

# ☆☆☆ News Release ☆☆☆

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## Special Interests Spend 10% More On ‘Austin’s Oldest Profession’

- **2005 Lobby Spending Hits Up To \$304 Million**
- **AT&T, TXU and Verizon Boast Major Spoils**

**Austin, TX:** Special interests in Texas—which leads the nation in lobby spending according to one measure—spent up to \$304 million on state lobby contracts in 2005, a 10 percent increase from the preceding 2003 legislative year, according to a new Texans For Public Justice study.

Governor Rick Perry made 2005 another banner lobby year by calling two special legislative sessions. While the number of paying lobby clients (2,471) and the number of paid lobby contracts (7,455) increased significantly from 2003 to 2005, the number of paid lobbyists shrunk from 1,578 in 2003 to 1,525 in 2005, according to the report, *Austin’s Oldest Profession: Texas’ Top Lobby Clients and Those Who Service Them*.

AT&T (formerly SBC Corp.) again ranked as Texas’ No. 1 lobby power, paying 129 lobbyists up to \$7 million in 2005. Fellow phone giant Verizon ranked No. 4, spending up to \$2 million on 42 lobbyists. These expenditures paid off when lawmakers used a special session ostensibly devoted to the state’s school-funding crisis to deregulate phone rates and let phone companies enter Texas television markets on preferential terms. No. 2 ranked TXU Corp.—which spent up to \$3.2 million on 52 lobbyists—is leading the push for new dirty-coal plants in a state that repeatedly flunks federal air-quality standards.

“Special interests once again boosted their lobby spending to convince Texas politicians to put their issues at the top of the list,” said Texans for Public Justice Director Craig McDonald. “Too often these investments pay off handsomely—at the expense of average Texans.”

*Austin’s Oldest Profession’s* key findings about the 2005 lobby include:

- 16 clients reported maximum lobbying expenditures exceeding \$1 million apiece. These included gambling interests and professional trade associations that had major stakes in the school-funding debate.
- Interests classified in the “Ideological and Single-Interest” category spent up to \$45 million, outspending the No. 2 ranked “Energy & Natural Resources” sector. Local government interests dominated the leading category, helping to snuff efforts to cap property-tax increases.
- 30 lobbyists reported maximum incomes of \$1.5 million—up from 26 million-dollar lobbyists in 2003. These elite lobbyists pocketed one out of every five Texas lobby dollars.
- Rusty Kelley again led the lobby, reporting 64 contracts worth up to \$6.8 million.
- Lobbyists reported 43 mega-contracts worth “more than \$200,000.” Citgo, which got a \$5 million taxpayer handout from the Texas Enterprise Fund, boasted three of these contracts.

The full report is available at: <http://www.tpj.org/reports/austinsoldest06/index.html>.

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

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