

LOBBY WATCH



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Rep. Allen's Penal Envy:

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The 'Big House' Hits the Statehouse

"What we've got here is failure to communicate."

--Chain-gang warden in *Cool Hand Luke*.

Rep. Ray Allen likes to mix state business with his private business.

The *Houston Chronicle* reported in 1995 that the enterprising lawmaker started Grand Prairie's Academy for Firearms Training around the time that he chaired two legislative panels that discharged bills to let Texans carry concealed handguns—if they receive handgun-safety training first.

Now the *Chronicle* and *Texas Observer* report that Allen, who chairs the House Corrections Committee, is riding herd on legislation to privatize more state prison beds—even as he moonlights as a hired gun for a trade group that represents two companies that run many Texas prisons.

Prison labor

With his legislative chief of staff, Scott Gilmore, Allen operates Service House, Inc. The sole lobby client that

this firm services is the National Correctional Industries Association (NCIA), a trade group promoting prison-labor programs. Its members include the private prison companies Wackenhut and the Corrections Corp. of America.

These same prison companies would appear to benefit from bills that Allen authored to expand prison privatization in Texas and to ease regulation of this industry. Allen's HB 1669, which would repeal a legal cap on the number of state prison beds that can be contracted out to private contractors.

To comply with state ethics laws, Gilmore told the *Observer* that Service House just lobbies Congress and officials in other states. Yet Allen's privatization bill—which he failed to pass out of his own committee—apparently needs a lot of local lobby muscle. Three out-of-state prison firms are paying 16 lobbyists up to \$530,000 this year to lobby the state of Texas.

Texas Lock-Up Lobby

Prison Company	Max. Value of Contracts	Min. Value of Contracts	No. of Contracts
*Corrections Corp. of America (CCA) of TN	\$260,000	\$125,000	6
*Wackenhut Corrections Corp. (WCC) of FL	\$210,000	\$100,000	7
Correctional Services Corp. (CSC) of FL	\$60,000	\$20,000	3
TOTAL:	\$530,000	\$245,000	16

Working on the Prison Lobby Chain Gang

Lobbyist	Client	Max. Value of Contract	Min. Value of Contract
Demetrius McDaniel	CCA	\$100,000	\$50,000
Lara Laneri Keel	CCA	\$50,000	\$25,000
Bill Messer	CCA	\$50,000	\$25,000
Ellen Williams	CCA	\$50,000	\$25,000
Helen Gonzalez	CCA	\$10,000	\$0
Laurie Shanblum	CCA	\$0	\$0
Andrea McWilliams	CSC	\$25,000	\$10,000
Dean R. McWilliams	CSC	\$25,000	\$10,000
Jim Terrell	CSC	\$10,000	\$0
W. James Jonas III	WCC	\$150,000	\$100,000
Allen Penn Beinke	WCC	\$10,000	\$0
Robert H. Finney	WCC	\$10,000	\$0
Lisa Mayes	WCC	\$10,000	\$0
Noe Rangel	WCC	\$10,000	\$0
Jonathan Snare	WCC	\$10,000	\$0
Murray Van Eman	WCC	\$10,000	\$0
TOTALS:		\$530,000	\$245,000

Hoosgow who's who

The hired guns working Texas' prison lobby include heavy hitters, led by W. James Jonas. Jonas' Loeffler Jonas & Tuggey, which hired two state lawmakers who have been accused of illegally lobbying the Texas Health Department to weaken regulations of dangerous ephedrine diet products (see "Unsafe On Any Speed," *Lobby Watch* October 21, 2002). The \$3,000 Rep. Allen received from this firm made it his No. 3 campaign donor in the 2002 election cycle.

Other notable prison lobbyists include:

- Bill Messer, who was enlisted in Speaker Tom Craddick's transition team;
- "Pioneers" Andrea and Dean McWilliams, who raised \$100,000 for George W. Bush's presidential campaign; and
- Lara Laneri Keel, who married a cousin of House Criminal Jurisprudence Committee Chair Terry Keel.

Significantly, Rep. Keel is leery of expanding prison privatization. In February, the *Austin American-Statesman* quoted him calling it "a dismal failure here." When Rep. Allen failed to pass his own privatization bill out of his own committee on its merits, the legislation resurfaced in the Republican leadership's massive government reorganization bill (HB 2). That bill awaits a full House vote if and when that divided chamber can muster a quorum.

In the 2002 election cycle current Texas officials received \$42,500 from the founder and a director of Nashville-based Corrections Corp. of America (CCA), which is a member of the trade group that employs Rep. Allen. Donor Thomas Beasley is CCA's founder and a former chair of the Tennessee Republican Party. Donor Henri Wedell sits on CCA's board and owns more than \$10 million in company stock. Apart from the Republican leadership, most of these CCA donors' favorite Texas politicians chair strategic committees. •

Top Recipients of CCA Contributions

Recipient	Amount	Notable Committees
Gov. Rick Perry	\$10,000	
Speaker Tom Craddick	\$5,000	
Lt. Gov. David Dewhurst	\$5,000	
A.G. Greg Abbott	\$2,500	
Rep. Ray Allen	\$1,500	Corrections (Chair)
Rep. Talmadge Heflin	\$1,500	Appropriations (Chair)
Rep. Mike Krusee	\$1,500	
Sen. Steve Ogden	\$1,500	Criminal Justice
Sen. John Whitmire	\$1,500	Criminal Justice (Chair)