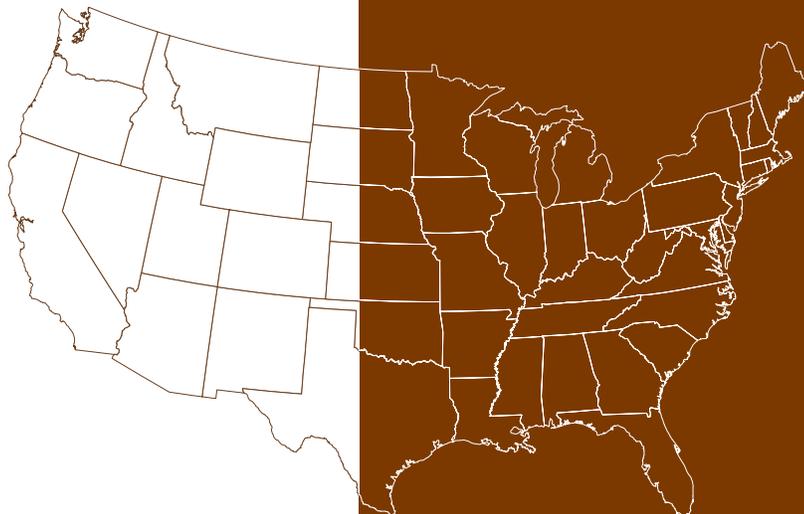


THE
INSTITUTE ON
MONEY IN
STATE
POLITICS



STATE ELECTIONS OVERVIEW

2004



A SUMMARY OF
STATE ELECTION DATA
AND TRENDS FROM
THE NATION'S MOST
COMPLETE RESOURCE
FOR INFORMATION
ON MONEY IN
STATE POLITICS



The Institute on Money in State Politics is a nonpartisan, nonprofit organization that compiles campaign contribution information on every state-level candidate and major political party committee in the country. The Institute is dedicated to providing accurate, comprehensive and unbiased documentation and research on campaign contributions to gubernatorial, legislative, judicial and other statewide candidates. It serves as the only complete source of this data and makes its information freely available online.

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Please refer to our complete online database at:
www.followthemoney.org

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HAVE YOU EVER WONDERED why your legislator voted for or against a proposed public policy? Or why your governor supported tax breaks for certain businesses? Or whether out-of-state interests have had a hand in elections in your state?

Following the money that's given to political candidates and party committees often provides some of the answers.

Since 1999, the Institute on Money in State Politics in Helena, Mont., has been compiling the basic information that allows voters, state groups, reporters, students and professors to easily see who is contributing to state-level candidates and party committees and what their economic interests are.

We make our database of about 13.5 million contribution records available on the Web, for all to use. At www.followthemoney.org, you can see:

- **How much money candidates for each office in each state are raising.** Our database includes the money given to candidates for the state legislature, the governor's office and other statewide offices, and state Supreme Courts, as well as contributions to state political party committees
- **How much money individuals, businesses and labor unions have given,** in one state or across state lines. The way in which we classify contributors based on their occupation and employer allows you to easily see how much money various industries are giving the candidates and party committees.
- **How much money a selected industry has given over time.** Our charts of 50-state giving allow you to see the total amount contributed by businesses and individuals in a given industry, to both Republican and Democratic candidates and party committees. These industry influence charts also show variations in an industry's giving patterns.
- **How campaign-giving trends change over the years.** We have data for all 50 states for the 2000, 2002 and 2004 election cycles, and data in 40 states for the 1998 elections. Our contribution information stretches back to 1990 in the eight Western states that were part of our startup project.

Our 50-state database allows national and regional comparisons of campaign finances. Using this information, we can track how the money in politics changes from election cycle to election cycle, as well as look at whether certain industries are using campaign contributions as part of their strategies to enact policy changes at the state level.

This overview report of the 2004 state elections summarizes who's giving and getting money at the state level.

Money in state politics plays a pivotal role in shaping public policy in individual states and across the nation. The nonpartisan Institute on Money in State Politics tracks contributions in all 50 states.



OVERVIEW

“The campaign contribution list is a compilation of raw data that says: ‘These are the people who support me, and you can expect me to be listening to them very closely.’ That’s a very important piece of information for voters to have.”

—Edwin Bender
Executive Director
The Institute on
Money in State Politics

STATE-LEVEL CANDIDATES running for offices ranging from Supreme Court to the legislature and the governor’s seat raised more than \$1.4 billion during the 2003–2004 election cycle, as candidates continued to increase their fund-raising clout. The states’ political party committees and legislative caucuses added another \$411 million to that total.

A review of the \$1.8 billion given during the 2004 election cycle reveals:

- **The amount of money in legislative politics continued to increase.** General-election state legislative candidates raised \$755.6 million in 2004, or 8 percent more than the \$700 million they raised in 2002 and 16 percent more than the \$651 million they raised in 2000.
- **Incumbency is a powerful advantage for fund-raising success.** Incumbents in general-election races for state-level offices of all types raised \$610.5 million, or 58 percent of the total raised for those contests.
- **When combined, money and incumbency are nearly unstoppable.** In legislative races, candidates who had the advantage of money, incumbency or both won 94 percent of the time.
- **Winning legislative candidates have more money to spend.** Winning candidates raised about three times the amount, on average, that losing candidates raised: \$91,360, compared with \$33,980 for losing candidates.
- **Republicans outraised Democrats.** Overall, Republicans and Democrats each fielded about 6,800 candidates in 2003 and 2004. Republican candidates raised about \$581.4 million, while Democratic candidates raised \$570.3 million.
- **Money followed power.** Contributors to legislative candidates favored the party that controlled the legislature after the 2004 elections.
- **A small number of candidates who raised more than \$1 million** accounted for more than 37 percent of the total candidate contributions. This figure includes 35 candidates who were raising money but not running for office in 2004, led by Illinois Gov. Rod Blagojevich with \$10.5 million and Texas Gov. Rick Perry at \$10.3 million. Two potential presidential candidates in 2008—Massachusetts Gov. Mitt Romney and New York Gov. George Pataki—raised \$6.1 million and \$5.6 million, respectively, in their off-election years.
- **Supreme Court races are fast becoming political battlegrounds.** Candidates in 31 states raised more than \$46.8 million to win high-court elections. Lawyers and lobbyists far outpaced other types of contributors, giving 26 percent of the money raised by Supreme Court candidates.
- **State parties add money to the election process.** Democratic and Republican parties raised \$411 million in almost equal amounts: \$207 million to Republican committees and \$204.2 million to Democratic committees.
- **Non-candidates raised nearly 15 percent of the total.** The more than 17,000 state-level candidates raising money included 1,655 who weren’t on the ballot in 2004. These candidates, mostly incumbents raising money for future campaigns, raised \$206.6 million.



LEGISLATIVE RACES ACROSS THE COUNTRY

DURING THE 2003 AND 2004 GENERAL ELECTIONS, more than 11,400 candidates ran for state legislative seats and raised almost \$755.6 million. In Senate races, 2,340 candidates raised more than \$277.5 million, an average of \$118,608 per candidate. More than 9,080 candidates for state House and Assembly seats raised \$478 million, an average of \$52,625 per candidate. The Senate average increased 3 percent from 2002, while the House average increased more than 13 percent.

Because fund-raising needs differ from state to state, an average can skew the cost of a campaign if a few candidates raise many times more than others. A median figure describes the midpoint of fund-raising totals, with an equal number of candidates raising more and less than that amount. The median often provides a more accurate look at the cost of campaigning. The median raised by House candidates in 2004 was \$16,500; for Senate candidates, it was \$40,150. Both medians are substantially lower than the nationwide averages.

In addition, state-by-state averages differ greatly. For example, California Assembly candidates raised an average of \$403,456, while similar candidates in New Hampshire raised only \$539, on average. House candidates in Illinois and Texas—two states without limits on contributions—also had expensive House races, averaging \$186,495 and \$170,218, respectively. House candidates in six states in addition to New Hampshire—North Dakota, Vermont, Maine, Montana, Wyoming and South Dakota—all raised less than \$10,000, on average.

Senate races tend to be more expensive than House races, and 2004 was no exception. California candidates again raised the highest average amount: \$555,196. Illinois and Texas were right behind at \$475,431 and \$377,820, respectively. In comparison, Senate candidates in North Dakota raised an average of only \$3,747. North Dakota was the only state where Senate candidates raised less than \$10,000 on average.

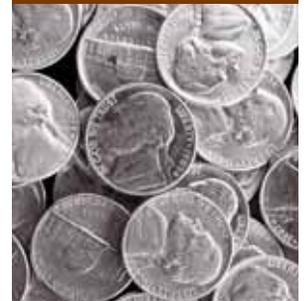
Clearly, the fund-raising experiences of candidates vary widely, depending on a number of factors. For example, some states put stringent limits on the size of contributions candidates can receive, while others have no limits at all. Candidates in sparsely populated, rural states can run campaigns with little or no advertising, while candidates elsewhere must buy costly air time in several media markets.

Winning legislative candidates raised an average of \$91,360, nearly three times the \$33,980 raised on average by losing candidates. More than 85 percent of winning candidates raised the most money in their races. Incumbency also has its advantages. Candidates who were seeking re-election to an office they already held or to a new legislative seat won more than 78 percent of the races. Almost 94 percent of the candidates who had either or both of these advantages won their races.

The fund-raising experience of candidates who lose in the primary election is far different. In the 2003 and 2004 legislative elections, 2,773 candidates were eliminated in the primaries. They raised an average of \$24,902; the median was \$5,435.

Overall, the general-election legislative contributions were split almost evenly between 5,134 Republicans and 5,179 Democrats, with Republicans receiving slightly more, \$377.7 million compared with almost \$371.8 million. But the old adage that money follows power was proven correct in 2004. Contributions to legislative candidates favored the party that controlled the Legislature after the 2004 elections. In states where Democrats had control of both chambers after the elections, Democratic candidates received 58 percent of the nearly \$296.3 million given to general-election candidates of all parties. In states where Republicans had control of both chambers post-election, contributors gave Republicans 61 percent of the \$278.9 million given to candidates. In states where the two parties split control of the House and Senate, Democrats held a slight fund-raising edge: 51 percent to 48 percent.

The fund-raising experiences of candidates vary widely from state to state. But on average, winning legislative candidates outraised their opponents 3:1.



Average Amounts Raised by General-Election Legislative Candidates, 2004

STATE	\$ PER VOTER*	2004 VOTERS	TOTAL CONTRIBUTIONS	HOUSE AVERAGE	SENATE AVERAGE
ALASKA	\$17.36	312,598	\$5,426,790	\$47,533	\$73,823
ARIZONA	\$2.38	2,038,069	\$4,851,159	\$30,569	\$35,885
ARKANSAS	\$4.17	1,053,694	\$4,396,661	\$25,630	\$47,234
CALIFORNIA	\$8.78	12,305,117	\$108,099,341	\$403,456	\$555,196
COLORADO	\$2.60	2,111,838	\$5,488,794	\$25,183	\$55,933
CONNECTICUT	\$4.79	1,578,769	\$7,560,103	\$12,366	\$44,658
DELAWARE	\$7.53	375,190	\$2,824,626	\$29,428	\$55,150
FLORIDA	\$2.80	7,640,319	\$21,381,838	\$97,219	\$158,580
GEORGIA	\$7.23	3,298,790	\$23,859,160	\$50,029	\$117,221
IDAHO	\$4.67	612,786	\$2,861,858	\$14,891	\$18,859
ILLINOIS	\$9.60	5,275,415	\$50,666,265	\$186,495	\$475,431
INDIANA	\$5.65	2,511,319	\$14,186,754	\$64,212	\$61,056
IOWA	\$9.10	1,521,969	\$13,848,975	\$47,386	\$132,743
KANSAS	\$6.42	1,187,756	\$7,621,039	\$17,758	\$50,837
KENTUCKY	\$5.28	1,795,860	\$9,490,824	\$35,144	\$133,835
LOUISIANA	\$15.81	1,407,842	\$22,257,934	\$60,817	\$159,943
MAINE	\$5.13	740,752	\$3,802,570	\$5,770	\$26,877
MASSACHUSETTS	\$9.10	2,905,360	\$26,437,959	\$56,350	\$161,466
MICHIGAN	\$2.89	4,875,692	\$14,077,763	\$55,424	NO RACES
MINNESOTA	\$2.83	2,828,387	\$8,009,092	\$27,058	NO RACES
MISSISSIPPI	\$7.75	894,487	\$6,932,520	\$20,021	\$36,008
MISSOURI	\$5.78	2,731,364	\$15,789,140	\$34,270	\$149,697
MONTANA	\$3.75	456,096	\$1,711,873	\$6,067	\$12,439
NEBRASKA	\$1.70	792,603	\$1,345,273	NO RACES	\$36,359
NEVADA	\$12.94	831,563	\$10,756,330	\$75,071	\$138,511
NEW HAMPSHIRE	\$3.36	677,662	\$2,275,584	\$539	\$36,848
NEW JERSEY	\$22.44	1,437,485	\$32,254,537	\$73,804	\$187,608
NEW MEXICO	\$18.36	262,617	\$4,820,797	\$26,509	\$35,426
NEW YORK	\$6.75	7,448,266	\$50,245,805	\$77,003	\$251,992
NORTH CAROLINA	\$7.45	3,501,007	\$26,082,556	\$67,356	\$134,181
NORTH DAKOTA	\$1.13	315,007	\$355,783	\$2,139	\$3,747
OHIO	\$4.39	5,722,211	\$25,123,534	\$95,253	\$257,355
OKLAHOMA	\$9.53	1,463,758	\$13,948,137	\$53,638	\$113,566
OREGON	\$9.90	1,730,432	\$17,127,578	\$73,469	\$211,513
PENNSYLVANIA	\$7.67	5,765,764	\$44,248,836	\$91,809	\$273,448
RHODE ISLAND	\$13.01	332,056	\$4,321,601	\$17,378	\$28,707
SOUTH CAROLINA	\$7.60	1,619,898	\$12,319,224	\$26,574	\$111,308
SOUTH DAKOTA	\$4.22	388,215	\$1,639,247	\$7,492	\$12,711
TENNESSEE	\$5.76	2,437,319	\$14,035,002	\$49,407	\$205,977
TEXAS	\$6.29	7,410,749	\$46,611,039	\$170,218	\$377,820
UTAH	\$3.30	942,010	\$3,106,150	\$11,191	\$27,327
VERMONT	\$4.77	314,220	\$1,500,205	\$2,883	\$12,463
VIRGINIA	\$18.39	1,296,975	\$23,852,488	\$89,579	\$178,108
WASHINGTON	\$6.47	2,859,084	\$18,495,784	\$59,456	\$115,814
WEST VIRGINIA	\$7.19	755,792	\$5,432,661	\$16,603	\$62,715
WISCONSIN	\$2.85	2,997,007	\$8,543,021	\$32,037	\$115,407
WYOMING	\$3.13	245,789	\$768,930	\$6,207	\$10,224
		TOTAL	\$750,793,137	\$52,832	\$119,125

* Based on total votes cast.

Hawaii is not included in this list because the Institute was unable to collect data for all candidates; however, the Hawaii contributions that were available were included in the \$755.6 million total given on pages 2 and 3. Alabama and Maryland are not included in this list because they did not hold regular legislative elections during the 2003–2004 election cycle.

Detailed information on the contributions made to each legislative candidate is available on the Institute's Web site, www.followthemoney.org.

States Where Democrats Controlled Both Houses After 2004 Election

STATE	DEMOCRATS	REPUBLICANS
ARKANSAS	\$2,724,604	\$1,639,572
CALIFORNIA	\$58,522,149	\$49,498,361
COLORADO	\$2,980,210	\$2,493,604
CONNECTICUT	\$4,474,888	\$3,030,804
ILLINOIS	\$29,240,178	\$21,345,432
LOUISIANA	\$11,907,287	\$10,223,273
MASSACHUSETTS	\$18,395,114	\$7,688,188
MAINE	\$1,675,485	\$1,916,983
MISSISSIPPI	\$3,164,428	\$3,711,370
NORTH CAROLINA	\$16,953,607	\$9,081,748
NEW MEXICO	\$3,183,663	\$1,621,578
RHODE ISLAND	\$3,480,166	\$711,449
VERMONT	\$797,809	\$665,246
WASHINGTON	\$10,394,168	\$8,079,353
WEST VIRGINIA	\$3,664,382	\$1,764,553
TOTAL	\$171,558,138	\$123,471,514

States Where Republicans Controlled Both Houses After 2004 Election

STATE	DEMOCRATS	REPUBLICANS
ALASKA	\$2,183,842	\$3,052,526
ARIZONA	\$1,871,211	\$2,926,494
FLORIDA	\$5,741,770	\$15,567,759
GEORGIA	\$10,333,304	\$13,454,856
IDAHO	\$1,129,626	\$1,724,429
INDIANA	\$7,363,543	\$6,808,823
KANSAS	\$2,582,888	\$5,023,540
MICHIGAN	\$5,718,593	\$8,312,545
MISSOURI	\$7,093,967	\$8,636,373
NORTH DAKOTA	\$142,259	\$213,524
NEW HAMPSHIRE	\$1,043,077	\$1,230,399
OHIO	\$6,000,056	\$19,047,042
PENNSYLVANIA	\$20,463,154	\$23,544,593
SOUTH CAROLINA	\$4,330,387	\$7,942,128
SOUTH DAKOTA	\$493,252	\$1,143,309
TEXAS	\$17,940,979	\$28,668,153
UTAH	\$1,005,953	\$2,080,985
VIRGINIA	\$9,513,647	\$14,088,792
WISCONSIN	\$3,133,361	\$5,346,294
WYOMING	\$281,752	\$486,746
TOTAL	\$108,366,621	\$169,299,310

States Where Parties Split Control After 2004 Election

STATE	DEMOCRATS	REPUBLICANS
DELAWARE	\$1,175,542	\$1,643,521
IOWA	\$7,004,649	\$6,844,326
KENTUCKY	\$4,851,980	\$4,638,844
MINNESOTA	\$3,960,543	\$3,869,120
MONTANA	\$956,764	\$732,718
NEVADA	\$5,764,895	\$4,861,564
NEW JERSEY	\$19,088,310	\$13,091,424
NEW YORK	\$23,571,229	\$25,012,722
OKLAHOMA	\$7,085,464	\$6,836,646
OREGON	\$7,390,281	\$9,640,236
TENNESSEE	\$8,148,004	\$5,876,322
TOTAL	\$88,997,662	\$83,047,443

Candidates of the party that won control of state legislatures typically garnered more campaign cash than candidates of the minority party.



GUBERNATORIAL CANDIDATES

IN THE 2004 ELECTION CYCLE, 14 states held gubernatorial elections in which 129 candidates raised nearly \$204.4 million. Also, California played host to a high-profile recall election in which Democratic Gov. Gray Davis was ousted and replaced by Republican Arnold Schwarzenegger. The Institute collected data for 12 of the 135 candidates who competed to replace Davis should the recall pass. These 12 candidates raised \$29.7 million in a span of four months in 2003. Schwarzenegger raised another \$3 million after winning the October election.

General-election candidates in races outside of the California special election raised 72 percent, or \$147.9 million, of the total. Winners raised almost 25 percent more than their general-election competitors: \$82.1 million, compared to \$65.7 million.

In the California recall, eventual winner Schwarzenegger collected \$17.9 million, which includes the money he raised in November and December 2003. His total was almost two times the \$9.7 million raised by Democratic Lt. Gov. Cruz Bustamante.¹ Together, the two accounted for almost 78 percent of the total raised for the election.

As often is the case, success at raising money correlated to success on Election Day. Including the California race, candidates who raised the most money won 10 of the 15 gubernatorial races. Of the five candidates who won their races after being outraised by an opponent, two—Christine Gregoire of Washington and Matt Blunt of Missouri—were current incumbents in a statewide office. Ernie Fletcher, the Republican winner in Kentucky, was a congressman before being elected governor. Clearly, the name recognition provided by being a current incumbent in an office can also help candidates running for governor. In fact, 13 of the 15 winners had the advantage of raising the most money, being an incumbent in a state office, or both. The two winners who did not meet either of these criteria were John Lynch in New Hampshire and Ernie Fletcher in Kentucky, who most likely benefited from the name recognition he garnered from his congressional stint.

Of the five governors running for re-election who were also the top fund-raisers, only one—Republican Craig Benson of New Hampshire—lost his race. Two more incumbents—Democrats Ronnie Musgrove of Mississippi and Joe Kernan of Indiana—lost in the general election after being outspent by their opponents. Republican Olene Walker of Utah was defeated at her party's state convention, prior to the primary election.² Although Walker was the incumbent, she had assumed the office in 2003 after then-Gov. Mike Leavitt was appointed by President Bush to head the Environmental Protection Agency. Democratic Gov. Bob Holden of Missouri was defeated in the primary by State Auditor Claire McCaskill, who went on to lose a close race to Secretary of State Matt Blunt.

However, while fund-raising prowess can offer many advantages to a candidate, it does not make victory automatic. Of the five candidates who raised the most for gubernatorial races—and the only five to raise more than \$10 million for their campaigns—only two won in the general election. In Indiana, Mitch Daniels beat another top fund-raiser, Joe Kernan. Kernan had been serving as governor following the 2003 death of Gov. Frank O'Bannon. Winning candidates in Louisiana and Missouri raised \$4.8 million and \$8.8 million respectively, compared with the \$13.9 million that Claude (Buddy) Leach raised in his losing primary race in Louisiana and the \$11.5 million Claire McCaskill raised in her unsuccessful Missouri contest.

¹ This figure includes almost \$4.3 million raised by Bustamante in his campaign account for lieutenant governor. Numbers in this report may vary slightly from numbers on the Institute's Web site because the Web site numbers include non-contribution income, such as interest earned or refunds of deposits. That income is not included in the totals used in this report.

² Bob Bernick Jr., "2 In Running—So Far—For No. 2 Spot," *Deseret Morning News*, April 7, 2004 [on-line]; available from <http://www.deseretnews.com/dn/view/0,1249,595054352,00.html>; Internet; accessed Nov. 10, 2005.

Thirteen of the 15 gubernatorial winners had the advantage of raising the most money or being an incumbent officeholder.



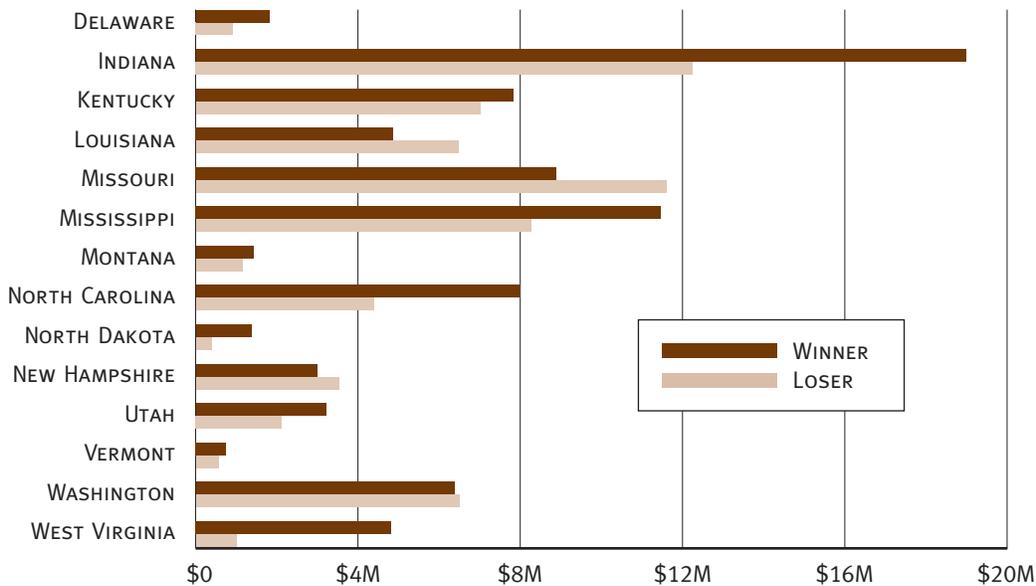
Top Five Fundraisers in Gubernatorial Races, 2004

CANDIDATE	STATE	PARTY	STATUS	TOTAL
MITCH DANIELS	INDIANA	REPUBLICAN	WON	\$18,846,777
CLAUDE (BUDDY) LEACH	LOUISIANA	DEMOCRAT	LOST-PRIMARY	\$13,975,509
JOE KERNAN	INDIANA	DEMOCRAT	LOST-GENERAL	\$12,158,653
CLAIRE MCCASKILL	MISSOURI	DEMOCRAT	LOST-GENERAL	\$11,550,938
HALEY BARBOUR	MISSISSIPPI	REPUBLICAN	WON	\$11,382,061

Leach and McCaskill contributed substantial sums to their own campaigns: Leach, a former Louisiana congressman, gave his campaign \$13.6 million, almost 98 percent of the total he raised. McCaskill gave her campaign \$1.6 million, or 14 percent of the total. In all, candidates for governor gave themselves almost \$43 million, or 21 percent of the total raised by all gubernatorial candidates. Of the eight candidates who contributed at least \$1 million to their own campaigns, only one was successful. Democratic challenger John Lynch won the New Hampshire governor’s seat by defeating incumbent Republican Gov. Craig Benson, who himself was largely self-financed and gave more than \$1 million to his own campaign.

Two party-based organizations, the Democratic Governors Association (DGA) and the Republican Governors Association (RGA), combined to give more than \$11.6 million to candidates in the 2004 election cycle. The RGA gave almost 63 percent more to candidates than the DGA, \$7.2 million compared to \$4.43 million. Two states featured races in which a Republican challenger defeated a Democratic incumbent. In both races, the RGA significantly outspent the DGA. In Mississippi, Republican Haley Barbour, a former chairman of the Republican National Committee, received \$4.25 million, the most of any gubernatorial candidate. He defeated Gov. Ronnie Musgrove, who received \$2.3 million from the DGA. In this race, the RGA contributed almost 83 percent more than the DGA. In Indiana, Republican Mitch Daniels received \$2.65 million from the RGA in his successful bid for office. His Democratic opponent, Joe Kernan, received \$1.5 million from the DGA. The RGA outspent the DGA in Indiana by more than 74 percent. The two associations also contributed significantly to the state party committees in several states holding gubernatorial elections.

Amounts Raised by Major-Party Gubernatorial Candidates, 2004 General Election



THE NEW BATTLEGROUND: SUPREME COURT CONTESTS

Political parties and special interests pumped money into the 2004 judicial races in hopes of electing judges sympathetic to their views.

SUPREME COURT RACES are quickly becoming high-priced battles into which political parties and special interests pump money in hopes of electing judges sympathetic to their ideological interests. In the 2003–2004 election cycle, 142 candidates competed for high-court seats in 31 states. Twenty-two of these races were held in states using contested elections, where candidates compete against each other for a seat on the high court. Some states allow candidates to run under a party label; others require Supreme Court candidates to run in nonpartisan races. And some states use a retention election, in which the current officeholder is placed on the ballot and voters choose whether they would like the judge to remain in office. Candidates in retention elections generally raise very little money because most do not need an active campaign.

All together, 112 candidates raised \$46.8 million. The remaining 30 candidates, mostly running in states holding retention elections, raised no money at all.

Nearly 70 percent of the money went to 40 candidates in partisan races. The remaining 72 candidates who raised money ran in nonpartisan races and garnered just 30 percent of the campaign funds that were raised. The average partisan candidate raised \$814,887, compared with only \$197,575 for the average nonpartisan candidate. The 22 Republican candidates received 62 percent of the total raised by partisan candidates, or \$20.3 million, while the 18 Democratic candidates collected 38 percent, or \$12.3 million.

Two candidates in Illinois raised almost \$9.4 million, easily making this race for a single seat the most expensive judicial contest in the country. In Alabama, a state well known for costly Supreme Court races, 11 candidates raised slightly more than \$7.4 million. Ohio was not far behind, with eight candidates raising \$6.3 million. All three of these states use partisan elections to select their Supreme Court justices.

Top-Contributing Sectors to Supreme Court Candidates

ECONOMIC INTEREST	AMOUNT	% OF TOTAL
LAWYERS AND LOBBYISTS	\$11,954,856	26%
POLITICAL PARTY SOURCES	\$6,821,319	15%
GENERAL BUSINESS SOURCES	\$5,963,768	13%
INSURANCE, BANKING, REAL ESTATE	\$2,985,029	6%
HEALTH	\$2,576,966	6%

Lawyers and lobbyists far outpaced other economic sectors in giving to judicial candidates, contributing a substantial 26 percent of the total. Party sources contributed \$6.8 million to candidates; more than 72 percent of this money—\$4.88 million—came from the two Illinois parties to influence the single Illinois race. Excluding the candidates who did not raise money, the average judicial candidate raised only \$17,650 from party sources.

The following table provides an overview of the amounts of money raised for judicial contests in each of the states holding elections in 2003 or 2004.

STATE	# RUNNING	To DEMOCRATS	To REPUBLICANS	To NONPARTISANS	TOTAL
ILLINOIS	2	\$4,564,572	\$4,799,987	\$0	\$9,364,559
ALABAMA	11	\$1,114,954	\$6,323,864	\$0	\$7,438,818
OHIO	8	\$1,494,704	\$4,809,318	\$0	\$6,304,022
PENNSYLVANIA	6	\$2,157,335	\$1,183,537	\$0	\$3,340,872
NEVADA	10	\$0	\$0	\$3,086,378	\$3,086,378
WEST VIRGINIA	4	\$1,951,164	\$821,391	\$0	\$2,772,555
MISSISSIPPI	11	\$0	\$0	\$2,563,084	\$2,563,084



STATE	# RUNNING	To DEMOCRATS	To REPUBLICANS	To NONPARTISANS	TOTAL
TEXAS	5	\$200,019	\$1,803,793	\$0	\$2,003,812
MICHIGAN	5	\$0	\$0	\$1,601,123	\$1,601,123
WASHINGTON	14	\$0	\$0	\$1,382,057	\$1,382,057
NORTH CAROLINA	10	\$0	\$0	\$1,267,354	\$1,267,354
ARKANSAS	5	\$0	\$0	\$976,795	\$976,795
LOUISIANA	2	\$399,872	\$504,277	\$0	\$904,148
MONTANA	5	\$0	\$0	\$871,622	\$871,622
GEORGIA	2	\$0	\$0	\$815,531	\$815,531
WISCONSIN	4	\$0	\$0	\$748,326	\$748,326
KENTUCKY	2	\$0	\$0	\$478,633	\$478,633
NEW MEXICO	3	\$399,495	\$67,202	\$0	\$466,697
OREGON	5	\$0	\$0	\$305,712	\$305,712
MINNESOTA	4	\$0	\$0	\$120,205	\$120,205
IDAHO	2	\$0	\$0	\$8,550	\$8,550
ARIZONA	3	\$0	\$0	\$0	\$0
FLORIDA	2	\$0	\$0	\$0	\$0
IOWA	3	\$0	\$0	\$0	\$0
KANSAS	4	\$0	\$0	\$0	\$0
MISSOURI	1	\$0	\$0	\$0	\$0
NORTH DAKOTA	1	\$0	\$0	\$0	\$0
NEBRASKA	3	\$0	\$0	\$0	\$0
OKLAHOMA	1	\$0	\$0	\$0	\$0
UTAH	3	\$0	\$0	\$0	\$0
WYOMING	1	\$0	\$0	\$0	\$0
TOTAL	142	\$12,282,115	\$20,313,369	\$14,225,370	\$46,820,853

BEHIND THE SCENES: PARTY COMMITTEES

CANDIDATES ARE THE MOST OBVIOUS PLAYERS in the election contribution game. But political party committees also raise funds to influence the outcome of elections. By spreading their money to candidates and other political parties, as well as paying for advertising, mailings and get-out-the-vote efforts, parties play a large role in channeling money into the political process.

In 2004, the Institute collected contribution and expenditure reports for 100 state political party committees and 120 legislative caucus committees. Together, these groups raised \$411.3 million for the 2004 election cycle. This total is 29 percent less than the \$582.5 million the committees raised in the similar presidential cycle in 2000 and 42 percent less than the \$709.5 million they collected in 2002.

An in-depth Institute study of party committee finances in 13 states found that much of this decrease can be attributed to the effects of the Bipartisan Campaign Reform Act (BCRA) on the 100 state parties. That recently enacted federal law prohibits national parties from raising and spending soft money, which in the past could be given in unlimited amounts by any type of contributor. Since much of this soft money was passed down to the state level, the ban drastically affected the budgets of the state parties. While contributions to state legislative caucus committees increased by 24 percent from 2000 to 2004, contributions to the main Republican and Democratic state party committees dropped by about one-third during the same time period, forcing them to spend less.

Although Republican committees raised more than their Democratic counterparts—\$207 million compared to \$204.2 million—the difference was not substantial. The largest source of funding for the party committees was other political party and candidate committees, which gave \$134.5 million, or almost 33 percent of the total.

Ten Top-Contributing Industries to State Party Committees, 2004

SECTOR	TO DEMOCRATIC COMMITTEES	TO REPUBLICAN COMMITTEES	TOTAL
LAWYERS & LOBBYISTS	\$17,994,946	\$7,055,491	\$25,050,437
REAL ESTATE	\$7,476,160	\$13,411,317	\$20,887,477
PUBLIC SECTOR UNIONS	\$15,203,765	\$2,953,606	\$18,157,371
GENERAL TRADE UNIONS	\$14,094,523	\$1,002,604	\$15,097,127
INSURANCE	\$2,631,211	\$7,552,733	\$10,183,943
HEALTH PROFESSIONALS	\$2,769,111	\$5,055,840	\$7,824,950
RETAIL SALES	\$984,884	\$5,934,597	\$6,919,481
GENERAL CONTRACTORS	\$2,003,226	\$4,268,974	\$6,272,199
SECURITIES & INVESTMENT	\$2,082,896	\$3,684,684	\$5,767,581
TRIBAL GOVERNMENTS	\$3,324,530	\$2,095,275	\$5,419,805

The four top-contributing industries remain unchanged from 2002; however, as a group, these four gave almost 20 percent less than they did in 2002. Eight of the top 10 industries showed a preference for one party over the other. The securities and investment sector and tribal governments gave more evenly to the two parties.

As in the past, individuals also gave to party committees. The \$82.6 million they contributed to state parties and legislative caucus committees constitutes 20 percent of the total raised in 2004. While many individuals gave substantial sums of money, only five individuals gave more than \$500,000.

- Once again, real estate developer James E. Pederson was the top individual contributor to party committees, giving about \$2.3 million. Almost all went to the Arizona Democratic Party; the Louisiana Democratic Party received \$1,000. In 2002, Pederson gave \$3.7 million solely to the Arizona Democratic Party. Pederson served as chairman of the Arizona Democratic Party during the 2002 and 2004 election cycles.
- Jay Van Andel, co-founder and former chairman of Amway/Alticor, gave slightly more than \$2 million before his death in December 2004.³ He gave \$1 million to the Florida Republican Party, with the remainder going to the Michigan Republican Party.
- Richard DeVos Sr., also of Amway/Alticor, ranked third, giving nearly \$1.55 million. As with Van Andel, DeVos split his money between the Florida and Michigan Republican parties. The Michigan Republicans received slightly more than \$1.3 million from him, and the Florida party collected \$515,000.
- Alex Spanos, a California real estate developer, contributed nearly \$1.1 million to the California Republican Party.
- Bob J. Perry, a Texas homebuilder and the only other individual contributor to give more than \$500,000, gave slightly less than \$1 million. He spread \$940,500 among seven Republican state parties and one legislative caucus. The Texas Republican Party received the lion's share of the money: \$585,000. The rest was split between the Republican Legislative Caucus of Texas and the state Republican parties in Arizona, Colorado, Louisiana, Nevada, New Mexico and South Dakota.

³ Anne Bond Emrich, "Van Andel Left His Mark," *Grand Rapids Business Journal*, Dec. 13, 2004, p. 1.

California's Democratic and Republican state party committees led the nation in fund raising, with a combined total of \$42.8 million. They were followed by the Florida committees at \$36.7 million and the New York committees at \$33.8 million.

Contributions to State Party Committees, 2004

STATE	RANK	DEMOCRATIC COMMITTEES	REPUBLICAN COMMITTEES	TOTAL
ALABAMA	31	\$1,492,983	\$658,441	\$2,151,424
ALASKA	45	\$291,779	\$403,580	\$695,360
ARIZONA	20	\$4,689,022	\$419,145	\$5,108,167
ARKANSAS	26	\$1,535,959	\$1,239,170	\$2,775,129
CALIFORNIA	1	\$19,137,910	\$23,686,355	\$42,824,265
COLORADO	38	\$1,097,453	\$496,838	\$1,594,291
CONNECTICUT	42	\$502,779	\$653,602	\$1,156,381
DELAWARE	30	\$1,520,265	\$740,420	\$2,260,685
FLORIDA	2	\$10,924,336	\$25,800,836	\$36,725,172
GEORGIA	13	\$5,226,404	\$8,145,878	\$13,372,282
HAWAII	33	\$735,138	\$1,280,964	\$2,016,102
IDAHO	49	\$182,619	\$371,117	\$553,736
ILLINOIS	7	\$11,170,771	\$10,591,629	\$21,762,400
INDIANA	9	\$9,461,085	\$8,553,505	\$18,014,590
IOWA	15	\$5,526,049	\$3,116,613	\$8,642,661
KANSAS	37	\$1,382,176	\$380,140	\$1,762,317
KENTUCKY	29	\$1,583,777	\$892,537	\$2,476,314
LOUISIANA	16	\$5,801,918	\$2,161,210	\$7,963,128
MARYLAND	28	\$645,742	\$1,904,229	\$2,549,972
MAINE	27	\$1,364,111	\$1,297,944	\$2,662,055
MASSACHUSETTS	22	\$1,688,352	\$1,850,750	\$3,539,103
MICHIGAN	12	\$5,452,921	\$8,712,233	\$14,165,155
MINNESOTA	11	\$7,552,067	\$7,254,878	\$14,806,945
MISSISSIPPI	32	\$382,671	\$1,659,263	\$2,041,934
MISSOURI	4	\$16,586,066	\$10,977,916	\$27,563,982
MONTANA	39	\$811,173	\$617,852	\$1,429,025
NEBRASKA	46	\$300,220	\$381,707	\$681,926
NEVADA	23	\$2,311,988	\$959,734	\$3,271,722
NEW HAMPSHIRE	36	\$1,491,929	\$335,146	\$1,827,075
NEW JERSEY	8	\$15,271,932	\$3,435,560	\$18,707,492
NEW MEXICO	35	\$1,325,825	\$535,023	\$1,860,849
NEW YORK	3	\$12,857,143	\$20,935,429	\$33,792,572
NORTH CAROLINA	14	\$7,643,040	\$1,456,623	\$9,099,663
NORTH DAKOTA	40	\$956,390	\$454,657	\$1,411,047
OHIO	5	\$6,389,346	\$16,730,661	\$23,120,007
OKLAHOMA	25	\$1,553,916	\$1,476,770	\$3,030,686
OREGON	18	\$3,929,662	\$2,644,176	\$6,573,838
PENNSYLVANIA	6	\$7,881,280	\$15,190,649	\$23,071,929
RHODE ISLAND	47	\$307,577	\$353,552	\$661,128
SOUTH CAROLINA	41	\$156,738	\$1,165,566	\$1,322,304
SOUTH DAKOTA	44	\$381,301	\$542,431	\$923,733
TENNESSEE	19	\$3,761,612	\$1,682,520	\$5,444,132
TEXAS	21	\$2,033,832	\$2,986,675	\$5,020,507
VERMONT	48	\$488,559	\$149,630	\$638,189
UTAH	34	\$700,812	\$1,289,357	\$1,990,169
VIRGINIA	17	\$4,634,812	\$2,710,621	\$7,345,433
WASHINGTON	10	\$11,637,190	\$4,846,289	\$16,483,479
WEST VIRGINIA	50	\$194,575	\$18,268	\$212,843
WISCONSIN	24	\$1,237,634	\$1,950,923	\$3,188,558
WYOMING	43	\$27,387	\$981,716	\$1,009,103
TOTAL		\$204,220,229	\$207,080,729	\$411,300,958

State political parties saw their revenues drop as federal campaign-finance reforms went into effect.

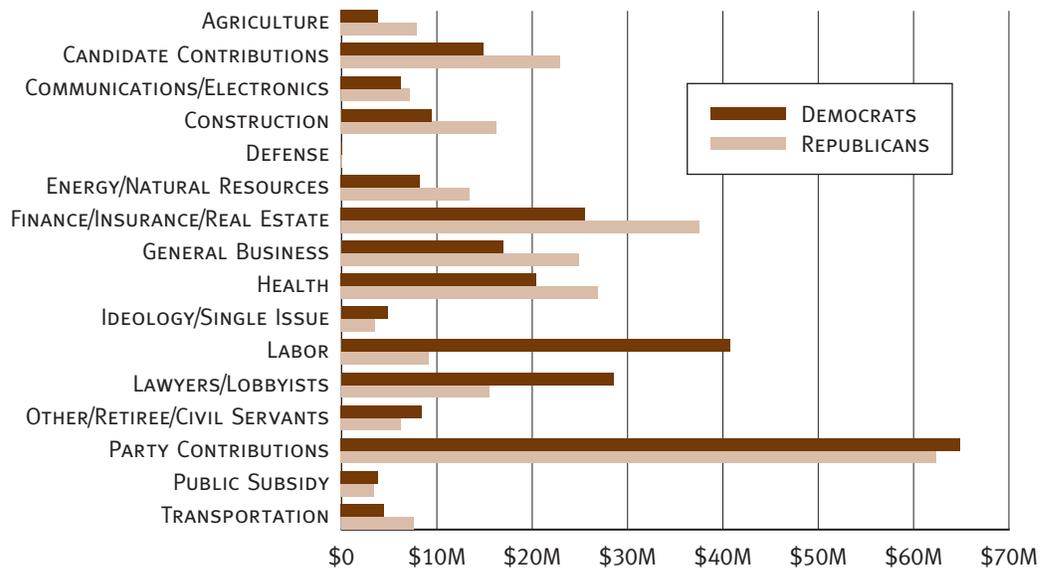


WHO GIVES?

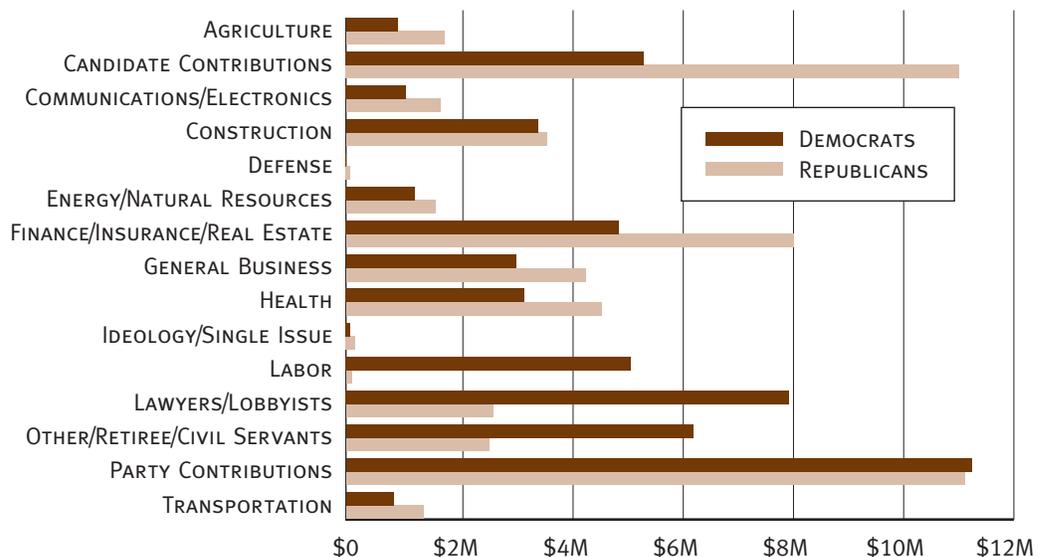
THE INSTITUTE CLASSIFIES contributors according to their business and industry interests when this information is available and thus is able to analyze contribution data by economic interest. The Institute relies on the occupation and/or employer information that states require candidates to disclose and also performs additional research as needed when this material is not provided.

Using this information, the Institute is able to analyze giving by economic sectors across state lines and election cycles to discover patterns of giving. The following tables show contribution data by sector for general-election Republican and Democratic candidates for state legislative, Supreme Court and gubernatorial races, including the 2003 special election in California.

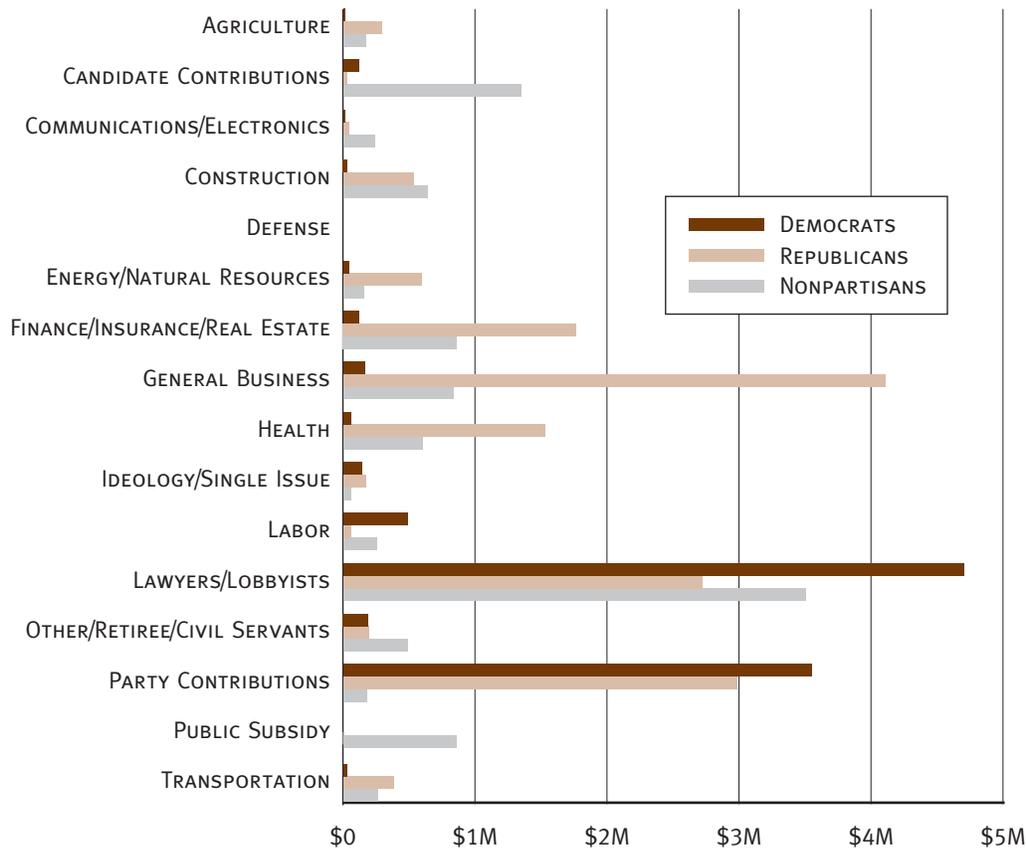
Contributions to General-Election Legislative Candidates by Sector, 2004



Contributions to General-Election Gubernatorial Candidates by Sector, 2004



Contributions to General-Election Supreme Court Candidates by Sector, 2004



PUBLIC FUNDING EXPANDS

IN 2004, NORTH CAROLINA JOINED the growing list of states using full or partial public funding for state elections when it offered public funds to qualifying candidates for the Supreme Court and the Court of Appeals. Maine and Arizona remain the only two states to offer full public financing for all state-level candidates, but six other states offered candidates partial public financing in 2004. More than 350 candidates in Hawaii, Indiana, Michigan, Minnesota, North Carolina and Wisconsin took advantage of the programs offered during the 2004 election cycle. New Jersey also offers public financing to gubernatorial candidates, but the state did not have a governor's race in the 2004 election cycle. The public-funding systems in most of these states limit public funds to certain types of candidates or to those who agree to abide by specified spending or contribution limits.

North Carolina became the first state to offer full public financing for judicial candidates in a program authorized in 2002 and put into effect with the 2004 elections. Candidates raising enough "seed money" from small contributors qualify for grants. Extra money is available for candidates who are outspent by self-financed opponents or hit by attack ads from independent committees, including party committees. The Institute's database does not contain contribution data for Court of Appeals candidates, but it does track Supreme Court races. In 2004, 10 candidates competed for two seats on the North Carolina Supreme Court. All but three accepted public funding.

Public funds made up more than 63 percent of the almost \$1.3 million raised for the North Carolina races. In 2002, before public financing was in effect, six candidates raised \$807,320, for an average of \$134,553 per candidate. In 2004, the total amount raised for judicial races increased, but the average amount raised dropped to \$126,735 because the total funds were split among 10 candidates.

The sources of judicial contributions also changed significantly in North Carolina. Contributions from party sources dropped from 11 percent of the total in 2002 to less than 1 percent in 2004. Contributions from lawyers also decreased dramatically, falling from 40 percent of the 2002 total to only 11 percent in 2004. Small contributions, made in amounts below the threshold for reporting identifying information about contributors, more than doubled. Many of these small contributions were made as part of the “seed money” that participating candidates were required to raise in order to qualify for public financing.

In Arizona and Maine, 450 legislative candidates participated in the states’ Clean Elections programs during the 2004 election cycle. This number represents 72 percent of the 625 candidates who sought legislative office in the two states in 2004. The number of candidates participating remained steady from 2002 in both states. In Arizona, 111 candidates used public funding in 2004; in 2002, 113 candidates chose to accept public money. In Maine, 339 candidates participated in 2004, up from the 246 candidates who participated in 2002. Democrats were more likely than Republicans to participate in public funding programs—86 percent compared to 72 percent in Maine and 69 percent compared to 55 percent in Arizona. But the majority of candidates in both states accepted public money.

As the following table shows, candidates who ran publicly financed campaigns raised about the same amounts as their opponents for the general-election contests, putting both winners and losers on even footing. Among candidates who did not participate, losing candidates typically raised far less than winning candidates.

Average Amounts Raised by Arizona and Maine Legislative Candidates, 2004

	PARTICIPATING CANDIDATES			NON-PARTICIPATING CANDIDATES		
	WINNER	LOSER	PRIMARY LOSER	WINNER	LOSER	PRIMARY LOSER
ARIZONA	\$38,704	\$36,940	\$24,645	\$35,034	\$1,565	\$35,572
MAINE	\$9,720	\$9,099	\$5,409	\$9,720	\$7,246 ⁴	\$469

⁴ John D. Linnehan Jr., a Republican running for an open Senate seat, contributed \$200,000 to his own campaign. Excluding his own money, Linnehan raised \$24,531 to his opponent’s \$49,069. As a result, the average for non-participating losing candidates was abnormally high. No other candidate in Maine contributed more than \$41,000 to his or her campaign. When the \$200,000 self-contribution was removed from the data, the non-participating losing candidate average dropped from \$11,897 to the amount in the table.

RESEARCH AND REPORTS

THE INSTITUTE'S UNIQUE DATABASES contain political contribution records for all 50 states going back to the 2000 election cycle. For selected states and offices the data is more extensive. Using this information, the Institute is able to publish analytical reports on the role of money in the campaign and legislative processes. Following are summaries of several recent Institute reports.

Soft Money at the State Level

In fall 2005, the Institute published two comprehensive reports covering the effects of recent federal campaign-finance reforms on state-level political party finances. *Shifting Gears: State Party Strategies Post-BCRA* examined in depth how state-level party committees in 13 states raised and spent their money in 2004, the first election cycle after passage of the federal Bipartisan Campaign Reform Act that prohibited national party committees from accepting soft money. *Declining Fortunes: State Party Finances, 2004* looked at how the federal reforms affected state party committees in all 50 states.

Money and Diversity

This study looked at the fund-raising experience of 836 legislators who had identified themselves as African American, Latino, Asian Pacific American or Native American. It then compared their campaign accounts against those of white legislators in each state, taking a comprehensive, state-by-state look at how minority legislators fared compared to white legislators and how much they raised from various economic interests. A follow-up report is planned for spring 2006.

Supreme Court Contributions

Along with Justice at Stake partners, the Institute examined judicial contribution patterns using data going back to 1994. Another report highlighted how special interests used independent expenditures to influence Supreme Court races in selected states in 2004.

Oil and Gas Giving in the States

As gas prices hit record highs after hurricanes hit the Gulf Coast, the Institute looked at the \$60 million that oil and gas interests have given to state-level candidates and political party committees in the past three election cycles.

Big Tobacco in the States

Tobacco companies changed a lot of business practices after settling lawsuits brought by the states, but they haven't stopped one long-standing practice: giving campaign contributions to political candidates who might be in a position to help their bottom line.

Names in the News

The Institute continued its periodic series on the state-level contributions of people and companies that have been in the news. Recent reports looked at giving by Supreme Court nominee Harriet Miers, former House Majority Leader Tom DeLay, the American Insurance Association, ChevronTexaco and Texas homebuilder Bob J. Perry.

The full reports can be found at www.followthemoney.org/Research/index.phtml.

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THE INSTITUTE ON MONEY IN STATE POLITICS grew out of an earlier organization based in the West that collected and analyzed state campaign-finance data for selected Western states. The Institute has steadily increased the number of states for which it collects data and now gathers reports from all 50 states. Its Web site makes this information available in an easily searchable format.

Who We Are

Executive Director Edwin Bender has headed the Institute since August 2003, after serving as the Institute's research director since its creation in 1999. In that role, he led the research functions of the Institute, directing both the development of campaign-finance databases and analysis of those databases. A former journalist, Edwin also worked for seven years as research director for the Money in Western Politics Project of the Western States Center. While there, he helped develop many techniques for researching state campaign-finance data.

Deputy Director Barbara Bonifas has more than 25 years of public sector and nonprofit management experience. Prior to joining the Institute, Barbara served for 10 years as financial officer and project planner for immigrant worker anti-discrimination activities at the National Immigration Law Center in Los Angeles.

Research and Communications Director Sue O'Connell is a former statehouse reporter who also served eight years as a press secretary for the Montana attorney general's office. Director of Technology and Web Development Mike Krejci, formerly of Project Vote Smart, oversees the operation of the Institute's Web site and its database systems. Operations Director Linda King supervises the Institute's financial and personnel matters and oversees the collection of the thousands of campaign-finance reports the Institute gathers each year.

How We're Funded

The Institute is funded primarily through foundation support and has no relationship with any political party, partisan issue group or elected official. Our independence is guaranteed by our no-strings-attached funding. Major sources of funding are The Pew Charitable Trusts, Carnegie Corporation of New York, Ford Foundation, Open Society Institute, the JEHT Foundation and the Rockefeller Brothers Fund.

Minor income is derived from interest and occasional fees for data entry, database development and customized research.

VISIT US ON THE WEB

NOT LONG AGO, gathering information on campaign contributions involved searching through piles of paper in an office in the state capital. But now, discovering how much money candidates have raised and who has given it to them is as simple as clicking a few links on a computer screen.

The Institute's Web site, www.followthemoney.org, allows you to search campaign-finance information in many different ways:

Sign up for e-mail alerts.

Web users can receive automatic notices when new data or reports are added to the Institute's Web site, in one or more selected states.

Read the latest money-in-politics research.

The Institute's research staff uses the extensive database to investigate the effects of campaign contributions on elections and public-policy decisions.

View data at a glance.

The Institute's Data Snapshots capture trends in giving with quick and easy-to-read graphics.

The screenshot shows the website interface with a navigation bar at the top containing links for ABOUT US, NEWSROOM, RESEARCH & REPORTS, LINKS, PURCHASE PRODUCTS, and SUPPORT OUR WORK. A search bar is located on the right side of the page. The main content area features several sections: 'WHY LOOK AT MONEY IN STATE POLITICS?' with a brief overview, 'WHAT'S NEW ON FOLLOW THE MONEY?' with three news items, 'IN THE PUBLIC EYE' with a list of recent user searches, 'DATA SNAPSHOT' with a bar chart for Alcohol, Gambling, and Tobacco contributions, and 'INDUSTRY INFLUENCE' with a list of industries. A sidebar on the right contains a 'SEARCH OUR DATA' form with dropdown menus for state and year, and input fields for candidate, contributor, and special interests.

See who is giving and who is receiving the money.

Our search functions allow you to view political giving at a glance for any state and election year, or narrow your request by selecting a specific candidate or contributor in a given state. Resulting pages provide detailed information about the contributions.

Build a custom search.

You can see how much money one contributor or an industry has given over multiple election cycles or in multiple states, by setting up your own specific search criteria.

Look at the giving patterns of a specific industry.

The site's Industry Influence section shows how much money a selected industry has given over time, and how much went to Democratic and Republican candidates and party committees.



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