



News Release



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“Big Money Rules Texas House”

Study of Campaign Funds Reveals Heavy Reliance on Big, Special-Interest Checks & Out-Of-District Money

Austin: Members of the Texas House of Representatives raised \$14.6 million for their most recent elections. Most of the \$14.6 million came from businesses, PACs and sources outside the districts the legislators represent, a new study by three Texas consumer groups shows. The report's findings will be presented to the House Elections and State Affairs Committee on Campaign Finance Reform at its first scheduled hearing Friday, January 30.

The report, “Mortgaged House,” is the most comprehensive analysis of who funds the Texas Legislature. The report shows that House members in the 1996 election cycle took a staggering 80 percent of their campaign money from sources outside of the districts that they represent. Nearly two-thirds (62 percent) of the total money raised, or \$9 million, was given directly by business interests and PACs. The report was sponsored by Public Citizen's Texas Office, Texans for Public Justice and the U.S. Public Interest Research Group (PIRG).

“The corporate lobby groups pay the piper and call the tune. Average Texans are virtually locked out of the system,” said Craig McDonald, Director of Texans for Public Justice. “Texas’ campaign laws are antiquated, corrupt, and in need of fundamental reform.”

Some Highlights of the Report:

- Big checks are the norm. Contributions of \$100 or more accounted for 95 percent of the money raised; in fact, 37 percent of the total money, or \$5.4 million, came in amounts of \$1,000 or more.
- Constituents are left out. Eighty percent of the total money raised came from outside the members' districts. Only 11 House members raised more than half their money from sources within their legislative district. Four members, John Culberson, Talmadge Heflin, Speaker Pete Laney and Pete Patterson, went out-of-their districts for 99 percent of their money. Houston Rep. Senfronia Thompson raised 100 percent of her money outside of her district.
- Businesses and PACs dominate. Individuals accounted for just 38 percent (\$5.4 million) of the money raised, businesses and PACs accounted for 62%. Just 28 members raised more than half their money from individuals. In fact, 20 members relied on PACs and businesses for more than 80 percent of their campaign war chests.

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- Nine zip codes stand out. Nine zip codes in Austin, Houston and the Dallas Metroplex produced \$6 million in contributions, or 48 percent of the total. Three Austin zip codes coughed up \$4.4 million.
- The most money wins. In all but seven races, the candidate with the most money prevailed.
- Members raise money they don't need. Sixty-one House members faced no primary or general election opponent, yet raised a total of \$3.6 million for their "campaigns."
- Republican Party PACs, tort reform PACs and corporate interests lead the way in giving large contributions to House members.

"Big business, big bucks and big city slickers buy our elections," said Tom "Smitty" Smith, director of Public Citizen's Texas Office. "Unless we elect reformers in November, big bucks and not Bubba will continue to control our state."

The report makes two general recommendations for reforming the current campaign finance system. First, the groups call for the legislature to limit the allowable size of contributions to candidates and PACs. Texas is the largest of only six remaining states with no limits on such contributions. The groups also call for more complete and accessible disclosure of campaign contributions. The report recommends that contribution reports, which are often filed on paper and are frequently inaccurate, be filed in an electronic format and posted on the World Wide Web in a timely manner.

"Right now politicians are accountable to the fat cats who determine who can run for office and who wins elections," said Beth Niederman of U.S. PIRG. "Texas should follow the lead of Austin voters by requiring candidates to raise funds from within their district and limiting contributions to amounts that ordinary citizens can afford."

The report relies on data on file with the Texas Ethics Commission for the period July 1, 1995 through year-end 1996. The report also details the largest contributing businesses, PACs, individuals and political interests. The report appendix breaks down the contributions received by each member of the Texas House.

The report was written by Lynn Tran and Andrew Wheat. Funding for "Mortgaged House" was provided by the Margaret C. Wray Charitable Trust. Copies of the report are available from Texans for Public Justice, 512-472-9770. The report is also available at the TPJ Website: www.onr.com/tpj.

Member-by-member statistics on war chest size, out-of-district contributions, special interest PAC contributions and more are located in the report index, which can be found on the TPJ web site at www.onr.com/tpj and downloaded in PDF.
