

CONGRESSIONAL LEADERSHIP FUND



TO: Interested Parties
FROM: Dan Conston, President, Congressional Leadership Fund
DATE: August 7th, 2023
RE: House Update: Summer 2023

Behind Speaker McCarthy, House Republicans picked up 15 seats in 2020 and won back the majority in 2022, while Republicans regressed elsewhere. With a little over 15 months until Election Day, we have a strong opportunity to hold and grow the majority and deliver a third-straight cycle of victories. This memo takes stock of the here and now:

1. Lay of the Land
2. Key Developing Dynamics
 - a. Democrat Recruitment Failures
 - b. Candidate Money Developments
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Lay of the Land

While there are huge unknowns and endless economic, cultural, political, and international variables, we know Biden is historically weak and the country is not interested in Democrat single-party rule. President Biden is at a historic low, with Gallup's presidential tracking showing Biden's approval below Bush, Obama, and Trump at this point in their presidencies. **60% of voters say they don't want Biden to run again.** In an endorsement of the Speaker's leadership, a new CNN poll found voters now trust Republicans in Congress over President Biden to handle key issues by 9 points, a 7-point jump since December!

In the House, our offensive and defensive maps are dramatically different and are requiring bifurcated approaches. Defense will come down to swing districts in blue states. That's why we're launching the Blue State Project (pg. 3). We have an opportunity to continue to capture the frustration of middle of the road voters in liberal states crying out for common sense. It is no accident that we've had our biggest gains in NY and CA for four straight years, but it also means we have extraordinarily expensive fights ahead with 11 targeted incumbents in the NYC and LA media markets alone.

On offense, where we present credible alternatives, we excel. Our top pickup chances fall into four groups: 1) Emerging open seats; 2) Trump-won seats; 3) Districts where we faced historic top-of-ticket underperformance in '22; 4) Narrowly losing '22 nominees returning in '24. A few of the Trump-seat Democrats skated by without any scrutiny last cycle because of their opponents. In '24, they are far more vulnerable.

Lastly, there is still uncertainty on redistricting. North Carolina (GOP leaning) will author new maps, and maps could be coming in Ohio (GOP leaning) and Wisconsin (DEM leaning), while court fights are playing out that affect Alabama and Louisiana. The biggest unknown lies in New York, which could impact our map by a few seats.

Key Developing Dynamics

Challenges Ahoy: Why Aren't Democrats Recruiting Better?

When the House had a good chance of flipping in 2018 and 2022, the ascendent party got star recruits into races immediately. Yet seven months into the '24 cycle, few star candidates are emerging for Democrats. They are stuck in a malaise of weak candidates, too-liberal-to-win challengers, and outright holes in most of their top seats.

Democrats will be stuck with candidates too liberal to win a general:

- A recurring theme is very messy primaries with far-too-liberal frontrunners. National Democrats abandoned Jamie McLeod-Skinner last October, but she is the prohibitive frontrunner in OR-05. "The face of the progressive left" Sue Altman leads in NJ-07, and NY-17 features a nasty primary to the left. This list keeps growing.

Democrats aren't landing star recruits & have outright holes:

- In the top open seat nationwide (MI-07), two top Democrats passed on the race before they settled on a lifelong state government cog. Meanwhile, Republican Tom Barrett is running again after outpacing his top-of-ticket by 6 points last cycle.
- Democrats have their worst retreats against David Valadao and John Duarte – two of the bluest districts Republicans hold – and don't have named challengers against Michelle Steel, Young Kim, Nick LaLota, Jen Kiggans, and Zach Nunn with filing deadlines approaching.

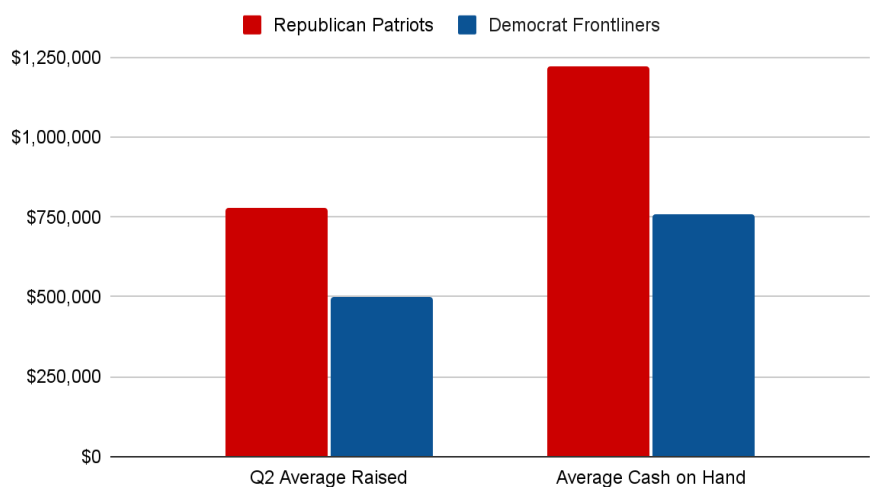
A Shift in Candidate Dollars: GOP Incumbents Cash-Flush

House Republicans who lost last cycle were outspent on average by \$3 million candidate to candidate, which led to an important evolution. **The Speaker and NRCC are prioritizing getting more dollars to top-tier members early, and the results are clearly paying off:** Targeted GOP incumbents are raising 56% more than targeted DEM incumbents. *In total, DCCC frontliners have only \$22 million cash on hand, while NRCC patriots have \$31 million, about a \$9 million difference.*

This is a quantum change from where candidate money was for nearly a decade. **Why does it matter? It ensures our Members are able to define themselves, while allowing CLF to focus on what we do best: persuasively defining opponents.**

CLF is also encouraging small-dollar giving to candidates through a digital program we helped pioneer, spending digital IE dollars to get small-dollar donors to give to top candidates. Candidates with good online operations are able to raise more from these new donors. The time value of money is key here.

Q2 Candidate Fundraising



Message: Republicans Lead on Kitchen Table Issues

A recent Harvard poll showed inflation, immigration, and economy/jobs were the top issues for voters. As the Democratic Party moves further to the left, they fall on the wrong side of Americans' quality of life.

Speaker McCarthy and his leadership team have deftly demonstrated this, pretzel-twisting Democrats into tough votes that show their liberal bonafides. *Axios* noted how the Speaker's "*forces have been more united than House Democrats during the first six months of this Congress,*" through key votes on violent crime, immigration, energy, and Israel. In recognition that we're winning on kitchen table issues, Democrats are sounding the alarm to sell Bidenomics. Good luck!

CLF's Focus

The Best Defense Is A Good Offense

Republicans hold the majority today because we expanded and defined the map on our terms, stretching Democrats too thin to compete. Of the closest 31 House races, Democrats only spent in 24. In '24, we have serious pickup opportunities. *A sampling:*

- **Open Seats** - The retirements of Slotkin (MI-07) & Spanberger (VA-07) present top chances. Vet Tom Barrett will be the nominee in MI-07, and another star recruit in VA-07 may jump in soon.
- **Trump-won Seats** - Marcy Kaptur (OH-09: Trump +3) is on retirement watch now that Craig Reidel raised over \$550,000 in Q2. In other key races, serious challengers are in or considering runs against Democrats who received no real scrutiny last cycle, including Mary Peltola (AK-AL: Trump +10) and Marie Gleusenkamp Perez (WA-03: Trump +4).
- **'24 Better than '22:** Susan Wild (PA-07: Biden +1) and Matt Cartwright (PA-08: Trump +3) only won because of top-of-ticket drag from Doug Mastriano. Their images are hobbled, and they're strapped for cash after last cycle. They will face serious challenges.
- **One of the Sleeper Races:** Kevin Lincoln, the popular African American nonpartisan mayor of Stockton, CA has filed against Josh Harder (CA-09) in a minority district trending our way.

CLF's "Blue State Project"

In 2024, the House will be won or lost in blue states. Over a third of the competitive House map, nearly three-quarters of the most competitive defensive seats, will be in safe blue states. *Swing voters in blue states are different from swing voters in swing states.* We will focus on the failures of far-left governance in these states, reaching swing voters fed up with soaring costs and out-of-control crime.

As these blue states exist in a vacuum outside of the competitive presidential and senate races, the Republican party infrastructure won't be present in the same way, meaning we must create our own infrastructure tailored around:

- Identifying ticket splitters and swing universes through **modeling projects**.
- Building **field** and individual voter contact programs (**mail, text, phone**).
- Investing in **early voting and turnout** efforts prior to Election Day (**ballot chase programs**).

Needs

We have important priorities now that require early funding, like the IE digital fundraising program and our Blue State Project. We will also need to lay in an unusually significant TV reserve early next year to lock in rates ahead of presidential market pressure.