



**CLOSING THE GAP:
STATE PARTY FINANCES FOUR YEARS
AFTER BCRA**

By
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The National Institute on Money in State Politics is a nonpartisan 501(c)3 tax-exempt charitable organization dedicated to accurate, comprehensive and unbiased documentation and research on campaign finances at the state level. It compiles campaign-contribution information on every state-level candidate, major party committee and non-bond ballot measure committee in the country.

*The Institute serves as the nation's only complete source of this data and makes its information freely available online at **www.FollowTheMoney.org**.*

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EXECUTIVE SUMMARY

Five years and two major election cycles after Congress passed the Bipartisan Campaign Reform Act (BCRA), the majority of state party committees have yet to replace the money that once flowed down in copious amounts from their national counterparts. However, they are becoming more adept at finding new ways to replenish their coffers.

One hundred state party committees raised \$454.6 million during the 2006 election cycle, a 20 percent decline from the \$569 million they raised during the comparable pre-BCRA 2002 mid-term elections.

Thirty-two committees managed to raise more in 2006 than they did in 2002, with committees in some large states such as California, Florida and Ohio experiencing the largest gains. Still, the majority, or 68 committees, raised less money, with those in three states — Missouri, New Jersey and Texas — experiencing the biggest losses from 2002 to 2006.

SOFT MONEY RAISED BY STATE POLITICAL PARTIES, 2000-2006

PARTY	2000	2002	2004	2006
Democrat	\$239,758,477	\$307,864,353	\$155,688,869	\$210,257,030
Republican	\$217,312,090	\$261,581,542	\$141,647,409	\$244,363,872
TOTAL	\$457,070,567	\$569,445,895	\$297,336,278	\$454,620,902

Contributions from opposite ends of the spectrum — those who donate millions and those who give smaller amounts, often under \$100 — increased, helping many parties keep rolling after the soft-money spigots shut off.

- Contributions from wealthy individuals soared in 2006; the top 10 largest individual donors gave \$25 million collectively. In 2002, the top 10 donors gave slightly less than \$9 million.
- Thirteen business and special interest donors gave \$1 million or more in 2006, compared to just two in 2002.
- Smaller donations, those which fall under the monetary threshold set by states for reporting names and other identifying information, increased substantially, from \$4.7 million in 2002 to \$12.4 million in 2006. Democratic state parties saw their unitemized donations more than triple, from \$1.5 million in 2002 to \$4.5 million in 2006, while Republican state parties saw theirs more than double, from \$3.3 million in 2002 to nearly \$8 million in 2006.

Businesses, special interests, labor unions and individual donors — all outside the party apparatus — became the mainstay of the party committees after BCRA. In the 2006 elections, these donors provided 71 percent of the money raised by state party committees. By comparison, during the 2002 cycle, less than half the money raised by state party committees came from these sources.

State party committees also raised more funds from out-of-state donors who could no longer write blank checks to the national party committees.

Several national-level organizations with close ties to the parties, such as the Democratic and Republican Governors Associations, the Democratic Legislative Campaign Committee and its Republican counterpart, the Republican State Leadership Committee, increased their level of giving. Combined, these organizations doubled their contributions to state parties, from \$5 million in 2002 to more than \$13 million in 2006.

State party committees also raised more from out-of-state businesses, special interests, labor organizations, and individuals. During the 2004 post-BCRA presidential cycle, they raised \$45.4 million, 24 percent more than the \$34.5 million they raised during the 2000 pre-BCRA presidential election cycle. During the 2006 elections, \$60.7 million came from these out-of-state donors, 4 percent more than the \$58.1 million they received during the comparable 2002 election cycle.

Although both parties raised less money overall, the decline was not experienced equally between them. In fact, the 2006 elections marked the first time Republican state party committees, on the whole, raised more money than their Democratic counterparts.

In 2006, Republican state parties raised just \$17 million less than in 2002, despite the absence of roughly \$100 million they had received from the Republican national party committees in 2002. However, Democratic state parties raised \$97.6 million less in 2006, replacing just \$20 million of the \$118 million they received from the national party committees in 2002.

The Institute also collected and examined the campaign finance reports of more than 150 legislative caucus committees across the country. These caucuses are partisan fund-raising groups for state legislative candidates. While a cycle-to-cycle analysis is difficult because many of these committees come and go, the Institute did find that, overall, state party committees gave less to the legislative caucuses after BCRA. During the 2006 mid-term elections, state party committees gave \$1.5 million to legislative caucuses, or 55 percent of the \$2.8 million given during the 2002 cycle. During the 2004 presidential elections, state party committees gave \$2.2 million, or 71 percent of the \$3.1 million given in the 2000 elections.

METHODOLOGY

Because state parties support both state and federal candidates, they operate two accounts: a federal account, which funds their activities on congressional and presidential elections; and a state account, which funds their activities for state and local races. As a result, state parties file two sets of campaign finance reports. They report their federal campaign finances to the Federal Election Commission (FEC), and their state finances to the respective state disclosure agencies.

The Institute collected and examined the campaign finance reports filed by 100 state party committees with the state disclosure agencies. It is important to note that the Institute's database and the figures in this report do not include the federal financial activity of these committees as reported to the FEC. However, a few party committees report some or all of their federal money to their state agencies, as required by state law, or by choice. Where possible, the Institute removed any identifiable federal money reported to the state agencies.

The Institute also collected the campaign finance reports of more than 150 legislative caucus committees across the country. The analysis of this money is discussed separately in this report, and the data is not included in the figures used in this report regarding the state party committees. Detailed data of the legislative caucus committees are available on the Institute's Web site at *www.FollowTheMoney.org*.

THE LAW OF THE LAND — BEFORE AND AFTER BCRA

The federal campaign finance reform law, commonly referred to as BCRA, banned the unlimited non-federal or “soft money” contributions that individuals, corporations, and unions could give to national political party committees.

Prior to the enactment of BCRA in November 2002, the six national party committees¹ could raise two types of money:

- Federal, or so-called “hard” money, subject to strict contribution limits and allowed to be used to directly influence federal elections.
- Non-federal, or so-called “soft” money, raised in unlimited amounts by the national party committees but only allowed to be spent on party-building activities, such as voter registration drives, get-out-the-vote efforts and broadcast issue ads that tout or criticize a candidate’s position on issues without explicitly telling voters to vote for or against the candidate.

State party committees can still raise both types of money: hard money, governed by federal limits and reporting regulations and raised to fund activities related to federal elections; and soft money, raised for their state election activities and regulated by state laws. According to the National Conference of State Legislatures, 23 states limit contributions to party committees from most or all sources, 14 states limit how much corporations and unions may give directly from their treasuries, and 13 states place no limits on how much can be given to state party committees.²

The federal soft-money ban turned off a main spigot of funds not only for the national parties, but also for state party committees, which had grown accustomed to receiving large sums of soft money from the national party committees. During the 2000 and 2002 election cycles, for example, state party committees received \$454 million from the national party committees, nearly half of the \$1 billion in soft money they raised.

In the post-BCRA world, state party committees either have to replace the millions of dollars previously passed down to them, or simply operate on much smaller budgets.

To determine how the state parties fared in the first mid-term elections since BCRA, the Institute analyzed the money raised and spent during the 2006 election cycle and compared it to their finances during the 2002 mid-term election cycle, before BCRA was in effect.³

¹ The Democratic and Republican Parties each have three national committees: the Democratic National Committee (DNC); the Democratic Senatorial Campaign Committee (DSCC), Democratic Congressional Campaign Committee (DCCC); Republican National Committee (RNC); National Republican Senatorial Committee (NRSC); and the National Republican Congressional Committee (NRCC).

² “Limits on Contributions to Political Parties,” *National Conference of State Legislatures*, Aug. 3, 2005 [on-line]; available from http://www.ncsl.org/programs/legismgt/about/contrib_pol_parties.htm; Internet, accessed Sept. 18, 2007.

³ The Institute included the money raised in the four states with off-year elections (Louisiana, New Jersey, Mississippi and Virginia) in the even-year election cycle. So, for example, the 2006 election totals include money raised in during the 2005 elections.

WHO GAVE – THEN AND NOW

To compare the source of funds for state party committees, the Institute divided contributors into two types: party sources, which are primarily national, state and local party committees and candidate committees; and non-party sources, such as businesses, special interests, labor unions and individual donors.

With millions of soft-money dollars flowing from the national party committees, state party committees raised a majority of their funds from party sources in the two pre-BCRA election cycles. However, these sources provided less than one-third of the money raised by state parties after BCRA.

Instead, businesses, special interests, labor unions and individual donors — all outside the party apparatus — became the mainstay of the party committees. In the 2006 elections, these donors provided 71 percent of the money raised by state party committees. By comparison, during the 2002 cycle, less than half the money raised by state party committees came from these sources.

MAJOR TYPES OF CONTRIBUTORS TO STATE PARTY COMMITTEES, 2000-2006

PARTY SOURCES	2000	2002	2004	2006
Candidate Committees	\$19,985,076	\$49,346,752	\$38,277,260	\$54,213,540
State & Local Party Committees	\$34,138,993	\$40,096,244	\$31,894,959	\$41,731,766
Out-of-State Party Committees	\$4,109,705	\$5,338,052	\$15,732,179	\$13,756,183
National Party Committees	\$236,105,314	\$217,548,366	\$0	\$0
NON-PARTY SOURCES				
Businesses & Special Interests	\$71,699,345	\$119,893,338	\$104,679,443	\$161,315,520
Individuals	\$62,226,148	\$90,148,622	\$65,478,052	\$116,698,954
Labor Organizations	\$16,083,690	\$28,329,290	\$26,066,637	\$45,443,383
Unitemized Donations	\$7,211,338	\$4,728,679	\$7,789,362	\$12,425,685

DONORS OUTSIDE THE PARTY SYSTEM BECOME THE MAIN PLAYERS

Since BCRA took effect, three types of donors outside of the party system — businesses, labor unions, and individuals — have provided a majority of the funds raised by the committees.

Businesses and Special Interests

Businesses and special interests were the largest source of funds for state party committees in the two post-BCRA election cycles, accounting for 35 percent of the total raised in both 2004 and 2006. These donors gave \$161 million in the 2006 cycle, 35 percent more than they contributed in the comparable 2002 mid-term election cycle. In addition, the average contribution per donor in this group almost doubled, from \$6,500 in the 2002 elections to roughly \$11,700 in the 2006 elections.

Yet the number of donors in this group actually decreased. In 2006, 13,000 businesses and special interests gave to state party committees, 33 percent of the more than 18,000 donors that gave during the 2002 election cycle.

While the increase in contributions from this group can be attributed to many donors, 13 donors gave \$1 million or more in 2006, compared to just two in 2002. Combined, these million-dollar donors gave \$19.1 million.

TOP BUSINESS AND SPECIAL INTEREST DONORS, 2006

CONTRIBUTOR	2006	HEADQUARTERS
U.S. Chamber of Commerce	\$2,990,000	Washington, D.C.
AT&T	\$2,012,804	San Antonio, TX
Californians Against Higher Taxes	\$2,000,000	California
Institute for Legal Reform	\$1,875,000	Washington, D.C.
California Association of Realtors	\$1,353,000	California
Parker Partners	\$1,450,000	California
Amerquest Mortgage Company	\$1,156,087	California
Partnership for Economic Freedom	\$1,150,000	Florida
Floridians for Truth & Integrity	\$1,111,697	Florida
Academy of Florida Trial Lawyers	\$1,091,143	Florida
Californians Against Unaccountable Taxes	\$1,014,000	California
Chevron Corp.	\$1,008,800	California
A.G. Spanos Co.	\$1,000,000	California
TOTAL \$19,212,531		

Four of the top business donors gave to the Florida Republican Party, which was engrossed in a contentious gubernatorial race for an open seat:

- The U.S. Chamber of Commerce gave nearly \$2 million to the Florida Republican Party (and an additional \$1 million to the Georgia Republican Party);
- Floridians for Truth and Integrity, an electioneering communications group that supported Republican gubernatorial candidate Charlie Crist’s tight 2006 election bid,⁴ gave \$1.1 million;
- The Partnership for Economic Freedom, a pro-business organization, gave \$1.1 million.
- The Academy of Florida Trial Lawyers sent \$246,500 to the Florida Republican Party, but also gave \$844,643 to the Florida Democratic Party.

The Institute for Legal Reform, an affiliate of the U.S. Chamber of Commerce,⁵ gave nearly \$1.9 million, all to the Illinois Republican Party.

⁴ Joni James, “Pro-Gallagher Committee Has Raised Big Bucks Fast,” July 12, 2006, *St. Petersburg Times* [newspaper on-line]; available from http://www.sptimes.com/2006/07/12/State/Pro_Gallagher_committ.shtml; Internet; accessed Sept. 25, 2007.

⁵ *Institute For Legal Reform* [on-line]; available from <http://www.instituteforlegalreform.com/about/index.cfm>; Internet; accessed Sept. 25, 2007.

The California Republican Party received millions of dollars from two committees organized around ballot measures in 2006:

- Californians Against Higher Taxes gave \$2 million. The group organized in opposition to the failed Proposition 87, which would have taxed energy companies to fund alternative energy;
- Californians Against Unaccountable Taxes gave \$1 million. Sponsored by R.J. Reynolds,⁶ this organization formed in opposition to the failed Proposition 86, which would have increased the state's cigarette tax.

Individual Donors

Individuals were the second-largest source of funds for state party committees since 2002, providing 26 percent of the total raised in 2006 and 22 percent in 2004. By comparison, contributions from individuals made up just 16 percent and 14 percent of the money raised by state parties in 2002 and 2000, respectively, before BCRA came in effect.

Although the total given by individuals increased since 2002, the number of individual donors actually decreased. In 2006, more than 60,000 individual donors gave to state party committees, compared to 80,000 individuals during the 2002 election cycle. As a result, the average donation from an individual increased from \$1,000 in the 2002 elections to roughly \$1,700 in 2006.

But state party committees did see an overall increase in large-donor contributions. In 2006, 58 individuals gave \$200,000 or more, compared to 32 in 2002.

Further, the largest individual donors gave substantially more in 2006 compared to any of the three previous election cycles. The top 10 largest donors — four of whom gave in multiple states — collectively gave just under \$25 million. For comparison, in 2002, the top donors gave just under \$9 million. In fact, five of the top 10 major donors in 2006 gave more than \$3 million:

- A. Jerrold Perenchio, a Californian who was a top donor in 2002, gave \$5.4 million to the California Republican Party in 2005 and 2006. He also gave \$25,000 to the New Jersey Republican Party in 2005, and \$5,000 to the California Democratic Party in October 2005. Perenchio runs Univision, the country's largest Spanish TV network.
- Angelo Tsakopoulos — a prominent land developer in Sacramento, Calif., and chairman of AKT Development Corporation — gave \$3.7 million in 2006, all to the California Democratic Party.
- Alex Spanos, of Stockton, Calif., gave a total of \$3.3 million in 2006 — \$3.26 million to the California Republican Party and an additional \$75,000 to the Florida Republican Party. Spanos is founder and owner of AG Spanos, which develops multifamily housing and commercial properties nationwide. The company gave an additional \$1 million to the California Republican Party.

⁶ *California Secretary of State* [on-line]; available from <http://cal-access.ss.ca.gov/Campaign/Committees/Detail.aspx?id=1286420&session=2005>; Internet; accessed Sept. 27, 2007.

- Lawrence Dodge, of Foothill Ranch, Calif., gave a total of \$3.1 million to the California Republican Party, \$3 million of which were loans he made in September 2006 that have yet to be re-paid, according to the latest reports filed with the state. Dodge is CEO of American Sterling, a diverse company with interests in banking, insurance, real estate, entertainment and technology.
- T. Boone Pickens Jr., CEO of BP Capital, a private investment firm with a focus on energy, gave to three state party committees in 2005 and 2006 — \$3 million to the California Republican Party, \$76,000 to the Texas Republican Party, and \$5,000 to the Oklahoma Republican Party.

TOP INDIVIDUAL CONTRIBUTORS TO STATE PARTY COMMITTEES, 2000- 2006

CONTRIBUTOR — 2006	STATE	INDUSTRY	TOTAL	PARTY
Perenchio, A. Jerrold*	CA	TV & Movie Production	\$5,420,800	R & D
Tsakopoulos, Angelo K.	CA	Real Estate	\$3,727,900	D
Spanos, Alex G.*	CA	Real Estate	\$3,335,800	R
Dodge, Lawrence K.	CA	Finance, Insurance & Real Estate	\$3,115,400	R
Pickens Jr., T. Boone	TX	Energy	\$3,081,000	R
Pederson, James E.*	AZ	Real Estate	\$1,364,766	D
Lindner Jr., Carl H.	OH	Insurance	\$1,301,500	R
Arnall, Dawn L.*	CA	Real Estate	\$1,185,000	R
Arkley, Robin P.	CA	Real Estate	\$1,050,000	R
Perry, Bob J.*	TX	Home Builders	\$1,015,000	R
CONTRIBUTOR — 2004				
Pederson, James E.*	AZ	Real Estate	\$2,257,099	D
Van Andel, Jay*	MI	Direct Sales (Amway)	\$2,025,000	R
DeVos Sr., Richard M.*	MI	Direct Sales (Amway)	\$1,545,000	R
Spanos, Alex G.*	CA	Real Estate	\$1,081,755	R
Perry, Bob J.*	TX	Home Builders	\$938,000	R
Arnall, Dawn L.*	CA	Real Estate	\$490,000	R
Arnall, Roland E.	CA	Real Estate	\$490,000	R
Gregory, John M.	TN	Pharmaceuticals & Health Products	\$475,000	R
Eychaner, Fred	IL	TV & Movie Production	\$454,500	D
Roe, Alice F.	AZ	Pro-Environmental Policy	\$260,000	D
CONTRIBUTOR — 2002				
Pederson, James E.*	AZ	Real Estate	\$3,683,500	D
Perry, Bob J.*	TX	Home Builders	\$960,000	R
Sillerman, Robert F.	NY	Recorded Music Production	\$702,500	D
Perenchio, A. Jerrold*	CA	TV & Movie Production	\$580,000	R
Kirsch, Steven T.*	CA	Computer Equipment & Services	\$575,000	D
O'Quinn, John M.	TX	Lawyers & Lobbyists	\$550,000	D
DeVos Sr., Richard M.*	MI	Direct Sales (Amway)	\$525,040	R
Bing, Stephen L.	CA	TV & Movie Production	\$505,000	D
Van Andel, Jay*	MI	Direct Sales (Amway)	\$500,000	R
Walton, John T.	AR	Retail Sales (Wal-Mart)	\$407,000	R

CONTRIBUTOR — 2000	STATE	INDUSTRY	TOTAL	PARTY
Kirsch, Steven T.*	CA	Computer Equipment & Services	\$2,150,000	D
Abraham, S. Daniel	FL	Slim-Fast Foods	\$1,306,000	D
Daines, Bernard	WA	Computer Equipment & Services	\$1,177,000	R
Fulton, Stanley	NV	Gambling & Casinos	\$565,000	R
Carter, Donald J.	TX	Retail Sales	\$520,000	R
Hogan, Wayne	FL	Lawyers & Lobbyists	\$442,000	D & R
Leininger, James R.	TX	Pharmaceuticals & Health Products	\$425,000	R
Van Andel, Jay*	MI	Direct Sales (Amway)	\$400,000	R
Hamm, Edward H.	FL	Oil & Gas	\$390,000	R
Opperman, Vance K.	MN	Democratic/Liberal Advocacy	\$319,500	D

* Among the top 10 contributors in more than one cycle.

Labor Organizations

Labor unions also stepped up to the plate, doling out \$45 million during the 2006 elections, 60 percent more than the \$28 million they gave during the comparable midterm 2002 election cycle.

The National Education Association and its state and local chapters gave \$8.9 million in 2006, more than double the \$3.4 million given in 2002. The Service Employees International Union, along with its state and local chapters, also upped their giving by almost \$5 million, from \$3.6 million in 2002 to \$8.4 million in 2006. Two other unions — the United Auto Workers and the International Association of Fire Fighters — increased their contributions by more than \$1 million from 2002 to 2006.

TOP LABOR CONTRIBUTORS IN 2006

LABOR ORGANIZATION*	2002	2006
National Education Association/NEA	\$3,428,788	\$8,966,939
Service Employees International Union/SEIU	\$3,572,343	\$8,424,530
American Federation of State, County, and Municipal Employees/AFSCME	\$3,295,618	\$3,846,062
United Autoworkers/UAW	\$1,178,949	\$2,822,072
International Association of Fire Fighters/IAFF	\$762,537	\$1,959,501
Electrical Workers/IBEW	\$2,378,347	\$1,754,817
Laborers International Union/LIUNA	\$794,210	\$1,605,600
United Brotherhood of Carpenters/UBC	\$1,164,416	\$1,309,625
American Federation of Teachers/AFT	\$1,429,877	\$1,163,243
United Food and Commercial Workers/UFCW	\$1,054,254	\$1,148,720

* Includes contributions from state and local chapters, as well as the national groups.

One newcomer also contributed to the increase from labor unions. The Alliance for a Better California, a coalition of workers and supporting union organizations formed in 2005 to oppose several measures on the state's 2005 special elections ballot,⁷ gave slightly more than \$1 million in 2005 to the California Democratic Party.

⁷ *Alliance for a Better California* [on-line]; available from <http://www.allianceforabetterca.org/events.asp>; Internet; accessed Sept. 25, 2007.

Unitemized Contributions

Like their national counterparts, which experienced a significant increase in small donations since the enactment of BCRA,⁸ state party committees raised substantially more in unitemized contributions — those that fall under the threshold for reporting names and other identifying information about the contributor. Democratic state parties saw their unitemized donations jump from \$1.5 million in 2002 to \$4.5 million in 2006, while Republican state parties went from \$3.3 million in 2002 to nearly \$8 million in 2006.

NEW PARTY COMMITTEES FILL IN FOR THE NATIONALS

Although the main national party committees were banned by BCRA from raising unlimited soft money contributions, several other national-level organizations were not. Combined, these organizations gave state party committees \$13.6 million in 2006, more than double their 2002 contributions of \$5 million.

The table below shows the key national-level party organizations that can still raise soft money, and their contributions over the four election cycles.

NATIONAL-LEVEL COMMITTEE CONTRIBUTIONS, 2000-2006

COMMITTEE	2000	2002	2004	2006
Democratic Governors Association	\$1,668,776	\$3,722,489	\$8,795,606	\$4,767,148
Republican Governors Association	\$141,000	\$360,000	\$3,393,602	\$3,363,400
Republican State Leadership Committee	\$0	\$0	\$757,946	\$2,416,250
Democratic Legislative Campaign Committee	\$1,492,995	\$901,818	\$1,360,720	\$2,227,000
Democratic Attorneys General Association*	\$0	\$0	\$302,300	\$826,000
TOTAL	\$3,302,771	\$4,984,307	\$14,610,174	\$13,599,798

*Formed in 2002.

Leading the charge were the Republican and Democratic Governors Associations (RGA and DGA, respectively), active in the 36 gubernatorial races across the country. During the 2006 elections, the DGA doled out nearly \$4.8 million to Democratic state parties in 23 states, while the RGA gave \$3.4 million in 13 states, with more than \$1.25 million sent to Florida and \$1 million sent to Georgia to help fund contentious gubernatorial races in those states.

Two organizations that work on state legislative elections nationwide — the Republican State Leadership Committee (RSLC) and the Democratic Legislative Campaign Committee (DLCC) — significantly increased their contributions to state parties, as well. The RSLC, which gave no money in 2002, gave \$2.4 million to state parties in 15 states during the 2006 election cycle. Close behind was the DLCC, which gave \$2.2 million to state parties in nine states in 2006, more than double the \$902,000 given in 2002.

The Democratic Attorneys General Association, or DAGA, appeared on the scene after BCRA was implemented. DAGA gave \$826,000 in 2006, \$700,000 of which was given to the Delaware Democratic Party to help fund the close open attorney general's race.

⁸ Anthony Corrado and Katie Varney, "The Role of National Party Committees in Financing Congressional Campaigns," *Campaign Finance Institute*, Aug. 2007, p.6.

OUT-OF-STATE DONORS

Absent soft money from the national party committees, would state party committees seek more funds from out-of-state businesses, special interests, individuals, and labor organizations who could no longer write blank checks to the national party committees? The answer was yes.

State party committees raised \$45.4 million from these out-of-state donors during the 2004 post-BCRA presidential cycle, 24 percent more than the \$34.5 million they raised during the 2000 pre-BCRA presidential election cycle.

State party committees also raised more during the 2006 mid-term elections compared to 2002, though to a lesser degree. During the 2006 elections, \$60.7 million came from these out-of-state donors, or 4 percent more than the \$58.1 million raised during the comparable 2002 election cycle.

OUT-OF-STATE DONORS	2000	2002	2004	2006
Businesses/Special Interests	\$15,377,927	\$28,884,773	\$23,002,058	\$31,352,777
Individuals	\$12,913,316	\$17,311,730	\$11,366,795	\$17,689,584
Labor Organizations	\$6,143,550	\$11,920,592	\$11,041,892	\$11,656,224
TOTAL	\$34,434,793	\$58,117,095	\$45,410,745	\$60,698,585

A CLOSER LOOK AT THE STATES

Of the 100 state party committees studied, 68 raised less money in their state accounts during the 2006 cycle than they did in the comparable pre-BCRA 2002 midterm cycle. See Appendix B for further details on the money raised by each of the state party committees from 2000 through 2006.

State party committees in three states — Missouri, New Jersey and Texas — suffered the biggest losses:

- The Texas Democratic Party experienced the biggest reduction in funds of all 100 committees studied, raising only \$1.8 million in 2006, or 9 percent of the \$19.6 million it raised in the 2002 cycle. The national party committees gave \$11.8 million in 2002.
- The Texas Republican Party also raised less money, though to a lesser degree. The committee raised \$3.8 million in 2006, less than one-third the \$12.4 million it raised in 2002. The national party committees gave \$5.7 million in 2002.
- The Missouri Democratic Party raised \$2.3 million in 2006, about one-fifth the \$12 million it raised in 2002. The committee failed to replace the \$6.5 million it received in soft money from the national party committees in 2002.
- The Missouri Republican Party raised nearly \$3 million in 2006, or 27 percent of the \$10.7 million raised in the 2002 elections. Like its Democratic counterpart, the committee did not fill in the gap of \$6.4 million received in 2002 from the national party committees.
- The New Jersey Democratic Party raised \$10 million in the 2005 elections, or 41 percent of the \$24 million it raised in the 2001 cycle. The reduction, however, was not attributable to the loss of soft money from the national party committees, which gave just \$163,371 in the 2001 elections.
- The New Jersey Republican Party raised \$3.5 million in 2005, or 55 percent of the \$6.3 million raised in 2001 cycle. Like its Democratic counterpart, the committee received just \$186,000 in soft money from the national party committees in 2000.

In sharp contrast, 32 committees actually managed to raise more funds. Highly competitive gubernatorial contests, like those in California, Florida and Michigan, helped some committees attract new money, while other committees were relatively unaffected, having received little or no national soft money in the past.

State party committees in three states — California, Florida and Ohio — experienced the largest gains from 2002 to 2006.

- The California Republican Party raised nearly \$59 million in the 2006 cycle, more than triple the \$15.4 million it raised in the 2002 cycle.

- The California Democratic Party raised \$42.6 million in 2006, almost double the \$22.8 million raised in 2002. Non-party sources substantially increased their contributions to both state parties during the 2006 cycle. Individual donors gave nearly \$37 million, compared to \$5 million in 2002; businesses and special interests also gave \$37 million in 2006, more than triple the \$11.2 million given in 2002; and labor organizations gave \$17 million in 2006, more than four times the \$4 million given in 2002.
- The Florida Republican Party raised nearly \$68 million in the 2006 cycle, 24 percent more than the \$52 million it raised during the 2002 elections, and easily filling in the gap of almost \$12 million received from the national party committees during the 2002 cycle. The Florida Democratic Party also raised more, though to a much lesser degree, raising \$26.5 million in 2006, compared to \$25.6 million in 2002.
- The Ohio Democratic Party raised \$11.2 million in the 2006 elections, or 70 percent more than the \$6.6 million raised in the 2002 elections. The committee more than replaced the \$1.4 million raised in soft money from the national party committees in 2002. The Ohio Republican Party also raised more funds, though not as much as the Democrats. In 2006, the committee raised almost \$10 million, a 15 percent increase over the \$8.6 million raised in 2002 — \$741,533 of which came from the national parties.

NEW SPENDING HABITS

The Institute also analyzed the state parties' spending patterns before and after the federal reform law.

In a previous report, the Institute documented that the national committees sent large sums of soft and hard money to the state party committees, earmarked specifically for broadcast issue advertisements.⁹ However, since national party committees must now pay for broadcast advertisements with hard money, they no longer need to funnel money through the state parties to pay for such ads. Consequently, broadcast media expenses for the state parties decreased by 44 percent between the two presidential cycles — from \$48.4 million during the 2000 cycle down to \$27 million in 2004.

Yet the same could not be said for the two comparable mid-term elections. During the 2006 mid-term elections, state parties spent just over roughly \$120 million on broadcast media ads, a slight increase over the \$108 million spent in 2002.

The Institute's analysis also found that during both post-BCRA election cycles, state party committees increased their support given to candidates via direct contributions, as well as indirect support via mailings, get-out-the-vote efforts, polling and surveys. During the 2004 election cycle, state parties spent nearly \$127.5 million on candidate support, a 14 percent increase over the \$112 million spent during the comparable 2000 cycle. And they increased from the two comparable mid-term elections, from \$153.8 million during the 2002 elections, up to \$169 million during the 2006 cycle.

During both post-reform election cycles, state party committees also sent significantly less money to their federal accounts during. Transfers to their own federal accounts made up just 13 percent of their expenditures in 2004, a sharp reduction from the 47 percent of their total expenditures in 2000. During the 2002 elections, transfers to federal accounts accounted for 31 percent of their expenses. By 2006, those transfers accounted for just 8 percent of their expenditures.

⁹ *National Institute on Money In State Politics*, "Shifting Gears, State Party Strategies Post-BCRA," Sept. 2005, p. 12.

LEGISLATIVE CAUCUSES

The Institute also collected and examined the campaign finance reports of more than 150 legislative caucus committees, the partisan fund-raising groups for state legislative candidates.

Since the landscape of these committees changes as new ones form while others close shop, a detailed cycle-to-cycle comparison is difficult.

However, the Institute did closely examine the flow of money from the state party committees to the legislative caucuses to assess the impact BCRA had, if any, on their giving patterns.

The analysis showed that overall, state party committees gave less to the legislative caucuses after BCRA. During the 2006 mid-term elections, state party committees gave \$1.5 million to legislative caucuses, or 55 percent of the \$2.8 million given during the 2002 cycle. During the 2004 presidential elections, state party committees gave \$2.2 million, or 71 percent of the \$3.1 million given in 2000.

The money raised by these legislative caucus committees is not included in the figures used for this report on money raised by the state party committees. However, their data is available on the Institute's Web site at www.FollowTheMoney.org.

APPENDIX A

TOTAL RAISED BY STATE, 2000-2006

The amounts shown here exclude non-contribution income such as deposit refunds, interest income, the sale of stocks and bonds, and transfers between accounts of the same committee. Totals on the Institute's Web site, www.FollowTheMoney.org, include all income, not just contributions, and will differ slightly from those in the table below.

STATE	2000 TOTAL	2002 TOTAL	2004 TOTAL	2006 TOTAL
Alabama	\$7,368,661	\$8,390,220	\$2,153,285	\$6,544,091
Alaska	\$686,953	\$824,520	\$485,758	\$562,686
Arizona	\$2,257,828	\$11,844,702	\$5,108,167	\$7,229,616
Arkansas	\$4,516,938	\$17,159,672	\$2,704,887	\$7,660,132
California	\$40,525,009	\$38,181,513	\$42,824,265	\$101,495,238
Colorado	\$4,034,947	\$14,024,965	\$834,384	\$1,316,167
Connecticut	\$1,305,813	\$2,524,574	\$819,229	\$1,539,968
Delaware	\$5,553,293	\$1,698,604	\$2,243,020	\$3,756,832
Florida	\$62,283,546	\$77,445,485	\$36,623,493	\$94,323,420
Georgia	\$14,475,835	\$29,324,259	\$13,074,207	\$22,461,967
Hawaii	\$479,320	\$2,056,064	\$1,962,302	\$1,590,130
Idaho	\$765,722	\$394,930	\$446,570	\$790,595
Illinois	\$19,181,840	\$9,901,809	\$10,676,831	\$9,014,788
Indiana	\$9,554,014	\$9,190,632	\$12,348,549	\$11,062,175
Iowa	\$9,381,235	\$19,116,631	\$8,642,661	\$12,867,336
Kansas	\$1,954,767	\$2,534,001	\$1,231,825	\$2,069,238
Kentucky	\$10,227,763	\$5,692,501	\$2,483,608	\$1,276,228
Louisiana	\$1,321,878	\$6,292,329	\$6,124,911	\$1,407,843
Maine	\$2,769,801	\$5,935,401	\$1,378,617	\$3,754,521
Maryland	\$432,835	\$5,964,448	\$2,530,722	\$4,237,075
Massachusetts	\$1,457,037	\$4,008,577	\$3,539,103	\$6,074,004
Michigan	\$30,133,833	\$15,347,316	\$7,892,436	\$11,580,725
Minnesota	\$12,309,888	\$25,250,861	\$7,473,538	\$19,746,166
Mississippi	\$816,158	\$1,003,361	\$2,036,559	\$626,162
Missouri	\$23,360,931	\$22,928,830	\$22,177,595	\$5,264,219
Montana	\$7,432,764	\$4,230,803	\$1,465,025	\$807,465
Nebraska	\$3,480,762	\$877,088	\$681,926	\$1,700,895
Nevada	\$9,784,328	\$6,306,187	\$2,471,088	\$2,804,476
New Hampshire	\$3,431,764	\$13,694,809	\$1,400,744	\$1,343,752
New Jersey	\$7,254,454	\$30,469,031	\$14,953,466	\$13,482,495
New Mexico	\$5,000,109	\$6,128,568	\$1,375,236	\$2,180,124
New York	\$24,966,721	\$24,857,487	\$11,266,788	\$12,066,816
North Carolina	\$12,555,810	\$14,250,803	\$9,099,663	\$9,042,406
North Dakota	\$1,721,869	\$5,695,330	\$2,051,893	\$2,576,184
Ohio	\$22,491,884	\$15,267,657	\$9,649,701	\$21,177,864
Oklahoma	\$1,073,338	\$1,233,210	\$767,684	\$829,523
Oregon	\$9,174,542	\$4,611,194	\$1,544,840	\$1,744,772
Pennsylvania	\$20,913,872	\$16,508,493	\$11,196,950	\$14,934,002
Rhode Island	\$210,140	\$476,089	\$617,708	\$886,639
South Carolina	\$799,470	\$644,736	\$566,843	\$2,023,442

South Dakota	\$1,461,955	\$13,927,993	\$923,119	\$399,838
Tennessee	\$4,153,395	\$4,084,455	\$4,307,361	\$4,301,464
Texas	\$10,761,928	\$32,079,409	\$4,064,913	\$5,668,748
Utah	\$3,494,162	\$1,320,009	\$1,515,529	\$1,921,834
Vermont	\$634,669	\$377,627	\$281,703	\$281,258
Virginia	\$2,807,203	\$21,244,728	\$3,607,046	\$5,565,439
Washington	\$25,207,042	\$5,859,188	\$12,757,520	\$8,244,200
West Virginia	\$265,800	\$147,009	\$126,538	\$269,354
Wisconsin	\$10,015,894	\$7,017,717	\$1,817,368	\$1,144,941
Wyoming	\$820,844	\$1,100,071	\$1,009,103	\$971,649
TOTAL	\$457,070,566	\$569,445,894	\$297,336,278	\$454,620,902

APPENDIX B

SOFT-MONEY TOTALS BY PARTY COMMITTEE, 2000-2006

The amounts shown here exclude non-contribution income such as deposit refunds, interest income, the sale of stocks and bonds, and transfers between accounts of the same committee. Totals on the Institute's Web site, www.FollowTheMoney.org, include all income, not just contributions, and will differ slightly from those in the table below.

COMMITTEE	2000 TOTAL	2002 TOTAL	2004 TOTAL	2006 TOTAL
Alabama Democratic Party	\$5,385,060	\$5,653,922	\$1,492,983	\$2,566,154
Alabama Republican Party	\$1,983,601	\$2,736,297	\$660,302	\$3,977,937
Alaska Democratic Party	\$260,019	\$251,756	\$82,694	\$231,426
Alaska Republican Party	\$426,934	\$572,764	\$403,064	\$331,261
Arizona Democratic Party	\$967,732	\$7,958,661	\$4,689,022	\$5,665,800
Arizona Republican Party	\$1,290,096	\$3,886,040	\$419,145	\$1,563,815
Arkansas Democratic Party	\$843,010	\$10,272,207	\$1,464,267	\$5,436,390
Arkansas Republican Party	\$3,673,928	\$6,887,465	\$1,240,620	\$2,223,742
California Democratic Party	\$22,547,536	\$22,788,698	\$19,137,910	\$42,634,967
California Republican Party	\$17,977,473	\$15,392,815	\$23,686,355	\$58,860,271
Colorado Democratic Party	\$1,549,327	\$8,404,043	\$332,797	\$377,472
Colorado Republican Party	\$2,485,620	\$5,620,922	\$501,586	\$938,696
Connecticut Democratic Party	\$597,005	\$734,823	\$338,184	\$599,472
Connecticut Republican Party	\$708,809	\$1,789,751	\$481,045	\$940,496
Delaware Democratic Party	\$4,083,834	\$948,315	\$1,511,500	\$1,960,750
Delaware Republican Party	\$1,469,459	\$750,289	\$731,520	\$1,796,081
Florida Democratic Party	\$24,712,125	\$25,601,232	\$10,824,181	\$26,482,292
Florida Republican Party	\$37,571,422	\$51,844,253	\$25,799,311	\$67,841,128
Georgia Democratic Party	\$8,228,979	\$15,868,448	\$5,221,401	\$7,267,625
Georgia Republican Party	\$6,246,856	\$13,455,810	\$7,852,805	\$15,194,342
Hawaii Democratic Party	\$200,557	\$1,184,681	\$735,138	\$779,267
Hawaii Republican Party	\$278,763	\$871,383	\$1,227,164	\$810,862
Idaho Democratic Party	\$95,024	\$44,063	\$159,410	\$372,247
Idaho Republican Party	\$670,698	\$350,867	\$287,160	\$418,348
Illinois Democratic Party	\$13,279,951	\$8,088,790	\$6,935,524	\$4,034,918
Illinois Republican Party	\$5,901,889	\$1,813,020	\$3,741,307	\$4,979,870
Indiana Democratic Party	\$6,365,638	\$5,891,312	\$7,232,472	\$7,465,413
Indiana Republican Party	\$3,188,376	\$3,299,320	\$5,116,077	\$3,596,762
Iowa Democratic Party	\$4,600,504	\$13,487,210	\$5,526,049	\$8,303,401
Iowa Republican Party	\$4,780,731	\$5,629,421	\$3,116,613	\$4,563,935
Kansas Democratic Party	\$999,159	\$1,841,014	\$1,081,502	\$1,546,204
Kansas Republican Party	\$955,608	\$692,987	\$150,323	\$523,035
Kentucky Democratic Party	\$6,033,021	\$3,800,977	\$1,591,072	\$696,254
Kentucky Republican Party	\$4,194,742	\$1,891,525	\$892,537	\$579,974
Louisiana Democratic Party	\$1,180,622	\$3,462,114	\$4,447,145	\$970,545
Louisiana Republican Party	\$141,256	\$2,830,215	\$1,677,766	\$437,298
Maine Democratic Party	\$1,298,589	\$3,577,651	\$622,997	\$2,559,198
Maine Republican Party	\$1,471,211	\$2,357,750	\$755,620	\$1,195,323
Maryland Democratic Party	\$64,654	\$4,693,697	\$645,742	\$2,218,686
Maryland Republican Party	\$368,181	\$1,270,751	\$1,884,979	\$2,018,389

Massachusetts Democratic Party	\$716,159	\$1,653,681	\$1,688,352	\$3,954,108
Massachusetts Republican Party	\$740,878	\$2,354,896	\$1,850,750	\$2,119,896
Michigan Democratic Party	\$16,446,000	\$5,569,691	\$2,964,296	\$6,780,687
Michigan Republican Party	\$13,687,834	\$9,777,625	\$4,928,140	\$4,800,038
Minnesota DFL Party	\$5,157,639	\$14,808,552	\$4,039,476	\$10,045,652
Minnesota Republican Party	\$7,152,249	\$10,442,309	\$3,434,062	\$9,700,513
Mississippi Democratic Party	\$54,937	\$355,510	\$377,296	\$213,635
Mississippi Republican Party	\$761,221	\$647,851	\$1,659,263	\$412,527
Missouri Democratic Party	\$14,832,287	\$12,182,521	\$14,738,101	\$2,307,477
Missouri Republican Party	\$8,528,644	\$10,746,310	\$7,439,494	\$2,956,742
Montana Democratic Party	\$3,784,471	\$2,714,812	\$847,173	\$788,549
Montana Republican Party	\$3,648,293	\$1,515,990	\$617,852	\$18,916
Nebraska Democratic Party	\$1,938,670	\$478,254	\$300,220	\$675,240
Nebraska Republican Party	\$1,542,092	\$398,834	\$381,707	\$1,025,656
Nevada Democratic Party	\$4,562,702	\$2,921,083	\$1,939,886	\$1,611,762
Nevada Republican Party	\$5,221,626	\$3,385,105	\$531,202	\$1,192,714
New Hampshire Democratic Party	\$1,433,891	\$7,337,003	\$1,271,812	\$1,126,150
New Hampshire Republican Party	\$1,997,873	\$6,357,806	\$128,932	\$217,603
New Jersey Democratic Party	\$3,824,472	\$24,219,581	\$12,273,291	\$10,024,160
New Jersey Republican Party	\$3,429,982	\$6,249,451	\$2,680,175	\$3,458,335
New Mexico Democratic Party	\$2,302,140	\$3,840,251	\$840,213	\$1,035,358
New Mexico Republican Party	\$2,697,969	\$2,288,317	\$535,023	\$1,144,766
New York State Democratic Party	\$13,686,299	\$9,384,639	\$4,269,342	\$4,366,080
New York State Republican Party	\$11,280,422	\$15,472,848	\$6,997,446	\$7,700,735
North Carolina Democratic Party	\$6,797,426	\$11,341,761	\$7,643,040	\$7,268,598
North Carolina Republican Party	\$5,758,384	\$2,909,041	\$1,456,623	\$1,773,808
North Dakota Democratic-NPL Party	\$1,085,997	\$3,881,728	\$1,244,199	\$1,589,100
North Dakota Republican Party	\$635,872	\$1,813,602	\$807,694	\$987,084
Ohio Democratic Party	\$10,593,513	\$6,619,910	\$4,598,384	\$11,232,265
Ohio Republican Party	\$11,898,371	\$8,647,747	\$5,051,317	\$9,945,599
Oklahoma Democratic Party	\$463,750	\$517,689	\$354,097	\$278,466
Oklahoma Republican Party	\$609,588	\$715,521	\$413,587	\$551,058
Oregon Democratic Party	\$5,094,095	\$1,805,061	\$845,407	\$889,351
Oregon Republican Party	\$4,080,447	\$2,806,134	\$699,433	\$855,421
Pennsylvania Democratic Party	\$14,968,714	\$6,713,795	\$3,948,303	\$8,347,694
Pennsylvania Republican Party	\$5,945,158	\$9,794,697	\$7,248,647	\$6,586,308
Rhode Island Democratic Party	\$147,250	\$463,579	\$272,657	\$654,501
Rhode Island Republican Party	\$62,890	\$12,510	\$345,052	\$232,138
South Carolina Democratic Party	\$456,771	\$596,215	\$29,170	\$811,975
South Carolina Republican Party	\$342,699	\$48,521	\$537,673	\$1,211,467
South Dakota Democratic Party	\$703,960	\$8,251,486	\$381,301	\$155,962
South Dakota Republican Party	\$757,995	\$5,676,507	\$541,818	\$243,877
Tennessee Democratic Party	\$1,333,251	\$1,387,898	\$2,878,121	\$2,964,548
Tennessee Legislative Campaign Cmte	\$2,820,144	\$2,696,557	\$1,429,239	\$1,336,916
Texas Democratic Party	\$6,456,476	\$19,617,269	\$1,277,308	\$1,828,252
Texas Republican Party	\$4,305,452	\$12,462,141	\$2,787,605	\$3,840,496
Utah Democratic Party	\$1,720,590	\$381,003	\$580,570	\$558,568
Utah Republican Party	\$1,773,572	\$939,005	\$934,960	\$1,363,266
Vermont Democratic Party	\$184,843	\$160,346	\$132,072	\$116,464
Vermont Republican Party	\$449,826	\$217,281	\$149,630	\$164,794
Virginia Democratic Party	\$1,229,355	\$10,116,323	\$1,957,038	\$2,147,068

Virginia Republican Party	\$1,577,848	\$11,128,405	\$1,650,008	\$3,418,371
Washington State Democratic Party	\$11,774,938	\$3,388,367	\$9,405,865	\$5,497,663
Washington State Republican Party	\$13,432,105	\$2,470,821	\$3,351,655	\$2,746,537
West Virginia Democratic Party	\$165,800	\$30,234	\$108,270	\$266,192
West Virginia Republican Party	\$100,000	\$116,775	\$18,268	\$3,162
Wisconsin Democratic Party	\$4,466,303	\$2,353,159	\$384,230	\$508,343
Wisconsin Republican Party	\$5,549,592	\$4,664,557	\$1,433,138	\$636,598
Wyoming Democratic Party	\$83,434	\$219,337	\$27,387	\$44,682
Wyoming Republican Party	\$737,410	\$880,734	\$981,716	\$926,968