Legislative Consequences of Fundraising Influence

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August 29, 2015

Abstract

Outside interests, business interests, and campaign contributors influence the policy-making process in a variety of direct and indirect ways. In this paper, I explore one of these indirect pathways, by examining how legislators are able to translate fundraising prowess into their preferred legislative outcomes. While members in safe seats may need relatively little money to run their re-election campaigns, by redirecting this money to their congressional colleagues, members can leverage outside donor support into inside influence within the chamber to achieve their preferred policy outcome (and that of their donors). Rather than a traditional vote-buying model, I propose a more subtle mechanism of influence in which members who receive fundraising assistance from their peers are more likely to support legislative priorities of the members who provided them with financial assistance. Using a new measure of fundraising assistance that captures fundraising support untracked by the F.E.C., I show that controlling for the ideological similarity of their past voting records, members of congress are more likely to vote for the legislative priorities of those who have provided them with financial assistance (5.5% more likely for Democrats, 2.5% more likely for Republicans). While these effects seem small at the individual-level, once aggregated over all donating and receiving members, and all issues, these results show a systemic relationship between fundraising assistance and subsequent legislative voting behavior, and suggest potentially serious consequences for biases in representation. In addition, these findings highlight the need for scholars to pay attention to extra-systemic forms of fundraising influence (namely those types of fund-raising beyond direct contributions).

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Special interest groups and campaign contributors attempt to influence the policy-making process in a variety of direct and indirect ways. Recent years have seen increased scholarly attention on lobbying (Drutman, 2015), disproportionate influence of the wealthy (Bartels, 2008; Gilens and Page, 2014; Gilens, 2005, 2012), access-oriented contributions (Romer and James M. Snyder, 1994; Cox and Magar, 1999; Barber, 2014; Fouirnaies and Hall, 2014; Powell and Grimmer., 2015.), and the influence of money more broadly (Lessig, 2011). One area of influence that has seen substantially less attention is how legislators transform their fundraising prowess into roll call votes in favor of their legislator priorities.

While members in safe seats may need relatively little money to run their re-election campaigns, by redirecting this money to their congressional colleagues, members can leverage outside donor support into inside influence within the chamber to achieve their preferred policy outcome (and that of their donors). Rather than a traditional vote buying model so frequently discussed in the literature, I propose a more subtle mechanism of influence. I argue that members who receive financial assistance from their congressional colleagues are more likely to provide them with legislative support in the future.

The potential democratic consequences for representation of a relationship between fundraising and legislative success are substantial. Such a relationship between party fundraising and legislative success would imply that a sizable subset of legislators and the constituents they represent are systematically disadvantaged in the legislative process. Members, and the constituents they represent, facing disproportionate biases might include those in competitive districts who often face expensive contested races would be at a legislative disadvantage, because of the need to spend their fundraising resources on their own campaigns thus limiting their ability to accrue fundraising favors from their colleagues. These electorally vulnerable members may be the most likely to need, desire, or hope for fundraising assistance from their colleagues. Similarly disadvantaged are members who find it difficult to raise money due to either a personal inability, those whose supporters are less able to contribute, and

those whose policy preferences are less appealing to wealthy donors and business interests. And, if accepting that fundraising assistance means being less able to exert influence and more likely to acquiesce to the legislative proposals of their fundraising colleagues, there are potentially substantial consequences for policy outcomes.

While the policy consequences of these more subtle and indirect forms of influence are substantial, measuring any and all types of financial contributions and transactions has grown increasingly difficult in recent years. Since the passage of the Federal Election Campaign Act (1971) and the subsequent creation of the Federal Election Commission (F.E.C.) in 1975, the scope and scale of campaign spending have increased by several orders of magnitude. While legal contribution limits for individuals and political action committee donations to candidates remain, innovative politicians continue to push the boundaries and find new loopholes in the system. In this paper, I look beyond the direct contributions of one member to another member that are tracked by the Federal Election Commission (F.E.C.) and subject to strict fundraising rules that limit their utility and relevance in the context of expensive modern campaigns.

On the surface it would seem that these campaign finance regulations limit the ability of high profile members of congress to provide direct financial assistance to fellow party members, while in reality members of congress have a plethora of alternative assistance methods available to them to circumvent these limits. In this paper, I explore an aspect of member to member fundraising that has been ignored by existing literature: congressional fundraising event appearances. By headlining a campaign fundraising event for a colleague, a member can effectively help him raise a lot more money than the member could have donated directly to the member's campaign. That is the money members help raise for others at these events are not subject to the usual contribution limits on member to member giving.

In recent election cycles congressional political parties have explicitly encouraged mem-

bers to move beyond direct member to member contributions and raise larger sums indirectly through headlining appearances. As Isenstadt (2008) describes, starting in the 2010 election cycle Republican Senate leaders set a new fundraising standard:

> "Instead of requiring that every senator fork over hundreds of thousands from their personal campaign accounts to the national Senate campaign coffers, Cornyn now wants each senator to attend three fund raisers–yes, they have to show up– and then the NRSC will chase after the attendees for cash."

The party's own internal proprietary fundraising goals for incumbent members require both direct contributions and much larger amounts of supplementary financial assistance than they can legally transfer in hard money amounts. One of the ways that members can accomplish this is to headline political fundraising events that benefit their congressional colleagues.

To track these much larger amounts of supplementary financial assistance the congressional political parties have private formulas and collect proprietary data to credit members for funds raised in this fashion. The parties are notoriously secretive about this information and refuse to release it publicly. In this paper, therefore, I can only create rough indicators of member headlining behavior as we don't know the full universe of events, exactly how much money was raised at a given event, or how much credit was due to the headlining member. I calculate three measures, and in each case I examine all possible dyads, that is, each measure is calculated for every possible pair of congressmen. The first measure is a simple count of the number of events one member headlined for the the other. The second measure is an estimate of the headliner value. The third measure is an upper bound estimate of the gross money raised at the event.

While previous congressional studies[1] have demonstrated the relationship between direct member to member fundraising and promotion to both party and committee leadership

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[1]See Heberlig (2003); Heberlig, Hetherington and Larson (2006); Heberlig and Larson (2005, 2009); Cann (2008*b*,*a*); Currinder (2008).

positions, to the best of my knowledge this is the first and only academic study of indirect fundraising, which now comprises the bulk of member to member financial assistance.[2] More importantly, unlike previous studies, my analysis here demonstrates the direct legislative effects of those financial efforts.[3] Specifically, here I develop a new approach to identifying the direct influence of congressional partisan fundraising by finding whether providing financial assistance to a congressional colleague increases the beneficiary's support for the donor's legislative priorities (bills, amendments and motions sponsored by the financial contributor).

These fundraising appearances help to foster relationships between members, specifically increasing the donor's legislative capital in these dyadic relationships. Using a new dataset of headlining appearances at congressional fundraising events, and a new approach to measuring legislative support, I show that controlling for the ideological similarity of their past voting records, a Democratic Congressman is 5.5% more likely to vote for a bill for each fundraising event the bill's sponsor has headlined for them in the past (Republican Congressmen are 2.5% more likely).

I proceed as follows. In Section 2, I review the recent literature on the effect of money within Congress. In Section 3, I elaborate my theory of financial assistance and legislative support. In Section 4, I introduce, describe and assess the coverage and accuracy of my fundraising event data. In Section 5, I describe my new dataset to assess legislative support. In Section 6, I present my results, which strongly suggest that even after controlling for ideological distance, members who receive financial assistance from a bill's sponsor are significantly more likely to vote for the bill. In Section 7, I summarize my findings and conclude with some final observations for future research.

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[2]See Heberlig et al. (2008)for a unique study of member ticket sales to an 2005 N.R.C.C. Gala Event.

[3]A notable exception is the excellent recent work by Cann and Sidman (2011) showing the link between member to member contributions and distributive benefits (federal in district funding).

1   Fundraising and Legislative Consequences

There is a long history of research attempting to link political action committee contributions to voting behavior. This literature, however, has found mixed results, and many authors have argued that campaign contributions have little affect on voting behavior. In particular, efforts to find a relationship between contributors (usually PAC contributions) and policy outcomes have found mixed results. In their meta-study of 36 prior studies attempting to document a relationship between PAC contributions and roll call votes, Ansolabehere, de Figueiredo and Snyder (2003) found that most studies, particularly after controlling for ideology, found no statistically significant relationship between contribution and votes. Though subsequent meta-studies by Roscoe and Jenkins (2005) and Stratmann (2005) dispute these findings, and argue that evidence of some limited influence exists.

The last few years have seen a renewed interest in the influence of money within Congress with a particular focus on the more subtle mechanisms of influence.[4] Work by Heberlig, Hetherington and Larson (2006); Cann (2008b,a); Currinder (2008); Kanthak (2007) demonstrates the relationship between party fundraising and promotion to both party and committee leadership positions. This paper builds upon that work to examine the more important question of the impact of fundraising on legislative influence, relationships and voting behavior.

The mechanism of interest in this case is understanding how members with substantial fundraising prowess translate that advantage into policy outcomes, which I suggest members achieve by fundraising for individual colleagues who are then indebted to these fundraising members. Two excellent studies have found supporting evidence for this theory at the macro-level. The first, a study by Cann and Sidman (2011) has found supporting evidence

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[4]Work by Eggers (2010); Blanes i Vidal, Draca and Fons-Rosen (2012); Bertrand, Bombardini and Trebbi (2014) explores the relationship between the so called "revolving door" link between government service and lobbying.

for mechanism by showing a link between member to member contributions and distributive benefits (federal district spending). In particular, they note that members who contribute to their co-partisans receive higher levels of discretionary spending in their districts. Further, they find that contributions to members of the Appropriations Committee are particularly rewarded with additional distributive outlays to their district. The second study, by Bernhard and Sulkin (2011), makes a startling finding at the macro-level that higher aggregate levels of member to member giving are associated with higher enactment rates of a member's sponsored legislation.[5] These macro-level findings are enlightening and strongly suggest a link between fundraising and legislative behavior, but the level of analysis prevents us from making any conclusions at the micro-level about the individual level mechanisms that explain them. While focusing on a different, broader contribution value, this study provides the micro-level foundation that explains that result by demonstrating that is the beneficiaries of that financial assistance who in turn vote at higher rates for the legislation.

2   Theoretical Expectations

Here, I hypothesize that members who headline events for their congressional colleagues accrue debts of gratitude from the financial beneficiaries of those events. One way those debts can be repaid is through legislative support for the headliner's legislative priorities (sponsored bills, motions and amendments). A member may headline for another member to increase the likelihood that member who is the recipient of his financial largesse will be more likely to support his legislative agenda.

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[5]Bernhard and Sulkin (2011) further note that members who emulate party leaders' giving patterns also have higher enactment rates.

3 A New Approach: Campaign Fundraising Events

Campaign fundraising events have been understudied, and largely ignored by academics for a reason: they are extremely difficult to observe systematically. Of course, this obfuscating property is precisely why politicians like them. They facilitate greater net fundraising for the party, and they are largely hidden from public view as the events are not disclosed, the total money raised at an event is not disclosed, and the headliner's name is completely missing from all federal financial filings. In an ideal would we would want data on all fundraising events during a given election cycle that would facilitate the tracing of influence and fundraising credit distribution. These details would include complete information about the beneficiary of the event, the headlining member, gross value of money raised, and net profit from the event (gross from the event minus cost), and the profit creditable to the headlining member (money that would not have been raised absent his or her presence). While estimating the profit creditable to the headliner would be impractical, the Federal Election Commission does not require the other readily documentable specifics in the current disclosure rules. Instead, we turn to the Sunlight Foundation[6], a non-profit group dedicated to government transparency and accountability, which has launched an innovative project called "Political Party Time" aimed at collecting invitations to political fundraising events with the avowed purpose of creating "transparency about the relationships between lobbyists and lawmakers."[7]

It is important to note that this collection of invitations (visible either as a scanned copy of the invitation or in their "bulk" data compilation)[8] is only a partial glimpse into the world

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[6]The Sunlight Foundation: sunlightfoundation.com.

[7]Political Party Time: politicalpartytime.org.

[8]Lastly, using a random sample of 25 events, I cross-checked the Political Party Time bulk data against the digital scans of the invitations. Of the 25 events, one entry did not contain a scanned invitation. Of the remaining 24 events there were four errors: three zip codes, and one labeling error. Furthermore, it is clear that the Sunlight Foundation augments the digital information with further details, typically regarding the venue of the event.

of political fundraising events. To create this database of fund-raising event invitations, the foundation "cultivated sources who receive invitations," and in turn share them with the Foundation. For the purposes of this study, and its focus on the partisan credit-claiming aspects of members of congress helping to raise money for their congressional colleagues, I've limited my analysis to events that benefitted a single member of Congress and featured at least one other member of Congress as a headliner. Further, I've excluded the member benefitting from the event from the list of headliners, though clearly they would have been present and featured, but their assistance to themselves is redundant for this purpose.[9]

Of course, a question to ask of any new data is how representative it is. Turning first to the question of partisan balance, the events are evenly split between the parties. This partisan balance of the sample would seem to minimally suggest some reasonable coverage of each party's events, though without knowing the full universe of events it is impossible to assess the depth or bias of the coverage.
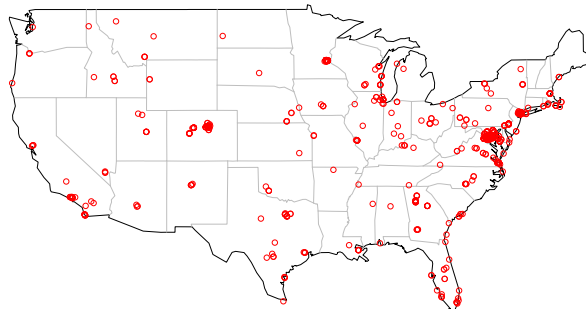
Figure 1: Geography of Fundraising Events

Figure 1 shows that the majority of the events included in the database are in the political and financial centers of the country (namely, Washington, D.C., New York City, Los Angeles, San Francisco, and Chicago), and the cities that hosted the 2008 presidential conventions (Denver, Colorado, and Minneapolis, Minnesota). These are the same areas

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[9]While the Sunlight Foundation has done tremendous work in collecting, and digitizing this information, the dataset was not designed for the purpose of looking at the non-beneficiary members featured at the event. It therefore required significant data cleaning and manipulation before it was feasible to work with. In addition, I converted it from an event based dataset to a dyadic member based dataset.

of greatest fundraising identified by Gimpel, Lee and Kaminski (2006). Conceptually, this overlap makes perfect sense. Members hold fundraising events where the biggest donors are, and those areas primarily are in the major financial centers of the country. As the total universe of events is unknown, it is impossible to calculate precisely what portion of the events we captured, but anecdotal media accounts of the number of fundraising events attended by top congressional leaders suggest that the sample here represents approximately one-third of the true fundraising events.[10]

In addition to the political headliners and beneficiaries of an event, the invitations also reveal ticket prices for the events.[11] For example, a breakfast on March 15th, 2011 for the Hon. Donna Edwards (MD-04) with "Special Guest Congressman Nick Rahall II" suggested a $5,000 contribution to be a Chair of the event, $2,500 to a Sponsor of the event, $1,000 for Political Action Committee Guests, and $500 for individuals. By contrast, a breakfast on the same day for the Hon. Mark Critz (PA-12) "with Vice Chair of the Democratic Caucus Hon. Xavier Becerra" suggested a more modest $2,000 contribution for Political Action Committee Hosts, $1,000 for Political Action Committee Guests, and $1,000 for Individual Hosts. Although we do not know the net money raised, the ticket price information can help us estimate the relative value of different political headliners.

From this invitation data it is simple to calculate the number of events each member headlined for each other member of Congress. These dyads constitute my first indicator of financial assistance, and are particularly desirable because they can be calculated with greater precision than the financial value of headlining. As a secondary measure, I crudely estimate the headliner's value by using the most expensive ticket price listed to attend the event. As the above comparison of the ticket prices for breakfast events on the same day with an event benefitting Rep. Edwards featuring Congressman Rahall fetching a top ticket

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[10]See Kane (2010b,a).

[11]Some invitations omit pricing information, and those values are excluded from the price estimates below, but included in the number of event totals.

price of $5,000, while an almost identical event benefitting Rep. Mark Critz featuring Rep. Becerra fetched less than half that with top ticket prices reaching only $2,000 suggests, the top ticket price reflects the relative attractiveness or draw of the headliner. We can use these top ticket prices as a rough proxy for the headliner's value.

Table 1 below shows the number of events, and the total headliner's value for that election cycle. While the dataset officially begins with the 2006 election cycle, the increasing number of events over time suggests two possible alternatives. The first is that the Sunlight Foundation has been dramatically ramping up their collection efforts (coverage rate). The second is that the number of headlining events is rapidly expanding. These two alternatives are, unfortunately, observationally equivalent in the data. Whichever reason is correct, the 2012 election cycle is already on pace to be the largest yet. By January 25th, 2011 (the download date of the dataset), less than three months after election day, the Foundation had already collected 474 invitations for the 2012 election cycle. The data also suggest that these fund-raising events are raising increasing amounts of money as indicated by increases in both the number of events and the headliner's value.

Table 1: Number of Events and Total Headliner's Value by Election Cycle.

	Number of Events	Total Headliner's Value
2006	350	871,150
2008	2688	10,359,881
2010	7330	21,893,939
2012	474	1,188,674

Table 2 below shows the top 10 most active members in a single election cycle. Rep. Steny Hoyer (D-MD), the Majority Leader in the 111th Congress, and Minority Whip in the 112th Congress, was the most active fund-raiser in both the 2010 and 2008 election cycles. In 2010 he attended 90 events, with a minimum estimated value of $429,000. The most active members are all part of the party leadership structure in their respective party and

chamber. Perhaps the most surprising member of the list is Representative Joseph Crowley (D-NY), who serves as one of the Chief Deputy Whips for the Democrats in the House, while the most surprising omission is former Speaker and current Minority Leader Nancy Pelosi (D-CA) who just missed the cutoff for top 10 event headliners in a single election cycle.

Table 2: Most active event attending Members of Congress.

Member	Number of Events	Cumulative Headliner Value
Hoyer, 2010	90	$429,900
Boehner, 2010	75	$201,800
Cantor, 2010	72	$156,250
Crowley, 2010	62	$432,300
McConnell, 2010	58	$149,000
Clyburn, 2010	57	$313,500
Cornyn, 2010	52	$148,575
McCarthy, 2010	48	$101,000
Hoyer, 2008	42	$170,750
Sessions, 2010	41	$108,500

Lastly, as an upper-bound estimate of the total amount of money raised at the fundraising events, I use the event location information revealed in the event invitations to estimate the maximum attendance, which I multiply by the top ticket price. To do these calculations, I augmented the invitation address location with room capacity information for the 10,842 events that were held in 831 locations. The details of this approach and resulting calculations, are provided in the Appendix.

In subsequent analyses in this paper, I focus on the number of events dyadic measure, which is the most accurate measure, but I also estimate the equations using my headliner value and maximum location capacity estimate, and the findings are robust across all three measures.

A New, Different Measure

Table 3 below shows the correlation matrix for three different measures of congressional fund-raising assistance: money raised at fund-raising events headlined by a member (headliner value), direct member to member contributions from a given member's leadership political action committee,[12] and the total number of events headlined by a member on behalf of his or her congressional colleagues.

Table 3: Correlation Matrix: Fundraising Data

	Headliner Value	LPAC Contributions	Count of Events
Headliner Value	1.00	0.21	0.42
LPAC Contributions	0.21	1.00	0.58
Count of Events	0.42	0.58	1.00

While all types of fundraising assistance are positively correlated, some relationships are stronger than others (notably direct leadership political action contributions and the number of fund-raising events headlined by a member). In addition, the lower correlations suggest that leadership PAC contributions by themselves are an imperfect indicator of member to member financial assistance: studies based exclusively on leadership political action committee contributions may be missing a large part of the fundraising assistance activity members engage in.

Again, it is helpful to examine a few concrete examples of the top congressional leaders in each party and chamber to see the individual variation in these party fund-raising assistance measures. Table 4 below shows Minority Leader Pelosi, Speaker Boehner, Minority Leader McConnell, and Majority Leader Reid's fund-raising activity on behalf of their colleagues during the 2006-2012 cycles.

Speaker Boehner was by far the most active in terms of direct contributions, and the

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[12]The data on leadership political action committee contributions to other candidates for federal office comes from the Center for Responsive Politics' website: `opensecrets.org`.

Table 4: Examples: Nancy Pelosi, John Boehner, Mitch McConnell, and Harry Reid.

	Leadership PAC	Events Attended	Money Raised at Events (1 Attendee Estimate)
Pelosi	2,281,000	65	375,900
Boehner	3,393,279	123	309,300
McConnell	934,590	82	698,000
Reid	646,000	18	203,700

number of events attended, while Minority Leader McConnell appeared to out pace him in terms of our estimate of the value of those events attended. By contrast, Majority Leader Reid noticeably trails his counterparts, perhaps due to his own electoral vulnerability during the 2010 election cycle. It is, of course, dangerous to over generalize from such a small sample, but it is worth noting that the leaders with primary legislative responsibility during this period (former Speaker Pelosi, and Majority Leader Reid) were considerably less active than their Minority counterparts. Though, an observationally equivalent inference would be that Republicans (perhaps particularly in the 2010 election cycle) were particularly active.

4 Data: Legislative Support in the 112th Congress

The dataset is constructed at the member-vote level with a case for every House member voting for every bill sponsored by a member of his or her party in the House in the 112th Congress. The dependent variable for the remaining analysis is a simple dichotomous measure where a one indicates voting for the bill, and a zero indicates voting against the bill.

This roll call data was scraped from GovTrack.us's open source xml roll call vote data, and includes all the roll call votes in the House of Representatives in the first session of the 112th Congress through October 6, 2011 (roll calls 1 to 770). I used descriptions of the roll call votes from the Clerk of the House of Representatives[13] to manually code whether the

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[13]See "U.S. House of Representatives Roll Call Votes, 112th Congress-1st Session (2011), `http://clerk.house.gov/evs/2011/index.asp`. Accessed October 6, 2011.

roll call vote referred to an amendment, motion, or final passage, and identified the sponsor of each action. The analysis is confined to the 112th Congress, because the event data is most comprehensive for the 2010 election cycle.

4.1 Variables of Interest: Financial Assistance

In this paper, I present two indicators of financial assistance between the legislative sponsor and the voting member. The first measure uses the raw count of fundraising events that the sponsor of the legislation headlined on behalf of the voting member. The second indicator of financial assistance harnesses the room capacity measure as described earlier in the paper, and the maximum ticket price listed on the event as an upper bound on the amount of money raised at the events headlined by the sponsoring member on be half of the voting member.[14] I've also examined my third measure, the headliner value, and the results are also consistent and comparable in magnitude to those presented here.

4.2 Control Variables: Ideological Difference; Same State ; Member, Sponsor and Bill Fixed Effects

As we turn to our analysis of legislative support behavior, this sizable literature on roll call voting and polarization suggests as a baseline members follow the classic spatial model, and vote for legislation close to their own ideal point. The natural outgrowth of this model for the purposes of legislative support is that members vote for legislation close to their own preferred policy. In considering legislative support, we assume the bill sponsor's ideal point as a stand-in for the spatial location of the legislation. Conceptually, this assumption derives from the understanding that if a member sponsors a bill, presumably he or she has made that bill either: 1.) close to his or her preferred position, or 2.) as close to his or her

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[14]See the Appendix for a more detailed discussion of the upper bound location capacity estimate.

preferred position as he or she thinks may gain the requisite votes. In either case, the sponsor prefers his legislation to the status quo position of legislative inaction. Therefore, we would expect members who are ideologically close to the sponsoring member to be more likely to be supportive of the sponsor's bill, while members who are more ideologically distant to be less likely to be supportive.

As referenced earlier, previous research suggests that the ideological preferences of members of congress (whether the result of personal preferences or constituent characteristics) are strongly related to vote choice. In this study, I use the DW-Nominate scores[15]from the 111th Congress for each member,[16] and it is for this reason that we exclude new members of Congress. I define the Ideological Difference between two members to be the absolute value of the difference between the legislative sponsor and the voting member.

In many senses, using an ideological preference measure based on the lagged roll call measure sets up, perhaps, the most challenging test of our financial support hypothesis, as the lagged voting record takes into account not just a member's ideological position, but is in itself the result of all the influence on the member's voting record in the past. These lagged voting records incorporate any ongoing financial relationships and reciprocity of members contributing to like minded members.

In addition to the ideological difference measure, I include fixed effects for the voting member, sponsor of the legislation, and the bill under consideration. These fixed effects, when combined with the ideological difference measure, set up an extremely tough test of the financial assistance theory biasing the results against any positive findings. Lastly, I control for whether the sponsor and beneficiary represent the same state to pick up any geographically based preference similarity not captured by the ideological difference measure.

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[15]DW-Nominate Data is from Royce Carroll, Jeff Lewis, James Lo, Nolan McCarty, Keith Poole's and Howard Rosenthal (see their `voteview.com`) website.

[16]Research suggests that members are ideologically consistent over time in Congress (Poole 2007), and we might expect this to be particularly true in consecutive congresses.

5 Results: Fundraising Assistance and Legislative Support

Turning to the results themselves, Table 5 shows a logistic regression model predicting legislative support as a function of ideological difference and the fundraising assistance that member received from the bill sponsor. Fundraising assistance is operationalized both as a raw count of events headlined by the bill sponsor for the voting member, and as a log of the estimated value of the money raised at those events.[17] Further, all four models in the table have fixed effects for the member, the bill sponsor, and the bill itself, which have been omitted from the table, but are available from the author upon request.[18]

Table 5: Logit Model of Legislative Support. Member, Sponsor, and Bill Fixed Effects Suppressed. Robust Standard Errors.

Model	1	2	3	4
Party	Democrats	Republicans	Democrats	Republicans
Fundraising Events	0.671***	0.461***		
	(0.230)	(0.145)		
Ln(Event Money)			0.053***	0.041***
			(0.020)	(0.015)
Ideological Difference	−4.930***	−5.949***	−4.930***	−5.950***
	(0.293)	(0.214)	(0.293)	(0.214)
Same State	0.678***	0.525***	0.679***	0.527***
	(0.091)	(0.091)	(0.090)	(0.091)
(Intercept)	3.439***	3.646***	3.439***	3.646***
	(0.425)	(0.474)	(0.425)	(0.474)
Member Fixed Effects	Yes	Yes	Yes	Yes
Sponsor Fixed Effects	Yes	Yes	Yes	Yes
Bill Fixed Effects	Yes	Yes	Yes	Yes
N	39664	34989	39664	34989

A quick perusal of the logistic regression results in Table 5 show that even after controlling

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[17]The results for the headliner value variable are statistically significant and of comparable size. They have been excluded from the table to save space, but are available from the author upon request.

[18]Results are robust to different model specifications, including the removal of fixed effects, standard errors clustered around different types of fixed effects.

for the ideological difference, and including member, sponsor, and bill fixed effects, the financial assistance variables are statistically significant. These findings are disaggregated by party (with the Democrats in models 1 and 3, and the Republicans in models 2 and 4). Further, all three fundraising assistance metrics (the count of fundraising events, the headliner value, and the log of the maximum estimate of the location capacity method) show similar statistically significant and sizable results.

Unfortunately, the nature of a logistic regression model when combined with the complexity of this model, namely the member, sponsor, and vote fixed effects, precludes easy substantive interpretation from the above Table. The fixed effect coefficient values have been suppressed from the table to save space (the full output involves slightly less than 2000 lines), which naturally impedes interpretation.

For clarity of presentation and ease of exposition the OLS model is also presented here (see Heckman and Snyder (1997) for discussion of using a linear probability model for binary choices). Table 6 below shows an ordinary least squares model predicting legislative support as a function of ideological difference and the fundraising assistance that member received from the bill sponsor.

Again, the first two models predict legislative support using the raw count of fundraising events, and the last two models use the log of the estimated maximum value of money raised at the event. The models are further disaggregated by party: with models one and three for the House Democrats, while models two and four for the House Republicans. The results from all four models suggest a strong relationship between financial assistance and legislative support, although the magnitude of the effects vary somewhat by party.

Even after controlling for the ideological similarity of their past voting records (an extremely challenging test), the event count measures of financial assistance in the models above suggest that Democratic Congressmen are 5.5% more likely to vote for a bill for each fundraising event the sponsor has headlined for them in the past (Republican Congressmen

Table 6: OLS Model of Legislative Support. Member, Sponsor, and Bill Fixed Effects Suppressed. Robust Standard Errors.

Model	1	2	3	4
Party	Democrats	Republicans	Democrats	Republicans
Fundraising Events	0.055**	0.025***		
	(0.019)	(0.006)		
Ln(Event Money)			0.004**	0.003***
			(0.002)	(0.001)
Ideological Difference	−0.341***	−0.570***	−0.341***	−0.559***
	(0.019)	(0.012)	(0.019)	(0.012)
Same State	0.047***	0.022***	0.047***	0.022***
	(0.007)	(0.005)	(0.007)	(0.005)
(Intercept)	0.923***	1.003***	0.923***	1.002***
	(0.031)	(0.026)	(0.031)	(0.026)
Member Fixed Effects	Yes	Yes	Yes	Yes
Sponsor Fixed Effects	Yes	Yes	Yes	Yes
Bill Fixed Effects	Yes	Yes	Yes	Yes
R-squared	0.407	0.682	0.407	0.682
Adj. R-squared	0.401	0.678	0.301	0.678
sigma	0.305	0.258	0.305	0.247
F	67.423	216.716	67.419	216.726
p	0.000	0.000	0.000	0.000
N	41538	52158	41538	52158
N-Members Voting	183	153	183	153
N-Sponsors	87	90	87	90
N-Votes	198	314	198	314

are 2.5% more likely.[19] Similarly, the upper bound indicator of the amount of money raised at the event suggests that if the legislative sponsor helps raise $100,000 (which would comprise approximately 1/14th of the cost of a winning House race in the 2010 election), Democratic members would be 5.3% more likely to vote for the bill, and Republican members would be 4.1% more likely to vote for the bill. These dollar value estimates of the money raised are based on our upper bound financial estimates and should therefore be viewed as indicator variables of relative magnitudes of total fundraising, rather than literal amounts of dollars

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[19]This is an estimate of the direct effects of fundraising only, ignoring the additional indirect effects of leadership positions and personal prestige which are being absorbed by the sponsor fixed effects.

raised.

Turning to the control variables, consistent with expectations ideological difference is a strong and significant predictor of legislative support. To take a concrete example, we might consider the ideological positions of Majority Leader Eric Cantor (R-VA) who has a DW-Nominate score of 0.750 and Rep. Jeff Flake (R-AZ) who has a DW-Nominate score of 1.014. Based purely on their ideological differences, if Cantor sponsors a bill, the conservative Rep. Flake is 18% less likely to vote for the bill.

6   Conclusion

These results show, for the first time, the micro-level mechanism by which members of Congress are transforming their fundraising prowess into roll call votes in favor of their legislative priorities. Rather than a traditional vote buying model so frequently discussed in the literature, I propose a more subtle mechanism of influence. The findings, robust to a variety of measures, models, and control variables, suggest that members who receive help from their co-partisan congressional colleagues are more likely to support the fundraisers' legislative priorities in the future.

The increased influence acquired by major congressional fundraisers has potentially wide-ranging ramifications for a variety of democratic outcomes. Members who frequently face expensive contested races for re-election are both consistently indebted to their colleagues, but also unable to accrue their own debts of gratitude. Thus these vulnerable members are both more likely to vote for contributing colleague's legislative priorities, but also less likely to be able to recruit votes in a similar fashion for their own legislative priorities.

Further, members who prove able and willing to draw in large-scale contributions and fundraising are substantially advantaged in achieving their personal legislative objectives. This inherent legislative advantage received by successful fundraisers further biases policy

outcomes in favor of politicians' whose contributors, supporters, or constituents are naturally better able to make financial contributions.

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Appendix: Location Capacity Method

One of the challenges of using the fundraising event data is the absence of information regarding both the total amount of money raised at the event. In addition to this hurdle, we also lack information about the number of attendees at the event from which we could attempt to estimate the money raised at the event. Conversations with political fundraisers, campaign managers, and event planners generally, suggest that they try to carefully match the room size to the number of attendees they plan to have at the event to avoid at all costs the unfortunate appearance of an empty room, and the negative connotations it implies. This perceived desirability of at a fundraiser suggests that if we can measure the capacity of the location we can obtain a fairly accurate estimate of the number of attendees. The Location Capacity Method developed here attempts to harness auxiliary information about the location of the event, namely the occupancy capacity of the venue (how many people it can hold) from which we can first estimate the number of attendees and then estimate the total gross money raised at the event.

The complete dataset of all congressional political fundraising invitations collected by the Sunlight Foundation includes 10,842 events, which were held in 831 locations. Table 7 below shows the top ten most popular locations for political fundraising events. Every one of those top ten locations is located not just in Washington, D.C. but within a short distance from both Capitol Hill and K Street.

The event locations run the gamut from the classic locations of restaurants and hotels to private residences, and include such varied locations as law firms, private clubs, golf courses, and ballparks. For the restaurants, and other event spaces open to the public, I simply called, and asked how large an event they could accommodate. This metric, clearly is an over estimate, but should help to give us an upper bound on the maximum number of attendees and money raised, while we can continue to use our single attendee method for the

Table 7: Most Frequent Event Locations

Venue	Frequency
Capitol Hill Club	1585
National Democratic Club Townhouse	394
Sonoma Restaurant and Wine Bar	352
Tortilla Coast	259
Democratic National Headquarters	179
21st Century Townhouse	135
UPS Townhouse	133
Rupli Townhouse	117
The Williams & Jensen Townhouse	108
National Republican Senatorial Committee	104

lower bound. Other types of events, particularly private clubs and private residences proved more challenging. For these types of locations, I used public property records available through the online real estate company Zillow (`www.zillow.com`) and Property Tax Assessment Records[20] Those property records provide the square footage of the location, from which I use the standard fire code translation of dividing the square footage by thirty-six to create an estimate of the room capacity (wiseGEEK, 2012).

Taking a look at Table 8 below we can see the results of this location capacity method. While using the maximum room capacity at a venue is clearly an upper bound on the number of attendees, the data clearly suggests that these events are connecting members with a large number of financial contributors. Looking at headlined events alone suggests approximately 1.4 million event based contributions–even if we scale this down to reflect less than full attendance and to recognize that only a fraction of the attendees were drawn in by the headliner, the sheer volume of contributions is sizable. Of course, many individuals attend multiple events. Donors who buy a ticket to an event at the behest of a headliner can gain more "credit" with the headliner than their F.E.C. contributions to the headliner would re-

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[20]For the most frequent location of Washington, D.C. the public property tax records are available online through the Real Property Assessment Database: `https://www.taxpayerservicecenter.com/RP_Search.jsp?search_type=Assessment`.

veal. And headliners can raise more money for their congressional colleagues than their FEC contributions would reveal. These events thus facilitate two levels of financial credit claiming.

Table 8: Event Capacity

Measure	All Events	Headlined Events
Number of Events	10,842	4,809
Est. Number of Attendees	2,840,018	1,380,076
Avg. Number of Attendees	262	287

Table 9 below shows the outside limits of the location capacity estimates for the money brought in by headliners. On the one hand, the estimate assuming a headliner brings in only a single attendee is certainly far too low. On the other hand, an estimate of the total dollars raised at the event using either the maximum or minimum ticket price is certainly too high, because not all the credit for the money raised is due to the headliner. A wide range of reasonable middle ground estimates certainly shows the importance of this type of fundraising relative to the total dollars spend on congressional campaigns. As a point of comparison, the average winner the average winner in the House of Representatives spent approximately $1.4 million dollars in the 2010 election cycle.[21]

Table 9: Events, Capacity, and Money

Measure	Value
Est. Value Single Attendee Headlined Events	$31,805,730
Est. Value Capacity Headlined Events Min Ticket Price	$ 5,646,382,810
Est. Value Capacity Headlined Events Max Ticket Price	$49,102,069,220

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[21]See "The Money Behind the Elections," http://www.opensecrets.org/bigpicture/index.php.

Procedure: Location Capacity Method by Venue Type

Restaurants/Hotels/Event Facility:

1. Look through website, if available, for capacity data.

2. If website is not available, try calling phone using the following approach: "Hi, my name is "x," and I am researching event venues. I was wondering what was the maximum capacity for a private event."

Private Residence and Commercial Properties:[22]

1. Begin by using Zillow.com to find the size (square footage) of the location.

2. If the size is unavailable on zillow, use public property tax records to find the square footage of the location.

3. If neither of those methods yield useful information, use neighboring residence with comparable property value if Zillow is not available.

4. Use the standard firecode translation of dividing the square footage by thirty-size to create an estimate of the room capacity (wiseGEEK, 2012).

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[22]Commercial properties frequently include law firms and lobbying groups who host fundraising events.