

News from TPJ

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GEOpolitical:

Ethics Complaint Asks Why Lawmakers Didn't Disclose Private-Prison Contributions

Where's the \$6,000 GEO Group PAC Reported Giving to Fraser & Hilderbran?

Austin, Texas: Texans for Public Justice filed a formal complaint today urging state ethics officials to determine what became of the \$6,000 that a state prison contractor's PAC reported giving to two state legislators last year.

Florida-based GEO Group PAC reported that on September 12, 2012 it gave \$5,000 to Senator Troy Fraser's campaign and \$1,000 to the campaign of Rep. Harvey Hilderbran. The two lawmakers have not reported receipt of those funds. Unlike Rep. Jim Pitts, who returned a \$1,000 GEO Group contribution last year, TPJ could not find any reports that Fraser or Hilderbran rejected GEO's money.

TPJ's [Fraser](#) and [Hilderbran](#) complaints urge the Texas Ethics Commission to determine if GEO PAC falsely reported the contributions or if the lawmakers failed to report them, as required by law. If the Texas Ethics Commission finds that a campaign filed an untimely or incomplete report, the agency can levy a maximum penalty of \$5,000 per violation or a fine equal to three times the violation amount.

TPJ discovered that some lawmakers did not appear to acknowledge GEO PAC contributions when it researched its recent "[Texas PACs](#)" report. That study identified GEO Group as one of Texas' largest new PACs. Another recent [TPJ report](#) found that Texas politicians are most likely to return PAC contributions affiliated with businesses that are "controversial, heavily regulated or reliant upon government contracts." GEO Group fits all of these criteria.

As Governor Perry's office pressed lawmakers to privatize prison health services in 2011, GEO opened the state's first privatized psychiatric hospital. That Conroe facility has received scathing regulatory reviews for its unauthorized use of drugs and restraints and its failure to report serious injuries. In 2012, GEO was the sole bidder to privatize a state psychiatric hospital in Kerrville, whose legislative representatives are Fraser and Hilderbran. GEO Group PAC reported the Fraser and Hilderbran contributions cited in TPJ's complaint at the height of the controversy over the Kerrville facility. Weeks later the state announced that it rejected GEO's bid after concluding that its plan to layoff a fifth of that hospital's staff was too reckless.

Rep. Hilderbran openly opposed the Kerrville privatization. Sen. Fraser quietly opposed it in a letter to the Department of State Health Services two days after GEO PAC reported giving Fraser \$5,000. Rep. Hilderbran separately acknowledged receiving \$5,000 from GEO's PAC on November 26, 2012, after the state rejected GEO's privatization bid. The top Texas recipients of GEO PAC money in 2012 were Fraser,

Hilderbran and Sen. Tommy Williams, who was an early booster of GEO's troubled Conroe hospital.

Unrelated to TPJ's complaint, GEO PAC reported substantial investments in local political candidates across Texas during the recent 2012 election cycle. This includes dropping at least \$13,500 on candidates in Montgomery County, which built the GEO-run psychiatric facility in Conroe.

GEO PAC's Top Contributions To Local Texas Candidates in 2012 Cycle

Amount	Local Candidate	Office Held/Sought
\$5,000	James Novack	Montgomery Co. Commission
\$4,000	Craig Doyal	Montgomery Co. Commission
\$3,500*	Amadeo Ortiz	Bexar Co. Sheriff
\$2,500	Tomas Herrera	Maverick Co. Sheriff
\$2,500	Kenny Speight	Montgomery Co. Commission
\$2,000	Paul Elizondo	Bexar Co. Commission
\$1,500	Tommy Adkisson	Bexar Co. Commission
\$1,500	Danny Valdez	Laredo Judge
\$1,000	Martin Cuellar	Laredo Sheriff
\$1,000	Ryan Gable	Montgomery Co. Constable
\$1,000	Tommy Gage	Montgomery Co. Sheriff
\$1,000	Joe Frank Martinez	Val Verde Co. Sheriff
\$1,000	Ramiro Ramon	Val Verde Co. Commission

*Ortiz returned \$2,000 to GEO on January 23, 2012.

Notes:

"Struggles Don't Slow Privatization," *Austin American–Statesman*, July 22, 2010.

"Perry Aides Explore Privatizing Prisoner Health Care," *Austin American–Statesman*, March 29, 2011.

"Flush With Prison Industry Dollars," *Mother Jones*, September 1, 2011.

"[Advocacy Groups Don't Want GEO to Run State Hospital](#)," *Texas Tribune*, August 10, 2012.

"Hospital Ex-Chief in Clear, State Says," *Austin American–Statesman*, September 2, 2012.

"Proposal to Privatize Hospital Rejected," *Austin American–Statesman*, October 4, 2012