NORTH TEXAS STATE UNIVERSITY

ORAL HISTORY COLLECTION

NUMBER 89

Interview with Senator O. H. "Ike" Harris July 6, 1971

Place of interview: <u>Dallas, Texas</u> Interviewer: Dr. Ronald E. Marcello Terms of Use: Approved: (Signature) Date: January 7, 1972

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Oral History Collection

Senator O. H. (Ike) Harris

Interviewer: Dr. Ronald E. Marcello

Place of Interview: Dallas, Texas Date: July 6, 1971

- Dr. Marcello: This is Ron Marcello interviewing Senator O. H. (Ike) Harris for the North Texas State University Oral History Collection. The interview is taking place on July 6, 1971, in Dallas, Texas. I'm interviewing Senator Harris in order to receive his reminiscences and impressions and experiences while he was a member of the 62nd Texas Legislature. More specifically, we're talking about the regular and first-called session of the 62nd Texas State Legislature. Let's talk about revenue first of all, Senator Harris. One of the first shocks, I guess, in the revenue process that occurred was when Governor Smith introduced his plan to borrow up to \$600,000,000 through bond issues in order to finance state government. What was your initial reaction to that proposal? Now I know it never really got to a vote in the House or anything, but I'm sure there was some talk about it.
- Mr. Harris: My observation of that is very simple. It's that the bond program in the approach he suggested was not palatable. I completely disagreed with it, because it was a . . . He also, at the same time, suggested deficit spending. And this was a more palatable way of deficit spending. But I also wanted to explain to you, Dr. Marcello--well, I'd be remiss

if I didn't tell you--that there was a program that we ultimately passed that I did support for bond programs for our state supported colleges and universities.

- Marcello: Right. Right.
- Harris: If you remember.
- Marcello: Surely.
- Harris: And it was primarily for the university system, and more specifically, for the University of Texas at Dallas . . .
- Marcello: Right.
- Harris: . . . realizing North Texas, among other schools, opposed it. The only other one that didn't was Texas Tech because they shared in it. The bond program is not the right approach. The one that I did support was . . . how's the best way to say it? Yes, it was not the right approach, but no, it was not a bad one because if we project it in the long-range program it won't be all that bad because it'll help lighten the load because it's funded by tuition.
- Marcello: One of your comments with regard to that original proposal by Governor Smith was as follows: "He handles the state's affairs like he handles his own personal affairs." What exactly did you mean by that? Do you recall the quote?
- Harris: (Chuckle) Oh, I recall exactly. It was appropriate at the time because it was right after the SEC stock-fraud suit. My comment was not totally related to the bond program. It was related just to him generally. He came forward with

no concrete proposal for financing state government. We now know, you know, in retrospect when we view things, well, we've all got 20/20 hindsight, and we reveal them with a lot more intelligence than we had at the time. This just happened to be a bond program that he suggested. He used a good many other programs that he came forward with.

- Marcello: Well, apparently he put forward this bond program without any forewarning whatsoever.
- Harris: Oh, no. It was brand new. It was just out of the blue. Nobody ever heard of it before.

Marcello: Who was advising him on such a matter?

- Harris: One of the problems Smith has is very poor advice. Now I'm one of the ones in this world that I don't consider Smith by any means a good politician, you know, that smart an individual. But I know one of his handicaps is very poor advice.
- Marcello: Who are some of the people that are advising him? Do you know?
- Harris: Yes. Obviously his first lieutenants--Teaver, Bullock. In my judgement one of the best men he's got is his press secretary Jerry Hall. He's a very qualified individual.
- Marcello: Bullock's name has come up before as, perhaps, one of the people who Smith relies upon for quite a bit of advice.
- Harris: Well, he's his first lieutenant.
- Marcello: Then, of course, later on Smith came back with a second proposal, and, I think, this was perhaps a little bit more at least to everybody's liking. He, of course, proposed to raise the state sales tax, I think, to 4 percent. Also, a comparable

increase, I believe, in the sale of automobiles, and then also he proposed to raise the tuition of both in and out of state students at state supported schools. Could you more or less go along with most of the points in this particular proposal?

- Harris: Well, I am in favor of raising tuition--both in-state and out-of-state. I did vote for the hike in the sale of automobiles, that portion of our sales tax, as a means of additional revenue.
- Marcello: Now also during the Senate debates over the revenue bill, eventually, of course, the whole problem of the corporate profits tax came up.

Harris: And that was the number one issue.

Marcello: Now obviously from what I gather the last time we talked, you were opposed to the corporate profits tax, and I assume that your position didn't change any from this time.
Harris: Has not changed a bit. Senator Creighton and I and Senator Moore . . . well, and, of course, the sixteen of us that prevailed because it came to a vote--number one issue on the tax bill this last session. And it was sixteen to fifteen on every issue. I did throw in with Senator Creighton, who was the leader of that fight. I was involved in some of the negotiations and discussions with some of the people who were opposed to it. And we were able to win by one vote.

- Marcello: What happened to the liberals? You know, the prediction was before the vote was held that there was going to be what, sixteen to fifteen?
- Harris: No. The prediction . . .
- Marcello: Seventeen to fourteen?
- Harris: The prediction prior to the vote was very simple. I say simple. It was complex to us at the time. But in retrospect again it was very simple. We felt like that we had fourteen votes and they had thirteen. So that meant we only had to gain two and they had to gain three to off-set. So we felt like we had the upper hand.
- Marcello: Who were the shakey ones?
- Harris: Oh, Senator Christie, Senator Beckworth . . .
- Marcello: Bates was another one, wasn't he?
- Harris: Bates, right. What does your information have?

Marcello: You mean the ones that were . . .

Harris: You had those three.

Marcello: Those are the three that I can think of off-hand, also.

Harris: Those are the three major ones. And I guess there was a couple of others, but in any event . . . because fourteen and thirteen is twenty-seven. Leaves one more. But anyway, we had to come up with somewhat less than they did. And, as you know how the record reflects, when the very first vote was motioned to table and Beckworth voted against us, we just thought we were lost because we thought it was sixteen to fifteen the other way. And it turned out that he swapped around and was on our side and went all the way.

- Marcello: What sort of strategy did the opponents of the corporate profits tax pursue? You mentioned awhile ago that you did meet from time to time with Creighton and others. Harris: Well, that was more private than it was . . . I say private, it was more . . . well, it was not an organized meeting. It was just casual. It was just a few of us. The proponents of the corporate profits tax listed . . . well, all during the session they actively circulated sheets of paper that "The good guys are meeting." And the number one issue on all of the things they were interested in was the corporate profits tax--the corporate income tax. And they met and just had all varieties of meetings about it. And in the final analysis, they didn't really know what was going to happen either. They knew they were on shakey ground, but they were close enough they had to go forward. And we were just able to prevail.
- Marcello: You mentioned awhile ago also that you conferred with private interests. I would assume that Tom Sealy was one of these people. Is that correct?
- Harris: All those people, yeah. Oh, sure. Searcy Bracewell . . . let's see? Of course, a good many people in Dallas across the board. I'd hesitate to mention their names, not because I don't want to but I might leave somebody out.
- Marcello: Well, Sealy was an opponent, I guess you could say, of the . . . has been an opponent of the personal income tax for some time. In fact, I think he was in favor of the sales tax as

opposed to the personal income tax.

- Harris: Well, right. He's been a strong opponent of the income tax in any variety. I did go back, and I'm almost confident that Barnes got Sealy involved in the whole thing.
- Marcello: I was going to ask you exactly what Sealy's role was and what his interest was, you know, simply as a private citizen in this affair?
- Harris: On the contrary, I think Barnes got him involved and got, what was it 300 or 500? What was the magic number of . . . Marcello: Something like that.
- Harris: . . . citizens against . . . and he was the leader of, and moved to Austin, and actively worked for defeat of any variety of income tax.
- Marcello: What do you think the prospects are in the future for the corporate profits tax? Do you feel that the opponents of the corporate profits tax are fighting a holding action right now?
- Harris: Oh, there's no question about it, but let me go a step. You keep referring to it as corporate profits tax. One of the things that the liberal element in the Senate and the Legislature, proponents of the corporate income tax, chose to utilize was the word corporate profits tax. Well, it's more powerful.
- Marcello: (Chuckle) You've got me caught in the middle here, because I talked to Senator Mauzy and corrected me about calling it the corporate income tax. So he was calling it a corporate profits tax.

Harris: Okay, Okay. That's right.

Marcello: 0kay, we'll call it corporate income tax.

Harris: That's right. For our purposes and discussions. It's a matter of choice of words.

Marcello: Okay.

Harris: And it makes it more powerful when you say corporate profits. One of the reasons I oppose the corporate income tax is because it's a forerunner of a personal income tax. And there's a whole bunch of people in the senatorial district of Senator Mauzy, Senator McKool---any district in the state that's against personal income tax--that don't want to hear about it because that's something the liberals in the Senate were scared to death to talk about. They don't want any talk about any kind of personal income tax. Yet, though they may personally subscribe to it, they don't want to talk about it because their constituency may want a corporate income tax. They sure as the devil don't want any kind of personal income tax.

Marcello: And it's quite logical to assume that after the corporate income tax there's going to be a personal income tax.
Harris: You and I discussed here two years ago this very issue, and one of the things I gave you a comparison about was the State of Illinois and how it compares with Texas only about twenty years in advance. And the problems they had and they wound up with--we discussed at that time--was a tax on groceries and how they had it and a good many other states do, but they finally wound up and just three years ago came up with an income tax, both for corporations and

personal.

- Marcello: Where does Texas go from here? Now obviously, the sales tax cannot be milked any further. Is this a safe assumption? Now I think broadened a little bit, perhaps, but so far as increasing it . . .
- Harris: Increasing the rate, I think we're just about at the hilt. Now broadening the base, I think that's where we've got to I personally think that's where we should go, but I go. think that's where we're probably going to go. And that's certainly going to be the attitude in the House if the philosophical structure, I mean, stays about the same. The Senate may be something else different again. But I think we will go to broadening the base. And I need to explain here as a mechanical matter that we're not just broadening the base of the sales tax to take in services. As a matter of just nomenclature, you've got to say that we have to add to. Broadening the base is removing exemptions, but say the varying services are not part of it to begin with one way or the other. So that's adding to. In a literal sense, yes, it is to take in services. And I think that's the area we'll go to.

Marcello: Okay. Eventually, of course, with some of the recommendations made by Governor Smith and others, the Legislature eventually did come up with a revenue bill which it thought was acceptable. Then, of course, it got to Governor Smith and he again out of the clear blue announces that he was going to veto the bill unless the two cents per gallon increase in the gasoline tax was removed. Again, what was your reaction to this?

- Harris: My reaction was very simple. We can't quarrel too much with Governor Smith about that because he gave us no leadership to begin with. He never told us one way or the other. He came forward with just a hodge podge of rinky dink, a mishmash of recommendations none of which were concrete. And so he tells us he's going to do this. He knew what we were doing. He was watching it every day. He was sitting there in the governor's office. All he had to do was pick up the phone and call the speaker of the House and the lieutenant governor and suggest to them 'here's what I'm going to do.' But no, he didn't do that. It's a typical lack of leadership and lack of . . . just the typical operations that Smith offered in the last two terms he's been governor.
- Marcello: Do you think, perhaps, that he was engaged in a little bit of demagoguery at this point? You know, here's the governor, the man of the people, you know, sweeping out a consumeroriented tax.
- Harris: I have to agree with exactly what you said except one. You said a little bit of demagoguery; I'd say a whole lot of demagoguery.

- Marcello: Okay. Let's move on to another topic unless there's anything else about revenue that you feel we ought to have a part of our record.
- Harris: Well, if you're not going to get into . . . you know when you say you move on to things other than revenue, if you're not going to get into his vetoing in later questions of the last half of the appropriations bill, then I want to talk a good deal about that. But if you've got some more questions
- Marcello: Well, I was going to, but why don't we just put it in at this point then because obviously the whole . . .
- Harris: It's up to you.

Marcello: Okay. Let's talk about it here.

Harris: Okay.

Marcello: Was this again, perhaps, a little bit more demagoguery on Smith's part or a whole lot of demagoguery?

- Harris: Yeah. A whole lot of demagoguery because you know what he did to us in his first term. He would not tell us one way or another until we decided about passing one-year appropriations bills and he vetoed it. And he vetoed it specifically as being unconstitutional.
- Marcello: Then, of course, he turns around the second time and vetoes the second half of the revenue bill.
- Harris: In his address to the people of the state, he did say that he was going to be criticized because of it. But the one thing he did leave out of that address to the people was that he did state it was unconstitutional. Now one can change

one's mind, I agree. But one's mind can't change the constitution. And that therein is the real divergence in his attitude. And he's obviously utilizing it at his best interest. That's one. Two is you've got to look at the appropriations bill. It's very simple. We put into it--we had a hell of a fight with the House, the Senate conferees did, with the House conferees--on adding additional money for higher education. We were after \$41,000,000 spread over the biennium.

Marcello: I do know about that. I was quite interested in it.

Harris: I felt like you would. (Chuckle) And it was two phases, and how it broke itself down I'm not sure. But it was a total of \$41,000,000. It was (1) for increased salaries for professors and (2) organized research, whereas I know that there our various colleges and universities that utilize that money spread it around in programs just like we're engaged in. They spread it wherever they choose to, and that's fine because . . . well, we need to spend more money for higher education. But we finally struck a deal even after the conferees laid it to rest. We finally struck a deal due to the leadership of Frank Erwin, I might add, that we would have some additional money--and the figure escapes me at this time--for both periods of the biennium. And after Erwin struck the deal with Heatly, Heatly turned around on him and wound up with just the first half of the biennium. That was the number one issue. There were other

issues that caused . . . and the point I'm getting around to telling you is that the first half of the biennium is where the bulk of the money is. It's like 3.8 or it's close to \$4,000,000,000 for the first half of the biennium, and it's just over \$3,000,000,000 for the second half. So Governor Smith vetoed the half of the biennium with the least spending in it. And then he gets on the television and tells the people that he cuts out all this vast spending. He's something less than honest with the people. (Chuckle)

Marcello: While we're on this subject of Frank Erwin, apparently he's a rather influential voice in legislative circles mainly because he's a man of a great deal of ability. Is this a fair statement to make?

Harris: It's a very safe statement.

- Marcello: And he did have a lot to do with striking up this bargain with Heatly, as you mentioned.
- Harris: I would have to say if not solely at least primarily responsible, but I think solely responsible.
- Marcello: What seemed to be the stumbling block or what seemed to be the argument of the House--more specifically I suppose with Heatly and Mutscher--with regard to a pay increase for college professors and the funding of organized research? Were they simply arguing that the money wasn't available? Harris: No, on the contrary, they got themselves involved--Heatly

did. He wanted a veterinary medical school at Texas Tech.

And I don't mean to be facetious at all, but you're going to have to ask Heatly why he got that hung up on that issue, and that's where he bargained for. It's a totally unwarrented issue. And he bargained with the Senate conferees on higher education. And he held out and they held out and so they came to an impasse. I do know this in my own mind that when the conferees got together in the final analysis and down to the last words, there were three members of the five-man House conference committee that were not notified of the meeting. He went there on his own. My law partner was one of the conferees and he was not notified—Braecklein.

- Marcello: I see. That's very interesting.
- Harris: He, Heatly, wielded the power himself. He did narrow it down to one man he could trust and that was Slider.
- Marcello: Now one of the other taxes also--maybe we should have mentioned something about this--that the Legislature put forward during this past session was the one increasing the tax on, I think, beer among other things. And the reason I'm bringing it up is because I think you voted against that particular tax. Did you not?
- Harris: Well, it depends. You'd have to go back. (Chuckle) I don't mean to try to dodge the issue at all because I'm not. There are times when I voted for the beer tax and times when I voted against it--the increase in the barrelage tax . . .

Marcello: Right.

- Harris: . . . which was \$4.30 and we upped it to \$5.00. It was a matter of strategy each time how you voted. I even voted for it on one occasion to raise it up to \$6.00. But I also voted against it on occasion to raise it to \$6.00.
- Marcello: When you say it was a matter of strategy as to the way that you voted, what do you mean by that?
- Harris: Well, it was strategy either within the committee or within the framework of things. On one occasion we were trying to kill a tax bill, and the number one way to do it was to put a \$6.00 tax on beer and I voted for that. And we were really against the tax bill because we knew when it went to conference committee that Gus, being tied to the beer industry as he was, wouldn't let that happen. So, you know, it worked itself out. It's hard to sit down and explain that even to you, even to you. Obviously, because I'm not doing a good job of it. But certainly to explain to the voters is really difficult.
- Marcello: I can understand your point. Here again, you were against the tax bill, and therefore to make the whole tax bill unpalatable to a certain extent you simply raise one particular item in there . . .

Harris: That's right.

Marcello: . . . to such a point that certain people won't accept it and will vote against the whole tax bill.

- This is substantially what I'm trying to convey. Harris: The other side of it--and I want you to understand or whomever might listen to or read what we're talking about--is that they understand that the mechanics of how you vote is not just necessarily the answer. It's all what you're trying to convey. And, yes, I wanted an increase in tax on beer. I wanted an increase in tax on whiskey, but I also wanted a fair one. And we were trying to get an increase on the tax of beer, and the strategy of the whole thing was . . . well, as I talk and think about it, we struck an agreement. I was on the conference committee on the beer-whiskey tax bill that finally passed. We had an agreement that the gallonage tax on whiskey would be raised up to a figure of \$2.17. And we had an agreement that the barrel tax on beer would be at \$5.00--from \$4.30 to \$5.00. And it had been on whiskey, I forget what, but anyway to \$2.00. The members of the House conferees switched on us, and came back with a bill that was just totally different from what we agreed on. So that threw it into chaos. We reacted to that, "Okay, we'll go for \$6.00" So that was our way of putting it back on them. In the vernacular, we wanted to make them honest. We ultimately worked it out.
- Marcello: Was it also during these proceedings that the controversy came up as to who was to supply the establishments with the liqueur--the retail people or the wholesalers?

Harris: It didn't come up. No, that had already been settled . . . Marcello: I see.

- Harris: . . . earlier during the regular session. That fight was decided, and finally the retailers had the votes. The wholesalers were in a little bit of a tenuous position. They had a problem because of previous laws that had been passed however long before. The wholesalers in this state isolate themselves as representatives of certain distilleries. They cannot provide the services that a retailer can because retailers have got the market for all.
- Marcello: Uh-huh.
- Harris: And they can show you statistically--for whatever that's worth--they can show you that they can serve a club under the mixed beverage permit. They can show you where they can sell whiskey to you cheaper than the wholesalers can. Because they've got to go around and hit two or three different wholesalers to get all the varieties of . . . well, what I'm saying is the retailers make a good case, and finally the wholesalers decided they were not on firm ground or at least on somewhat tenuous ground.
- Marcello: Here again while we're on the subject of taxing alcoholic beverages, do you feel again this is another area where the saturation point has perhaps been reached so far as taxes are concerned. Let's call them the "sin taxes."

Harris: Yeah. What I'm afraid of is that we reached the saturation

point the very first time we got it. On a relative basis, we hit them far too heavy to start with. I noticed in the newspaper . . . well, I know what their attitude was. And I got a copy of a resolution in the mail just today to ask the governor to open a call for new taxes on mixed beverages for the cities. I didn't run for the city council. I ran for the State Senate. They're going to have to face up and raise revenue any way they can. And they don't need to be telling the Legislature to ask for different permissive attitudes in areas to raise additional revenue.

Marcello: Some people have said that perhaps the . . . was it the Legislature that granted the cities permission to enact the 1 per cent sales in some cases? Some people said that was a mistake.

Harris: That's right. In retrospect.

- Marcello: Right. Again using 20/20 hindsight. What have the cities been doing with that money? Or what haven't they been doing with it?
- Harris: Oh, it's not the question of what they have or haven't been doing. I'm sure they're properly spending it.

Marcello: It's just some revenue that the state's been deprived of.

Harris: It's giving them an attitude that they come to Austin for us to give them selective ways of raising revenue. It becomes our responsibility to raise taxes in the Legislature so that, you know, the kick-back comes from the tax-paying public. They say, "We didn't do it. The Legislature did it." The cities have to face their responsibilities as well as the counties.

- Marcello: Okay. So much for revenue then. Let's move on to another topic. Let's talk a little bit about the Sharpstown case. Some people refer to it as the stock-fraud scandal perhaps. I'm sure that as a Republican, you have taken special glee in watching certain people squirm as the revelations have come forward.
- Harris: That's exactly right.
- Marcello: What were your reactions to it when you first heard about it? Here again, I'm sure it was one of those things which came out of the blue to you.
- Harris: Oh, yeah. Not totally out of the blue, but 99 per cent out of the blue because I was involved in Eggars campaign in 1970--actively involved--and we did get a little whisp of the problem. But it was like one of those prank calls you get, you know.

Marcello: Who was your informer?

Harris: I got it from some of his staff in Austin, so I didn't get it directly. It's like the old story about your wife who gets called about your husband running around on you, you know. That sort of thing. You can't chase all those different avenues. So, you know, it was reported to me, and I wasn't in on the level of making that decision so I wasn't involved. But I did hear about it to that extent. So when it finally came out, I went to the lieutenant governor with a request of a Senate general investigating committee being appointed to investigate it, and he did acquiesce to appoint that . . . I want to talk to you a little bit about that.

Marcello: I want to talk to you a little bit about the

Harris: . . . and made me a member of that.

- Marcello: Has that particular committee done any work up to the present time?
- Harris: We did a good deal of work during the session, but the activity of that committee has waned. It's waned for several reasons. I feel like, being a member of the minority party, that I could have been more diligent in trying to get it to be more active. But there's one very basic reason I did not. I'll tell you about that in a minute, and I'll show you the report that's on the desk there about why I didn't. But we did a good deal of work, and we hired ourselves an attorney, Hubert Green from San Antonio, who did a very diligent job. We passed nine pieces of legislation at a very late hour. . .
- Marcello: Right.
- Harris: . . . in order to correct some of the mechanical problems to allow the banking commissioner authority to do certain things. No matter who that commissioner is--honest or dishonest--it gives him material to work with. We finally concluded, too, that Commissioner Robert Stewart did a good job. If he was derelict in any area, then that was taking information he had and not putting it into effect. Mechanically, there's some areas where he could not put it into effect, but also

there are areas where he could have called it to the attention of the public if he had not been tied to the Establishment. Now who's going to call one's hand on that? Yes, I did on occasion, but you've got to be on firm ground instead of medium ground in order to do it. So this is the area where we really did do some good.

Marcello: Well, apparently Lieutenant Governor Barnes did appoint this committee very, very quickly. Did he not?

Harris: Yeah, pretty quickly.

Marcello: Most people, I think, agree that this is one of the mistakes that Mutscher made.

Harris: Oh, yes.

- Marcello: Perhaps Mutscher could have avoided a great deal of criticism over in the House had he appointed this committee instantly, right away, instead of waiting until public pressure and private pressures and so on built up. And it seemed as though he was almost forced to appoint such a committee.
- Harris: Oh, yeah. Mutscher just fumbled the ball at every turn, and this is one of the balls that he fumbled. I went to Barnes Let me just give you the chronological order of events. This all happened and had been going on about a day or two. And I drafted a letter directed to the lieutenant governor, with copies made for the press. When you're dealing with Barnes that's the way you've got to deal--with the press. And I went to him and I said, "Now, Ben, I have not released this yet, but I'm going to. I just want to let you know in

advance what I'm going to do. I'm not asking your acquiescence nor judgement or criticism. I just want to let you know what I'm going to do." And he read the letter and he said, "Well, it has to happen." So I went on about my program of releasing it. And I already had my resolution drafted to create the . . .

Marcello: The committee.

Harris: . . . general investigating committee, which you've got to understand, traditionally has always been done at the end of the regular . . .

Marcello: Right.

Harris: . . . session to go into effect during the interim. And, you know, when's the last time they ever did anything? It was back during the 50's with the insurance scandals. So I went in to the secretary of the Senate's office--for whatever reason I went in there, something totally unrelated--and I look over and Schnabel, secretary of the Senate, is thumbing through the old statutes looking at resolutions for the Senate general investigating committee. You know, whether or not he realized that I saw it or what--I don't think he did--well, right off I knew he was looking at the wrong thing because we have a legislative reform act that provides you don't have to go through all that long resolution. All you've got to do is draft it in connection with that legislative reform act. It's a very short one-page thing. Previously it'd been a several page thing. Anyway, Barnes then went around.

You know, he wasn't going to let me as a Republican be the author of that even though I'd created it. So I was satisfied that I'd accomplished what I accomplished. But I want to also explain to you that I didn't hesitate to let him know that I knew what he was up to.

- Marcello: How does the lieutenant governor go about selecting the members of such a committee? Alright, you wrote him a letter, of course. Here was a public furor and so on over the case. Obviously he's going to appoint a committee. How does a lieutenant governor in this case go about appointing a committee?
- Harris: He looks around for members of the Senate that do not have any involvement in state banks. And that was a little hard to find. And as far as a Republican, I was safe there because I have not and do not--well, no, I won't say I will not (chuckle)--have any involvement in a state bank. I didn't own any stock or anything of that nature. He selected people that he could have influence over. I don't want to be hard on him about that because if you were selecting committees, you'd select somebody you would have influence over. So that's not bad in itself. Old man Aikin--Dean Aikin--was one of them; Ratliff, whom he unfortunately has too much control over; J. P. Word, who in my judgement is a very diligent member of the Senate, a very honest member of the Senate, just a first-class fellow. He's chairman of the

committee. Pete Snelson was somebody in that category. Pete, I think, was just a real hard member. Pete was one who reacted to the attitude of the people, which is what I wanted. I found myself aligning with Pete a lot of times on the fact that not enough was being done by the Senate general investigating committee. I was on there simply . . . and I'll tell you straight out that my attitude to Barnes was when he appoints the committee that you're going to appoint who you want to. And I understand that, but I may be able to do you more harm off the committee than I would on it. And that tells you something about my attitude as about his. I could have raised more hell outside the committee than I did on the inside.

Marcello: Just how much did that Sharpstown disclosure cloud the activities of the Senate?

Harris: Not much in the Senate.

Marcello: Now quite a bit in the House, of course.

Harris: Oh, certainly. It had it's influence in the Senate, yes. There's no question about it. But <u>it was</u> far greater in the other two main bodies, and that's the executive branch and the House, and predominately in the House. And it just got . . . you know, how's the old story? It went from bad to worse. One of my friends from the lobby said, "You heard the old story that it's got to get better before it gets worse. Well, it already has gotten." (Chuckle)

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- Marcello: I would assume also that the Republicans do plan to make this a rather important campaign issue in 1972.
- Harris: I think they've already blown it--us, we Republicans have-when they let Sharp off. He gets very minor punishment and all the immunity with just the outside shot of getting the politicians.
- Marcello: I was going to ask you if you think there is any chance that he is going to make any startling revelations or disclosures? Harris: They can't. I say they can't because legally they can't. To get anybody's involvement in the kind of activity Sharp was involved in within a bank--and I don't care, in any given bank--to get somebody outside the bank, which obviously Smith and Mutscher . . . or if they didn't, there may be some revelations there that we don't all know at all. To get somebody outside of the bank, which seemingly we all know they are, then it requires a conspiracy charge. That's in the federal statutes. And to get them, it's just as tough as it can be. Whether or not we really should or are able to get them is not the case. I'm talking about criminal indictment. And to let Sharp off in turn for his testimony at best is conspiracy. I think the Justice Department made a major mistake.
- Marcello: Well, almost as a follow-up to the revelations of the Sharpstown business came the movement for some sort of legislative ethics. And I guess for the time that the Sharpstown case blew and the movement for ethics had come about in the Senate

nobody could be against it. I think ethics is one of those issues that nobody can be against. Isn't that more or less correct?

Harris: That became a real problem. But before we get on to ethics let me just give you something. This is something that's going to be interesting for what it is you're doing.

Marcello: Okay.

Harris: I may--when I get this reduced to writing--I might change my attitude (chuckle) and restrict some of it. But let me just read to you . . . and I want to get on to that ethics. I don't want to pass that off at all because I've got a lot to say about that. This is the chronological order of events, a memorandum that we received from Hubert Green. This is to the Senate general investigating committee:

> Subject: Summary of facts concerning the involvement of state officials in the purchase of National Banker's Life stock, loans from Sharpstown State Bank, and deposit insurance legislation. I'll cut through the chaff and read you on the very first page. And this is as a Republican telling you, and if you like it you can have a copy of it. But I want to read you the first full paragraph:

Background: The history of this general problem is the history of Frank Sharp and his enterprises, the widely known real estate developer in Houston. Mr. Sharp operates through the Sharpstown Realty Company in developing the Sharpstown area. On January 16, 1960, Sharpstown State Bank was chartered by a two to one vote of the State Banking Board (Jesse James and Will Wilson favoring the application) over the stern opposition of the Banking Department. Now at that time--this is me talking--Faulkner was Banking Commissioner. Now back on the summary.

Mr. Sharp and his associates dominated the affairs of the bank from the very start. In fact, the original investigation report gave this warning about Sharp: 'It is presumed that in furthering his real estate ventures, he and his corporations will be in need of additional operating capital, and the new bank would be a good source of additional credit. This, of course, will not be favorable if it is done.' This prophesy, as you know, was fulfilled. Will Wilson, as we all know now, had represented Sharp when he bought National Banker's Life. He voted for over this kind of opposition. So it puts him under a cloud. It puts those who appointed him under a cloud. It's my opinion that Will Wilson ought to be released and not be corrected for or chastized for it. The Republicans on a pure partisan basis had an issue here--and this goes along with other things we're going to wind up talking about--and blowing it. So, anyway, this whole report tells you a good bit about what Sharp did. It tells you about what the quid pro quo was for that banking legislation. Do you want to hear about that, or do you want to get on to another subject?

Marcello: We might as well talk about that banking legislation.

Harris: I don't want to get our of your program.

- Marcello: No, no. That's okay. Why don't we just follow up with that? We more or less take a shotgun approach to these things and fit them in where they best occur.
- Harris: What this report will show--and what we found out--is that for a long time Sharpstown Bank was in trouble because it was the pinnacle of Sharp's empire. And he was loaning money and financing his enterprises here and there, buying a couple of banks in Dallas, Sharpstown Realty Company, all the different things he was doing. And he was in trouble with the Banking Commission. Our examiners--that is the Banking Commission examiners-just did a devil of a good job on looking into what he was doing and reporting it to the Commission. In explaining this to you, they give two reports. One is their personal report, you know, that goes to the bank and to the bank employees as well as the Commission. But they've also got a private report. And the private report is a report that the commissioner knows about, and they explain--the examiners -- explain full well to the commissioner what was going on. Now ancillarily we found out that two banking examiners that had loans from the Sharpstown Bank and were fired, but that was all known about, too. Their records are very adequate there to explain this, and they should have been fired. Now this gets around to what I'm trying to tell you. If Robert

Stewart is guilty of anything, it's a slack in doing it. He was slow in finding those guys, and he was also slow in reporting to the proper authorities, to the proper board, appointed board. Now this gets down to two more problems. One is he was slow in reporting though he was aware of it. He was not derelict in his duties, but he was slow in reporting. One of the bills that we passed gives him some authority to move in and do something--which he did not then have--under the law, which is not his fault. But he should have gone on to other people that are appointive and have some authority. But we also have reason to believe that even if he had it wouldn't have made a heck of a lot of difference. So they knew at the time that the Sharpstown Bank was in trouble. One of the areas where they were really in trouble was that the Federal Deposit Insurance Corporation threatened and threatened on many occasions to remove their deposit insurance. So finally, in the summer of '69 they sent a letter . . . they worked very closely with our State Banking Commission. They just said, "We are removing it if you do not remove Sharp and/or his friends from management," which they had on one occasion but he worked his way back in. So finally that culminated what Sharp needed to do. He needed to get state deposit insurance on deposits. Well, first of all, why did the F. D. I. C. want to take

Marcello:

back the insurance that they granted?

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- Harris: Because he was violating all the banking rules and regulations, both state and their regulations, of swapping money around in banks and what, preferential loans to politicians--using that just as a pinnacle of his empire--swapping money, unauthorized loans into varying realty interests. I mean, whatever it was he did it. He'd been on the carpet on many occasions. He'd been moved out of management on one occasion and worked his way back in through other people. His record was well-reflected in that area by the SEC stock-fraud case. One of the things is buying National Banker's Life. And three, you could borrow your money from Sharpstown to buy this with no interest, and this is where the politicians got involved. So when he was faced with this dilemma--final, draw the line, we're going to cut off your insurance on deposits--well, he's out of business just like any bank would be. So he then went to Governor Smith and got him to call in the special session that came in the summer of '69--which we were there for appropriations, back when the governor vetoed the one-year appropriations bill and called us back for two years-he ancillarily included certain banking legislation in the called session. It breezed through the House and Senate. So once that bill was passed, the governor then vetoed it. He vetoed it for one very simple reason--too much pressure came to light from the banking interests.
- Marcello: Allan Shivers apparently was exerting quite a bit of pressure here, was he not?

- Harris: Very strong. Our State Finance Commission, made up of bankers around the state testified for our Senate general investigating committee. They knew about this problem. They gave it a low key and played it down, but they knew about it. And they understood what it was all about and they went to Preston. And the pressure was just too heavy, and he finally had to veto it. This is one of the reasons--to move forward just for a moment--that we all think that's why he's more than willing to testify against state officials--more specifically Smith. It's that he got a knife in the back. He worked it all the way through the Legislature, and then Smith vetoed it and then still got his money on the stock deal. Now I don't blame Sharp. I'd be hot too because once you make a decision to cut a deal, (chuckle) and then the guy reneges on you . . .
- Marcello: Well, do you remember much about this legislation when it was going through the Senate?

Harris: No.

Marcello: I don't think many people did, did they?

Harris: And I've got to confess ignorance. I didn't either.

Marcello: Well, like I say, you apparently weren't alone on this . . .

Harris: Oh, no.

Marcello: . . . because there was no fanfare at all given to this legislation when it went through.

- That's right. It just squeezed through. But what I want Harris: you to understand is where the guid pro guo was, that he--Sharp--passed this. It was two bills. One was an amendment to the Texas Non-profit Corporation Act. It was alright. But two is it made this State Deposit Insurance Corporation part of the Non-profit Corporation Act. They not only would insure deposits, but there was a little innocuous paragraph in the bill that would allow them to insure above the \$20,000 figure up to \$100,000 but also if you were not insured by Federal Deposit Insurance . . . so you had it either way. Well, it had two benefits for him. One is it kept his doors open, which is the obvious. Two is he didn't have to mess with F.D.I.C., and if you talk to any operator, owner, president, or chairman of the board of any state bank, they have a devil of a problem with F.D.I.C. because they've got themselves in the business of management of state banks.
- Marcello: Well, apparently Sharp's rationale, also, was that by getting this state deposit insurance, funds from industry would be attracted to the smaller banks or something like that.

Harris: That was a bunch of conversation.

Marcello: But this was the rationale that he supposedly used.

Harris: Oh, yeah. Right. It would attract business because you get up to \$100,000 insurance. Well, that was the coloring, the extra added. But it kept him open. But two is, all he had to mess with was not F.D.I.C. but also with the State Banking Commission because all you've got to do is go back and look

at that piece of legislation that passed. It gave the Banking Board all the authority for examination, for regulation. Well, if you look at the current statutes, the Banking Commission handles all the auditing and regulation and examination. The Board is only three people. And the Board is the three people that make up who gets a charter and who doesn't. And that's Baum, Robert Stewart, and Jess James by statute. They don't have any regulatory authority at all. They make the decision of who gets the charter. But it gave them the power to do all the regulation and examination. Well, they don't have the facilities. That's just a brand new thing. So all he had to deal with was his two friends on the Banking Board, and that was Baum and James, not Robert Stewart, who would probably vote against him.

Marcello: Let me ask you this. As a legislator, suppose somebody came up to you and gave you the tip on this stock and offered you, let's say, a \$250,000 loan with no collateral. Would you perhaps be suspicious?

Harris: Oh, darn right.

- Marcello: Isn't this essentially what happened in the case of Mutscher? Now Mutscher apparently had borrowed more than any of the rest to buy this stock.
- Harris: That's easy. Right. It just makes no sense to you at all. I'm very pleased that the Ohio decision came out about federal banks loaning politicians money. I went to my banker just

the other day when the session was over to take care of a portion of the principal and pay interest on my note, and he was a little unusually nervous about our relationship. We finally got around to conversation, and I'm the only politician he's loaned money to. It doesn't have anything to do with politics. It's on a business deal I'm involved in. That's not right. We ought to be able to borrow money just as well as you should. You understand what I'm talking about. It just doesn't make sense. This gets on to what I think you're going to talk about--ethics legislation. And I made a statement during the session when it came up, and I was in opposition to ethics legislation. I got a lot of criticism--an editorial in the Dallas Times Herald about it. People this day don't want ethics legislation. They want ethical conduct. And the way to get at a politician if he's not ethical is in the next election. Turn him out, It sounds elementary, and I mean to be elementary quite frankly. In other words, are you saying in effect that it's almost

- Marcello: In other words, are you saying in effect that it's almost impossible to legislate ethics?
- Harris: That's right. If they're going to go to the trouble to violate the now existing laws--I say violate--to work themselves around them or however it is they're going to do it, and you pass a piece of ethics legislation that will require them to go to the penitentiary if they violate it, they'll figure out a way to get around that too, now won't they? It's that simple.

- Marcello: Let's talk a little bit about ethics then as it came up in the Senate. Obviously, like I said earlier, once the Sharpstown case broke I'm sure that everybody in the Senate was for ethics, or practically everybody anyhow. It was one of those things that you couldn't be against.
- Harris: Uh-huh.
- Marcello: And, of course, as I recall, one of the first people to introduce any type of ethics legislation was Senator Hall. Isn't that correct? Among other things, I believe that Senator Hall wanted all elected state officials to file a copy of their federal income tax. Isn't that correct?
- Harris: Uh-huh.
- Marcello: And I think also he wanted them to file a financial statement. How did you feel about these particular disclosures?
- Harris: I was on the sub-committee that worked on that bill.
- Marcello: This was the State Affairs Committee, wasn't it--the subcommittee of the State Affairs Committee?
- Harris: Right. I was on the first subcommittee, and Hall failed to agree with us. We came back and we appointed another subcommittee. I was on that one. We came back and we appointed a third subcommittee, and I was not on that one. The subcommittee report came back on the first two occasions and ran over--if that's a good choice of words--we beat Hall on most of what he wanted. But he still ran with the bill. And then it was amended on the Senate floor, and Hall objected

to it seriously on one provision, one amendment, we put on it. And that was that members of the Texas Legislature would not practice before state agencies. But the final amendment put on by Blanchard was that members of his firm would not be though the members of the Legislature could not. Well, Hall objected to that and maintained that that was a very crippling amendment. Well, can anybody think of anything that gave rise to ethics legislation that came out of anybody practicing before a state agency? No, there was not. But he maintained that position. It was a crippling amendment. And if you'll check the records--the Senate Journal--he said he would lay it on the table. And finally Barnes convinced him openly in the chamber that, no, subject to call would be the way to do it because it would be dead for the session. Well, that was way back in the Spring. Finally on the last night--closing day, May 31st--the bill finally passed. And it did not have anything in there to do with whether or not a member of the Legislature could practice before a committee. Well, let me tell you, a good many of us--myself included--and I specifically rose up and asked Hall, "You're advocating this legislation. Is there anything in there to do with whether or not a member of the Legislature practices law before a state agency?" And he said, "No, there is not." I said, "Well,

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or whatever period of time it was, "... that it was a

you told us earlier in the session--three months ago . . ."

crippling amendment, and you would not support it." And he said, "Well, I changed my attitude." And I said, "Well, I just want that for the record." There isn't a thing to do with . . . Hall's demagogued the issue is what I'm getting around to telling you.

- Marcello: I was going to ask you about this. Several senators including several from his own party, of course, accused him of demagoguing on this bill.
- Harris: That's all he did. I'm going to give you a very self-serving statement, but I like to join in with the crowd--Senator Creighton, Senator Moore, Blanchard, Connally. Those I know of are members specifically. I joined in with a group, and we really tried. We wanted to accomplish something. And it's, as I say, a self-serving statement but an honest approach-not demagoguing the issue. And Hall, he . . . there was the old story, "He who protesteth too much" (Chuckle) Marcello: Well, now here again do you think Hall perhaps already had
- his eye on the lieutenant governorship?
- Harris: Oh, no question about it. He overworked that issue all session long to the point where I think he's in serious trouble for chances of becoming lieutenant governor. I never will forget what Blanchard told him one day in committee. He said, "You may advocate this legislation, but if it's passed you'll be the first one in the penitentiary."

Marcello: What did Blanchard exactly mean by that?

- Harris: Just what he's talking about. If a guy's going to go, it'd be him. Hall's a demagogue. He overworked the idea of state-wide office. He tried to please too many people too often.
- Marcello: One particular individual with whom I've talked called Hall a "legislative whore," in effect saying that Hall sponsored any bill during the session which perhaps might get him a few votes. Is this a safe assumption?
- Harris: That's another approach he took. That's exactly right. He carried as much garbage as Mike McKool and Mauzy, you know, whatever--working every side of the street.
- Marcello: Okay. Also, I think at some time . . . well, very shortly after Hall introduced his legislation . . .

Harris: Who told you that? (Chuckle)

- Marcello: . . . as you know this is confidential material so (chuckle) . . .
- Harris: I'm counting on it. (Chuckle)

Marcello: I'm not at liberty to divulge the sources of my information.

- Harris: I'm not serious about that. I'm counting on it being confidential . . .
- Marcello: It is.
- Harris: . . . because there are some things I've told you that I do want part of the record.

Marcello: Let me assure you that it is confidential.

Harris: But by the same token, for the immediate I wouldn't necessarily want it made public knowledge.

- Marcello: Well, you are aware now that you can place any restrictions over this material that you want.
- Harris: Oh, yeah. We discussed that before--same ground rules . . .
- Marcello: Right. Same sort of thing as before. I can't recall what your ground rules were before.
- Harris: Probably not as severe as they're going to be this time. There's things for the record that I want shown, not necessarily now.
- Marcello: Surely. That's fine. That's well and good. And, of course, we can get you to be candid if you're going to be protected in some way. But anyhow, also, very shortly after Hall introduced that legislation apparently you objected that financial reports would unfairly disclose the income of a legislator's business associates. Is that correct? Were the papers quoting you correctly?
- Harris: I don't know that I . . . no. I don't think I specifically objected to that because that has not been an attitude of mine. The major objection I had was this issue of practicing law before . . . I didn't mind it as to . . . (interruption) Marcello: Now again, before we were interrupted what specifically did
- Harris: I objected, one, to Hall's attitude; two is to just what I outlined to you earlier. He was demagoguing the issue. He was racing along with what he thought was a keen way to capitalize on an issue. I do know this, too. There was a set of circumstances that came to pass in his office after

you object to in the Hall bill?

the first subcommittee report came back and was presented to the full Committee on State Affairs--not yet adopted, but presented. I went down to his office as author of the bill, which is only appropriate, and one of his aids came to him and said, "Now we've got this in the bill, and we've talked about this. Just what do you want in there?" He said, "I don't give a damn what's in there, just so long as you'll screw Charlie Herring." Well, now analyze that. You know what his relationship is with Herring, who represented the SDC and kept him off the ballot in 1970. But Herring's firm represents a lot of people before state agencies, so that was the only reason that was in there. It didn't have a thing to do with whether or not it was good, bad, or indifferent.

Marcello: In other words, this was simply a way of getting back at Senator Herring.

Harris: That's right.

Marcello: Now Herring was on that subcommittee. He was chairman of that subcommittee, was he not?

Harris: Well, the first two.

Marcello: And apparently he and Hall had quite a few go-rounds . . . Harris: Many, many.

Marcello: . . . as a result of what went on in that subcommittee.

Harris: That's right. You know who was responsible for that--Moore. Moore's chairman of the State Affairs, and he appointed it just that way. He's more perceptive than most and figured it out. Well, Moore and I wound up voting alike on many of these occasions on that ethics bill. Again, to reduce it to the simplest terms, it was a demagogue issue, and the ancillary issue was to pick on Herring.

- Marcello: Is there anything else about ethics that you think we ought to have as a part of the record? We don't want to talk about things that are in the newspaper or a part of public knowledge. Any researcher with this thought, you know, can find these things on his own . . .
- Harris: That's right.
- Marcello: . . . that's a part of the written record. I don't think it's necessary to deal with many of these things.
- Harris: I think that's just about it on ethics. The magnitude of it as people viewed it and as editorial writers wrote about it, you know, whatever attitude or position they took, I got a good deal of criticism about the position I took on it. But here I am a member of the minority and taking the attitude I took. I guess in the simplest terms you can reduce it this way, that I have never quarreled with a member of the lobby or a member of the Legislature for any kind of presentation that the lobby makes to them, and that reduces itself right down to the basics wherein a member of the lobby or any individual walks in and offers a member of the Legislature dollars and cents. They ought not to even be regulated. They ought not to be quarreled with. The guy

that people ought to quarrel with is the guy that accepts it. You know, our system dictates one thing--when do you get at him? The next election. If the press reports it, that's fine, but you get him in the next election for his attitude. What I'm really saying indirectly is a guy can get around ethics legislation if he's smart enough and really figures it out. People don't want to pay enough attention to it; they want somebody to call it to their attention so then they can get upset. It's their responsibility to find out about it.

Marcello: Okay. Let's move on to another subject then, and one which occupied a great deal of time near the end of the session. And this was redistricting, both so far as the State House of Representatives and the State Senate was concerned, and then, of course, also congressional redistricting. Let's talk first of all about congressional redistricting. In fact, you were on that Senate committee, were you not?

Harris: Right.

- Marcello: What were some of the things that you took into consideration in redistricting other than the obvious such as the population shifts and what have you.
- Harris: Ron, let me tell you something very simple. We did not take much into consideration because we seldom met. Barnes controlled redistricting from beginning to end and in all varieties. He asked me, for example, to be on the congressional redistricting subcommittee. I told him no; I wasn't about to

because I knew exactly what they were going to do to Republicans, and I didn't want to be any part of it. (Chuckle) I'd get the blame from my Republican friends for not doing them any good, though two Republicans in this state came out in good shape, and that's Archer and Collins. The other side of that is . . . well, Bob Price, incumbent, is not in bad shape, but the redistricting bill I voted against. Hall voted against, Mauzy voted against, McKool, all Dallas senators, because it messed up Dallas.

- Marcello: I think all of you people objected to it mainly because they used a portion of Dallas' population to flesh out some of the rural districts.
- Harris: Well, that's one reason. The other reason is that anybody really thinking about it--unless they took care of their individual districts--were not really in favor of it because it was a controlled thing. It was not an open hearing thing. It was not something we all spent some time working on. It was a last minute crisis program. Well, I'll tell you how last minute it was as far as Senate redistricting. We never got around to it.
- Marcello: That was never discussed at all, or very, very little.
 Harris: That's right. Well, it was discussed a good deal but not in public hearings, not in testimony, and not in activity.
 Marcello: What did you think about this Twenty-Fourth Congressional District--this mid-cities district? Apparently not too many people knew how it got formed. Do you know anything about it?

- Harris: It was a conception of a compromise between the Senate and the House in order to try to get something as between the two counties that would work itself out. And, of course, it really didn't affect my side of town much at all. It's Senator Mauzy and Senator Kennard over in Fort Worth that really got upset about it, and rightfully so. I think they were on the right side. It violated one principle that we were all for and that Barnes said he was for but did not actually do. And that's starting in the metropolitan areas and working out. We still have got a fragmented city. We've got Ray Roberts into this county; we've got Tiger Teague into the county; and then we've got two full districts. We used to have three congressmen fragmented in here with two districts. Now we've got just two.
- Marcello: Graham Purcell was the one that was eliminated. Is that correct? Harris: Uh-huh.
- Marcello: Who do you think will do well running in that mid-cities district?
- Harris: I wouldn't even attempt to speculate on that. (Chuckle) It's basically a Democrat district. Now which Democrat is what you're talking about.
- Marcello: Some people have said, for example, that even though Mauzy protested about the district that he possibly might run well in there if he were to run.

Harris: He doesn't live in the district, but that's no criteria.

Marcello: Right.

- Harris: Everybody to my knowledge, at this point in time, who have shown an interest in the district--and there are three--do not live in the district. That's Graham Purcell, Mike McKool, and Jesse Price. Nobody that lives in the district has expressed openly in the press an interest.
- Marcello: Wasn't there any possible thing that the Dallas delegation could do to present the rural areas drawing population from the cities to flesh out their districts?
- Harris: Now say that again.
- Marcello: In other words, it was quite obvious that you were displeased with the way redistricting took place . . .
- Harris: Yes.
- Marcello: . . . because the rural areas came into certain sections of Dallas and took population from Dallas to flesh out their own areas. Now, was there any recourse that the Dallas delegation had to prevent such a thing?
- Harris: Yeah. We worked on this all Let me tell you this. Senator Mauzy and Senator McKool--one of the very few times I ever agreed with Senator McKool, on several occasions, though, with Mauzy--but on redistricting we started in the metropolitan areas and worked out. Well, Dallas is entitled to two full congressional districts and, oh, better than two-thirds.

Marcello: They're only 60,000 short or something like that.

Harris: Seventy thousand.

Marcello: Seventy thousand.

- Harris: All we had to do is to pick up Collin County, but that's not what we did. It was kind of half way in between. You know, what we had in the past was starting in the rural areas and come in. What we wanted was starting in the metropolitan areas and work out. We got sort of a halfway in between, which is not the concept of one-man, one-vote. So that's basically why we opposed it.
- Marcello: Now this again really wouldn't concern you too much as a Senator, but are you in favor of the . . . I would assume as a Republican, you're opposed to the at-large representation. Is this correct?

Harris: Yeah. You're talking about the Texas House?

Marcello: You meant Texas House, right.

Harris: Individual member districts, this is my position.

- Marcello: Well, one of the other things that has come to my attention was the fact that some liberals have accused Barbara Jordan, perhaps, of selling out for a congressional district. Do you know if there's any credence to this? Do you know anything about this?
- Harris: I really don't know whether or not there is. I'll say this in defense of Barbara. I'd go a long way before I'd criticize her for selling out for anything because I'm very fond of her. Even though our political philosophy is just 180° generally

different, she's a very honorable member of the Senate. And if she did, then, you know, whoever's got that attitude, fine. I <u>do not</u> have that attitude, but I don't know.

- Marcello: Is it true that she was more or less taken care of with a congressional district?
- Harris: She was taken care of and came to the Senate interested in getting it. There were members of the Senate, of both philosophical bents and both parties, and myself included, who went to her and talked to her about the prospect of staying and running for re-election in the Senate and not seeking a congressional seat. And I'm quick to admit to you that I actively talked to her about it because, well, I'm very fond of her. We have a very good relationship. Marcello: Now obviously some state senators were very interested in carving out congressional districts for themselves -- not that there is anything wrong with it, of course. And, so far as I know, one of the people who was very much interested in getting a district in which he could run was Senator Wilson. Isn't this correct? Apparently he had guite a run-around with Clyde Haynes, I believe it was, of the House. Harris: And they wound up with the new congressional district in
- which does not include Congressman Dowdy but does include Senator Wilson and Representative Haynes. This does now exist, and they will probably be opponents. As a matter of fact, just five minutes ago when I visited with Senator Wilson he very happily said that it looked like Martin Dies is going

to get a district bench in his district and will not be a candidate for Congress.

- Marcello: That eliminates one more of Wilson's potential opponents.
- Harris: That's right. He was most happy.
- Marcello: I'm sure that he probably was.

Harris: He's in town on a fund-raising venture.

- Marcello: How much did a legislator's congressional ambitions affect redistricting? I mean, obviously there were more than one or two legislators that were interested in a congressional district in which they would possibly have a chance.
- Harris: Oh, yes. It made a lot of difference. A lot of difference for several reasons, none the least of which--using these as an example--is Senator Wilson. Barnes controlled redistricting. And members who wanted congressional districts went to Barnes early in the session and explained that to him. Well, you can see what the end result is going to be. That's why Barnes put redistricting off until the last minute-to get every vote he could out of us. I'm not hard on him about it. I am in one way--for lack of independence. But by the same token, they knew what they wanted. And they're big boys. They put their britches on one leg at a time. Marcello: While we're on this subject of redistricting, I suppose that Barnes more or less had to walk some sort of a tight-rope, did he not, considering what we know now about his ambitions to become governor. He couldn't afford to offend anybody, I suppose.

- Harris: This is a problem Barnes has, one probably that any lieutenant governor has for that matter--particularly Barnes because of the way he works all sides--is that you work all sides as long as you can. Sometimes that string runs out on you. Whether or not it did, and it never did . . . That's one of the benefits of being a member of the minority party. I can't be hard on Barnes about my relationship with him because he's been very fair. But the other side of him is an observer of how other people dealt with him.
- Marcello: Speaking of Barnes, what was your reaction to his decision to run for governor?
- Harris: I was surprised because I'd maintained all along that he was going to run against Tower for United States Senate because I know that's where he wants to go. But I've also pointed out to you very clearly that I've misevaluated a whole bunch of races in the past (chuckle) and misguessed them. The business establishment in this state wanted him there. They were afraid of Yarborough, you know, all the different things they're afraid of. And he has got a great deal of admiration in ideas and, well, attitudes about leading the Texas delegation to the national convention and if he's the Democrat nominee in 1972 going into the general election, he will be a leader of the delegation. So all these things added up is why he took the direction he took.

Marcello: I think we can close this interview by asking you to talk about some of the legislation that you personally sponsored and that you'd perhaps like to have as a part of the public record.

I'm not a big proponent of legislation, and I don't want Harris: my next comment taken out of the framework of just exactly what it means, you know. This last session of the Legislature got criticized for a good many things it didn't do, and justifiably so. But if you take it on a 50-50 basis of the legislation that was proposed versus what was defeated, then I like to be on the side of the group that tried to defeat. It's just a matter of your own personal evaluation. And one of the real benefits, if any at all, that I personally contributed in this last session was to help defeat some of the things in the Senate because of philosophical differences with those that were proponents of and tied to . . . well, some we successfully defeated -- used the filibuster, collaring enough votes, and this kind of direction. This is where I contributed something. As far as carrying legislation, as a member of a minority party that's difficult. I've got to give credit to Barnes here. He's kind to me on some bills that I carried. I got to attribute to people like Senator Moore and Senator Creighton, chairmen of committees that I served on and had legislation pending before, who allowed me to get it out of committee. Senator Wilson, for example, whom

I disagree with philosophically, was chairman of a committee I was vice-chairman of. I got a bill of that committee that, well, never got passed and that a whole lot of people were against, but I had the help of the leadership of the committee. These kind of things--it's working with people individually. I would assume that being a member of a party which is in

- Marcello: I would assume that being a member of a party which is in a very definite minority in the Legislature does handicap the amount of legislation that you are able to get through the committees and to the floor.
- Harris: That's right. Let's put it this way. The people generally take the attitude you just outlined. But the way to do it and the way to be effective is to work with the members of the Senate, regardless of their philosophy and regardless of their party, on a personal relationship.

Marcello: Well, you've got no choice really.

Harris: That's right. You have no choice, so you recognize that fact. And that's the crux of what I'm talking about. And I can show you the list of the bills I introduced, and I failed to get . . . any bill I had introduced did not fail to get out of committee. I got everyone of them out of committee, and I passed all but about three or four of them. And I had like fifteen pieces of legislation. And that was passing them out of the Senate. Now what happened to them in the House . . . and that doesn't include the bills I handled for House members. A good many of the members of Dallas delegation came to me

with House bills to handle. My law partner, Braecklein, came to me with one. Well, I'll tell you this in conclusion that as a member of the House of Representatives, a brand new freshman member and just a hell of a nice guy, but he's Democrat. (Chuckle) He lives in Irving, though they run county-wide, and he had a flood-control district that passed in the House for Irving, but he had no real place to go except to me because Irving's solely in my district. Well, you could tell when I visited with him that he was a bit apprehensive--what he wanted to do with it and whether he wanted to give it to me or not. But he felt like he had to. He was talking to me about the other senators and how they'd feel about it, and I said, "Well, we ought to check with them." I said, "Let me tell you what I'm going to do. Give it to me." He had it in his hand. I took the bill right out of his hand. And he'd nursed that bill for about three months in the House and finally got it passed. The afternoon that I took it from him, the next day there was a water committee meeting. That's where the flood-control bill was. It hadn't been set. Senator Creighton's a good friend of mine. So I went to Senator Creighton and said, "Now, can you get this . . . " You know, I told him the story. And he said, "Hell, yeah. We'll pass that out." And they did the next day, passed out of committee. It was on the calendar the next day, and I didn't bother to bring it up. And then they put it on the local calendar the third day, and it was

passed and sent back over. What took him three months took me three days. I took it over to John and he couldn't have been happier. Oh, he was just all excited. (Chuckle) So, you know, it depends on your relationship with people. It doesn't have anything to do with parties.