



OIL & GAS GIVING IN THE STATES

By
SUE O'CONNELL

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With natural disasters battering the oil and gas industry along the Gulf Coast, Americans have seen a sharp increase in gas prices, as well as predictions of higher home heating costs this winter. Politicians across the country are blaming the industry for price gouging and looking at ways to ease the effects of higher prices, ranging from suspension of state gasoline taxes to investigations into pricing practices.

Recent events have left the oil and gas industry not only facing the need to rebuild facilities, but also to repair its image and look at ways to address the rising political pressures. If past practice is any indication, the industry will use strategic campaign contributions to state-level candidates as part of its approach.

Even before disaster struck in the form of hurricanes Katrina and Rita, the oil and gas industry made significant contributions to state political candidates and political party committees — particularly in the states where they do big business.

In the past three election cycles, covering the years from 1999 through 2004, the industry contributed at least \$60 million to state candidates and party committees in the 50 states.

Just under 20 percent of that amount — \$11.4 million — came from the top 10 contributors. These big givers included some of the biggest names in the oil and gas business: ChevronTexaco, Exxon Mobil and BP Amoco, to name just a few.

Texas and California candidates and party committees were far and away the favorite targets of industry contributors, no doubt because many companies have major operations in those two states and thus are subject to the tax and regulation policies set by state legislatures and enforced by state regulatory agencies. In addition, Texas does not limit the size of campaign contributions, and California only recently set limits on contributions.

The table below shows the amount of contributions that went to candidates and party committees in the five states receiving the largest portions of the oil and gas contributions in the past three election cycles. These five states combined received slightly more than half of \$60 million in contributions the industry made during this time period.

STATE	AMOUNT
Texas	\$15,232,425
California	\$7,388,391
Oklahoma	\$4,564,499
Louisiana	\$2,865,298
Illinois	\$2,027,345
TOTAL	\$32,077,958

MAKING THE BEST BETS

The oil and gas industry put the bulk of its campaign money on winners, giving \$34 million to candidates who won their races. This represented 69 percent of the \$49 million that industry contributors gave to candidates. They gave another \$6 million to candidates who were raising money but were not on the ballot in a given election year; most of that money went to candidates who were already in office and were raising money for their next election. Only 18 percent of the contributions to candidates, or about \$8.9 million, went to candidates who lost their races.

And overall, the candidate contributions went largely to incumbents already holding office. Incumbents received \$33.4 million, or 68 percent of the candidate contributions. Another \$11.2 million went to candidates in races for open seats, while slightly less than \$4 million went to candidates who were challenging incumbents. These challengers typically have a low success rate, making it difficult for them to attract the backing of major contributors.

The table below shows the industry contributions by type of candidate over the three election cycles.

OIL & GAS CONTRIBUTIONS BY CANDIDATE TYPE, 1999-2004

CANDIDATE STATUS	AMOUNT	% OF TOTAL
Winner	\$34,032,614	69%
General-Election Loser	\$6,180,366	13%
Did Not Run (Mostly Incumbents)	\$5,997,271	12%
Primary-Election Loser	\$2,754,463	6%

CANDIDATE TYPE	AMOUNT	% OF TOTAL
Incumbent	\$33,408,021	68%
Open Seat	\$11,242,646	23%
Challenger	\$3,965,440	8%

A REPUBLICAN BENT

The oil and gas industry heavily favored both Republican candidates and Republican Party committees when making state-level contributions. Republican candidates received 64 percent of the \$49 million given to candidates, while nearly 76 percent of the contributions to political party committees when to GOP committees.

Contributions to Candidates

The biggest portion of contributions to candidates went to people who were running for state legislatures, where laws governing business operations are approved or defeated. The industry contributed nearly \$26.8 million to legislative candidates. Candidates for governor and lieutenant governor garnered the next largest amount of money, with \$13.2 million in contributions, followed by candidates for attorney general, who received \$2.3 million in industry contributions.

Past Institute analyses have shown that business interests often gives fairly even-handedly to legislative candidates, because they need to work with both Democratic and Republican legislators when lobbying on their issues. However, the oil and gas industry favored Republicans, even among legislative candidates. It gave almost \$16 million to GOP legislative candidates, or nearly 60 percent of its legislative contributions. Democrats received about \$10.8 million, or 40 percent.

Similarly, the industry gave more money to the Republican candidates on gubernatorial tickets. The GOP candidates running for governor or lieutenant governor, or on a combined ticket, received nearly \$8.3 million, or 62.5 percent, while Democratic candidates received just under \$5 million. Republican attorney general candidates received \$1.6 million, or almost 70 percent of the \$2.3 million that went to candidates for that office. The Democratic candidates received about \$706,000.

The following tables show the top recipients of oil and gas money in each of the election cycles.

TOP 10 CANDIDATE RECIPIENTS OF OIL & GAS CONTRIBUTIONS, 2003-2004

STATE	CANDIDATE	PARTY	OFFICE	DISTRICT	AMOUNT
TX	Perry, Rick	R	Governor	SW	\$664,903
TX	Strayhorn, Carole Keeton	R	Comptroller	SW	\$564,030
TX	Dewhurst, David	R	Lt. Governor	SW	\$509,550
TX	Carrillo, Victor G.	R	Railroad Commissioner	SW	\$456,588
MS	Barbour, Haley	R	Governor	SW	\$328,769
OK	Bode, Denise	R	Corporation Commissioner	SW	\$280,665
TX	Abbott, Greg	R	Attorney General	SW	\$150,424
TX	Craddick, Tom	R	House	82	\$144,950
TX	Seliger, Kel	R	Senate	31	\$129,950
TX	Combs, Susan	R	Agriculture Commissioner	SW	\$128,339

TOP 10 CANDIDATE RECIPIENTS OF OIL & GAS CONTRIBUTIONS, 2001-2002

TATE	CANDIDATE	PARTY	OFFICE	DISTRICT	AMOUNT
TX	Perry, Rick	R	Governor	Statewide	\$1,733,829
TX	Abbott, Greg	R	Attorney General	Statewide	\$877,860
TX	Rylander, Carole Keeton	R	Comptroller	Statewide	\$762,635
TX	Dewhurst, David	R	Lt. Governor	Statewide	\$615,089
TX	Sharp, John	D	Lt. Governor	Statewide	\$492,847
CA	Davis, Gray	D	Governor	Statewide	\$492,641
TX	Williams, Michael L.	R	Railroad Commissioner	Statewide	\$394,140
TX	Sanchez, Tony	D	Governor	Statewide	\$353,500
NM	Richardson, Bill	D	Governor	Statewide	\$201,558
CO	Owens, Bill & Norton, Jane	R	Governor/Lt. Governor	Statewide	\$197,200

TOP 10 CANDIDATE RECIPIENTS OF OIL & GAS CONTRIBUTIONS, 1999-200

STATE	CANDIDATE	PARTY	OFFICE	DISTRICT	AMOUNT
CA	Davis, Gray	D	Governor	Statewide	\$534,098
LA	Foster Jr., Murphy J. (Mike)	R	Governor	Statewide	\$499,427
TX	Williams, Michael L.	R	Railroad Commissioner	Statewide	\$271,565
TX	Matthews, Charles R.	R	Railroad Commissioner	Statewide	\$244,184
TX	Staples, Todd	R	Senate	3	\$196,100
TX	Perry, Rick	R	Governor	Statewide	\$170,000
PA	True, Katie	R	Auditor	Statewide	\$160,000
NC	Easley, Michael F.	D	Governor	Statewide	\$139,552
MS	Parker, Mike	R	Governor	Statewide	\$125,201
TX	Laney, James E. (Pete)	D	Governor	85	\$101,800

Contributions to Party Committees

The oil and gas industry gave about \$11.7 million to state-level party committees. Nearly 18 percent of those funds, or slightly more than \$2 million, went to the California Republican Party during the three election cycles. The top 10 party recipients received nearly \$5.8 million, or almost half of the total funds given to 194 different party committees. Contributions ranged from the \$2 million given to the California GOP to \$100 given to the Ohio Democratic Party and to the House Democrats of Idaho. Party committee giving leaned even more heavily to the Republicans; GOP committees received nearly \$8.9 million of the total, or 76 percent of the party committee money.

TOP 10 PARTY RECIPIENTS OF OIL & GAS CONTRIBUTIONS, 1999-2004

PARTY COMMITTEE	AMOUNT
California Republican Party	\$2,070,356
Florida Republican Party	\$695,077
Texas Republican Party	\$523,877
New York State Republican Party	\$471,500
Louisiana Republican Party	\$411,642
Colorado Republican Party	\$388,092
Michigan Republican Party	\$360,370
New Mexico Republican Party	\$316,675
California Democratic Party	\$297,310
North Carolina Democratic Party	\$259,200
TOTAL TO TOP 10 COMMITTEES	\$5,794,099

WHO GIVES?

Contributors among oil and gas interests range from huge multinational to the corner gas station. Not surprisingly, the big companies are the big hitters. Eight of the top 10 contributors over the six-year period were businesses or associations representing them. Two individuals made the list of top 10 contributors: Albert D. Huddleston of Hyperion, which owns and operates oil and gas properties and associated facilities, and retired oil man Edward H. Hamm. Together, these top contributors gave \$11.4 million, or nearly 19 percent of the total oil and gas contributions.

TOP 10 OIL & GAS CONTRIBUTORS, 1999-2004

CONTRIBUTOR	AMOUNT	TO PARTIES	TO CANDIDATES	% TO WINNERS
ChevronTexaco*	\$3,277,291	\$1,430,140	\$1,847,151	73%
BP Amoco	\$1,785,318	\$276,809	\$1,508,509	83%
Huddleston, Albert D.**	\$1,088,909	\$10,000	\$1,078,909	78%
Exxon Mobil*	\$1,020,899	\$110,000	\$910,899	86%
Valero Energy	\$966,800	\$199,500	\$767,300	67%
Texas Oil & Gas Association	\$871,041	\$0	\$871,041	79%
Koch Industries	\$654,219	\$110,512	\$543,707	75%
7-Eleven	\$627,635	\$45,350	\$582,285	85%
Atlantic Richfield Co./ARCO	\$572,578	\$117,775	\$454,803	67%
Hamm, Edward	\$546,950	\$539,900	\$7,050	72%
TOTAL	\$11,411,640	\$2,839,986	\$8,571,654	78%

*Totals include contributions given by Chevron Corp. and Texaco before they merged to create ChevronTexaco and by Exxon Corp. and Mobil Oil before they merged to create Exxon Mobil.

** Total includes \$180,409 in contributions made in the name of both Huddleston and his wife, Mary.

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Texas	\$15,232,425
California	\$7,388,391
Oklahoma	\$4,564,499
Louisiana	\$2,865,298
Illinois	\$2,027,345
New York	\$1,879,576
Florida	\$1,761,534
Pennsylvania	\$1,630,302
New Mexico	\$1,615,721
Georgia	\$1,523,389
Alaska	\$1,497,921
North Carolina	\$1,480,862
Michigan	\$1,324,240
Ohio	\$1,161,276
Colorado	\$1,158,205
Mississippi	\$1,113,435
Virginia	\$1,087,373
Missouri	\$882,485
New Jersey	\$842,645
Oregon	\$806,089
Kansas	\$774,365
Washington	\$767,802
West Virginia	\$715,383
Wisconsin	\$553,493
Arkansas	\$508,850
Nevada	\$507,597
South Carolina	\$493,178
Alabama	\$488,950
Kentucky	\$481,959
Wyoming	\$439,068
Indiana	\$386,312
Massachusetts	\$338,678
Minnesota	\$297,449
Utah	\$294,115
Hawaii	\$292,122
Tennessee	\$272,101
Iowa	\$230,782
Maryland	\$161,293
Montana	\$152,651
Delaware	\$134,140
Arizona	\$125,997
Connecticut	\$85,805
Idaho	\$78,647
New Hampshire	\$76,435
South Dakota	\$70,017
Maine	\$68,820
Rhode Island	\$55,720
Vermont	\$49,647
Nebraska	\$38,384
North Dakota	\$34,666
	\$60,817,437