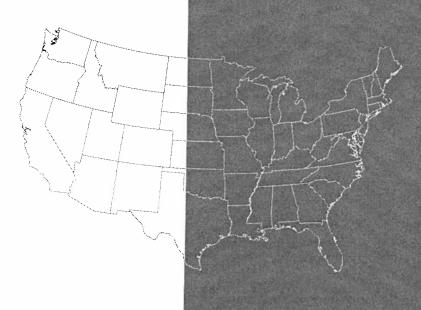


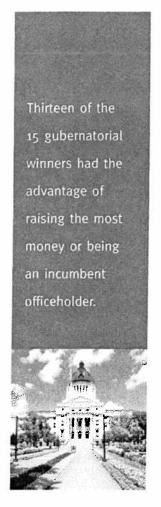
STATE ELECTIONS OVERVIEW

2004



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

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. 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.

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.

Bob Bernick Jr., "2 In Running—So Far—For No. 2 Spot," *Deseret Moming News*, April 7, 2004 [on-line]; available from http://www.deseretnews.com/dn/view/0.1249.595054352,00.html; Internet: accessed Nov. 10, 2005.

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

_			TOTAL	House	SENATE
State	\$ PER VOTER*	2004 VOTERS	CONTRIBUTIONS	AVERAGE	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
lowa	\$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
Оню	\$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.

States Where I	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

States W	here Republicans	: Controlled Botl	1 Houses	After 2004 Election

\$711,449 \$665,246

\$8,079,353

\$1,764,553

\$123,471,514

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	
DAHO	\$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	
Оніо	\$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	

\$3,480,166

\$10,394,168

\$3,664,382

\$171,558,138

\$797,809

RHODE ISLAND

Washington

WEST VIRGINIA

TOTAL

VERMONT

States Where Parties Split Control After 2004 Election

Others William Faith	oo opiit comition in	Tree moo i micerio
STATE	DEMOCRATS	REPUBLICANS
DELAWARE	\$1,175,542	\$1,643,521
lowa	\$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

