Commentary: Post-Perry crony corruption

By Craig McDonald and Andrew Wheat

Cronyism and entitlement flourish when one political party controls every statewide office for 20 years. Indicted former Gov. Rick Perry created the ultimate crony-corrupt state. He rewarded political supporters with appointments, no-bid contracts and huge handouts from the public purse. The few people who stood up to this corruption notably don't include Texas' new leaders.

Perry raised a <u>fifth</u> of his \$109 million gubernatorial war chest from his own appointees. His appointees and <u>employees</u> churned through revolving doors between Perry's office, state agencies and the corporate lobby. Businesses bankrolling Perry hired his revolver lobbyists to secure perks from state agencies run by Perry appointees. This triangle trade benefited all three parties at public expense. Pouring gas on these flames, new Lt. Gov. Dan Patrick claims that wealthy interests have insufficient influence. Patrick just appointed 55 business leaders — who gave \$2 million to his campaign — to secretly advise him on legislative policy.

With the business lobby controlling the Texas Capitol, regulatory control falls to local government by default. Yet Gov. Greg Abbott recently <u>denounced</u> local bans on plastic bags and fracking as assaults on freedom and property. He pointedly failed to mention that local governments are the only ones cracking down on payday lenders, who gave Abbott <u>\$400,000</u>.

Perry's Enterprise Fund and Emerging Technology Fund awarded hundreds of millions of state dollars to Perry <u>cronies</u> in the name of economic development. Perry's Cancer Prevention and Research Institute promised to make grants based on scientific merit. Then it bypassed its own rules to award \$11 million to a company bankrolled by a big Perry donor.

House Speaker Joe Straus and ex-Lt. Gov. David Dewhurst had substantial oversight over these slush funds but failed to defend taxpayers. Texas' new leaders have not called for an <u>end</u> to these corporate-welfare programs nor specified how to exorcise them of cronyism.

Texas is on a privatization bender. It paid a Xerox subsidiary \$527 million to rubber-stamp the nation's biggest dental Medicaid fraud. Texas Medicaid spent more on braces than the other 49 states combined. Entrusted with stopping fraud, state health official Jack Stick then steered a \$110 million fraud-detection <u>contract</u> to a firm represented by his former business partner.

The Texas Department of Public Safety approved a no-bid, border security contract that soared from less than \$500,000 to more than \$20 million. The Travis County District Attorney's Public Integrity Unit halted its <u>investigation</u> of that ballooning contract after Perry — citing District Attorney Rosemary Lehmberg's drunken driving — eliminated the unit's funding.

The Public Integrity Unit is a rare, independent check on the corruption surrounding one-party rule. The Texas Republican Party platform long has advocated the destruction of this anti-corruption force, which Patrick says should remain unfunded.

As Perry moves on, there's little evidence that he is taking our crony-capitalist state with him. There has never been a greater need for reporters, watchdogs and citizens to keep a wary eye on state officials. Unwatched tax dollars are stuffing for political piñatas.

McDonald and Wheat are the director and research director of Texans for Public Justice.