

News from TPJ

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

For Immediate Release
October 5, 2009

Contact: TPJ
(512) 472-9770

Complaint Alleges Texas Jobs PAC Laundered Craddick Money in 2008

Austin, TX: Texans for Public Justice filed a formal complaint with the Texas Ethics Commission today alleging that the Texas Jobs & Opportunity Build A Secure Future PAC (Jobs PAC) served as an illegal conduit in 2008 for a total of \$150,000 in contributions from then-Speaker Tom Craddick to three Democratic House candidates.

Jobs PAC reported that it received \$250,000 from Tom Craddick's campaign committee on January 10, 2008. According to news reports, around that time Craddick campaign employee Christi Craddick also provided Texas Jobs with written instructions to distribute the funds to Democratic Reps. Kevin Bailey, Dawnna Dukes, Kino Flores and Aaron Pena.¹ All four incumbents previously supported Republican Speaker Craddick and faced challengers in the 2008 Democratic primary.² According to its own reports, Jobs PAC wrote three checks of \$50,000 apiece to the campaigns of Reps. Bailey, Flores and Pena on January 11, 2008. By its own accounting, at the time Texas Jobs wrote these checks its sole source of funding was the \$250,000 that it received the day before from the Craddick campaign. Rep. Dukes, the fourth lawmaker, told the *Austin American-Statesman* that she rejected an offer to receive \$50,000 from Texas Jobs because her opponent already was making her Craddick ties a campaign issue.³

"Tom Craddick wanted to move tens of thousands of dollars to his favorite Democrats without letting voters know," said Texans for Public Justice Director Craig McDonald. "Hiding the true source of campaign funds is illegal. Craddick could have contributed the money directly and openly. Instead, he used Texas Jobs to launder his money and keep Texans in dark."

Texas campaign laws prohibit individuals or political committees from secretly acting as conduits for other donors (Texas Election Code Chapter 253.001). Anyone playing such an intermediary role must disclose it so the ultimate recipient can report the true source of campaign contributions. In this case, Jobs PAC was obligated to inform Reps. Bailey, Flores and Pena that the Craddick campaign was the source of their \$50,000 checks, a fact that the recipients then were obligated to report in campaign disclosures. The Craddick campaign used Texas Jobs to try to keep its large campaign contributions anonymous. Yet such anonymous political contributions are expressly prohibited by Texas law.

¹ "Attorney: Texas House Speaker Tom Craddick Intended Money To Go To Democrats," *Dallas Morning News*, March 19, 2008. "Craddick Ordered Cash To Go To Democrats, Lawyer Says," *Austin American-Statesman*, March 19, 2008.

² Kevin Bailey lost the primary while voters reelected the other three members in 2008.

³ "Dukes Turns Down Craddick Donation," *Austin American-Statesman*, February 7, 2008.