

# LUDDITE PACS & CANDIDATES

TEXAS POLITICAL  
FUNDS THAT  
DODGE THE  
INTERNET



TEXANS FOR  
PUBLIC JUSTICE  
OCTOBER 2002

## Luddite PACs & Candidates

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

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### **Apology To Ned Lud**

Webster's defines "Luddite" as a pejorative term for people who are opposed in principle to technological change. Webster's 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's refers to this struggle's leader, Ned Lud, as "feeble-minded," 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 the politicians who refuse to electronically disclose their campaign donors and expenditures.

## I. Introduction

Texas enacted a law in 1999 that required most state political candidates and political action committees (PACs) to begin filing campaign-donor data in a computerized electronic format as of 2000. The Texas Ethics Commission posts these data on the Internet, making this information vastly more accessible to the public than when such data are filed on paper. Yet loopholes in the 1999 law allow candidates and PACs to circumvent electronic filing if they submit affidavits swearing that:

1. They 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. Neither they nor any of their agents “use computer equipment to keep current records of political contributions, political expenditures or contributors.”

Texans for Public Justice’s 2001 report *Luddite Lawmakers* revealed 66 incumbent state politicians who claimed the no-computer exemption. This study takes a broader look, exposing Texas’ major-party candidates and large PACs (raising more than \$20,000) that failed to make electronic disclosures for at least one reporting period from January 2001 to July 2002 (many of these Luddites will raise more money in the latter half of 2002). This dragnet yielded 234 candidates and PACs. From January 2001 to July 2002 these entities raised \$7.8 million of political funds *that they failed to electronically disclose* (the tables in this report refer to this non-electronically disclosed money as “Non-E-Disclosed Money”).

### Texas’ 2002 Luddite Political Money

Filer Type	No. of Filers	Non-E-Disclosed	Average
		Money Raised	Amount
		Jan '01 - July '02	Raised
Statewide candidates	2	\$1,806	\$903
Legislative candidates	131	\$3,264,156	\$24,917
Judicial candidates	20	\$373,723	\$18,686
Board of Education candidates	15	\$130,681	\$8,712
Large PACs (raising >\$20,000)	66	\$4,041,306	\$61,232
<b>TOTALS:</b>		<b>234</b>	<b>\$7,811,672</b>
			<b>\$33,383</b>

These Luddites do not inhabit the caves of Tora Bora. Most of them seek to blend in with the computer-literate population of Austin, which one index ranks as the nation’s No. 2 high-tech region.<sup>1</sup> Electronic filing is not rocket science. Austin-based Campaigns for People recently held a training session to demonstrate the ease with which school kids can file electronic-disclosure reports with the Texas Ethics Commission. “It was not hard. It took maybe five minutes,” said Pease Elementary sixth grader Nicky Benitez-James. “If I can do it, I’m pretty sure they [politicians] can.”<sup>2</sup> Luddites seeking remedial education can contact Pease Elementary School at (512) 414-4428.

## II. Unexempted PACs & Candidates

The vast majority of these Luddite PACs and candidates studied in this report claimed one (or even both) of the exemptions to electronic filing created by the Texas legislature (claiming that they do not use computers or do not plan to raise or spend more than \$20,000). Yet, in an apparent violation of state law, 21 of these entities appear to have failed to submit legally required electronic disclosures without bothering to obtain an exemption. Researchers could not find any paper or electronic record of nine PACs and 12 candidates filing any exemption affidavit during the 2002 election cycle.

### Luddite Political Money By Exemption Claimed

<b>Exemption Claimed</b>	<b>No. of Filers</b>	<b>Non-E-Disclosed Money Raised Jan '01 - July '02</b>	<b>Average Amount Raised</b>
Less than \$20,000	39	\$448,452	\$11,499
No computer used	119	\$4,668,133	\$39,228
Both of above exemptions	55	\$1,119,195	\$20,349
No exemption claimed	21	\$1,575,894	\$75,043
<b>TOTALS:</b>	<b>234</b>	<b>\$7,811,672</b>	<b>\$33,383</b>

Four Republican Party PACs rank among the top unexempted entities that failed to file electronic disclosures. The plain language of the Texas Election Code appears to require all Party PACs to meet the same electronic-filing requirements as other PACs. But Texas Ethics Commission (TEC) lawyers say that TEC staff have internally and informally decided to exempt party corporations and party county executive committees from electronic-filing requirements (agency commissioners have not taken official action on this issue). This creates an enormous electronic-filing loophole, with the four party PACs listed here withholding more than \$1.2 million from electronic disclosure.

### PACs Failing To File Electronically Without Obtaining An Exemption

<b>PAC Name</b>	<b>Interest</b>	<b>Non-E-Disclosed Money Raised Jan '01 - July '02</b>
*TX Republican Party (PC)	Republican	\$968,993
*Harris Co. Republican Party (PC)	Republican	\$114,065
*Travis Co. Republican Party (CEC)	Republican	\$86,583
TX Legislative Black Caucus	Minority	\$50,250
*Travis Co. Republican Party (PC)	Republican	\$46,944
Judicial Roundup PAC (Sn. Antonio)	Lawyers to local judges	\$38,020
TX Amusement Assn.	Carnivals	\$26,500
TX Legislative Sportman's Caucus	Undeveloped land owners	\$22,890
Dynegy TX	Electricity	\$20,011
<b>TOTAL:</b>		<b>\$1,374,256</b>

\* Political party PAC, which the Texas Ethics Commission independently exempted from electronic-filing requirements.

Note: PC = Party Corporation; CEC = County Executive Committee.

This loophole also is significant because some party PACs can accept direct corporate and union contributions that Texas generally prohibits. The latest *paper* filings for the Texas Republican Party's huge party corporation fund, for example, reveal large direct out-of-state contributions from insurer American International Group (\$50,000), pharmacy benefits firm AdvancePCS (\$25,000) and Dow Chemical (\$25,000). Its big in-state donors include Silver Eagle [beer] Distributors (\$50,000) and poultry recaller Pilgrim's Pride (\$25,000). Ironically, this PAC appears to have used a computer to prepare these data before printing them out on paper. Yet none of these data are available on the Internet.

A dozen candidates who failed to obtain exemptions also failed to file electronically, led by House candidate Steve Munisteri, who lost the Republican primary to Martha Wong. Democrat George Robinson of House District 8 is the top primary winner on the list. Reps. Pete Gallego and Elvira Reyna are the only incumbents on the list.

### Candidates Failing To File Electronically Without Obtaining An Exemption

Candidate	Office	Party	Dist.	Primary	Non-E-Disclosed
				Outcome	Money Raised
					Jan '01 - July '02
Steve Munisteri	H	R	134	Lost	\$83,802
Gregory R. Travis	H	R	28	Lost	\$48,296
George Robinson	H	D	8	Won	\$18,351
Roger A. Perez	H	D	123	Lost	\$15,600
Kris J. Gillespie	H	R	50	Lost	\$12,881
Rose A. Cannaday	H	R	105	Lost	\$9,919
David H. Martin	H	D	8	Lost	\$4,665
Stephen Johnston	H	D	143	Lost	\$3,500
Aaron Pena	H	D	40	Won	\$1,600
<sup>1</sup> Pete P. Gallego	H	D	74	Won	\$1,545
Richard Carrera	H	D	35	Lost	\$1,050
<sup>1</sup> Elvira Reyna	H	R	101	Won	\$425
<b>TOTAL:</b>					<b>\$201,634</b>

<sup>1</sup>Incumbent

### III. Statewide Luddites

In one positive sign, few Luddites sought major statewide offices in 2002. Indeed, it is difficult to imagine how a campaign could prevail in a state of 21 million people if it raised less than \$20,000 and failed to make extensive use of computers.<sup>3</sup>

Apart from 10 Luddites who sought statewide judicial offices (see “Judicial Luddites”), just two other Texas Luddites sought statewide office in 2002. While both of these Democratic candidates raised negligible amounts of money, Luddite Ernesto De Leon nonetheless won 43 percent of the vote in his failed primary bid for Agriculture Commissioner. Meanwhile, Tony Sanchez’s millions dealt a reality check to the gubernatorial pipe dream of Luddite Bill Lyon. Lyon finished third in this four-way primary battle. (While fourth-place loser John WorldPeace had a certain technological savvy, voters opened fire on him after he pummeled them with automated phone messages that seemed to contradict his campaign slogan: “Give peace a chance.”)

#### Luddites For Statewide Office

Luddite Candidate	Statewide Office	Party	Status	Non-E-Disclosed Money Raised Jan '01 - July '02
Ernesto De Leon	Agriculture Commissioner	D	Lost Primary	\$1,705
Bill R. Lyon	Governor	D	Lost Primary	\$101
<b>TOTAL:</b>				<b>\$1,806</b>

#### IV. Legislative Candidates

Legislative candidates accounted for 42 percent of the Luddite money studied in this report. This state with 180 legislative districts produced 131 legislative Luddites who raised almost \$3.3 million by July 2002.

#### Legislative Luddites

Legislative Office	No. of Filers	Non-E-Disclosed Money Raised Jan '01 - July '02
Senate	8	\$156,918
House	123	\$3,107,239
<b>TOTALS:</b>	<b>131</b>	<b>\$3,264,157</b>

Just eight Luddites ran for the 30-district Texas Senate in 2002. These included two incumbents (Mario Gallegos and Jon Lindsay), who accounted for 66 percent of all the money raised by Senate Luddites. Besides these incumbents (both from Houston) four other Senate Luddites survived the primary. Senate District 4, between Houston and Louisiana, produced two Luddites. District 4 electronic filer Tommy Williams defeated Luddite Michael Galloway in the Republican primary and will face another Luddite, Democrat Terry Smith, in November.

#### Senate Luddites

Senate Candidate	Party	Dist.	Primary Outcome	Non-E-Disclosed Money Raised Jan. '01 – July '02
<sup>1</sup> Mario V. Gallegos	D	6	Won	\$80,618
<sup>1</sup> Jon S. Lindsay	R	7	Won	\$23,400
Terry M. Smith	D	4	Won	\$18,733
Michael Galloway	R	4	Lost	\$13,406
Ruben M. Garcia	D	20	Lost	\$13,300
Jan Frederiksen	D	16	Won	\$4,325
Ronnie Harrison	D	17	Won	\$2,611
Michael P. Wolfe	R	15	Won	\$525
<b>TOTAL:</b>				<b>\$156,921</b>

<sup>1</sup>Incumbent

With 150 districts, the House produced 123 Luddite candidates who already had raised more than \$3.1 million by July 2002. Incumbents—led by Republican Reps. Gary Walker of Plains and Ruben Hope of Conroe—accounted for 32 of the House Luddites. Two other House Luddites raised more than \$100,000: W. Kenneth Paxton and Walt Fair, whose family-values candidacy self-destructed when his wife filed for divorce and a videotape of an alleged Fair affair went into circulation.

Twenty-nine house districts spawned two or more Luddites, led by the Palestine area's District 8, which boasted four Luddites. A surviving Democratic Luddite, George Robinson, faces Republican electronic filer John Graves in that race in November. In three districts November voters will be forced to choose between major-party Luddites. In District 70, Democratic Luddite Frederick Lusk faces Republican Luddite W. Kenneth Paxton. District 74 pits Luddite incumbent Democrat Pete Gallego against Luddite GOP challenger Pedro Nieto. Finally, Democrat Roberto Alonzo faces Republican Joe Hernandez in a Luddite face-off in District 104.

## Top-80 House Luddites

House Candidate	Party	Dist.	Primary Outcome	Non-E-Disclosed Money Raised Jan. '01 – July '02
<sup>†</sup> Gary L. Walker	R	83	Lost	\$138,205
<sup>†</sup> Ruben Hope	R	16	Won	\$115,390
W. Kenneth Paxton	R	70	Won	\$113,360
Walter Warren Fair	R	56	Lost	\$113,224
<sup>†</sup> Eugene J. Seaman	R	32	Won	\$94,866
<sup>†</sup> Joe Crabb	R	127	Won	\$87,021
Steve Munisteri	R	134	Lost	\$83,803
<sup>†</sup> Rene O. Oliveira	D	37	Won	\$75,635
<sup>†</sup> Joseph C. Pickett	D	79	Won	\$72,861
<sup>†</sup> James R. Pitts	R	10	Won	\$71,625
<sup>†</sup> Delwin Jones	R	83	Won	\$69,519
Scott E. Campbell	R	72	Won	\$65,589
Judy Strickland	R	85	Won	\$61,680
<sup>†</sup> Paul Moreno	D	77	Won	\$61,330
<sup>†</sup> Talmadge L. Heflin	R	149	Won	\$60,609
<sup>†</sup> Ruth J. McClendon	D	120	Won	\$59,328
<sup>†</sup> Kevin E. Bailey	D	140	Won	\$59,189
Robert C. Rankins	R	70	Lost	\$58,736
Joaquin Castro	D	125	Won	\$58,384
<sup>†</sup> Ron Wilson	D	131	Won	\$57,800
<sup>†</sup> Manny Najera	D	75	Lost	\$56,226
<sup>†</sup> Warren D. Chisum	R	88	Won	\$55,250
Edmund Cyganiewicz	R	43	Won	\$55,075
Gregory R. Travis	R	28	Lost	\$48,296
C. Brandon Creighton	R	16	Lost	\$47,810
John P. Mabry	D	56	Won	\$47,184
Roberto R. Alonzo	D	104	Won	\$46,989
Inocente Quintanilla	D	75	Won	\$46,598
Regino J. Gonzales	R	128	Lost	\$46,566
Linda Harper-Brown	R	105	Won	\$45,482
Henry Pearson Knolle	D	35	Lost	\$43,080
Gabriella S. Canales	D	35	Won	\$41,368
<sup>†</sup> James R. Dunnam	D	57	Won	\$41,220
<sup>†</sup> Robert E. Talton	R	144	Won	\$39,308
Mack L. Dobbs	D	61	Won	\$38,825
Adolfo Campero	D	31	Lost	\$37,860
Charles Anderson	R	56	Lost	\$35,200
Bob E. Griggs	R	91	Won	\$34,280
Alfredo Flores	D	143	Lost	\$32,575
Kenneth S. Cannata	R	28	Lost	\$28,748

<sup>†</sup> = Incumbent



House Candidate	Party	Dist.	Primary Outcome	Non-E-Disclosed Money Raised Jan. '01 – July '02
<sup>1</sup> Frederick H. Brown	R	14	Won	\$28,150
<sup>1</sup> Robert R. Puente	D	119	Won	\$27,675
Jesse L. Quackenbush	D	87	Won	\$22,922
Roberta Jean Killgore	R	17	Won	\$22,370
<sup>1</sup> Gladys E. Hodge	D	100	Won	\$22,340
Gary Lee English	D	1	Lost	\$21,731
<sup>1</sup> Kenny E. Marchant	R	115	Won	\$21,222
J. Corbin Van Arsdale	R	130	Won	\$19,400
<sup>1</sup> Harold V. Dutton	D	142	Won	\$18,900
Ryan A. Guillen	D	31	Won	\$18,730
Charles W. Nichols	D	8	Lost	\$18,643
Charles A. Luke	R	60	Lost	\$18,590
<sup>1</sup> Roberto Gutierrez	D	41	Won	\$18,425
George M. Robinson	D	8	Won	\$18,351
Anthony A. Aguilar	R	107	Lost	\$18,000
<sup>1</sup> G. E. "Buddy" West	R	81	Won	\$17,127
Roger A. Perez	D	123	Lost	\$15,600
Jan S. Phillips	R	8	Lost	\$14,975
Bernard C. Amadi	D	133	Won	\$14,485
Joseph L. Stunja	R	127	Lost	\$14,375
Kris J. Gillespie	R	50	Lost	\$12,882
<sup>1</sup> Anna Mowery	R	97	Won	\$12,430
Kerry C. Williams	R	15	Lost	\$11,278
<sup>1</sup> Yvonne Davis	D	111	Won	\$11,100
<sup>1</sup> Joseph D. Deshotel	D	22	Won	\$10,704
Alma Zepeda	D	148	Lost	\$10,615
Fred N. Moses	R	66	Lost	\$10,475
Jack Stick	R	50	Won	\$10,350
Rose A. Cannaday	R	105	Lost	\$9,919
Michael S. Sullivan	R	127	Lost	\$9,173
Pedro G. Nieto	R	74	Won	\$9,155
<sup>1</sup> Al Edwards	D	146	Won	\$8,875
Janie Gonzalez	R	117	Lost	\$8,125
Judith Ann Canales	D	80	Lost	\$8,100
John J. Baker	D	19	Lost	\$7,900
G. Michael Lawshe	R	89	Lost	\$7,675
Paul D. Clayton	D	19	Won	\$7,550
Richard Wayne Smith	R	128	Won	\$7,000
Mark A. Rubal	R	27	Won	\$6,775
Joe D. Hernandez	R	104	Won	\$5,590
<b>TOTALS:</b>				<b>\$3,023,776</b>

<sup>1</sup> = Incumbent

## V. Judicial Candidates

A loophole in Texas' electronic-filing law excludes all judicial candidates running for more than 400 state district courts (few district judges *voluntarily* file electronically). This loophole does not apply to judicial candidates running for Texas':

- Highest civil court (the Texas Supreme Court);
- Highest criminal court (the Court of Criminal Appeals); and
- 14 intermediate courts of appeals (which handle both civil and criminal appeals).

Comments made by the Texas Supreme Court's chief justice in his 2001 "State of the Judiciary Address" suggest that Luddites are ill suited to modern courts. Chief Justice Tom Phillips said, "For today's judge, a computer and a conference room may be more important than a courtroom." Yet 20 Luddites seeking appeals court seats had raised \$373,723 by July 2002.

### Judicial Luddites

Court	No. of Filers	Non-E-Disclosed
		Money Raised Jan '01 - July '02
Supreme Court	3	\$78,360
Court of Criminal Appeals	7	\$25,988
Intermediate Appeals Courts	10	\$269,375
<b>TOTALS:</b>	<b>20</b>	<b>\$373,723</b>

Judicial Candidate	Party	Court	Dist.	Primary Outcome	Non-E-Disclosed
					Money Raised Jan '01 - July '02
<sup>1</sup> Eva Guzman	R	Appeals	14	Won	\$86,425
William E. Moody	D	Supreme	None	Won	\$53,560
<sup>1</sup> Molly M. Francis	R	Appeals	5	Won	\$39,865
<sup>1</sup> David L. Bridges	R	Appeals	5	Won	\$37,700
<sup>1</sup> Kerry P. FitzGerald	R	Appeals	5	Won	\$32,571
<sup>1</sup> Ronald L. Walker	D	Appeals	9	Won	\$28,343
<sup>1</sup> Mark Whittington	R	Appeals	5	Won	\$24,500
James N. Parsons	D	Supreme	None	Won	\$19,300
Charles L. Attaway	D	Appeals	6	Lost	\$14,520
Guy C. Williams	R	Criminal Appeals	None	Lost	\$8,810
<sup>1</sup> Cathy Cochran	R	Criminal Appeals	None	Won	\$6,397
Steven W. Smith	R	Supreme	None	Won	\$5,500
David L. Richards	R	Criminal Appeals	None	Lost	\$3,700
Jesse R. Molina	D	Criminal Appeals	None	Won	\$3,150
<sup>1</sup> Dixon W. Holman	R	Appeals	2	Won	\$3,000
Wallace K. Law	R	Appeals	3	Won	\$2,350
Connie J. Kelley	R	Criminal Appeals	None	Lost	\$1,925
<sup>1</sup> Thomas B. Price	R	Criminal Appeals	None	Won	\$1,700
Stephen Mansfield	R	Criminal Appeals	None	Lost	\$307
Gary A. Hinchman	R	Appeals	9	Lost	\$100
<b>TOTALS:</b>					<b>\$373,723</b>

<sup>1</sup> = Incumbent

There are relatively few Luddites running as viable candidates for the state's two top appeals courts. Just three Luddites made a run for the Texas Supreme Court (William Moody, James Parsons and Steven Smith) and all of them raised a fraction of the money that their non-Luddite opponents raised.<sup>4</sup> Seven Luddites ran for the Court of Criminal Appeals, but just three of these survived the primary (Thomas Price, Cathy Cochran and Jesse Molina). Ten lower court of appeals candidates, led by incumbent Judge Eva Guzman, accounted for the vast majority of Luddite judicial money.

Paper reports filed by state district judge campaigns suggest that some of these candidates should not be allowed to hide their finances behind the blanket district-judge exemption in the electronic-filing law. Note that 20 Luddite district judge candidates raised more than \$100,000 by July 2002, led by Laredo District Judge Manuel Flores (\$221,600). More than 120 Luddite district judge candidates already have raised more than \$20,000 apiece.

### **District Judge Luddite Candidates Raising More Than \$100,000 in 2002**

<b>District Judge Candidate</b>	<b>Party</b>	<b>Office</b>	<b>Dist.</b>	<b>Primary Outcome</b>	<b>Non-E-Disclosed Money Raised Jan '01 - July '02</b>
Manuel R. Flores	D	DJ	49	Won	\$221,600
Paul W. Enlow	R	DJ	141	Lost	\$162,973
John T. Wooldridge	R	DJ	269	Won	\$157,040
Jennifer W. Elrod	R	DJ	190	Won	\$150,131
Frank Montalvo	R	DJ	288	Won	\$144,484
Leonel Alejandro	D	DJ	357	Won	\$141,095
Catharina Haynes	R	DJ	191	Won	\$137,064
Rose Guerra Reyna	D	DJ	206	Won	\$135,425
John K. Dietz	D	DJ	250	Won	\$134,895
Rose Vela	D	DJ	148	Won	\$131,325
Sandra L. Watts	D	DJ	117	Won	\$129,984
Lisa A. Millard	R	FDJ	310	Won	\$127,285
Rosaura Tijerina	D	DJ	49	Lost	\$125,677
David Peebles	R	DJ	224	Won	\$125,208
Bruce D. Oakley	R	DJ	234	Won	\$119,730
Martha Huerta	D	FDJ	319	Won	\$114,680
Jeff Brown	R	DJ	55	Won	\$111,477
Jim York	R	DJ	246	Won	\$107,359
George C. Hanks	R	DJ	157	Won	\$102,315
Brent Gamble	R	DJ	270	Won	\$100,150
<b>TOTAL:</b>					<b>\$2,679,896</b>

Note: DJ = District Judge; FDJ = Family District Judge.

## VI. Luddite Educators

The Texas State Board of Education's *Long Range Plan for Public Education 2001 - 2006* dedicates a chapter to using technology in education. In the report, the Board gives itself a five-year homework assignment to develop "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." Yet some Board members seem to want the school kids to do as they say—not as they do. Fifteen candidates for this 15-member board are Luddites who raised \$130,681 by July 2002. This includes four incumbents (Grace Shore, Jerry Montgomery, David Bradley and Rene Nunez) who raised 45 percent of this total. Non-incumbent, Seba Herron, raised more than any other Luddite Board candidate (\$42,759).

Five State Board districts produced multiple Luddite candidates, led by District 7, which boasts three Luddites. Democratic Luddite William Hargrove will face incumbent Republican Luddite David Bradley in November, forcing those East Texas voters to pick one Luddite or the other.

### Luddites For State Board of Education

Education Candidate	Party	Dist.	Primary Outcome	Non-E-Disclosed Money Raised Jan '01 - July '02
Seba J. Herron	R	15	Lost	\$42,759
<sup>1</sup> Grace Rose Shore	R	8	Lost	\$30,255
<sup>1</sup> Jerry Montgomery	R	5	Won	\$13,975
Gail A. Lowe	R	14	Won	\$13,850
<sup>1</sup> J. David Bradley	R	7	Won	\$8,760
<sup>1</sup> Rene Nunez	D	1	Won	\$5,430
Linda H. Bauer	R	8	Won	\$3,725
Trinidad Munoz	R	1	Won	\$2,564
Lynn E. Allen	R	8	Lost	\$2,472
Robert A. Butler	D	9	Lost	\$2,276
Patricia A. Hardy	R	11	Won	\$1,895
Mavis B. Knight	D	13	Won	\$1,475
Thomas Butler	D	7	Lost	\$740
William Hargrove	D	7	Won	\$485
Blanca A. Castillo	R	11	Lost	\$20
<b>TOTAL:</b>				<b>\$130,681</b>

<sup>1</sup> = Incumbent

## VII. Large Luddite PACs

By July 2002, approximately 470 big and small Texas PACs had failed to file electronic disclosures. This study just tracks Luddite PACs that raised at least \$20,000 in this period. These 66 PACs already had raised more than \$4 million by July 2002, or more than the combined total of money raised by all of the Luddite candidates in this report.

### Luddite PACs

(Raising At Least \$20,000)

No. of Filers	Non-E-Disclosed Money Raised Jan '01 - July '02
66	\$4,041,306

Five large Luddite PACs raised more than \$100,000 apiece by July 2002. Four of these top five Luddites were Republican PACs, led by the Texas Republican Party PAC, which raised a whopping \$968,993. Altogether, 15 large Luddite Republican PACs raised a total of almost \$1.7 million, compared with two large Luddite Democratic PACs that raised \$116,548 (led by Congressman Martin' Frost's Lone Star Fund "leadership PAC"). The fifth top Luddite PAC was the Texas Consumer Finance Association, members of which make high-interest "signature loans" to the working poor.

### Luddite Party PACs

Party	No. of Filers	Non-E-Disclosed Money Raised Jan '01 - July '02
Republican	15	\$1,672,738
Democrat	2	\$116,545
	17	\$1,789,283

Other over-represented sectors in the Luddite top 40 include six Construction and five Labor PACs. Leading the Luddite Construction PACs, the Northside Bond Committee raised \$67,400 from construction interests for a 2001 initiative to build \$495 million in school infrastructure projects. The Harris County AFL-CIO led Luddite labor PACs, raising \$92,600 by July 2002.

## Top-40 Luddite PACs

Name	Interest	Non-E-Disclosed Money Raised Jan '01 - July '02
TX Republican Party	Republican	\$968,993
TX Consumer Finance Assn.	Finance	\$139,702
Harris Co. GOP-PAC	Republican	\$137,500
Harris Co. Republican Party	Republican	\$114,066
TX Tea PAC	Republican	\$100,435
Lone Star Fund - TX	Democrat	\$93,000
Harris Co. AFL-CIO	Labor	\$92,600
Travis Co. Republican Party (PC)	Republican	\$86,584
TX Senate Democratic Caucus	Democrat	\$82,360
Fort Bend Republican Women's Club	Republican	\$81,500
Stratus Committee	Real Estate	\$75,000
AFL-CIO State COPE Fund	Labor	\$74,822
Houston Police Officers Union	Labor	\$74,403
TX & Southwestern Cattle Raisers Assn.	Agriculture	\$68,204
Northside Bond Committee	Construction	\$67,400
Texana PAC II	Real Estate	\$67,050
Republican Party of Fort Bend Co.	Republican	\$65,508
Voters United To Preserve Flower Mound	Local government	\$60,681
Dallas Police Officer's PAC	Labor	\$59,873
Hidalgo Co. Republican Party	Republican	\$55,440
Half Associates	Construction	\$52,523
Committee For Proposition 16	Title insurers	\$51,500
TX Legislative Black Caucus	Minority	\$50,250
Bentwood Republican Women	Republican	\$47,806
Houston Dock & Marine Council	Labor	\$47,230
Travis Co. Republican Party (CEC)	Republican	\$46,944
PBS&J PAC	Construction	\$46,000
Rio Grande Valley Sugar Growers	Agriculture	\$44,955
San Antonio Board of Realtors	Realtors	\$40,939
Raba-Kistner	Construction	\$40,000
Williamson Co. Republican Party	Republican	\$39,505
TX Good Roads, Transportation Assn.	Construction	\$38,675
Judicial Roundup PAC (San Antonio)	Lawyers to local judges	\$38,020
United Republicans of Harris Co.	Republican	\$37,627
TX Bipartisan Justice Committee	Business tort interests	\$36,505
Justice For All PAC	Death-penalty advocates	\$36,500
Licensed Beverage Distributors	Alcohol	\$35,250
Democratic Party of Bexar Co.	Democrat	\$34,185
Morris Architects Civic Action Fund	Construction	\$32,650
TX Orthopaedic Assn.	Health	\$31,525

Note: PC = Party Corporation; CEC = County Executive Committee.

## **VIII. Recommendations**

Except for some weak limits in judicial elections, Texas candidates and PACs have no limit on the amount of money that they can raise and spend. Some wealthy individual donors make more than \$1 million in state political contributions in a single election cycle. In this virtually unlimited system, it is imperative that Texas provide state-of-the-art disclosure of campaign finances. Instead, even before the final five months of the campaign—when the political money really begins to fly—Texas candidates and PACs have failed to electronically disclose \$7.8 million in campaign contributions. Texas should close most of the loopholes that made this possible and force all major PACs and candidates to disclose their campaign finances electronically. The only defensible loophole is to exclude modest campaigns and PACs that raise and spend less than \$20,000 a year. Any entity that exceeds these limits should have to file electronically—and face serious penalties for failing to do so.

### **Close the “Luddite loophole”**

Computers are as ubiquitous as they are inexpensive in the 21<sup>st</sup> century. Any candidate or PAC that exceeds the \$20,000 exemption can afford computer access. A 2001 “Sunset Review” of the Texas Ethics Commission (TEC) recommended granting the TEC authority to limit the use of this Luddite loophole. It would be far better for the Texas Legislature to eliminate it altogether.

### **Close the “District Judge Loophole”**

Many district judge candidates run modest political campaigns that will easily qualify for the existing exemption for campaigns that raise or spend less than \$20,000 a year. Other candidates for this office raise more than \$200,000 for their campaigns. The public has the same right to know who foots these political bills as it does for any other politician. The Texas Legislature should act on the 2001 Sunset Review recommendation to close this loophole and a similar one for district attorney candidates.

### **TEC’s “Party-PAC Loophole”**

The plain language of the Texas Election Code indicates that the Texas Legislature never intended for political party organizations to receive special exemptions from electronic-filing requirements. The fact that some of these party PACs accept direct corporate and labor union contributions suggests that these entities should be held to higher disclosure standards—not lower ones. Texas Ethics Commissioners and the Texas Legislature should close this unofficial loophole that apparently has been created in the minds of Texas Ethics Commission staff.

## IX. End Notes

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<sup>1</sup> See the Progressive Policy Institute's *The Metropolitan New Economy Index*, <http://neweconomyindex.org/>

<sup>2</sup> "Event encourages electronic filing," *Daily Texan*, October 2, 2002.

<sup>3</sup> Under Texas law, the \$20,000 exemption does not apply to candidates for statewide office.

<sup>4</sup> See "\$4 Million and Counting," Texans for Public Justice's *Dollar Docket*, October 15, 2002.