Special Interests Spend 15% More On “Austin’s Oldest Profession”

- 2007 Lobby Spending Hits Up To $348 Million
- TXU Merger Challenges AT&T For Lobby Title

**Austin**—Special interests spent up to $348 million on Texas state lobby contracts in 2007, according to the new edition of Texans For Public Justice’s biennial report on the Texas lobby. In 2007 special interests doubled what they spent 10 years earlier and increased spending 15 percent over the preceding legislative year of 2005.

By the end of 2007, 1,629 lobbyists reported 8,166 paid contracts with 2,706 different clients, according to the report, *Austin’s Oldest Profession: Texas’ Top Lobby Clients and Those Who Service Them*.

As usual, Ma Bell’s reincarnation—AT&T—trounced all comers, spending up to $10.2 million on 126 lobbyists. Yet the corporate takeover of TXU Corp. gave Ma a run for her money. TXU and its buyout partners spent a combined total of up to $14 million on 177 lobby contracts.

“If politics is the art of the possible,” said Texans for Public Justice Research Director Andrew Wheat, “then the special-interest lobby exists to curtail what’s possible. When corporate needs repeatedly supplant human needs in Austin, thank the lobby.”

Key findings of *Austin’s Oldest Profession* include:

- 31 lobby clients reported maximum lobby expenditures exceeding $1 million apiece. These oversized clients spent up to $69 million on 814 contracts. This accounted for 20 percent of all the lobby money spent in Texas.
- Thanks to TXU-takeover interests, the “Energy & Natural Resources” sector ranked No. 1. Clients in this category spent up to $60 million, accounting for 17 percent of all lobby expenditures.
- Interests classified in the No. 2 “Ideological and Single-Interest” category spent up to $49 million, led by local government interests.
• 28 lobbyists reported maximum incomes of $1.5 million. These elite lobbyists received up to $67 million, or 19 percent of all lobby dollars spent in Texas.

• Reporting up to $3.9 million from 26 clients, Todd M. Smith reported the lobby’s biggest gross income. Yet Smith listed his own lobby firm as the client for his three largest contracts. Without these, he would not have surpassed Rusty Kelley, who has held the lobby fat-cat title several years running.

• Lobbyists reported 59 mega-contracts worth “more than $200,000.” Energy Future Holdings Corp., the name assumed by TXU’s buyout partners, accounted for nine whopper contracts.

• A recent reform requires better disclose of the values of large contracts. Lobbyists used to report the top contract-value range as an open-ended “$200,000 or more.” Now the largest reporting category is “$500,000 or more” and lobbyists must report the actual value of any contract in this range. There were glitches implementing this reform in late 2007.

Read the full report at:
http://www.tpj.org/reports/austinsoldest07/facts.html

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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.