

LOBBY WATCH



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The Enron PAC's Last Waltz?

Enron's swan-song PAC report contains forensic clues about its political agenda during its collapse.

Enron's latest PAC report, filed with the Texas Ethics Commission earlier this month, covers the \$105,393 that Enron doled out to political committees and candidates in the latter half of 2001. This period is significant, starting as it does in July, just before Enron CEO Jeffrey Skilling announced his abrupt resignation, which marked the public beginning of Enron's end.

Michigan State Rep. Jim Howell had the dubious honor of getting Enron's last PAC contribution of November 8, 2001. The recipient of this \$300 check heads his state's Civil Law and Judiciary Committee—a policy area of newfound interest to Enron. The day that Enron's PAC sent Rep. Howell its last check Enron also "revised" five years of financial reports to obliterate \$600 million in paper profits. Rep. Howell and other Republican recipients received 56 percent (\$58,678) of Enron's

PAC money for the period; Democrats pocketed the remaining 44 percent (\$46,715).

Federal recipients

Federal candidates and committees received 76 percent (\$80,618) of Enron PAC money in late 2001. The remaining 24 percent (\$24,775) influenced politicians in five states.

PACs were the largest federal recipients of this Enron money, led by four PACs that got \$5,000 apiece. Seven federal candidates received more than \$1,000 from Enron's PAC in late 2001, led by New York Sen. Charles Schumer (see table). Five of the six sitting members of Congress who received the most Enron money in late 2001 sit on House or Senate energy committees (the exception is Louisiana Rep. William Jefferson).

During the recent scandal, many candidates have rushed to return some or all of their Enron money. This report does not track which Enron funds have been returned.

Enron Favored Federal PACs & Candidates In Late 2001

Favorite Democrats

Recipient	Amount
Blue Dog PAC	\$5,000
New Democrat Network	\$5,000
*Ameripac	\$2,500
Sen. Charles Schumer, NY	\$2,090
Rep. Rick Boucher, VA	\$2,000
Rep. William Jefferson, LA	\$2,000

*Affiliated with Rep. Steny Hoyer D-MD

Favorite Republicans

Recipient	Amount
New Republican Majority Fund	\$5,000
*Texas Freedom Fund PAC	\$5,000
†American Success PAC	\$2,500
Sen. Larry E. Craig, ID	\$2,000
Sen. Chuck Hagel, NE	\$2,000
Rep. Greg Walden, OR	\$1,500
Sen. Cand. Eliz. Dole, NC	\$1,028

*Affiliated with Rep. Joe Barton, TX

† Affiliated with Rep. David Dreier, CA

Enron PAC State Contributions, July-Dec. 2001

State	Enron PAC \$	Share of State Money	No. of Recipients
TX	\$17,250	70%	11
MI	\$4,125	17%	11
OH	\$1,550	6%	8
LA	\$1,000	4%	4
IN	\$850	3%	3
Total:	\$24,775	100%	37

State recipients

State candidates and committees received 24 percent (\$24,775) of Enron's late 2001 money, with the PAC investing heaviest in states with large deregulated electricity markets.

Texas State Recipients of Enron's Last PAC Money

Recipient	Party	Amount
Gov. Rick Perry	R	\$5,000
*Texas Oil & Gas PAC		\$5,000
Rep. Kip Averitt	R	\$1,000
Rep. David Counts	D	\$1,000
Sen. Jane Nelson	R	\$1,000
Judge Bruce Oakley	R	\$1,000
† Judge Elizabeth Ray	R	\$1,000
Rep. Steve Wolens	D	\$1,000
Rep. Bob Hunter	R	\$500
Judge Brent Gamble	R	\$250
Judge George Hanks	R	\$250
Judge Jeff Work	R	\$250
Total:		\$17,250

* Gave 86% of its money to GOP in 2000.

† Now Running for Texas Supreme Court.

Texas accounted for 70 percent of this money, followed by Michigan (17 percent) and Ohio (6 percent). Residential electricity deregulation took effect this month in Texas and Michigan; Ohio's deregulation occurred last summer. Notably absent from this list are politicians from California, where Enron became a pariah long before its national fall from grace.

Five of the 11 Texas politicians who got some of Enron's last PAC money are state district court judges in Houston. It remains to be seen if any Enron-collapse litigation will come before these

judges and if they will recuse themselves from any that does (campaign contributions rarely trigger judicial recusals in Texas). A leading recipient of this Enron money is Judge Elizabeth Ray, who currently is a Texas Supreme Court candidate.

Other States' Top Recipients of Enron's Last PAC Money

339	Recipient	P.	Amount
MI	Sen. Mat J. Dunaskiss	R	\$1,000
MI	Rep. Ken Bradstreet	R	\$500
MI	MI House Democ. Fund	D	\$500
OH	Rep. Lynn E. Olman	R	\$500
MI	Sen. Bill Schuette	R	\$500
MI	Rep. Mike Bishop	R	\$300
IN	Rep. Craig R. Fry	D	\$300
MI	Rep. Jim Howell	R	\$300
IN	Sen. James A. Lewis Jr.	D	\$300
MI	Rep. Randy Richardville	R	\$300
OH	Sen. Steve Austria	R	\$250
OH	Rep. Patricia M. Clancy	R	\$250
LA	Rep. Dan Flavin	R	\$250
LA	Rep. Ronnie Johns	R	\$250
IN	Rep. Dan Morrish	D	\$250
LA	Rep. Victor T. Stelly	R	\$250
LA	Sen. Gerald Theunissen	R	\$250

Michigan legislators dominated the rest of Enron's state money, led by Senate Technology & Energy Committee Chair Mat Dunaskiss. Dunaskiss' committee has been handling proposals to expand high-speed Internet access. Another top recipient was Rep. Ken Bradstreet, who is vice chair of Dunaskiss' sister committee in the House. Michigan's other top recipient was Senate Economic Development Committee Chair Bill Schuette. Enron PAC's favorite Ohio politician was Rep. Lynn Olman, who chairs her state's House Public Utilities Committee.

Enron's last PAC donors

Enron's PAC grabbed a final \$11,511 in payroll deductions from 229 employees on November 30, 2001—just two days before the company filed for bankruptcy. This collection was down 19 percent from the \$14,132 that Enron's PAC got from 265 employees on the last day of July. These PAC payroll deductions ranged from \$8 up to \$208.

The smallest contributions came from middle management as well as Assistant Chief Pilot John Stabler, who was in a position to ferry George W. Bush around the country back when he was a frequent flier on Enron corporate jets.

The seven executives who contributed the most to Enron's PAC in late 2001 each tithed \$2,083.

These executives include such major Enron scandal players as Chief Accounting Officer Richard Causey and General Counsel James Derrick, Jr. In fact, five of these high rollers face shareholder lawsuits, in part because they collectively sold \$82.7 million in Enron stock in the three years prior to Enron's meltdown (see table).

Top Enron PAC Donors, July-December 2001

Enron PAC Donor	PAC Amount	Co. Stock Sold 10/98-11/01	Enron Title in 2001	Previous Employer
Richard Causey	\$2,083	\$13.3 million	Chief Accounting Officer	Arthur Anderson Sr. Mgr.
Mike McConnell	\$2,083	\$2.3 million	CEO/Pres. Enron Global Markets	
James Derrick Jr.	\$2,083	\$12.6 million	General Counsel/Exec. VP	Vinson & Elkins Partner
Stanley Horton	\$2,083	\$45.4 million	CEO Enron Global Services	Florida Gas Transmission Co.
Gene Humphrey	\$2,083		CEO Enron Investment Partners	
Mark Koenig	\$2,083	\$9.1 million	Exec. VP Investor Relations	Peter Kiewit construction
Steven Kean	\$2,083		Exec VP/Chief of Staff	
Linda Robertson	\$2,000		Chief Washington Lobbyist	Treasury liaison to Congress