

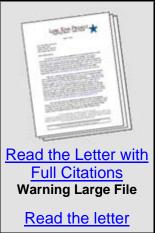
(202) 547-7610 - Fax (202) 547- 8258 April 9, 2008 Contact: Matt Angle On the web at <u>LoneStarProject.net</u>

Lone Star Project to Kim Brimer: Come Clean on Rent-To-Own Scheme

Fort Worth Star-Telegram reports on LSP letter and unethical "<u>Brimer Loophole</u>"

Monday, April 7, 2008, the Lone Star Project sent a <u>detailed letter</u> to State Senator Kim Brimer documenting his use of campaign funds to make improper "rent" payments on an Austin luxury condominium and his pocketing the profit from the sale of the condo. Records show that Brimer realized a financial gain of more than \$350,000. The Lone Star Project has called on Brimer to surrender his financial gain by contributing to an organization that assists families in need find safe and affordable housing.

When contacted by the Fort Worth Star-Telegram, Brimer ducked the serious charges detailed by the Lone Star Project and instead lashed out with false and unsubstantiated claims. The Star-Telegram reported, "The Brimer campaign did not address the contents of the letter but, through spokesman Jarod Cox, accused Angle [Lone Star Project Director] of



working as a consultant for the senator's opponent, Democrat Wendy Davis, and of improperly using his federal political action committee on her behalf." (*Source: FW Star-Telegram, April 8, 2008*) After a follow up by Star-Telegram reporter Jay Root, the Brimer campaign conceded they, "had no proof that Angle worked for Davis." (*Source: FW Star-Telegram, April 8, 2008*)

The Lone Star Project is waiting for a substantive response from Brimer. Ask for your own response from Brimer by emailing him at <u>kim.brimer@senate.state.tx.us</u> You can read the full Fort Worth Star-Telegram coverage below.



Democrats urge Fort Worth senator to forfeit \$357,000 By JAY ROOT Star-Telegram Staff Writer

AUSTIN -- Democrats are calling on state Sen. Kim Brimer, R-Fort Worth, to relinquish more than \$300,000 from his campaign account after the sale of a luxury condo he once rented in Austin -- with donated political money -- from his wife.

For years, Brimer used a legal loophole to rent the property from his wife, Janna.

Because it was considered her separate property, the senator said the arrangement did not run afoul of laws that bar lawmakers from using campaign funds to buy real estate or second homes in Austin.

But in 2007, the Legislature closed the loophole, which others had used, including Sen. Jane Nelson, R-Lewisville, and Rep. Vicki Truitt, R-Keller, who filed the bill. Brimer sold his condo for an undisclosed sum in 2007.

Now a Democratic activist group says the longtime senator didn't take enough steps to separate himself from the property and should not enjoy the profits from it.

"We respectfully call on you to surrender from you considerable wealth funds in the amount of at least \$357,000," said Matt Angle, head of the Lone Star Project, a Democratic-aligned group devoted to challenging Republican politicians in Texas.

The group says it calculated the amount using appraisal figures and campaign records. Angle suggested that Brimer give the money to charity.

The Brimer campaign did not address the contents of the letter but, through spokesman Jarod Cox, accused Angle of working as a consultant for the senator's opponent, Democrat Wendy Davis, and of improperly using his federal political action committee on her behalf.

Angle said he doesn't work for Davis and hasn't coordinated his activities with her campaign. Cox later said he had no proof that Angle worked for Davis.

The so-called rent-to-own issue dates to the early 1990s, when the Legislature banned lawmakers from buying real estate with campaign funds after it was disclosed that Sen. John

Montford, D-Lubbock, was making payments to buy a house with money donated by lobbyists and wealthy contributors.

Brimer, then a House member, found a loophole in 1996: "separate" spousal property.

Others followed his lead, and soon legislators were using the loophole to justify spousal rent payments. After the Star-Telegram and other news outlets exposed the practice, the Legislature wiped out the loophole -- but didn't entirely end the issue.

Former Rep. Toby Goodman, R-Arlington, was recently fined \$10,000 by the Texas Ethics Commission for allegedly violating the law as it existed before the loophole was closed.

Criticism over the campaign-paid housing issue was considered a major factor in his 2006 defeat.

Goodman has said he's done nothing wrong and plans to appeal the fine, which represents a civil violation and carries no criminal penalty.

In his letter to Brimer, Angle cited the Goodman case, which centered in part on the degree to which a spouse's property had to be separated from the lawmaker to qualify for the loophole.

Like Goodman, Brimer helped secure the loan for the property he later rented from his spouse, documents show.

Although the loophole has been closed, the Ethics Commission can take action on past behavior, officials said.

Jay Root reports from the Star-Telegram's Austin bureau. 512-476-4294 jroot@star-telegram.com

The Lone Star Project is an activity of the Lone Star Fund.

Contributions or gifts to the Lone Star Fund are not tax deductible. All contributions are subject to the prohibitions and limitations of the Federal Election Campaign Act. Federal Law requires us to use best efforts to collect and report the name, mailing address, occupation and name of employer of individuals whose contributions exceed \$200 in a calendar year.

Paid for by The Lone Star Fund, 6 E St, SE, Washington, DC 20003. Not authorized by any candidate or candidate's committee.

Paid Political Advertisement by the Lone Star Project

Lone Star Fund 6 E Street, SE Washington, DC 20003