

NORTH TEXAS STATE UNIVERSITY
ORAL HISTORY COLLECTION

NUMBER

82

Interview with
Jack Blanton
June 29, 1971

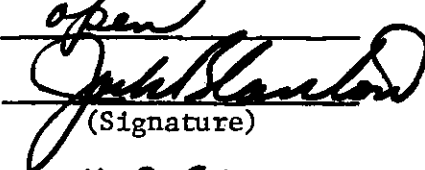
Place of Interview: Carrollton, Texas

Interviewer: Dr. Ronald E. Marcello

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Oral History Collection

Jack Blanton

Interviewer: Dr. Ronald E. Marcello

Place of Interview: Carrollton, Texas Date of Interview: June 29, 1971

Dr. Marcello: This is Ron Marcello interviewing Representative Jack Blanton for the North Texas State University Oral History Collection. The interview is taking place in Carrollton, Texas, on June 29, 1971. I am interviewing Representative Blanton in order to get his reminiscences and expressions and experiences while he served as a member of the regular and first called session of the Sixty-second Texas Legislature.

Mr. Blanton, the first thing I want to talk about--and I have arranged my questions more or less in some sort of category--the first thing I want to talk about is the various revenue proposals that came before the Legislature. Now, as I recall, one of the first revenue proposals, well, the first one came from Governor Smith, and it called for deficit financing. Among other things, he was going to issue some state revenue bonds for the purpose of financing state government. What was your initial reaction to this plan on the part of Governor Smith?

Mr. Blanton: Well, I was ^{not} one of the twenty that voted for it, I'll put it that way. I am against deficit financing for state government. At the very best, it's a circumvention of our constitutional prohibition against deficit financing, although we do to some

extent finance in that manner on capital improvements in certain colleges, and we have ten cent rate on the county tax rolls which goes to pay for these capital improvements for state colleges.

Marcello: What would it have taken to remove that constitutional prohibition against deficit financing? Would it have been a four-fifth vote of the House?

Blanton: That's my understanding. I did not go into it far enough to find out because the bill was obviously doomed from the moment that it was mentioned to the House.

Marcello: Well, according to one newspaper report, it was virtually laughed out of the House. Was this essentially correct?

Blanton: Well, I wouldn't say that it was laughed out of the House because so radical a departure from our accepted method of financing state government is hardly a laughing matter, particularly with me. I was against it, but it was not a laughing matter with me. I just could hardly believe that the governor would recommend that we handle bread and butter items particularly, on the deficit basis because all this would do would be to delay it for one year, and for several years thereafter we would be obligated on paying off that year's appropriations, in addition to the appropriation for the new year. We could only do it once. I was very much against it from the start. And I believe it received only twenty or twenty-one votes as I recall.

Marcello: It wasn't very many. Who was it that you think was advising

him to follow such a path? Do you think this is something he came up with on his own, or who do you think was advising him.

Blanton: Well, I don't know who his financial advisers were on that particular phase of financing state government, but I don't believe he was seriously inclined to believe that the Legislature would agree with him. He merely had offered a budget which would require no new taxes.

Marcello: Do you think perhaps he was doing a little bit of political demagoging here?

Blanton: Well, it's not really demagoging in the exact definition of the word demagogue or demagoguery, but he was certainly putting the Legislature in a position of having to come up with a plan which would meet the pay-as-you-go concept that we operate under in Texas.

Marcello: Well, obviously, he sprung this plan without any consultation with any of his people in the Legislature, isn't this essentially correct? Apparently it took most people by surprise.

Blanton: Well, yes, and I've never determined who his people in the Legislature are. You mentioned 'his people in the Legislature' and he does have some friends, and I have been on his team on certain matters of legislation, but as far as being his people in the House, they are hard to identify if they exist.

Marcello: Maybe I should rephrase my question. It would seem to me anyhow that on a matter such as raising revenue, he would have at least consulted with Mr. Atwell. I'm not trying to say that Mr. Atwell is one of his people in the House, but obviously it

seems to me that perhaps there should have been some sort of consultation here, and apparently there wasn't.

Blanton: Well, all that I can tell you is a matter of judgement. When Mr. Atwell presented the bill in the House, he did so with less than enthusiasm. I think everybody would agree on that . . .

Marcello: In other words he was simply being a dutiful chairman . . .

Blanton: That's right.

Marcello: . . . and saying "Here the bill is and do with it what you want."

Blanton: The Legislature feels that it's obligated--and I suppose it may even be obligated by the constitution, but I'm not even sure on that point because its never come up--but we do feel obligated to lay out whatever plan the governor offers to the members for their vote. And this was done, and as I said, it came out something in the neighborhood of twenty-one votes for it.

Marcello: When Smith came back with the second revenue proposal, and among other things, he proposed to increase the state sales tax to 4 per cent; he wanted to increase the tuition rates for both in-state and out of state students at state-supported schools; and then he also wanted to apply the 4 per cent tax on the . . . he wanted to increase the tax on the sale of motor vehicles to 4 per cent. Now could you live with this particular tax bill?

Blanton: Well, yes, we finally adopted the 4 per cent sales tax, and we adopted the tax on the automobile. And I'm not sure about what was the final outcome on the out of state tuition. I

I don't remember the rate. It was increased but nothing like the amount that the governor had mentioned.

Marcello: Were there any taxes that were not included in that revenue proposal that you perhaps think should have been included?

Blanton: Well, no, I think the tax . . . of course, we are now taxing the 'sin taxes' almost too far. Regardless of your attitude about the 'sin taxes'--and I'm speaking of tobacco and liquor, entertainment, and items that are not necessary for the well-being of the citizens--these items already carry a tax in excess of the value of the product, and in some cases several times the value of the product.

Marcello: This seems to be the opinion of most of the legislators that I've interviewed up to this point, that is, that the 'sin taxes' have been taxed to either their limit like you say or over their limit.

Blanton: Well, you're going to reach a point of diminishing returns in the not too distant future, and, of course, for those people who would recommend the prohibition of such activities, the diminishing returns would be a hopeful sign, but it's my contention that if the 'sinners' in the State of Texas, of which I may be considered one, ever reform the state finances are in real trouble. And I do believe--not for my sake and for the taxes that I pay on those items in which I indulge--that for the sake of just good financial policy, that there is a limit. And we have either reached it, or we are very close to it.

Marcello: What is the next step from here then?

Blanton: In taxes?

Marcello: Right.

Blanton: Well, you're going to cause me to bring up my pet project of this session. There is room for some saving in the operation of state government; if not altogether in state government, at least we can relieve the local taxpayer who in the final analysis pays all the taxes--state, county, city, and otherwise. I'm speaking now about the bill to go to the four-quarter school system which we'll discuss a little later.

Marcello: Well, do you think it would be appropriate to put it in at this point? We can do so if you wish.

Blanton: Well, it's fine. The four-quarter school bill which was my bill, House Bill 1078, primarily does two things in the educational field. The first thing that it does is to require the Texas Education Agency, by not later than September 1, 1972, to have prepared a new curriculum for all public schools in Texas, which curriculum would be divided into three-month periods rather than the present four and one-half month period. Now this part of the bill is mandatory. The second part of the bill would enable a school district which is presently crowded for room to use the fourth quarter, which is the summer quarter (normally to be considered the vacation time), but a school district could utilize that fourth quarter and have one-fourth of its students out of school at all times and three-fourths of the students in school at all times. What

this would do . . . a school that would presently house 3,000 students could house 4,000 students with no additional construction costs. Of course, there are some immediate questions that are raised in the minds of people. The first one and the most obvious one stems from a misunderstanding, which is that people think that their children will be required to go to school twelve months. That's not true at all. Then the next question is: "Do you mean that the school can tell my children that they have to take their vacation in the wintertime?" Now my answer to that is that the school tells them now that they have to take their vacation in the summertime. And I suppose if they want to put it on that basis, they can also tell them that they have to take it in the winter rather than the summer, or that they have to take it in the spring or the fall. These are the principal objections that are raised to the plan, but . . .

Marcello: Were these the principal objections that were raised in the Legislature also to your bill?

Blanton: Well, there was very little objection raised to the bill in the Legislature when once they understood that new school construction could practically come to a halt for a number of years, from five years to many years, depending upon the growth of the school district.

Marcello: How much in annual savings do you think this would save the state?

Blanton: Well, if it was fully implemented . . . we're presently

spending about \$270,000,000 annually on new school construction. Now you have to allow some money to be used to air condition those buildings that we're going to be using in the summertime. It takes about \$3.00 of tax money to pay off a dollar's worth of bonds, so we are talking about an annual savings in the State of Texas of somewhere in the excess of a half billion dollars. I think that once people understand the one fundamental hangup on this thing . . . people feel that school is out in the summertime because that's vacation time, when actually it's vacation time because school is out, and once they get these priorities straightened out and understand that our life is pretty well based on the operation of the school system in the State of Texas, then they will understand. There are many, many other advantages to this program. First and foremost is that it's the greatest step forward in education that's been enacted into law in Texas in many, many decades. It immediately increases the number and variety of courses from which a student may choose by 50 per cent. Rather than taking five courses two semesters each year, he takes five courses three semesters, and he, therefore, in the period of four years in high school, for instance, will select from sixty courses rather than forty as he presently does. All of the educators that we talked to in the interim study committee agreed that the division of the curriculum into three-month courses would be a very worthwhile and significant step if nothing else was done. And you also should understand that it

. . . if a school is not experiencing any growth or any crowded conditions, they simply stay on the same nine-months they are on now, except that they report in three periods rather than two. So it will not interfere with schools that don't need to use it, except for the fact that we have to have the standard curriculum for all schools.

Marcello: In other words, in effect, what you are proposing is that, among other things, the state can adopt such a line in order to cut down on expenditures, and in this way perhaps compensate for the saturation point which has been reached so far as the 'sin taxes' are concerned.

Blanton: That's right because the same people who are the local ad valorem school taxpayers, or the state sales taxpayers, or the state excise taxpayers, or the state any other kind of taxpayers. They are the same people who pay the local school taxes. And this saving doesn't really make any difference to them as long as it comes to them, and I thought it was rather significant that the anticipated savings from such a program are roughly equal to the largest tax bill that was ever passed in history which was passed this last session, almost the same, roughly half a billion dollars, slightly more if bonds are not paid off early, and that sort of thing. I think it's a good concept for the State of Texas, and one thing that I'm particularly pleased and proud of is the fact that oftentimes when I am down at the front mike in the House of Representatives presenting a bill, I am forced to preface my remarks by saying,

"Well, Texas ranks thirty-eighth in this field, let's follow the others," or "We're forty-fourth in the list, and let's do it now." In this particular giant stride forward in education, Texas is number one in the nation--we're the only state that's done it, and I think other states will be following in the very near future.

Marcello: How high do you think we can possibly raise the sales tax?
What do you think is the absolute limit that can be raised?

Blanton: I think that the practical limit has been reached as far as the rate is concerned. Now we may broaden the base, and we have a long way to go there without mentioning the sacred items--food and drugs. We don't tax any services, professional services or otherwise. We don't tax land sales. There are a number of places that the sales tax could be made to apply that it presently does not apply. And without raising the rate any at all, we could derive a great deal more revenue. And I have not seen the figures, for instance, on real estate sales in Texas. Presently, of course, real estate is generally taxed by the agent at the rate of 6 per cent, and the additional 5 per cent may cause some complaints, but almost all taxes cause complaints. There's no question about that. And the services--professional, medical, legal services, automobile repairs, laundry and dry cleaning--a number of services are not taxed presently could be added to the base of the tax and bring in additional revenues for some years to come in this method without . . . but I think that when you go beyond a total of

5 per cent, the difficulty of figuring the amount and that sort of . . . 5 per cent is an easily figured percentage. I just would hesitate to be a party to raising the rate.

Marcello: How strong were the corporate income tax forces in this past session of the Legislature?

Blanton: Well . . .

Marcello: I'm speaking now of the House.

Blanton: . . . I'm not sure about a corporate income tax. The way the tax that was offered to the House was as a corporate profits tax. Now this would be a different matter from an income tax actually. It received, I believe, sixty-two votes in the House, not mine, but sixty-two members of the House did vote for it.

Marcello: You were one of those who voted against the corporate profits tax proposal?

Blanton: That's right.

Marcello: What is your argument against the corporate profits tax?

Blanton: Well, in the first place, I think it's almost automatic that a personal income tax would follow. I have just always been opposed to a personal state income tax, and I think that it would just naturally follow.

Marcello: Do you think that the anti-corporate profits tax people are living on borrowed time? Are you ready to face the inevitable, if such a thing is inevitable?

Blanton: Oh yes, yes. Such a thing is inevitable, but once you get a tax like a corporate profits tax or corporate income tax is so

much easier to simply raise the rate on that particular source rather than to seek to even up the tax load and to review your people who are carrying the tax load. You just simply say, "Well, we can use another half-cent on this corporate profits tax and another half-cent on the personal income tax," and it's too easy for a legislative body to sit back and increase the rate as we have done up to what I consider to be the top on the sales tax without seeking to equalize the tax load. You have certain people built into it, and it's very easy to just say, "Well, we'll just . . . that's another 1/2 per cent, another per cent, or two per cent," or whatever it is. And so it's my belief that there is a tendency, if not a downright actuality, but there is at least a tendency for the legislators to become lazy and for them not to seek a true tax equalization. And we do need to revise our complete tax structure in Texas because we do have some people that are probably carrying more than their share, and some who are carrying less.

Marcello: Which particular class of people do you feel are carrying more than their burden of the tax structure?

Blanton: Well, I mentioned the 'sin taxes'. We are finding with the foreign oil situation that some of our own domestic oil people have had some financial difficulties which have made taxes which they have formerly paid gladly now onerous or burdensome to them.

Marcello: I've seen it said in the newspapers on several occasions that one of the reasons that the vast majority of the Dallas delegation

to the Legislature was opposed to the corporate income tax was because they received so much of their support from the so-called "downtown business establishment." Do you give any credence to this?

Blanton: Well, not necessarily, because the total contribution from all sources for the "Fifteen for Dallas" as I recall was something less than \$45,000.

Marcello: That was to be split among all of those, all of the representatives and senators?

Blanton: That's right. That was to pay the way for all of them--not the senators--the fifteen representatives only. The senators had their own campaign separate. We ran a joint campaign, and one member of the opposition party, who, incidentally was successful, spent nearly three times that much on his own campaign. We were not overly financed by the "downtown fatcats," although they were among our larger contributors. And I will say for them that their support was more on the basis of a team effort than it was on individual members because their support went to those members of the "Fifteen for Dallas" who absolutely never were known to support the "downtown fatcats." And yet these same people benefited from this because these businessmen and others . . . like I say, all that contribution was not from the businessmen. But they made no difference; they supported what they considered to the best out of the representation which was the team effort, the "Fifteen for Dallas," all from one party.

Marcello: Do you think that at the present time business, for example, is bearing its fair share of the taxes, or do you think that it is possible to tax other areas of business in Texas?

Blanton: Well, I'm quite sure that it is possible to tax other areas of business, and, of course, there has been a great deal of talk about how the sales tax is a consumer tax, and you get into theories of taxation and sometimes you get lost, but business pays approximately 40 per cent of the sales taxes paid, and they own about 25 to 30 per cent of the rolling stock, automobiles and trucks, which would be a sizeable contribution to the sales tax picture. The trouble with taxing business . . . and here I'm going to get a little bit into the theory of taxation. My theory of taxation is that no matter where you put the tax, the ultimate consumer pays it. It becomes a cost of production, and then people who feel that the sales tax is regressive say, "Well, if that's the case, why does business care where you put the tax as long as they are going to pass it along?" The reason that I don't like to see the tax placed any higher than it has to be is because the fewer taxes that are applied at the production level, the more competitive with other states our businesses in Texas will be. If you put the tax on there, even though it's passed on to the consumer, it has to add on to the cost of the goods that leave the State of Texas and thereby put us in a rather poor position competitively with other states. Now this is my reason for not wanting to put the tax high enough on business that it cuts down on our

competitive advantage over other states.

Marcello: How did you feel about the proposal to increase the tuition for both in-state and out-of-state students at state-supported schools?

Blanton: Well, I supported the tuition increases in both in-state and out-of-state. Out-of-state, because I feel that as we do in certain other areas of the law I think we should use some sort of method of reciprocity where I'm perfectly willing to educate a student from New York for the same price that New York will educate a student from Texas. I'm not concerned about that so much. As far as the intrastate tuition increase is concerned, my principle concern there is that if we allow the spread between the public and the private colleges to continue at the rate it is--by continued subsidization of the state degree--we are going to kill the private institutions. Now we alleviated that some with Senate Bill 56 which is a partial tuition equalization grant by the state. If our spread between the public colleges and the private colleges gets any greater than it is, private colleges simply cannot attract students. There is simply too much difference. Now, a law student at SMU pays roughly \$2,000 per year tuition, a law student at the University of Texas pays \$100 dollars per year.

Marcello: I assume you are very familiar with that?

Blanton: I have a son in that SMU law school, and I am quite aware of what it costs. I am simply saying that SMU cannot continue because . . . there again, your point of saturation is about

reached. Who can afford to go to SMU if he can get roughly the same education at the University of Texas for one-twentieth of the amount? That's all; it's just that simple.

Marcello: Now after the revenue bill had been through the conference committee and had been resubmitted to both Houses, it was passed and sent on to the governor. The governor hesitated in signing the revenue bill mainly because of the two cent per gallon increase in the gasoline tax. Were you more or less in favor of this move on the part of the governor, or here again, do you think that he was perhaps playing politics?

Blanton: Well, the governor certainly didn't make very many enemies by cutting out the two-cent gasoline tax. However, by increasing the gasoline tax by two cents, of course, immediately you put a half-cent in the school fund, and one and a half-cents in the highway fund. Now if we had done that, we would have . . . there are certain steps that we could have taken and some would have been taken, some were attempted, and I'm not sure but what some passed, but by having the Highway Department assume, for instance, the full cost of highway right-of-way acquisitions, the full cost of utility relocation, and that sort of thing, we could have given some relief to the cities and counties which are presently in a rather tight spot for those funds. Of course, one-fourth of this which is constitutionally dedicated to the schools would have relieved the need for appropriations from the general fund in that area. We would have wound up, even with all of the . . . shall I say a tax on

the highway fund we would have still had to simply enrich our highway fund by probably more than it needs, and that's pretty much of a sacred cow--the Highway Department--and it's difficult to be against good roads as everybody knows. There comes a time, then, of whether or not we need to increase our road building so much as we need to do some other things that should probably have more priority. The people who backed the amendment to the constitution which made these highway funds almost inviolable did their work very well, and we do have a fine highway system, probably the finest in the nation. But I'm not sure that we need to increase the expenditure in that field when we have some other areas that badly need funding.

Marcello: Had the governor ever given any indication at all during the debates over the tax bill that he would veto such a piece of legislation?

Blanton: Not to my knowledge. Possibly, if I were more adept at reading the governor than I am at reading printed material, I might have been able to detect that there was a veto in the offing, but on the other hand, as you well know, the governor in the sixty-first session vetoed a one-year appropriations bill by saying that it was unconstitutional. This caused us to come back and pass a two-year appropriations bill. And this year, we passed a two-year appropriations bill, and he in effect made a one-year bill out of it by vetoing everything that referred to the second year of the biennium.

Marcello: Do you have . . .

Blanton: Reading him may be more than a science.

Marcello: Do you have as much faith as the governor does that the federal government might take over the second year of welfare?

Blanton: Well, I believe that the federal government is pretty well on the way toward some relief in that area, but it won't be a complete thing. There will still have to be a state supplement as far as I understand it. Mr. Mills came down to the Legislature and did a beautiful job of outlining his plan and explaining it to the Legislature and making us feel that it had merit. And, of course, anything that relieves the state of expenditures is apt to be received warmly in Austin. I don't believe that it will be a complete . . . I don't think it will cover, for instance, things like Medicare and that sort of thing. It will do a lot toward the AFDC which is the big bone of contention and really not as generous as a lot of people think it is, though we discussed that at our last meeting.

Marcello: I believe we did, yes. Just one final question, then, with regard to revenue. Could you more or less live with the final revenue bill that was passed by the Legislature?

Blanton: Yes. I voted for the tax bill that was finally passed.

Marcello: But here again, you know, a lot of legislators, I am sure, did vote for it, but there might have been a passage or a particular part here or there that perhaps they didn't particularly favor or like.

Blanton: As I mentioned before, we again increased the 'sin taxes' although we held out 'demon rum' as a special target and wrote

a special bill to tax that phase. We now have the highest cigarette tax in the nation. That may, I hope, at least will cause some reduction in smoking, although I doubt it will, for it never has apparently, but any further increase possibly could. That's one of the things that I thought was . . . you know, two times in a row we increased that tax. This time, of course, we did increase the gallonage on the liquor, and we increased the barrel tax on beer, and we put the per drink tax in the . . . terribly steep license on the taverns that will serve mixed drinks. I think that this will probably cut down on the amount of excessive drinking in these places because I cannot believe that a man who spends \$5,000 for a license is going to allow it to be taken away in order to sell a person "a one more drink" or something of that nature. The new law is rather strict, and I am pleased with it.

Marcello: Okay, let's move on then to appropriations if there is nothing more to be said about revenue. Now apparently one of the bones of contention concerning the appropriations bill was that in conference committee, approximately \$20,000,000 was added. Is this correct?

Blanton: That's right.

Marcello: What did you think about this?

Blanton: Well . . .

Marcello: Maybe we should ask you, first of all, what you think about the idea of conference committees acting on measure and not being bound by . . .

Blanton: By a previous action of the House or the Senate.

Marcello: Right.

Blanton: Well, of course, there is merit in that if we ever get to the place where we can handle our appropriations bill early enough in the session so that the conferees would have time when they discover a mistake or an omission or just simply a miscalculation in the funds needed, where they would have time to come back to the House and pass a resolution approving the change that would be ideal. We have never yet found ourselves with that kind of time at the end of the session or before the session ended. We've always passed it hurriedly, and I'm sure that that's bad. We'll talk a little bit more about limiting the conference committee, I guess, when we get over in to the ethics thing.

Marcello: Yes, I'm pretty sure we'll do that. Again on the subject of appropriations, do you believe that in this area the governor was correct or was proper in vetoing the second half of that appropriations bill?

Blanton: Well, I told the governor the last time I talked with him that I was glad to see him join me in approving a one-year appropriation bill. In my opinion, one-year budgeting is much more sensible than the two-year approach. And I say that for a number of reasons. In the first place, I know of no business that appropriates or budgets its money for two years because you cannot simply see that far down the road.

Marcello: What was the rationale for this in the first place? Do you know why the two-year budgeting scheme was adopted?

Blanton: Yes. We are talking about back in the 1880's when appropriations were a very, very small matter. We had no real government services other than protection from the Indian uprisings, certain protection against fence cutting by cattle barons, and that sort of thing. Our state budget was a very, very small matter, and you could pretty well foresee what the cost would be. We had no inflation factor particularly as we do today. Our principle reason today is because we need to be flexible because so much of our state finance is tied in, partially at least, with federal funding. And often we lose federal funds that are earmarked for our state because we cannot react rapidly enough to comply with their regulations.

Marcello: I would assume also that, as you say, since the two-year budgeting does go back to the nineteenth century, apparently the distances involved in a legislator getting to and from Austin perhaps might have played some sort of a part in that also.

Blanton: Well, that's true, except that was not as much a problem as you might think because at that time . . . of course, Texas as far as settlements were concerned, stretched from Dallas to San Antonio to the coast, and it wasn't as long a trip. Very few people were living in the Panhandle, and very few people were living in extreme West Texas. It was a problem, of course, but in my opinion, it's more a matter that there just wasn't that much state business in those days, and costs didn't vary. A pair of shoes was the same price, probably, in

1880 that it was in 1890. Now-a-days in ten years, your shoes have doubled in price. That's one of the problems that we have when we try to budget for two years. About half of our budget goes for education, and we know what a rapid rate of growth we've had in education. So when we have to try to see two years down the road knowing it's going to be nineteen months before we're back in session to correct any mistakes that we make, we're inclined to put a little bit more in there in case it's needed. It looks like we may have this amount of growth here, and if we do, they are going to need this much more money. Now if we put it in the budget, it's going to be spent. And if we had to project for only one year, this padding effect would be eliminated to a large extent because if we are on a budget for one year we know then that seven months later we'll be back in session. And nobody is going to sink in seven months but they could very well get in serious trouble in nineteen months.

Marcello: Do you feel then that Governor Smith was correct when he said that there were quite a few pork barrel or nonessential items in that appropriations bill?

Blanton: Well, I'm sure that there are some nonessential items in the appropriations bill. And as I mentioned earlier, I think that there is room for a good deal of saving to be made in our state budget, and I hope that we'll do it. I hope that the fact that we passed this quarter school system is a good indication that the Legislature is beginning to look for ways

to save some money. Now we've played catchup for a number of years. Our educational system was in a shabby condition ten years ago. We've made some gigantic strides in improved education in Texas both public primary and secondary and in college level fields. Now that we are up there in a position that we can live with I think that we need to examine our position and see if we have put some fat in there that needs to be cut out and which could even improve the utilization of the money that we do feed into the system.

Marcello: Now apparently also one of the big controversies which came up during the conference committee deliberations over the appropriations bill concerned increases in the salaries of the teachers at the state-supported colleges. Apparently there was quite a bit of opposition to increases, especially in the House and especially among some of the House conferees. I'm speaking now, perhaps both of Mr. Heatly, and, of course, Mr. Mutscher, both of whom apparently were not particularly in favor of salary increases for college professors.

Blanton: Well, actually, I have not had an opportunity to discuss with either one of them their reasons for not wanting to increase college faculty salaries. You see, there are ten conferees and six of them can approve the report, which means if all five of the House conferees were against salary increases, at least one senator must have joined them, and I don't know what the situation was. I was not a member of the conference committee. I don't believe the House was capable of bulldozing the Senate

into doing something that it is not willing to do. I think, as I recall, there were no dissents on the conference committee's report. Now this doesn't mean that everybody was in 100 per cent agreement, but at least all ten accepted the thing as it was, so I don't know who to blame. I didn't attend the conference committee meetings, although, despite some reports to the contrary, I could have, as any other member could have, but I didn't. And I don't know who did what and who supported what and who fought for what on the conferences that were held on the appropriations bill.

Marcello: Okay, let's move on to another area then. I think one of the more controversial issues in the past session of the Legislature was the so-called Sharpstown Case. I hate to use the word stock-fraud scandal which you see in the newspaper because we'd be more or less making somebody guilty before they are guilty perhaps. What were your reactions when you first heard about this so-called break in this Sharpstown affair.

Blanton: Dismay. Extreme dismay for a number of reasons. In the first place, the people who were involved were all people that I had known and liked. They were friends. I had worked with them through several terms in the Legislature. The other one was for--and I think probably the most important--was for the harm that it did to the system of government in Texas. There is no question but what it received a serious blow so far as the confidence that people have in it. I think that's the worse consequence, although it may be personally very detrimental to

the people who are involved, guilty or not. They were harmed very greatly. The damage to the state is far in excess of the personal damage to a few individuals, severe as that might be. And that was, I think, the big disappointment to me--the fact that, as I say, I had worked with these men and had helped them and had been helped by them in passing legislation. For all practical purposes they may as well be guilty as far as damage to their personal fortunes is concerned. I think there is no question but what they wouldn't be any worse off if they are finally judged guilty than they will be now. And this is the reason . . . when people ask me about the speaker of the House and whether I will support him next term, I simply do not believe, and cannot be made to believe, that he will be a candidate for speaker. On the other hand, I cannot fail to say at this point if I wanted to be fair, and I hope to be fair, I would have to tell you that whatever my district asked for from the House of Representatives through me as their representative they got it. I was not elected to reform the Legislature in my last election, although some people who were elected in the last election behaved as though that was their principle reason for being elected. I have always felt that I was elected to represent my district whether or not that means "bringing back the goodies" as some people consider to be your duty as a representative.

Marcello: Were you referring to the "Dirty Thirty" here awhile ago when you said apparently they interpreted their election as being a

mandate to reform the Legislature?

Blanton: Yes, partly. At least everybody that I was referring to considered himself to be a member of the "Dirty Thirty," although all members of the "Dirty Thirty" did not feel the same way and did not act as they did for the same reasons. There was a commonalty of cause there that worked out as it did, but it was not all for the same reason that they opposed the speaker. Some did it on a party basis; some did it on a basis of never having been successful in their legislative efforts; and others had other reasons. I will say at this point that there will be legislative reform. There is no question in my mind that there will be legislative reform. It will not be because of the few of the members who seized an opportunity. The reform will come from the very effect of the scandal itself, not from an individual who sees this as a weapon. And, as I said before, I was not sent down there to reform the Legislature, and had I been sent down there to reform the Legislature, I feel reasonably sure and without too much vanity on my part that there would have been more reform than there was. The people who now claim the first rights to opposition, if you will, for the most part were people who have never been effective in the Legislature, either for themselves or for their districts. They may be absolutely right. I'm not sure at this point. Though they may be absolutely right in attacking the speaker, the governor, and others, their motivations do not really stem from a desire to reform the

Legislature if my judgement of the circumstances are anything at all like right.

Marcello: Well, in your own mind, do you personally feel that whatever those men did, it was a bad move on their part? Now, by those men, I'm referring now to Speaker Mutscher and Mr. Shannon, Mr. Smith and Mr. Heatly. In other words if somebody had come to you and offered you, you know, the type of deal which they allegedly received?

Blanton: Well, I don't know what I would have done in those circumstances, and neither does anyone else. Although, it is very easy to say, 'Now, I would not have accepted such a thing,' I don't know and neither do you, and neither do they, if the truth were known. The stock was touted to me. It was touted to nearly everybody. And I think the most interesting thing by far that could come out of this whole situation would be to see a list of everybody, political and otherwise, that bought and sold stock during this same time. I think that it would be a list that would be very, very interesting to all of us.

Marcello: You say this stock was touted to you.

Blanton: Yes, it was touted to everybody that I know of.

Marcello: Exactly how did they go about doing this?

Blanton: They picked up the phone and called me and said, "Jack, I've got something here that's really going to make some money in the next thirty days. Certain things are going to happen, and this stock is going to take a jump." By the way, in 1951 or '52, before I was ever a member of the Legislature, I had the

same kind of a stock tip on a stock which at that time was selling for 6 7/8; it was touted to me that it was going to go to \$20. In 1952 I had very little cash on hand and very little credit at the bank, and I scrounged together what funds I could and bought all the stock that I could buy. And, as the man told me, it immediately started up. And when it got up to about \$13 or \$14 a share--I doubled my money after I paid my commission--I sold the stock, and I watched it go to \$200 after having sold it. But stock touting is a very common occurrence. It happens every day in the week. Every time a stockbroker gets something he considers to be a hot tip, he starts calling the people he has been selling stock to or buying stock from.

Marcello: Does this occur quite a bit in the Legislature or among legislators? Are they privy to quite a few of these stock tips?

Blanton: No, I don't think they are privy to stock tips. I think the thing that makes their dealings in this thing different was the fact that they were able to borrow this money without security. As I say, when you get a stock tip, it may or may not be worth five cents. You never know until you buy the stock and see what happens. But when somebody is willing to loan you vast sums of money with no collateral, I would think you would have to stop and wonder why. Because when I go to the bank to borrow money--and I borrow money as everybody else does--if it's any sizeable amount at all, I'm required to put up a proper amount of collateral that has a reasonably solid

basis for evaluation. Generally, the collateral that I use is land because I still have the old farm, and some other land that I own, and I usually collateralize my loan with land or notes receivable that are backed up by land which I have sold. If any lending institution were to say, 'We'll just be glad to loan you \$200,000 on your signature', I would probably be suspicious of their reason for it since I am in a political position. And, as I said, I deal very little in stocks; most of my dealings are in land and improvements thereon. I have always been requested and required to collateralize my sizeable loan. Now, a matter of a few thousand, \$3,000 or \$4,000 on a financial statement is one thing, but sums in excess of that, I have always been required to have sufficient collateral there that if I defaulted, they could dispose of the collateral to satisfy the note.

Marcello: Who was it that contacted you with regard to this tip on the Banker's Life stock.

Blanton: Well, I don't want to put his name in this record, but he was a stockbroker in Dallas, one whose name has not been mentioned in connection with this thing. The stock that I mentioned awhile ago was Texas Instruments, which in 1951 or '52, I don't even remember now, back there was selling for 6 7/8, and as I said, I listened to the tout to the extent that I bought what I could gather up the money for. And, he told me it was going to go to \$20 and when I had doubled my money in the course of six months, something like that . . . and this is when they came out

with the transistor. And he knew because he worked for TI and he was not a stockbroker. This particular man was not a stockbroker. He worked for Texas Instruments. I was attending SMU night school, and he was one of my teachers, and he knew about the development of the transistor. He told me, you know, within a few months it would go to \$20 from 6 7/8, roughly tripling the money. Well, when it doubled the money, I sold out. I didn't have that much faith in the tout, and, sure enough, he was right. It went to \$20, then it went to \$38, then, well, I believe it went to \$200 per share before it was finally cut back. Stock is constantly touted, and it wasn't long 'til the word of the transistor got out, and then everybody was trying to push Texas Instruments stock. Well, the stockbroker is like any other salesman. He has a product to sell. And if he has a reason that one particular issue will sell real well, he'll push that issue.

Marcello: Do you believe that legislators are perhaps more prone to receive these touts than, let's say, the average citizen?

Blanton: Well, the average citizen, yes, but the average businessman, no. I would say probably even less because most people that buy and sell stocks deal with one broker primarily. We are away from our brokers usually five months at a time unless the broker feels that he is willing to pick up the phone and call at Austin or hopes to catch us when we get home sometimes on Friday, which we sometimes do. We are not in as close contact with our brokers that five months as the ordinary businessman.

They are touting stock up and down Elm Street today and will tomorrow. And the stock itself, I don't know, and I don't suppose anybody else except the people that are directly involved; I don't suppose anybody knows whether or not these people were aware of a stock manipulation.

Marcello: So far as what you know right now, then, you would say they are perhaps more guilty of poor judgement than anything else?

Blanton: Well, they are certainly guilty of poor judgement. You have to evaluate your own position when you are going to run for political office, particularly if you are going to run for a political office that won't pay your grocery bill, such as this one. I don't know of any reason not to put this in the record because it's pretty generally known. When I was elected to the state Legislature, I was the chairman of the board of the First National Bank of Carrollton, and I was a very small minority holder of the stock. I mean I owned a very small minority, something less than 2 per cent of the stock. And I was in this position before I ever ran for the Legislature--several years before I ever ran for the Legislature--and the reason that I was made chairman of the board was that I was simply the consensus of the founding directors to be the chairman, and I never had a position that even approached 2 per cent of the stock ownership. After I was elected to the Legislature, the board of directors of the First National Bank voted to substitute the national charter for a state charter for reasons that they felt were the best interests for

the bank. They had applied for a state charter and didn't receive it, and then they applied for a national charter and they did receive it. And this was the time that I had joined the group--after they had made application for a national charter. They later changed from a national charter to a state charter at which time I told the directors that as soon as it was possible to do so I was going to resign as chairman, as a director, and was going to sell my stock after such time that I felt that it would not hurt the bank. It never helps the bank particularly for a director or particularly the chairman to resign just forthwith when there is a change. It causes doubt on the bank's ability to pay the depositors and this sort of thing. It causes runs and loss of confidence and loss of business. And so the understanding that I had with the directors, the other directors of the bank, was that as soon after the change was made as it would not, so far as we could determine, be detrimental to the interest of the bank I would sell my stock to the remaining directors. This is the agreement that we made. And the reason that I did it was because I personally felt like I could not continue as a director of a bank which was chartered and examined by state employees when I was a member of the Legislature. Although it's done every day, there are a good many men in the Legislature who are directors of state banks who find no conflict--there is no legal conflict--and they have found no conflict in their own minds, but it just simply would not work with me. I could not

feel comfortable and told the directors, and they understood perfectly why I wanted to leave, and so we did. Now it was some little time afterwards because those times that I broached the subject I was asked to wait a while longer because they wanted to do something else. And it was not immediate, and it was not planned to be immediate. But as soon as the other directors were agreeable, then I sold my stock to the remaining directors and resigned as a director, and I own not one share of stock in the First Security Bank now.

Marcello: Do you remember anything about the banking legislation which went through the Sixty-first Legislature that Mr. Sharp and his associates were interested in?

Blanton: Now you are talking about the special session?

Marcello: I'm not sure when the legislation went through. I think it was in the special session.

Blanton: It was offered during the special session, and . . .

Marcello: In fact it was Governor Smith, of course, who put it on the agenda, I think, wasn't it?

Blanton: Yes. In any special session, the governor has to tell us what we can consider . . .

Marcello: Right. Special sessions are governor's sessions, in other words, are they not?

Blanton: That's right. To a large extent he can control them at least as far as subject matter is concerned. This legislation was introduced, and it was handled on the floor of the House by Representative Shannon. As it was written and passed with the

exception of one paragraph, it was not bad legislation. The one paragraph--and I can't tell you now whether I questioned it at the time--but people who have better memory than I claim to have insist that it was explained that the insurance would be in addition to F.D.I.C. insurance, and apparently the law as it was finally passed said that it would be in lieu of F.D.I.C. if the bank so desired. That being the case it would be advantageous to Sharp or any other banker who was having problems with F.D.I.C. to have such legislation passed. However, no matter how people are manipulating banks and insurance companies with an interchange of stock and all the processes that were apparently going on (telephone ringing) . . . Even so, this type of an insurance program would only protect him for a little bit longer. Now, as I said before, I do not know what is behind the almost completely unsecured credit extended to certain members of the Legislature. I cannot believe that John Osorio, who is a very competent member of the lobby insofar as knowing the ins and outs of the Legislature, would recommend that a client dispose of \$700,000 could get such a simple law enacted simply because the law as presented to the Legislature was not particularly offensive at all. And if the change had been made, which other people had told me was stated that it would be changed where this would be an addition to the F.D.I.C. insurance, it would be a good law. And I just simply don't believe that John Osorio would recommend in effect the expenditure of \$700,000 to get such a law passed. Now what

the reason was for the easy credit, I don't know. There may be a lot of things that we don't know about this. But I don't believe that the \$700,000 was used purely to grease the way for a law which in many respects would be an improvement over our present law.

Marcello: Well, then eventually Governor Smith vetoed the legislation, did he not? After he had put it on the agenda, and then after the Legislature had passed these particular laws, then he vetoed it. Some people say this was due to the information that he was receiving from Allan Shivers. Now this is one story that I have heard and have read.

Blanton: Well, I, too, have read that Governor Shivers called him up and urged him to veto it. And I don't know about that because I haven't heard Governor Shivers' statement on the matter. And I'm not sure that I remember what Governor Smith said about such a statement, whether it was his claim that Governor Shivers wanted it vetoed or whether it was Governor Shivers' claim that he wanted it vetoed. I don't recall which way the story came out in the newspapers. But I just simply cannot believe that anybody would expend funds of that size to lobby a bill through the Legislature which really had no opposition. Nobody really raised any complaints about that law. And normally when a law that affects banking is before the Legislature, the banks are aware of this; they have a legislative service; they know what bills are being offered, none of the banks complained about it. I don't know whether the F.D.I.C. makes it a

practice to complain about laws that they think would interfere with them or not. I don't know that they have any personnel who is charged with the responsibility of looking at state laws that may hinder or nullify the federal insurance, I suppose that their attitude about that is that they stay upon their 'Olympus' and operate in their federal sphere without regard to what the state does because if there is a conflict, why, federal laws apply anyway.

Marcello: Well, as a result of the Sharpstown case, I think here is where we really see the rise of the "Dirty Thirty" in the Legislature, isn't this correct? Now these people as individuals perhaps had been sniping at Mr. Mutscher, and the governor, and so on, even before this perhaps, but I think when the alleged stock scandal broke, this really solidified the opposition and helped to really form this "Dirty Thirty."

Blanton: No question about that. No question about that at all. Like I say, in any Legislature . . . and I don't want to ascribe motives to anybody's activities, because I know what my motives are for my activities, and I'm sure that all these people that acted as they did had their own motives for doing so. In any Legislature composed of 150 House members and 31 senators, you are going to have a certain group--dissident group--which, depending on your attitude, are people who have a real desire to bring about meaningful reform, or you may consider them as malcontents in an otherwise smooth-working organization. The stock scandal solidified all the opposition to the administration of the House and to the governor. And the scandal itself

will be responsible for any reforms, not the individuals. As I said, these individuals . . . and a certain amount of this is partisanship; there is no question in anybody's mind about that, and some of them don't deny that they feel fortunate having been in a situation where a governor from another party was placed in a very embarrassing position. I'm not sure that it's possible for people to rise completely above partisanship on any issue; it certainly is not possible for them to do it on every issue. That is just more than a human being can accomplish . . .

Marcello: We hear a lot of talk about the "Dirty Thirty," but obviously it wasn't thirty people on every issue. Sometimes it was more than thirty, sometimes it was less than thirty. Who were some of the hard-core members of the "Dirty Thirty?" In other words, who could count on as being in the opposition in just about most matters concerning the speaker?

Blanton: Well, John Hannah from Lufkin has always been at odds with the present administration or the present leadership in the House even before Mutscher was the speaker. And I think, you know, that John is absolutely sincere. John is a dedicated ecologist. He is dedicated to what we normally consider more liberal type of government, of lawmaking, than the average of the House. I wouldn't question his motives at all. Of all people down there, I would not question John Hannah's motives. He was a leader in the so-called "Dirty Thirty." Tom Moore of Waco and Lane Denton of Waco, who is more or less a protégé of Tom's, were

certainly leaders in the opposition.

Marcello: What particular axes did they have to grind?

Blanton: Well, Tom, I believe, had run once as a candidate for lieutenant governor and was rather soundly defeated. There again, Tom makes no bones about his position as a liberal in state government. He was always a supporter of the group that was never successful in winning the State House or any part of the state government. He was always a supporter. And until Tom went to the Legislature as a representative, he was generally on the losing side of his political activities. I respect Tom because Tom is the same one day that he is any other day. You can always depend on Tom being exactly what he is and what he will tell you he is, and this I find no fault with. The ones that I really seriously object to in this "Dirty Thirty," and I will not mention names here, are people who merely seize an opportunity, who had never thought about complaining about the conferees on the appropriation bill, and who never complained about the power of the speaker.

Incidentally, the power of the speaker came before Mr. Mutscher was speaker. Mr. Barnes probably did as much to make the speaker's job so all-powerful as anybody else. He is one of the few people in modern times to serve two terms as a speaker. His circumstances under which he was elected to be speaker were such as to give him a position of, well, at least of unquestioned strength. With Governor Connally being instrumental in his being made speaker and all the things that

went along with it, Barnes really consolidated the power that presently abides in the speaker's office. Now whether or not it's right is another matter. I'm telling you that Mutscher was not responsible for the speaker being as powerful as he is. The speaker is as powerful as he is because the circumstances that got Barnes in that position enabled him to consolidate all these strengths. Now, the reason that it has remained that way is because the House, of course, has been willing for it to remain that way. And the House can change it anytime the House decides to, and I expect that it will be changed. In fact, I'm just very sure that it will be changed.

Marcello: How about Mrs. Farenthold? Would she be considered a hard-core member of the "Dirty Thirty?"

Blanton: Very much. Very much a member. And she, too, has always been in that position. She came there as an opponent of the speaker, so to speak of the establishment. And this is not always a liberal versus a conservative thing . . .

Marcello: Obviously not, from the Republicans that are on the "Dirty Thirty" or members of it.

Blanton: That's one of the most interesting features about the thing, the fact that the Republicans and the liberals at this point in time want the same thing, which they . . . which may not always be the thing that they say they want. They tell you that they want legislative reform, and I'm inclined to tell you that they want in. They've been out and what they really want is in rather than legislative reform, although there are

some, as I said before, who have always sought legislative reform, and for them I have the utmost respect. But I don't have too much respect for people who suddenly got this great urge to reform the Legislature because the Legislature is no different from what it was. The speaker is different from what he was, and the governor is different from what he was, and perhaps Mr. Heatly and Mr. Shannon are different--at least will be in different positions. But the Legislature has not changed. The same rules apply; the House makes the rules. Mr. Daniel, Price Daniel Jr., who is now running for speaker has proposed four statutes which would enact into law certain legislative changes which I find no particular fault with. As I said before, reform of the Legislature has never particularly been an issue with me because as a representative of my district attempting and succeeding often in enacting legislation for the benefit of my district, I have no fault to find with the administration at all. I have never seriously offered a bill in the Legislature that did not pass the House, and usually the House and Senate both. I did not go down there as a candidate to reform the Legislature. Nobody mentioned to me that the Legislature needed reforming from those people that I talked to when I was campaigning. Those constituents that talked to me about it suggested legislation which I agreed with and which I introduced and is now part of the law. I really don't have any personal complaints about the effect on my legislation. I frequently did not vote as the speaker

would have like for me to have voted, and yet there were no reprisals.

Mr. Heatly offered one of his very 'pet' projects to the Legislature this time which would have moved the Board of Pardon and Paroles to Huntsville. It was in a committee that I was a member of, and I was a member of the subcommittee. After consultation with the chairman of the subcommittee, we were able to kill Mr. Heatly's legislation. And he is perfectly aware of who killed his legislation, but yet there were no reprisals on any projects that I had. No threats were made on my life or political fortunes for not supporting the speaker at certain times and for helping to kill Mr. Heatly's 'pet' legislation. I don't know. There may have been cases where threats were made, but they were not made to me.

Marcello: How about David Allred? Would he have been considered perhaps one of the hard-core members of the "Dirty Thirty?"

Blanton: Yes. Yes, he would. I don't know what Dave's motivation is, and as I said before, I don't know what any of their motivation is. I kidded him one time by asking him to please get up and speak against one of my bills because I had some doubt about whether it would pass, you know, and I thought if he opposed it, it might do better. Dave and I kid about that quite a bit. He opposed very strongly my major legislation in the sixty-first session and again in the sixty-second, which was the University of Texas at Dallas. He strongly opposed it. But after all the debate was over, and I had won the fight, he came

to me and thanked me for the way in which the debate was conducted. We did not fall out, although we didn't agree on the legislation. And today if there was something I could do to help Dave Allred, I'd be the first to be there, but we just don't agree politically very often.

Marcello: Well, now apparently one of the House's first reactions after the Sharpstown case broke, and after it was quite clear that certain House members were involved in it, I think it was Representative Caldwell who proposed that the speaker present his side of the story before the House, isn't this correct?

Blanton: That's right.

Marcello: And I think it was voted down, or the speaker refused--one or the other.

Blanton: I think the resolution . . .

Marcello: The resolution failed, did it not?

Blanton: . . . failed.

Marcello: What was your feeling on this? Do you think that it would have been appropriate for Speaker Mutscher to have presented his side of the story to the House at that time?

Blanton: Well, all I can do is tell you what I feel that I would have done. I feel that if my name had been linked with the scandal and I were innocent of any wrongdoing, I would have made an attempt to have cleared it with my colleagues. But now I do not know whether or not Mr. Mutscher's attorneys had advised him that anything he would say might prejudice his situation. I don't know. I have not discussed that point with him. It

is unfortunate that this thing broke the day of the inauguration, and the Legislature was forced to struggle along for five months with a little dark cloud over it, and not so small a dark cloud.

Marcello: Do you think that this perhaps was politically motivated--the fact that it was dropped on the day of the inauguration? After all, you see the name of Will Wilson coming up in this thing on occasion, as he is an assistant attorney general, or something?

Blanton: Yes, he is the Assistant United States Attorney General. He was an attorney for Frank Sharp, and there have been some complaints because Representative Henry Gonzalez from San Antonio has in the opinion of some people capriciously linked Mr. Wilson with the Sharp enterprises. But from what I can read . . . at this point, that's all I know about it--what I can read in the papers. There is as much evidence to connect him with Sharp as there is evidence to connect the governor with Sharp. I'm speaking now in terms of propriety. There has been no real evidence that the governor did anything illegal or whether any of them did anything illegal any more than there has been evidence that Mr. Wilson's link with Mr. Sharp would illegally prejudice his position and cause him to make the announcement on the day of the inauguration. I was, as recently as last Thursday, informed by a very prominent Republican, Republican officeholder in Dallas, that it seemed to him that by turning Mr. Sharp loose with a slap on the wrist, the Republicans had lost any advantage that they might have

had because, if there was anything illegal in all this, and it seems that there was, if there was, the real ringleader of the activity was simply let go in order to catch those on the fringe, and normally the law enforcement works the other way. And they let those loose that are on the fringe in order to get at those that really instigated the fraudulent activity. And there again Mr. Gonzalez is proceeding rather vigorously with probably no more evidence than has been made available to any of us about the governor's activities. I don't think that anybody would make a statement that political motivations have not been with us in this entire affair.

Marcello: Well, then, of course, after the House defeated the resolution to have Speaker Mutscher present his case, there were fears of other resolutions presented also, and among others was one by Mrs. Farenthold which called for the formation of some sort of a House investigating committee into the alleged wrongdoings in the Sharpstown case. Were you in favor of such a hearing or of such an investigation?

Blanton: Well, that was heard in rules . . .

Marcello: Right, that's correct.

Blanton: . . .and at that time I was not on the Rules Committee. I later was put on the Rules Committee, but at that time I was not on the Rules Committee and . . .

Marcello: Well, this motion was . . . never came to a vote, isn't that correct, this resolution?

Blanton: I don't believe that it did.

Marcello: There was some sort of a procedural difficulty or difference that it never did come to a vote.

Blanton: Right. That's right.

Marcello: But would you have been in favor of such a proposal had it come to a vote?

Blanton: Well, I'm not that familiar with her . . .

Marcello: Well, essentially what she wanted was an investigating committee formed to look into this . . .

Blanton: Well, there were a number of proposals at that time to form investigating committees, some of which resolutions named themselves and named the entire committee. This is a rather wide departure from House procedures, that a committee would be allowed to appoint itself. These were, I think, jointly considered, and then the special committee . . . I believe Don Cavness offered the resolution that was finally adopted. I'm not sure, but I believe it was Don Cavness' resolution which created the special investigating committee, and then the House did activate the House General Investigating Committee.

Marcello: Well, some people said this was also perhaps a practical blunder on the part of Speaker Mutscher. Apparently in the beginning he was resisting, or again had received advice to resist, the immediate formation of such a committee. And some people say that this was a mistake, that had he formed a committee right away, rather than having dragged his feet, it would not have appeared as if he was forced into it.

Blanton: Under similar circumstances, unless an attorney in whom I have

great confidence advised me not to, I would have tried the very first day to have cleared the matter up. Now whose advice he was taking, I don't know. Whether it was an attorney's advice or just the advice of friends or advice of other people who were implicated is something that I'm not aware of. I'm not that privy to his personal business matters. The advice that he got, in my opinion, caused doubts that were unnecessary if he is innocent.

Marcello: Apparently his procrastination on this point perhaps cost him the support of some of his rather solid followers, isn't this correct?

Blanton: Very much, that's very true.

Marcello: But even they were in favor of some sort of an investigating committee or some sort of an investigation being formed. Well, of course, eventually under pressure from his colleagues, and I guess from the public in general, one might say, a general investigating committee was formed, a regular investigating committee of the House.

Blanton: A special investigating committee.

Marcello: Right. There was also quite a bit of controversy about some of the people that he put on this committee.

Blanton: That's right.

Marcello: Do you remember when it was chosen?

Blanton: All the members of the investigating committee, I believe, were committee chairmen and people that were friends of his. Again, I don't know that this was a wise choice on his part.

Again, I don't know whose advice he took on this; still again, I believe that had I been in the situation--and I cannot tell you what I would do until such a situation should arrive--but I feel that he could have done a number of things which would have reduced the pressure on him and on the entire House.

Marcello: Do you think it would have helped had he perhaps had one or two of the more moderate members of the "Dirty Thirty" on this committee, perhaps?

Blanton: Well, I'm not sure but that I would have wanted to put one of the most vociferous of the "Dirty Thirty" on any committee that was investigating me. Just simply for the effect that it would have had Again, I don't know what I would have done under a like situation. But if I were to be accused of that today with the full knowledge that I have that I have not taken any bribes and I have not done anything that is illegal as far as I knew, and that sort of thing, if I were in that situation, I feel that I would want to do everything. . . .

Well, let me go so far as to tell you, back to this stock deal, when I was . . . in this interim period, the time that . . . between the time that the First National Bank became the First Security Bank and the time that I sold my stock, this special session was called, and I did vote for the bills as did almost everybody else in both houses of the Legislature. Now a Republican from Houston issued a statement that I was in violation of the Constitution, that I had voted for legislation for personal gain, and that sort of thing, because I

owned the bank stock when I voted on the bill. Now my reaction was--and I didn't go to the press with it--I went to the district attorney and to the gentlemen involved and told him that if I had violated the law I did so in Travis County and that I would be glad to meet with him and the Travis County district attorney at his convenience, and we would determine whether or not I had violated any law and that my stock, although it was in my name, was optioned at this time and that I would be glad to go to the district attorney right there and then. That stopped it. I never heard another word from it. And that was my reaction, I mean, I had done exactly what he said. I voted for those bills while I still owned stock in the First Security Bank and Trust. There was no way that there was any financial interest involved to me because I never was salaried with the bank, and I never got any dividends from the bank. The profit that I made from the sale of the stock when I sold it was negligible and due largely to the fact that we had increased the stock and I was able to buy some at below the sale price by reason of having been a stockholder previously. I felt like and knew that there was no profit to me personally in having voted for those two bills. And I was perfectly willing to go to the district attorney and let him determine if I had violated any laws of Texas in self interest and otherwise. And that wound the matter up. And I feel that probably . . . if the same situation came up with me that came up with the speaker, and I was an innocent of any

wrongdoing as I was in this other position, I would try to make a strenuous effort to get it immediately settled. Mr. Mutscher did not do so for reasons best known to himself, and I don't want to second-guess him.

Marcello: How did this Sharpstown case affect the business of the Legislature?

Blanton: It made it about four times as difficult as it has ever been before. Normally in those previous terms that I have served in the Legislature we have worked rather short days in the beginning of the session, and we were usually through by never later than Thursday noon until very late in the session. This past session I suppose that I averaged fifteen hours a day, five days a week. Rarely was I able to get home on Friday to attend any business that I might have at home, and often times I didn't even get to come home on Saturday which I do from time to time just to visit. I would say that it increased my workload. Now part of that may have been due to some other responsibilities that I had down there, but it was a long difficult session as a result of the scandal.

Marcello: Well, almost simultaneous with the breaking of the scandal and the convening of the Legislature certain ethics legislation was proposed by Mr. Nugent, I think it was, who has been proposing such legislation for the past ten years or something like that.

Blanton: That's right.

Marcello: I suppose at the time he proposed that legislation, everybody

was ready to jump on the ethics bandwagon. Is that a pretty fair statement?

Blanton: Well, I don't know that that is a fair statement because with one exception in the past ten years the House has always passed Jim Nugent's ethics bill with a rather handy majority. There may have been more eagerness to cosign the bill this time, but Nugent has been very successful in passing ethics legislation through the House of Representatives. Again, this time he passed one, and Senator Hall passed a bill in the Senate, and then they had a great deal of difficulty in getting the two together.

Marcello: Well, how did you feel about Mr. Nugent's ethics legislation?

Blanton: I supported his law as I always have.

Marcello: And I think you were on the conference committee, were you not, which sweats out the differences?

Blanton: Yes.

Marcello: What were some of the proceedings that took place in the conference committee on Mr. Nugent's bill?

Blanton: Well, the conferees . . .

Marcello: Mr. Nugent and Mr. Hall's bill?

Blanton: Right. The conferees on the part of the House were Grant Jones from Abilene, Ace Pickens from Odessa, and I believe Dean Cobb from the Panhandle, and Jim Nugent as chairman of the House conferees, and myself. And on the part of the Senate it was Senator Hall, and Pete Snelson from Midland, and I believe Jack Hightower from Vernon, . . .

Marcello: Mr. Wilson . . .

Blanton: Right, Charlie Wilson from Lufkin . . .

Marcello: . . . and I think Mr. Word.

Blanton: . . . and J. P. Word from Meridian, that's right, those are the five senators. We met together a number of times to discuss first, the differences between the bills. In some ways Senator Hall's bill was more stringent in that it would have required a complete financial disclosure including the filing of your income tax return. We removed that requirement because of some federal cases that have held that it's not constitutional to require a man to make a complete financial disclosure.

Marcello: Now can a man be required to submit a confidential financial report of his activities?

Blanton: I'm not sure about that. The cases that were referred to us were more or less open to the public and could not be required. I don't know of anybody in the Legislature, particularly, who would object to making available his income tax return provided it was privileged with the commission that received it. Now, of course, the constitutional amendment which would set up the commission failed of adoption. But the ethics bill itself passed. So we were left then with no commission under the constitution which could examine these income tax returns. Although the information in them would be privileged, they would nevertheless require on the basis of them a member of the Legislature either to resign his position or to face charges of having violated the ethics code. This is one of

the difficulties we've had. We needed to pass the constitutional amendment to establish some sort of a commission as far removed from politics as possible. You cannot remove them from politics; somebody either has to appoint them or elect them. And we thought by using members of the judiciary that possibly we would remove doubts, although there are people who say that the Legislature sets the pay of the judges. We can't set the pay of one judge at more than another judge, so I don't suppose that this would be much of a threat to the integrity of the commission. I believe it would have been a good commission. I believe it was a good constitutional proposal. I believe it passed the House and failed in the Senate, if I'm not mistaken.

Marcello: How do you go about being selected on a conference committee of this sort?

Blanton: Well, generally, the author of the bill will suggest people primarily that feel as he does about the bill. He wants the bill's supporters, and, of course, I had . . . when Senator Hall offered his bill, as I so often do, since he represents a portion of my district in the Senate, I offered to handle his bill in the House. He had promised to let Mr. Nugent handle the bill in the House, and Mr. Nugent didn't apparently want to handle this bill in the House. He wanted to handle his bill, and . . . but my association with both of them and my early interest in the ethics bill caused the House author, Mr. Nugent, to request that I be made a conferee on it, as I say, knowing

interest in it and having served with him in some other capacities. He had no fear that I would come into the conference and attempt to do damage to the ethics bill. And that was the reason that I was selected, and others were selected for the same reason but generally at the request of the author of the bill.

Marcello: How far do you feel an ethics bill can go towards assuring legislative honesty, if that's a good word to use?

Blanton: Well, as is so often the case in the aftermath of a situation like this, people have a tendency to get excited. They think they want an ethics bill; in fact they demand an ethics bill. What they really want is ethical conduct. Nobody can write a bill that will guarantee ethical conduct. All that you can do is write a bill that will punish you if you don't act in a manner that is considered to be ethical. It will be a certain deterrent on some people who may have been tempted. But as far as legislating ethics, I cannot . . . I can no more do that than I can legislate morals because ethics and morals are inseparable. They're one and the same, actually. If a man wishes to be unethical and he is willing to be dishonest, ethics will not matter to him. It just merely gives you a recourse in case he does and gets caught.

Marcello: Was there very much demagoging done on the ethics bill by members of the House?

Blanton: Well, there were some. There is no question about that, but . . .

Marcello: I mean, you know, it's the kind of bill that no one can be against. It's kind of like motherhood, the flag, and this sort of thing.

Blanton: Well, then there were some other things obviously put in with the appearance of trying to make it stronger and yet at the same time all of us realized that they were to make it unpalatable and impossible of being passed. This is a device that is well known to all members of the Legislature. You make the bill so strong . . . well, at one time we had made it impossible for an attorney to be a member of the Legislature. This is a patently ridiculous situation. I'm not an attorney and it would not have affected me, but I do not believe that the Legislature can survive without some attorneys as members of the Texas State Legislature.

Marcello: Is this the amendment which would have prevented lawyer-legislators from practicing before state agencies?

Blanton: Even before state courts. You couldn't go down and file a divorce proceeding. You couldn't go down and make application for a license for a client. Perfectly routine chores that lawyers do for clients, you were forbidden. Under the full financial disclosure which was proposed under one amendment, an attorney would have to state who his clients were. Well, all of us know that an attorney has clients that must be confidential clients because a lot of people seek an attorney when they certainly don't want it known that they need the services of an attorney.

Marcello: I would assume that this would be . . . well, a disclosure of clients would more or less be a violation of the code of ethics or whatever the bar association has, would it not?

Blanton: That's right. It simply made it impossible for a lawyer to continue in the Legislature. We had one amendment offered which would have--let me see how it was worded--it would have forbidden anybody to be a member of the Legislature who drew any pay as a teacher in any institution of higher learning in Texas. This was the anti-Tom Bass amendment. Tom Bass was one of the leaders of the "Dirty Thirty." He is a teacher at Lamar Tech in Jefferson County. He takes a leave of absence when he is serving in the Legislature. It would have forbidden him to serve in the Legislature, or he would have had to give up his teaching position. This was an obviously frivolous . . . and perhaps not so frivolous because had somebody not pointed it out, it may have passed. There are a lot of people who feel that people who teach in the schools of Texas should not serve in the Legislature even on a leave of absence, which some have done. I remember one previous member from El Paso who was a public school teacher except when the Legislature was in session.

Marcello: And you feel that some of these amendments were obvious attempts to sabotage the entire ethics bill?

Blanton: Oh yes. There is no question . . .

Marcello: Who were some of the people that were offering amendments of this sort, who perhaps might have wanted no ethics bill at all?

Blanton: Well, again, I don't want to name anybody because I can't tell you that that's what their motives were. It just appeared that their motives were to kill an ethics bill completely. They may have had other motives for offering these amendments. I can't say. I know what I believe, but I don't know their motives well enough to put their names in a record such as this as having attempted to kill the ethics bill. There were some amendments that I felt like did that. And I felt like their motive was such, but they may have had other motives. And, as I said, there were some amendments that were apparently intended to eliminate Tom Bass from the Legislature and one which would have taken all the attorneys out.

What a lot of people don't understand or will not accept is that the members of the Legislature, unless they have inherited great wealth or amassed great wealth, have to work for a living outside of the Legislature. They have no choice because I think it's obvious to everybody that the members cannot live on the amount that is paid to the members. A great many people misunderstand the expense allowance that is offered to state legislators. We have an expense allowance of \$875 a month, none of which we see. This is the part that I think people don't understand. They furnish our office supplies, and our telephone bills are made on state business, and it's up to us to report which calls are state business and which ones are not. My telephone here in this office--and this office is strictly for my position as a legislator--this

entire phone could be charged to my expense account, but I pay the basic phone bill, and those calls that I make on state business are paid on my expense account card. They furnish anything that we need in the way of supplies, or even equipment. They will rent equipment for us as long as it stays within this \$875, or we can use it for office help. I have a girl that works half a day, and she is paid at state expense, but she can handle all of the state business in half a day, and the rest of the time she is not here. Even so, on this \$875 I've accumulated somewhere in the neighborhood of \$5 or \$6,000 in my account which reverts to the state. I don't get it, and I really deeply resent the implication that the \$875 is an increase in pay to us. I compare it to somebody that, for instance, hires a yardman to mow their yard with an old push-mower, and then they buy a \$500 riding mower, and they've given him a raise. Well they haven't given him a raise. They've just enabled him to do his job a little better and maybe require more of him. It's not a raise to the legislator if all you do is pay his expenses for operating his office, and that's the only reason that I have an office at all--to serve my job as state legislator.

Marcello: Okay, let's move on to another topic then--obviously, another one of these measures which came before the Legislature, and one which, of course, caused quite a bit of controversy at the end of the session. To help bring about the first special session was the whole problem of redistricting. Now,

apparently on the subject of redistricting, especially of legislative redistricting, and more specifically of House redistricting, apparently the speaker and some of his people on the Redistricting Committee made a deliberate attempt to eliminate certain members of the "Dirty Thirty," in fact, most of the members of the "Dirty Thirty."

Blanton: There is one interesting aspect to the redistricting proposal that I'd like to point out at this time. While there were some disappointments among the members who were paired with others, I don't really believe that there were any surprises. It just simply is not to be expected that when you have consistently opposed the speaker during the session, rightly or wrongly, but actively opposed him, it's not consistent to expect that he is going to do anything particularly helpful for you when the matter of redistricting comes up. Now we have a situation in Texas this particular session where approximately ten members of what is considered to be the rural delegation are going to disappear. And in their place ten new members will be in the urban areas. I think that it is very interesting to note that within just a few minutes after the Redistricting Committee's plan hit the floor of the House, a rival plan was out. Now, it's impossible to redistrict the House of Representatives in a matter of a few minutes. There is too much mathematics involved, too many matters of having the right number of people in the right census tracks and that sort of thing. But within a matter of

just a very few minutes after the House Redistricting Committee's plan hit the floor of the House, the opposition (and I hesitate to use the word "Dirty Thirty" because that is their word and not mine) . . . but would have paired Tom Christian, who is a Republican, with Bryan Poff, who was a supporter most of the time for the speaker. It would have paired Ralph Wayne and Bill Heatly, who are both strong administration members. It would have paired R. B. McAlister and Delwin Jones who are both strong friends of the speaker. It would have paired Dick Slack with either George Baker or Hilary Doran--all three of those people are considered to be administration people. It would have paired Dee Jon Davis with Renal Rosson; Oscar Carrillo with Jon Newton; Charles Finnell with Joe Hanna; Tom Holmes with J. E. Ward; Bob Salter with Aubrey Moore; Tim Von Dohlen with Joe Wyatt; the speaker himself with Representative Jungmichel; Rayford Price with Jim Lovell; and Neal Solomon with Jim Slider or Gayle Ingram. I think it is odd to note that a redistricting plan which was just as vindictive in this approach as the House bill is considered to be by those who were on the losing side was offered to the House in just a few minutes indicating that some work had been done in this field for some time, either in expectations or in hope.

Marcello: Now this was a counter bill by the "Dirty Thirty," is that correct?

Blanton: Yes.

Marcello: I see.

Blanton: And neither one of the bills is a good bill.

Marcello: Well, I was going to say that apparently there was still quite a bit of dissent over Speaker Mutscher's . . . and I suppose it is essentially his redistricting bill, although, of course, Mr. Jones was chairman of the committee.

Blanton: There is no question about it . . . (telephone ringing)

Marcello: Nonetheless, I believe that a great many members believe that Speaker Mutscher was being overly vindictive, perhaps, in his redistricting. And, isn't it around this point where you see a good many of the members deserting him; I don't know if it was for that reason or not, but at least they said they would no longer support him after the redistricting plan had been submitted.

Blanton: Well, I voted for a number of amendments which were in opposition to the House Redistricting Committee bill. I voted for one on the congressional redistricting that John Hannah requested or offered. I voted on a number of others, and I can't remember which amendments I selected which I thought went just too far. But I don't like the bill that we started out with, I don't like the bill that we finished up with, and I don't like the bill that was rejected in the interim. But I'm not sure that at that point in time the House was in any mood or frame of mind to pass a proper redistricting bill. I felt like at the time that any additional work that we did on it would make it worse than it was. And, if as the opponents

loudly declaimed, that it would be declared unconstitutional, there was no point in going further if we couldn't improve it, and obviously we couldn't at that time. I voted for the bill, but I didn't particularly like it. As far as my own district is concerned, it remains the same as it was, and this was my desire that Dallas County representatives continue to run at large.

Marcello: I was going to ask you exactly how did you feel about this and why you feel the way you do.

Blanton: Well, let me say at the outset that it would be much less difficult for me to carve a district--and I suppose that I would have been allowed to carve an individual district had we gone that way--to carve a district which I have always carried in this area. It would be much less work on my part to cover a district with only 74,600 people rather than the present district of 1,300,000. It might be very possible to have individual member districts in Dallas County and be sure that everybody elected somebody from that district who would look at the overall picture of Dallas County and consider it as a whole rather than a series of small segments. I think that that is less likely than you would have if you elect them as we do at large where everybody must be responsive to all parts of Dallas County. Now the reason that I say that is because Dallas County is one huge metropolitan area with problems peculiar to itself. I feel that although I am only eight miles from Lewisville, which is in Denton County, I am more

closely akin politically to people in Lancaster, which is thirty miles away from me in Dallas County, than I am to those that are in Lewisville eight miles to the north. The reason being that those of us on the fringes of Dallas County look toward the city of Dallas as the center of our metropolitan area, while those in Denton County look toward Denton, and those in Tarrant County look toward Fort Worth. It may be bad, but it's natural for us to look at ourselves as Dallas County rather than eighteen legislative districts all located within Dallas County. Now, to me, this doesn't do any violence to the one-man one-vote rule. Everybody votes for eighteen members, so they have eighteen votes. But I simply believe that as far as the benefits of Dallas County are concerned, there are more when all of us are elected at large and therefore responsive to the entire population of Dallas County.

Marcello: What particular features of the legislative redistricting did you not like? You said there were several . . . you didn't particularly like the bill.

Blanton: Well, I didn't like some of the divisions that split counties that did not need to be split. And there were some obvious cases where lines were drawn so as to throw people together that didn't necessarily need to be thrown in the same district, although, as I said, around ten members had to lose their districts because their districts moved into the city. And any time that you are doing away with the districts of ten of

your friends, it's an unhappy situation at the very best.

And I regard all members of the House of Representatives as my friends whether we agree politically or not on everything.

I'd like to see all of them, really, come back and continue our deliberations together.

Marcello: Were you particularly unhappy about using population from the urban areas to flesh out some of the rural districts.

Blanton: Well, I don't see any other way to do it without using that system to some extent because if you will look at a population map of Texas, the heavy concentration of people beginning at Sherman-Denison, proceeding down through Dallas, Waco, Austin, San Antonio, and then curving to the coast and getting Houston, Beaumont and Galveston, it forms a huge "C" on the map of Texas. Now we have twenty-four members of Congress from Texas. If we stayed as close in as we could possibly stay in these population centers, approximately fifteen members of Congress would be formed in this long, narrow strip, I mean would be elected in this long, narrow strip. Then you would have one congressman over in East Texas some place, possibly two that were out of this fringe. You would have one from El Paso, one in the Lubbock-Amarillo area, and then you would have about six whose districts would cover literally tens of thousands of square miles. Now there is nothing contiguous about a district that would be forced to run from the Red River to the Rio Grande. I think a much better congressional district could have been drawn keeping in mind certain natural

divisions as long as we keep these things roughly the same in population as the federal courts require. But contiguous in a state as big and as diversely populated as Texas is, all the way from a population of several hundreds per square mile out to areas that have less than one per square mile, I don't think that Solomon himself in all of his wisdom would be able to redistrict the State of Texas into contiguous districts. We simply have some areas of Texas where there is no contiguous aspect available. And these people have to be represented by somebody in Congress. And if you really stayed with this concept of starting right in the center of a population group and in going out until you get your mythical figure for your congressman, you would have possibly four or five districts that would just simply be impossible.

Marcello: While we are on this subject of congressional redistricting, what did you think of the mid-cities district, the so-called mid-cities district?

Blanton: Well, I have never yet figured out who came up with that plan.

Marcello: Apparently nobody can.

Blanton: It left the House altogether different. It came back from the conference like it was here, and I've never found anybody that would admit that he had anything to do with drawing the thing. I think that it is a bad thing, it is a bad district. Although he strongly criticized the district, it looks to me like it is a district that would be drawn for Senator Mauzy. And the reason that I say that is because it encompasses the

part of Oak Cliff that he is very strong in, and it encompasses the two other counties or one other county and a part of Tarrant County that were strongly opposed to the University of Texas at Dallas which he did not support. And, as a matter of fact, his lack of voting for the University of Texas at Dallas killed it in this session of the Legislature. We needed one more vote, and he voted against it. Now the people that he pleased most with his voting against the UT-Dallas were the part of Tarrant County and all of Denton County that were added to his area of Oak Cliff. Naturally, it makes one wonder. But as I understand it--I have not talked to the senator about it--as I understand, he has criticized the plan.

Marcello: Some people say that it may have been the work of Tommy Shannon in the effort to carve out a legislative district for Mr. Vandergriff. Now does this seem perhaps feasible to you?

Blanton: Well, I don't know that it would be a very good district for Tommy Vandergriff. Certainly he would be expected to carry that part of Tarrant County, but the district that would be heavily dominated by Dallas County, areas of Dallas County in which Tommy Vandergriff may or may not have strong influence. I would think that a mid-cities district for Tommy Vandergriff would have taken roughly the eastern third of Tarrant County and whatever little slice of Dallas County was left over after you put two fully within Dallas County. I don't know, but it may or may not be a good district for Tommy Vandergriff. But if I were Oscar Mauzy, I would not be afraid to run in that

district myself. And at this point I don't know what he will do.

Marcello: Also, while we are on the subject of congressional redistricting, I would suppose that quite a few House members were interested in carving out a district in which they might possibly do well in a congressional race.

Blanton: Well, that's very true. Of course, apparently Clyde Haynes from Vidor wanted to have a congressional district. A great many senators wanted congressional districts. Charlie Wilson from Lufkin was one . . .

Marcello: I have heard that Barbara Jordan also wanted one and got one.

Blanton: Barbara Jordan has herself one pretty well like she wants it, and there are others that have congressional districts that they may be very strong in. And then there are a number of House members who are looking at the senate districts that are going to be vacated, and judgeships, etc. It's hard, as I said before to ascribe motives for people's activities, but I feel that there has been some motivation from desire to move up the political strata.

Marcello: Well, like I say, at least on the surface a good many of the legislators who have declared that they will not support Mutschers for another speaker's race indicate that they are not going to do so because of the way in which he went about redistricting the Legislature. What do you think Mutschers' chances are in his attempt to gain a third term?

Blanton: Well, I would begin by telling you that it's never been done

at all, even in the most ideal circumstances. And I don't think that anybody feels that these circumstances are anything like ideal. The natural conclusion for me to draw from my observation is that Gus Mutscher simply will not be a candidate for the next term as a speaker of the House. It just doesn't appear to me that he can consider making a race for speaker of the House next session.

Marcello: Does it cost quite a bit of money to make a race for the speakership?

Blanton: Well, I'm sure it does, but I'm in the position of being comparatively new in the Legislature--this is my third term--and I've never seen a speaker's race. You see, I've never seen . . . when I came to the Legislature, Mr. Barnes was speaker, and apparently Mr. Mutscher had the votes in his pocket to be speaker following Mr. Barnes. And he came back with a sufficient number of votes to be the speaker, and I've never seen a speaker's race. I don't know what it would cost. I can imagine that it could run into a bit of expense.

Marcello: The reason I say this is that I've seen reports to the effect that Mutscher has lost quite a bit of lobby support, mainly because they, too, feel that he cannot possibly win again. And this, too, is working against any thought that he may possibly have had of being elected for a third term.

Blanton: Well, of course, you will not hear the voice of the lobby as far as supporting Mutscher until after a special session. And I say that because although there may be some attempt to unseat

him in any special session that we may have, until he is unseated before that special session opens or until that special session is completed under his leadership, the lobby is simply not going to make any overt steps.

Marcello: Do you see Rayford Price and Price Daniel as perhaps being the leading candidates or two of the major candidates?

Blanton: I have not tried to evaluate Price Daniel's candidacy. Some time before the close of the last session I offered my support to Rayford Price, who at that time, of course, was running after Mutscher stepped down. I have not made any changes in that . . .

Marcello: When you say 'after Mutscher stepped down', . . .

Blanton: Well, the way that . . . and I'm talking about the sixty-first session. The way that Mr. Price asked for support was after . . . at such time as Mutscher is no longer a candidate. Now, you see, this was before Mutscher's second term, not before his third term, but before his second term. And I was one of the first to urge Rayford Price to make a race and to offer him my support. Now, as I said, this was support which would occur at whatever time Mutscher stepped down. We were not thinking about a third term at the time. But the support we felt like was after the second term that he was to serve. And I have simply made no changes in my pledge because as I told you I see no way that Mutscher can be a candidate for speaker again. It just simply doesn't make sense to me that he would offer himself as a candidate for a third term.

Marcello: All right, let us suppose that this is the end of Gus Mutscher so far as being speaker of the House is concerned. How would you assess his two terms as speaker? What sort of a rating would you give him, if there is such a thing?

Blanton: Well, I would have to say by way of beginning that his leadership in the House would be considered one of strength. He was a strong leader. And, although there were times when I disagreed with his leadership and his direction, I have to acknowledge the fact that it was strong leadership, and very effective from the standpoint of what he was trying to do in the Legislature. I think in all fairness to the speaker, it would be necessary to point out that there were significant advances made in educational programs in new college developments. No speaker ever presided over a session that created anything like the number of new upper-level of institutions of higher learning, or new institutions of higher learning as well as upper-level. Great strides, I think, were made in the field of mental health and mental retardation. Of course, the regular items of business proceeded in much the same fashion that they had been proceeding. If we were to judge him on the basis of creations of institutions of learning, he would have to have a very high rating.

And if we were to judge him on the basis of the effect on the Legislature of his tenure as speaker, there are some things that certainly would be less than complimentary. The very fact that his activities in the stock market created a

cloud under which the Legislature operated his second term and the fact that he made no apparent effort to remove the cloud or to clear his name or remove the burden of operating under those conditions was certainly an undesirable situation for those of us who served as members.

Now, as far as my personal assessment, based on my personal legislation which I introduced in the House, at no time during the time that I have been in the House of Representatives have I ever offered a bill which I seriously pushed which failed to make it through the House of Representatives, and usually through both the House and Senate. He was very helpful to me on the legislation creating the University of Texas at Dallas, which was certainly the big item in my second term, and as a member in his first term as a speaker. His assistance did much to pass my bill in the sixty-second session creating the quarter school system for the State of Texas. All of the items for my district, which is Dallas County, which required legislative appropriations received very fair treatment. In every respect he was helpful to me in my legislative program, and I say this with no reservation whatsoever. Even though at the time of the close of the sixty-first session he was aware that I had offered to support Rayford Price . . . and this was a very strong point with the speaker. He was, I thought, wrongfully opposed to anybody aspiring to the speaker's job while he still held it, although he had the votes to sew up the job long before Barnes completed

his second term as speaker of the House. And I have never understood his attitude on it, but he was aware, nevertheless, that I was supporting Rayford Price. He asked me point-blank, and I honestly answered him and told him that I was supporting Rayford Price when Gus was no longer a candidate, which I thought would be after his second term. He and Rayford Price were very close friends up until the conclusion of Mutscher's first term as speaker. As a matter of fact, Gus married in June after the first regular session that he presided over, and Rayford was his best man. And, yet, when Rayford announced that he was going to run for speaker at such time when Gus no longer was a candidate, they just seem to cut off all ties, and in the second session Rayford's committee assignments indicated that he was in less than favor at least. A number of people indicated that the speaker made it very clear to them that if they were going to support Rayford Price they could expect less than his wholehearted support in their legislative programs. Now, as I mentioned earlier, I told him about that time . . . I don't remember in the exact time, but it was shortly after the conclusion of his first term as speaker, first regular session, but I told him face to face that I was going to support Rayford Price when he was no longer a candidate, and no threats were made on my political life and no apparent discrimination against me as I indicated earlier. All of my legislation received the speaker's support. And I was named the chairman of a committee after this

conversation we had about my support of Rayford Price. I don't know. I hear about these people being threatened, but it's never happened to me. I'm unable to say. I've never heard the threats, and I've never had any indication that any threats or any reprisals would be made because, as I stated, he knew my position on Mr. Price. And although he was opposed to my taking this position, it did not keep him from appointing me to a chairmanship, nor did it keep him from supporting any legislation that I introduced for my district or any appropriations which were needed for matters in my district. So on that basis I would have to give him a pretty fair score.

Marcello: Suppose he were to run again. Would you support him?

Blanton: Well I think the question is moot because I simply don't see how he can run again. And I have never even attempted to organize my thoughts on what I would do if he did because I just don't believe that he will or can.

Marcello: I think we can finish up this interview then by talking about some of the personal legislation that you were successful in getting passed or even that perhaps at which you were unsuccessful. Now we've already mentioned the institution of the four quarter system for the Texas schools which you mentioned earlier, a move which support is designed to save Texas quite a bit of money and also to fully utilize the resources of the school system.

Blanton: Let me interject this point right here.

Marcello: Sure.

Blanton: The principal reason for the restructuring of the curriculum is to improve the educational set-up in Texas. Now the savings are fine, but let's not forget that my first purpose in introducing and passing legislation for the extended school year was to advance education by making relevant to the student those courses which would then be offered.

Marcello: And, of course, utilizing the school for the entire year . . .

Blanton: That's right. But the mandatory feature is the improvement in education.

Marcello: Right.

Blanton: The savings and taxes and utilization of schools is an option with each school district.

Marcello: Okay, now another one of the pieces of legislation which you introduced, I believe, in the House called for some modifications in the original University of Texas at Dallas bill. Would you care to talk about this a little bit?

Blanton: Well, originally, the University of Texas at Dallas bill passed in the sixty-first session created a four-year university to begin in 1975. At almost the end of the session, the governor, due to some commitments that he had earlier made, advised me that unless we removed the first and second years, leaving only an upper level and graduate level university, he would veto the bill. And I therefore took the necessary steps to recall the bill, call for a conference committee, and remove the first and second year, leaving the upper level and graduate school university.

Marcello: What advice was Preston Smith receiving along these lines? Why is it that he did not go along with the four year plan, do you think?

Blanton: My personal opinion is that it was his belief when he made the commitments to certain people . . . and I do not know who they were, whether they were members of the Senate, or whether they were simply strong supporters in areas that were opposed to the school. I don't know to whom he made his commitments. But I believe that he made a commitment believing firmly that the bill would never reach his desk for signature. And on that basis I accepted his veto with no outward sign of protest. But I did tell him at the time that I would be back, and that I would attempt to add the two years back in. At which time he told me that it made no difference to him what I did two years hence. Today I would remove the first and second years or face a veto of the bill, which I did. I did remove the first and second years. I did come back this session, sixty-second session, and I introduced the bill which would reinstate the university on exactly the same basis as it was written and passed by both houses of the Legislature. It passed in the House and was sent to the Senate. The same senator who filibustered the bill in the sixty-first session filibustered the bill again in the sixty-second session.

Marcello: This would be Senator Kennard?

Blanton: This would be Senator Kennard. The Senate was able to break his filibuster and bring the bill up . . . or when Senator Hall

attempted to bring the bill up, he lacked one vote of having two-thirds to bring it up out of regular order, and the failure of one of our own Dallas senators towards the bill caused this demise at that point. So the University of Texas at Dallas will continue at least for one more two-year period as . . . well, it's still as it was because only the graduate school is operative until 1975. And we still have the opportunity, and I think we will still bring it back to its full four-year status as it was originally planned and as it should be.

Marcello: How does Frank Irwin stand in this situation? Obviously he is in favor of the University of Texas at Dallas.

Blanton: Very much in favor of the University of Texas at Dallas and was a very strong supporter and a very good witness for it at the time that it was passed in the House and as it was presented to the Senate.

Marcello: Apparently, he is the type of person who really does his homework on any piece of legislation in which he has an interest, is this correct?

Blanton: That is more than correct. To watch Frank Irwin give his performance at the appropriations hearings for the University of Texas system is a beauty to behold. He is able to give you figures, columns of figures, for any item in the UT system budget without notes. He knows the system. He was active on the regents when the system grew from a rather modest size to its present tremendous size. And much of that has been

accomplished under his direct leadership and guidance. He knows the business of the system, and he apparently has total recall of any set of figures that he studies. It's a very enlightening experience to watch him when he appears before either the Appropriations Committee or the State Affairs when a new branch of the university is being considered.

Marcello: How do you answer those critics who say that a University of Texas at Dallas is unnecessary because enrollments at the other area universities have not risen nearly so fast or in some cases have actually declined?

Blanton: Well, the University of Texas at Dallas is a different type of university from any other not only in the area but anywhere in the South. The University of Texas at Dallas is directed toward, and the entire thrust is toward, advanced sciences that are not being presently taught in other universities in the State of Texas. And, particularly, no other university in the State of Texas or anywhere in the South has the scope and the background, the professional staff, to teach so many of these particular advanced sciences--particularly in biology and physics, and subjects of that nature. It's not the intention, as I understand it, and it certainly is not my intention for the University of Texas at Dallas ever to compete in the engineering field with Arlington or SMU or to compete with North Texas State University in the liberal arts field in which they have done so well in that institution. But I think that in the beginning it was pretty well agreed that Texas needed

somewhere an institution which would direct its energies in these fields which are presently concentrated at UT-Dallas. And the big question at the beginning was not whether or not we should have such a school but where such a school should be located. We were successful in locating it at what was formerly the Southwest Center for Advanced Studies and received a very sizeable gift in lands and buildings and cash and research and progress as well as staff that was not available in any other location in the State of Texas. And since the thrust of the university is different from the other universities in the area, it's my belief as well as that of the board of regents of the University of Texas that this particular university will need to develop its own undergraduate class.

And it's very difficult for me to explain this without appearing to downgrade other universities which I have no intention of doing at all. In the first place, I do not like the upper level concept in university instruction for any school, particularly the UT-Dallas, because we do have, of course, a large junior college enrollment in this area. We have a very fine junior college system in Dallas County, and it's a rapidly growing school. And when a student finishes his work at a junior college, he can then go to any other college that he wants to and finish. And if he has lacked a freshman or sophomore course, he can take it at that institution. But if he goes to an upper level university, such as UT-Dallas, and he finds that he lacks a freshman or sophomore class, he

is in the position of having to attend two schools at the same time or drop out of the upper level or go back and get the course that he lacked or attend night school or something. There is no place for you to go down and get your courses that you need when you are in an upper level university. Now when you are in a junior college, and you are going into a four-year university, you can do your makeup that you need to do. So I consider the upper level university concept to be misbegotten to begin with. I just don't like the whole concept, and I don't think its ever been successful, and I don't think it ever will be successful. And I hope that we will do away with it in the State of Texas in the near future. But in this school it is going to be directed at more of a specific type of degree than the other universities in the area which are more general in their approach than I think that they probably need to develop their own undergraduate student body. And, therefore, the students going into other colleges for liberal arts degrees or things of that nature can very well get by with the junior college the first two years if they so desire. But I personally regard the junior college as a place where we should begin at least to produce a technician in a terminal situation. In other words we will continue our four-year upper level universities for students that want to go into the degrees that are offered, either bachelors, masters, or doctorate. But I think that we will come to the time when the junior college will be more of a terminal training than it presently is. Rather than being college prep, we will turn

out automobile technicians, radio technicians, medical technicians, and people of this type which are so badly needed in our society. As soon as we are able somehow to remove this stigma that we attach to certificated rather than graduates from degree-granting institutions, then I think that the full value of the junior college will become ever more apparent and will produce these people that can repair automobiles or that can do the technical work. It really doesn't require a degree; it just requires training. I object to the fact that we prepare 100 per cent of our students for college, and only about 15 per cent of them go. And we let the other 85 per cent fit in as best they can in society, and we wind up with maybe more people than we need with degrees, and they are able to develop hardware that will put a man on the moon, and we can't get your car fixed. This is my objection to our utilization of the system that we have. I think that we are not properly utilizing our educational system.

Marcello: Is there any other legislation which you introduced and which you feel ought to be perhaps included in the record?

Blanton: Well, of course, I introduced some bills for the Dallas Fire Department and Police Department. We worked four years to work out what we think is a good pension plan for those people. I introduced some legislation for the Texas Education Agency. And I introduced one bill which I had no hope of passing, but I wanted it before the members before the session ended because I hope to go back with something at least like it, if

not the same bill. And that's this Texas Housing Authority which would be as revolutionary as this extended school year is going to be revolutionary. The Housing Authority would simply utilize the great ability of some of our builders to produce housing that would meet FHA specifications in such volume that it could be sold or rented at a price not to exceed the amount that we allow on a welfare check for rent at the present time. I think that within fifteen years, ten or fifteen years at least, we could largely remove the blight from our cities if we are willing to start now and put to work this private industry that we've got to produce the housing in that volume. Now, of course, I don't deny that the private builders that are in this Housing Authority will make money. But I don't think that it makes any difference if we can take people out of kennels and hovels and put them in decent housing at a price that, as I said, will not exceed that which is allowed for rent on the welfare. And I think that it is incumbent upon us to do that if it can be done at no . . . it will be no cost to the state. And, of course, there are some features about the bill that are a bit objectionable to some people. And, of course, the slum landlord is going to object most about it. But I foresee the day when it is no longer necessary for a citizen of Texas to live in a kennel, and I hope that if I am reelected that I will be able to bring to fruition such a piece of legislation.