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NEWS RELEASE

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LOBBYISTS ADAPT TO NEW POLITICAL LANDSCAPE, SAYS N.C. POLICY CENTER

The new political landscape in the legislature changed which lobbyists were most influential in the new rankings released today by the North Carolina Center for Public Policy Research. The rankings are based on a survey of all legislators, registered lobbyists based in North Carolina, and the capital news media.

“Lobbyists had to adapt to two major changes in the political landscape in the 2011-12 legislature. Republicans held a majority in both the state House and Senate for the first time since 1870, and 46 freshman lawmakers made up more than a fourth of the 170-member General Assembly,” says Ran Coble, executive director of the Center. “This meant lobbyists were dealing with new legislative leaders, new committee chairs, and many who were new to the legislative process and to statewide policy issues,” says Coble.

A New Top Lobbyist

Dana Simpson, a contract lobbyist and partner with the law firm of Smith, Anderson, Blount, Dorsett, Mitchell & Jernigan in Raleigh, earned the top spot as North Carolina’s most influential lobbyist. Simpson has been ranked among the most influential lobbyists since 2006 and was last ranked 14th. At age 38, Simpson is the youngest lobbyist ever to claim the top ranking. His 19 clients during the 2011 sessions included AT&T NC, Nationwide Insurance, the N.C. Museum of Art Foundation, the N.C. Society of Anesthesiologists, Progress Energy, and WakeMed Health and Hospitals. Another contract lobbyist, John McMillan, was at the top of the rankings in 2010. McMillan is still ranked 4th in this year’s rankings.

“My job is to help our clients provide relevant, accurate, and timely information, so legislators can make well-informed policy decisions,” says Simpson.

Lobbyists Adapt to the New Political Landscape

Lobbyists with Republican ties fared well in the latest rankings. Joining the list of the most influential lobbyists for the first time are Tom Fetzer (2nd), Connie Wilson (7th), and Jimmy Broughton (43rd). Fetzer previously served as Chairman of the N.C. Republican Party and Mayor of Raleigh. Wilson is a former Republican legislator (1989-90 and 1993-2004). Broughton served for 12 years on the staff of former Republican U.S. Senator Jesse Helms. Top-ranked Simpson served as the communications and policy director for the Republican House majority in the mid-1990s.

"I'm still trying to find where all the restrooms are in the legislative building," jokes Fetzer, who ranked 2nd in his first legislative session as a lobbyist. He explains his success by saying, "I'm grateful to some of the veteran legislators who gave me sound advice and helped me avoid some rookie mistakes. They also advised me to make sure that when talking to legislators about an issue, you fully inform them about both sides of the issue so they are aware of the credible arguments that the other side will make. Presenting truthful, accurate information about both sides of issues is the best way to establish credibility and earn respect with lawmakers," says Fetzer.

Also, moving up in the rankings were Charles (Chuck) Neely (6th), who served as a Republican legislator from 1995-2000, and Theresa Kostrzewa (9th), who got her start working for Rep. Leo Daughtry (R-Johnston) when he was Majority Leader in the 1995 N.C. House.

22 Lobbyists Are Ranked Among the Most Influential for the First Time

"The influx of new blood in the legislature also has ushered in a record-setting group of 22 lobbyists ranked among the most influential for the first time," says Amy Strecker, Policy Analyst at the Center who compiled the rankings. "The new faces include former legislators, liaisons for departments in Governor Perdue's administration, and corporate lobbyists," she says. Newcomers joining Fetzer, Wilson, and Broughton among those ranked most influential are Joe Lanier (15th), Jim Harrell III (19th), Dana Cope (25th), Courtney Crowder (28th), Beau Memory (29th), Laura DeVivo (33rd), Pryor Gibson (39th), John Cooper (40th), Amy Bason (45th), Jason Deans (46th), Tony Solari (47th), Rose Williams (50th), Sharnese Ransome (52nd), Jessica Hayes (54th), Brad Phillips (55th), Doug Heron (57th), Daniel Baum (58th), Herb Crenshaw (59th), and Steve Brewer (60th).

Harrell and Gibson are former legislators. Gibson now serves with Crowder as legislative liaisons for Gov. Beverly Perdue. Memory is legislative liaison for the N.C. Department of Transportation, and Ransome is liaison for the N.C. Department of Health and Human Services. Lanier, DeVivo, Cooper, Deans, and Baum are contract lobbyists with multiple clients.

A Record Number of Contract Lobbyists Representing Multiple Clients Make the Top Echelon

Contract lobbyists representing multiple clients make up a record-setting 34 of the top 60 influential lobbyists, including 8 of the top 10 spots. "This is the third consecutive legislative session that contract lobbyists have set a new record for influence," says Coble. "Because they have multiple clients, these lobbyists maintain a constant presence in the legislative building and get to know more legislators in both political parties," he adds.

Energy and health care interests were among the most common clients among the top 10 lobbyists. Five of the 10 most influential lobbyists represented Duke Energy, Progress Energy, or ElectriCities – all of which had an interest in the Duke Energy/Progress Energy merger announced in January 2011 and approved in July 2012. While the legislature had no official role in approving the merger, Duke and Progress are subject to state laws and to regulation by the N.C. Utilities Commission, which is appointed by the General Assembly. And, the energy companies also had to be prepared for potential attempts to affect the merger through the regulatory process or new legislation. Nine of the top 10 lobbyists represented a health care client, such as local hospital systems, medical professional associations, or pharmaceutical companies.

Former Legislators Are Highly Influential Lobbyists

Seven of the 60 most influential lobbyists are former legislators – Chuck Neely (ranked 6th), Connie Wilson (7th), Steve Metcalf (13th), Sandy Sands (14th), Jim Harrell III (19th), Zeb Alley (24th), and Pryor Gibson (39th). Former legislators are required by state law to take a six-month "cooling off" period

between holding office as a legislator and becoming a lobbyist. “Former legislators know what it takes to make things happen in the legislature,” says Coble. “They also have long-term relationships with their former colleagues that can open doors,” he says.

A Record-Matching Number of Women and African Americans Ranked Among Most Influential

Twelve women earned spots in the rankings of the top 60 lobbyists, which ties the previous record of female lobbyists ranked among the most influential in 1998. Connie Wilson (7th) and Theresa Kostrzewa (9th) broke into the top 10. Kathy Hawkins (12th), Lisa Martin (21st), Lori Ann Harris (22nd), Susan Valauri (23rd), Leanne Winner (26th), Laura DeVivo (33rd), Amy Bason (45th), Rose Williams (50th), Sharnese Ransome (52nd), and Jessica Hayes (54th) also all ranked among the most influential.

Four African Americans ranked among the most influential – Johnny Tillett (18th), Lori Ann Harris (22nd), Courtney Crowder (28th), and Sharnese Ransome (52nd). This ties last session’s record for African American lobbyists.

Lobbyists With Democratic Ties Are Still Influential

Despite Republican majorities in both the House and Senate, lobbyists with Democratic ties also remained influential. Former Democratic legislators and current legislative liaisons under Democratic Gov. Beverly Perdue are included among the most influential. Former Democratic legislators making the rankings include Steve Metcalf (13th), Sandy Sands (14th), Jim Harrell III (19th), and Pryor Gibson (39th).

Four legislative liaisons working in Gov. Perdue’s administration also are ranked among the most influential lobbyists – Courtney Crowder (28th) and Pryor Gibson (39th) representing the Office of the Governor, Beau Memory (29th) representing the N.C. Department of Transportation, and Sharnese Ransome (52nd) representing the N.C. Department of Health and Human Services. And, two other top lobbyists represented other Democrats who are statewide, separately-elected officials. Tony Solari (47th) represented State Treasurer Janet Cowell, and Rose Williams (50th) represented Insurance Commissioner Wayne Goodwin.

Why and How the Lobbyist Rankings Are Done

“The rankings of the most influential lobbyists help citizens understand which key interests and organizations have clout with legislators in North Carolina,” says the Center’s Coble. “The rankings shed light on what is often an invisible process. They also show changes in the lobbying profession and illustrate which issues are the hottest.”

This is the 16th time the N.C. Center for Public Policy Research has released its rankings of lobbyists. The new rankings are based on the results of a survey conducted in December 2011 through February 2012. At that time, 49 of the 50 state Senators (Sen. Jim Forrester died in October 2011), 120 Representatives, 407 registered lobbyists, and 22 state capital news correspondents were asked to list the 10 most influential lobbyists or state agency legislative liaisons during the 2011 sessions of the North Carolina General Assembly. The legislature met from January 26th to June 18th in its main long session and in four special sessions that took place in July, September, and twice in November.

Sixty-three of the 120 House members (53%) responded to the Center’s survey, as did 24 of the 49 Senators (49%), 144 of the 407 lobbyists and lead legislative liaisons based in North Carolina (35%), and 6 of 22 capital news correspondents (27%). The overall response rate was 40%.

At the end of the 2011 sessions, 798 lobbyists were registered with the Secretary of State, representing 969 different companies or organizations. The Center's calculations of the number of lobbyists count each lobbyist only once, even if they represent more than one client, and each lobbyist can only vote once in the survey. The Secretary of State's records also listed 99 legislative liaisons that represented 73 different state government agencies and licensing boards, but the Center surveys only the lead liaison for each agency or board.

About the Center

The N.C. Center for Public Policy Research is an independent, nonpartisan, nonprofit research organization created in 1977 to evaluate state government programs and study important public policy issues facing North Carolina. The Center is supported in part by a grant for general operating support from the Z. Smith Reynolds Foundation in Winston-Salem, with additional support from 11 other private foundations, 100 corporate contributors, and about 500 individual and organizational members. The Center publishes a journal called *North Carolina Insight* and in-depth research reports, including a study of governance of the 16 public universities in North Carolina.

The Center recently has conducted in-depth studies on issues affecting North Carolina's rapidly-growing aging population and key issues facing the state's community colleges. Upcoming studies will evaluate the state's mental health reform effort and examine state tuition and financial aid policy, including how to increase the state's college-going and college completion rates.

Printed copies of the *Rankings of the Most Influential Lobbyists in the N.C. General Assembly* are available from the Center for \$10 each, or you may download a digital copy from the Center's Website at www.nccppr.org for \$10 each. To order the printed lobbyist rankings booklet, write the Center at P.O. Box 430, Raleigh, NC 27602, call (919) 832-2839; fax (919) 832-2847; or email Tammy Bromley at tbromley@nccppr.org. To subscribe to the Center's guide to the legislature – which includes the lobbyist rankings and the rankings of legislators' effectiveness, attendance, and roll call voting participation – visit www.nccppr.org.

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