

News Release

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

For Immediate Release:
September 13, 2005

Contact: Craig McDonald, Andrew Wheat
PH: (512) 472-9770

Texas PACs Set New Spending Record For a Non-Gubernatorial Election

- **Texans for Lawsuit Reform's \$3 Million Leads the Pack**
- **Business Interests Dominate; Democratic Party Hits the Skids**

Austin—Political action committees (PACs) in Texas spent \$69 million in the 2004 election cycle, setting a new record for a *non-gubernatorial* election year, a new Texans for Public Justice study found. This spending by 850 general-purpose PACs exceeded that of the last *non-gubernatorial* election in 2000 by 27 percent. Nonetheless, this PAC spending fell short of the \$85 million that PACs spent in the 2002—a *gubernatorial*-election cycle that involved many more races for statewide offices with four-year terms (e.g. Governor, Lieutenant Governor and Attorney General).

Business PACs dominated PAC spending in 2004, accounting for 67 percent (\$46 million) of all PAC money. Spending by Ideological and Single-Issue PACs (a category that includes political party committees and such ideological business interests as Texans for Lawsuit Reform) accounted for 26 percent (\$18 million) of all PAC spending. Labor PACs (representing industrial unions and public-sector employees) spent 7 percent (\$4.5 million) of all PAC money.

“Spending by PACs that represent consumers, workers and the environment doesn’t hold a candle to the tens of millions of dollars spent by business PACs,” said Texans for Public Justice Director Craig McDonald. “To understand how big business controls the legislature, follow the money.”

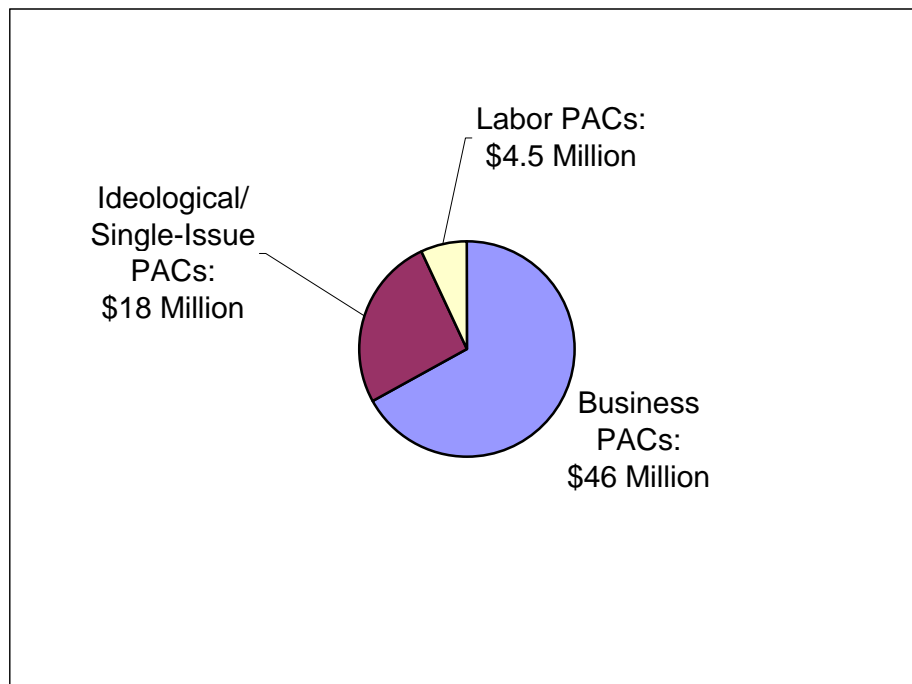
The new report, *Texas PACs: 2004 Election Cycle*, ranks the 100 biggest PACs in Texas and classifies PACs by their economic and ideological interests. Major findings include:

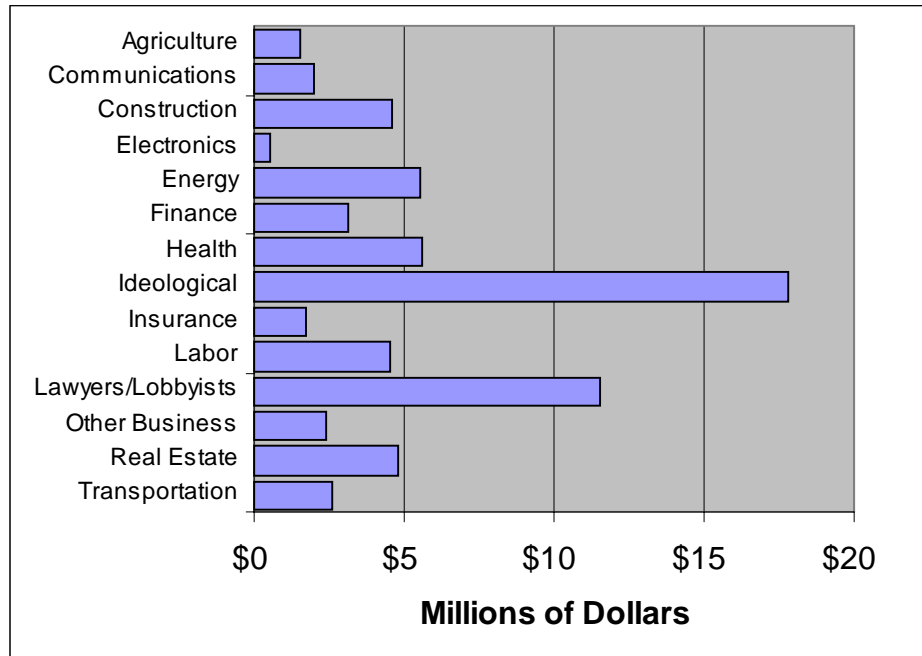
- Spending \$3.1 million, Texans for Lawsuit Reform became Texas’ most powerful PAC;
- The Texas Democratic Party (\$1.9 million) dropped from first to fourth place, as the Texas Association of Realtors (\$3 million) and the Republican Party (\$1.9 million) surpassed it;
- Texas’ 48 largest PACs—which spent more than \$300,000 apiece—accounted for more than half of all PAC spending (\$38 million);
- A constitutional amendment (Proposition 12) allowing the legislature to cap damages in civil lawsuits triggered the largest expenditures (\$18.2 million) by so-called “special-purpose” or “S-PACs.” Unlike general-purpose PACs, S-PACs (which the report analyzes separately from the 850 general-purpose PACs) are organized for a specific and often short-term political purpose.

In analyzing PAC trends, the new report identifies:

- The top new PACs (led by Texas For Insurance Reform);
- The largest vanishing PACs (led by Texas 2000); and
- The fastest-growing PACs (led by MAXXAM).

2004 Texas PAC Expenditures By Selected Interest Categories





Copies of *Texas PACs*, which is based on PAC disclosure reports filed with the Texas Ethics Commission, are available from Texans for Public Justice or at <http://www.tpj.org>.

Texans for Public Justice is a non-partisan, non-profit policy & research organization that tracks money in Texas politics.

###