

# LOBBY WATCH

TEXANS FOR PUBLIC JUSTICE 609 W. 18TH ST., SUITE E, AUSTIN, TX 78701 PH: (512)472-9770 FAX: (512)472-9830

Speaker Phone:

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## AT&T Leads Craddick's Early PAC Backers

During this spring's legislative session—that opened and closed with dramatic challenges to House Speaker Tom Craddick's leadership—the usual blackout was in place barring contributions to state legislators. The seven House members formally seeking to be speaker in 2009 will not report current campaign finance activities until January.<sup>1</sup> Nonetheless political committees that file monthly disclosure reports already have reported making \$96,625 in contributions this summer to the seven speaker samurai. This *Lobby Watch* analyzes these early PAC contributions—some of which may represent early bets placed on this important horse race.<sup>2</sup>

Given the political establishment's love of incumbency, it is not surprising that Craddick received two-thirds of the money that PACs reported giving to speaker candidates this summer. Indeed, a single, \$50,000 check that AT&T's PAC gave to Craddick accounted for more than half of all the money tracked here. This summer PACs reported making just two other contributions of this size, with those whoppers going to Texas' top two officials.<sup>3</sup>

AT&T's PAC contributed to just four other state officials in July, with its next-largest check—for \$5,000—going to Secretary of State Phil Wilson. Besides Craddick, the only House member receiving an AT&T check that month was liberal Fort Worth Democrat Lon Burnam, who got \$70 from the telecommunications giant.

It is no wonder that AT&T values Craddick more than Burnam. During a 2005 special session ostensibly convened to solve a school-funding crisis, the Senate and the House—under the Speaker's now-legendary "absolute" rule—passed an AT&T-giveaway bill. That law has deregulated the rates that local phone monopolies can charge, even as it lets phone companies enter the television industry on preferential terms.<sup>4</sup>

Two political committees controlled by Fort Worth's oil-rich Bass family reported giving Craddick a total of \$10,000 in late June.<sup>5</sup> That month the two Bass PACs—(PSEL PAC and the Good Government Fund) operated in lockstep, writing checks for the same amounts to the same eight officeholders. Craddick and Comptroller Susan Combs received the most money from the Bass PACs,<sup>6</sup> which supported no other House member that month.

### Post-Session Contributions To Rep. Tom Craddick

Contributor	Amount	Date
AT&T, Inc. TX PAC	\$50,000	7/2/07
Good Government Fund	\$5,000	6/28/07
PSEL PAC	\$5,000	6/28/07
Bell Helicopter Textron	\$2,000	7/2/07
<b>TOTAL</b>	<b>\$62,000</b>	

Craddick, a Midland oilman, has championed his industry. Craddick's 1999 energy tax cut,<sup>7</sup> for example, saved Bass Enterprises \$142,137, according to Texas Comptroller data.

Finally, Bell Helicopter Textron PAC reported contributing \$2,000 to Craddick in July. This PAC was far more politically active that month, contributing to 27 officeholders—including 18 House members. While Bell Helicopter gave Craddick twice as much as any other House member that month, it also contributed to two members seeking Craddick's job. The helicopter PAC gave \$1,000 to Rep. Jim Keffer and \$500 to Rep. Brian McCall.

As this case suggests, the apparent significance of a PAC's contributions to a given speaker candidate diminishes if it supported numerous House members at the same time. Moreover, while it would be difficult for Craddick donors to ignore the fact that he is the speaker, a PAC contribution to other speaker candidates may not necessarily reflect their status as speaker wannabes.

The accompanying tables list the reported PAC contributions that the six speaker challengers received this summer. Some of these PACs supported many candidates during this period, while others wrote just a few campaign checks.

Speaker candidate Senfronia Thompson, for example, received the only contribution that the Blue Cross and Blue Shield PAC made in August. The sole House contribution that the Texas Municipal Police Association made in August went to speaker candidate Jim Keffer.<sup>8</sup>

Speaker candidates Jim Pitts and Sylvester Turner received the only contributions that Friends of Baylor Med PAC made in August. Just a few House members, including Turner, received checks in August from the PACs of gambling interest Maxxam, Inc., Andrews & Kurth law firm and Planned Parenthood of Houston.

Although five House members received August contributions from the PAC of United Services Automobile Association, three of these insurance checks went to speaker candidates Jim Pitts, Senfronia Thompson and Sylvester Turner.

### Post-Session Contributions To Rep. Jim Keffer (R-Eastland)

Contributor	Amount	Date
TX Assn. of Realtors PAC	\$5,000	07/31/07
Independent Insurance Agents of TX	\$1,275	08/17/07
TX Petro. Marketers & Convenience Store	\$1,275	08/13/07
American Electric Power PAC	\$1,000	08/07/07
Bell Helicopter Textron PAC	\$1,000	07/02/07
TX Municipal Police Assn. PAC	\$400	08/24/07
<b>TOTAL</b>	<b>\$9,950</b>	

### Post-Session Contributions To Rep. Sylvester Turner (D-Houston)

Contributor	Amount	Date
MAXXAM, Inc. PAC	\$2,500	08/02/07
Atmos Energy Corp. PAC	\$1,000	08/09/07
Andrews & Kurth PAC	\$1,000	08/07/07
Baker Botts Amicus Fund	\$1,000	08/16/07
American Electric Power PAC	\$1,000	08/21/07
Friends of Baylor Med	\$1,000	08/10/07
Continental Airlines Employee Fund	\$500	08/14/07
Planned Parenthood of Houston PAC	\$500	07/28/07
United Services Auto. Assn. PAC	\$250	08/01/07
<b>TOTAL</b>	<b>\$8,750</b>	

**Post-Session Contributions  
To Rep. Senfronia Thompson (D-Houston)**

<b>Contributor</b>	<b>Amount</b>	<b>Date</b>
TX Assn. of Realtors PAC	\$2,500	8/3/07
TX Trial Lawyers Assn. PAC	\$1,000	6/26/07
Independent Insurance Agents	\$1,000	7/10/07
Atmos Energy Corp. PAC	\$500	8/9/07
Blue Cross/Blue Shield of TX PAC	\$500	7/16/07
Continental Airlines Employee Fund	\$500	8/14/07
United Services Auto. Assn. PAC	\$250	8/1/07
<b>TOTAL</b>	<b>\$5,250</b>	

**Post-Session Contributions  
To Rep. Brian McCall (R-Plano)**

<b>Contributor</b>	<b>Amount</b>	<b>Date</b>
TXU Electric Delivery PAC	\$2,000	08/20/07
American Electric Power PAC	\$1,000	08/21/07
TX Assn. of Realtors PAC	\$1,000	08/03/07
Bell Helicopter Textron PAC	\$500	07/02/07
<b>TOTAL</b>	<b>\$4,500</b>	

**Post-Session Contributions  
To Rep. Jim Pitts (R-Waxahachie)**

<b>Contributor</b>	<b>Amount</b>	<b>Date</b>
American Electric Power PAC	\$1,000	08/21/07
Atmos Energy Corp. PAC	\$1,000	08/15/07
Friends of Baylor Med	\$1,000	08/10/07
TX Assn. of Realtors PAC	\$1,000	08/03/07
United Services Auto. Assn. PAC	\$175	08/01/07
<b>TOTAL</b>	<b>\$4,175</b>	

**Post-Session Contributions  
To Rep. Delwin Jones (R-Lubbock)**

<b>Contributor</b>	<b>Amount</b>	<b>Date</b>
TX Assn. of Realtors PAC	\$1,000	8/3/2007

During the political-contribution blackout surrounding the 2007 legislative session, six House members nonetheless found a way to make token contributions to one Craddick fund: the Midland-based Nadine Craddick Endowment. Sylvester Turner—who has played dual roles as a Craddick lieutenant and a

Craddick challenger—was the sole Democrat giving to this charity. The Texas Department of Public Safety established this charity to benefit patient services at Midland Memorial Hospital, according to a spokesperson for Speaker Craddick.■

### House Members Supporting The Nadine Craddick Endowment

House Member	Party-District	Amount
David A. Swinford	R-87	\$250
Richard Wayne	R-128	\$200
Sylvester Turner	D-139	\$100
Leo Berman	R-6	\$100
Beverly Woolley	R-136	\$75
Sid C. Miller	R-59	\$75
<b>TOTAL:</b>		<b>\$800</b>

All contributions in May or June 2007.

<sup>1</sup> Although the fundraising season reopened in late June, Craddick and the six other House members formally seeking his leadership post reported that they raised no money that month.

<sup>2</sup> This report analyzes contributions that PACs made to Speaker candidates this summer (principally in July and August) and reported to the Texas Ethics Commission by September 8, 2007. Note No. 4 below, however, describes cases in which PACs cut contribution checks in late June that apparently did not reach the recipient campaign until early July. The candidates presumably will report these contributions next January.

<sup>3</sup> Gulf States Toyota PAC gave \$50,000 to Governor Rick Perry and a Time Warner PAC gave the same amount to Lieutenant Governor David Dewhurst.

<sup>4</sup> This law let phone companies compete with cable television providers without negotiating cumbersome franchise taxes with each local-government jurisdiction, as cable companies do.

<sup>5</sup> The Craddick campaign apparently received these June 28th checks in July. It did not report them in its last campaign report, which covered campaign activities through the end of June. This same pattern appears to apply to the \$1,000 check that the Texas Trial Lawyers Association reported giving to Senfronia Thompson on June 26.

<sup>6</sup> Combs and Craddick each got a total of \$10,000 apiece from the Bass PACs.

<sup>7</sup> HB 989. See “13 Companies Paid Craddick A Big Income While Claiming His 1999 Energy Tax Cut,” TPJ’s *Lobby Watch*, December 17, 2002.

[http://www.tpj.org/page\\_view.jsp?pageid=236&pubid=117](http://www.tpj.org/page_view.jsp?pageid=236&pubid=117)

<sup>8</sup> House candidate Thomas Latham also got \$750 from this PAC in August.