



Business Lobby vs. Ideology:

December 13, 2012

Primary Funding Differed for Speaker Straus’ Friends, Enemies

A campaign funding analysis of 20 Republican House races finds that the business lobby funded presumptive loyalists to Speaker Joe Straus, while ideological PACs had much bigger stakes in the ultra-conservatives fomenting House regime change.

Without hard data on candidates’ stances on Speaker Straus, *Lobby Watch* relied on anti-Straus Empower Texans to categorize candidates in key House races. In May the blog *Agendawise*, which is closely tied to Empower,¹ [identified](#) nine Empower-approved conservative House candidates and 11 practitioners of GOP moderation, including Straus (see list below).

Lobby Watch analyzed the \$8.2 million that these 20 candidates raised up to the May 29th Republican Primary or the July 31 runoff. The nine anti-Straus candidates raised \$1.8 million (22 percent of the total); four of them won

House seats (44 percent). The 11 pro-Straus candidates raised almost \$6.4 million (78 percent), with seven prevailing (64 percent). The pro-Straus numbers are skewed by the \$3.6 million that Straus himself raised to brush off an outgunned primary challenger.

There are major funding differences between these two Republican factions. Industries dominating the Texas lobby overwhelmingly backed the Straus status quo. The percentage of money that pro-Straus candidates took from the powerhouse Energy, Finance, Lawyers and Health industries, for example, was roughly twice the share of funds that those sectors supplied to anti-Straus candidates.

Anti-Straus forces took 36 percent of their money from Ideological contributors, which supplied just 5 percent of pro-Straus funds. Texas’ biggest PAC, Texans for Lawsuit

Reform, drove this ideological discrepancy. It gave more than \$500,000 to the underfunded rebels and less than \$200,000 to Straus loyalists.

Summary of Speaker’s Race Proxy Primaries

Candidate Category	Candidate Count	Winning Candidates (%)	Total Raised By Primary or Runoff	Average Amount Raised	Averages Without Speaker
Anti-Straus	9	4 (44%)	\$1,816,862	\$201,873	\$201,873
Pro-Straus	11	7 (64%)	\$6,421,929	\$583,812	\$254,900
	20	TOTALS	\$8,238,791		

Speaker's Race Proxy Primaries (Ultra-Conservative Candidates in Red)

Dist	Republican House Candidate	Primary %	Runoff %	Gen'l %	Funds Raised By Primary/Runoff	Top Contributor(s)
3	<i>Cecil Bell</i>	57		100	\$148,215	Ricky Stutts, Magnolia
3	Troy Bonin	17			\$14,177	Shauna Wallace, Magnolia
9	<i>Chris Paddie</i>	52		99	\$264,645	TX Assn. of Realtors
9	*Wayne Christian	48			\$261,530	Rick L. Campbell, Center
10	<i>*Jim Pitts</i>	58		100	\$363,745	TX Assn. of Realtors
19	<i>*Mike Hamilton</i>	45			\$260,866	TX Assn. of Realtors
19	James White	55		100	\$618,543	Texans for Lawsuit Reform
24	Greg Bonnen	45	57	73	\$68,950	Nueterra Holdings, LLC
29	<i>Edward Thompson</i>	67		66	\$164,755	TX State Farm Agents PAC
43	<i>*J.M. Lozano</i>	44	54	52	\$499,228	Texans for Lawsuit Reform
67	Roger Burns	22			\$60,990	Half Associates PAC
67	Jeff Leach	30	53	100	\$226,876	Darrell McCutcheon, Richardson
88	*Jim Landtroop	34	46		\$316,098	TX Lawsuit Reform; State Farm
88	<i>Kenneth King</i>	30	54	100	\$405,186	W.L. King, Canadian
91	Kenneth Sapp	40	46		\$4,780	Nat'l Assn Insur./TX Dental Hygienists
91	Stephanie Klick	32	54	100	\$84,910	Jeff Davis Sandefer, Austin
115	Steve Nguyen	35	48		\$631,500	TX Optometric PAC
115	Matthew Rinaldi	27			\$68,281	Donato Rinaldi, Cheshire CT
121	Matt Beebe	37			\$157,496	Thomas Owens, Beaumont
121	<i>*Joe Straus</i>	63		80	\$3,618,019	Bob Perry, Houston

Note: Winners names in *italics*. Democrat Mary Clare Fabishak won House District 115.

*Incumbent.

Speaker's Race Proxy Primaries By Contributor Interest Categories

Interest Group	Pro-Straus Amount	Pro-Straus Percent	Anti-Straus Amount	Anti-Straus Percent
Agriculture	\$189,295	3%	\$31,729	2%
Communications	\$199,620	3%	\$8,636	<1%
Computers & Electronics	\$76,735	1%	\$18,050	1%
Construction	\$563,554	9%	\$159,327	9%
Energy/Nat'l Resources/Waste	\$821,238	13%	\$136,660	8%
Finance	\$664,989	10%	\$89,569	5%
Health	\$956,506	15%	\$116,432	6%
Ideological/Single Issue	\$307,164	5%	\$650,242	36%
Insurance	\$246,386	4%	\$49,348	3%
Labor	\$52,490	1%	\$7,500	<1%
Lawyers & Lobbyists	\$427,289	7%	\$61,290	3%
Miscellaneous Business	\$648,067	10%	\$125,092	7%
Other	\$82,848	1%	\$42,099	2%
Real Estate	\$336,080	5%	\$49,589	3%
Transportation	\$274,565	4%	\$38,344	2%
Unknown	\$575,103	9%	\$232,954	13%
TOTALS:	\$6,421,929	100%	\$1,816,862	100%

Top Contributors to Anti-Straus House Candidates in 2012 Primary

Anti-Straus Amount	Pro-Straus Amount	Pro-Straus Rank	Contributor	City	Affiliation
\$505,393	\$176,555	2	Texans for Lawsuit Reform	Austin	
\$125,000	\$185,000	1	Bob & Doylene Perry	Houston	Perry Homes
\$87,945	\$0		Thomas Owens	Beaumont	Libertarian activist
\$61,500	\$0		Rick L. Campbell	Center	Campbell Portable Buildings
\$40,500	\$52,750	12	TX State Farm Agents PAC	Austin	
\$40,000	\$0		Tim M. Dunn	Midland	CrownQuest Operating
\$32,737	\$112,758	4	TX Optometric PAC	Austin	
\$31,000	\$0		Jeff Davis Sandefer	Austin	Sandefer Capital Partners
\$29,423	\$0		Empower Texans PAC	Austin	
\$25,000	\$0		Darrell L. McCutcheon	Richardson	Reliable Chevrolet
\$20,582	\$154,174	3	TX Assn. of Realtors PAC	Austin	
\$20,000	\$0		Nueterra Holdings, LLC	Leawood, KS	
\$20,000	\$5,000	262	Robert & Terry Rowling	Irving	TRT Holdings, Inc.
\$16,000	\$0		Donato Rinaldi	Cheshire, CT	Joseph DelCalvo, E.A.
\$15,500	\$13,500	82	HillCo PAC	Austin	HillCo Partners
\$12,500	\$0		Kyle L. Stallings	Midland	Permian Basin Acquisitions
\$10,500	\$1,000	930	Drayton McLane, Jr.	Temple	McLane Co., Inc.
\$10,150	\$0		Bryan Hughes Campaign	Mineola	
\$10,000	\$0		Scott Simpson	Morton	Frontier Valley, Inc.
\$10,000	\$25,000	46	Bruce Stringfellow	Irving	Shadow Soft, Inc.
\$10,000	\$47,402	18	TX Medical Assn. PAC	Austin	
\$9,300	\$0		Young Conservatives of TX	Austin	
\$8,000	\$55,150	11	Associated Gen'l Contractors	Austin	
\$7,500	\$7,500	166	TX Classroom Teachers Assn.	Austin	
\$6,500	\$0		Erwin Cain Campaign	Sulph. Sprgs	
\$6,500	\$0		Rex Gore	Austin	Cleancescapes
\$6,400	\$0		Steven A. Cook	Dallas	Cook CFOs, Inc.
\$6,000	\$23,000	48	TX Apartment Assn.	San Antonio	
\$6,000	\$20,000	66	Waste Control Specialists PAC	Dallas	Waste Control Specialists
\$5,969	\$0		Drew & Cheryl Nixon	Carthage	TX Financial Services
\$5,500	\$0		Texans for Honesty PAC	Austin	

Note: These 31 contributors gave \$1,201,399, or 66 percent of all money to the Anti-Straus candidates.

Texas' biggest PAC, Texans for Lawsuit Reform, drove the ideological discrepancy, giving less than \$200,000 to the Straus loyalists and more than \$500,000 to underfunded rebels.

The \$29,423 that ideological [Empower Texans](#) PAC gave to House rebels understates its influence. Empower spent \$406,645 in the first half of 2012. Its corporate, non-profit arm (which does not disclose contributors) spent four-fifths of this money on independent political ads. Empower PAC funders [Tim Dunn](#) and Jeff Davis Sandefer also gave directly to anti-Straus candidates.

Others who just backed anti-Straus candidates include Rep. Bryan Hughes (who recently abandoned his own campaign to replace Straus), Young Conservatives of Texas and Texans for Honesty PAC (whose treasurer is mega-donor Bob Perry's spokesman). Kansas-based Nueterra Holdings, which just backed alleged Straus foe Dr. Greg Bonnen,² is a new Texas contributor that invests in healthcare facilities with doctors.

Many big business interests that supported the rebels gave much more to pro-Straus forces. Exceptions HillCo Partners, Terry Rowling and Drayton McLane favored anti-Straus forces.

Top Contributors to Pro-Straus House Candidates in 2012 Primary

Pro-Straus Amount	Anti-Straus Amount	Anti-Straus Rank	Contributor	City	Affiliation
\$185,000	\$125,000	2	Bob & Doylene Perry	Houston	Perry Homes
\$176,555	\$505,393	1	Texans for Lawsuit Reform PAC	Austin	
\$153,174	\$20,582	11	TX Assn. of Realtors PAC	Austin	
\$112,758	\$32,737	7	TX Optometric PAC	Austin	
\$109,734	\$1,000	207	TX Ophthalmological Assn. PAC	Austin	
\$100,000	\$0		W.L. King	Canadian	W.L. King Investments
\$92,500	\$3,036	55	AT&T, Inc. PAC	Austin	AT&T
\$89,923	\$0		TX Assn. of Business PAC	Austin	
\$70,000	\$0		Curtis W. Mewbourne	Tyler	Mewbourne Oil Co.
\$57,000	\$0		Salem Abraham	Canadian	Abraham Trading
\$54,150	\$8,000	23	Associated Gen'l Contractors PAC	Austin	
\$52,750	\$40,500	5	TX State Farm Agents PAC	Austin	
\$52,500	\$5,000	36	J. Ralph & Joy Ellis, Jr.	Irving	Belmont Oil & Gas Corp.
\$52,000	\$0		Charles C. Butt	San Antonio	HEB Grocery Co.
\$51,000	\$1,000	213	United Srvcs. Auto. Assn. (USAA)	San Antonio	
\$50,000	\$0		Border Health PAC	McAllen	
\$50,000	\$0		James Doug Pitcock, Jr.	Houston	Williams Bros. Construction
\$47,401	\$10,000	21	TX Medical Assn. PAC	Austin	
\$46,750	\$1,000	209	TX Restaurant Assn. PAC	Austin	
\$41,250	\$0		Gulf States Toyota PAC	Houston	
\$40,000	\$0		Trevor Ahlberg	Irving	Cottonwood Financial
\$39,000	\$0		TX House Leadership Fund	Austin	Promotes Speaker Straus
\$39,000	\$500	284	Time Warner Cable PAC	Houston	
\$36,500	\$500	268	Linebarger Goggan Blair...	Austin	
\$36,060	\$0		Hispanic Republicans of TX	Austin	
\$35,000	\$0		Ryan & Co. PAC	Dallas	
\$32,250	\$5,000	42	TX Dental Assn. PAC	Austin	
\$31,576	\$1,000	152	Blackridge Consulting LLP	Austin	
\$30,500	\$0		United Parcel Service PAC	Atlanta, GA	
\$30,000	\$0		Farmers Employee & Agent PAC	Austin	
\$30,000	\$5,000	41	Peter & Edith O'Donnell, Jr.	Dallas	O'Donnell Foundation
\$30,000	\$5,000	43	TX Oil & Gas Assn. PAC	Austin	

Note: These 32 contributors gave \$2,054,331, or 32 percent of all money to the Pro-Straus candidates.

Much of the money to the well-funded pro-Straus forces comes from corporate PACs that favored the status quo over the rebels (homebuilder Bob Perry and Texans for Lawsuit Reform are key exceptions that plowed both sides of the fence).

Two top individual supporters of pro-Straus forces come from the small Panhandle town of Canadian. One of these is wealthy investor Salem Abraham. Abraham served on the local

school board with Ken King, who ousted Empower-backed Rep. Jim Landtroop in the primary. During the campaign Landtroop alleged that the Abraham-King school board raised taxes and mismanaged affairs. When Abraham tried to rebut the allegations at a Landtroop campaign event, the event's host asked him to leave. Abraham then sued *Agendawise* for libel after it reported that the Department of Public Safety "forcefully removed" Abraham from the event.³

One issue in the Speaker fight is funding for public schools. Grocery magnate Charles Butt, a champion of public schools, gave \$52,000 to the Straus camp and nothing to its opponents. The Texas State Teacher's Association gave \$5,000

to defeated Straus lieutenant Mike Hamilton. The more conservative Texas Classroom Teachers Association gave \$7,500 to Straus forces and an equal amount to the rebels.

Notes

¹ Publisher Daniel Greer is a former Empower employee. Tim Dunn and Michael Quinn Sullivan, Empower's founder and director, have served of the board of the foundation that operates *AgendaWise*.

² Since 2010 Nueterra have given \$55,000 to the Webster Surgical Specialty Hospital PAC, \$20,000 to Bonnen, \$10,000 to the Galveston County Conservatives, and \$5,000 to Governor Perry (whose [sister](#) lobbies for another company that invests in doctor-owned surgical facilities).

³ "Agendawise Sued by Prominent West Texan for Libel," *Quorum Report*, August 9, 2012.