

Democracy North Carolina

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Caucus Holds Fundraiser on Eve of Legislative Session; New Records Set in 2012 for Caucus Fundraising, Spending

On the eve of tomorrow's General Assembly session, you might think legislators are meetings with their constituents, discussing their concerns about what state government should do. Well, that's not exactly what you get in today's General Assembly, where many seats cost more than \$250,000 to win and money is always on the mind.

Tonight, the NC Republican House Caucus will hold a gala fundraiser at the Cardinal Club with [tickets from \\$150 to \\$10,000](#). Because of ethics rules, lobbyists are not allowed to contribute to a legislator's campaign committees, but they can give to party organizations. The invitation to tonight's event makes it plain: "Lobbyists registered in North Carolina are not prohibited from contributing to the NC Republican House Caucus." The underlying message also seems clear: Pay up if you want to be a serious player in the session this year.

Other caucuses are doing the same, and have long done so, from both parties. The caucus accounts within the political parties allow legislative leaders to suck in special-interest money all year long and also develop solidarity and discipline among legislators. Each caucus member is expected to donate something from their campaign, and chairs of major committees are expected to put in more, if they want to keep their positions. The millions in the caucus fund then get spent in several hotly contested races that help the members keep or retake their majority status and power.

The caucus money system was perfected by Senate Democrats Marc Basnight and Tony Rand, but as the Democracy North Carolina [chart shows](#), in their first effort as the incumbent majority, the GOP House and Senate caucuses have broken all records for the amounts of money pulled in and then spent on target races. [An article](#) in *The Charlotte Observer* explains how the system works.

During the 2012 election, the Senate Republican Caucus raised and spent \$4.4 million, with 86% of the income coming from the campaign committees of caucus members and 87% (or \$3.6 million) of the spending devoted to specific hot races. Those figures are 4 times the \$1.1 million raised and spent by the Democratic Senate Caucus and the \$867,000 it devoted to hot contests.

The House Republican Caucus raised and spent about \$3.6 million, roughly twice the activity of the House Democratic Caucus. Again, most money came from members' campaigns and was spent for candidates in swing districts. The GOP House and Senate Caucuses also each raised about \$900,000 from non-members, mostly from PACs and wealthy donors with issues addressed by the legislature.

Overall, the NC Republican Party raised and spent nearly twice the money of the NC Democratic Party – about \$9.3 million for the NC GOP compared to \$4.7 million for the Democrats, according to disclosure reports filed with the State Board of Elections.

The House and Senate caucus committees now make up the bulk of the money that flows through each party's main political committee – 87% of the NC Republican Executive Committee and about 62% of the NC Democratic Executive Committee.

RECORD CAUCUS MONEY. Republican and Democratic legislative leaders maintain bank accounts within their state political parties that can receive and spend unlimited amounts. Democrats perfected the system under Senate leaders Marc Basnight and Tony Rand, but Republicans used the method in 2012 to raise record amounts from caucus members and spend record amounts on hot races to help them hold their majority. The system

helps build caucus solidarity and often reflects and reinforces the hierarchy among members.

The Republican House and Senate caucuses spent \$6.8 million on specific contests – more than 3 times the \$2.2 million spent by the Democratic caucuses on campaigns. GOP caucuses raised \$6.5 million from members, compared to \$2.5 million for Democrats. Total caucus activity accounts for 87% of Republican Executive Committee’s finances, 62% for Democrats.

- Prepared by Democracy North Carolina, Jan. 2013, from disclosure reports filed with the State Board of Elections

CAUCUS EXPENSES & INCOME AND AMOUNTS TO & FROM CANDIDATES, 2011-2012			
REPUBLICAN HOUSE CAUCUS		REPUBLICAN SENATE CAUCUS	
Expenses		Expenses	
Direct contributions to candidates	\$ 748,500	Direct contributions to candidates	\$ 1,435,000
Coordinated and independent expend.	\$ 2,253,069	Coordinated and independent expend.	\$ 2,347,605
Caucus Candidate Expenses	\$ 3,001,569	Caucus Candidate Expenses	\$ 3,782,605
Other Caucus Expenses	\$ 632,234	Other Caucus Expenses	\$ 640,334
Total Caucus Expenses	\$ 3,633,803	Total Caucus Expenses	\$ 4,422,939
Income		Income	
Tom Tillis	\$ 1,216,000	Phil Berger	\$ 1,250,662
Ruth Samuelson	\$ 245,300	Harry Brown	\$ 405,000
Paul Stam	\$ 163,585	Tom Apodaca	\$ 320,000
Nelson Dollar	\$ 80,000	Bob Rucho	\$ 265,000
Marilyn Avila	\$ 69,600	Pete Brunstetter	\$ 257,000
Mitch Gillespie	\$ 62,430	Bill Rabon	\$ 170,523
Total Caucus Member Receipts	\$ 2,813,306	Total Caucus Member Receipts	\$ 3,646,512
Other Caucus Receipts	\$ 885,620	Other Caucus Receipts	\$ 830,772
Total Caucus Receipts	\$ 3,698,926	Total Caucus Receipts	\$ 4,477,284
Total NC Republican Party Exec Comm Expenses, 2011-2012	\$ 9,271,272	% of Total Repub Exec Comm Exp. From House & Senate Caucuses	87%
Total NC Republican Party Exec Comm Income, 2011-2012	\$ 9,362,740	% of Total Repub Exec Comm Inc. From House & Senate Caucuses	87%
DEMOCRATIC HOUSE CAUCUS		DEMOCRATIC SENATE CAUCUS	
Expenses		Expenses	
Direct contributions to candidates	\$ 72,000	Direct contributions to candidates	\$ 27,000
Coordinated and independent expend.	\$ 1,408,368	Coordinated and independent expend.	\$ 687,486
Caucus Candidate Expenses	\$ 1,480,368	Caucus Candidate Expenses	\$ 714,486
Other Caucus Expenses	\$ 380,287	Other Caucus Expenses	\$ 391,232
Total Caucus Expenses	\$ 1,860,655	Total Caucus Expenses	\$ 1,105,718
Income		Income	
Joe Hackney	\$ 236,130	Josh Stein	\$ 265,350
Deborah Ross	\$ 112,285	Martin Nesbitt	\$ 66,350
Verla Insko	\$ 98,850	Floyd McKissick	\$ 46,500
Rick Glazier	\$ 83,500	Dan Blue	\$ 43,000
Pricey Harrison	\$ 69,540	Michael Walters	\$ 37,057
Total Caucus Member Receipts	\$ 1,583,921	Total Caucus Member Receipts	\$ 867,347
Other Caucus Receipts	\$ 264,838	Other Caucus Receipts	\$ 184,558
Total Caucus Receipts	\$ 1,848,759	Total Caucus Receipts	\$ 1,051,905
Total NC Democratic Party Exec Comm Expenses, 2011-2012	\$ 4,699,165	% of Dem Exec Comm Expenses From House & Senate Caucuses	63%
Total NC Democratic Party Exec Comm Income, 2011-2012	\$ 4,757,060	% of Dem Exec Comm Income From House & Senate Caucuses	61%