

Party Money in the 2006 Elections:

The Role of National Party Committees in Financing Congressional Campaigns

A CFI Report By
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The 2006 elections were the first midterm elections since the adoption of the Bipartisan Campaign Reform Act of 2002 (BCRA). Because BCRA prohibited the national parties from raising or spending unrestricted soft money funds,¹ the party committees would have to finance their operations solely with hard money donations subject to federal contribution limits. In 2004, the first elections under BCRA, the parties demonstrated a remarkable capacity to adapt to the new law, raising as much in hard money alone as they had raised in hard and soft money combined four years earlier. But whether they could repeat their success in 2006 was an open question at the start of the midterm cycle. The parties typically collect less hard money in midterm cycles than in presidential years, since they lack the stimulus of a White House contest to spur individual contributions. Moreover, 2002 would be a tough standard to meet. That year the parties emphasized soft money fundraising in advance of the anticipated BCRA ban and collected almost \$500 million of soft money, which represented almost half of all national party receipts. Consequently, the parties would have to take in as much hard money in the 2006 cycle as they had in 2004 if they were to replace the soft money resources lost as a result of BCRA. Such an achievement was highly unlikely, especially given historical patterns of party funding. How much money the national committees would be able to raise and how great a role they would play in the congressional elections thus were major questions associated with national party financing in the 2006 campaign.

By the end of the election cycle, the parties had once again demonstrated their ability to meet the challenges posed by BCRA. Overall, the national parties raised 75 percent more hard money than in 2002, thereby replacing most (but not all) of the soft money they had raised in the prior midterm. More importantly, they spent more money in 2006 directly supporting congressional candidates than they had in any previous election – devoting more than one out of every four dollars they received to these efforts.

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The 2006 cycle also highlighted a number of major changes in the sources of party funding. While unlimited soft money donations were the primary source of party money in 2002, small contributions from individuals were the principal source of receipts in 2006. In 2002, about one of every two dollars received by the national party committees came from soft money donations. In 2006, about one dollar of every three came from small individual donations. The 2006 experience thus affirmed many of the financial patterns seen two years ago and offered further evidence of the essential role of party organizations in national electoral politics.

AN OVERVIEW OF PARTY FUNDRAISING

The political context for the 2006 elections was conducive to party fundraising. As in 2004, the deep partisan polarization within the electorate created fertile ground for party fundraising appeals. The competitive battle for majority control further enhanced the parties' financial prospects. The Democrats were widely perceived to have a realistic chance of taking control of the Senate as early as the beginning of 2006, but their hope of capturing the House became more promising as the election year progressed. The election thus evolved into a high stakes contest, with control of both Houses of Congress up for grabs and more seats considered in play than in any election since the Republican takeover in 1994. Party supporters on both sides of the aisle had strong incentives to contribute and both parties aggressively sought to raise as much money as they could.

The parties also benefited from their enhanced fundraising infrastructures. During the previous cycle of 2003-2004, the national committees had invested heavily in mail, telephone, Internet, and other fundraising programs. These programs had helped the committees recruit hundreds of thousands of new donors.² Both parties therefore began the midterm cycle with broader donor bases than ever before. They continued to invest in these types of efforts in 2006. Further advantages were offered by the continued growth of the Internet as a fundraising tool. With the Internet becoming commonplace for all manner of financial transactions, the national committees successfully used email solicitations as a low-cost means of requesting donations on a national scale.

Finally, national party committees also gained some benefit from the higher contribution limits established by BCRA. BCRA increased the amount an individual could contribute to a national party committee to \$25,000 per year from \$20,000 per year, and adjusted this figure for inflation in future years. It also allowed an individual to contribute up to \$57,500 in total to party committees during the course of a two-year election cycle. With the adjustment for inflation, an individual could give \$26,700 to a national party committee each year in the 2006 cycle and a total of up to \$61,400 to party committees during the course of the two years.³

Overall, the Republican and Democratic national party committees raised a combined \$903.4 million in the 2006 cycle, with the Republican committees receiving \$511.3 million and the Democrats, \$392.1 million.⁴ In 2002, the parties raised slightly more than \$1 billion in hard and soft money combined, including \$515.2 million of hard money.⁵ So the parties raised \$108 million less in 2006 than they did in 2002, but their hard money receipts grew by \$388 million, which represented an increase of 75 percent. Viewed from another perspective, party receipts were down 10 percent as compared to the previous midterm, but the committees replaced 80 percent of the record

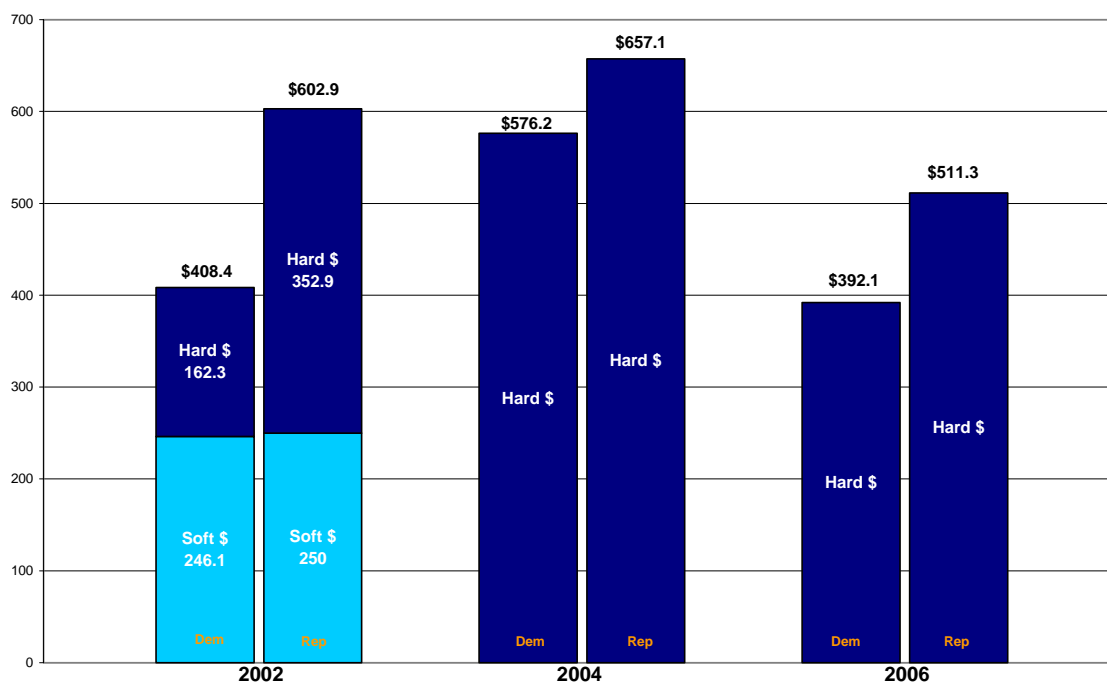
\$496.1 million of soft money that they had raised in 2002 with hard money in 2006. (See Table 1 and Figure 1.)

Table 1 National Party Committee Fundraising Receipts 2000-2006 (\$ million)

	2006	2004	2002			2000		
	Receipts	Receipts	Receipts			Receipts		
			Hard	Soft	Total	Hard	Soft	Total
DNC	130.8	394.4	67.5	94.6	162.1	124.0	136.6	260.6
DSCC	121.4	88.7	48.4	95.0	143.4	40.5	63.7	104.2
DCCC	139.9	93.2	46.4	56.4	102.9	48.4	56.7	105.1
<i>Democrats</i>	<i>392.1</i>	<i>576.2</i>	<i>162.3</i>	<i>246.1</i>	<i>408.4</i>	<i>212.9</i>	<i>245.2</i>	<i>458.1</i>
RNC	243.0	392.4	170.1	113.9	284.0	212.8	166.2	379.0
NRSC	88.8	79.0	59.2	66.4	125.6	51.5	44.7	96.1
NRCC	179.5	185.7	123.6	69.7	193.3	97.3	47.3	144.6
<i>Republicans</i>	<i>511.3</i>	<i>657.1</i>	<i>352.9</i>	<i>250.0</i>	<i>602.9</i>	<i>361.6</i>	<i>249.9</i>	<i>611.5</i>
Total	903.4	1,233.3	515.2	496.1	1,011.3	574.5	495.1	1,069.6

Note: Soft Money contributions to the national party committees were banned after 2002.

Figure 1: National Party Committee Receipts 2002-2006



While the Republicans won the overall fundraising race in 2006, as they have in every midterm election in recent decades, the Democrats significantly narrowed the gap. In 2002, the Republican committees raised more than double the amount of hard money collected by the Democrats, taking in \$353 million of hard money alone, or roughly \$191 million more than the Democrats. When combined hard and soft money funds are considered, the Republicans outpaced the Democrats in 2002 by \$174 million. In 2006, the gap between the parties fell to \$119 million. Moreover, the Democrats were more dependent on soft money than the Republicans in 2002, when every Democratic committee took in more than half of its receipts in the form of soft dollar contributions.⁶

To achieve near parity with the Republicans in 2006, therefore, the Democrats needed a greater relative improvement in their hard money fundraising than the Republicans. In 2006, operating in a political environment favorable to the party and its candidates, the Democrats increased their hard money fundraising by 142 percent, taking in \$392.1 million as compared to \$162.3 million four years earlier. The Republicans increased their hard money receipts by 45 percent, growing their receipts to \$511.3 million from \$352.9 million. As a result, the Democrats raised only \$16 million less in 2006 than they did in hard and soft money combined in 2002. The Republicans raised \$91 million less than their 2002 hard and soft money total.

The Democrats' financial success was largely due to the congressional campaign committees, which have the primary responsibility of providing support to House and Senate candidates. This makes them particularly important in midterm elections. In 2002, the National Republican Senatorial Committee (NRSC) and National Republican Congressional Committee (NRCC) enjoyed a substantial financial lead over their Democratic counterparts, with \$319 million in hard and soft money combined, as opposed to a total of \$246 million for the Democratic Senatorial Campaign Committee (DSCC) and the Democratic Congressional Campaign Committee (DCCC). Moreover, the Republicans held a major advantage in hard money in 2002, outdistancing the Democrats by a margin of \$183 million to \$95 million, or almost 2-to-1. In 2006, the financial outcome was dramatically different with the two sides basically equal. The DSCC and DCCC together were essentially able to match their Republican opponents, raising a combined \$261 million to the Republicans' \$268 million. The DSCC led its GOP counterpart by \$121 million to \$89 million, increasing its 2002 lead over the NRSC. The DCCC also improved its relative position taking in \$140 million compared to the NRSC's \$179.5 million – cutting the NRCC's \$90 million advantage in 2002 by more than half.

All of the Hill committees took in significantly more hard money than in the previous midterm. One committee, the DCCC, surpassed its combined hard and soft money total of 2002, while the NRCC came within \$20 million of its

hard and soft money total. The House committees thus compensated for the loss of soft money. The Senate committees did not, though they did increase their hard money receipts. Among the two Senate committees, the DSCC performed better than the NRSC, raising \$32.6 million more than its Republican opponent, which was a greater margin than the \$17.8 million margin the Democrats had achieved in 2002.

The overall financial difference between the parties in 2006 was primarily due to the gap between the Republican National Committee (RNC) and Democratic National Committee (DNC). As is typical in midterm elections, the national committees raised significantly less than in the presidential election year, since these committees are principally focused on providing support in the presidential race. As is also typical, the RNC raised significantly more than the DNC, taking in \$243 million as compared to the Democrats' \$130.8 million. While both committees substantially increased their hard money funds, neither raised an amount equivalent to their hard and soft money receipts in 2002. The RNC's total funding (including hard and soft money) was down 14 percent as compared to 2002 and the DNC's total was down 19 percent. On a comparative basis, the RNC did better than the DNC in maintaining its level of funding. In hard money alone, the RNC increased its receipts by \$73 million as compared to 2002 and the DNC increased its take by \$63 million. But the additional monies raised by the RNC represented an increase of 43 percent in hard money fundraising versus 2002, while the DNC achieved a much higher growth rate of 94 percent. As a result, the DNC raised 54 percent as much hard money as the RNC in 2006, up from the 40 percent DNC-RNC ration of 2002. Nevertheless, since the RNC was starting from a higher base, the hard money difference between the two committees grew slightly to \$112 million in 2006 from \$103 million in 2002.

SOURCES OF FUNDING

The soft money ban has forced the national parties to focus their fundraising efforts on the solicitation of new hard dollar donations. With both parties expanding their grassroots fundraising programs, the most notable change has been the shift from soft money to a growing reliance on small individual contributions. This shift, evident in 2004, was affirmed by the financial patterns in 2006.⁷ In this midterm cycle, more than one out of every three dollars raised by the national party committees came in contributions of less than \$200. In contrast, in 2002 and 2000, one out of every two dollars came from soft money donations. No statistic better summarizes the change in party funding that has occurred as a result of BCRA.

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The growth of small donor funding is not the only change evident at the national level. Both parties are also benefiting from the higher hard money contribution limits established by BCRA, which are responsible for adding meaningful sums to party coffers. More important, however, is the growing role of members of Congress as party contributors. Incumbent members of the House and Senate, particularly senior members from relatively safe districts and states, as well as senators not up for election in the current cycle, are donating increasing amounts from their personal campaign committees or leadership PACs to their respective party campaign committees. More than ever before, members of Congress and congressional campaign committees are acting in a coordinated or unified manner, producing a more team-oriented fundraising approach. Parties are thus adapting to BCRA not only with a grassroots-oriented approach, but with elite-driven strategies for large donors and members.

Small Donors

The principal factor grounding the parties' financial success is the strength of their small donor fundraising. The presidential election year of 2004 had produced a record amount of money in small contributions. In 2004, the six national party committees took in a total of \$442 million in unitemized contributions of less than \$200, with the Democrats receiving \$210 million in small donations and the Republicans \$232.4 million (see Table 2). This sum was \$220 million more than the amount the parties generated from small gifts in the 2000 cycle. Whether the parties could continue without the incentives created by a highly salient and hard fought presidential race to garner small gifts successfully, was a real question at the start of the midterm cycle. But the parties did show continued strength among small givers, raising substantially more from such donors than they did in 2002.

Table 2: Unitemized Individual Contributions to Party Committees 2002-2006 (\$ million) as Percent of Total Receipts

Committee	2006		2004		2002		2000	
	Unitem-ized	% Total Receipts	Unitem-ized	% Total Receipts	Unitem-ized	% Hard & Soft \$	Unitem-ized	% Hard & Soft \$
DNC	73.2	56.0%	165.5	42.0%	37.8	23.3%	59.5	22.8%
DSCC	24.5	20.2%	19.3	21.8%	9.4	6.6%	8.4	8.1%
DCCC	32.0	22.9%	25.2	27.0%	11.2	10.9%	9.9	9.5%
Democrats	129.8	33.1%	210.0	36.4%	58.4	14.3%	77.8	17.0%
RNC	112.8	46.4%	157.1	40.0%	102.9	36.2%	91.1	24.0%
NRSC	24.6	27.7%	25.5	32.3%	18.0	14.4%	19.3	20.1%
NRCC	42.4	23.6%	49.8	26.8%	39.7	20.5%	34.7	24.0%
Republicans	179.8	35.2%	232.4	35.4%	160.6	26.6%	145.0	23.7%
Total	309.5	34.3%	442.4	35.9%	219.0	21.7%	222.9	20.8%

Source: CFI analysis of FEC data.

Overall, \$309 million of the \$903 million raised by the two parties came from unitemized individual contributions of \$200 or less. The Republicans received \$179.8 million from small donors, while the Democrats took in \$129.8 million. Compared to 2002, the parties raised \$90 million more from small donors, with the Democrats taking in \$71 million more and the Republicans \$19 million more. The Democrats thus realized the steepest growth, more than doubling the \$58.4 million they had received from small givers in the previous midterm.

Every national party committee improved its small donor receipts as compared to 2002. As compared to 2004, the Republicans did a better job of maintaining their small donor support, due to a smaller drop at the RNC (from \$157.1 million in 2004 to \$112.8 million in 2006) than at the DNC (from \$165.5 million to \$73.2 million). But as compared to 2002, the DNC in 2006 received \$35 million more or almost twice as much from small donors, while the RNC increased its small donor funding by \$10 million or about 10 percent.

Also noteworthy was the growth realized by the Democratic congressional committees. The DSCC and DCCC received a total \$56.5 million from small donors in 2006, as compared to \$20.6 million in 2002, an increase of 177 percent. By contrast, the NRSC and NRCC received \$67 million from small donors, as compared to \$57.7 million four years earlier, which represented an increase of 16 percent. Compared to 2004, the Democratic Hill committees took in \$12 million more in small gifts (\$56.5 million versus

\$44.5 million), while the Republican Hill committees' take was down by about \$8 million (\$67 million versus \$75.3 million).

The relative importance of small donors as a source of party funding thus has been growing substantially. In 2006, the Democrats received 33 percent of their money (\$129.8 million out of \$392.1 million) from small donors. In 2002, they received only 14 percent of their total funding from small gifts (\$58.4 million out of \$408.4 million in all, soft money included). Similarly, the Republicans received 35 percent of their 2006 funding from small donors (\$179.8 million out of \$511.3 million) as compared to 27 percent in 2002 (\$160.6 million out of \$602.9 million, soft money included).

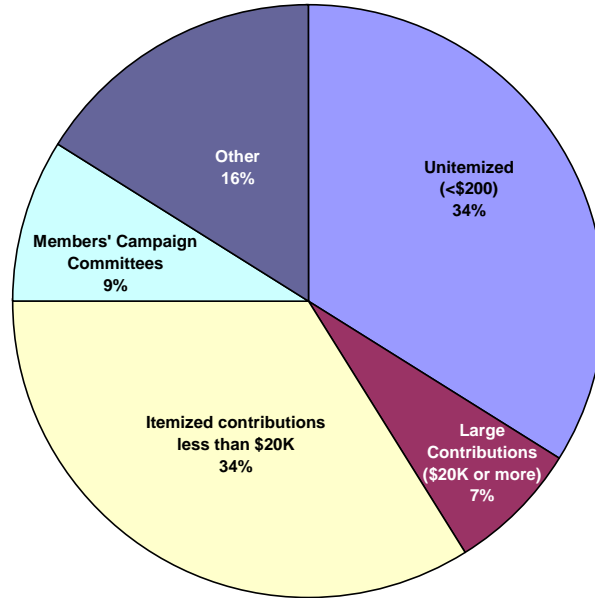
Large Donors

The relative importance of small donors can also be judged by considering the amounts received from individuals who give large sums. The role of large donors can be determined by examining the sums received from individuals who contribute \$20,000 or more to a party committee. (The \$20,000 figure is used to facilitate comparisons with earlier cycles since this was the maximum amount of hard money an individual could contribute to a national party committee prior to the adoption of BCRA.) Such an analysis indicates that the largest donors are now responsible for a minor share of party funding. In fact, in 2006, the national committees raised nearly three times as much from small donors as from large donors. Moreover, while small donor receipts rose by 41 percent in 2006 as compared to 2002, large donor receipts fell by 77 percent.

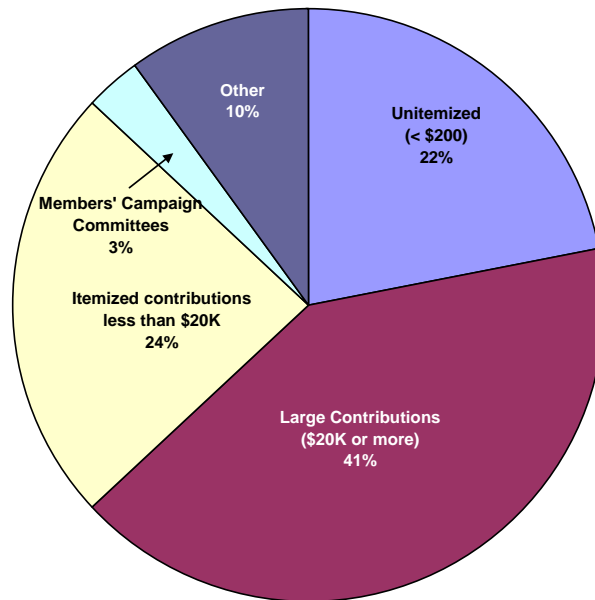
While small donor receipts rose by 41 percent in 2006 as compared to 2002, large donor receipts fell by 77 percent.

Figure 2: Sources of National Party Receipts

2006



2002



The national parties garnered \$107.8 million from donors of \$20,000 or more. The Republicans held a slight lead among the largest givers, taking in \$56.3 million versus \$51.5 million for the Democrats (see Table 3). Large donations thus constituted about 12 percent of the six party committees' money, compared to 41 percent of party receipts in 2002. The change in the role of large contributors was most pronounced among the Democrats, who took in 60 percent of their monies from large contributors in the previous midterm but only 13 percent of their total in 2006. The Republicans were also much less reliant on large contributors, with their share of funding from these donors declining by two-thirds, from 35 percent in 2002 to 12 percent in 2006. In proportional terms, large donors were responsible for about one of every two-and-a-half dollars raised by the parties in 2002, but they accounted for only one of every eight dollars raised by these committees in 2006.

Table 3: National Party Committees Contributions of \$20K or More, 2002-2006 (\$ million)

<i>Committee</i>	2006		2004		2002 – Hard and Soft \$		2000 – Hard and Soft \$	
	<i>\$20K or more</i>	<i>% of Total Rec.</i>	<i>\$20K or more</i>	<i>% of Total Rec.</i>	<i>\$20K or more</i>	<i>% of Total Rec.</i>	<i>\$20K or more</i>	<i>% of Total Rec.</i>
DNC	8.1	6.2%	29.1	7.4%	90.1	55.6%	108.3	41.6%
DSCC	24.7	20.4%	14.3	16.1%	79.0	55.1%	48.7	46.7%
DCCC	18.6	13.3%	7.7	8.2%	48.5	47.1%	34.7	33.0%
Democrats	51.5	13.1%	51.0	8.9%	217.6	53.3%	191.7	41.8%
RNC	34.5	14.2%	65.1	16.6%	100.2	35.3%	134.1	35.4%
NRSC	14.2	16.0%	6.7	8.5%	57.1	45.4%	29.2	30.4%
NRCC	7.6	4.2%	4.3	2.3%	39.0	20.2%	25.0	17.3%
Republicans	56.3	11.0%	76.1	11.6%	196.2	32.5%	188.3	30.8%
Total	107.8	11.9%	127.1	10.3%	413.8	40.9%	380.0	35.5%

Source: CFI analysis of FEC data.

Note: Includes permissible contributions of \$20,000 or more, excluding those from Congressional member campaign committees.

All of the committees, except for the NRSC, raised less from large donors in 2006 than they did in 2004, and took in a smaller share of their total funding from this source. This is not surprising, given that most of the money from large donors is typically raised by the DNC and RNC, which emphasize maximum gifts in presidential years to amass the substantial sums needed to finance their efforts in the presidential campaign. For example, in 2004 the DNC established its Presidential Trust program, which specifically solicited \$25,000 individual gifts with the proviso that any monies raised would be devoted to the presidential race. Similarly, the RNC's Eagle Program is designed to recruit annual \$25,000 gifts (but these funds are not exclusively allocated to the presidential race).⁸ In 2006, the RNC had greater success than the DNC in soliciting large contributions, raising \$34.5 million or about half of the sum they achieved in 2004. The DNC only managed \$8.1 million, or about one-seventh of the \$57.3 million generated in 2004.

The Democratic Hill committees, however, fared much better than the DNC, and gained significant margins over their Republican counterparts as a result. In all, the Democratic committees raised \$42.9 million from donors at the top end, as compared to \$21.8 million for the Republican committees. The DSCC took in \$24.7 million from large donors, or about \$10 million more than the \$14.2 million achieved by the NRSC. The DCCC took in \$18.6 million, \$11 million more than the NRCC's \$7.6 million total. The NRCC's total is particularly noteworthy, since it represented a significant decline from its \$23 million total from large donors in 2004. Only the DNC experienced a greater decline on a percentage basis and the NRCC's results were all the more surprising given the increase in large contributions at the NRSC. This suggests that the NRCC fundraising may have been adversely affected by the controversies surrounding Majority Leader Tom Delay and the scandals associated with a few other Republican House members, which were not as significant to Senate fundraising.

Members' Contributions to Party Committees

One aspect of national party financing that is often overlooked is the increasingly unified and coordinated fundraising activity taking place among incumbent members of Congress and the national committees. For at least the past decade, fundraising at the federal level has been exhibiting a partisan cast, with members of Congress working in concert with their respective party campaign committees to generate the funds needed to provide support to candidates in the competitive contests that determine majority control in Congress. The emphasis placed on these partisan efforts is evident in the growth of member contributions to the House and Senate campaign committees.⁹

Because members of Congress can transfer unlimited amounts of money to the party committees from their personal campaign committees (PCCs), the Hill committees have increasingly turned to the members for campaign monies. Specifically, the Hill committees seek assistance from safe

incumbents who are capable of raising significant sums in excess of any amounts they may need to carry out their campaigns for reelection. Members can then help the parties by transferring sums they have raised in their PCCs to the party committees for use in the races the committees are targeting. Many members of Congress also have leadership PACs that can be used to supplement party fundraising efforts by making contributions directly to a party committee as well as to candidates. Members of Congress can also help party committees raise funds by participating in party fundraising events.

Candidate transfers from PCCs are an especially valuable source of funding. First, PCC transfers provide party committees with a means of receiving unlimited amounts of hard money. A PAC, even a candidate leadership PAC, may contribute no more than \$15,000 per year to a national party committee. PCC transfers are thus the sole source of unlimited external funding available to national parties in the wake of BCRA. (Transfers among the party committees are also unlimited, but such transfers do not increase the net resources available to the parties to spend, as do PCC transfers.) Second, these funds are raised at no cost to the party committees, since any fundraising expenses are borne by the candidate's PCC or, in the case of leadership PAC contributions, by a candidate's leadership PAC.

Accordingly, in recent elections, the parties have sought to capitalize on the opportunities offered by member contributions. On both sides of the aisle, party leaders have established informal "quotas" for members that establish the amount each member of the leadership and each safe party member is expected to contribute to party committee efforts. The amounts vary with a member's leadership status and committee position. This type of activity has been spurred by the shared goal of party leaders and members in retaining (or capturing) majority control of Congress. It has also been facilitated by the fact that only a small share of the House and Senate members face a significant challenge for reelection in any given election year; most members can therefore afford to give some of their campaign funds to the party for use in targeted races. In addition, the dramatic increase in the number of the leadership PACs has created a substantial pool of funds that party officials can tap for contributions, particularly for direct contributions to candidates.

The national parties now operate as an extended network, involving the congressional membership in their financial planning and operations. The Hill campaign committees and members of Congress basically function as two competing teams, waging a battle for control of Congress. Over the past decade, more members have been giving money to the Hill committees, with most giving increasingly large amounts. In addition to these party contributions, members have also been using their PCC funds to make direct contributions to other candidates.¹⁰

In 2006, with majority control in both chambers at stake, members gave more than ever before to help the parties wage election campaigns. In all, members of Congress gave \$83.2 million to the party committees, with most

of this amount (\$79.4 million) coming from their PCCs rather than their leadership PACs (\$3.9 million). (See Table 4.) House members gave \$65.3 million to their respective party campaign committees, while Senators donated \$18 million to their committees. Member contributions thus made up 16 percent—one out of every six dollars—of the total monies received by the four House and Senate campaign committees.

Table 4: Contributions from Members' PACs and PCCs to National Party Committees 1998-2006

	2006	2004	2002	2000	1998
Total PAC & PCC	83,234,395	50,969,027	30,844,589	26,448,120	12,163,966
House - All	65,264,433	38,572,199	26,591,268	22,550,353	9,982,966
Rep	31,583,748	19,912,881	14,286,261	14,673,170	7,192,984
Dem	33,680,685	18,659,318	12,305,007	7,877,183	2,835,982
Senate - All	17,969,962	12,396,828	4,253,321	3,897,767	2,181,000
Rep	5,768,129	3,813,040	2,296,321	2,659,500	1,281,000
Dem	12,201,833	8,583,788	1,957,000	1,238,267	900,000
FROM PCCs					
All PCCs	79,371,512	48,870,374	29,454,248	25,737,953	11,995,966
House - All	63,401,124	37,650,467	25,997,927	22,087,453	9,925,466
Rep	30,350,039	19,367,870	13,913,438	14,455,270	7,135,484
Dem	33,051,085	18,282,597	12,084,489	7,632,183	2,789,982
Senate - All	15,970,388	11,219,907	3,456,321	3,650,500	2,070,500
Rep	4,622,000	3,166,119	1,886,321	2,554,500	1,185,500
Dem	11,348,388	8,053,788	1,570,000	1,096,000	885,000
PACs					
All PACs	3,862,883	2,098,653	1,390,341	710,167	214,000
House - All	1,863,309	921,732	593,341	462,900	103,500
Rep	1,233,709	545,011	372,823	217,900	57,500
Dem	629,600	376,721	220,518	245,000	46,000
Senate - All	1,999,574	1,176,921	797,000	247,267	110,500
Rep	1,146,129	646,921	410,000	105,000	95,500
Dem	853,445	530,000	387,000	142,267	15,000

Source: CFI analysis of FEC data.

Viewed from another perspective, *the congressional campaign committees received more from those who served in Congress than from large donors.* The DCCC and DSCC received \$44.4 million from the PCCs of members of Congress as compared to \$43.3 million from individual donors of \$20,000 or more. The NRCC and NRSC received \$35 million in transfers from members' PCCs as compared to \$21.8 million from donors of \$20,000 or more. The difference between member contributions and large individual donations is even greater if contributions from members' leadership PACs are included.

The 2006 numbers highlight the growing reliance on members as a source of party funding. Only a decade ago, in the 1998 cycle, member transfers from PCCs totaled \$12 million and constituted 6 percent of the *hard* monies raised by the Hill committees and only 4 percent of these committees' total funding (hard and soft money included). But since then the efforts to secure funding from members—and the correspondent amounts—have risen dramatically. The total amount contributed in 2006 was 65 percent higher than the sum contributed in 2004 and almost three times the amount donated in the 2002 midterm. The growth in House giving was especially noteworthy; in 2006, members increased their contributions to the DCCC or NRCC by \$33 million as compared to 2004 and by more than \$52 million as compared to 2002. While the amounts given by Senators were lower, the growth rate was even greater; in 2006, Senators contributed \$18 million as compared to \$12.4 million in 2004 and \$4.3 million in 2002.

The congressional campaign committees received more from those who served in Congress than from large donors.

The Democrats were more generous with their campaign dollars than the Republicans, giving a total of \$45.9 million as compared to \$37.4 million. On the House side, the Democrats surpassed the Republicans for the first time since this practice became a part of party fundraising more than a decade ago. The Democrats gave slightly more, donating a total of \$33.7 million to the DCCC as opposed to \$31.6 million given by Republicans to the NRCC. The DCCC, however, was much more dependent on member contributions than the NRCC. Democrats' contributions represented 24 percent of the total amount raised by the DCCC, while the Republican contributions represented 18 percent of NRCC funding.

On the Senate side, the gap between the parties was significantly larger, with the Democrats giving more than twice as much to the DSCC (\$12.2 million) as the Republicans gave to the NRSC (\$5.8 million). Member gifts thus represented 10 percent of DSCC receipts and 6.5 percent of NRSC funds. The Democrats not only gave more, but they extended the advantage they achieved in 2004, when they contributed \$8.6 million as compared to \$3.8 million by the Republicans.

PARTY EXPENDITURES

At the start of the general election period, the parties were well positioned to assist their candidates and influence the outcome of the elections. Having amassed large stockpiles of cash, both parties were able to spend substantial sums on advertising and other election-related activities in the final weeks of the campaign. As a result, in the key marginal races, the parties were able to surpass or nearly match the spending of the candidates themselves.

In 2006, national party committees spent a combined \$248 million on direct candidate support, a sum which includes the amounts disbursed for contributions to candidates, coordinated expenditures on behalf of candidates, and independent expenditures for or against candidates. Most of the support offered by the parties was in the form of independent expenditures. Of the \$248 million in total candidate support, 90 percent (\$222 million) was money spent independently of the candidates, with the vast majority of this amount used to finance broadcast advertisements. The parties also spent \$21.8 million on coordinated expenditures and contributed \$4.2 million to candidates (see Table 5).

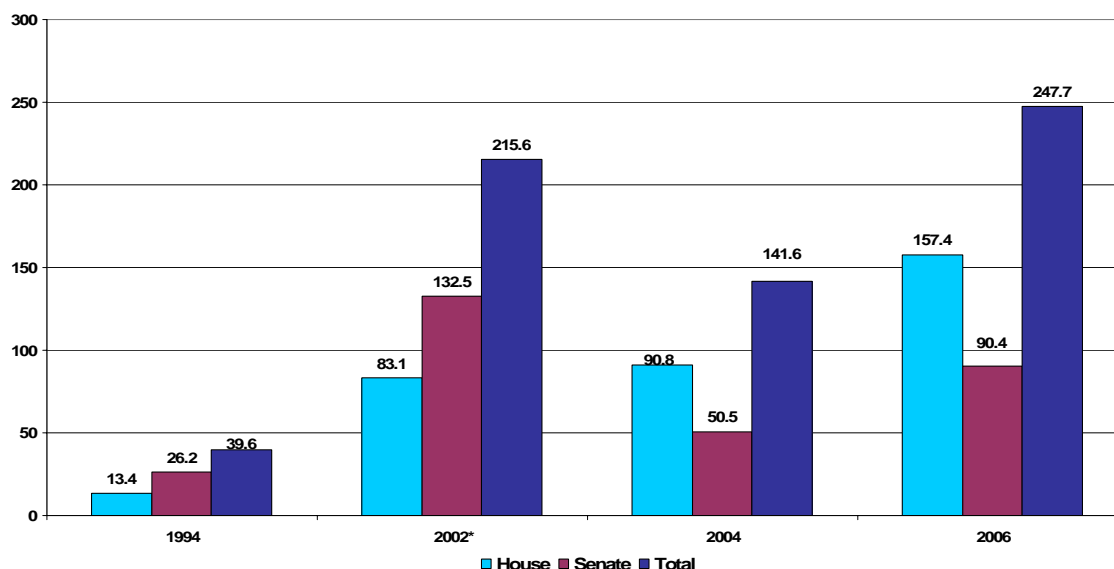
Table 5: Political Parties' Direct Support for Candidates in 2006

Committee	Contributions	Coordinated Expenditures	Independent Expenditures	Total
Democrats				
DNC	0.01	0.36	0	0.37
DSCC	0.6	5.8	42.63	49.03
DCCC	2.43	2.37	64.14	68.94
<i>Total Dem</i>	3.04	8.53	106.77	118.34
Republicans				
RNC	0.46	2.91	14.02	17.39
NRSC	0.35	8.78	19.16	29.29
NRCC	0.37	1.61	82.06	84.04
<i>Total Rep</i>	1.18	13.3	115.24	129.72
Total Dem & Rep	4.22	21.83	222.01	248.06

This \$248 million represented an unprecedented level of party candidate support – greater than 2004, equal to 2002 (*including* soft money) and *much* higher than 1994, the last election before the soft money explosion. In the 2004 election cycle, the parties spent a combined \$143.3 million on direct support of congressional candidates, or \$105 million less than they spent in 2006. In the 2002 cycle, the comparable number for these forms of spending was \$23.1 million. But a better comparison for 2002 would include soft money. In 2002, the parties allocated only a minor share of their hard money resources to coordinated or independent expenditures. Instead, they

relied heavily on candidate-specific issue advertisements as their means of influencing congressional races, since these ads could be financed with a combination of hard and soft money. For the most part, state parties paid for the ads, with most of the financing coming from monies transferred to the state parties from the national committees. In this way, the major share of the costs of the ads could be financed with soft (nonfederal) money. However, even if all of the hard and soft monies transferred by the Hill committees to state parties are assumed to have been used to support congressional candidates, and these sums are added to the amounts spent by national committees on direct contributions, coordinated expenditures, and independent expenditures, the total amount that might be assumed to constitute "candidate support" in 2002 would be \$215.6 million.¹¹ It is therefore reasonable to conclude that even when the parties' former soft money expenditures are considered, the amount of direct party assistance focused on congressional races in 2006 was greater than in any previous election since the growth of soft money, and substantially larger than in the years before soft money.

Figure 3: Direct Party Support for House and Senate Candidates
(\$ millions)



* 2002 figures include national party funds (soft and hard money) transferred by the House and Senate campaign committees to state parties.

Party Comparisons

The Republicans outspent the Democrats by more than \$11 million in 2006, \$129.7 million to \$118.3 million. But party support for candidates was up sharply on both sides, with the Republicans increasing their spending on direct support for congressional candidates by \$50 million over 2004 and the Democrats increasing theirs by \$55 million.¹² The Republican advantage in 2006 was due to the efforts of the RNC, which made significant expenditures

in a number of congressional contests. The RNC devoted \$17.4 million to candidate support, as opposed to only \$370,000 by the DNC. It thus made up for the aggregate spending advantage achieved by the Democratic Hill committees over the Republican Hill committees.

In particular, RNC spending helped to overcome the large gap between the DSCC and NRSC. In 2004, the NRSC spent \$5 million more than the DSCC in Senate races, but in 2006, the DSCC spent \$49 million on candidate support compared to \$29 million by the NRSC. The NRCC fared better than the NRSC; it outspent its opponent, the DCCC, by \$84 million to \$69 million. In 2004, the NRCC also beat the DCCC, putting \$51 million into candidate support as opposed to the Democrats' \$40 million. So, despite the Democrats' markedly improved fundraising, the NRCC was able to increase its spending margin for candidate support in 2006.

Key Races

As in other recent elections, the parties focused their spending on a relatively small number of races likely to determine majority control of Congress. Spending in Senate elections focused on nine contests, with most of the spending devoted to the races in five states. The House committees focused on 40-50 seats, a number which actually grew during the course of the general election due to the increasingly unfavorable political climate for Republican incumbents, which put a number of seats into play that were not expected to be marginal contests, even as late as mid-summer. So rather than use their greater resources in 2006 to assist a larger number of candidates, the parties instead spent large sums in a relatively small group of races. In this way, they used their resources to pursue electoral strategies solely fixed on maximizing the prospects of capturing a majority in Congress.

Of the \$248 million spent by the national parties on candidate support, 61 percent (\$151.2 million) was concentrated on five Senate races and fifteen House races.¹³ Among these races, the two parties spent \$72.3 million on Senate elections in Missouri (\$20.8 million in combined spending), Ohio (\$15.3 million), Virginia (\$12.3 million), New Jersey (\$11.8 million), and Tennessee (\$11.6 million). They also spent \$78.9 million in fifteen House races. In each of these fifteen House contests, the parties spent a combined \$4 million or more. In seven the amount was between \$4 million and \$5 million; in four races it was \$5 million to \$6 million; and in four others the total exceeded \$6 million.¹⁴

At the next level down, the parties spent an additional \$51.9 million in four other Senate races and twelve House districts. The two parties combined for a total of \$16.3 million of candidate support in connection with Senate races in Maryland (\$4.6 million), Montana (\$4.4 million), Rhode Island (\$4.0 million), and Michigan (\$3.2 million). They also spent \$35.6 million in the next twelve House races, spending a combined \$2 million or more in each.

These included five races in which combined spending was greater than \$3 million and seven in which it was between \$2 million and \$3 million.

In sum, the Democratic and Republican committees poured 81 percent of their candidate funding into nine Senate races and 27 House races. The House support included more than \$60 million in assistance to candidates in fourteen seats in the Northeast and Midwest that were held by Republicans prior to the election. These seats included five districts in Pennsylvania (#s 4, 6, 7, 8, and 10), where the parties spent a combined total of \$21.6 million; three districts in Connecticut (#s 2, 4, and 5), where they spent a combined \$12.1 million; two districts in Illinois (#s 6 and 8), where they spent \$10.3 million; two in Indiana (#s 9 and 8), \$10.2 million; and two in Ohio (#s 1 and 15), \$6.3 million. In most of these contests, the Republican Party outspent the Democrats, with the exceptions being Connecticut 4 and 5 and Indiana 8. The Democrats won eight of these fourteen districts, including two (Connecticut 5 and Indiana 8) of the three where they spent more than the Republicans.

The Democratic and Republican committees poured 81 percent of their candidate funding into nine Senate races and 27 House races.

Parties Compared to Candidates

The relative importance of party funding in key races can be discerned by comparing levels of party support with the candidates' campaign expenditures. One way to mark this comparison is to divide the total amount of direct party support by the amount spent by a candidate to determine the scope of party spending relative to candidate spending. The results of such an analysis are provided in Table 6.

Table 6: Party Spending Relative to Candidate Spending: 2006 Congressional Election

	Party Expenditures as a Percentage of Candidate Spending									
	Full Cycle					July 1 - Nov. 27, 2006				
	> 100%	75-100%	50-74%	25-49%	Total	> 100%	75-100%	50-74%	25-49%	Total
House										
Democrats	5	5	14	15	39	7	11	10	13	41
Republicans	12	4	8	17	41	17	5	9	16	47
Total House	17	9	22	32	80	24	16	19	29	88
Senate										
Democrats	0	3	2	3	8	1	3	3	1	8
Republicans	0	0	3	4	7	0	2	1	4	7
Total Senate	0	3	5	7	15	1	5	4	5	15

Note: Based on CFI analysis of FEC data. Party spending based on the amount of coordinated and independent expenditures made by the party committees in a particular race. Figures in the table represent the number of races within the particular range. So, for example, for the full cycle the Democratic party spent more than its candidate in 5 House races and at least 75 percent of the amount spent by the candidate in 5 other House races.

The data in Table 6 assess party spending in two ways: as a percentage of the total amount spent by the party's congressional nominee during the entire two year election cycle, and as a percentage of the total amount spent by the party's nominee during the "general election period," which for the purpose of this analysis is viewed as the amount spent from July 1 through November 27, 2006. In all, party spending equaled at least 25 percent of a candidate's total spending in 80 House elections, including 48 in which a party spent at least half as much as the candidate (see Table 6). These 80 cases included 41 Republicans and 39 Democrats. Even more notable, the party spent more than the House candidate in 17 cases, including 12 cases where the Republican Party spent more than its candidate and five where the Democratic Party spent more than its candidate. In another nine House cases, the party spending was equal to 75 percent or more of what the candidate spent. And in 22 cases, party spending was equal to 50 percent or more of the amount the candidate spent. A similar analysis of House races conducted after the 2004 election cycle found that the parties spent at least 25 percent of the amount spent by a candidate in 57 instances, including 31 Republicans and 26 Democrats. A party spent more than its candidate in 17 cases (ten Republicans and seven Democrats); at least 75 percent of the amount a candidate spent in seven instances (four Republicans and three Democrats); and at least 50 percent of the amount a candidate spent in 17 cases (nine Republicans and eight Democrats).¹⁵ The parties thus spent significant amounts relative to candidates in more cases in 2006 than in 2004 (80 versus 57), reached the 50 percent plus mark in more instances (48 versus 41), and spent as much as or more than the same number of candidates each year (seventeen).

The parties did not outspend any of the Senate candidates, which is not surprising given the large campaign war chests raised by competitive Senate challengers. But the Democrats spent 75 percent or more of the amount spent by their candidate in three Senate races (Virginia, Missouri, and Ohio). The Democrats won all three races, with the Virginia and Missouri victories coming in elections decided by slim margins (0.3 percent and 2.1 percent, respectively). In five other cases, party spending was the equivalent of at least half of a candidate's total spending. The Democrats offered this level of support to their winning candidates in Montana and New Jersey. The Republicans reached this mark in Missouri, New Jersey, and Ohio, all races they lost and all races in which the Democratic Party offered more support to its candidate than the GOP gave to the Republican candidate.

Comparing party support to a candidate's total spending understates the role of party funding, since parties focus their resources on the general election contest. Parties typically begin to spend money once a nominee is chosen and usually wait until the final weeks of the campaign to make their independent expenditures. A comparison based on a candidate's total spending thus inflates the denominator, thereby reducing the party's apparent share. A more accurate indicator of the relative role of party

funding in the voters' final decisions is a comparison based on the final months of an election.

As noted in Table 6, if only the monies spent by a candidate after July 1 of the election year are considered, the prominence of party funding in key contests is even more clearly established. In House contests, party spending was greater than candidate spending in 24 instances, including seventeen cases in which the Republican Party spent more than its candidate and seven cases in which the Democrats spent more than its nominee. The party spent 75 to 100 percent of the amount spent by the candidate in sixteen cases, including eleven Democrats and five Republicans. Thus, party spending on behalf of candidates in the general election exceeded or nearly matched the spending by candidates in 40 cases. Similarly, in Senate races, the Democrats either spent more or at least 75 percent as much as their candidate in four races, while the Republicans spent at least 75 percent as much as their candidate in two.

These data document the major role the national parties played in the financing of electoral activity in the 2006 elections. Party advertising, mail, and other communications were as prominent as the candidate's own messages in the final weeks of the election. Indeed, when one considers that candidates' campaign disbursements include such costs as salaries and administrative expenses, it is fair to conclude that the party was a major voice—if not the dominant voice—in many of the battleground congressional contests in the 2006 campaign.

These data document that the party was a major voice-if not the dominant voice- in many of the battleground congressional contests.

LOOKING AHEAD TO 2008

In the first two elections conducted under BCRA (2004 and 2006), the national party committees raised \$2 billion, an amount roughly equivalent to the \$2.1 billion of hard and soft money raised in the two election cycles prior to BCRA (2000 and 2002). The parties have been able to maintain their levels of funding primarily due to a surge in small donor contributions. Both sides have constructed large grassroots fundraising bases that have become the cornerstone of their financial success. This growth is a result of both renewed party emphasis on the recruitment of small donors and advances in technology that have made the act of contributing as easy as the simple task of clicking on a computer mouse.

If a political environment similar to that of 2004 or 2006 endures through 2008, small donors should continue to be a major source of party support. Both parties should benefit from ongoing efforts to expand small donor giving, the further expansion of the Internet as a vehicle for political activity, the prospect of a presidential race, and another congressional cycle characterized by a highly partisan fight for majority control.

But the parties will also face challenges in 2008 that once again raise the question of whether they will be able to repeat the financial success of recent elections. First, the nation's political climate will continue to influence party fundraising. The deep partisan divide that has characterized national politics in recent years has been a driving force in party fundraising. While partisan attitudes are unlikely to wane significantly, other aspects of the political context – deepening dissatisfaction with the President's performance, growing public disapproval of the war in Iraq, and the "voter fatigue" that tends to accompany the end of a President's second term – may serve to discourage some individuals from giving, especially on the Republican side. The Republicans thus begin the 2008 cycle confronting public perceptions that are not strongly favorable to the party. These perceptions, if they endure, can be expected to depress party donations. The Democrats – coming off a congressional victory that has generated enthusiasm among the party faithful and hoping to recapture the White House – do conversely begin the cycle in an environment conducive to successful fundraising, but we may nevertheless wonder whether this enthusiasm will lead to an *increase* in Democratic fundraising over the already high levels of 2004 and 2006.

Second, the national committees enter the 2008 cycle with less cash and higher debt obligations than they had at the start of the 2006 cycle. After the 2004 elections, the three national Republican committees held a total of \$18.8 million in cash, while the Democratic committees had \$8 million. Among the Republican committees at the start of the 2006 cycle, only the NRSC had outstanding debts greater than its available cash, with a net debt of \$1.5 million. On the Democratic side on January 1, 2005, both the DSCC and DCCC had more obligations than cash, resulting in a combined net debt of \$13.1 million.

After the 2006 elections, the national committees were in a weaker financial position than at the end of 2004. Generally, the parties had less than half as much cash as they had at the start of the cycle and more than double the debt. The Republicans ended the cycle with a total of only \$4.6 million in cash, while the Democrats had slightly less than \$4.6 million. But both sides ended the election season with notable amounts of debt, principally due to the spending of their respective House committees. Consequently, the Republicans started the 2008 cycle with a net debt position of \$14.2 million, while the Democrats' net debt stood at \$15.4 million. The congressional committees thus will have to use close to \$30 million of the money they raise in the 2008 cycle to pay off the debts accumulated in 2006. This represents \$30 million that will not be available in the upcoming cycle for candidate support, administrative needs, or other committee priorities.

There is a question whether the parties will be able to sustain their previous financial success in the context of unprecedented fundraising by the presidential contenders.

Third, and most important: for the first time since the adoption of the Federal Election Campaign Act of 1974 the parties may have to compete with their presidential nominees for campaign dollars. Given the experience of the 2004 presidential race, most—if not all—of the leading candidates for the presidential nomination are expected to forego public funding during the primary campaign. Moreover, for the first time since the establishment of public funding, there is speculation whether the two party nominees may also eschew public funds in the general election campaign. Indeed, some experts anticipate that the 2008 presidential campaign will reach \$1 billion, with each major party nominee seeking to raise \$250 million during the primary phase of the contest and another \$250 million for the general election – with the general election figure being three times as much as the money that would be available through public funds.¹⁶

How the change in presidential fundraising will affect party finance is difficult to discern, but it does raise the question of whether the parties will be able to sustain their previous financial success in the context of unprecedented fundraising by the presidential contenders. It would not be surprising to see a decline in DNC and RNC fundraising if the presidential nominees decide to forgo public funding in the general election. In 2004, these two committees raised most of their money in the final months of the election, when the nation was focused on the race for the White House. Of the \$786 million raised by the RNC and DNC in the 2004 cycle, \$442 million – more than half of their two-year cyclical total – was taken in after July 1 of the election year. The DNC raised 68 percent of its total receipts after July 1, 2004, while the RNC raised 44 percent of its total receipts after that date. The lion's share of this money was spent supporting the presidential nominees, with the DNC spending \$160 million on direct support for John Kerry and the RNC spending

\$80 million directly supporting President Bush. These committees also spent tens of millions of dollars on voter mobilization efforts and other activities designed to win the presidential race.¹⁷

If the presidential nominees eschew public funding in the general election, prospective donors will have the option of contributing to the candidate or to the party. Previously, the simplest way a donor could help his or her preferred candidate in the general election was to make a contribution to the party. In 2008, the simplest way may be to give to the candidate. Will donors decide to shift their support to the candidate at the expense of the party? Or will this scenario simply encourage additional flows of funding with substantial numbers of donors deciding to give to both? In large part, the decisions made by donors are unlikely to have a tangible effect on where the money comes from to finance the presidential campaign. It also is not likely to have a major effect on the total amount to be spent in connection with the presidential race. But there may be a shift in the allocation of funds. If donors shift their contributions to the candidates, the principal outcome will be to shift control of campaign monies from the parties to the candidates themselves, who have tended in elections of the recent past to concentrate their spending on advertising. That in turn could mean that the parties will lack the resources they need to mount the extensive voter mobilization and grassroots development programs that they have financed in the past two elections. Such an outcome may have consequences for the longer-term development of the party organizations. Whatever the outcome, a privately funded presidential race will present a test of the strength of party fundraising.

To date, the parties have demonstrated a capacity to adapt to changing rules and strategic demands. In 2008, they will have to demonstrate this capacity once again.

Thus, in 2008, the parties will face financial challenges, including challenges not directly related to BCRA. How well they respond will dictate the role they will play in the next federal election. To date, the parties have demonstrated a capacity to adapt to changing rules and strategic demands. In 2008, they will have to demonstrate this capacity once again.

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NOTES

¹ BCRA also made other changes in the rules governing national party finances, including increases in party contribution limits. For a brief overview of the law with regard to national party funding, see Anthony Corrado, "Party Finances," in Anthony Corrado, et al., *The New Campaign Finance Sourcebook* (Washington: Brookings Institution, 2005).

² For a discussion of the efforts undertaken by the national parties to expand their donor bases in 2004, see Anthony Corrado, "Party Finance in the Wake of BCRA: An Overview," and Diana Dwyre and Robin Kolodny, "The Parties' Congressional Campaign Committees in 2004," in Michael J. Malbin, ed., *The Election After Reform* (Lanham, MD: Rowman & Littlefield, 2006).

³ FEC, "New Federal Contribution Limits Announced," press release, February 3, 2005.

⁴ There are three national committees for each of the major parties. These include the Democratic National Committee (DNC), Republican National Committee (RNC), Democratic Senatorial Campaign Committee (DSCC), National Republican Senatorial Committee (NRSC), Democratic Congressional Campaign Committee (DCCC), and National Republican Congressional Committee (NRCC).

⁵ Details on party financial activity in the 2002 or 2004 cycles are based on the information contained in FEC, "Party Financial Activity Summarized for the 2004 Election Cycle," press release, March 2, 2005. All data on 2002 herein based on data contained in this summary.

⁶ In 2002, the DNC raised 58 percent of its funds from soft money gifts; the DCCC, 55 percent; and the DSCC, 66 percent. Among the Republican committees, only the NRSC received a majority of its funds from soft money, with soft dollars constituting 53 percent of total receipts. The RNC and NRCC each received about 40 percent of their funds from soft money donations.

⁷ For a discussion of national party small donor contributions, see Corrado, "Party Finance in the Wake of BCRA," and Michael J. Malbin and Sean A. Cain, *The Ups and Downs of Small and Large Donors*, Campaign Finance Institute Report (Spring 2007). Available at <http://www.cfinst.org/pr/prRelease.aspx?ReleaseID=151> (viewed June 30, 2007).

⁸ Corrado, "Party Finance in the Wake of BCRA," p. 23.

⁹ For a discussion of this development, see Anne H. Bedlington and Michael J. Malbin, "The Party as an Extended Network: Members Giving to Each Other and to Their Parties," in Michael J. Malbin, ed., *Life After Reform* (Lanham, MD: Rowman & Littlefield, 2003). See also Eric Heberling, Marc Hetherington, and Bruce Larson, "The Price of Leadership: Campaign Money and the Polarization of Congressional Parties," *Journal of Politics* 68:4 (November 2006), pp. 992-1005.

¹⁰ Bedlington and Malbin, "The Party as an Extended Network," pp. 133-36; and Paul S. Herrnson, *Congressional Elections*, 4th ed. (Washington: Congressional Quarterly, 2004), Chapter 4. See also Jonathan H. Bernstein and Richard M. Skinner, eds., *Webs of Power: Party Networks in American Politics* (University of Oklahoma Press, forthcoming).

¹¹ This total probably overestimates the total amount that might be attributed to candidate support, since all of the money transferred to state parties by the national committees was not necessarily used for advertising or other election-related activities. For example, these transfers also included the state share of fundraising efforts conducted jointly by national and state party committees. Raymond La Raja's detailed analyses of state party financing have shown that a large share of the monies spent by state parties came from the national committees and that a large share of state party spending was devoted to advertising. See Raymond J. La Raja, "State and Local Political Parties," in Malbin, *The Election After Reform*, especially pp. 60-69. See also Raymond J. La Raja's Expert Witness Report in support of Plaintiffs in *McConnell v. Federal Election Commission*, available at <http://www.campaignlegalcenter.org/McConnell-31.html> (viewed June 30, 2007); and Anthony Corrado, "Party Finance in the 2000 Elections: The Federal Role of Soft Money Financing," *Arizona State Law Journal* 34:4 (Winter 2002), pp. 1044-46.

¹² For the 2004 numbers, see Corrado, "Party Finance in the Wake of BCRA," p. 33.

¹³ The figures on party spending noted here are based on the data available as of the post-election reports of November 27, 2006.

¹⁴ The Republican and Democratic national party committees spent a combined \$6 million or more in 4 districts: CA-50, PA-6, IL-6, and IN-9. They spent more than \$5 million in 4 districts: FL-22, PA-7, PA-8, and KY 4. They spent more than \$4 million in 7 districts: CT-2, CT-5, NM-1, WA-8, AZ-5, NY-24, and IA-1.

¹⁵ Diana Dwyre and Robin Kolodny, "The Parties' Congressional Campaign Committees in 2004," in Malbin, ed., *The Election After Reform*, p. 50.

¹⁶ See, among others, Chris Cillizza and Jeffrey H. Birnbaum, "Predictions from FEC Chief," *Washington Post*, December 3, 2006, p. A5; Dan Morain, "Just \$83.8 Million? No Thanks," *Los Angeles Times*, January 22, 2007; and "Watergate Reform, R.I.P.," *New York Times*, December 8, 2006.

¹⁷ Corrado, "Party Finance in the Wake of BCRA," p. 33.