

News Release

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Complaint Urges FEC to Punish Ted Cruz For Illegally Hiding Big-Bank Campaign Funds

Cover Up of Huge 2012 Goldman and Citibank Loans Cited

(Austin) In a [formal complaint](#) sent to the Federal Election Commission (FEC) today, Texans for Public Justice (TPJ) urged the agency to audit and investigate the Ted Cruz for Senate Committee's failure to disclose to voters that Goldman Sachs and Citibank secretly financed his hotly contested 2012 U.S. Senate race.

Cruz campaign disclosures filed with the FEC during the 2012 election cycle reported that Ted Cruz loaned his campaign more than \$1.4 million. Under federal election law, the Cruz campaign was legally obligated to promptly disclose the *real* source of these campaign funds: two large personal loans that mega-banks Citibank and Goldman Sachs made to Ted Cruz. Those bank loans would have been legal *if* the Cruz campaign disclosed them promptly. But Cruz ran in 2012 as a conservative populist who denounced the political power of the big banks that played lead roles in the 2008-2009 market collapse. Cruz broke federal law by not disclosing his huge Citibank and Goldman loans until well after the 2012 election was over. (Together Goldman and Citi have agreed to pay more than \$12 billion to settle federal charges related to their roles in the mortgage-securities meltdown.)

As the *New York Times* recently [reported](#), Ted Cruz first disclosed up to \$1 million in [Citibank](#) and Goldman loans in a [personal financial disclosure](#) that he filed with the U.S. Senate on May 15, 2013. This belated disclosure came more than six months *after* Cruz's election to the Senate. Meanwhile the Cruz campaign did not [disclose](#) this big-bank cover up to the FEC until January 14, 2016—more than three and a half years *after* he was legally required to disclose the loans to this agency.

“Ted Cruz lied to Texas voters to hide his campaign financiers on Wall Street,” said TPJ Director Craig McDonald. “Not wanting Tea Party voters to know that he was bankrolled by Citibank and Goldman Sachs, he concocted a fairy tale about his family liquidating its assets to finance his campaign. Politicians can lie to voters, but federal election law prohibits candidates from hiding the true source of hundreds of thousands of dollars.”

The FEC could impose civil penalties for Cruz's non-disclosure violations in an amount up to 1,000 times the unreported loans. The FEC complaint process is [detailed here](#).

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Texans for Public Justice is a non-profit, non-partisan research and advocacy organization that tracks the role of money in Texas politics.