

# The Continuing “Price of Power”: How the Political Parties Leaned on Legislative Leaders for Cash During the 115th Congress



By Michael Beckel and Amisa Ratliff

One of the open secrets in Washington is that the Democratic and Republican parties both lean on their most powerful legislators to raise extraordinary amounts of campaign cash, often under the guise of paying “party dues.”

The more influential the role, the more money party leaders expect legislators to raise. And to meet these fundraising quotas, senior lawmakers who serve as committee chairs or occupy other positions of power in the House of Representatives raise campaign contributions from a variety of sources, including the corporations, labor unions, and other special interests that have business before Congress.

While the phrase “party dues” may sound innocuous, the current dues system is anything but. As Issue One detailed in our groundbreaking “[The Price of Power](#)” report in 2017, the sums involved today have become astronomical — [more than \\$1 million](#) for the most coveted spots on top committees. In this new report, Issue One looks at the 2017-2018 election cycle, when the cost of power reached new heights, with dues payments accounting for 20 percent or more of all campaign spending for some top lawmakers.

*For some top lawmakers, dues payments accounted for 20 percent or more of their campaign spending during the last election cycle.*

“The current ‘party dues’ system is virtual extortion,” said [Issue One ReFormers Caucus](#) Co-chair Rep. Zach Wamp (R-TN). “Dialing for dollars demeans Congress as well as members. House ethics rules should be clarified to ensure that the political parties cannot continue to turn legislators into telemarketers.”

Added fellow ReFormers Caucus Co-chair Amb. Tim Roemer (D-IN): “The American people know the government is broken, corrupt, and not truly representative of the people. The ‘party dues’ system, which requires more dialing for dollars from members of Congress, must be reformed. Both Democratic and Republican lawmakers want significant change. Lawmakers, especially those leading the most powerful committees in the House, should be prioritizing the important work of crafting legislation with colleagues, not constantly begging for contributions from lobbyists.”

House members typically have three ways to fulfill the fundraising quotas the parties impose on them:

1. Transferring [unlimited amounts of money](#) from their own official campaign committees to their party’s coffers;
2. Transferring up to [\\$105,000 per year](#) from their leadership PACs to the arm of their party focused on House races;
3. Raising money directly for the Democratic Congressional Campaign Committee (DCCC) or National Republican Campaign Committee (NRCC), often by “dialing for dollars,” a practice in which lawmakers act like telemarketers, call wealthy donors, and are given credit for the funds they raise.

Only the first two ways — contributions from lawmakers' campaign committees and leadership PACs — can be tracked. There are no public records that detail how much money politicians are credited for when raising funds directly for the DCCC and NRCC, although Issue One believes all dues information should be publicly disclosed.

To examine the extent to which senior lawmakers raised money for the DCCC and NRCC during the 115th Congress before control of the House changed hands, Issue One reviewed recently filed campaign finance disclosures.

Issue One's analysis found that the top Democrats on several of the most powerful congressional committees each transferred at least \$500,000 from their campaign committees and/or leadership PACs to the DCCC between January 2017 and December 2018, even when in the minority:

- ▶ Rep. Nita Lowey (D-NY), the top Democrat on the Appropriations Committee
- ▶ Rep. Frank Pallone (D-NJ), the top Democrat on the Energy and Commerce Committee
- ▶ Rep. Richard Neal (D-MA), the top Democrat on the Ways and Means Committee

Additionally, Rep. Maxine Waters (D-CA), the top Democrat on the Financial Services Committee, transferred \$220,000 from her campaign war chest to the DCCC between January 2017 and December 2018.

In each case, dues payments to the DCCC accounted for substantial portions of these lawmakers' campaign spending — ranging from about 15 percent in Neal's case to about 30 percent in Lowey's case.

The Democrats, now in control of the House, determine committee chairmanships by seniority. However, Democratic chairs still face party fundraising demands. House Republicans use a [mix of factors](#) for determining committee chairs and ranking members, including lawmakers' fundraising prowess.

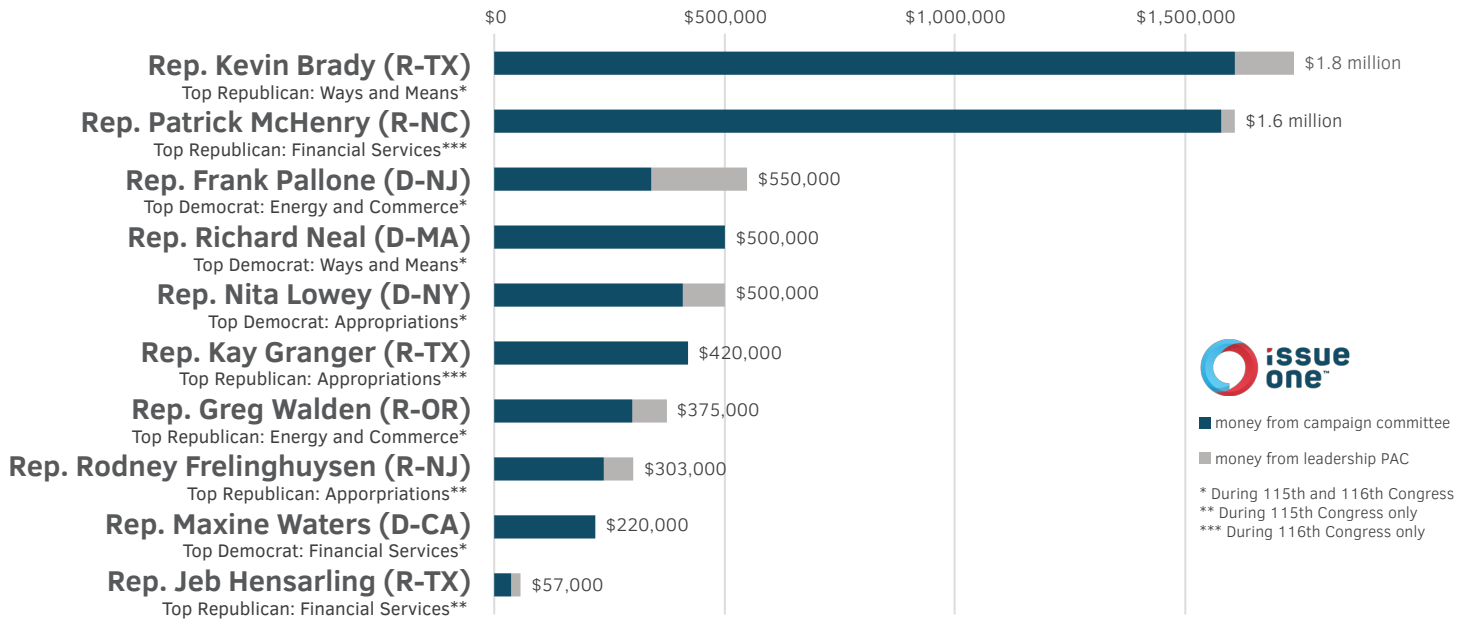
The top Republicans on these four influential committees likewise contributed significant sums to the NRCC through their campaign committees and leadership PACs between January 2017 and December 2018.

Rep. Kevin Brady (R-CA), for instance, who chaired the Ways and Means Committee during the 115th Congress, transferred \$1.8 million to the NRCC during this period.

For their parts, Reps. Greg Walden (R-OR) and Rodney Frelinghuysen (R-NJ) — who chaired the Energy and Commerce and the Appropriations committees, respectively, during the 115th Congress — each transferred in excess of \$300,000 to the NRCC. (Prior to his Energy and Commerce Committee chairmanship, Walden served as the chairman of the NRCC between January 2013 and January 2017.)

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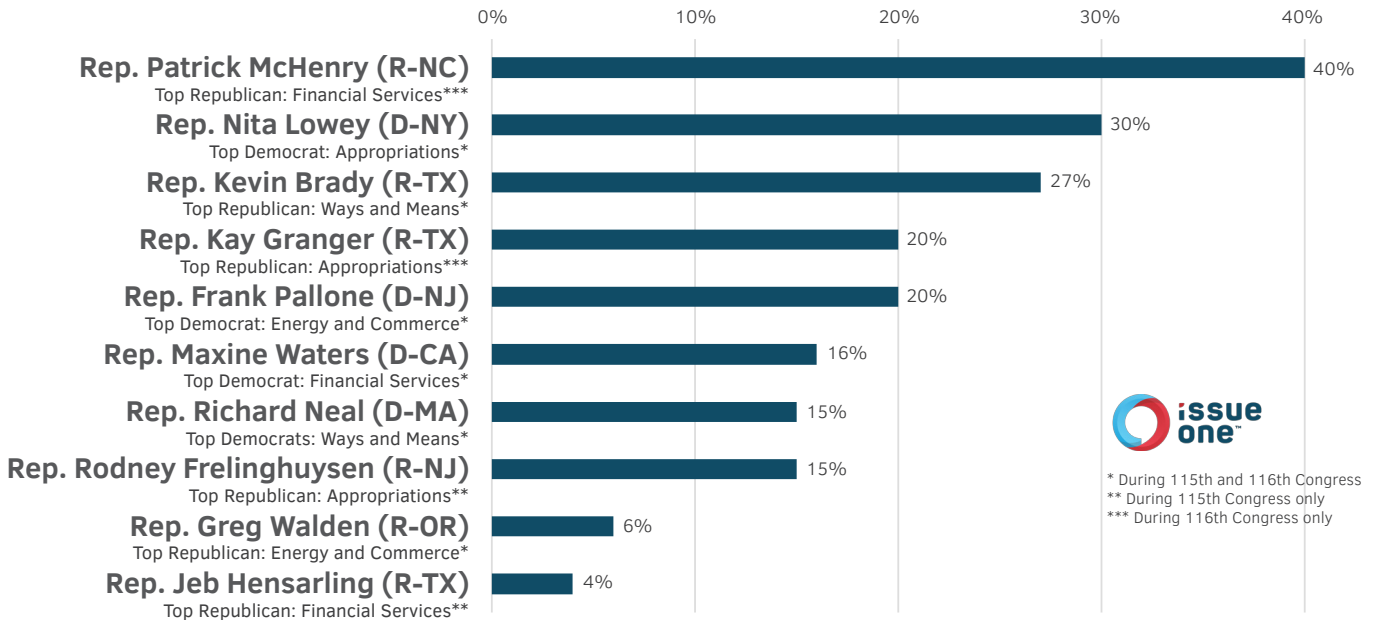
## Funds transferred to NRCC and DCCC from legislative leaders, January 2017-December 2018



Source: Issue One analysis of data from the Federal Election Commission.

Note: While transfers from lawmakers' campaign committees can be found in public records, lawmakers may also raise money for the parties in ways that cannot be tracked through public records.

## Portion of lawmakers' campaign expenditures that were transfers to DCCC or NRCC, January 2017-December 2018



Source: Issue One analysis of data from the Federal Election Commission.

Note: Figures reflect only transfers from lawmakers' campaign committees between January 2017 and December 2018. Many lawmakers also gave to the parties via their leadership PACs.

And Rep. Jeb Hensarling (R-TX), who chaired the Financial Services Committee during the 115th Congress, transferred \$57,000 to the NRCC between January 2017 and December 2018. (Hensarling, who retired at the end of the last Congress, had previously [transferred \\$8.6 million](#) to the NRCC between January 2009 and December 2016 — an average of more than \$1 million per year.)

Like Hensarling, Frelinghuysen opted against running for re-election last year, meaning that both the Financial Services and Appropriations committees now have new ranking Republican members. Those lawmakers are Reps. Patrick McHenry (R-NC) and Kay Granger (R-TX).

Campaign finance records show that both McHenry and Granger were active fundraisers for the NRCC ahead of the 2018 midterms — roles they will likely be expected to continue as the top Republicans on their respective committees. McHenry contributed \$1.6 million to the NRCC between January 2017 and December 2018, while Granger contributed about \$420,000.

Like their Democratic counterparts, these Republicans' dues payments accounted for sizeable portions of their campaign spending — with McHenry's contributions to the NRCC alone amounting to 40 percent of his spending during the entire 2017-2018 election cycle.

The current party dues system is not without consequences. As Issue One and the R Street Institute noted in our "[Why We Left Congress](#)" report, high fundraising demands have caused leadership to reorient the congressional schedule around raising money — shortening the congressional work week so members have more time to dial for dollars and even using closed rules to make the floor schedule more predictable so that members can plan more time to fundraise.

This contributes to congressional dysfunction and gridlock, as well as lower job satisfaction on Capitol Hill. As the co-chairs of Issue One's ReFormers Caucus [stated in "The Price of Power" report](#): "Constantly raising funds for the political parties interferes with the work of serving your constituents and your country. Hours spent fundraising — and worrying about fundraising — are time and energy diverted away from lawmakers' legislative responsibilities."

Issue One [supports](#) fundamental changes to the fundraising system to address these issues, including strengthening House rules to delink committee chair determinations from party fundraising. •

## About Issue One

Issue One is the leading cross-partisan political reform group in Washington. We unite Republicans, Democrats, and independents in the movement to increase transparency, strengthen ethics and accountability, and reduce the influence of big money in politics. Issue One's ReFormers Caucus of more than 200 former members of Congress, governors, and Cabinet officials is the largest bipartisan coalition of its kind ever assembled to advocate for solutions to fix our broken political system.

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