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Ads Will Seek to Turn DeLay's Powerful Network Into His Downfall

By [GLEN JUSTICE](#)

WASHINGTON, March 29 - For more than a decade, Representative Tom DeLay, the House majority leader, has devoted himself to cultivating Republican allies along Washington's K Street lobbying corridor.

By promoting Republicans for top jobs and recruiting partners to push legislation and raise money, Mr. DeLay has built an unusually powerful network. That network has helped him increase the Republican majority in Congress, pass business-friendly legislation and collect more than \$25 million since 1994, according to PoliticalMoneyLine, which tracks campaign finance.

But a series of criminal investigations, court cases and ethical inquiries have turned what was once a potent collection of allies into potential liabilities. A half-dozen people connected to Mr. DeLay have come under official scrutiny. Others, like a group of Mr. DeLay's friends and advisers at Alexander Strategy Group, have drawn attention after a client financed an expensive South Korea trip, including Mr. DeLay, that has raised ethical questions.

The problems of Mr. DeLay's associates have renewed criticism about his aggressive networking and fund-raising, criticism that Mr. DeLay has long dismissed as partisan attacks.

"Tom tends to push things to the very outer limit," said Representative Christopher Shays, a Connecticut Republican who has often opposed Mr. DeLay. "When you push things to the outer limit, you give your detractors the opportunity to criticize you and make charges against you."

Two left-leaning groups intend to do just that in tough advertising campaigns that attack the majority leader and highlight the scandals involving his former aides and advisers.

The Campaign for America's Future, which is calling for Mr. DeLay's resignation, is spending about \$75,000 to run commercials in the majority leader's home district in Texas. The advertisement opens with a man wearing cuff links and a Rolex watch walking down the stairs into a basement, where he begins washing his hands. An announcer ticks off cases surrounding Mr. DeLay as the figure tries harder

and harder to get clean.

"Tom DeLay can't wash his hands of corruption by involving Congress in one family's personal tragedy," an announcer says, referring to Mr. DeLay's involvement in the Terri Schiavo case. "But Congress can certainly wash its hands of Tom DeLay."

The Public Campaign Action Fund is spending \$25,000 to pressure Republican lawmakers to denounce Mr. DeLay. Those drawing attention include Representative Doc Hastings of Washington, the chairman of the House ethics committee, and Representative Thomas M. Reynolds of New York, who heads fund-raising for House Republicans.

The commercial involving Mr. Hastings exhorts him to "do your job and clean up Congress without delay."

Ellen Miller, deputy director at the Campaign for America's Future, said the group was focused on ethical issues throughout Congress.

"As with fish, rot starts at the head," Ms. Miller said. "The litany of complaints concerning ethical lapses by Tom DeLay have reached a point where somebody has to stand up and say, 'Wait a minute.' "

Officials in Mr. DeLay's office were quick to depict the commercials as partisan attacks, noting that the Campaign for America's Future has in the past received money from George Soros, the philanthropist and financier who gave millions of dollars to support Democrats in last November's elections. Records show Mr. Soros gave \$300,000 to a committee run by the organization last year.

"This is one more front group for Nancy Pelosi and Democratic heavy hitters like George Soros," said Dan Allen, a spokesman for Mr. DeLay. "They are attacking the House Republicans in an attempt to bring the House down."

During Mr. DeLay's 20 years in Congress, his office has become a breeding ground for high-powered K Street consultants. Many top aides have graduated from his staff to set up shop on K Street, where a close relationship with a powerful lawmaker can draw a top post or lucrative clients. Former DeLay aides have represented major companies, including Citigroup, Fidelity Investments and Federal Express.

The lobbyists, in turn, have helped Mr. DeLay raise millions of dollars to increase the Republican majority in the House and push the party's agenda. One lobbyist organized a \$150,000 fund-raiser at a golf retreat just weeks after leaving Mr. DeLay's office. Another helped run a group intended to raise millions of dollars in unlimited contributions to get around restrictive new campaign finance laws.

"It is the hallmark of a very savvy member of Congress to see the departure of staff as an asset and not a detriment," said Jade West, a Republican lobbyist with the National Association of Wholesaler-Distributors. "They are building contacts and networks to the good of both sides. Tom has done that as

well as anyone."

Part of Mr. DeLay's network was the Alexander Strategy Group, a lobbying firm on the Potomac River waterfront in Georgetown. The firm was founded by Edwin A. Buckham, Mr. DeLay's former chief of staff. Several former aides have signed on in recent years, including Tony C. Rudy, who served Mr. DeLay in several capacities, and Karl Gallant, who headed his political action committee.

The firm has had a long list of top-shelf clients, including BellSouth, Eli Lilly, Microsoft, Koch Industries and MGM Mirage, and Mr. Buckham and his colleagues are among Mr. DeLay's inner circle of advisers. In fact, Mr. DeLay's political action committee paid the firm more than \$300,000 for fund-raising and consulting services from 2000 to 2003, according to the Center for Public Integrity.

Alexander Strategy clients over the years have benefited from favorable legislation passed by Congress. And some clients have had direct access to Mr. DeLay to hear their concerns. Among them was the Korea-U.S. Exchange Council, which was created to promote Seung Youn Kim, chairman of the Hanwha Group, a South Korean conglomerate. Universal Bearing, an Indiana company owned by Hanwha, has paid Alexander Strategy \$600,000 since 2001, lobbying records show.

When Mr. DeLay, his wife and other lawmakers took a four-day trip to South Korea in 2001, the Korea-U.S. Exchange Council picked up the \$28,000 bill, travel records show. The trip came under scrutiny by the news media in recent weeks because the Exchange Council was registered with the Department of Justice as a "foreign agent," meaning it represents organizations outside the country. House rules do not allow such foreign agents to finance Congressional travel. Mr. DeLay has said he was unaware of the foreign agent designation.

Mr. Buckham and others at Alexander Strategy did not return calls.

Among the cases involving other DeLay associates is one in which three former aides were indicted by a grand jury in Texas last year on charges of illegal fund-raising. The Texas prosecutor, a Democrat, has refused to rule out criminal charges against Mr. DeLay. An indictment would require him to step down as majority leader.

Another former DeLay staff member, Michael S. Scanlon, is under investigation alongside a lobbyist, Jack Abramoff, in a case involving lobbying activities for Indian tribes. Several government agencies are involved in the inquiry, and Congress is also investigating.

In another case, Mr. DeLay was admonished by the House ethics committee last year for a fund-raiser that a former aide helped to organize.

Drew Maloney stepped down as Mr. DeLay's former legislative director in March 2002 and is now a lobbyist with the Federalist Group, where he has represented energy clients, records show.

Just one month after leaving Mr. DeLay's office, Mr. Maloney was working with the lawmaker's daughter, Dani DeLay Ferro, to organize a small two-day fund-raiser for energy companies at the Homestead, a golf resort in Hot Springs, Va., according to Congressional documents.

The event, which included meals and a round of golf with Mr. DeLay and his staff, was held as energy legislation was headed into a conference committee, where lawmakers in the House and Senate would work out a final bill. The event raised about \$152,500 for committees connected to Mr. DeLay, according to Congressional documents.

The House ethics committee called Mr. DeLay's actions "objectionable."

"At a minimum, they created an appearance that donors were being provided special access to you regarding the then-pending energy legislation," committee leaders said in a letter to Mr. DeLay last year.

Mr. DeLay's allies are undaunted by the investigations and other cases, echoing his argument that they are politically motivated.

"The reason they are firing the big bullets at Tom DeLay is that it is vital to the political opposition to take him out," said Bill Paxon, a former New York representative who now works as a lobbyist. "That's what the current furor is about."

Democrats say that Mr. DeLay's aggressive style over the years has come back to haunt him and that the sheer number of cases involving his former advisers might lead to his downfall.

"You can't complain of partisanship when you are one of Congress's leading partisans," said John Jonas, a Democratic lobbyist. "This is somebody who has contributed to the sharp and bitter partisan environment in Washington. There's not much credibility in his claim."