



NORTH CAROLINA CENTER FOR
PUBLIC POLICY RESEARCH INC.

NEWS RELEASE

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CENTER FINDS NEW TRENDS IN RATINGS OF MOST INFLUENTIAL LOBBYISTS

A new breed of young professional lobbyists -- many of whom are women -- are beginning to make their presence felt in the N.C. General Assembly, the N.C. Center for Public Policy Research says today. The Center notes three other new developments in its biennial ranking of the most influential lobbyists:

- * Four new entrants into the top 40 lobbyists came through a revolving door -- moving from the executive or legislative branches of state government to become private lobbyists.

- * Gov. Jim Martin's inability to get the legislature to enact his agenda is reflected in the relatively low ranking of his legislative liaison.

- * Two husband-and-wife teams made the top 40.

This is the fifth time the Center has released its lobbyist rankings, which are based on surveys of all 170 legislators, registered lobbyists in the 1989 session, and capital news correspondents.

Former Legislators and Lawyers Still Hold Top Spots

"Well-known lobbyists with multiple business and industry clients still account for eight of the top 10 rankings," says Ran Coble, the Center's executive director. "However, much of the upward movement among the other 30 lobbyists has come from women lobbyists and from younger professional lobbyists representing a single client."

The Center's rankings of the 40 most influential lobbyists show that five of the top 10 lobbyists are both former legislators and lawyers. Among the 40 lobbyists

ranked, 17 are lawyers and 13 are former legislators or legislative officers. (One of the 13 is former Gov. James B. Hunt Jr., who as lieutenant governor was president of the Senate from 1973-77.) Twenty-seven of the top 40 represent primarily business interests -- mainly major state industries like tobacco, textiles, banks, utilities, insurance, and retail merchants.

Rankings of the top five lobbyists saw little change. The top three -- former legislators and lawyers Zebulon D. Alley, Samuel H. Johnson, and J. Allen Adams -- retained their same positions from the 1988 rankings. William C. Rustin Jr. of the N.C. Retail Merchants Association moved from sixth in 1988 to fourth, and William E. Holman, representing several environmental groups, again ranked fifth. A newcomer to the rankings, Alice D. Garland, ranked sixth, representing the State Employees Association of North Carolina during the 1989 legislative session.

The Revolving Door: From Within Government to Lobbying Government

"Although the very top of the list remained stable, we noticed new entrants into the top 40 lobbyists from two directions," says Center policy analyst Kim Kebschull, who compiled the rankings. "One route was through the revolving door -- people moving from the executive and legislative branches to become private lobbyists."

Included among these new lobbyists are former Secretary of Transportation James E. Harrington and the same department's former legislative liaison, Wesley D. Webster, as well as former legislators Marvin D. Musselwhite Jr. and J. Ward Purrington. Purrington was Governor Martin's legislative counsel during the session and now represents the Office of the Governor from his private law practice. Alice Garland, a former employee of the N.C. Department of Natural Resources and Community Development, turned to private lobbying for the State Employees Association of North Carolina before returning to the executive branch as Assistant Commissioner with the N.C. Department of Insurance.

Some critics are not comfortable with the revolving door between service in government and lobbying. They believe that when legislators leave the General Assembly and immediately pursue lobbying careers for corporate interests, it appears that they are cashing in on their legislative experience and contacts, which hurts the image of the legislature. Rep. Walter Jones Jr. (D-Pitt) introduced an unsuccessful bill during the recent 1989-90 session that would require legislators to take a two-year hiatus after leaving the General Assembly before turning to lobbying.

"I had some members come up to me and say, 'That's a really good bill you've got, but I can't support it because I might want to lobby,'" says Jones. "I think it's wrong to serve one day and the next day be out here getting paid thousands of dollars to represent special interests." Jones says he will try his bill again in a future session.

New Breed of Younger Professional Lobbyists

"The second trend we observed among first-time entrants into the top 40 was the new breed of younger professional lobbyists," says Kebschull. "Most of these newcomers to the rankings are neither lawyers nor former legislators, and they generally tend to represent one client rather than a bevy of interests."

Among these lobbyists are Chris A. Valauri of the N.C. Beer Wholesalers Association; Davis B. Horne, representing the N.C. Bar Association; Susan R. Valauri of the National Federation of Independent Business; Pam Silberman, representing the N.C. Legal Services Resource Center; Anne T. Griffith of N.C. Citizens for Business and Industry; and J. Marc Finlayson of the N.C. Textile Manufacturers Association.

Women Gain Ground

Women also gained ground in this year's rankings. Eight women are now among the 40 top-ranked lobbyists in the state, up from last session's previous high of five. Half of them lobbied for public interest groups* such as the State Council for Social Legislation and the N.C. Legal Services Resource Center, and the other four represented business or state government interests. Alice Garland says there are definite disadvantages when a woman works the halls of the General Assembly, but they are not insurmountable. "I can't go into the men's bathroom, and I don't play golf," she says, "[But] I think if a woman establishes a reputation for knowing the facts and knowing the issues, she can hold her own."

There are also two husband-wife teams this year -- Margot and Donald Saunders, both representing the N.C. Legal Services Resource Center, and Chris and Susan Valauri, representing the N.C. Beer Wholesalers Association and the National Federation of Independent Business, respectively.

Governor's Relationship with the Legislature

"This year's rankings also depict the relatively poor relationship between the Governor and the General Assembly," says Coble of the N.C. Center. "Even though Governor Martin has been in office for more than five years, his representative, Ward Purrington, barely made the rankings at #36. Two lobbyists from other departments in the executive branch -- Jim Harrington and Wesley Webster -- ranked higher than the governor's own lobbyist."

*The Center defines a public interest lobby as one which seeks a collective good, the achievement of which will not selectively and materially benefit the membership of the organization. This definition excludes groups which engage in some public interest lobbying but have as their primary purpose the benefit and protection of their membership.

By contrast, former Gov. James B. Hunt's chief legislative liaison, Zebulon D. Alley, made his debut at fifth place when he began his lobbying career in the 1981-82 session. "A Democratic General Assembly is more responsive to a Democratic governor than a Republican governor, in my experience," says Purrington, himself a former legislator. "The relationship is better when both are of the same party.... On the other hand, Zeb Alley is a very good lobbyist." Alley and Coble both noted that Purrington's ranking is more a reflection of Governor Martin's minority party status than of Purrington's lobbying skills.

The lobbyist gaining the most ground in the 1990 rankings was Alice D. Garland, previously unranked, who debuted at sixth. Among those ranked in earlier years, William A. Pully of the North Carolina Hospital Association was the biggest mover. Pully was 30th in 1988 and tied at 15th this year. Also making large gains were John T. Bode, whose law firm represented 14 different corporate clients; Bryan Houck of Southern Bell; Fran Preston, representing the N.C. Retail Merchants Association; and Virgil L. McBride, who represented four corporate clients, including R.J. Reynolds Tobacco Company.

By contrast, John R. Jordan Jr., ranked first from 1981 to 1984, moved down from fourth last year to eighth in the current rankings. Former governor James B. Hunt Jr. slipped from 12th to 22nd. Observers say Hunt, now with the Raleigh law firm of Poyner and Spruill, spent much less time at the legislature during the 1989-90 session. David M. Blackwell, Durwood F. "Butch" Gunnells, R.D. McMillan, and Christopher Scott dropped out of the top 40 entirely.

During the 1989 session, 455 lobbyists were registered with the Secretary of State's office, representing 418 different companies or organizations. There were also 284 legislative liaisons representing 27 different agencies in the executive branch of state government. By the end of the 1990 short session, 481 lobbyists were registered. Unlike figures compiled by the Secretary of State's office, the Center's calculations count each lobbyist only once. The Secretary of State's office lists 987 lobbyists, but this reflects multiple listings when the same lobbyist represents more than one client. The rankings were based on lobbyists' performance during the main January-August 1989 session.

The N.C. Center for Public Policy Research is an independent, nonpartisan, nonprofit corporation created to examine state government policies and practices. The Center is supported in part by grants from the Z. Smith Reynolds and Mary Reynolds Babcock Foundations, both in Winston-Salem. Other funding comes from 114 corporate contributors and more than 600 individual and organizational members. The N.C. Center publishes a quarterly magazine called North Carolina Insight and issues book-length research reports. The Center has recently conducted studies on campaign finance, homelessness, problems with local landfills running out of space, and a comparison of the formal powers of all 50 state governors. The Center also publishes rankings of the effectiveness of all 170 legislators, as rated by the legislators themselves, registered lobbyists, and capital news correspondents.

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The lobbyist rankings are available for \$4.25 from the N.C. Center for Public Policy Research, P.O. Box 430, Raleigh, NC 27602. They are a companion piece to Article II: A Guide to the 1989-90 N.C. Legislature, which is available for \$22.50 from the Center. Both prices include postage and handling. Article II is a directory of legislators serving in the 1989-90 sessions that includes each legislator's educational background, occupation, list of bills introduced, voting records, and effectiveness rankings.

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