Lobby Spending Jumped $9 Million During the 2005 Special Sessions

- Lobbyists Gear Up For Yet Another Special-Session Windfall

**Austin, Texas:** As Governor Perry convenes the legislature—and lobby—for yet another special session on school taxes, a new report released by Texans for Public Justice analyzes the special interests that increased their lobby spending $9.3 million during last summer’s two special sessions. So-called “sin-tax” industries and other businesses with a keen interest in school taxation posted some of the largest increases in lobby spending, according to the new report Special Sessions For Special Interests.

“The lobby is sharpening its knives again as this special session tackles the Sharp Commission’s proposal to close Texas’ gaping business-tax loopholes,” said Texans For Public Justice Director Craig McDonald. “The business lobby’s motto is: ‘Everybody must pay their fair share of school taxes—except me.’”

To measure lobby-spending growth, Texans For Public Justice compared a “snapshot” of Texas Ethics Commission lobby filings at the end of the regular session in late May 2005 to a snapshot taken three months later—after the end of last year’s second special session. Key findings are:

- Special interests reported a $9.3 million increase in lobby spending during the three months from the regular session’s end to the close of the second special session last year.

- The Chickasaw Nation—which operates Oklahoma’s largest gambling facilities—was the fastest-growing major lobby client. The tribe, which has an interest in blocking the expansion of Texas gaming, increased its Texas lobby expenditures by 200 percent during the 2005 special sessions.

- Others pushed to expand Texas gambling activities. MEC Lonestar, owner of Lone Star Parkway, as well as a real estate company with a big stake in the proposed Austin Jockey Club racetrack, both doubled their lobby special-sessions spending in 2005. “Sin-tax” opponent RJ Reynolds raised its spending 67 percent.

- A business group opposing tax hikes, the Texas Businesses for Education Excellence, increased lobby spending 44 percent. Two fans of business-tax loopholes, the National Association of Real Estate Investment Trusts and the Texas Society of Certified Public Accountants, increased their spending 28 percent apiece.

- Time Warner Cable, which hired Tom DeLay’s brother, Randy, during the special session, increased its spending 53 percent. Yet rival SBC Corp. (now AT&T), Texas’ No. 1 lobby client, spent far more and walked away from the second special session with its own sweetheart bill.

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Texans for Public Justice is a non-profit, non-partisan research and advocacy organization that tracks the role of money in Texas politics.