



Can this senator survive the "insider" label?

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In a tight reelection race in a presidential battleground, there is one vote that Republican Sen. Richard Burr's opponents are latching on to in the hopes of framing the race and discrediting him as a "Washington Insider" in the eyes of voters.

On February 12th, 2012, the Senate voted on the Stop Trading on Congressional Knowledge Act, or STOCK Act, and Burr was one of just three senators to vote against the bill, which passed overwhelmingly in both houses of Congress. The two other senators who voted against the measure were Republican Tom Coburn and Democrat Jeff Bingaman - neither of whom remain in the Senate.

The STOCK Act was signed into law by President Obama on April 4th, 2012. The legislation was a direct result of a [CBS News 60 minutes investigation](#) in November of 2011 that exposed how members of Congress and staff legally traded stocks based on nonpublic information that they had exclusive access to.

The STOCK Act prohibits the use of that information for private profit. It also amended the Commodity Exchange Act, which dictates reporting of financial transactions on a more frequent and immediate basis - now within forty-five days of a trade.

As the bill was being debated, Burr made the argument that there were already laws to stop insider-trading on Capitol Hill and that this legislation was redundant and unnecessary. He said spending time on the STOCK Act was "ludicrous" and "insane".

Now, with just ten weeks before the election, Burr's challenger, Deborah Ross is using that vote to call into question Burr's judgment and further her argument that he is in Washington merely for himself and special interests. This is a narrative the Ross Campaign believes will be effective in a year where establishment politicians have already seen a strong backlash from voters across the country.

"Richard Burr went to Washington, got rich, and then was one of only three Senators to vote against banning insider trading for lawmakers and their staff," Ross told CBS News.

To strengthen that point, Ross unveiled an "Ethics and Accountability Plan" this week, specifically citing Burr's vote on the STOCK Act. The release stated that "Burr also introduced and pushed bills that would benefit his stock holdings" and that Ross's "focus on cleaning up politics offers a stark contrast" to Burr.

Her first television ad also hit Burr on his ties to special interests and accumulated wealth since he joined the Senate in 2004.

While neither the ad nor the ethics plan detail the exact conflicts of interest Burr may have had in the Senate, they lay the foundation for the argument the Ross campaign is likely to make through November.

Asked for comment about Burr's vote against the STOCK Act, Becca Glover Watkins, Communications Director for Burr's Senate told CBS News that Burr "agreed with the nonpartisan Congressional Research Service at the time the original STOCK Act was passed – that insider trading was already illegal and redundant laws are one of the many problems coming from Washington."

An independent review of Burr's personal financial disclosures and his legislative record since 2010 show no evidence that he violated insider trading laws outlined by the STOCK Act.

In fact, since the act was passed in 2012, no one has been prosecuted under the law - although several people have been investigated, they did not lead to any formal charges.

Sheila Krumholz, the Executive Director for the Center for Responsive Politics, which tracks money in politics, gives Burr the benefit of the doubt but sees his opposition to the STOCK Act as "unhelpful".

"I wouldn't go so far to say that Burr is doing this out of concern for his personal enrichment" Krumholz said, "I suspect he believes that this is unnecessary. But in a time when our country is so polarized, when it is so difficult to find common ground on any policy at all, transparency is really one that resonates across the ideological spectrum, people on both sides of the aisle can appreciate the need for transparency to be championed and defended. So it just strikes me as unhelpful for Senator Burr and others to be opposing something that is from our vantage point so uncontroversial."

But Thaya Brook Knight, Associate Director of Financial Regulation Studies at the libertarian CATO Institute, casts doubt on whether the STOCK Act can effectively prevent this kind of trading or if there really is any actual inside trading to prevent. Knight argues that because of the way Congress works, "we would need a robust body of law that would flesh out the details" to work in conjunction with the STOCK Act and the rules would really needed to be extended to "all parts of the government ... and every other agency that ever interacts with business".

But looking beyond just the STOCK Act, there is an argument to be made that Burr has administered his Senate office in a "Washington business as usual" way that could help his opponent.

Chesapeake Energy, Devon Energy, Loews Corp. Waste Management Inc., Transocean Ltd., and Nucor Corp. are all companies that Burr held stock in while these companies were lobbying for several energy and regulatory bills being debated in Congress that Burr cosponsored.

Combined, these six companies spent over \$42 million lobbying Congress and the federal Government over the same time period.

Four of these companies - Chesapeake Energy, Devon Energy, Loews Corp., and Waste Management Inc. - also contributed \$22,500 to Burr's PAC's between 2010 and 2016. According to the Center for Responsive Politics, the oil and gas industry alone has donated over \$380,000 to Burr's PACs between 2003 and 2016.

It all illustrates the relationships many senators have with outside organizations that are seeking influence with Congress.

The most direct charge the Ross campaign has made is also the most tangible and convenient: Burr has made a lot of money while serving in the Senate, and his financial disclosures bear that out.

Burr's average estimated net worth has increased more than fivefold since he joined the Senate, from a little more than half a million dollars in 2004 to \$2.6 million in 2014.

Analysis by the Center for Responsive Politics found that this growth over the decade was due in part to "a relatively aggressive management strategy" of Burr's personal stock holdings.

Burr's Senate office confirmed that he has a financial advisor who manages his portfolio but that his investments are not in an official blind trust. The office also pointed out that Burr is "one of the few Senators to provide specific dollar amounts for his transactions...in order to provide complete transparency."

Highlighting this increase in personal wealth is the easiest way for the Ross campaign and Democrats looking to take Burr's seat to strengthen their argument that being in Washington worked well for him personally but maybe not as well for voters in North Carolina.

This was always going to be a tough cycle for Senate Republicans, as they have twenty four seats to defend and just a four seat majority.

Of the races where strategists saw opportunity for the Democrats to pick up seats, Wisconsin, Illinois, Ohio, New Hampshire, Florida and Pennsylvania were always part of the conversation.

Burr's seat in North Carolina was never at the top of the list for Democrats to target. But that may not be true anymore as Democrats have become more bullish on the negative impact Donald Trump could have on down ballot races.

The latest polls have Burr essentially tied with Deborah Ross, a lawyer, state representative and former director of the ACLU in North Carolina.

Beyond the narrative coming directly from the Ross campaign, there are several outside forces also working against Burr this cycle.

Obama turned North Carolina blue in 2008, and Romney won it back in 2012, so both the Clinton and Trump campaigns see the Tar Heel state as an important battleground in getting to

the White House. Resources from both sides are being poured into the state and both candidates are likely to visit often.

The demographics of North Carolina have also changed significantly since Burr last won his seat in 2010. In the last five years, over half a million people (or 8 percent of the electorate) have moved to North Carolina, making the electorate younger, more educated and more diverse -- all trends that are generally helpful to Democrats. There has also been a movement from the smaller rural cities and towns, which tend to be more conservative, to the larger urban centers of Charlotte and Raleigh-Durham.

These outside factors, coupled with this line of attack from the Ross campaign of Burr's record in Washington will certainly test whether the familiar insider/establishment characterization will be effective against Burr and his reelection chances. But ultimately, it will be up to the people of North Carolina to decide what issues are the most important this November up and down the ballot.