

Austin's Oldest Profession:

Texas' Top Lobby Clients & Those Who Service Them
(Analyzing 2005 Lobby Contracts)

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Source: Data analyzed in this report come from 2005 lobby reports filed with the Texas Ethics Commission. Texas lobbyists report their income within broad ranges (such as "\$50,000 to \$99,999"). For brevity's sake, this study reports the maximum amount, labeling it "maximum" or "up to," except where otherwise noted.

Texans for Public Justice is a non-profit, non-partisan research and advocacy organization that monitors money in Texas politics and promotes campaign finance and judicial-selection reforms.

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I. Lobby Facts

- Special interests spent up to \$2.2 billion over the past decade on almost 65,000 Texas lobby contracts.
- Depending on how the numbers are crunched, Texas placed either first or second in the nation in the amount of money that special interests spent to lobby its state government in 2005.
- During 2005, 2,471 clients paid 1,525 Texas lobbyists up to \$304 million. This lobby spending was up 77 percent from the \$172 million maximum spent in 1995.
- Sixteen clients boasted maximum lobby expenditures exceeding \$1 million in 2005. SBC (now AT&T), which perennially tops this list, spent up to \$7 million on 129 contracts. This paid off when the phone giant won passage of a sweetheart bill during a 2005 special session that the governor ostensibly had convened to solve Texas' school-funding crisis.
- "Ideological & Single-Interest" clients spent more on the lobby than any other industry (up to \$45 million), accounting for 15 percent of Texas' total lobby expenditures. Local government interests led by the City of Austin dominated this category, helping to defeat a cap on property-tax appraisals.
- "Energy & Natural Resources" clients, led by TXU Corp., ranked No. 2. Nuclear-energy interests dominated this category.
- Health clients ranked No. 3, led by the powerful Texas Medical Association (TMA). TMA euthanized proposals to tax physician services and crushed proposals to spur competition from other health professionals.
- Purveyors of gambling and alcohol "sins" penetrated the upper echelons of the No. 4-ranked "Miscellaneous Business" sector as lawmakers explored "sin-tax" hikes. Billy Bob Barnett's would-be gambling company, Big City Capital, spent its way to the title for the lobby's Cardinal Sinner.
- Thirty lobbyists reported maximum 2005 incomes exceeding \$1.5 million apiece, up from 26 such uber-lobbyists in 2003. These 30 lobbyists billed their clients up to \$67 million, pocketing one out of every five Texas lobby dollars.
- Public Strategies Managing Director Rusty Kelley led the lobby for the second consecutive legislative year, billing 64 clients up to \$6.8 million.
- Texas lobbyists reported 43 mega-contracts worth unspecified amounts of "more than \$200,000" apiece. These open-ended contracts leapfrog the public's right to know about lobby expenditures. Two clients sponsored three such mega-contracts apiece. These were: The city of Texas City; and Citgo Petroleum (which got a \$5 million taxpayer handout from Governor Perry's Enterprise Fund in 2004).

II. Lobby Clients

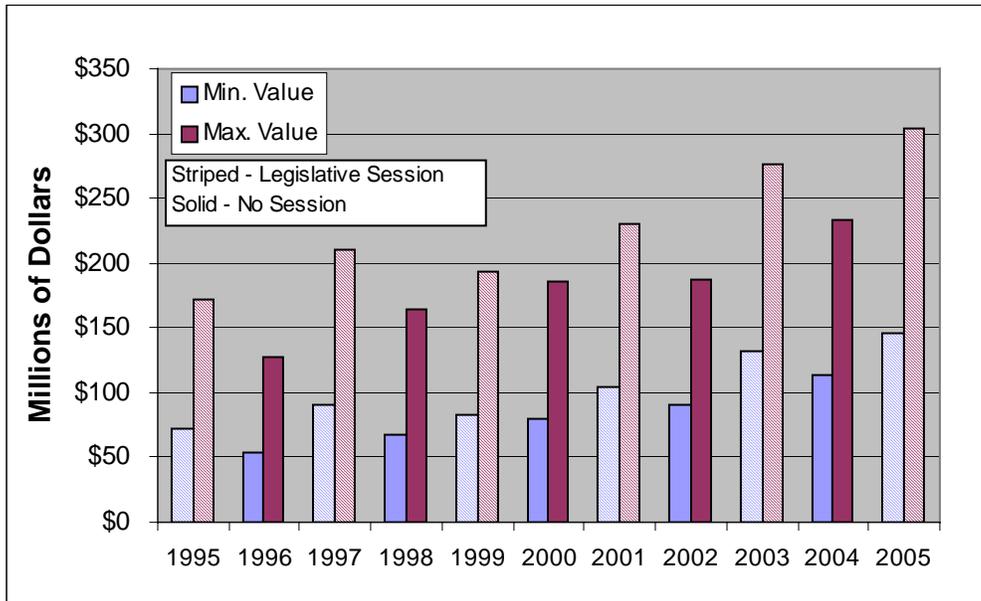
A. Texas' Escalating Lobby Spending

Over the past decade, special interests have spent between \$1 billion and \$2.3 billion on almost 65,000 Texas lobby contracts. As the accompanying table shows, lobby spending has increased over this period far more than the number of lobbyists, clients and contracts.

Texas' lobby spending peaks in odd-numbered years when the biennial Texas Legislature is in its regular session. With the exception of 1999, lobby spending has increased over time, regardless of whether you compare odd-numbered legislative years (solid bars) or even-numbered years that lack a regular legislative session (striped bars).¹ Lobby spending for a given year peaks at the end of the year--after the last lobby reports are filed.

This report reveals the industries and clients that spent the most to influence public officials in 2005, as well as Texas' top hired guns that year. As the accompanying graph shows, lobbying is a growth industry. Special interests spent up to \$304 million on Texas lobbyists in 2005, up 77 percent from the \$172 million maximum that lobby clients spent in 1995. (Exact contract values are unknown because Texas lobbyists report them in ranges such as "\$50,000 to \$99,999"). Governor Rick Perry made 2003 and 2005 banner lobbying years by convening three special sessions in 2003 and two additional ones in 2005 (for more on lobbying in the 2005 special sessions, see "Special Sessions for Special Interests").

Texas' Escalating Lobby Spending, (1995-2005)



Year	Min. Value of Contracts	Max. Value of Contracts	Contracts	Lobbyists	Clients
1995	\$72,198,759	\$172,408,772	5,730	1,599	1,851
1996	\$53,085,881	\$128,190,898	4,491	1,229	1,430
1997	\$90,559,499	\$209,514,514	6,526	1,557	1,988
1998	\$68,300,300	\$164,285,312	5,495	1,297	1,599
1999	\$82,930,600	\$194,295,620	6,280	1,510	1,870
2000	\$80,250,300	\$185,135,319	5,834	1,280	1,658
2001	\$104,490,030	\$229,715,049	6,391	1,484	2,018
2002	\$90,175,079	\$188,305,115	4,737	1,256	1,827
2003	\$132,485,543	\$275,585,578	6,593	1,578	2,283
2004	\$113,960,043	\$234,210,077	5,321	1,371	1,896
2005	\$145,735,247	\$304,122,043	7,455	1,525	2,471
TOTAL:	\$1,034,171,281	\$2,285,768,297	64,853	*	*

Note: Data only include contracts with minimal values greater than zero.

*These totals would mislead since many lobbyists and clients reappeared each year.

B. The Nation's No. 2 State Lobby?

The adage "Everything's bigger in Texas" is difficult to prove or disprove where lobby expenditures are concerned. A kaleidoscope of different state lobby reporting requirements subjects any state lobby ranking to numerous caveats. Undeterred, the Washington, D.C.-based Center for Public Integrity has ranked state lobby expenditures for several years. According to preliminary data compiled by the Center for a forthcoming report, Texas' total 2005 lobby expenditures again rank No. 2 in the nation after California.

Yet this ranking contains important caveats. While California requires its lobbyists to report the *actual* value of their lobby incomes, Texas lobbyists report their incomes in ranges (e.g. \$50,000 to \$99,999). Notably, the Center bases its rankings on the total *minimum* value of Texas lobby contracts. If it used the total *maximum* value, Texas would surpass California's lobby expenditures by more than \$100 million. Texas braggarts also will note that the number of registered lobbyists and lobby clients in Texas exceeds that of California.

Top Lobby States in 2005

2005 Rank	State	2005 Lobby Spending	No. of Lobbyists	No. of Clients
1	California	\$227,940,496	1,162	2,639
2	Texas	\$173,594,357	1,703	2,644
3	New York	\$149,000,000	4,264	2,656
4	Pennsylvania	\$124,813,732	468	1,261
5	Massachusetts	\$70,955,161	578	1,057

Source: Preliminary Center for Public Integrity data.

The Center's Texas data differ from those used elsewhere in this report for a couple of reasons. First, the Center tracks a wider universe of lobby expenditures that includes the amount that special interests pay registered lobbyists (these data are analyzed in this report) along with the amount that those lobbyists spend wining and dining politicians (data not analyzed here). In addition, the Center tracks *all* lobby contracts whereas this report just tracks *paid* ones.

C. Million-Dollar Clients

Sixteen clients spent more than \$1 million apiece by the end of the 2005 legislative session on 517 lobby contracts. As it has done each year for at least a decade, SBC Corp. (now AT&T) flexed Texas' largest lobby muscle, spending up to \$7 million on 129 paid contracts. In addition, several dozen SBC employees reported that they lobbied for their employer without compensation. One of these *pro bono* lobbyists was SBC Senior Vice President John Montford, a former state senator.

Million-Dollar Clients

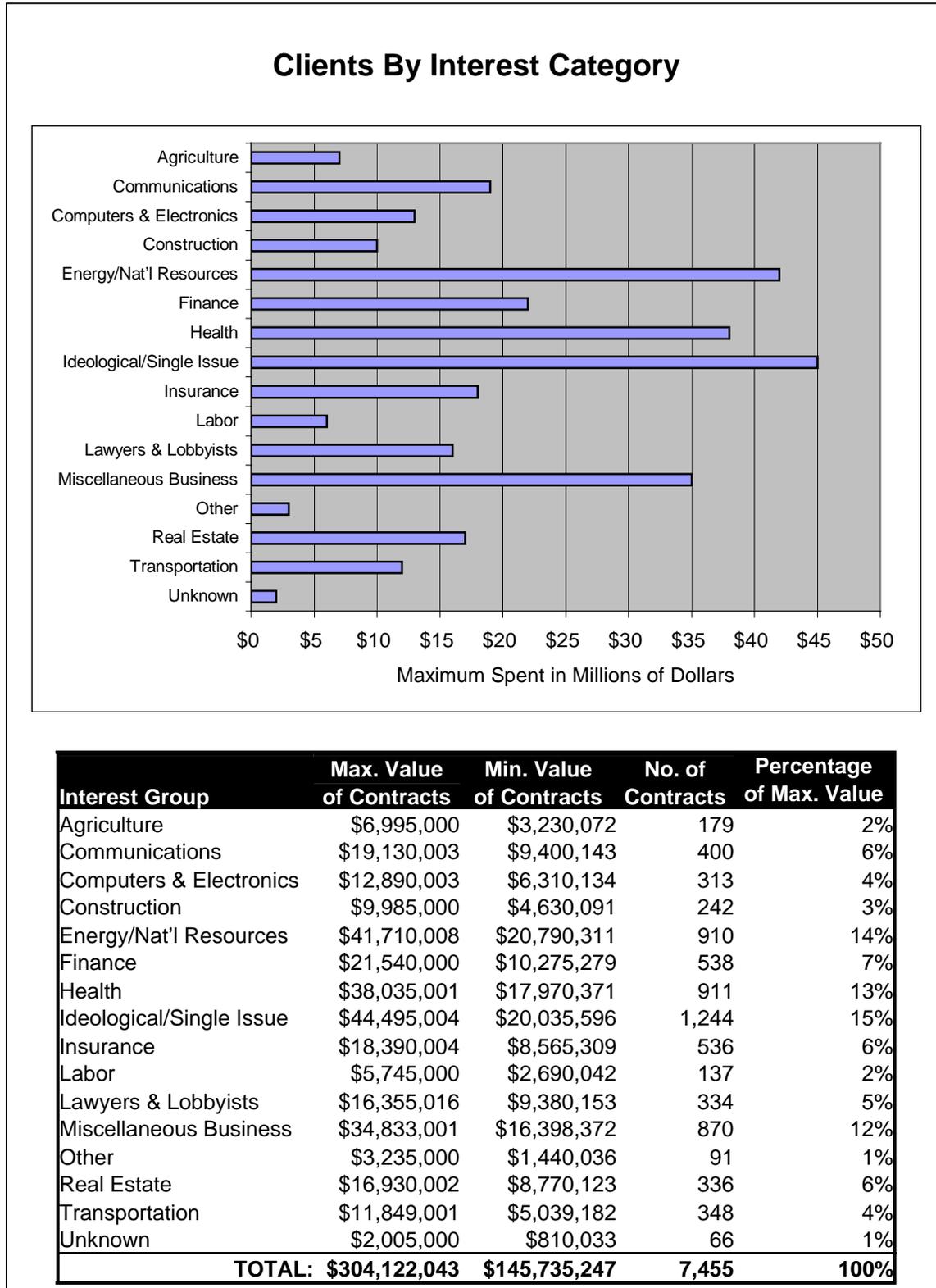
Client	Max. Value of Contracts	No. of Paid Contracts	Interest
SBC Corp. (now AT&T)	\$7,010,000	129	Communications
TXU Corp.	\$3,200,000	52	Energy
TX Medical Assoc.	\$2,135,000	25	Health
Verizon	\$2,035,000	42	Communications
Linebarger Heard Goggan...	\$1,965,000	48	Lawyers/Lobbyists
Assoc. of Electric Co.'s of TX	\$1,560,000	28	Energy
CenterPoint Energy	\$1,470,000	18	Energy
City of Austin	\$1,455,000	27	Ideological/Single-Issue
Big City Capital LLC	\$1,375,000	10	Miscellaneous Business
TX Association of Realtors	\$1,325,001	14	Real Estate
City of Houston	\$1,320,000	29	Ideological/Single-Issue
TX Municipal League	\$1,285,000	16	Ideological/Single-Issue
TX Trial Lawyers Association	\$1,250,001	16	Lawyers/Lobbyists
AT&T	\$1,105,000	17	Communications
Entergy/Gulf States Inc.	\$1,090,000	26	Energy
Affiliated Computer Services	\$1,080,000	20	Computers

SBC now has merged with AT&T, which spent another \$1.1 million lobbying in Texas in 2005. Phone giant Verizon also spent more than \$2 million. Boasting more lobbyists than Texas has lawmakers, these phone companies sought to deregulate what they can charge for the local phone monopoly that they control across much of the state. At the same time they demanded entry into television markets—without paying the local franchise taxes paid by the cable industry. This gambit floundered in the regular session, partly due to opposition from cable companies and municipal governments (three municipal interests surpassed \$1 million in lobby spending). Yet the phone giants pushed their legislation through in one of the special sessions that Governor Rick Perry ostensibly convened in 2005 to tackle Texas' school-funding crisis.

Leading proposals to solve Texas' school-funding conundrum involved either: Increased "sin taxes" on industries such as gambling (represented here by Big City Capital); or Closing business-tax loopholes. Professionals benefiting from these tax loopholes include law firms (represented here by Linebarger Heard Goggan *et al.* and the Texas Trial Lawyers Association) and real estate agents (represented by the Texas Association of Realtors).

D. Clients By Interest Category

This report categorizes Texas' 2005 lobby contracts by their underlying interests. Ideological & Single-Interest clients led the pack, accounting for 15 percent of all lobby money. The next largest categories—discussed below—were: Energy & Natural Resources; Health; and Miscellaneous Business.



Ideological & Single-Interest Clients

Local government interests dominated the No. 1-ranked Ideological & Single-Interest category. In 2005 these interests helped defeat legislation proposing a constitutional amendment to cap increases in property-tax appraisals. The Texas Association of School Boards similarly defended its interest in property tax revenue.² Local governments initially fought the ultimately successful telecommunications legislation discussed above. That law lets phone companies sell television programming without having to negotiate franchise-tax deals with every local market they enter, as cable companies do.

Top Ideological & Single-Interest Clients

Client	Max. Value of Contracts	No. of Contracts
City of Austin	\$1,455,000	27
City of Houston	\$1,320,000	29
TX Municipal League	\$1,285,000	19
American Cancer Society	\$900,000	14
Edwards Aquifer Authority	*\$850,000	5
Metro. Transit Authority of Harris Co.	\$845,000	13
TX Civil Justice League	\$730,000	15
Lower Colorado River Authority	\$685,000	22
Harris Co. Commissioners Court	\$650,000	16
TX Assoc. of School Boards	\$650,000	8
Texans for Lawsuit Reform	\$605,000	16
City of Texas City	\$600,003	3
Cities Aggregation Power Project	\$535,000	9
City of San Marcos	\$500,000	5

*The EAA subsequently told TPJ that its lobbyists inflated its actual expenditure of "approximately \$152,000" through duplicate reports of the same contract amount.

During the 2005 session the American Cancer Society (ACS) failed to push through a \$1-a-pack tax increase on cigarettes, a tax hike later approved in a 2006 special session. ACS successfully secured more funding in 2005 to compile statewide cancer-diagnosis data.

The Texas Civil Justice League (TCJL) and Texans for Lawsuit Reform (TLR), two groups promoting legal limits on plaintiffs, collectively paid 31 lobbyists up to \$1.3 million. In addition, TCJL's Texas Asbestos Consumer Coalition paid 11 lobbyists (including former Lieutenant Governor Bill Ratliff) up to \$280,000 more to promote limits on asbestosis and silicosis lawsuits. The passage of this bill (SB 15)—opposed by labor unions and trial lawyers—was the centerpiece of the business tort lobby's 2005 session. TCJL and TLR (which runs Texas' largest PAC) also championed a 2005 law that gives Texas judges greater discretion to refuse to hear cases filed by out-of-state plaintiffs (HB 755).

A couple of water agencies led by the Edwards Aquifer Authority (EAA) spent heavily on lobbyists. The EAA's mandate requires it to supply historical water users with their accustomed supplies, even as it is supposed to safeguard the aquifer. Since aquifer users have grown accustomed to unsustainable water harvests, however, this mandate is contradictory. The EAA lobbied in 2005 to resolve this contradiction at the aquifer's expense as part of a failed omnibus water bill (SB 3). It also fended off perennial proposals to strip Texas' water authorities of their authority to regulate water quality.

Energy & Natural Resources Clients

Most of the top clients in the Energy & Natural Resources sector are nuclear powers. Ever since Texas lawmakers authorized Waste Control Specialists (WCS) to run two low-level nuclear waste dumps in West Texas in 2003, WCS has chased permits to expand the type, source and quantity of radioactive waste that it can dump there. In 2005 TXU, CenterPoint and American Electric Power all had stakes in Texas nuclear power plants. These plants and the Association of Electric Companies trade group long have sought a nuclear dumping ground.³

Entergy and Exelon are part of the Louisiana Energy Services (LES) consortium that wants to build a \$1.2 billion uranium-enrichment plant in New Mexico—just over the border from WCS' dumps. LES, which has pledged to dump an expected 217,000 tons of uranium waste outside New Mexico, has cited WCS as a promising destination.

Top Energy & Natural Resources Clients

Client	Max. Value of Contracts	No. of Contracts
TXU Corp.	\$3,200,000	52
Assoc. of Electric Co's of TX	\$1,610,000	33
CenterPoint Energy	\$1,470,000	22
Entergy/Gulf States, Inc.	\$1,090,000	28
ExxonMobil Corp.	\$985,000	10
Mesa Water, Inc.	\$950,002	9
Citgo Petroleum Corp.	\$770,003	8
American Electric Power	\$735,000	8
TX Electric Cooperatives	\$700,000	9
Constellation Energy Group	\$680,001	12
El Paso Electric Co.	\$660,000	12
Bass Enterprises	\$630,000	23
Waste Control Specialists	\$620,000	13
Shell Oil Co.	\$615,001	13
Exelon Power TX	\$540,000	11
Atmos Energy Corp.	\$510,000	6
TX Rural Water Assoc.	\$510,000	5

Buoying the cliché that future Texas tycoons will make fortunes pumping water rather than oil, water interests floated near the top of the Energy & Natural Resources category. Leading the oil-to-water transition is Dallas energy tycoon T. Boone Pickens. His Mesa Water owns vast water rights in the Panhandle but has yet to find a cost-effective way to get this commodity to a major urban market. Mesa applauded passage of a 2005 bill increasing its due-process rights before groundwater conservation districts.⁴ The Texas Rural Water Association (TRWA) represents small water utilities in sparsely populated areas, including some encroached upon by urban sprawl. TRWA argues that if its members are to maintain service beyond subdivision utility districts they cannot be held to the same regulatory standards as high-density treatment plants. TRWA helped defeat 2005 legislation that would have further strengthened the position of urban areas in Texas' water wars.⁵

Oil giants such as ExxonMobil helped promote the 2005 law limiting asbestos liabilities. Citgo also landed a \$5 million grant in 2004 from Governor Perry's Texas Enterprise Fund. The governor's office credited the grant with luring Tulsa-based Citgo to Houston. Yet Citgo officials told the *Dallas Morning News* that they chiefly were motivated by a desire to be closer to their Gulf of Mexico refineries.

Health Clients

The Texas Medical Association (TMA) dominated the health lobby again in 2005, waging largely defensive battles on behalf of physicians. Doctors euthanized proposals in that session to help fund public schools by taxing professional medical services. The TMA guild also beat back turf-war competition from other health professionals, including optometrists and podiatrists. TMA similarly won turf battles with the Texas Hospital Association and Texas Association of Health Plans. TMA lobbyists defeated proposals to: Ban physicians from owning specialty hospitals; and Bar out-of-network doctors from dunning patients for charges rejected by HMOs (including big lobby spenders Blue Cross, AmeriGroup and Aetna).

Top Health Clients

Client	Max. Value of Contracts	No. of Contracts
TX Medical Association	\$2,135,000	25
TX Hospital Association	\$875,000	16
Trinity Mother Frances Health System	\$800,000	6
Blue Cross Blue Shield of TX	\$680,001	11
Genzyme Corp.	\$600,000	4
TX Association of Health Plans	\$600,000	8
Pharmaceutical Research & Manufacturers	\$560,000	13
TX Health Care Association	\$560,000	17
E. TX Medical Center	\$525,000	15
AmeriGroup Corp.	\$485,000	7
Aetna, Inc.	\$440,000	12
Girling Health Care, Inc.	\$425,000	6

Genzyme Corp. and its trade group, the Pharmaceutical Research and Manufacturers Association, have opposed efforts to let U.S. consumers import cheaper drugs from Canada. A 2005 law enacted by Texas' cash-strapped government would have created a program to do just that (SB 410). Texas Attorney General Greg Abbott blocked the law from taking effect, ruling that federal prohibitions on drug imports trump state law.

Girling Health Care and other nursing home interests represented by the Texas Health Care Association failed to push through a bill that would have increased billings for Medicaid patients.

Miscellaneous Business Clients

The legislature's efforts to simultaneously relieve property taxpayers *and* increase school funding accounts for many of the largest Miscellaneous Business lobby expenditures. Texas' Republican leadership sought to accomplish this feat in 2005 through increased "sin taxes." The boldest proposals to do this would have legalized whole new sins for the state to tax. Gambling interests tapped this fever, begging lawmakers to create a tax gravy train by legalizing casinos or slot machines.

Big City Capital led the gambling charge. Its creator is Billy Bob Barnett, founder of the eponymous Billy Bob's honky tonk in Fort Worth. Barnett previously tried to open a Vegas casino and his business partner, Holt Hickman, has long sought to bring casino gambling to his Fort Worth Stockyards. Hickman is an investor in a company seeking to build a horse track near the capital. Texas racetrack interests—including Gulf Greyhound—want legal authority to install slot machines (such as those sold by Multimedia Games) at their tracks.

Top Miscellaneous Business Clients

Client	Max. Value of Contracts	No. of Contracts
Big City Capital, LLC	\$1,375,000	10
Wholesale Beer Distributors of TX	\$930,000	19
Multimedia Games, Inc.	\$710,000	11
Let The Voters Decide	\$610,000	7
Distilled Spirits Council of the U.S.	\$480,000	13
TX Retailers Assoc.	\$470,000	17
HE Butt Grocery Co.	\$460,000	10
Steel Manufacturers & Recyclers of TX	\$460,000	8
Kraft Foods	\$450,000	10
TX Package Store Assoc.	\$435,000	9
Landry's Restaurants, Inc.	\$410,000	7
Administaff, Inc.	\$400,000	4
LeapFrog Enterprises, Inc.	\$400,000	4
Learning.com	\$400,000	4
Gulf Greyhound Partners Ltd.	\$400,000	3

Houston-based Landry's Restaurants, which has casino interests in Nevada, would like to develop more of them back home. A gambling industry group, Let the Voters Decide, lobbied for a state ballot initiative to put the casino question directly before Texas voters.

While gambling interests begged lawmakers to expand—and tax—their industry, the alcohol industry (led by the Wholesale Beer Distributors, Distilled Spirits Council and Texas Package Store Association) drowned proposals to fund schools through alcohol tax hikes. Any increased funding for Texas schools could be a boon for for-profit educational companies, including big lobby spenders LeapFrog Enterprises and Learning.com.

III. Lobbyists

A. Texas' \$1.5 Million Lobbyists

Thirty Texas lobbyists reported maximum lobby incomes exceeding \$1.5 million apiece in 2005, up from the 26 lobbyists who cleared this amount in 2003. Collectively these 30 lobbyists billed their clients up to \$67 million for 882 contracts. This accounted for one out of every five Texas lobby dollars.

Texas' \$1.5 Million Lobbyists

Lobbyist	Max. Value of Contracts	Min. Value of Contracts	No. of Contracts	Lobbyist Description
Russell T. Kelley	\$6,815,003	\$4,355,004	64	Ex-Speaker's aide
Todd M. Smith	\$3,650,000	\$2,150,000	33	Todd Smith & Assoc.; Impact TX
Frank R. Santos	\$3,050,000	\$1,800,000	29	Ex-legislative aide at Santos Alliances
Laura M. Matz	\$2,875,000	\$1,710,000	27	At Santos Alliances
Kelly M. Sampley	\$2,800,000	\$1,675,000	26	At Santos Alliances
Randall H. Erben	\$2,635,000	\$1,360,001	30	Ex-Ast. Sec. of State; Ex-HUD Ast.
W. James Jonas III	\$2,560,005	\$2,075,001	16	At Holland & Knight
Stan Schlueter	\$2,410,000	\$1,425,001	25	Ex-Chair House Calendars Com.
Walter Fisher	\$2,400,000	\$1,275,000	27	Ex-House & Senate Parliamentarian
Luis E. Gonzalez	\$2,400,000	\$1,475,000	22	Ex-legislative aide
David Sibley	\$2,345,000	\$1,280,002	27	Ex-Chair Business & Commerce Com.
Andrea McWilliams	\$2,280,000	\$1,175,003	30	Ex-legislative aide
Ron E. Lewis	\$2,200,000	\$1,145,000	29	Ex-Legislator
Mignon McGarry	\$2,135,000	\$1,250,001	25	Ex-legislative aide
Debbie Fickessen	\$2,000,000	\$1,045,000	26	Ex-legislative aide
Dean McWilliams	\$1,915,000	\$960,004	27	Ex-legislative aide
Jack Roberts	\$1,860,000	\$990,001	26	Ex-Deputy Comptroller
Robert D. Miller	\$1,705,000	\$955,003	24	Ex-legislative aide
Bryan P. Eppstein	\$1,670,000	\$815,002	29	Heads the Eppstein Group
John Chris Gavras	\$1,670,000	\$815,002	29	At Eppstein Group
David A. Marwitz	\$1,670,000	\$815,002	29	Ex-mortician & Ex-gubernatorial aide
John T. Shults	\$1,670,000	\$815,002	29	At Eppstein Group
Neal 'Buddy' Jones	\$1,605,000	\$620,033	59	Ex-legislator & Speaker's aide
Joe B. Allen	\$1,550,001	\$890,005	26	At Allen Boone Humphries Robinson
Nancy Kwon	\$1,550,001	\$890,005	26	At Allen Boone Humphries Robinson
Camm C. Lary III	\$1,550,001	\$890,005	26	At Allen Boone Humphries Robinson
'Cliff' Johnson, Jr.	\$1,550,000	\$875,000	15	Ex-Legislator; Ex-gubernatorial advisor
Christopher Shields	\$1,545,000	\$775,002	26	Ex-Gubernatorial leg. dir;
Pamela M. Giblin	\$1,540,001	\$715,009	56	Ex-TX Air Control Bd. Gen'l Counsel
J.E. 'Buster' Brown	\$1,525,000	\$780,000	19	Ex-Senator

As in 2003, Russell “Rusty” Kelley again ranked as the state’s top lobbyist in 2005, billing 64 clients up to \$6.8 million. Before becoming managing director of Public Strategies, Kelley had been an S&L trade group vice president, a House Sergeant at Arms and an aide to then-House Speaker Billy Clayton, who also joined the lobby.

Rusty Kelley’s Top 2005 Clients

Kelley Client	Max. Value of Contract
Cheniere Energy, Inc.*	> \$200,000
General Electric Co.*	> \$200,000
Outdoor Advertising Assoc. of TX*	> \$200,000
Allstate Insurance Co.	\$200,000
Bass Enterprises Production Co.	\$200,000
Credit Union Legislative Coalition	\$200,000
E. TX Medical Center Regional Healthcare	\$200,000
EMC Corp.	\$200,000
Hillwood Development Corp.	\$200,000
TX Beverage Assoc.	\$200,000
TX Genco, LLC	\$200,000
Aetna, Inc.	\$150,000
CEMEX	\$150,000
Coalition of Effective Charters	\$150,000
Crow Family Partnership, LP	\$150,000
Dell Computer	\$150,000
El Paso Water Utilities	\$150,000
Entergy/Gulf States, Inc.	\$150,000
General Motors	\$150,000
Nat'l Assoc. of Real Estate Investment Trusts	\$150,000
TX Assoc. of Public & Non Profit Hospitals	\$150,000
TX Woman's University Foundation	\$150,000
U.S. Smokeless Tobacco, Inc.	\$150,000

*The maximum value of these “greater-than-\$200,000” contracts are unknown.

B. Fattest Lobby Contracts

Texas lobbyists reported 43 mega-contracts in 2005 worth unspecified amounts of “more than \$200,000” apiece. This was up from the 35 mega-contracts that Texas lobbyists reported in 2003. The public has no way of knowing if one of these contracts is worth \$200,001 or \$5 million.

Fattest Lobby Contracts With Real Clients (Maximum Contract Value Exceeds \$200,000)

No. of Fat Contracts	Lobby Client	Fat-Contract Lobbyist(s)
3	Citgo Petroleum Corp.	Kerry Cammack, Elena Guerra, Julie Williams
3	City of Texas City	Joe B. Allen, Nancy Kwon, Camm Lary III
2	Mesa Water, Inc.	Monty G. Humble, Joe Bill Watkins
2	TX Business Law Foundation	P. John Kuhl, Jr., Marion Sanford
2	TX Windstorm Insurance Assoc.	Todd Ames Hunter, Polly A. McCann
1	Argonaut Group, Inc.	W. James Jonas III
1	Blue Cross Blue Shield of TX	Elton Bomer
1	CGI-AMS	W. James Jonas III
1	Cheniere Energy, Inc.	Rusty Kelley
1	Constellation Energy Group	Jean M. Ryall
1	General Electric Co.	Rusty Kelley
1	Harley-Davidson Financial Services	Donal Hummer, Jr.
1	Hunt ELP	Mark A. Smith
1	Indep't Colleges & Universities of TX	Carol L. McDonald
1	Mary Kay, Inc.	Anne C. Crews
1	Outdoor Advertising Assoc. of TX	Rusty Kelley
1	Pearson, Inc.	W. James Jonas III
1	Shell Oil Co.	George Edward Pickle
1	State Farm Mutual Auto Insurance	Elton Bomer
1	TX Assoc. of Realtors	<i>Not Disclosed*</i>
1	TX Cable & Telecom. Assoc.	Dale E. Laine
1	TX Trial Lawyers Assoc.	Nicholas K. Kralj
1	True Beginnings, LLC	George H. Clements III

*The Texas Association of Realtors is listed as both the lobbyist *and* the client on this contract.

In another disclosure failing, 43 lobbyists reported their own firm or another firm as the client for these mega-contracts. There is no way to know if unethical lobbyists and firms abuse such disclosure to conceal the identities of other paying clients. For one huge contract, the Texas Association of Realtors reported itself as both the lobbyist and client.

Fattest Lobby Contracts Listing Lobby/Law Firms As 'Clients' (Maximum Contract Value Exceeds \$200,000)

No. of Huge Contracts	Firm	Fat-Contract Lobbyist(s)
3	McGinnis Lochridge & Kilgore	Gaylord Armstrong, Keith Strama, Mary Reagan
2	Baker Botts	Pamela Giblin, Robert Strauser
1	Bicameral Consultants, Inc.	Johnnie B. Rogers, Jr.
1	Gardere Wynne Sewell	Elton Bomer
1	Holland & Knight	W. James Jonas III
1	James Jonas & Associates	W. James Jonas III
1	Kemp Smith	Thomas A. Forbes
1	Locke Liddell & Sapp	Gary D. Compton
1	Thompson & Knight	Victor Alcorta III
1	Vinson & Elkins	Joe Bill Watkins

IV. Top 100 Lobby Clients in Texas

2005 Rank	2003 Rank	Client	Max. Value of '05 Contracts	No. of '05 Contracts	Interest Category
1	1	SBC Corp. (now AT&T)	\$7,010,000	129	Communications
2	2	TXU Corp.	\$3,200,000	52	Energy/Nat'l Resources
3	4	TX Medical Assoc.	\$2,135,000	25	Health
4	7	Verizon	\$2,035,000	42	Communications
5	25	Linebarger Heard Goggan Blair...	\$1,965,000	48	Lawyers/Lobbyists
6	6	Assoc. of Electric Co's of TX	\$1,610,000	29	Energy/Nat'l Resources
7	*	Ameriquet Mortgage Co.	\$1,510,000	11	Finance
8	10	CenterPoint Energy	\$1,470,000	18	Energy/Nat'l Resources
9	8	City of Austin	\$1,455,000	27	Ideolog./Single-Interest
10	*	Big City Capital, LLC	\$1,375,000	10	Miscellaneous Business
11	15	TX Assoc. of Realtors	\$1,325,001	14	Real Estate
12	5	City of Houston	\$1,320,000	29	Ideolog./Single-Interest
13	20	TX Municipal League	\$1,285,000	16	Ideolog./Single-Interest
14	52	TX Trial Lawyers Assoc.	\$1,250,001	16	Lawyers/Lobbyists
15	59	American Cancer Society	\$1,150,000	19	Ideolog./Single-Interest
16	9	AT&T	\$1,105,000	17	Communications
17	51	Entergy/Gulf States, Inc.	\$1,090,000	26	Energy/Nat'l Resources
18	16	Affiliated Computer Services	\$1,080,000	20	Computers
19	11	ExxonMobil Corp.	\$985,000	10	Energy/Nat'l Resources
20	221	Mesa Water, Inc.	\$950,002	9	Energy/Nat'l Resources
21	67	Wholesale Beer Distributors	\$930,000	19	Miscellaneous Business
22	14	McGinnis Lochridge & Kilgore	\$875,003	6	Lawyers/Lobbyists
23	12	TX Hospital Assoc.	\$875,000	16	Health
24	47	Philip Morris USA	\$855,000	15	Agriculture
25	824	Edwards Aquifer Authority	\$850,000	5	Ideolog./Single-Interest
26	13	Metro. Transit Authority of Harris Co.	\$845,000	13	Ideolog./Single-Interest
27	68	Vinson & Elkins LLP	\$835,001	9	Lawyers/Lobbyists
28	*	American Legal Finance Assoc.	\$835,000	27	Finance
29	*	Landowners of TX	\$800,000	6	Real Estate
29	104	Trinity Mother Frances Health System	\$800,000	6	Health
31	3	Electronic Data Systems (EDS)	\$780,000	10	Computers
32	102	Citgo Petroleum Corp.	\$770,003	8	Energy/Nat'l Resources
33	53	TX Cable & Telecom. Assoc.	\$760,001	12	Communications
34	55	American Electric Power	\$735,000	8	Energy/Nat'l Resources
35	*	AMC Mortgage Services, Inc.	\$750,000	5	Finance
35	*	Argent Mortgage Co.	\$750,000	5	Finance
35	*	Long Beach Acceptance Corp.	\$750,000	5	Finance
35	18	TX Civil Justice League	\$730,000	15	Ideolog./Single-Interest
35	42	Time Warner Cable	\$730,000	16	Communications
35	*	Town & Country Title Services	\$750,000	5	Real Estate
35	*	Town & Country Credit Corp.	\$750,000	5	Finance
42	57	Port of Houston Authority	\$725,000	14	Transportation
43	1714	Multimedia Games, Inc.	\$710,000	11	Miscellaneous Business
44	*	MEGA Life & Health Insurance Co.	\$700,000	5	Insurance
44	58	TX Electric Cooperatives	\$700,000	9	Energy/Nat'l Resources
46	28	Lower Colorado River Authority	\$685,000	22	Ideolog./Single-Interest
47	103	Blue Cross Blue Shield of TX	\$680,001	11	Health
47	302	Constellation Energy Group, Inc.	\$680,001	12	Energy/Nat'l Resources
49	77	El Paso Electric Co.	\$660,000	8	Energy/Nat'l Resources
50	212	Harris Co. Commissioners Court	\$650,000	15	Ideolog./Single-Interest
50	17	TX Assoc. of School Boards	\$650,000	8	Ideolog./Single-Interest

52	186	Bass Enterprises Production Co.	\$630,000	23	Enerov/Nat'l Resources
52	30	TX Manufactured Housing Assoc.	\$630,000	9	Construction
52	21	Waste Control Specialists, LLC	\$620,000	11	Energy/Nat'l Resources
55	77	Shell Oil Co.	\$615,001	9	Energy/Nat'l Resources
56	*	First Cash Financial Services, Inc.	\$610,000	7	Finance
56	*	Let The Voters Decide	\$610,000	7	Miscellaneous Business
58	47	Texans for Lawsuit Reform	\$605,000	11	Ideolog./Single-Interest
59	*	City of Texas City	\$600,003	3	Ideolog./Single-Interest
60	845	Genzyme Corp.	\$600,000	4	Health
60	*	Jabez-Strategic Partners, Inc.	\$600,000	3	Finance
60	124	TX Assoc. of Health Plans	\$600,000	8	Health
63	61	Baker Botts L.L.P.	\$595,002	6	Lawyers/Lobbyists
64	84	Eppstein Group	\$575,000	7	Lawyers/Lobbyists
64	24	TX Assoc. of Builders	\$575,000	9	Construction
66	81	Locke Liddell & Sapp LLP	\$560,001	7	Lawyers/Lobbyists
67	117	Pharma. Research & Mfgs. (Pharma)	\$560,000	13	Health
67	143	TX Health Care Assoc.	\$560,000	17	Health
67	167	Texas Instruments, Inc.	\$560,000	10	Computers
70	*	HCG Master Ground Lease, L.P.	\$550,000	5	Real Estate
70	101	TX Council of Engineering Co's	\$550,000	13	Construction
72	36	Exelon Power	\$540,000	10	Energy/Nat'l Resources
73	949	Cities Aggregation Power Project	\$535,000	9	Ideolog./Single-Interest
74	150	E. TX Medical Center Healthcare	\$525,000	15	Health
74	182	TX Federation of Teachers	\$525,000	6	Labor
74	391	TX Telephone Assoc.	\$525,000	5	Communications
77	84	TX Business Law Foundation	\$520,002	5	Lawyers/Lobbyists
78	157	Credit Union Legislative Coalition	\$515,000	14	Finance
78	104	UST Public Affairs, Inc.	\$515,000	13	Agriculture
80	235	Atmos Energy Corp.	\$510,000	6	Energy/Nat'l Resources
80	369	TX Assoc. of Mortgage Attorneys	\$510,000	15	Lawyers/Lobbyists
80	362	TX Rural Water Assoc.	\$510,000	5	Energy/Nat'l Resources
83	1580	BillMatrix	\$500,000	5	Computers
83	*	City of San Marcos	\$500,000	5	Ideolog./Single-Interest
83	*	CynoSure Developers, LLC	\$500,000	4	Real Estate
83	*	Employees Retire. Fund of Ft Worth	\$500,000	5	Ideolog./Single-Interest
83	*	JER Partners Inc.	\$500,000	4	Real Estate
83	31	TX State Teachers Assoc.	\$500,000	11	Labor
89	29	Reliant Energy, Inc.	\$495,000	10	Energy/Nat'l Resources
90	120	Amerigroup Corp.	\$485,000	7	Health
90	100	Dell Computer Corp.	\$485,000	15	Computers
92	1587	Distilled Spirits Council of the U.S.	\$480,000	13	Miscellaneous Business
93	169	Bexar Metro. Water District	\$475,000	7	Ideolog./Single-Interest
93	357	TX Credit Union League	\$475,000	8	Finance
95	112	Houston Independent School District	\$470,000	10	Ideolog./Single-Interest
95	573	TX Retailers Assoc.	\$470,000	17	Miscellaneous Business
97	*	Land Owners Conservancy of TX	\$465,000	10	Ideolog./Single-Interest
98	197	HE Butt Grocery Co.	\$460,000	10	Miscellaneous Business
98	*	Steel Mfgs. & Recyclers of TX	\$460,000	8	Miscellaneous Business
100	988	Argonaut Group, Inc.	\$455,001	16	Insurance

* Client not registered in 2003.

¹ The 1999 session was a sleeper compared to its two predecessors. Newly elected Governor George Bush pushed through a radical package of lawsuit limits in 1995. Governor Bush's failed attempts to cut property taxes set off another lobby scramble in 1997.

² For more on the "education lobby," see http://www.tpj.org/page_view.jsp?pageid=934&pubid=697.

³ During 2005 CenterPoint and American Electric Power sold off their stakes in the South Texas Nuclear Project to Texas Genco (which spent up to \$300,000 on 11 lobbyists that year). Constellation Energy owns nuclear plants in the Northeast.

⁴ Aqua Water Supply Corp., which is seeking to expand from water to wastewater service in fast-growth Bastrop County near Austin spent up to \$375,000 on 14 lobbyists. Two other water interests spent up to \$230,000 apiece. Guitar Holding Co. is a big landowner in Hudspeth County, where some speculators want to harvest water to sell to El Paso. Politically connected WaterTexas is a private company cutting big water deals in Central Texas.

⁵ Through so-called "certificates of public convenience and necessity."