

News Release

Texans for Public Justice ** 609 W. 18th Street, Suite E, ** Austin, TX 78701

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TPJ Files Complaint Against Texans for Republican Majority

Austin, TX: Texans for Public Justice (TPJ) today filed a complaint with Travis County District Attorney Ronnie Earle, asking his office to investigate apparent Texas Election Code violations by Texans for a Republican Majority (TRM). This political committee associated with Speaker Tom Craddick helped elect Republican House members in 2002. TPJ contends that TRM's IRS filings reveal hundreds of thousands of dollars in ostensibly political expenditures that were not reported in the PAC's disclosure reports filed in Texas. IRS reports also reveal that TRM raised at least \$602,000 in corporate contributions. TPJ contends that TRM used these corporate contributions—contrary to Texas law—to pay for some or all of its non-reported political expenditures.

TRM's IRS & TEC Filings Differ		
	In Texas Ethics Comm. Filing	In IRS '527' Filing
Total Contributions	\$796,651	\$1,547,963
Total Expenditures	\$799,642	\$1,410,766

“This complaint outlines the apparent misuse of corporate funds to fill the legislature with big-business, anti-consumer zealots,” said Craig McDonald, director of Texans for Public Justice. “It looks like the Texas Association of Business and TRM worked hand-in-hand to electioneer with illicit corporate funds. We urge the prosecutor to determine if this new Republican majority is in fact an illegal majority.”

According to TPJ's complaint, TRM's disclosure reports filed with the Texas Ethics Commission (TEC) show that the PAC raised and spent just under \$800,000 in political funds in the 2002 election cycle. However, TRM reports filed with the IRS (Forms 8872) reveal that the PAC raised and spent approximately \$1.5 million during the same period. Contributors reported to the IRS but not the TEC include more than 30 corporations that gave TRM a total of \$602,000. TRM also reported to the IRS \$619,266 in expenditures that it did not report to the TEC. TRM could contend that these were administrative expenses that were unrelated to the PACs political purposes. Yet these expenditures include tens of thousands of dollars in payments to polling firms, telemarketing firms, campaign consulting firms and the committee's director. If these expenditures were related to the PAC's political purposes—as it appears—Texas law requires that they be reported to the TEC. If they were paid for with corporate funds, these expenditures were patently illegal under Texas law.

A copy of the complaint, along with details on TRM's contributions and expenditures are available

Itemized Contributions & Expenditures of the TRM

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Total Contributions	\$796,651	\$1,547,963
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Corporate Contributions to TRM	
Last name	Amount
Aegis Mortgage	\$ 5,000
Alliance for Quality Nursing Home Care Inc.	\$ 100,000
AT&T	\$ 20,000
Bacardi USA Inc.	\$ 20,000
Barona	\$ 5,000
Belmont Oil & Gas Corp.	\$ 25,000
Burlington Northern Santa Fe Railway	\$ 26,000
Constellation Energy Group	\$ 27,500
Contemporary Constructors, Inc.	\$ 300
Cornell Companies	\$ 10,000
Diversified Collection Services Inc.	\$ 50,000
Dunn Construction Co. Inc.	\$ 5,000
El Paso Energy	\$ 50,000
Gulf States Toyota	\$ 250
Lexmark	\$ 5,000
Maxxam Inc.	\$ 5,000
Old Country Store, Inc.	\$ 25,000
Pacific Care	\$ 2,500
Perfect Wave Technologies	\$ 15,000
Phillip Morris Mgt. Corp.	\$ 25,000
Questerra Corp	\$ 50,000
RDM Enterprises	\$ 5,000
Reliant Resources Inc.	\$ 25,000
Sears, Roebuck & Co.	\$ 25,000
Silver Eagle Distributors	\$ 5,000
STV Incorporated	\$ 1,000
SuperCuts	\$ 1,000
Texas Package Stores Association	\$ 1,500
The Pickens Co. Inc.	\$ 5,000
Thomas Graphics	\$ 250
US Risk	\$ 10,000
Westar Energy	\$ 25,000
Williams Companies Inc.	\$ 25,000
Wintergreen Group Inc.	\$ 2,000
Total:	\$ 602,300

All TRM Contributors of at least \$10,000

Bold=not listed in PAC filing

Name	Total Contributed
Bob Perry	\$165,000
Farmers Employee and Agent PAC of Texas	\$150,000
James Leininger	\$142,500
All. for Quality Nursing Home Care Inc.	\$100,000
Americans for a Republican Majority	\$75,000
Boone Pickens	\$50,000
Questarra Corp	\$50,000
Diversified Collection Services Inc.	\$50,000
El Paso Energy	\$50,000
Louis Beecherl	\$35,000
Constellation Energy Group	\$27,500
Burlington Northern Santa Fe Railway	\$26,000
Williams Companies Inc.	\$25,000
Westar Energy	\$25,000
Reliant Resources Inc.	\$25,000
Sears, Roebuck & Co.	\$25,000
Phillip Morris Mgt Corp.	\$25,000
Belmont Oil & Gas Corp.	\$25,000
John V. Lattimore, Jr.	\$25,000
Preston Gates Ellis & Rouvellas Meed LLP	\$25,000
National Republican Legislators Association	\$25,000
Old Country Store, Inc.	\$25,000
UPS PAC	\$20,000
Bacardi USA Inc.	\$20,000
AT&T	\$20,000
J.A. Elkins	\$15,000
Perfect Wave Technologies	\$15,000
Texas Business of Commerce PAC	\$13,126
David M. Underwood	\$10,000
John W. Barger	\$10,000
Charles Miller	\$10,000
US Risk	\$10,000
Benjamin Streusand	\$10,000
Charles J. Wyly, Jr.	\$10,000
Vance C. Miller	\$10,000
Sam Wyly	\$10,000
Cornell Companies	\$10,000

Bold=not listed in PAC filing

TRM Expenditures NOT disclosed in TEC filings	
Name	Total
Republican National State Elections Committee	\$190,000
John Colyandro	\$69,936
Contact America	\$65,000
WMR Consulting Inc.	\$50,843
Kevin Brannon	\$39,162
Lilly & Co. LLC	\$28,524
Coastal Consulting	\$27,617
Fabrizo McLaughlin & Associates	\$27,000
Tri-South Inc.	\$24,894
Loeffler, Jonas & Tuggey	\$11,197
Texas Association of Business and Chambers of Commerce	\$10,200
Thomas Graphics	\$9,458
Deborah Turner	\$8,714
Purple Sage	\$7,750
Hyatt Regency	\$7,231
A.C.E. Research & Technology	\$6,600
Dan Gattis Campaign	\$6,000
Jim Ellis	\$5,000
Daniello Ferro	\$3,276
Laguna Printing	\$3,053
AT&T	\$2,888
Tony Garza	\$2,678
Ed Shack	\$2,060
Barton Creek Country Club	\$2,000
Catered Affairs	\$1,239
NIC ACCUPP	\$1,200
Headliner's Club	\$1,058
Texas Printing	\$959
X-Roads Communication	\$800
Cathy Anderson	\$570
R.S.D.	\$552
Petroleum Club of Houston	\$500
Sondra Egle	\$500
Mike Toomey	\$444
Allegiance Telecom	\$198
Business Spirit Inc.	\$158

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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.