



N.C. CENTER FOR  
PUBLIC POLICY  
RESEARCH

# From The Center Out

The Newsletter of the North Carolina Center for Public Policy Research

*Your source for nonpartisan research and analysis on state policy issues*

July-August-September 2012

## LOBBYISTS ADAPT TO NEW POLITICAL LANDSCAPE

The new political landscape in the legislature changed which lobbyists were most influential in new rankings released 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.” said 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.”

### 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 14<sup>th</sup>. 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 4<sup>th</sup> 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,” said Simpson.



Dana 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 (2<sup>nd</sup>), Connie Wilson (7<sup>th</sup>), and Jimmy Broughton (43<sup>rd</sup>). 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,” joked Fetzer, who ranked 2<sup>nd</sup> in his first legislative session as a lobbyist. He explained 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.”



Tom Fetzer

Also moving up in the rankings were Charles “Chuck” Neely (6<sup>th</sup>), who served as a Republican legislator from 1995-2000, and Theresa Kostrzewa (9<sup>th</sup>), 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,” said 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 said. Newcomers joining Fetzer, Wilson, and Broughton among those ranked most influential are Joe Lanier (15<sup>th</sup>), Jim Harrell III (19<sup>th</sup>), Dana Cope (25<sup>th</sup>), Courtney Crowder (28<sup>th</sup>), Beau Memory (29<sup>th</sup>), Laura DeVivo (33<sup>rd</sup>), Pryor Gibson (39<sup>th</sup>), John Cooper (40<sup>th</sup>), Amy Bason (45<sup>th</sup>), Jason Deans (46<sup>th</sup>), Tony Solari (47<sup>th</sup>), Rose Williams (50<sup>th</sup>), Sharnese Ransome (52<sup>nd</sup>), Jessica Hayes (54<sup>th</sup>), Brad Phillips (55<sup>th</sup>), Doug Heron (57<sup>th</sup>), Daniel Baum (58<sup>th</sup>), Herb Crenshaw (59<sup>th</sup>), and Steve Brewer (60<sup>th</sup>).

Harrell and Gibson are former legislators. Gibson and Crowder serve 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.

### **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 eight of the top 10 spots. “This is the third consecutive legislative session that contract lobbyists have set a new record for influence,” said Coble. “Because they have multiple clients, these lobbyists maintain a constant presence in the legislative building and get to know a wide variety of legislators in both political parties.”

Energy and health care interests were among the most common clients for 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. These are Chuck Neely (ranked 6<sup>th</sup>), Connie Wilson (7<sup>th</sup>), Steve Metcalf (13<sup>th</sup>), Sandy Sands (14<sup>th</sup>), Jim Harrell III (19<sup>th</sup>), Zeb Alley (24<sup>th</sup>), and Pryor Gibson (39<sup>th</sup>). 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 General Assembly,” said Coble. “They also have long-term relationships with their former colleagues that can open doors.”

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

Twelve women earned spots among the top 60 lobbyists, which ties the previous record for female lobbyists in 1998. Connie Wilson (7<sup>th</sup>) and Theresa Kostrzewa (9<sup>th</sup>) broke into the top 10. Kathy Hawkins (12<sup>th</sup>), Lisa Martin (21<sup>st</sup>), Lori Ann Harris (22<sup>nd</sup>), Susan Valauri (23<sup>rd</sup>), Leanne Winner (26<sup>th</sup>),



Theresa Kostrzewa

Laura DeVivo (33<sup>rd</sup>), Amy Bason (45<sup>th</sup>), Rose Williams (50<sup>th</sup>), Sharnese Ransome (52<sup>nd</sup>), and Jessica Hayes (54<sup>th</sup>) also all ranked among the most influential.

Four African Americans ranked among the most influential – Johnny Tillett (18<sup>th</sup>), Lori Ann Harris (22<sup>nd</sup>), Courtney Crowder (28<sup>th</sup>), and Sharnese Ransome (52<sup>nd</sup>). 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, a number of 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 (13<sup>th</sup>), Sandy Sands (14<sup>th</sup>), Jim Harrell III (19<sup>th</sup>), and Pryor Gibson (39<sup>th</sup>).



Courtney Crowder

The four legislative liaisons working in Gov. Perdue’s administration and ranked among the most influential lobbyists are Courtney Crowder (28<sup>th</sup>) and Pryor Gibson (39<sup>th</sup>) representing the Office of the Governor, Beau Memory (29<sup>th</sup>) of the N.C. Department of Transportation, and Sharnese Ransome (52<sup>nd</sup>) of 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 (47<sup>th</sup>) represented State Treasurer Janet Cowell, and Rose Williams (50<sup>th</sup>) 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,” said 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. They 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 N.C. General Assembly. The legislature met from January 26<sup>th</sup> to June 18<sup>th</sup> in its main long session and in four special sessions that took place in July, September, and twice in November.

The Center’s rankings received coverage in newspapers from Brevard to Asheville to Raleigh, with radio coverage on public radio stations in Charlotte and the Triangle, as well as WPTF in Raleigh. Time Warner Cable’s statewide news channels covered the rankings, as did WRAL-TV. And, in a light-hearted look at lobbying, Raleigh *News & Observer* columnist Jim Jenkins wrote, “A veteran news correspondent once simplified for a visitor the way to tell one group from the other [lobbyists from legislators]: ‘One group can explain the details and nuances of legislation, knows where the most important offices are, can find the bathrooms on their own and can drop in on the governor any time. The other group is the legislature.’”

Center members at the \$300 level receive a printed copy of the *Rankings of the Most Influential Lobbyists in the N.C. General Assembly*; \$100 members receive access to an electronic version. Printed copies are available from the Center for \$10 each, or you may download a digital copy from our website at [www.nccppr.org](http://www.nccppr.org) for \$10 each. To order the printed 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](mailto:tbromley@nccppr.org).

## UPDATE ON TURNOVER IN THE LEGISLATURE



Rep. Harold Bubaker  
(R-Randolph): Resigned in  
July to go into lobbying

In our spring newsletter, we explored the possibility of record turnover in the legislature for 2013. This is due to retirements, runs for higher office, acceptance of other jobs, and most of all, redistricting. Since then, five more legislators were defeated in May primaries, two lawmakers died, and one more decided to resign and go into lobbying. As a result, 54 legislators (32 percent) – 30 Republicans and 24 Democrats – will not return to the N.C. General Assembly next year.

In the 2011-12 legislature, there already were 46 freshman legislators (27 percent). With 54 more legislators not returning in 2013, freshman and sophomore legislators will make up almost 60 percent of the 2013 General Assembly. A combined 600 years of institutional memory and policy expertise will be lost with this much turnover. On the other hand, there will be room for lots of new ideas.

The modern records for highest legislative turnover were set in 1973 and 1975, when 65 and 70 new legislators, respectively, came to the General Assembly. Depending on the outcomes of the general elections on November 6, 2012, North Carolina's legislative turnover in 2013 could approach or surpass the record turnover of the mid-1970s.

### **Legal Challenge to Redistricting Maps**

The redistricting maps were challenged in two lawsuits that have now been combined into one case, *Dickson v. Rucho*. The plaintiffs include the N.C. NAACP, the League of Women Voters, and Democracy North Carolina. Within the overall challenge to the redistricting maps, a question about evidence has been raised about whether documents prepared for Republican legislators by outside lawyers are confidential under attorney-client privilege or should be disclosed to the public. This interim issue has been appealed to the N.C. Supreme Court, and that Court held a hearing on July 10, 2012. A three-judge panel of Superior Court judges has yet to hear the overall case challenging the redistricting plan. Regardless, the 2012 elections will be held using the districts drawn in 2011 by the Republican legislative majority.



Rep. William Wainwright  
(D-Craven): Passed away  
in July 2012

### **Some Legislative Seats Already Won for Each Political Party**

In legislative districts across the state, many incumbent legislators are running unopposed in both the primary and general elections. Additionally, other legislators had opposition only in their party's primary and not in the general election. These seats are a victory for their party, regardless of the candidate elected. Finally, there are three legislators whose only opposition in the fall comes from Libertarian Party candidates. Libertarian Party candidates have never won a legislative race in North Carolina.

Combining unopposed races, races with opposition only in the same party's primary, and races only with Libertarian Party opposition, 19 seats (38 percent) are likely already determined in the 50-member Senate – 12 will be Republicans and 7 will be Democrats. Fifty-one seats (43 percent) already are determined in the 120-member House (43 percent) – 27 will be Republicans, and 24 will be Democrats.



Rep. Trudi Walend  
(R-Transylvania): Defeat-  
ed in May 2012 primary

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**North Carolina Center for  
Public Policy Research**

5 West Hargett St., Suite 701  
P. O. Box 430  
Raleigh, NC 27602  
Tel: (919) 832-2839  
Fax: (919) 832-2847  
[www.nccppr.org](http://www.nccppr.org)  
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