500 of which came from his own pocket. Gosselin, by comparison, raised \$174,500 before the primary election, \$158,600 of which was his own money. Gosselin paid himself back \$11,000 during the general election.

But throwing money into one's campaign didn't always prove to be a good investment. In two of the eight races where the losing candidate outraised the winner, it was largely due to an influx of cash from the losers' own pockets. David Abraham, for example, put almost \$188,000 of his own money into his unsuccessful campaign for District 57's open seat. Winner Dudley Spade raised almost \$251,000, slightly less than Abraham's \$261,250. And Democratic challenger Scott Hudson put more than \$64,000 of his own money into his \$74,000 unsuccessful campaign to defeat District 43's incumbent Republican Fran Amos, who raised just under \$44,000.

THE TORTOISE AND THE HARE: THE RACE FOR THE STATE SENATE

As of April 24, 44 candidates had filed to run in the August primaries for Michigan's 38 Senate seats. Eighteen incumbents are thus far seeking re-election, while six others are term-limited. The remaining 14 incumbents have until the May 16 filing deadline to file for re-election.

Although not up for election in 2004, the 38 incumbent senators nevertheless raised more than \$3 million in the off-election cycle, giving those seeking re-election in 2006 a distinct monetary lead over their challengers. Three senators in particular stand out:

- Assistant President Pro Tempore Alan Sanborn, a Republican, raised nearly \$335,000 in 2004, a formidable sum for any election cycle, let alone an off-cycle, and raised another \$291,000 in 2005.⁷ After expenses, Sanborn began his 2006 re-election campaign for District 11 with more than \$282,000 in the bank. To date, no other candidate has filed to run in this district.
- Sen. Michelle McManus, a Republican seeking re-election to District 35, raised more than \$118,000 in 2004 and another \$66,000 in 2005. After expenses, McManus began her 2006 campaign with \$73,000 in the bank. McManus is also unchallenged at time of print.
- Democratic Sen. Deborah Cherry, a Republican seeking re-election in District 26, raised \$91,500 in 2004 and nearly \$124,000 in 2005. Cherry kicked off her 2006 campaign with \$130,000 in the bank. Her sole challenger at this point, fellow Republican Brian Seiferlein, had not raised any money prior to 2006, according to the Secretary of State's office.

At the end of Election Day in November 2004, incumbents and those with the most money — often one and the same — enjoyed a 95 percent success rate. Given the power of money and incumbency, those who decide to run against incumbents in Michigan's upcoming 2006 elections must think long and hard about their ability to raise enough money to be taken seriously, by both the incumbents they are challenging and the voters, alike.

⁷ "2006 Annual Campaign Finance Report," *Michigan Secretary of State*, Jan. 27, 2006 [on-line]; available from http://miboecfr.nicusa.com/cgi-bin/cfr/sum_pg.cgi?doc_seq_no%3D262903%26doc_stmnt_year%3D2006%26com_id%3D510367%26doc_date_proc%3D01/27/2006%26doc_type_code%3DA1; Internet; accessed April 13, 2006.