What is the Value of Majority Status in American State Legislatures?[•]

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Abstract: In this paper, we take advantage of six recent changes in the partisan control of state legislatures to assess the value or benefits, in terms of campaign contributions, of majority status. We also examine the intra-party distribution of the benefits. Overall, our econometric estimations show that, when a legislature is organized strictly along party lines, the value of majority status ranges from $25,000 in Illinois to approximately $7,500 in Indiana. Additionally, we find that these benefits are primarily distributed to backbenchers as opposed to party leaders or committee chairs. The results presented here have important implications for existing theories of legislative organization.

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I. Introduction

One of the key debates in the study of American legislatures concerns the role that political parties play in shaping the outcomes of the lawmaking process. Partisan theories of legislative organization argue that members of the majority party enjoy considerable advantages in lawmaking which enable them to disproportionately secure policies that benefit their supporters and further both their individual and collective electoral fate (Cox and McCubbins 1993, 2005; Aldrich 1995; Aldrich and Rohde 1998). These advantages are thought to include the control of the legislative agenda and an exclusive right to chair all committees. Despite the large number of scholarly articles and books devoted to evaluating partisan theories of legislative organization, there has been rather little attention paid to the implications of majority party advantage at the level of individual legislators: if the majority party does indeed enjoy a substantial advantage in the legislative process, what benefits accrue to individual members of the majority party; how are the spoils of the majority status distributed within the party?

In this paper, we take these questions to the setting of state legislatures.[1] Does the majority party in fact enjoy substantial advantage over the minority in state legislatures? What are the institutional determinants of majority party advantage? If so, who in the majority party enjoys the fruits of this advantage? We answer these questions by examining whether and how donors reallocate their campaign contributions following an intra-chamber change of the majority party. The method we employ is broadly derived from the innovative study by Cox and Magar (1999) which examines changes in the contribution patterns of campaign contributors following changes in party control of the

[1] Our research design heeds the request of Squire and Hamm (2005) for increased testing of legislative theories in the context states.

U.S. House and the Senate. Unlike Cox and Magar, we examine both the value of the majority status and various leadership positions such as committee chairmanships.

Our empirical analysis considers six recent instances of partisan change in lower legislative chambers: Texas (2002), Indiana (1994 and 1996), New Jersey (2001), Vermont (2000), and Illinois (1996). For each of these cases, we test whether the loss of majority status results in a statistically significant loss of funds for incumbent legislators and, if so, the magnitude of that loss. In our econometric analysis we not only evaluate changes in total contributions, but we also separately consider changes in contributions that accompany changes in chairmanship and leadership status of the legislators.

Keeping with the work of Denzau and Munger (1986), Grier and Munger (1991, 1993), and Cox and Magar (1999), we start with the premise that campaign contributions constitute payment for "legislative services" rendered in the course of the overall lawmaking process. The partisan theory of legislative organization holds that members of the majority party will be in a position to render more valuable services, and, consequently, raise more campaign contributions than comparably situated members of the minority. Using this logic, we expect favor-seeking interest groups to significantly re-allocate their contributions from members of the "old" majority party to members of the "new" majority party following a change in partisan control of the chamber.[2] More importantly, by focusing on the contributions raised by individual legislators, we can obtain a measure of influence that a legislator wields—i.e. how much "legislative services" he can render—rather than an aggregated figure for entire parties. This, in turn,

[2] This is generally what Cox and Magar find in their analysis of the House of Representatives. Their results show that the change in majority status was worth approximately $36,000 in additional campaign contributions from corporate and trade political action committees.

permits an examination of how the advantages of the majority status are distributed among the party members.

We believe that the empirical strategy employed in this paper, though similar to the approach of Cox and Magar, represents a significant strengthening of their research design for two reasons. First, the institutional advantages available to the majority party in state legislatures are different from those in Congress. Unlike either chamber of Congress, majority status does not necessarily entitle the party to control all committee chairmanships or even the speakership in several state legislatures. These instances of legislatures not organized strictly along the party line permit a test of the extent to which institutional monopoly over these key positions contributes to the majority's advantage. Much of the existing literature attributes the advantages enjoyed by the majority party in a legislature has to the control of the various key positions by its members that help steer legislative output in its favor (Aldrich 1994, 1995; Cox and McCubbins 1993, 2005). If so, the inability to monopolize the key institutions should substantially weaken majority party members' influence in the policymaking process and cut into the premium they accrue in campaign contributions.

Second, we depart from the existing literature by examining the intraparty distribution of the majority party, not merely testing whether the majority party, on average, enjoys an advantage over the minority party. Specifically, we estimate whether various leadership positions such those held by top party leaders or committee chairmen lead to systematically larger campaign contributions, ceteris paribus, in addition to that due to majority status. We consider two possible extensions of how the benefits of the majority status might be distributed within the party: whether they are largely captured by the leaders who wield much formal power by virtue of their offices or are redistributed to the backbenchers who have no formal claim to the benefits other than their membership in the party. Of these possible alternatives, we contend that the latter is more likely, since, even if the majority party's advantages arise from its monopoly over key legislative institutions, the benefits are not restricted to those who actually hold these positions, but that the necessity of coalition maintenance requires that the benefits be widely distributed within the party, including to the backbenchers.

Overall, we find striking evidence in support of the argument that the majority party's advantages arise from its monopoly over legislative institutions. In the instances where the chamber is organized explicitly along partisan lines, majority party status significantly increases the ability of legislators to raise campaign contributions compared to similarly situated members of the minority. In the cases where the chamber is not, on the other hand, the gain associated with the majority status is statistically insignificant. According to the results of our econometric estimations, the value of majority status ranges from over $25,000 in Illinois during the 1995-1998 period to approximately $9,000 in Indiana during the 1993-1998 period. On the other hand, the value of majority status is slightly negative, although statically insignificant, to the tune of $239, in Vermont during the 1999-2002 period. While the estimated value of majority is approximately $9,600 in Texas during the 2001-2004 period, the changes are so variable that this is not significant at 10% significance level. At the same time, we find that the leadership positions add relatively little to the fundraising ability of a legislator in the chambers organized along a partisan line. The additional value conferred by committee chairmanship on top of the majority status, in particular, is statistically significant in none of the cases featuring partisan organization in our sample. Top party leadership posts yield inconsistent results

The remainder of this paper is organized as follows. In the next section we clarify our interpretation of the partisan model of legislative organization and apply it to the state legislative setting. We then account for our selection of cases and highlight some of the important cross-sectional variation within our sample. Next we describe our data, econometric model, and results. Following the discussion of our results we consider their implications for the discipline's theories of legislative organization as well as our understanding of the behavior of favor-seeking interest groups and lawmaking at the state level.

II. Applying the Partisan Model of Legislative Organization to the States

When is Majority Status Valuable?

With respect to the lawmaking process, majority parties in state legislatures, like their counterpart in the U.S. House of Representatives, typically enjoy considerable advantages over minority parties. With the exception of Nebraska, which is non-partisan, all state legislatures share a nearly identical two-party system. In most states, legislative chambers are organized exclusively by members of the majority party. The presiding officer or officers – the house speaker and speaker pro tempore or the senate president – are selected within the majority party caucus, whose members then unite behind their nominees in balloting on the house or senate floor (Jewell and Patterson 1986). The majority party usually also enjoys a monopoly over the chamber's committee system. The party caucus, in conjunction with the speaker or senate president, decides upon the total number of committees as well as their jurisdictions (Rosenthal 1998). It also claims for its membership all chairmanships and the right to occupy a preponderance of seats on all committees (Jewell and Whicker 1994).

The partisan nature of legislative organization provides the majority party with a great deal of procedural advantages, helping it control the flow of legislation. In order to reach the floor for debate and a final passage vote, each bill must pass through a series of institutional bottlenecks under control of majority party members. It has to be scheduled for a hearing and markup session in committee, be voted out of committee, and given – usually by the speaker or senate president – a scarce spot on the legislative calendar. Through its control of these institutions, the majority party has the ability to expedite, delay, or stop the passage of bills. These powers are regularly used to move legislation through the chamber that advances the interests of the party and its supporters, and to kill legislation that harms their partisan interest, divides the caucus, or is particularly controversial (Rosenthal 1998).

While most state legislative chambers are organized in the manner described above, a handful exhibit less partisan internal structure. Specifically, the majority parties in certain chambers do *not* maintain a monopoly on committee chairs nor chamber leadership. Instead theses positions are often held by and distributed to members across party lines. This pattern of legislative organization is oftentimes utilized in states that have previous experience with single-party dominance, such as Texas and Louisiana. We also observe this form of legislative organization when a bloc within the majority party defects, usually for ideological reasons, from its caucus and agrees to organize the chamber with the minority, essentially forming a cross-party governing coalition.

Although speakers and committee chairs in these chambers still possess a great deal of procedural authority, they do not necessarily exercise their powers in a manner that benefits the majority party. Instead it is used for the benefit of the speaker's personal supporters (regardless of their partisan affiliation) or members of the bipartisan governing coalition.

In most state legislatures, the majority status should constitute a valuable resource for its members. The procedural advantages available to the majority party permit its members to provide much more by means of "legislative services" for favor-seeking interest groups than similarly situated members of the minority party. If interest groups use their campaign contributions as payment for these services, as is assumed in the existing literature (Denzau and Munger 1986; Munger and Grier 1991, 1993), the funds should flow disproportionately to members of the majority party. In other words, individual members of the majority should accrue premiums in campaign contributions.[3] The extent of the majority premium, however, should vary as a function of the majority party's procedural advantages. As noted earlier, distribution of procedural advantages in certain state legislatures does not necessarily follow party lines. Legislatures featuring bipartisan governing coalitions, where members of both parties hold positions of influence, offer little or no reason to anticipate a premium in contributions for members of the majority. This expectation is expressed below as the Partisan Hypothesis.

The Partisan Hypothesis (H_1): When a legislature is organized exclusively along party lines, members of the majority party will be able to raise more in campaign contributions than will their counterparts in the minority, ceteris paribus.

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[3] This is generally what Cox and Magar find in their analysis of the House of Representatives. Their results show that the change in majority status was worth approximately $36,000 in additional campaign contributions from corporate and trade political action committees.

How Are the Benefits of Majority Status Distributed?

A positive *average* premium in the value of the majority status does not reveal much information about how these benefits are distributed within the party. Supposing that the majority party in a legislature does govern, as implied by greater average campaign contributions, who in the majority party rules? The majority party, in any legislature, is not an undifferentiated mass; it is generally a complex organization with many members holding different roles. Given such internal complexity, the benefits of the majority status may not accrue uniformly across all members.

Much of the existing literature (Adrich 1994, 1995; Cox and McCubbins 2005) places a great deal of weight on the procedural foundation of the majority party advantage. In this perspective, power rests first in the formal institutions of the legislature themselves and the majority party's advantages derive from its monopoly in control over these institutions. Put differently, majority's influence stems from the procedural privileges enjoyed by its key members through the offices they hold—the party leaders and committee chairs. If so, the benefits of the majority status would be concentrated in the hands of the members who actually hold these offices.

This "leadership-centric" view of parties, prevalent in studies of both Congress and state legislatures, arises from the notion that strong parties arise from strong leaders. Indeed, the advocates of this view consider strong parties and strong party leaders as virtually equivalent concepts (Rohde 1991; Aldrich 1994, 1995; Jewell and Whicker 1994; Sinclair, 1995; Clucas 2001). In principle, the majority party leadership functions as the agent of the party as whole, but the goals of the party are defined at the "collective" level. The majority party determines, as a group, the overall direction that the party is to pursue at the beginning of the process, delegates a set of powers, including those to be used against themselves as necessary, to the leadership, in service of these aims, and sets the process in motion without further intervention in day-to-day operation of the party. The top party leadership, in turn, delegates power to another rung of leaders below, committee chairs and others, to better carry out the party agenda. The delegation is terminated only when the leadership ran afoul of the party *as whole*, in which case, the majority party, once again acting as a collective, revokes the old delegation and sets forth anew.

In this conception of party government, then, all powers concerning day-to-day policymaking belong to the various party leaders, endowed with formal powers of their offices. These leaders are constrained only by the ability of the backbenchers to mobilize as a *collective*, in case the *overall* direction has gone awry. There is little or no opportunity for the *individual* majority party backbenchers to exert influence and to render legislative services on behalf of particular interest groups. Indeed, being a majority party backbencher out of line with the party's "collective goal" is potentially more damaging than even being a minority party member since not toeing the party line, even when it is individually costly to the legislator, can bring punishments from the leaders using the powers they are provided with as a part of the delegation package. The only worthwhile donations are those to the leaders—those who can actually do something for the contributors.

If the majority party influence rests primarily on the role of strong leaders, the majority will still reap a disproportionate share of contributions, but their chief beneficiaries will be the leaders, not the rank and file. There will be little or no difference in contributions to the backbenchers, regardless of majority or minority status of their parties. Within the majority, on the other hand, the gap between the leaders and the backbenchers will be large. In effect, it would be the leadership positions, rather than the majority status itself, that drives the majority party's premium. If the leadership positions are controlled for, there would be little or no advantages in raising campaign contributions attributable solely to the majority status. This leads to the following hypothesis:

The Leadership Hypothesis (H_2): The financial advantages of majority party status will be enjoyed exclusively by party leaders and committee chairs, not backbenchers.

Considerable though the procedural advantages in the hands of the majority party leaders might be, we contend that majority party's advantage rest on even more basic foundation: every legislature that abides by democratic principles is majoritarian in nature—the will of a majority must necessarily prevail. The majority party's advantage is ultimately numerical in nature: it is powerful because it can always furnish a floor majority while relying solely upon its own members. Maintaining the numerical advantage depends on the majority party's ability to achieve internal cohesion by minimizing defections. Preventing defections, in turn, requires provision of benefits arising from the membership in the majority party itself, available to the leaders and backbenchers alike, so that each member has an incentive to stick with the party line. If so, the benefits of the majority status would be diffused widely among the rank and file, with the backbenchers deriving considerable benefit from their party's status alone without necessarily holding offices in which particular powers reside. Put differently, the party government in legislatures is more than just the sum of formal powers associated with specific offices controlled by majority party leaders, as noted by Cox and McCubbins (1993, 1994) and Kim (2006), in studies of the U.S. House, and Rosenthal (1998, 2004), in studies of state legislatures.

A critical mechanism in dispensing the benefits of the majority status to the backbenchers is the majority party caucus. Many U.S. legislatures exhibit active party caucuses that operate as two-way conduit for communications between the leadership and the backbenchers. Specifically, they provide forum where the party leaders and committee chairs can meet with backbenchers to confer over future legislative strategies and resolve intra-party disputes regarding upcoming legislation. Indiividual backbenchers can use the opportunity to let the party leaders and other co-partisans know about their needs and wants and, if necessary, hammer out appropriate bargains to incorporate their interests into the broader party agenda. Among the attendees, disputes are smoothed out through deliberation and deal-making (Rosenthal 1990, 2004) The leadership is incentivized to both listen and to accommodate the desires of individual backbenchers as the continuation of their tenures is dependent on maintenance of broad support within the party caucus. In other words, the membership in the majority party, by itself, grants its members a right to a seat at the bargaining table and through this, a share of influence in the policymaking process, even to the backbenchers without formal powers. The members of the majority party who hold various key offices do not simply exercise their power as they see fit on day-to-day basis. Rather, they "lend" these powers to the backbenchers, through their use in implementing the bargains made within the party caucus, with the input from all quarters of the party.

While it is the majority party's procedural advantages which guarantee that desirable bills reach the floor, it is the inner workings of the party's caucus which ensure that are sufficient votes to achieve final passage. The majority's advantages, both procedural and numerical, provide credible assurance that the bargains struck within the majority party caucuses will be honored. The procedural advantages ensure that the deals would be protected from interference and be brought up for consideration. The numerical advantage assures that they would have sufficient votes for successful passage. The inner workings of the caucus would dispense that benefits of the majority party status sufficiently widely that there would not be enough defections to challenge either. As the minority party members are excluded from the majority caucus, these deals tend to be negotiated exclusively among majority party members and drafted in a manner that largely benefits its membership.

If all influence lay with the leadership, there is little incentive for the backbenchers to toe the party line, little to prevent them from defecting and, possibly, even setting up an alternative leadership. Empowering the backbenchers through the caucus process, on the other hand, strengthens intra-majority party cohesion through twofold mechanisms. In the short term, the bills on the agenda more closely reflect the members' interests because they themselves had a hand in crafting them. In the long term, it creates a benefit for the backbenchers associated solely with their party's status that they stand to lose if the party loses the majority—what Cox and McCubbins (1994) term "party bond." The majority party caucus provides the necessary conduit for redistributing influence.

In this conception of party government, then, the majority status brings widespread benefits throughout the party, for both the leaders with formal powers and backbenchers without. The majority party caucus lies at the center, as it provides individual backbenchers with a mechanism, albeit of indirect variety, at their disposal to exert meaningful influence in setting the details of party policy on day-to-day basis. In this schema, the majority party backbenchers are indeed capable of rendering valuable legislative services and it becomes more important for potential contributors to secure their favor than that of the minority party legislators. If party government rests on empowering backbenchers as much as leaders, as this perspective holds, the majority party backbenchers should accrue greater contributions than their backbenchers and the gap between the leaders and the backbenchers in the majority party would be comparatively small.

While the caucuses of both majority and minority parties, in principle, may function in an identical fashion, they differ critically in that the majority has the means to implement the caucus consensus while the minority does not. The majority party, through both procedural and numerical advantages at its disposal, can generate a surplus of policy benefits through its own actions, which, then, can be distributed among its members through the caucus. The minority, on the other hand, cannot. Thus the majority party members, even the backbenchers, are better able to exert policy influence and raise more contributions. This leads to the following hypothesis:

The Caucus Hypothesis (H_3): The financial advantages of majority party status will be enjoyed by *all* members of the majority party caucus, including backbenchers.

We do not intend to downplay the import of the formal powers in the hands of the leadership by emphasizing the empowerment of the backbenchers. Rather, we contend that strong party leaders in absence of strong caucuses empowering the backbenchers do not constitute an unmitigated boon for the party. For example, legislative leaders in several states, including Texas, Vermont, and Louisiana, can and do assign members of both parties to committees (Jewell and Whicker 1994). This provides them with the means to reward and punish legislators without regard for party affiliation. Through this mechanism, the leader can build a coalition based on personal allegiance to himself composed of members of both parties. In such a legislature, membership in the majority party does not, by itself, provide a benefit, unless the legislator is also a friend of the speaker. Membership in the minority party, on the other hand, needs not impose a penalty if the legislator is a personal ally of the speaker. What prevails in such legislatures is a "government by a personal clique" rather than a "party government." Indeed, the leader's ability to recruit allies outside his own party allows him to divide and conquer the majority party caucus, undermining its cohesiveness and weaken the party. Put differently, it cannot be taken for granted that legislative leaders necessarily function as agents of the majority party and that their powers are always used at service of their supposed principals' benefit. It is necessary to ascertain that they in fact *are*, that there are mechanisms—such as a strong caucus—that constrain the leadership from going amok.

III. Our Sample of Legislatures

To assess the monetary value of majority status in state legislatures, we need a sample of legislative chambers that experienced a switch in the identity of the majority party and for which there is readily accessible campaign finance data. Unfortunately, data concerning the contributions made to state legislative candidates have not become systematically available until the past decade. Additionally, many states have not experienced a recent change in the partisan control of their legislature. These two considerations limit the states from which we can cull our sample.

With these restrictions in mind, we have selected six instances of partisan change in lower legislative chambers: Texas (2002), New Jersey (2001), Vermont (2000), Illinois (1996), and Indiana (1996 and 1994).[4] Three of these – New Jersey, Indiana (1996), and Illinois – are transitions from Republican to Democratic control, while the other three are transitions in the opposite direction. In each of the aforementioned cases, with the exception of New Jersey, the partisan affiliation of the governor as well as the majority in the upper legislative chamber or state senate remain unaltered, allowing us to estimate the value of majority status without worrying that our coefficients are being influenced by changes in the partisan configuration of government occurring elsewhere.

In order to test the Partisan Hypothesis, our sample includes legislative bodies that are and are not organized strictly along party lines. The lower legislative chambers in New Jersey, Illinois, and Indiana represent the former category[5]. Each of these closely resembles the U.S. House of Representatives in that the majority party maintains monopoly control over the levers of power. Members of the majority consistently hold all of the chamber's leadership positions – the speakership and speaker pro tempore – and

[4] We focus on lower as opposed to upper legislative chambers because of their larger size and because they do not use staggered elections.

[5] Indiana House of Representatives in the 1997-1998 period represents an unusual case. Technically, the chamber was evenly divided between the Democrats and Republicans. However, a tie-breaking provision enacted after a previous instance of partisan deadlock allowed the Democrats to organize the legislature as the "majority" party.

chair all major committees.[6] The majority party in each also has a strong legislative caucus with a well developed leadership structure, usually consisting of a majority leader, whip, assistant majority leaders, and caucus chair.[7]

The Vermont and Texas chambers, on the hand, fall into the second category. In the state of Vermont, the majority party does not maintain a monopoly on the speakership. The state general assembly has a history of electing members of the minority party as speaker (Wright 2005), something that is rarely observed in the U.S. House of Representatives or other state legislatures. The most recent example is Ralph C. Wright, who, though a Democrat, served as speaker during six years in which the Republican Party was the majority.[8] The election of a speaker from outside the majority caucus is more than mere symbolic bipartisanship. The Vermont speaker is responsible for making all committee assignments, selecting chairmen and chairwomen, and referring bills to committee. Thus he or she has a great deal of power to shape legislative outcomes and reward supporters on both sides of the isle.

The bipartisan organization of the Vermont General Assembly extends beyond the chamber's top leadership position. The speaker, regardless of his or her partisan affiliation, routinely appoints members of minority and third parties to chair committees. By our count, approximately 20 percent of these positions in each legislative session are held by lawmakers who are not members of the majority. These chairmanships include a number of choice assignments, such as the transportation and agriculture committees.

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[6] The ethics committees are an exception to this rule. They are often co-chaired by one member of the majority party and one member of the minority party.

[7] The nuber of party leadership positions varies widely at the state level. In our sample the variation ranges from zero in the Texas House of Representatives to over 25 in the New Jersey General Assembly.

[8] Democrat Ralph Write served as speaker of the Vermont General Assembly from 1985 through 1995. During his speakership the Republicans were the majority party from 1985 through 1991.

The organization of the Texas House of Representatives is also not strictly along partisan lines. While the speaker is always a member of the majority party, he forms a "team" of supporters that consists of both Democrats and Republicans (Maxwell and Crain 2006).[9] Team status usually translates into membership on a prestigious committee or a committee chair or vice chair appointment. As a consequence, several prize committees in each legislative session are chaired exclusively by members of the minority party. After the Republicans won control from Democrats in the 2002 elections, for instance, Democratic lawmakers continued to chair six committees. These included the environmental and natural resources committee as well as the rules committee. Beyond the speakership, the Texas House of Representatives has no formal party organization or leadership positions.

Our sample also captures the full spectrum of variation in state legislative professionalization. The legislatures in Illinois and New Jersey are both considered to be professional. Service in these chambers is a full-time job and lawmakers are reasonably well-paid, employ large staffs, and meet nearly year round. In contrast, the chambers in both Vermont and Indiana are typically categorized as being "citizen." Lawmakers in these states meet in short sessions, provide their members with only a small salary and per-diem, and employ very few staff. The Indiana General Assembly, for instance, is limited to meeting no more than 61 calendar days in odd numbered years and no more than 30 days in even numbered years. Its members are paid a very small annual salary of just under $12,000, requiring them to hold second jobs to which they must return soon after the legislative session. Finally, the Texas House of Representatives is thought of as

[9] Members of the minority party routinely cross partisan lines during speaker elections. Additionally, incumbent speakers rarely face a serious challenge in subsequent speakership elections.

a hybrid legislature, meaning it occupies the gray area between professional and citizen legislative bodies (Kurtz 1990; Hamm and Moncrief 2004). While, we do not anticipate that our results will vary as a function of state legislative professionalization, by utilizing a sample of legislatures that vary on this dimension we allow for the possibility.

Before beginning our empirical analysis, it is important to note that our case selection was also driven, in part, by chamber size. The unit of analysis in our econometric estimations is the incumbent legislator. As a result we avoid using small chambers or those with few incumbents since doing so may undermine our ability to generate accurate coefficient estimates. This criterion eliminated from consideration a handful of potential states and instances of partisan change. For instance, Colorado (2004) was rule out due to the relatively small size of its lower legislative chamber and Washington (1994), Michigan (1996), and Missouri (2002) were excluded because the partisan change in these states coincided with the effective date of the states' term limit laws, leaving an insufficient number of incumbents.[10]

IV. Empirical Analysis

Data and Econometric Model

Following the approach used by Romer and Snyder (1994) and Cox and Magar (1999), we estimate the value of majority party status longitudinally instead of cross-sectionally. Specifically, we examine changes in the campaign contributions made to individual incumbent legislators across two electoral cycles between which there is a change in the identity of the majority party. This allows us to hold constant many of the member-specific determinants of contributions, an important consideration in light of the

[10] Additionally, we do not consider instances of tied legislative chambers or transitions from a tied chamber to single party control.

limited data available regarding individual state legislators. One disadvantage to this approach is that, when the electoral environment becomes particularly volatile, too few incumbents remain for useful statistical analyses, as happened in the case of Michigan (1996) and Washington (1994).

To test our hypotheses we ultimately estimate the following model:

$$\Delta Contributions = b_1 + b_2 \Delta Majority\ Status + b_3 \Delta Party\ Leadership\ Status + b_4\, \Delta Chair\ Status + b_5\, \Delta Lagged\ Electoral\ Safety + b_6\, \Delta Committee\ Status$$

Our dependent variable, the change in campaign contributions across election cycles is measured in constant dollars to facilitate cross-sectional and temporal comparisons.[11] Our contributions data come from the Institute on Money in State Politics, a nonpartisan nonprofit organization that compiles campaign contribution information on every state-level candidate and major political party committee in the country.[12] The Institute gathers its data from the state disclosure agencies with which candidates must file their campaign finance reports. Once the Institute obtains this information, it assigns each donor an economic interest code based either on the occupation and employer information contained in the disclosure report or on information found through other research mechanisms. It also distinguishes between money raised directly by the candidate and money given by party committees and candidate self-financing. It does not, however, distinguish giving by political action committees from direct giving by individuals and economic entities. Thus, we examine the changes in total contributions, rather than PAC contributions as per Cox and Magar.[13]

[11] All campaign contributions data have also been converted into 2000 dollars using the CPI-U.
[12] The Institute on Money in State Politics can be found at followthemoney.org.
[13] When reporting contributions to state disclosure offices, some candidates report a contribution as having come from an entity's PAC and others from the entity itself.

Change in majority status is operatioalized as a trichotomous variable with 1 denoting members who gained majority status, -1 denoting members who lost majority status, and zero denoting no change. Incumbents who score a zero on this variable usually switched parties following the partisan change. The change in party leadership and committee chair status is similarly operationalized as a trichotomous variable. Here, a legislator is assigned a value of 1 if she became a party leader (chair) following the partisan change, -1 if she lost her leadership position (chairmanship), and a zero if there was no change in her status (or lack thereof). Typically we considered party leadership positions to include the speaker, speaker pro tempore, majority and minority leaders, whips, and the chairs of the caucuses.[14] The number of party leaders differs quite dramatically across states, so not all of our cases had the full set of leadership positions and some had many more. The identities of party leaders and committee chairs were obtained through telephone contacts with legislative staffs in the sampled states as well as various issues of the state legislative bluebooks and legislative journals.

Previous research suggests a number of additional variables that are likely to be pertinent in determining the amount of campaign contributions raised by individual incumbent legislators. In order to clearly test our hypotheses, it is desirable to control for these factors. Among others, larger campaign contributions are known to be associated with electoral vulnerability, favorable committee assignments, and legislator preferences (Grier and Munger 1991; Ansolabehere and Snyder 2000; Jacobson 2001).

Data availability problems, unfortunately, preclude the inclusion of the latter variable. As of yet, estimations of the preferences of state legislators (analogous to the

[14] In alternative specifications, not reported here, we used various subsets of this list with no effect on our ultimate results.

DW-Nominate scores for members of Congress) are not generally available for the years included in our study. However, it is unlikely that the absence of such a measure will systematically bias our results since we have no reason to expect that legislator preferences will change much over the span of a mere two election cycles.

We do include a measure of favorable committee assignments. Unfortunately, little systematic study is yet available on the relative values or desirability of severing on a particular committee at the state level (Jewell and Whicker 1994; Rosenthal 1998). In light of this, we employ what we believe to be a defensible method of systematically establishing desirability. First, we have determined, using the Institute's data, that the three largest aggregate contributors to state legislative races are consistently the FIRE (finance, insurance, and real estate), labor, and healthcare sectors (Institute on Money in State Politics, 2005). We then identified, on a state-by-state basis, the committees that have jurisdiction over these interests. Any legislator that serving on one of these committees is considered to have a desirable assignment. This variable is operationlized in our econometric model in the same manner as each of the variables discussed above. A value of 1 denotes a member who gained an assignment on a desirable committee, -1 a legislator who lost one of these assignments, and zero denoting no change.

The only change that we make to this system is in our analysis of the Texas House of Representatives. In Texas (unlike in each of our other sampled cases) labor is a relatively smaller financial player in state legislative elections. The oil and energy sector, however, is one of the largest donors. Thus, for Texas we do not consider the labor committee to be a plum assignment, and instead consider the committee with jurisdiction over the energy industry as one of the desirable committees.

Finally, since larger campaign contributions are known to be associated with electoral vulnerability, we also include a lagged measure of each incumbent's electoral safety. To calculate this measure we take the difference of her logged vote shares from the prior two elections.[15] The data used to create this measure were generously provided by James Snyder and various secretaries of state.

Econometric Results

In light of the considerable inter-state variation, separate sets of regressions are run for each state in our sample. The first set of findings, the effects of a change in majority status on the total contributions raised, is reported in Tables 1 and 2. Since the states in the sample vary in the amounts of campaign contributions typically raised for state elections, we present the magnitudes of majority party premiums as percentages of the average total campaign contributions raised in the states in Figure 1. The findings corroborate the expectation of the Partisan Hypothesis. Table 1 shows that the legislatures organized exclusively along the party line, where the majority party enjoys a monopoly over key positions—Indiana, Illinois, and New Jersey Houses—exhibit positive and significant effects from the change in majority party status. The small but consistent advantage accrued by the majority party in Indiana, in particular, is astonishing since, for a part of this period, the Indiana House did not technically have a "majority" party in the usual sense. During the 1997-1998 period, the assembly was evenly split between Democrats and Republicans. The only advantages enjoyed by the "majority" Democrats in this period were strictly procedural in nature, thanks to a tie-breaking provision enacted following a previous tie in 1989.

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7 Δ*Lagged Electoral Safety* = $\log(\text{Percent}_{t-2}) - \log(\text{Percent}_{t-1})$

On the other hand, Table 2 shows that the legislatures where there is no such monopoly—Texas and Vermont Houses—exhibit effects that are more ambiguous. The estimated value of the majority status is actually negative, although statistically insignificant in Vermont. While the magnitude is fairly large in Texas, it is small relative to the large average amounts raised in the state and the pattern is so variable that it does achieve statistical significance at 10% level.

Together, these suggest that the value of the majority status depends heavily on the extent to which the majority party monopolizes internal institutions of the chamber. In the legislatures where it does, the majority status is both substantively and consistently valuable among its members. In Texas and Vermont, the majority fails to do so and, instead, shares power with members of the minority party. Several important committees in both these states' lower legislative chamber are chaired exclusively by members of the minority. For instance, after the Republicans won control from Democrats in the 2002 elections in Texas, Democratic lawmakers continued to chair six committees, including the environmental and natural resources committee as well as the rules committee. When the majority party shares its institutional and procedural advantages with the minority, then, its members are not able to accrue premiums in campaign contributions based on their party's status.

In order to examine the distribution of influence within the majority party caucus, we estimate additional models incorporating variables for the positions held by individual legislators. Table 3 shows the results for the legislatures organized along party lines and Table 4 those for the legislatures not organized on party lines.

Interpreting the coefficients in these regressions require some additional explanation. A naïve interpretation of the model presupposes that minority party members, without formal chairmanships or majority status, are all alike in their supposed inability to raise campaign contributions. Thus, transition from a minority party member to a committee chairman, for example, should yield additional benefits on top of the majority status. In practice, the minority party is itself an internally varied organization, with its senior members enjoying substantially more influence than backbenchers. When party control of the chamber shifts, the senior minority party members become committee chairs, while the former chairmen, once their party lose the majority status, remain as senior members of the minority party.

Unfortunately, data concerning the seniority among minority party members is not readily available, making a set of additional assumptions necessary. We posit that there is a missing variable in the model, corresponding to the status as "senior minority party members." We also assume that all ex-chairs remaining in the chamber become "senior minority party members" while all the new chairs were "senior minority party members" as well. This implies that the new chairs effectively lose the old premiums they obtained as senior minority party members while gaining the new premiums both as majority party members and as committee chairs or leaders. In effect, then, the variables Δ*Party Leadership Status* and Δ*Chair Status* capture not the premiums purely due to these positions, but the difference between the premiums due to positions as senior minority party members and senior majority party members.

Astonishingly, in none of the legislatures organized along the party line in our sample does the committee chairmanship confer a statistically significant advantage in raising campaign contributions, while the benefits accompanying post party leadership positions are wildly inconsistent. In particular, the negative values of accompanying the committee chair and party leadership variables in Illinois and New Jersey suggest that being a senior majority party member is actually *less* valuable than being a senior minority party member—although, in most cases, the benefits of majority status itself is such that they do not actually lose contributions[16]. This provides support for the Caucus Hypothesis, as it suggests that distribution of influence within the majority party tends more egalitarian than in the minority party, or, equivalently, that backbenchers gain most when the party gains the majority. On the other hand, while the benefits of becoming committee chairs are at best inconsistent in the Indiana House, there are clear and large benefits in becoming top party leaders in that chamber, with leadership premium of some $16,500, which, combined with the majority party premium, adds up to approximately $24,000, or 50% of what an average legislator raises, lending some credence to the Leadership Hypothesis. These are shown best in Table 5, which shows the gains in campaign contributions that accrue to each type of legislator when her party captures chamber majority. Again, since the discrepancies in the amounts typically raised by legislators in different states vary, we present the figures as percentages of the average amount raised by legislators in each chamber in Figure 2.

The pattern for the legislatures not organized along the party line is somewhat mixed. Committee chairs gain a great deal in Texas, but not in Vermont[17]. In both instances, however, top party leaders gain enormously, relative to the backbenchers. The

[16] A spectacular exception is the incoming speaker in the New Jersey House whose campaign contributions plummeted upon accession to speakership, which is responsible for the negative value of

[17] Incidentally, the inclusion of the legislator office variables dramatically improves the performance of the model in Texas, on a level not seen in any other state—increasing R^2 from mere 0.02 to 0.44. This suggests legislative politics in Texas is indeed heavily dominated by individual leaders and committees rather than by parties.

leadership premium of nearly $780,000 is more than five times the amount raised by an average legislator in the Texas House. Although the raw leadership premium of $1,158 in the Vermont House appears small, it is nearly 44% of that raised by an average legislator in that chamber.

V. Implications

The findings presented in this paper suggest that the majority party advantage in the legislative process is a much more nuanced phenomenon than current theories of legislative politics allow. We find that the majority's advantage, even at the aggregate level, is sensitive to the particulars of legislative organization, especially the extent to which the majority party monopolizes the all the key positions for its own members. This alone suggests that majority's advantage probably does not emerge strictly from simply controlling these. Even in legislatures that are not explicitly organized on party lines, majority parties typically control a larger share of committee chairmanships and assignments, if anything simply by the virtue of numbers. If all holders of these positions operated as partisans, for partisan purposes, the majority would be able to get a good deal more done than the minority, for no other reason than that it controls more, and this should lead to a premium for the majority party—at least when specific positions held by the legislators is not taken into consideration. The null finding suggests that top leaders and committee chairs in legislatures that are not organized along party lines do not consistently work towards their party's benefit.

Perhaps this is not surprising: there is a reason why these legislatures are not organized along party lines to begin with. Party affiliation is neither sufficient nor necessary as the means of advancement, as evidenced by the non-majority officers. Coalitions need not be formed within the party caucus, since alliances across the party line are easy. There is little reason to build create "value" in the majority party status itself, either for short term, to improve party cohesiveness as the basis for a floor majority, or in the long term, as a "party bond" to encourage loyalty. Backbenchers are only backbenchers, whether majority or minority, little involved in policymaking. Leaders, on the other hand, are important, as evidenced by the enormous leadership premiums that occur in Texas and Vermont, but they need not be strictly of the majority party.

This contrasts with the situation found in Illinois, Indiana, and New Jersey legislatures, all organized along party lines, where there are not only substantial premiums that accrue to the majority status itself, independent of their formal offices, but, in case of Illinois and New Jersey, where the leadership premiums, especially in the majority party, is small. These suggest that the backbenchers are more than just loose votes that can be put together to form a coalition in whichever convenient fashion. They have real influence on policymaking process, which outside interest groups are willing to pay for, and cannot be so easily dismissed by the leaders. In absence of unusual formal powers in the backbenchers' possession, it can only be surmised that they take advantage of the powers in the hands of the leaders, that the latter are somehow obliged to serve them in the way those in the legislatures not organized along party lines are not.

The most obvious mechanism available for this purpose is the party caucus, through which the backbenchers can not only make requests of the leaders, but also to keep the latter under control, to prevent them going amok and ignoring their needs and wants. Through the caucus, majority party status is transformed into a right, a right conferred by the party affiliation—a right to sit at the bargaining table, at the very least, and to participate in the bargaining process, and sometimes. This right, in turn, we contend, strengthens the party government, in the short term by crafting the policy outcome more to the liking of the majority party members, and in the long term, by creating a "party bond" to encourage loyalty. The long term consequences, or its absence, perhaps accounts for the unusually strong leadership premium found in Indiana: the fact that it is a citizen legislature discourages long term investment in its membership by the legislators, thereby weakening the bond and inviting a stronger role for the leadership.

Ironically, the emphasis on caucuses as a critical part of party government has a long tradition in legislative studies, especially in state politics, going all the back to Key (1956), yet, which seems somewhat forgotten today, especially among the scholars whose training lies primarily in Congressional studies. Yet, the findings presented here, that party government generates a distribution of benefits for the majority that does not correspond with how formal powers are distributed, demands an explanation for internal workings of parties—not just that majority party does or does not have more influence on the whole than the minority. The party caucus, as the distribution point for power and influence within the party, then, deserves greater attention from researchers.

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Table 1. Total Contributions: Legislatures Organized Along Party Lines

	Indiana	Illinois	New Jersey
ΔMajority Status	9,111**	25,373**	22,117**
	(2,582)	(7,714.84)	(8,318)
ΔLagged Electoral Safety	16,030**	16,390	-82,582.35
	(7,883)	(29,897.89)	(73,138)
ΔCommittee Status	-7,327.53	-13,501.40	2,248.17
	(5,206)	(13,307)	(14,666)
Constant	6,682**	-20,336**	33,836**
	(2,435)	(7,652)	(7,639)
N	147	84	50
R^2	.13	.12	.15

Table 2. Total Contributions: Legislatures *Not* Organized Along Party Lines

	Texas	Vermont
ΔMajority Status	9,574	-239
	(9,310)	(170)
ΔLagged Electoral Safety	50,710	1,920
	(44,229)	(559)
ΔCommittee Status	27,793**	577
	(13,414)	(597)
Constant	25,509**	-618**
	(9,291)	(171)
N	224	68
R^2	.02	.17

Table 3. Total Contributions: Legislatures Organized Along Party Lines

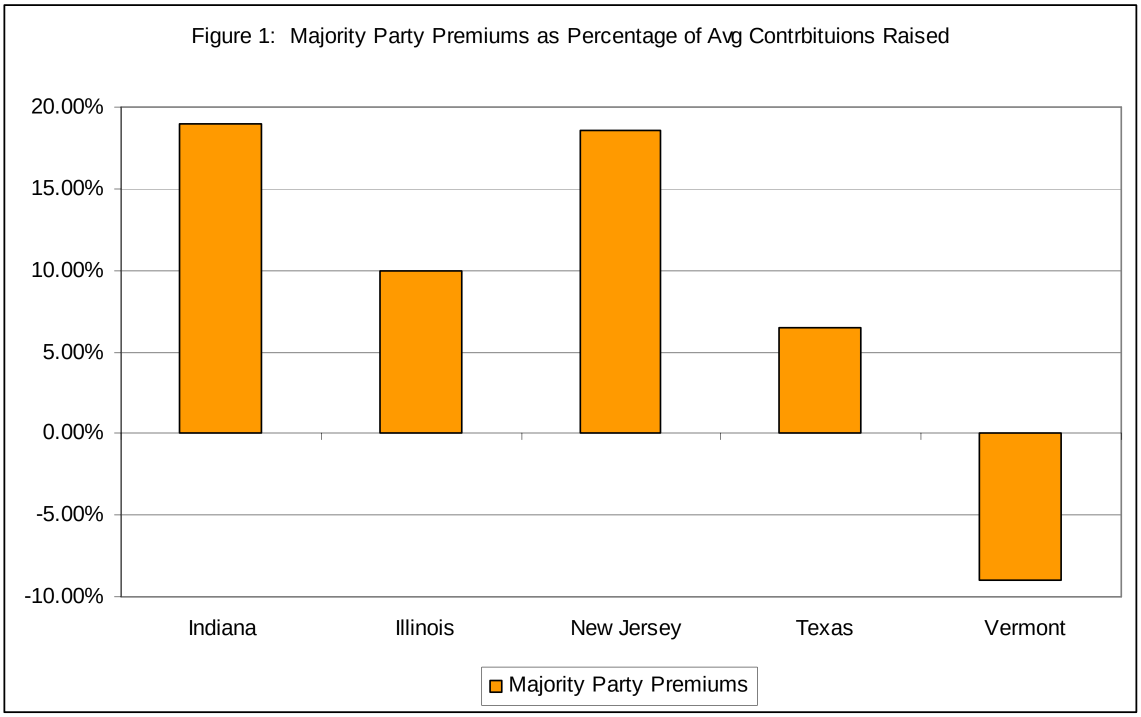
	Indiana	Illinois	New Jersey
ΔMajority Status	7,508*	39,083**	25,950**
	(4,099)	(14,054)	(14,868)
ΔLagged Electoral Safety	15,200*	18,695	-103,650
	(7,893)	(27,316)	(70,351)
ΔCommittee Status	-8,842*	-14,259	-12,351
	(5,018)	(13,054)	(14,110)
ΔParty Leadership Status	16,509**	-12,780	-40,479
	(6,478)	(12,240)	(27,640)
ΔChair Status	2,450	-26,468	929
	(5,315)	(15,576)	(17,024)
Constant	6,153**	-19,177**	40,033**
	(2,483)	(7,600)	(9,367)
N	147	84	50
R^2	.14	.16	.22

Table 4. Total Contributions: Legislatures *Not* Organized Along Party Lines

	Texas	Vermont
ΔMajority Status	4,048	-251
	(7,126)	(182)
ΔLagged Electoral Safety	23,255	1,900**
	(33,536)	(562)
ΔCommittee Status	28,060**	554
	(12,898)	(600)
ΔParty Leadership Status	779,236**	1,158**
	(303,802)	(572)
ΔChair Status	30,626**	-49.37
	(13,175)	(538)
Constant	19,228**	-594**
	(6,873)	(174)
N	224	68
R^2	.44	.17

Table 5. Value of Change in Majority Status by Type of Legislator

Value by Type of Legislator	Indiana	Illinois	New Jersey
Backbenchers	$7,508	$39,083	$25,950
Committee Chairs	$9,958	$12,616	$26,879
Party Leaders	$24,016	$26,303	-$14, 529



Note: The size of the majority party premium in both Texas and Vermont is not significantly different from zero.

Figure 2: Relative Value of Change in Majority Status by Legislator Type