

March 17, 2004



The Wednesday Meeting

HAND-OUT PACKET

This contains everything that was handed out during the most recent Wednesday meeting. It is provided as a courtesy to everyone on the invitation list.

What is the Wednesday Meeting?

The Wednesday meeting is an opportunity for individuals of the “center-right” movement in Texas to gather for off-the-record discussions about upcoming issues, important announcements and general news-of-the-day.

While a discussion topic will be presented, the meetings are informally structured and everyone is encouraged to participate – whether on the day’s topic, or by bringing up an issue of importance to them. Everyone should endeavor to be as brief as possible, to allow others the opportunity to present their ideas.

Handouts are not only welcomed, but encouraged; bring your press releases, commentaries and position papers!

Neither a debate society nor a political rally, the Wednesday meeting is simply designed to allow the free-flow of ideas and information in a friendly environment.

Everyone who attends must abide by the **Ground Rules**:

1. Everything said is 100% off the record. If anyone wants to repeat anything to someone outside the room, they need to get permission from the person who said it.
2. No one is endorsing anything anyone says, sometimes even the person posing the question or comment -- return to Rule 1.
3. Discussion is the theme -- questions, comments and ideas are encouraged, see Rule 1.
4. We may not always agree, but we’re still friends!

If someone isn't coming or on the invitation list who should be, please contact Michael Sullivan

KEY FINDINGS

School Outcomes and School Costs: The Cost Function Approach and Adjusting for Geographic Variations in Teacher Compensation: Updating the Texas Cost-of-Education Index

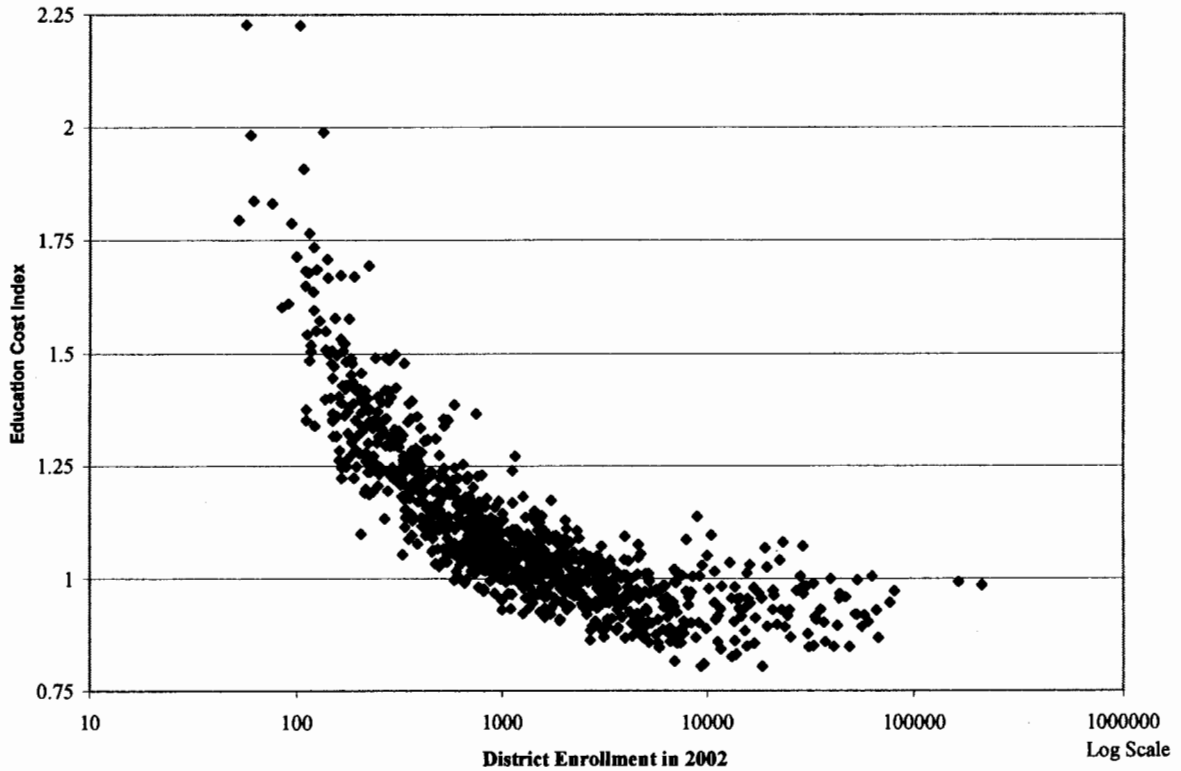
An educational cost function is an advanced statistical approach that uses data on school district expenditures and outcomes to estimate the costs of achieving a desired set of results, taking account of uncontrollable cost variations due to the characteristics of communities, school districts, and students. This type of analysis can be used to predict the average cost of achieving certain outcomes in a school district of average characteristics serving a student population of average characteristics. It can also be used to estimate the degree to which the cost of providing public educational services varies according to differences in school district size and student need. Most states lack the rich data on the financing and performance of their public schools required to conduct this sort of analysis, however.

A cost function analysis is feasible for Texas because of the state's unusually rich educational data system. This approach may also be more appropriate than the alternatives because of the unusual diversity in the characteristics of Texas school districts. Simpler approaches based on stereotypical schools or districts may be appropriate for states with less variation among districts. Texas school districts serve a wide range of populations in an unusual variety of circumstances, however, which suggests that analyses of the costs of education in Texas should estimate with the greatest available precision the uncontrollable costs associated with geographic price variations, economies of scale and variations in student need. A cost function analysis is designed to capture these cost variations. Furthermore, Texas has been at the forefront of the transition from "process" or input-based evaluation to "outcome" or performance-based evaluation of schools. Unlike "adequacy studies" conducted in other states, a cost function analysis can be used to examine the relative efficiency of school districts, which researchers and policymakers can in turn use as the basis for a study of cost-effective school district "best practices." Thus, it is fitting that Texas is the first state to commission a cost function analysis to inform its policy deliberations about how to align its school finance system with the state's educational goals. Key findings are outlined below.

1. There appears to be a fundamental economic relationship among input prices, educational outcomes, and cost in Texas public schools. Other things being equal, the analyses suggest that it costs more to produce higher levels of educational outcomes. Nevertheless, the average minimum funding level per pupil of meeting state performance standards is estimated to be between \$6,172 and \$6,271 (in 2004 dollars), which is slightly lower than the current average budgeted expenditure level of \$6,503. Depending on assumptions concerning natural improvements as students and teachers adjust to new tests, changes in required passing scores on state tests, expectations with regard to the efficiency of school district operations, and inflation, however, the analyses suggest that some Texas school districts will require additional annual funding of between \$226M and \$408M (in 2004 dollars). These estimates are based on analyses that consider all federal, state, and local dollars for district operations—excepting revenue for debt service, transportation, and food—and are based on the best available data regarding requirements for compliance with *No Child Left Behind* and the state accountability system. They also assume that school districts receiving additional funding would operate with at least average levels of efficiency.

2. As in other studies of the effects of scale on educational costs, the analyses indicate that the cost of educational services in Texas is strongly influenced by school district size and geographic isolation. In particular, costs increase substantially for districts serving less than 500 students. The relative effects of scale on district costs is illustrated in Figure 1.

Figure 1: Education Cost Index from Cost Function Analysis Versus Scale



As Figure 1 illustrates, on a per student basis the estimated cost of operating a district with 75 students is nearly twice the cost of operating a district with 7,500 students. Most economies of scale are realized at approximately 25,000 students. The analyses did not find evidence of diseconomies of scale for large urban districts, however.

3. Just as other industries experience variations in the costs of hiring comparable employees in different labor markets across Texas, there are substantial regional variations in the costs of public education, particularly with regard to the costs of hiring “highly qualified” teachers. According to the most conservative estimate, a Texas school district in the highest-cost urban area would be expected to have to pay approximately 29 percent more than school districts in the lowest cost rural area to hire a classroom teacher with comparable qualifications. This estimate is derived from analyses of a three-year average of data on school districts, communities, and teachers, including data on teacher salary and benefits, certification status, and time spent teaching in-field.

4. There are significant cost differentials associated with student need. Relatively high concentrations of students who are economically disadvantaged, have limited proficiency in English, are in special education programs, or are enrolled in high school can substantially increase school district costs. For example, a district that educates *more* students who are eligible for free lunch than the state average of 39.5 percent would be projected to need to spend more to achieve comparable outcomes, other things being equal. Conversely, a district that educates *fewer* students eligible for free lunch than the average would be projected to require less funding.

5. On average, unexplained variations in school district expenditures due to the production of unmeasured outcomes or inefficiency are moderate. The average level of inefficiency in school districts is estimated to be 7 percent. There is a substantial range among estimates of district inefficiency, however, from less than 2 percent in some districts to as much as 28 percent. This finding suggests that some Texas school districts are remarkably efficient in transforming resources into measured educational outcomes that reflect the core educational goals of the state; other districts appear to be substantially less efficient. It is important to note, however, that this type of analysis cannot distinguish between school districts that appear inefficient simply because of poor management and districts that appear relatively inefficient because they are focused on producing different kinds of outcomes. For example, the analysis cannot distinguish between excessive spending on administration and relatively high spending on music, athletics, or mathematics programs. This issue suggests that Texas policymakers should take up the question of how much local school districts should be allowed to choose the outcomes they aspire to produce, along with issues concerning state sanctions or incentives to promote cost-effective operation.

These findings are instructive for the construction of new Texas school finance formulas that contain appropriate adjustments for scale, regional price variations, and student need. It is important to note, however, that the analyses described above are focused on the issues of appropriate "foundation" or base levels of funding and cost adjustments for school district operations. The analyses do not directly address issues concerning facilities funding or "enrichment" levels of funding for supplemental programs beyond those that districts are able to provide within the 7 percent range of average unexplained school district expenditures. The facilities issue will be addressed in analyses to be released later. The enrichment issue, which speaks to the core issue of which educational outcomes are included in the constitutional standard of a General Diffusion of Knowledge, is properly left to the Legislature.

Educational Excellence Plan

LOCAL TAXPAYER CONTROL & PROTECTION INITIATIVES REAL AND MEANINGFUL PROPERTY TAX RELIEF FOR TEXANS

Governor Perry's Plan:

- Protects Texans from uncontrolled and ever-rising property taxes by placing a **3 percent hard-cap** on annual appraised value increases for residential homesteads.
- Gives Texans **control** over their local government property taxes by restraining the annual growth in property tax revenue of local governments.
- Lets Texans **authorize** more property tax revenue for local governments if **they choose** to do so by a majority vote.
- Assures cities and counties do not receive new unfunded mandates from state government.



Educational Excellence Plan

TAXPAYER APPRAISAL RELIEF

- What is it?** Places a 3 percent hard-cap on annual appraised value increases for residential homesteads. This cap shields individual homeowners from skyrocketing and arbitrary increases in the appraisal value of their property.
- Why is it needed?** In previous tax reductions, appraisal values increased and ultimately helped to fill the void. The current cap of 10 percent allows for too much creep in the appraisal rate leaving taxpayers with much higher property tax bills.
- How does it work?** Property appraisals would be limited to an increase of no more than 3 percent each year. The appraisal cap would be lifted when property is sold, and the value of the property would return to full market value for the new owner. New property on the tax rolls for the first time would not be subject to the cap until the following year.



Educational Excellence Plan

LOCAL GOVERNMENT REVENUE RESTRAINT

What is it?

The revenue cap works in close conjunction with the appraisal caps. It sets a cap on local government property tax revenue for all local government entities and allows for an inflation and population growth factor. Any increase in property tax revenues beyond inflation or population growth would require local voter approval. Local governments would be protected against unfunded state mandates.

About half of the states have some form of limitation on the growth of property tax revenue local governments can levy each year without voter approval. The most common types of limits are a fixed percentage above the prior year (Washington at 1 percent; Massachusetts at 2.5 percent; Idaho at 3 percent; Nevada at 6 percent; Mississippi at 10 percent) or a maximum growth rate tied to the consumer price index plus the growth in new construction (Colorado, Michigan, Montana, South Dakota.) Exceptions are generally allowed for debt service and other special purposes.

Why is it needed?

Any plan to reduce school property tax rates must include protections so that local governments do not use the school tax reductions as an opportunity to increase other property tax rates and “fill the void” without voter approval.

Additionally, during the recent real estate boom, local governments clearly relied on appraised value increases to increase property taxes well in excess of the growth in population and inflation. Since 1999, total statewide property tax levies have increased an average of 10.4 percent per year. During this time, school taxes increased an average of 11 percent annually, and city and county taxes increased an average of 8.8 percent and 8.9 percent, respectively. The average annual growth in inflation plus population during this period was 4.5 percent.

How does it work?

Under this plan, similar to the revenue limit in Colorado, local governments, with the exception of school districts, would be allowed to increase the previous year’s maintenance and operations property tax revenues by the consumer price index inflation rate plus a growth factor for new construction. School districts would have a similar revenue cap and would be allowed to increase revenues by inflation plus student growth, measured by average daily attendance. Property taxes for existing debt service would be exempt from the revenue cap. Revenue increases above this cap must be approved by a simple majority of voters on uniform election dates.

With the new cap, if maintenance and operations property tax revenues are projected to increase more than the revenue limit because of an increase in property values, tax rates must automatically decrease to stay within the limit. Petitions and elections to roll back tax rates would no longer be required. As a result, local governments will no longer be able to increase property taxes in lockstep with appraisal increases.

Educational Excellence Plan

SALES PRICE DISCLOSURE

What is it? Requires sales price data for all real property be disclosed at the time of sale closing. Disclosure would be on a new form that is sent to the appraisal district and to the state.

Texas is one of a few states that does not have any form of mandatory sales price disclosure. According to the International Association of Assessing Officers, 35 states have mandatory sales price disclosure.

Why is it needed? The fairness and integrity of the property tax system relies on fair market value data. Sales data will improve the accuracy of residential and commercial appraisals.

Some appraisal districts already have access to sales data through realtor databases such as MLS while others do not, causing appraisal inequities between counties. Sales prices are also essential for testing the accuracy of appraisals for the purpose of allocating school funds.

How does it work? Under this plan, actual sales price data would be disclosed on a new form at the time of closing and sent to the appraisal district and the state comptroller. The data could only be used in a protest hearing and for the comptroller's annual property value study.



Educational Excellence Plan

APPRAISAL BOARD ACCOUNTABILITY

- What is it?** Establishes a five-member appraisal board consisting of:
1. The county judge
 2. The mayor of the largest city in the county
 3. The mayor of another city selected by all other cities
 4. The president of the largest school board and
 5. The county tax assessor-collector
- How does it work?** In addition to administrative duties, the board would be required to approve and sign the final certified appraisal roll for the county.
- Why is it needed?** Places accountability with local elected officials for appraisal district decisions that affect the property tax base. It means those responsible for spending property taxes also are accountable for how the money is raised.



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Educational ineptitude

Walter E. Williams ([back to web version](#)) |  [Send](#)

March 10, 2004

What passes for educational enlightenment these days boggles the mind. Matt Gouras, of The Associated Press, writing in the Jan. 5 Seattle Times tells a story about Tennessee schools. The success of some students has made other students feel badly about themselves.

What're the schools' responses? Public schools in Nashville have stopped posting honor rolls. Some are considering a ban on posting exemplary schoolwork on bulletin boards. Others have canceled academic pep rallies, while others might eliminate spelling bees. Nashville's Julia Green Elementary School principal, Steven Baum, agrees, thinking that spelling bees and publicly graded events are leftovers from the days of ranking and sorting students. He says: "I discourage competitive games at school. They just don't fit my worldview of what a school should be."

This is a vision all too common among today's educationists, but there's a good reason for it: too large a percentage of teachers represent the very bottom of the academic achievement barrel and as such fall easy prey to mindless and destructive fads.

Retired Indiana University (of Pennsylvania) physics professor Donald E. Simanek has [assembled considerable data](#) on just who becomes a teacher. Freshman college students who choose education as a major "are on the average, one of the academically weakest groups. Those choosing non-teaching physics and math are one of the academically strongest groups. Some of the more capable who initially chose teaching will find the teacher-preparation curriculum to be boring and intellectually empty, and shift to curricula that are academically more challenging and rewarding." Simanek adds: "On tests such as the Wessman Personnel Classification Test of verbal analogy and elementary arithmetical computations, the teachers scored, on average, only slightly better than clerical workers. A rather low score was enough to pass. Yet half the teachers failed."

There are other causes for the sorry state of today's primary and secondary education. There's been the politicizing of education. Teachers have recruited students to write letters to the president protesting the war and participate in demonstrations against school budget cuts. Very often, good teachers and principal are faced with the impossible task of having to deal with administrators and school boards who are intellectual inferiors and motivated by political considerations rather than what's best for children.

One of the very best things that can be done for education is to eliminate schools of education. There's little in the curriculum that contributes directly to the development of the mind. Simanek says that "most teachers have learned 'methods and skills' of teaching, but don't have a solid understanding of the subject they teach. So they end up 'teaching' trivia, misinformation and intellectual garbage, but doing it with 'professional' polish. Most do not display love of learning, nor the ability to do intense intellectual activity of any kind. Lacking these qualities, they cannot possibly inspire and nourish these qualities in their students."

According to a recent study by the North Central Regional Education Laboratory titled, "Effective Teacher Recruitment and Retention Strategies in the Midwest," 75 percent to 100 percent of the teachers that leave the profession are ranked as either "effective" or "very effective."

To improve teaching, we must attract people of higher intellectual ability and we must make teacher salaries related to ability and effectiveness. We must ensure that teachers have more academic freedom, better working conditions and a suitable environment for teaching. An important component of that environment is the capacity to remove students who are alien and hostile to the education process. Finally, we should consider curriculum changes that eliminate courses that have little, if anything, to do with reading, writing and arithmetic.

The low academic quality of many of our teachers is neither flattering nor comfortable to confront, but confront it we must if we're to do anything about our sorry state of education.

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[Contact Walter E. Williams](#) | [Read Williams's biography](#)

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AMERICANS FOR TAX REFORM

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FOR IMMEDIATE RELEASE

WWW.ATR.ORG

CONTACT: Damon B. Ansell

Taxpayer Protection Pledge

Federal Pledge Takers for 2004 Candidates

President George W. Bush, 215 US HOUSE AND 42 US SENATE SIGNERS

TEXAS

John Graves (1st)

Ted Poe (2nd)

Michael McCaul (10th)

Beb Streusand (10th)

Mike Conaway (11th)

Dot Snyder (17th)

Arlene Wohlgemuth (17th)

Kenny Marchant (24th)

For More Information:

Americans for Tax Reform

1920 L Street N.W., Suite 200

Washington, D.C. 20036

202-785-0266

(202) 785-0261 Fax



Why?

- ⇒ Why let a few decide what all must do?
- ⇒ Why isn't the board accountable to voters?
- ⇒ Why should voters prioritize this above their own needs?
- ⇒ Why should we subsidize one hospital at the expense of others?
- ⇒ Why hasn't the city/county attempted other ways to raise charity healthcare?
- ⇒ Why aren't existing funding mechanisms enough already?

No Hospital Tax!

A new property tax will not solve the healthcare financing problem

The hospital tax is the wrong solution to the problem of exploding health care costs.

Advocates claim better efficiency. When has more government been more efficient?

Proponents imply Travis County taxpayers aren't paying for services they use. What about adjoining counties? Do they really think residents of West Lake Hills, Rollingwood, Rob Roy, etc. use the city hospital as much as city residents?

Can the tax money go to for-profit institutions? Can it go to religious institutions? Can it go to Planned Parenthood? Will we know before the lawsuits?

There are an infinite number of "good causes" around the corner and around the world. Why must they be funded with taxes? Why can't taxpayers be trusted to support those causes they think are best without forcing everyone else to support the same causes?

This vote creates yet another set of people to hear truly sad stories of need. These 9 people will have the power to tax, but are not accountable to taxpayers. These 9 people can spend your money. Adding 9 people to the list of people who can give away tax money will do nothing to improve efficiency, increase accountability, or decrease the number of sad stories.

Enough Already!

2002 Property Tax bills*

- \$4,119 Austin
- \$2,798 Houston
- \$2,489 Dallas
- \$2,290 Fort Worth
- \$1,824 San Antonio

Our taxes are already 47% to 125% higher than other cities—with their hospital taxes.

At the statutory \$0.25/\$100 limit, this tax will add \$437 to this bill!

By voting for this, people are saying that this \$437 per year is now—and forever—better spent on this than on their own healthcare, their own retirement, their own children's health care or education. That they are incapable of helping people in need on their own, without government force.

* - Austin Chronicle 8/8/2003

For more information
www.saveourtaxpayers.com
Don Zimmerman
(512) 577-8842

Policy Analyst Position

Coastal Resources Program, Texas General Land Office

Qualifications

Graduation from an accredited four-year college or university, + 2 yrs full-time experience in natural resources, environmental studies, environmental law or public policy. Experience may be substituted for education on a year for year basis. A short writing sample is required with application.

Preferred Qualifications

Additional experience, major course work, &/or graduate study in a natural resource, public policy, law or related field. Extensive experience in researching, analyzing, developing and writing natural resource policy, with a focus on laws and regulations. Experience in applying market-based principles to natural resource policy. Experience in making public presentations.

Knowledge, Skills and Abilities

Knowledge of local, state and federal laws relating to natural resources; of economic principles as they apply to natural resource policy; of principles, objectives, and procedures of governmental planning and programming; of planning and programming methodologies; of the principles and practices of public administration and management. Ability to evaluate and develop natural resource policies/procedures using sound scientific and economic principles; to gather, assemble, correlate, and analyze facts; to devise solutions to problems & prepare concise reports; to manage multiple priorities; to work days other than M-F & hours other than 8-5; to perform field work in inclement weather; & to walk on uneven terrain. Skill in the use of a personal computer with proficiency in MS Office. Excellent verbal & written communication skills.

General Job Description

Performs complex planning and research for natural resource policy for Coastal Resources, including implementation of the Coastal Management Plan (CMP). Presents reports to and supports the Coastal Coordination Council. Works cooperatively with state and federal agencies and local governments. Analyzes CMP policies and program activities and develops schedules, priorities, and standards for achieving program goals. May serve as a project team leader. Works under limited supervision with considerable latitude for the use of initiative and independent judgement.

Essential Job Elements

Collects, organizes, and prepares updates in support of the CMP, including CMP rule amendments, program changes and strategic plans and assessments. Participates in CMP program/project planning, development and implementation. Coordinates the review and evaluation of federal coastal initiatives. Collects, organizes, and prepares documents for NOAA explaining the Texas CMP. Assists with CMP grant review. Assists with federal consistency review and demonstrates an understanding of the consistency review policies and procedures. Effectively and professionally communicates the CMP goals, policies, procedures, and projects to coastal citizens and other interested persons. Performs other duties as assigned.

Monthly Salary

\$3,111 - \$4,079

To Apply

Go to the GLO web site, http://wwwwdb.glo.state.tx.us/hr_sp/ and look for *04-041R Planner II*. You may also contact Bill Peacock at (512) 463-0928 or bill.peacock@glo.state.tx.us.

TEXAS MEDIA WATCH

MARCH 16, 2004

TEXAS PRESS GIVES STATESMAN REPORTER A PASS: MCNEELY LAPSE LOST IN WEEKEND NEWS

A media bombshell was buried in the hundreds of pages of internal documents released by Travis County District Attorney Ronnie Earle on Friday, March 12.

Over a five week period last year, Dave McNeely, the Austin American-Statesman reporter and columnist, e-mailed four drafts of a news analysis piece to Earle prior to publication. The veteran journalist asked the prosecutor for comments and suggestions.

The document drop, which included hundreds of phone messages and e-mails from members of the Texas press to the DA, was a response to an open records request from the Texas Republican Party for all correspondence regarding the current investigation of the 2002 election.

McNeely's first draft, e-mailed on June 13, indicated that at least one other version of the story, a negative retrospective of the GOP rise to power in Texas, had already been reviewed by Earle. The news analysis piece was published in the Statesman's "Insight" section on Sunday July 20, 2003.

McNeely's professional lapse, described in a Saturday story in the Dallas Morning News as counter to "long standing industry practices" was also reported in Saturday's Austin American-Statesman and the Houston Chronicle. [See Statesman Story](#) and [See Houston Story](#)

The Associated Press reported it on the wire late Friday. Both the Chronicle and AP declined to publish McNeely's name.

The Dallas Morning News story includes the most aggressive questioning of McNeely, beginning in paragraph eight of their news report. But all four media outlets downplay the significance of a reporter working cooperatively with a controversial district attorney to produce a negative story about individuals who are under investigation. [See Dallas Story](#)

McNeely told the Dallas Morning News and his own newspaper that sharing the drafts - two of which were over five-thousand words long -- was a "standard practice" for him.

"This is important stuff, and I hate to make errors. Many times on a complex story, I'll double and triple check," McNeely said.

He (McNeely) said he made similar fact checks with Republican subjects in the same story, but did so verbally.

Austin-American Statesman editor Richard Oppel, Sr. told his paper and the Morning News that he would not discipline McNeely for an overzealous commitment to accuracy, although he said it is inappropriate for reporters to share drafts of stories or editorials with sources outside the newspaper.

Oppel declined to respond to questions from Texas Media Watch regarding our finding that McNeely had not checked his facts with the Republicans who are named in the story.

"We are not going to talk about how we put a story together or who our sources are," Oppel said.

"GIVE IT A READ AND THEN LET'S TALK"

The document drop included two drafts that McNeely provided to Earle on July 9 and 11, 2003 that closely resemble the story that was finally published in the Statesman on July 20, 2003. Cut to six pages from the fifteen that were included in the first draft Earle released, McNeely's thesis is that Republicans, over a several year period, developed a strategic political and financial plan to win control of Texas government and implement their ideas and philosophy.

Allegations that some Republicans may not have complied with legal fundraising and spending laws are included in the story, but no new charges are reported.

Because no new facts are introduced, the notes that accompanied McNeely's drafts to Earle also raise questions. On July 9, in at least the third draft he had submitted for the DA's review, McNeely wrote this to Earle and his assistant Gregg Cox:

I don't know how much of this will survive. Appreciate it if you each give it a read and then let's talk. Looking mostly to make sure I haven't screwed up anywhere or have some huge omission.

Within the June 13 draft, McNeely includes this note over a four paragraph section of the draft that reports that Earle's opponents charge he is trying to block their First Amendment rights.

(TWO GRAFS BELOW CAN BE CUT OR CONDENSED - INCLUDED FOR YOUR PERUSAL)

The paragraphs also contain a criticism that Earle should focus on "prosecuting dangerous criminals instead of using his office and the media to repay political favors."

The four paragraph section was cut from the final published version of the news story.

McNeely prefaces the final draft he sent to the DA's office with these cryptic comments:

More aggressive lede [lead] and probably tighter. Keep your fingers crossed.

McNeely told the Dallas Morning News he doesn't recall what he was referring to in the "fingers crossed" statement.

None of the nine Republicans named in the report said they had been contacted by McNeely about the story before it went to press.

Dick Trabulsi, the president of Texans for Lawsuit Reform, is quoted in the sixth paragraph of McNeely's story, but he notes that his comments were taken from a previous news report written by another reporter. That story appeared in the Statesman on March 29, 2003.

Bob Richter, spokesman for Texas House Speaker Tom Craddick, said that he does not recall being contacted by McNeely about the story, but it is possible the reporter may have checked with him on something.

"I didn't get five drafts," Richter said.

Jonathan Grella, press secretary to House Majority Leader Tom DeLay, also said he had not been contacted by McNeely.

Craddick and DeLay are given mini-profiles in the story, under bold sub-headlines of their names.

NEWS ABOUT THE NEWS

Headlines and stories in all four published reports de-emphasized the irregularities in McNeely's reporting. The Dallas Morning News headlined Earle's questionable charge that the task of photo copying the e-mails and phone messages had delayed the work of the investigation. The sub-head suggests that criticism of McNeely is partisan:

PROBE OF GOP MONEY DELAYED: Republicans accuse journalist of helping DA

The Austin American Statesman headline indicates that the case is closed on the issue of media leaks:

RECORDS SHOW NO MEDIA LEAKS FROM PROSECUTOR'S OFFICE

The sub-head, "Earle releases documents showing communication with reporters in campaign finance investigation" does not explain how the reporter arrives at this conclusion after two paragraphs:

"The records, mostly internal phone message slips and e-mails from reporters, contain no indications that Earle or his staff has violated the sanctity of grand juries investigating the Texas Association of Business or Texans for a Republican Majority, a political action committee established by top aides to U.S. House Majority Leader Tom DeLay."

The Houston Chronicle uses a more generic lead: ***Travis DA defends inquiry; Denies GOP assertion funding probe partisan.*** The reporter waits until paragraph seven to pronounce that:

The records gave no evidence that Earle gave the news media any grand jury documents that were not public court papers available in the district clerk's office.

The next paragraph in the Chronicle refers to an *"Austin print journalist who gave Earle a rough draft of a story and asked him to check it for errors."* They do not name him.

The headline on the Associated Press report reads: ***DA releases media documents, another grand jury may be needed.***

The AP does not name McNeely or mention the drafts, reporting only that the *"copies of the phone messages and e-mails Earle released Friday show seemingly friendly exchanges between the prosecutor and some news reporters. In some cases, reporters asked Earle or his staff members to look at the wording of their articles before publication."*

AP and the Dallas Morning News draw no conclusion about grand jury links from the released documents.

TEXAS PRESS GIVES ITSELF BENEFIT OF THE DOUBT

There is nothing in the documents that rule out the possibility that leaks have occurred between Earle and the Austin press, although Earle categorically denies any improper information changed hands.

He told the Associated Press on March 12 that "we don't leak grand jury information. We never have, and I don't know of any reputable reporter who would expect us to."

We would expect any Austin reporter worth his or her salt to counter that statement by asking Earle to explain the February 19 message from Fort Worth Star-Telegram reporter Jay Root that asked the DA to confirm information about a subpoena "on or off the record."

A good reporter would also want to learn more about a message that Houston Chronicle reporter R.G. Ratcliffe left on June 6, 2003 "checking to see if there is any reason for them to stake out the Grand Jury today or tomorrow, re: TAB."

Both messages could be benign requests for background information. Or not. It is the job of the press to be skeptical and inquisitive - to take everything public officials say with a grain of salt.

But in this instance, when their credibility is on the line and the tape recorder is in the other hand, the Texas press is pulling their punches.

TO BE CONTINUED.

Texas Media Watch updates are regularly distributed to the Texas press. This update may be reprinted or redistributed, in whole or in part, as long as a link is provided to www.texasmediawatch.com.

For additional information contact Texas Media Watch 210-651-9186.