

## 2014 Cycle Big Spender Analysis and 2016 Initiative Spending Forecast

After each election, Forward Observer analyzes expenditures of the major California ballot initiatives. Our analysis is intended to identify best practices and emerging trends, and to assist clients as they budget and plan for the next election cycle.

For our “big spender” analysis, we analyzed expenditures by the four major initiative campaigns on the 2014 California ballot. The following campaigns outspent their opponents, making them the “big spenders” of the 2014 cycle:

- No on Proposition 45: Measure to require health insurance rates and benefits to be pre-approved by Insurance Commissioner.
- No on Proposition 46: Measure to increase cap on pain and suffering damages in medical lawsuits.
- Yes on Proposition 47: Measure to reduce sentences for certain felony drug convictions to misdemeanors.
- No on Proposition 48: Measure to allow the North Fork Tribe to build a casino in the Central Valley.

We did not analyze expenditures for Propositions 1 and 2 that were placed on the ballot by the California Legislature.

**Figure 1. 2014 Major Ballot Initiative “Big Spender” Committees**

Campaign	Expenditures	Result
No On 45	\$56,048,007	Failed
No On 46	\$57,978,372	Failed
Yes on 47	\$11,412,195	Passed
No on 48	\$15,272,865	Failed
<b>Total</b>	<b>\$140,711,439</b>	
<b>Average</b>	<b>\$35,177,860</b>	

Note: Includes campaign expenditures reported by all committees.

Source: [California Secretary of State](#)

All “big spenders” in 2014 won their contests – an improvement over recent cycles. In 2012, big spenders had 4 wins and 4 losses; in 2010, the record was 7 wins and 4 losses.

In addition, the price of maintaining a financial advantage in a ballot initiative campaign – spending more than your opponents – fell slightly between 2012 and 2014, according to our analysis.

The “big spender” among the four major ballot initiatives in the 2014 cycle spent, on average, \$35.2 million. That is down from an average of \$37.1 million for “big spenders” in the 2012 election cycle.

### *Estimating 2016 Initiative Budgets*

In our analysis of 2012 ballot initiative spending, we suggested campaign budgeting could be based on the amount of money spent by successful “big spender” campaigns in previous election cycles. (Note: our “big spender” analysis includes major ballot campaigns, or those that had total expenditures greater than \$5 million.)

In total, out of 23 “big spender” ballot initiative campaigns in the past three cycles, 15 were successful – a success rate of 65% – spending an average of \$29.8 million.

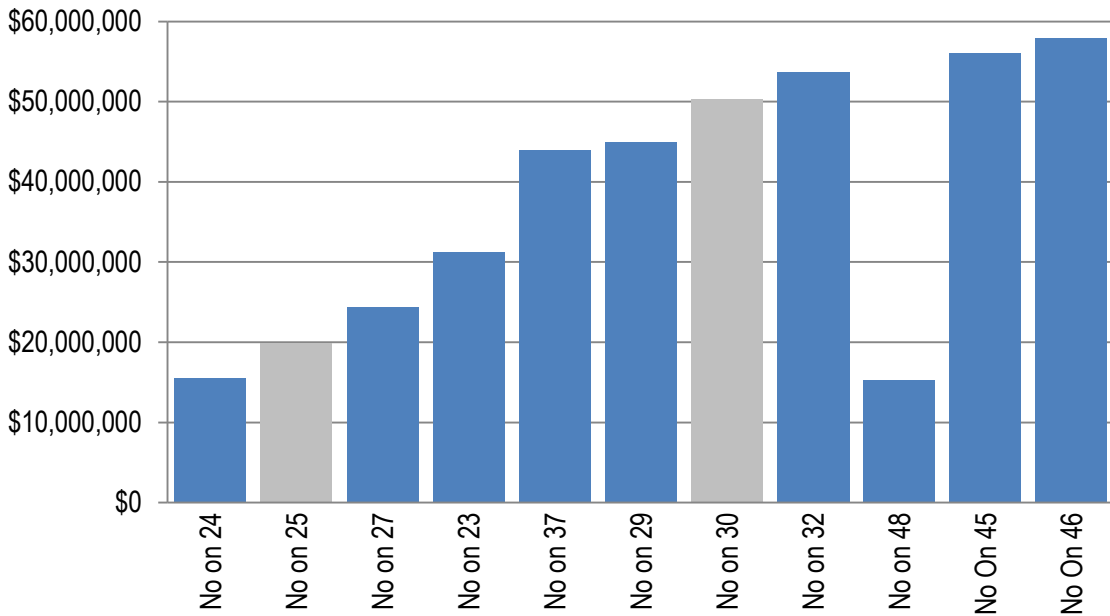
- There have been nine successful big spender “no” campaigns, and they spent an average of \$38.1 million. (See Figure 3)
- There have been six successful big spender “yes” campaigns, and they spent an average of \$17.2 million. (See Figure 4)

Therefore, based on the experience of 15 successful “big spender” campaigns over the past three election cycles, our projected budgets for “no” and “yes” campaigns in the upcoming 2016 cycle are as follows:

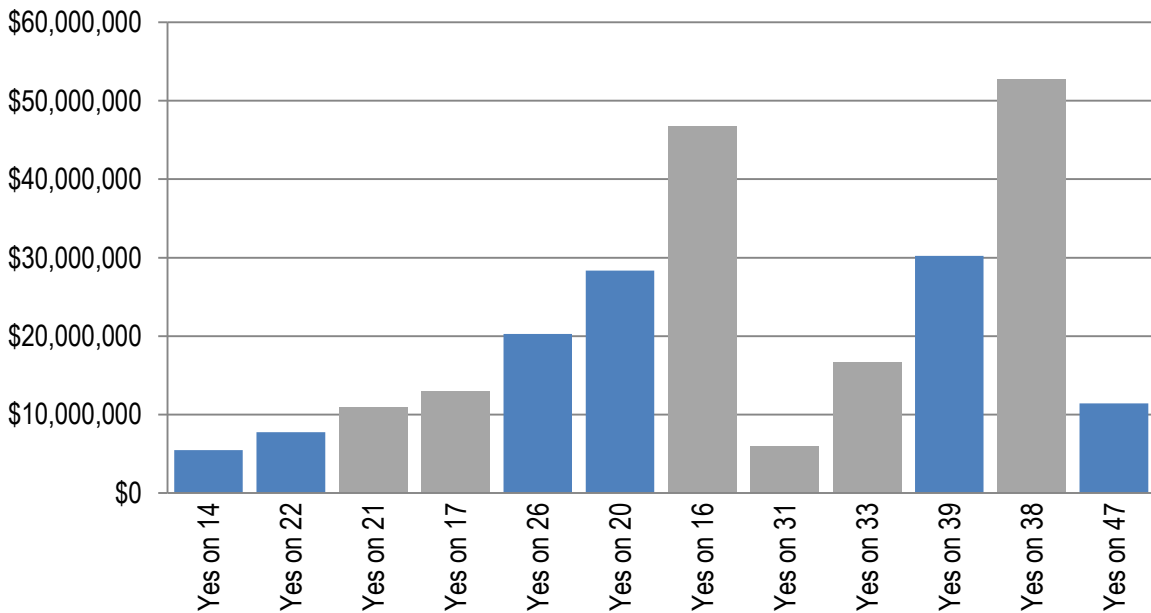
**Figure 2. Estimated 2016 Ballot Campaign Budgets**

Side	Budget
“No” Campaign	\$38.1M
“Yes” Campaign	\$17.2M

**Figure 3. Expenditures of Big Spender "No" Campaigns Since 2010**



**Figure 4. Expenditures Of Big Spender Campaigns "Yes" Campaigns Since 2010**



■ Winners  
■ Losers