May 2001

Texans for Public Justice is a non-profit, non-partisan advocacy and research organization that tracks the role of money in Texas politics.

Copies Available from:

Texans for Public Justice
609 W. 18th St., Ste. E
Austin, TX 78701
PH 512/472-9770

tpj@tpj.org
www.tpj.org

Luddite Lawmakers & Other Officials:

Politicians Who Dodged Electronic Donor Disclosure
By Claiming They Don't Track Donors With Computers

Contents

Apology To Ned Lud

Webster defines "Luddite" as a pejorative term for people who are opposed in principle to technological change. Webster cites the term's origins in the early 19th century labor struggle against textile mill owners who slashed wages and fired thousands of workers after the introduction of power looms.

While Webster refers to this struggle's leader, Ned Lud, as "feebleminded," more thorough accounts have concluded that Lud led a brilliant, uphill campaign that had some success in its ultimate goal—which had more to do with reducing human misery than it did with destroying machinery (see E.P. Thompson's, *The Making of the English Working Class*). While informed minds can differ on Lud's effectiveness, his goals were loftier than those of politicians who refuse to electronically disclose their campaign donors and expenditures.

I. Introduction

Texas lawmakers finally passed legislation in 1999 that required most state politicians to begin filing campaign donor data in a computerized electronic format the following year. The Texas Ethics Commission posts these data on the Internet, making them vastly more accessible to the public than when these data are filed on paper.

Lawmakers created two loopholes to allow politicians to circumvent electronic filing. The law exempts candidates who swear that they:

1. Do "not intend to accept more than $20,000 in political contributions or spend more than $20,000 in political expenditures" in the corresponding calendar year; or
2. "Do not use computer equipment to keep current records of political contributions, political expenditures or contributors."

"The average Texas House seat was going for $119,000 when this reform passed," recalls Fred Lewis of Campaigns for People, which lobbied for passage of the law. "The perception was that most campaigns were relying on sophisticated consulting firms to raise and spend this kind of money. We thought that few candidates would claim such exemptions."

Since mandatory electronic filing took effect last year (with the first reports filed in July 2000), however, 66 incumbents have signed and filed affidavits with the Texas Ethics Commission claiming that neither they *nor any of their agents* "use computer equipment" to track donors.

Officials Claiming Luddite Exemptions in 2000 Cycle

Office Held	Luddite Exemptions	Contributions In Exempted Period	Exempted Contributions Reported Electronically	2000 Cycle Contributions	2000 Cycle Expenditures
Legislative	36	$2,248,670	$362,631	$3,633,251	$2,597,483
Judicial	20	$170,451	$0	$511,686	$706,586
Other	10	$101,942	$14,325	$153,143	$127,388
TOTAL:	**66**	**$2,521,063**	**$376,956**	**$4,298,080**	**$3,431,457**

Such Luddite claims are remarkable, especially for politicians who work in Austin—the nation's No. 2 high-tech region.[1] Furthermore, many of those who claimed this exemption appear to have run expensive, sophisticated campaigns. For example, 30 of the 36 exempted legislators raised more than $50,000 in the 2000 election cycle, with19 of them raising more than $50,000 during the time periods for which they claimed exemptions. Altogether, the 66 exempted incumbents raised $2.5 million under their exemptions.

Eight of the politicians who obtained exemptions went ahead and filed electronically anyway. Yet the 66 exempted incumbents electronically disclosed $376,956 in contributions, or just 16 percent of the money that they raised under their exemptions.

II. Luddite Lawmakers

Since last year, 36 Texas legislators—20 percent of the total—signed affidavits swearing that neither they nor any of their agents "use computer equipment" to track donors. Two of the Senate's 31 members filed these affidavits, as did 34 House members (accounting for 23 percent of that chamber).

Luddites hail from both major political parties, with the Democrats claiming 17 of them and the Republicans claiming 19 more. Luddite legislators of both parties raised and spent large amounts of money. Exempt Republican lawmakers went ahead and electronically disclosed considerably more of their money ($242,034) than their Democratic counterparts ($120,597). As shown below, however, this discrepancy is explained by a single recovering Republican Luddite who electronically disclosed $141,609 in contributions. Apparently, the "New Economy" may still hold a place for Rep. Rick Hardcastle of Vernon.

[1] *Metropolitan New Economy Index*, Progressive Policy Institute, April 19, 2001, www.neweconomyindex.org/metro.

Honorary Luddite Gov. Perry

In his January 2001 State of the State address, new Texas Governor Rick Perry made a strong plug for reforming campaign finance disclosure. "Frequent and more instantaneous disclosure during each election cycle will keep Texans better informed about the candidates who seek their vote," Perry said.

Although Governor Perry did not seek an electronic disclosure exemption, he earned honorary Luddite mention for filing botched electronic reports that effectively undermine his own vision of "more instantaneous disclosure."

Governor Perry's January 2001 electronic disclosure filing (covering the $4.3 million he raised in the second half of 2000) lumps his donors' titles, first names, middle names and last names all into one "last name" field. This effectively sabotages efforts to track his donors on the Texas Ethics Commission's website (http://txprod.ethics.state.tx.us/tx00/).

For example, someone searching for donations from Marvin Smith would probably type "Smith" in the last name field and "Marvin" in the first name field. Such a search strikes out because the Perry campaign left the first-name field blank. A search limited to "Smith" in the last name field, on the other hand, would result in a deluge of 843 Smiths who made 2,804 separate contributions.

Even the Technet Texas PAC (which gave Perry $10,000) is unlikely to figure out that the only efficient way to access Smith's record in Perry's botched filing is to type "Dr. Marvin Smith III M.D." into the last name field—with two blank spaces between "Marvin" and "Smith." Perry is an honorary Luddite because this problem persists even after it was brought to the attention of his staff. □

The Luddite Lawmakers

Lawmakers	Party	Dist.	Contributions In Exempted Period	Exempted Contributions Reported Electronically	2000 Cycle Contributions	2000 Cycle Expenditures
Rick Hardcastle	R	H-68	$213,105	$141,609	$221,540	$184,833
Mario Gallegos	D	S-6	$165,975		$250,287	$181,243
Warren Chisum	R	H-88	$120,350		$146,827	$59,766
Ismael 'Kino' Flores	D	H-36	$111,859	$52,973	$236,119	$164,366
Gene Seaman	R	H-32	$104,083		$159,916	$106,218
George 'Buddy' West	R	H-81	$92,585		$130,455	$68,268
Ron Lewis	D	H-19	$92,135		$157,145	$89,618
Rene Oliveira	D	H-37	$90,975		$160,960	$97,595
James Pitts	R	H-10	$86,612		$137,596	$64,990
William Callegari	R	H-130	$84,807	$56,673	$162,007	$180,760
Ken Marchant	R	H-99	$81,750		$97,150	$68,897
Dawnna Dukes	D	H-50	$74,693	$48,186	$111,743	$73,416
Gary Walker	R	H-80	$74,270		$97,411	$41,999
Harold Dutton	D	H-142	$68,875		$89,775	$49,245
Robert Talton	R	H-144	$68,562		$72,778	$67,249
Joe Nixon	R	H-133	$64,900		$64,900	$47,353
Paul Moreno	D	H-77	$61,703		$99,412	$56,235
Paul Sadler	D	H-8	$58,525		$79,775	$49,574
Bill Carter	R	H-91	$53,303	$19,131	$144,345	$134,004
Ruth McClendon	D	H-120	$49,180		$67,260	$13,326
Talmadge Heflin	R	H-149	$48,529		$78,811	$61,233
Jim Dunnam	D	H-57	$47,035		$60,076	$43,929
Delwin Jones	R	H-83	$46,845		$83,727	$63,166
Jose Menendez	D	H-124	$45,530	$9,850	$85,222	$89,274
Ruben Hope	R	H-16	$40,450		$83,014	$69,677
Joe Crabb	R	H-127	$34,564		$114,963	$90,514
Kevin E. Bailey	D	H-140	$33,314		$92,629	$83,084
Manny Najera	D	H-75	$29,781		$51,685	$24,496
Kent Grusendorf	R	H-94	$26,671	$24,621	$39,636	$20,617
Robert Puente	D	H-119	$26,288	$9,588	$88,115	$123,417
Jon Lindsay	R	S-7	$21,000		$70,150	$55,091
Anna Mowery	R	H-97	$14,950		$15,450	$8,357
Terri Hodge	D	H-100	$12,365		$37,570	$6,325
Roberto Gutierrez	D	H-41	$3,100		$28,825	$34,872
Al Edwards	D	H-146	$0		$10,100	$23,873
Fred Brown	R	H-14	$0		$5,878	$600
TOTALS:			**$2,248,670**	**$362,631**	**$3,633,251**	**$2,597,483**

Rep. Hardcastle raised the most money in the exempted period: $213,105. Next came Sen. Mario Gallegos, who raised $165,975 in the exempted period—despite being the sole Luddite lawmaker who was was not up for election in 2000. Three other members raised more than $100,000 in the exempted period: Reps. Warren Chisum, Ismael Flores and Gene Seaman.

III. Luddite Judges

Twenty state judges filed for exemptions. Intermediate appellate court justices accounted for most of these, since the law automatically exempts all district judges from electronic filing. Of the state's 82 court of appeals judges, 18 (22 percent) claimed exemptions. Justice Charles Seymore of the 14th Court of Appeals in Houston raised the most judicial money in the exempted period: $81,150. Two other exempted court of appeals judges raised more than $20,000. They are David Puryear (3rd Court of Appeals in Austin) and Martin Richter (5th Court of Appeals in Dallas).

Texas Judges–Unplugged

Court	Luddite Count	Contributions In Exempted Period	2000 Cycle Contributions	2000 Cycle Expenditures
Court of Appeals (COA)	18	$168,284	$509,519	$668,577
Court of Crminal Appeals (CCA)	1	$2,167	$2,167	$6,414
Texas Supreme Court (SC)	1	$0	$0	$31,605
TOTALS:	**20**	**$170,451**	**$511,686**	**$706,586**

One member each from the state's highest civil and criminal courts also filed for exemptions. But neither Texas Supreme Court Justice James A. Baker (who was not up for reelection in 2000) nor Court of Criminal Appeals Justice Charles Holcomb (who lacked a major-party opponent in the 2000 general election) raised or spent much money in that election cycle. None of the 20 exempted judges filed any electronic dislosure reports.

The Luddite Judges

Judges	Party	Court	Contributions In Exempted Period	2000 Cycle Contributions	2000 Cycle Expenditures
Charles Seymore	R	COA-14	$81,150	$105,662	$232,700
*David Puryear	R	COA-3	$35,688	$37,188	$22,470
Martin Richter	R	COA-5	$24,950	$94,150	$90,334
Brian Quinn	R	COA-7	$8,470	$42,759	$21,510
John Cayce	R	COA-2	$5,625	$62,585	$24,925
Kerry Fitzgerald	R	COA-5	$4,950	$40,930	$28,704
Charles Holcomb	R	CCA	$2,167	$2,167	$6,414
Errlinda Castillo	D	COA-13	$2,150	$2,150	$44,117
Timothy Taft	R	COA-1	$1,587	$5,263	$7,695
*J. Bonner Dorsey	D	COA-13	$1,514	$1,514	$5,608
Murry Cohen	R	COA-1	$1,200	$1,200	$94,949
Sue Lagarde	R	COA-5	$1,000	$2,500	$3,282
Rex Davis	R	COA-10	$0	$80,215	$69,542
Sam Day	R	COA-2	$0	$19,050	$11,191
Joseph Morris	R	COA-5	$0	$14,353	$3,577
*James A. Baker	R	SC	$0	$0	$31,605
*Jan Patterson	D	COA-3	$0	$0	$3,625
Donald R. Ross	D	COA-6	$0	$0	$1,850
Don H. Reavis	R	COA-7	$0	$0	$1,500
*Paul C. Murphy	R	COA-14	$0	$0	$985
TOTAL:			**$170,451**	**$511,686**	**$706,586**

*Not up for election in 2000.
COA = Court of Appeals; CCA = Court of Criminal Appeals; SC = Texas Supreme Court.

IV. Other Statewide Luddites

The last two bastions of Luddite officials offer a sad commentary on the state of the Lone Star State, since these officials held offices that reasonably might be expected to require a minimal level of computer literacy. These offices are those of the State Board of Education and the Secretary of State.

Nine of the 15 members of the State Board of Education obtained exemptions. Three of the nine raised more than $20,000 in the exempted period. This same board is charged with integrating technology into public education.

"Texas is a national leader in bringing technology into the classroom," says the board's *Long-Range Plan for Public Education, 2001-2006.* "The State Board of Education is charged with developing a state technology plan for acquiring and using technology in public schools, fostering professional development related to the use of technology, enhancing computer literacy and skills among all of the state's public education students, and strengthening communication and use of information related to education technology in every region of the state."

Educators–Unplugged

State Board of Education Members	Party	Dist.	Contributions In Exempted Period	Exempted Contributions Reported Electronically	2000 Cycle Contributions	2000 Cycle Expenditures
David Bradley	R	7	$38,817		$40,517	$14,149
Cynthia Thornton	R	10	$33,180	$14,325	$41,290	$32,167
Dan Montgomery	R	5	$21,810		$36,985	$50,109
*Richard Watson	R	14	$1,455		$1,455	$4,322
*Judy Strickland	R	15	$0		$117	$0
*Rene Nunez	D	1	$0		$0	$3,008
Alma Allen	D	4	$0		$0	$0
*Don McLeroy	R	9	$0		$0	$0
*Rosie Sorrells	D	13	$0		$0	$0
TOTALS:			**$95,262**	**$14,325**	**$120,363**	**$103,755**

The last Luddite official is Elton Bomer, the former legislator and Insurance Commissioner who stepped down as George W. Bush's Secretary of State in December 2000. As Texas' "chief election officer," the Secretary of State might be expected to lead the way in electronic filing. As an appointed official, Bomer did not need to raise and spend thousands of political dollars. His reports show that Bomer received large checks from some of the state's most powerful PACs, businesspeople and lobbyists and spent much of this money along the Bush campaign trail.

Secretary of State–Unplugged

Secretary of State	Party	Contributions In Exempted Period	2000 Cycle Contributions	2000 Cycle Expenditures
Elton Bomer	R	$6,680	$32,780	$23,633