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PAC contributions by Texans' McNair seen as working at cross purposes

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In June, early in the presidential election cycle, Texans owner Bob McNair, one of the richest men in the country, gave \$500,000 to a super PAC allied with hometown hopeful Ted Cruz.

Ten days later, he gave \$500,000 to a super PAC backing Jeb Bush. A month later, he sent an equal amount to a super PAC supporting Mike Huckabee, making him the former Arkansas governor's top donor in the second half of the year. A month after that, he sent another \$500,000 to a super PAC backing Marco Rubio.

Since then, those four independent political action committees have spent millions of dollars on ads tearing down one another's candidates, including more than \$4 million spent against Cruz, McNair's original beneficiary.

Altogether, the Houston philanthropist and football team owner has pumped more than \$6.5 million into the 2016 presidential election, divided among seven Republican candidates, four of whom are still in the race.

Wealthy donors have long hedged their bets in politics. But political analysts say McNair's contributions - some working at cross-purposes - are a symptom of a new era in campaign finance, a casino-like frenzy of influence so flush with cash that players sometimes end up canceling out their own wagers.

As languishing candidates like Bush have found out, this enormous infusion of money from outside groups doesn't always assure votes. Saturation television advertising in Iowa, New Hampshire and now South Carolina demonstrates that there's plenty of attack-ad money to go around and that nobody's immune from the super PAC's sting.

"What you're seeing is the money is having effects, but the effects are canceling each other out," said Kirby Goidel, a fellow in the Public Policy Research Institute and the Department of Communications at Texas A&M University.

\$57 million from Texas

Super PACs of all political stripes have amassed more than \$512 million so far in the 2016 presidential election, according to the latest round of federal election reports. That far outstrips

the \$442 million raised directly by all the presidential campaigns, which are restricted by fixed contribution limits.

A big chunk of that unrestricted money - nearly \$57 million in all, according to a San Antonio Express-News analysis - comes from Texas, long a national ATM in presidential politics.

Most of that money comes courtesy of wealthy businessmen with strong economic and ideological affinities for the candidates they back. Cruz, for example, is backed by an alliance of super PACs under the banner of "Keep the Promise." The most active, Keep the Promise I, is sustained by an \$11 million contribution by Wall Street hedgefund manager Robert Mercer. Another, Keep the Promise II, is backed by a \$10 million stake put up by Puerto Rico-based energy investor Toby Neugebauer, the son of Texas U.S. Rep. Randy Neugebauer of Lubbock.

The largest pro-Cruz super PAC, Keep the Promise III, lives on a \$15 million cash infusion by the families of Dan and Farris Wilks, brothers who became billionaires in the Texas hydraulic fracturing boom. Farris Wilks also works as a pastor in Texas, lining him up with Cruz's heavy focus on Christian conservatives.

Though some of those pro-Cruz PAC funders regularly give money to other conservative politicians and causes, none is as heavily invested in other presidential candidates as McNair, a noted GOP donor.

"That's an unusual thing," said John Samples, director of the Center for Representative Government at the Cato Institute, a conservative, libertarian-leaning think tank in Washington. "Generally speaking, donors tend to be highly ideological and committed to one candidate."

The multiple pro-Cruz funds don't reflect competing ideologies so much as different investment strategies.

"The theory behind it is that each super PAC has a different idea of what the donors want done with their money," said Melissa Yeager, a researcher at the Sunlight Foundation, a group that tracks money in politics. "Some might want attack ads, some might not be comfortable with dirty politics."

While some of the pro-Cruz PACs have spent largely on ads supporting Cruz, Mercer's Keep the Promise I has aggressively attacked Donald Trump, who many Cruz backers see as the Texan's top impediment to the GOP nomination.

A \$2.5 million television ad buy in Iowa and South Carolina recalls the billionaire celebrity's past support for universal health care, dubbed "Trumpcare" in the ad.

But in a GOP nomination race that started with more than a dozen candidates, conservative donors with dollars to spare have felt the tug of competing Republicans.

'Kind of curious'

The Cruz-allied Keep the Promise I, for example, gave \$500,000 last June to a super PAC supporting Carly Fiorina, who dropped out of the race after the New Hampshire primary.

Kellyanne Conway, president of Keep the Promise I, said at the time that Fiorina "had important things to say," including harsh criticism of Hillary Clinton, the possible Democratic nominee.

McNair also gave a half-million dollars to the pro-Fiorina PAC, Carly for America, which largely focused on Clinton. But some of his other donations appear to provide ammunition for what some analysts compare to a circular firing squad of GOP candidates.

One of McNair's benefactors, the pro-Huckabee PAC Pursuing America's Greatness, has spent nearly \$700,000 attacking Cruz, including a TV ad in the waning days of the Iowa caucuses featuring two Bible-studying women questioning the senator's commitment to fighting gay marriage.

Huckabee dropped out after a poor showing in Iowa. But Conservative Solutions, a pro-Rubio PAC that got \$500,000 from McNair, has spent almost \$4 million targeting Cruz, a reflection of the ongoing rivalry between the two conservative sons of Cuban immigrants.

Among Conservative Solutions' ads are a pair of hard-hitting TV commercials in the early primary states portraying Cruz as a flip-flopper on issues like immigration and calling attention to his Canadian birth.

McNair has also been on the other side of the super PAC wars, having given \$500,000 to a Keep the Promise PAC that has spent more than \$1 million promoting Cruz. It is also part of a constellation of Keep the Promise PACs that has run attack ads focusing on Rubio and his support of a failed immigration reform bill.

McNair has made additional \$500,000 contributions in the past year to PACs supporting GOP presidential hopefuls Lindsey Graham and Scott Walker, both of whom have since dropped out.

"It's kind of curious," Yeager said of the McNair money. "When you're fueling all of them to attack each other, it's intriguing."

McNair, though a spokeswoman, declined to discuss his strategy for political contributions. He drew unwanted publicity last October when he rescinded a \$10,000 donation to a group opposing Houston's failed equal rights ordinance, saying the group had made "unauthorized statements" about his position.

Can't buy victory

Veteran political analysts note that savvy business interests have long backed different candidates and opposing parties, though not usually in the same primary election. Another difference is the vast sum of money in play in the era of unlimited super PAC spending - launched by the 2010 U.S. Supreme Court ruling in the Citizens United case.

Critics on the left often lament the outsize impact of high-roller contributions like McNair's. Indeed, all but a small fraction of the super PAC money in the current election cycle has gone to support conservative candidates and their causes.

But some say the fears have been exaggerated, particularly in a GOP nomination battle where the flow of money has become so vast and fragmented. Bush, with the biggest super PAC of them all, has become the poster child for those who say that much of the avalanche of cash has missed the mark.

Despite more than \$70 million in spending by Right to Rise, a pro-Bush super PAC that got \$500,000 from McNair, Bush remains back in the pack, finishing a poor sixth in Iowa and fourth in New Hampshire.

"It's an old story in campaign finance," Samples said. "Spending on elections doesn't necessarily translate into victory, or even success."

Others suspect the growing role of billionaire donors could merely be prolonging the process, handing weak candidates an outside reserve of cash they wouldn't have had before the age of super PACs.

Whatever the impact, the purpose remains the same.

"Even if the money isn't going to the candidates directly, they know very well who's giving it," said Norman Ornstein, a long-time observer of Congress and politics at the American Enterprise Institute. "They know when these people want something, and want access, they're damn right going to get that access. McNair gives to a bunch of these candidates for the obvious reason."