NY Times: Texas Watchdog Group Calls Another Political Titan to Account

By MANNY FERNANDEZAUG. 6, 2015

McKINNEY, Tex. — When Attorney General Ken Paxton of Texas was <u>booked at the county jail here Monday</u> on felony fraud charges, he joined some pretty high-powered company, including Tom DeLay, the former House majority leader, and former Gov. <u>Rick Perry</u>, as powerful Texas officials indicted while in office over the last decade.

The three had something else in common: a former Michigan community organizer named Craig McDonald. The cases leading to the indictments, Mr. DeLay's in 2005 and Mr. Perry's in 2014, started with the low-budget, nonprofit government watchdog group Mr. McDonald runs out of a basement office in Austin, with 30-year-old furniture and few frills.

"Once a year, I bring in cookies, but that's about it," said Mr. McDonald, 65, the founder and director of <u>Texans for Public Justice</u>, which has three employees, one intern and a budget of \$250,000.

Mr. McDonald, who is not a lawyer, filed the initial complaints against Mr. DeLay, Mr. Perry and Mr. Paxton that eventually led to grand jury indictments on various felony charges. The complaints were the prosecutorial equivalent of letters to the editor — documents sent to the district attorney in Travis County, home to Austin, alleging that the three officials had violated state laws.

Those brief letters by Mr. McDonald — the complaint against Mr. Paxton alleging he violated state securities law was a single page — turned the key in the Texas court system that led to the involvement of prosecutors, judges and grand juries. Filing complaints directly with prosecutors is not unique to Texas: An official with the National District Attorneys Association said most states allowed local prosecutors to initiate cases based on citizen complaints and allegations.

"We don't set out to turn our elected officials into criminals," said Mr. McDonald, the former national field organizer for Public Citizen, the advocacy group founded by Ralph Nader. "We merely, in both of these cases, plus the Tom DeLay case, thought we witnessed a crime and we called the cops. And we think as a watchdog that's our role."

The indictments of the state's then-governor and sitting attorney general, 11 months apart, have put the group in the spotlight and in the cross hairs of critics. Mr. Perry and Mr. Paxton are Republicans in a Republican-dominated state. After the grand jury indicted Mr. Perry last August, Texans for Public Justice temporarily shut down its Facebook page because of hostile comments and removed its list of financial supporters from its website "to protect them from harassment," Mr. McDonald said. One woman posted a photograph online with an aerial view and map to Mr. McDonald's home. For weeks, he felt more comfortable locking the doors of his office while he and his colleagues worked inside.

"I hope that one day, the good people of Texas will have heard enough of your vile hate-speak and destroy your organization to the ground," one man wrote in an email to the group.

Mr. McDonald says his complaints have not been politically motivated, and represent a small portion of the group's work, most of which focuses on collecting and analyzing Texas campaign finance data. Mr. McDonald, who describes Mr. Nader as his mentor, takes his work seriously but finds time for his hobby: running Lost Art Records, the two-artist record label he co-owns that features live recordings of deceased singer-songwriters from Texas.

Mr. McDonald, a Michigan native who moved to Austin from Washington in 1994, has said he was politicized by the Vietnam War. He fought in the war after being drafted in 1969. "I think that experience spoke to me to say I'm never — you know, I'm never going to be their fool again," he said in a 2008 interview with the Conservation History Association of Texas.

Critics dispute Mr. McDonald's claim that Texans for Public Justice is nonpartisan, saying it has used the courts to serve as a political attack machine against Republicans and has been secretly funded by trial lawyers and George Soros, a liberal financier and philanthropist. And they have questioned the results of the group's complaints.

In Mr. Perry's case, a state appeals court last month dismissed one of the two charges against him — coercion of a public servant — after it found that the statute on which the charge is based violates the free-speech protections of the First Amendment.

For Mr. DeLay, a Texas appeals court in 2013 threw out his conviction on money-laundering charges, ruling that the evidence was insufficient to support the convictions. The decision effectively ended a criminal case against Mr. DeLay that had forced him to resign as majority leader in the House of Representatives and resulted in a three-year prison sentence. The state's highest criminal court upheld the <u>overturning of the convictions</u> last year.

"It is a fact that they have never apologized to DeLay for the harm that they inflicted on him, his family and his career," <u>Michael Quinn Sullivan</u>, an influential conservative activist in Austin, said of Texans for Public Justice in a statement. He connected the group's complaints with the criminalization of politics, adding, "People need to stop trying to use the criminal justice and civil courts systems to harass their opponents."

Mr. McDonald said the group was independent from the Democratic Party and defended the merits, and success rate, of its complaints. Since the group was founded in 1997, Texans for Public Justice has filed 22 legal actions, including lawsuits, criminal complaints to prosecutors and formal complaints to the state's Ethics Commission. Three are pending, one was dismissed and the other 18 led to judgments or fines against the defendants, Mr. McDonald said.

"I think we feel satisfied that our watchdog work is paying off," he said, adding that two of the group's filings led the Texas Legislature to expand disclosure requirements and lobbying restrictions for lawmakers.

The dismissed complaint in Mr. McDonald's tally was lodged against Rick Agosto, a Democrat and former member of the state Board of Education; the Ethics Commission said there was insufficient evidence. Mr. McDonald said he did not count the overturned convictions against Mr. DeLay as a dismissed complaint. "I don't count it since a jury found him guilty and an intermediate appellate court upheld the verdict," he said.

In recent months, the group has lost some donors but gained new ones. Mr. McDonald said the group had never had a direct or indirect relationship with the Texas Trial Lawyers Association, and had received only two contributions from trial lawyers in 2014 and 2015 for a total of \$6,000.

"We welcome trial lawyers as supporters of our work — just wish we had more," Mr. McDonald said. And Mr. Soros has never personally contributed to the group, but it has received grants — the last one was for \$8,000 — from the Open Society Foundations, which Mr. Soros established.

One of the group's steady donors has been Matt Winkler, the founder and chairman of Asuragen, an Austin biotech company. "It is important that there be watchdogs looking at government," Mr. Winkler said in a statement. "Inevitably, inside dealing and corruption occurs."

After Mr. McDonald files his complaints, he largely watches the legal process from the sidelines. When word spread that a grand jury in Collin County indicted Mr. Paxton last week, Mr. McDonald was one of the last to hear the news. He was on a family trip to the Colorado mountains.