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Interview with

Mike McKool

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Oral History Collection

Senator Mike McKool

Interviewer: Dr. J. W. Riddlesperger

Place of Interview: Dallas, Texas

Date: December 31, 1971

Dr. Riddlesperger: This is J. W. Riddlesperger interviewing Senator Mike McKool for the Oral History Collection at North Texas State University. The date is December 31, 1971. The general topic is legislative politics for teachers of Texas politics. Senator McKool, will you give a brief biographical review?

Senator McKool: Yes. I was born on December 30, 1918, in Mexico City. My folks had moved there and then moved back to Dallas, Texas, when I was about four or five. I went to grade school in Dallas, graduated from Crozier Tech High School. I then went to the George Washington University in Washington, D.C., where I received my B.A. degree, then came back to Southern Methodist University Law School, and after I finished a portion of my law school, I went into the service during World War II, into the 15th Air Force, and upon my return from the service, I completed my law work and got my LLB

degree from SMU. I started in the law practice in Dallas in 1946 and have been continuously engaged actively in the practice since that time. I am presently with the law firm of McKool, Jones, Shoemaker, Turley, and Vassallo. In 1968 I was elected state senator for the Sixteenth District in Dallas County. This district comprises the southeastern portion of Dallas County. I served in the Sixty-first and Sixty-second Legislatures.

Riddlesperger: Senator McKool, to get right into the discussion of legislation, the voter registration bill of which you were a sponsor is one of the most important topics that has passed the Legislature within the past session. Will you comment on the politics of passing that legislation?

McKool: Yes, I think first of all it's better to put Texas in the position it was prior to the enactment of Senate Bill 51, which is our new three-year voter registration law. Prior to that time, Texas was the only state that required annual voter registration. Also, at that time, Texas was the only state that required a voter to register in January in order to vote the next November in the general election. This,

as our federal court has stated, has prevented a million and a half Texans from actually casting their ballots. As a result of a federal lawsuit which involved a three-judge court decision from Houston and which held that our present registration laws which required annual voter registration and also which required early cut-off of registration in January, were unconstitutional as violating the U. S. Constitution. I was chairman of the Senate Election Laws Study Committee prior to the Sixty-second Legislature. This Senate Study Committee held hearings in numerous cities throughout Texas, heard a number of witnesses, and I will give you a copy of this Senate committee report so that you could have it along with this other matter and make it a part of the record if you like. But the committee recommended that among the changes needed in the election field was a registration law which would be for several years, recommended a four-year voter registration law, and also recommended that there not be any cut-off on voter registration, that it go all year round with a person having to register only thirty days before a particular election in order to vote in that election. But he could register any

time all year round. These two recommendations were the very basis of Senate Bill 51.

I was the author and the sponsor of this bill. This bill originally provided for a four-year voter registration where a person registers, when he registers, he's registered for a four-year period, and it also provided that you could register all year round. Now this was the main nucleus of Senate Bill 51. During the Sixty-second Legislature, this bill passed out of committee in the Senate and passed the Senate without much opposition and went to the House. When it went to the House, the House, instead of taking up Senate Bill 51, proceeded to take up its own House bill, and the House bill was different from the Senate bill in that the House bill required the prospective registrants--people that wanted to register to vote--to go to the courthouse during fixed hours in order to register, whereas the Senate Bill 51 permitted mail-in registration as we've been familiar with for so many years in Texas and also permitted an agent to register for each other like husband, wife, mother, father, son, daughter.

When the House did not take up the Senate bill, I proceeded to filibuster in the Senate on House bill

day, where we were not going to take up any House bills until the House proceeded to take up Senate Bill 51. After filibustering for a whole day and late in the afternoon, Speaker Mutscher came to Lieutenant Governor Barnes and said that he would see that the House did take up Senate Bill 51 and would enact whatever they wanted to enact under that number.

Finally, the House enacted what they did, but in the House's bill, the House required that you have a picture photograph placed upon the voter certificate, and it being so difficult to even get people to come to the courthouse, much less get them to go to a photographer to have a picture taken, the Senate was determined to take that feature out. Also, the House included in its law a two-year provision instead of the four-year provision the Senate had, and then it also included a provision that students--and specifically stated students--would have to register in the county of the residence of their parents. This was for fear that the students in the college towns would politically take over the different governmental agencies or governmental governing bodies that may be located there.

So since the Senate and House bills were different, they had to go to conference. I was chairman of the Senate conferees, and the Senate conferees met with the House conferees. We got an agreement to compromise the four and the two year by having a three-year voter registration which was a good compromise. Then we got the House to go along on doing away with the picture on the voter certificate. We also were able to get the House to go along on the provision that would include both registration by mail and by agent and also having volunteer deputy registrars-- that is, people that could go out and assist others to register. On the question of students having to register in the county of their parents' residence, the House would not budge. They were insistent on it, and they said they would not vote for a bill under any circumstances. But the Senate didn't favor this provision and was very strongly against it, so we were able to go ahead and get the House to agree on a severability clause, that if any part of the bill were held to be unconstitutional, it would not affect the remaining provisions of the bill. We also got the House to agree to change the word student,

to eliminate it from their bill, and to include in it that any single person under twenty-one would have to register in the county of the residence of his parents. This, I personally thought, would show more discrimination because it discriminated between a person under twenty-one and over twenty-one, and it discriminated between a single person under twenty-one and a married person under twenty-one. So the bill was passed out in that form.

After the bill became law, two young students from Denton, Texas, one from North Texas--Steve Muncey--and the other one--Craig Ornsby--filed suit in the Sherman Federal District Court, contending that this provision that required a single person under twenty-one to register in the county of the residence of his parents to be unconstitutional. After the suit was filed, the governor and secretary of state filed answers, admitting and conceding that this provision was unconstitutional. As a result of these answers, and after these two students' depositions were taken to ascertain that they were students of Denton County, the judge of the court, Judge Justice, entered judgment declaring this provision unconstitutional.

So today we have a three-year voter registration law, which was actually moved Texas from the worst state as far as restrictions and limitations on registering to vote to one of the very best states.

Riddlesperger: That is a very interesting case history of a piece of legislation, and an important piece of legislation. What did the speaker have to do with the getting of the bill through the Legislature? You said he came over and agreed. What features of the organization of the House give him this power to do that?

McKool: Well, it has been custom and procedure for many years that whichever chamber passes a piece of similar legislation, or dealing with the same subject, that the other chamber would take up the legislation and proceed to work on it regardless of what may come out. The mere fact that you use the same number means that that legislation then does not have to go back to the other chamber for committee hearings or other preliminary studies that have to be made with it. The speaker and the lieutenant governor have tremendous power insofar as determining what legislation is going to be considered. For example, no member can be recognized, can even proceed to introduce any

legislation without being recognized first. And although the public as a whole never knows it, before a member gets up to ask for recognition, he's already gone up quietly and talked with the speaker or with the lieutenant governor and has said, "I'd like to bring up my Senate Bill such and such today." And if the lieutenant governor doesn't agree to recognize you, you won't bring up your bill that day or any other day. It's unfortunate but that's the way the mechanics work, and when either the speaker or the lieutenant governor is for a piece of legislation, he's got enough lieutenants or followers in each chamber that it would be no problem. So when he said that they were going to go ahead and act on Senate Bill 51 instead of acting on the House bill under the same topic, well, there wasn't any question that it could be done, and it would be done, and it was done.

But let me say here because it was very interesting, I really had to sweat out this Senate bill, and incidentally, the students through their student government association, Texas Student Government Association, was very active and took a very strong

part. They were with the conferees before the meeting and after the meeting. They followed each stage of it. This Senate Bill 51 actually did not pass, that is, the conference report was not adopted by the House until at approximately 11:45 p.m. on the very last day of the session. I was really on pins and needles in the House awaiting the passage of this, and incidentally just before this bill was passed, Representative Curtis Graves made a talk in the House condemning Speaker Mutscher and in that talk said that Mutscher will be spending time in Huntsville, and this will be his home in time. This speech really did tear down the speaker considerably. After the speech was over, the House voted to print it in The House Journal, and they got a majority of the vote to put Curtis Graves' remarks in the Journal, although the speaker and his lieutenants were opposed. But Senate Bill 51 did pass shortly after all of this stuff went on. It was at the very last minute that it finally passed.

Riddlesperger: In other words, the speaker's powers may aid in the passage of a bill or may defeat the passage of a bill. The things that give him this power, of course,

as you've mentioned, is the power to appoint the committees and the power over the dailey calendar.

McKool: Procedures, yes.

Riddlesperger: Now, do you believe that this power of the speaker to appoint committees without any regard to seniority is a good procedure?

McKool: No, I think it's a very bad procedure. I think that not only is this applicable to the speaker, it's also applicable to the lieutenant governor. I think you're putting way too much power in the hands of one individual. It's easier to control that one individual by the lobby. It's much easier to control one than it is to control thirty-one or to control 150; this is bad for Texas. It's bad for the good of Texas. I feel very strongly that the members of the House and the members of the Senate ought to control their own destiny. They ought to control their own proceedings. There should be some system devised that there is some seniority to it. There should be some system devised where the members could have some say-so as who will be on the various committees. But for time immemorial it's been on the basis as we have it now.

Riddlesperger: You remember a few years ago, a rule was adopted to give seniority on committees some status. What pressures were brought about to do away with that rule?

McKool: Well, that rule was done away with before I reached the Senate. The only real question we've had in recent years in regard to committees was a question of whether the conference committees should be restricted to merely adjusting the difference or whether they can go in and re-do the entire legislative matter in question. This is really brought home when you consider what Representative Bill Heatly has been able to do in the Appropriations Committee. Many new matters are inserted and hidden in hundreds upon hundreds of pages and are never found until many weeks and months after the legislative session is concluded.

Riddlesperger: Let's turn to the lobby. You mentioned the help that some of the university groups gave to the passage of Senate Bill 51. Were there any other groups that really supported the bill and were helpful?

McKool: Yes, the League of Women Voters were very strongly behind the bill to do away with annual voter registration and to do away with cut-off of registration. Dr. Janis May from Austin, at the University of Texas, appeared at every committee hearing, both in the Senate and in the House--and not only this session, but the prior session, when repeal of annual voter registration passed the Senate, but did not pass the House. She was very, very helpful, and I may also add that Dr. Cliff McCluskey from the University of Texas did a tremendous job of testifying before all of the bills involving . . . and incidentally, I may say that this Election Committee really did pass out favorably every bill that was presented to it. There were some good bills--some of them by Senator Mauzy, some by Senator Bernal from San Antonio, and every one of them came through the elections committee with flying colors. But all of them didn't pass the Senate. But those groups and also the labor group were strong for the repeal of annual voter registration.

Riddlesperger: What were some of the groups in the lobby that

opposed an annual registration system through the years?

McKool:

I couldn't get any support from the Republicans in the Senate for it. They weren't for opening the door. They weren't for getting more people on the rolls. Both Senator Harris and Senator Grover opposed it and were not for it and were opposed to it the session before when I was trying to do it then. The other groups that did not favor the opening of the doors as wide as were opened and opposed it strongly were the strong groups from different counties, particularly Earl Luna from Dallas County, and the DCRG, the political organization that is backed by the business group in Dallas, were very strong against it. They were for the House provision which required an individual to go during regular office hours to a fixed location--the courthouse, for example--to register to vote. They were for the provision of limiting the students, not permitting them to vote except in the counties of their residence. They were against the provisions of having all of the freedom in securing the registration. They wanted to limit them and

restrict them, and I think that's been their policy all through the years.

Riddlesperger: Now maybe we could get off from this because we've talked about these groups and the importance of these groups in appearing in committees. Turn to the thing that gives these groups importance, and that's primarily campaign funds. That's one of the primary What do you regard as a reform that might be made either in the speaker's race or in the lieutenant governor's race which would reduce the importance of campaign contributions or the power of these lobby groups in this particular area?

McKool: I think the first and most important would be disclosure. This applies not only to the speaker and the lieutenant governor, but to everyone that runs for public office. If those individuals are honestly required to disclose the full names and the full addresses of every individual that makes a contribution . . . and by that I don't mean J. Smith or R. Moore or something of that nature which means nothing, and also funds that are coming in from committees that are hidden behind committee names, large contributions of \$5,000 or \$10,000,

or \$15,000 or \$20,000 from friends of So-and-so or Committee for So-and-so or good government committee. Those are merely fronts. Now I'm very proud that the secretary of state has stated that they're going to enforce strict requirements in requiring all candidates to disclose all sources of income by showing the name and the address. Now I think that what's happened in the past is that the people have not taken advantage of filing lawsuits, of making the individual do it, and then getting damages from those that refuse to do, and proceeding to enforce that provision. I think that if this is enforced . . . most of the people that contribute don't want to be known that they contribute, but if they are known and the spotlight is placed on them, it'll do more for good government than anything else because then when legislation comes up and this individual's interested in it, then you can have a pretty good connection with why the candidate who received a \$5,000 or \$10,000 contribution is supporting that legislation.

Riddlesperger: I noticed that apparently the lieutenant governor is supposed to make some kind of report on the

cost of his election, but the speaker in his campaign for election apparently doesn't have to make any report. Would you cover the speaker also?

McKool: Yes, I would include the . . . the reason the speaker doesn't have to make a report under the present law is that theoretically--and it's true--he's not elected by the people. He's elected by the representatives who beforehand had been elected by the people. But I would include the speaker, and I would include all of the funds that they used at any time long before the commencement of a campaign to seek the office, and any funds that they receive whatsoever should be reported in detail listing the individual, the amount, the date, and the expenses ought to be done the same thing.

Riddlesperger: I noticed that Senator Joe Christie from El Paso made a complete disclosure of his income. What is your feeling on that matter?

McKool: I think that Senator Christie ought to be commended for it, I think he's taken a big step, a great step, in the right direction, and I just hope that the other candidates for this most important office . . . the lieutenant governor has more power with

legislation than any other individual, and I would say next to the lieutenant governor is the speaker of the House. But these two individuals have more power over the enactment of legislation than anyone else, and they should be required to have a full disclosure of all income and all expenses.

Riddlesperger: This brings us, of course, to that ethics bill. I believe Senator Hall has claimed to be pushing real hard trying to get it passed. What do you think is the significance of the ethics bill as it passed, and what is its shortcomings?

McKool: Well, I'm very strong for the ethics bill. I think that all of these things go hand in hand--full disclosure of what campaign funds you got to get there and then the full and complete disclosure after you are there of what you've acquired and what you are acquiring, and then, of course, the ethics bill which would contain conflict of interests matters, where a member of the Senate who happens to be an attorney would not be representing any client before any state regulatory body or agency because it's pressure on the agency. Those members have to come before the Senate for

confirmation, they have to come before the Senate for appropriations, and it's just not right to put these agencies and these commissions and these boards that do this regulation under that kind of pressure. I feel very strongly that a member of the Senate or House actually pays this price when he gets elected, that he will be willing to go without pay--just take a constituent by the hand, because there's nothing that he's gaining out of it. In fact, he's doing his duty, but whenever there's any pay involved, he ought not to be permitted by law, and if he violates it he ought to be punished, even a penitentiary offense, and I feel very strongly about it.

Now let me also say this, and it ought to be done in conjunction with an ethics bill. I think we're going to have to realize that our representatives and senators are not being paid an adequate salary; \$4,800 a year for what these representatives and senators have to do is wholly inadequate. Our Texas Legislature has been rated all the way from thirty-eight to forty-fifth in its legislative position, that is, in the tools that it has to do the job, in all of the facilities that it has, in

the pay that it receives, and in the manner that it functions, and in the freedom that it has, freedom from the lobby, freedom from control and influence. All of these things won't come about if we're going to put these members under the thumb of the lobby because we don't pay them, and they have to look to other sources for retainer fees and other matters. We're actually pushing them into the laps of the lobby, and we need, along with this, to pay them with what the other states in the same position of Texas are paying their legislators.

Riddlesperger: Do you anticipate that Texas is going to move toward making the Legislature a professional group in that they'll have an office in Austin fully staffed and something like congressmen in Washington?

McKool: Yes, I think it's going to have to come to that. The other states that are way below Texas in size and in population and in wealth and everything else already have this, and they do this. In order to do the job properly, you've got to give these legislators the tools to do it, and this is part of the tools. This will help them to better serve their constituents, and that's what the whole game

is all about--service to the constituent.

Riddlesperger: One other area that the lobby is given credit for is furnishing information to the Legislature, but this also makes the Legislature somewhat dependent upon the lobby. How well should the Legislature be staffed so that they could make their own evaluations of the problems?

McKool: Of course, the Legislature must have the facilities with which to be able to research, to be able to write and prepare the necessary bills and resolutions that are needed. This is most necessary. Now I, for one, have never feared the information phase from the lobbies, for example. That is one area where they do serve a useful purpose. If a representative or senator can take from them the information . . . because usually, particularly where you find them on both sides . . . you can get information from both sides as long as a senator or representative recognizes that that comes from an interested side, one that has a stake in it, one that's prejudiced, one that wants to get certain things done with that legislation. As long as that representative and senator is able to keep that in

mind and then try to seek out . . . now sometimes, surprisingly enough, you've got to go out and dig up your own information, you've got to dig up your own witnesses, you've got to fight your own battle. When that happens, why, of course, you've got to have the initiative to do it, and that happens sometimes. But these are things that have rated Texas very low, and it ought not to be. We ought to start climbing that ladder.

Riddlesperger: One of the problems that, of course, would be involved would be committee staffing, but with the committee organization of the House and Senate of Texas, a staff for all those committees would be beyond reason. What kind of form do you think we should get in Texas in the committee structure of the House and the Senate?

McKool: Well, I think that first of all that we don't need a complete committee staff for each committee. For example, I would favor--and I think it would save money for Texas and it would economize--I would favor, for example, having a pool of secretaries. One secretary could in some instances take care of two or three or four committees. In the bigger

committees, you'd have to have a full secretary for that. For instance, those that do research, you can have them, and at present, we do use the Legislative Council, and the Legislative Council does a good job insofar as the research matters we ask of them. I don't feel that that is a failing. I do feel that the failing comes from not being able to furnish the staff what is necessary to communicate. Too many of the representatives and senators would like to communicate, but they can't do it because it means they've got to spend their own funds and their own money, and with only \$4,800 a year it's really a losing proposition.

Riddlesperger: What about the number of committees? I think it's about forty. How many are there in the Senate?

McKool: Well, I think in the House there's about forty, forty-five. In the Senate there's about twenty-eight committees, but there are too many, that is, we serve on too many committees.

Riddlesperger: That's right.

McKool: I would much rather have fewer members on a committee. For example, I am presently on some eleven committees, and am chairman of the Elections

Committee and vice-chairman of the State Departments and Institutions Committee. That's just too many committees. You can't be in all of them. Two or three of them meet at the same time, and that means that you have to run back and forth or select the one that you think has the most important bills. I would favor cutting those in half, and you'd be able to spend more time with the committees you're on.

Riddlesperger: And enlarging the activity of each committee.

McKool: You'd have more specialists in the different areas.

Riddlesperger: Right, and perhaps better staff.

McKool: I agree.

Riddlesperger: The reorganization of committees and making the committees possible to meet year round, the staff, at least would be working year round, is, of course, a possibility along that line.

McKool: Yes.

Riddlesperger: Well, and with the smaller number of committees, do you believe that there's enough members in the Texas Senate? Do you think it ought to be increased in size any degree?

McKool: No, there was a constitutional amendment this last session introduced to increase it from thirty-one

to thirty-nine. That was so that they wouldn't have to eliminate some of the senators that were there. They wanted to just create more. I think that would be a mistake. The way it is now, we have the ratio of approximately one senator for five representatives, and I think that's a good ratio. It gives one representative to every 73,000 or 74,000 population. It gives one senator for every 351,000 or 355,000 population. You've got to understand that a congressman has 460,000, so he doesn't have too many more than a state senator does.

Riddlesperger: Incidentally, I noticed that you had to move around. Do you think that the constitutional provision that requires a man to live in the senatorial district or a house district, particularly in an area like Dallas, has any more basis in this age?

McKool: No, I don't believe that it has any basis, and you can look at the congressional requirement, that is, for congressional districts. You can live anywhere in Texas and run for any congressional district in Texas. I wouldn't want to go beyond the county. I think as long as anyone lives within the county,

he ought to be able to run for any senatorial district within that county because in a metropolitan area like Dallas people could care less whether you live in Oak Cliff or whether you live in Richardson or whether you live in Garland. The only thing they want to know is what kind of senator, what kind of representative, are you going to make.

Riddlesperger: This is out of date in our age, I'm sure. Most people wouldn't say that. Now let's get back to the passage of two or three other pieces of legislation. You know, recently the Texas law supporting the local schools has been questioned, particularly the ad valorem tax, which is going to throw a big burden upon the Legislature to make some decisions on the legislation on taxes. The tax bill that was passed this last session increased taxes somewhat, and the Legislature is certainly going to face I think about \$650,000,000 new taxes, and they're going to have to have about \$300,000,000 or \$400,000,000 more at the special session. In your opinion, what kind of taxes is the Legislature going to have to face up to?

McKool:

In the area of appropriations and taxes, let me say this. I feel that among one of the two top priorities in Texas is education. I feel that we just haven't really begun to do enough in that area. I feel that we're going to need more money, and we ought to get more money. It ought to have first priority over these other matters that we have been given priority over it. I feel that the taxes ought to come from a balanced tax bill. Now I feel very strongly that our business and our industry in Texas do not pay their fair share of the taxes. In Texas we're not smart enough to let the people of Michigan help pay some of our taxes, as the people of Michigan are smart enough to make us or to have us help them pay part of their taxes through the automobiles that we buy here. Our people are not farsighted enough or progressive enough to understand and recognize that we can get some help by having a tax on our products just as they do in Michigan. There's a two and a three-phase tax that can go, and we don't get enough from business and industry. Now also, if it comes to a question, as it did in the last Legislature, where

the consumer was going to have to bare nine-tenths of the tax, and business and industry one-tenth . . . and that's exactly what was passed by the Senate and passed by the House but vetoed later by Governor Smith on account of the gasoline tax. I would much rather see business carry one-half of it. I think it ought to be consumers carrying one-half and business and industry one-half. I think that if we were to do this, even though it's going to be necessary to have a corporate profits tax to do it, it's much better . . . you've got to understand where it's going to come from. It's much better for that tax to come from the corporate field than to come from the consumers because from the corporate field it all won't at least land on Texas citizens. And then, too, it will come from people who can most afford. When it's a question of taxing groceries or taxing gasoline or taxing cigarettes or taxing any of these items that the average person uses, you're dipping into more of the income that people in the lower incomes and the senior citizens and state employees then you are otherwise.

Riddlesperger: Of course, this new thing on undermining the power of the local districts to levy ad valorem taxes is a new issue. Have you had any thoughts on what we're going to do in that area?

McKool: No, I don't know what we're going to do, but I'll say that I don't think it's fair for an individual that happens to be living in a poor school district to be denied the same educational opportunities as somebody maybe right next door to him who is living in a very rich school district. That is wrong and that's when it violates the Constitution. Also, I don't think it's right where you have people in some areas paying more than their share than people in other areas, and that's not right. So I think it needs to be equalized. It's just a question of what is going to be done, but I think we're going to start having studies, not only by the Senate Study Committee. I've learned that Governor Smith's going to have a blue ribbon committee appointed to look into it. So we're going to have it thoroughly studied, and I think that this is another matter that we're just going to have to live up to the present century and come up and take care of this situation.

Riddlesperger: One other angle I'd like you to comment on in that, and that is people who are tired of taxes are getting so high on their homes that they're simply having to sell them because they can't pay the ad valorum taxes. Have you had any thought on that angle?

McKool: Oh, yes. Whatever's done, I don't believe that the ad valorum taxes ought to be raised any. I've always felt that they're too high. Incidentally, as far as these senior citizens are concerned, I favor very strongly that on their homesteads that we not secure any ad valorum taxes. That means taxes on their homestead, on real estate. I voted that for these old people, when they reach the age of sixty years, they ought to be so taxed that's the least, I feel, that we can do for them. We ought to free them from taxes on that homestead.

Riddlesperger: Up to a certain amount.

McKool: Well, I even go beyond that amount. I'm of the opinion that this is one way we can help. Now there is a bill that . . . a constitutional amendment that was passed that would permit cities, that is, when they want to do it themselves or lesser agencies, to give them up to 3,000, to exempt them for the first 3,000. I'm for that, too, but I'm . . .

Riddlesperger: That's not enough.

McKool: To me I don't think it's enough. Certainly I would favor up to \$5,000 before I'd favor \$3,000, and I would favor giving all of the senior citizens all of the exemption on real estate taxes. I think that they've done enough when they've reached that age. They're on this fixed income to begin with, and they can't live on the seventy-seven dollars or the \$121 that they get. It's an impossibility.

Riddlesperger: We've talked about the appropriations, and, of course, the taxes. What pressures in Texas oppose the income tax? Quite a number of us have wondered why Texas is one of the three or four states that doesn't have an income tax. What groups have been so successful keeping this from coming to Texas?

McKool: I would think that it is all groups that actually oppose the income tax. The income tax theory is that by having the income tax and having it on a graduated basis that you could set it where people that are most able to pay will pay. But it's that very group in the lower income that you're trying to help that don't understand it. To them it's just another tax. They don't see the theory,

and they don't see the principle, and they don't recognize it, and they don't understand it. Any individual at this time--now it may change in the future--but at this time, any individual that would propose or support an income tax is just committing political suicide from the very people that he's trying to help. Now other groups understand the theory, understand the principle, and they won't feel that way. But believe me, they're a minority. But, of course, the people in the upper incomes would be opposed to it. The people in the middle incomes, to a large extent, would be opposed to it. And even the people in the lower incomes that you're trying to help and will help are opposed to it.

Riddlesperger: Well, that's very interesting. Then the only groups in Texas are perhaps labor . . . how does labor feel on this?

McKool: Labor's for it. Labor is for it. But now we're talking about the labor leaders. We're talking about the leadership of labor, which is different. Now the rank and file of labor, I have my judgment or question as to whether they would be for it or not. The leadership of it, people in the area of

education, the highly educated, who understand the principle and the theory are for it. But number wise, it just doesn't have enough support.

Riddlesperger: There are very few pressure groups that are for any form of taxation. There's plenty opposed to any form.

McKool: That's true, and you must also remember that the income tax is what is used now as a bogymen. That's the scarecrow that they use in rallying the opposition to any effort to try to help the consumer. These are the people that are opposed to any kind of business or industry tax, and they use this income tax as the bogymen or scarecrow.

Riddlesperger: Well, taxation certainly is going to be one of the real problems facing us. That's a very interesting topic, I'm sure, to many of us. Let's look at the appropriations bill just a little bit. Here again, I'm thinking in terms of the lobby. The appropriation for maybe roads or for schools and so on, do you have pro-lobbies as much as you have an anti-lobby in the area of appropriations?

McKool: No, the appropriations are probably more cut and dry than any other legislation that comes before the

chamber as a whole. For example, in the Senate we have five members on a subcommittee that actually writes the legislation, that actually determines what's in the legislation. You've got to understand that with all of the billions of dollars that are included in there and when you get through with the appropriation bill, you've got a document that is several hundred pages, and it involves many hundreds of thousands of people in Texas. Once that committee comes out with it, there are so many people that don't want it tampered with and don't want it questioned or gone into that this is the one bill that is ordinarily passed by more votes than any other legislation without even . . . you have an explanation in the Senate by Senator Aikin, the dean of the Senate. He makes the explanation. But really, there's only two or three or four or five or six. During this last session, as I recall, there were less than six that voted against it. I voted against the appropriations bill, and I voted against it because of what they did primarily in the mental health and mental retardation field. The Senate first passed a bill for \$13,500,000 for new

facilities in this area. When it finally comes out of conference committee, here it is, \$5,500,000-- cut by more than 60 or 65 per cent--with no explanation, with no rhyme or reason. But they just didn't give it the priority they should have given it. As a result, I showed my displeasure and said so on account of what they did to that.

Riddlesperger: Is this committee appointed by the speaker or is this just a committee?

McKool: Well, this is the Senate committee on it. All five of the senators are appointed by the lieutenant governor.

Riddlesperger: Well now, of course, a lot of college professors were rather disappointed in the fact that the bill made no provision at all . . . as a matter of fact, it made provisions to the fact that they wouldn't get any raises at all this year. The governor was surprised by the fact that this was in this bill. How much does the individual senator know about the appropriations bill?

McKool: Not very much, not very much. For example, I didn't have one single professor . . . I doubt if at the time the professors knew all about what was

in there. You see, matters are brought to your attention ordinarily from people that are involved in them or that are interested in them. I doubt if any professor contacted any of the senators. I doubt if the professors had known about it. If they did, they would have raised their voices, you understand? Because then you've got the school administrations that may be happy with some of the earlier provisions. What I'm trying to say is you're rocking a boat and you're rocking a big boat. So in this field, I heard not one person contact me about displeasure with the appropriations bill, to give you an idea.

Riddlesperger: Well, that's very interesting. I remember that under the Texas system so much of the appropriations bill is divided almost constitutionally, so that the legislature in effect has nothing to do with the appropriation of this money. If this is true, if the Senate doesn't know much about the part they are appropriating, would you favor doing away with these special constitutional funds and giving most of it over to the Legislature to appropriate?

McKool: I think that what you need to do there, of course . . . I think it's going to be a question of which

funds you're talking about. I can think of one fund, our highway fund, that's given us one of the best highway systems in the country, and it's taking it out of the political arena, and I would hesitate before I would want to take that away from the constitutional provisions.

Riddlesperger: Well, there's about a hundred funds, everything from barbers and beauticians on down.

McKool: That's why I say I think it depends on the fund. I think a number of them could be eliminated. But the problem in this respect is that this whole thing is on a hurry, hurry-up basis. In fact for days before this appropriations bill is ready, that is, for what the conference committee has agreed on, or even what the Senate subcommittee has agreed on, we're waiting for it to come out, waiting for it to come out. All right. Here it comes. It's put on your desk one morning, and there it is several hundreds of pages long. No one is apt to give you any opposition to it. The procedure is not inductive, not intended, for opposition. So when you get everything that you hear on it, that this . . . "We had to do this, we wanted to give

more for this but we just don't have the funds. We're going to have a real problem with our taxes this time, and we're not going to do it. This is not what this group wanted, but it's the best we can do." Well, who is in a position to stand up and say, "Well, look, I don't think that you ought to deny these people this" unless you get some die-hards that feel so strong about certain areas. And as I say, there were less than six senators that did it this last session. So it's really the system of the appropriations bill. Now I feel there ought to be some change made where we can hear opposition to it.

Riddlesperger: Well, of course, one of the reforms that might alleviate that would be annual sessions with unlimited number of days during the year, which brings us back to the salaries and all this sort of thing. Do you believe that annual sessions would somewhat alleviate this problem?

McKool: Yes, and I was the author and sponsor of the resolution in the Senate during the last Legislature which was SJR3 for annual sessions, and it passed the Senate, and it went over to the House, and the House didn't pass it.

Riddlesperger: What groups in the House or what groups in the state were opposed to annual sessions?

McKool: The lobby. The lobby very strongly. They don't want the Legislature in session. You can understand why because their problems begin when the Legislature's in session. They're always opposing it. They are quietly opposed to it. They never come out openly, but they're quietly opposed to it. Although the lobby tries to make you believe that they are in favor of higher salaries for representatives and senators, I've got my doubts. I don't really believe they are. Every time that this thing comes up . . . although they may send you a copy of a letter they write to one group, you wonder just how many they may have sent out saying that we are supporting our legislators who deserve a raise and we're for a raise. They really don't push it. Now they've got the influence, and they've got the ability to pass it if they want to. But this is the way that they keep the legislators under their thumb.

Riddlesperger: You speak of the lobby as if it were a unit. Would you comment on the make-up of the so-called lobby?

McKool: Well, they're not always unified by a long shot. They're divided on many things, particularly as to

where the taxes go. Everyone's out to save his own skin, his own industry, and you hear quite frequently that this tax on my industry is not a fair tax. But if you want to tax the others, that's all right, that's a fair tax. Everybody just wants to be left out, and he thinks anything that includes him is unfair, it's unjust, and shouldn't be, but anything else is all right. But there are some items where the lobby is together on. I think on this fight for the corporate profits tax that they were together on that. I think that on this fight for the tax on groceries, where they were going to put it on the consumers, that they were generally together on that, although some of them felt that it was a mistake to try to do it because it couldn't come out and it didn't come out, but they would love to do it if it could be done. I think that they're together on that type of situation, but many times you find several of them. But you can't always say that they all are because all of the industries, all of the businesses, all of the groups, and some of the lobby. Incidentally the labor group,

of course, that's part of a lobby, too. They're on a different side of the fence generally from the business group, but when I say the lobby, I'm really talking about the majority of the lobby.

Riddlesperger: Yes. Now let's talk about lobby registration laws just a bit. I believe that the registration laws require the lobby only to register during the session their activities. What reforms do you think ought to be made in this area?

McKool: I think that they ought to be required to register all year round. I think that probably during the time that the Legislature is not in session, even when the time that they're in session, the only time that you know any lobby is taking any particular interest in a bill is where they may appear before a committee and sign a card. But most of them don't ordinarily do it. They have other people do that. So really you have no records. But I think that when the Legislature's not in session that the lobby ought to be required to register, and I would like to have some details on what their activities are, where they're traveling around the state, visiting with the legislators or with the governor or with the lieutenant governor, where

they're making contributions to the lieutenant governor or to the governor. I think the lobbyists ought not only to register, but I think they ought to file disclosures just like candidates ought to. Now if they were to do that, it'll solve a lot of our problems because all you'd have to do is just go to one instrument in the secretary of state's office and see who they contributed to. Now that'll help more than anything else if we can make them give full disclosure.

Riddlesperger: Does the lobbyist registration law now really require the lobbyist say who their actual employer is? Could, say, Gulf Oil hire a law firm in Dallas or hire a lawyer or lobbyist, and the lobbyist will say, "I work for a certain law firm in Dallas." Does he have to say where the money's coming from?

McKool: No, and he ordinarily doesn't say where the money's coming from. He just says what he's there lobbying for, as a rule. But that really doesn't tell you anything. You know, in the famous stock scandal now, Waggoner Carr was there several times lobbying, and he wasn't signed up as a lobbyist. I think also Osorio was there, and he wasn't signed up as

a lobbyist, so there really isn't any real provisions of enforcement. What are you going to do? They haven't been charged with violating the lobby registration act.

Riddlesperger: Let's get down to the insurance bill. That's an area of great interest to you. Comment on the passage or your work for the insurance reform, particularly automobile insurance.

McKool: Well, I've always felt that Texas without doubt has the worst automobile insurance system in the whole nation. Texas is the only state that has a state regulatory body that sets the rates for automobile insurance, and no company can sell for less than that rate. All of the other states set rates, but those are maximum rates. They encourage the companies to sell for as little as they want to. They would be happy if the company would give it away. They just want the people to get a rate no higher than this rate, and they could care less whatever it is below that figure. So what we've done in Texas is that we have done away with competition. When we do that, in addition to taking away competition, we have rewarded inefficiency. We

have given incentive for these companies to come in and say, "Look, I've made little money" or "I've made no money, and I need a raise." The State Board of Insurance has merely to solve the problem by giving them another raise, just writing out another order for them. For example, in Dallas County in November of '69, a raise was given for 9.9 per cent. Fourteen months later, in January of '71, another raise was given up to 21 per cent. That makes a total of 30.9 per cent in fourteen months, and six months later, in June of 1971, here come these companies again and said, "We need another raise up to 13.4 per cent." Now this is just utterly ridiculous when you realize that for the first six month period and the first nine month period of '71 these automobile insurance companies had made record profits, and they paid out record dividends to their stockholders, not policyholders. In fact, they've cut down on the policyholder dividends where most of them aren't even paying it. That means an increase that's not noted on these other increases. But anyway, articles in Time magazine, in Wall Street Journal, in newspapers

throughout the whole state show that these profits are fantastic, they're unconscienable. But yet, the companies keep asking for them. You take one thing that the companies have that no other business or industry has is their peculiar system of book-keeping. Most industries and businesses accept the two generally accepted practices of accounting such as the cash or the accrual method. Both of them are great, but when you use the cash method, you've got to use the cash method all the way down the line, same way with the accrual method. But the automobile insurance industry, when you pay an annual premium in advance, they take it and they use the accrual method, where they're going to put one-twelfth for each month in this coming year. The most expense they have to pay, incidentally, is in the first month. But they don't use the accrual method where they're going to accrue that one-twelfth. They want to take all the expense now so that they can show less profit, and they do. In fact, their system is so bad that the SEC, the New York Stock Exchange, and the National Association of Insurance Commissioners have . . . well, the first

two won't accept their system, and the National Association of Insurance Commissioners have told them they have to change it. I think the best example that I know of is where U.S. Senator Philip Hart says that these automobile insurance companies with the same set of books can show you that they've made \$713,000,000 or they can show you that they've lost \$400,000,000. So it's a situation where the public is fed up with it. The system is bad, and any change is going to be an improvement, and I predict that by the next Legislature there's going to be a change. If the states don't do it, Congress is going to because this is one area where everyone-- rich or poor, liberal or conservative, black or white--everybody's in the same boat. The rates they charge for young males, that is, for males under twenty-five is just unreal. You pay more if you're under twenty-five than if you were a person involved in two or three accidents, for no good reason at all except it's another way to get a higher premium.

Riddlesperger: Does the insurance have a pretty good lobby in Austin?

McKool: They've got undoubtedly the most powerful and influential lobby of all. For example, they're smart and they know where they want to control without having to contact too many people or have too many people on their side. In the Senate, for example, there are not more than seven or eight senators that are with the automobile insurance companies. And the best example that I can give is that there was a bill for group insurance that this Insurance Committee . . . it's made up of thirteen members, and seven or eight of those thirteen are stacked on there, and they're about the only members that the insurance companies have in the Senate. But yet they're appointed on that committee by the lieutenant governor. They didn't ask for much. They just wanted this one committee, and the lobby got the one committee. So as a result, the Insurance Committee voted down this group insurance by a vote of either seven to three or eight to three. Then it goes to the Senate on a minority report, saying that we want to go by the minority and we think that the Senate ought to adopt it. The Senate as a whole adopted that minority

report by a vote of twenty-two to eight. So you've still got the same eight senators voting for the insurance companies.

I introduced a bill to do away with the rate making power of the board, to let our senior citizens, for example . . . we're only one of three states that don't allow our senior citizens to have what they call driver-plus plan. That means that the senior citizens can take this insurance, and companies all over the country write it, and they can save 25 per cent on their insurance premium without hurting anybody, without causing anybody else to pay more. Yet, in Texas we don't have it. There's no good reason why our senior citizens shouldn't be saving that 25 per cent.

Riddlesperger: Well, does no-fault insurance . . . is this favored by the lobby or opposed?

McKool: Well, talking about the insurance lobby, you hear that they are split on it. You really don't know how split that they are on it. But they are split. There are some companies that say they favor it, and there are some companies that oppose it. In fact, some companies will send you some material

if you write to them in favor of no-fault, but my personal opinion is that the Texas lobby is probably so powerful and so influential that we may have to get our relief from Congress. It may be easier to get something passed up there that's going to give all the states relief.

Riddlesperger: Let me bring it down on the personal basis, but certainly the insurance lobby must not be happy with your position in some of these areas. How can they oppose you? How can they be effective in opposing you as an individual senator or candidate?

McKool: Well, of course, they're effective and this has been done many times. They write letters to the editor of the papers where they come out against the position I take on automobile insurance. They write a number of people about what I'm doing to the industry. But they're most effective in what they do is when they oppose me in races I run. They help my opponent, they make contributions to him, they have their people work actively and effectively, that is, trying to get votes for him. I think probably of all the people in Texas I've probably been the most outspoken, that is, continuously been

outspoken about it, and not just came out now and then. I can understand. They've got a bird nest on the ground. They don't want to lose it, and I've been putting the spotlight on it, and I personally feel that 95 or 97 per cent of the people agree with me. The only ones that really don't are those that are in the industry or have something to gain, and they don't want to lose it, and if you or I were in the industry, we wouldn't want to lose it either. But, of course, they made big contributions. They help and have helped my opponents in the past and will do more so in the future than they've done in the past.

Riddlesperger: Are the bankers pretty closely tied in with insurance as a general rule?

McKool: No, no. The bankers are not involved in that situation. They may have some connections as far as investments and other things with insurance. The other groups, bankers included, really feel the same way about automobile insurance as I do. Anyone that doesn't have a personal gain . . . and those that have a gain say that I'm rocking the boat, I'm making the people dissatisfied with them, that this

is something that's brought about by inflation, but that's not so. It's much higher than the inflation.

Riddlesperger: The lobby, then, has many ways that they can oppose a candidate that gives them trouble. It includes, as you've given an idea of, of supporting candidates against you, writing letters. How else can the lobby who opposes a particular representative or senator be effective?

McKool: Oh, I think they can be effective in several areas. For example, they may have access to other people that may be contributors, and they want to contribute something. I think the best place would be to cut off other sources of help, use finance or other types of help. They don't hesitate in letting these other connections know how they feel about it.

Riddlesperger: Just one or two other questions. One of them has to do with highway beautification, as I know that was one of the things that was debated somewhat down here.

McKool: Well, I think the main groups that are opposed to it, of course, are the people in the business, that

is, the sign companies, the outdoor advertisers. And, of course, it's selfish position because it means that they're going to lose money. They don't want to lose it. The people that are very strong for it are those that are connected with environmental groups, with ecology. They want to beautify, they want to clean up. Not only that, but you've got a situation now where the federal government's going to be cutting off some \$24,000,000, and there's no need of losing \$24,000,000 when you can, in addition, go ahead and do some beautifying.

Riddlesperger: But the advertising lobby would just as soon lose that \$24,000,000.

McKool: Oh, they could care less about what the people of . . . see, they're not losing it themselves. The people of Texas would be losing it. They could care less as long as they're having their business.

Riddlesperger: One of our big problems in Texas--and I just want one comment on it--is the problem of parochial schools support. This is getting so that many of the parochial schools around the state, including colleges, are practically facing closing their schools.

Some of us, of course, in state institutions probably couldn't care less, but some of us are very interested in seeing them continue because we think they're making tremendous contributions. What are we going to do in this field and this area?

McKool:

Well, I think probably we're going to see more doors opening in this area, depending on the constitutional decisions that are made along this line. For example, I was very concerned over Baylor, that needed some help, and I voted to help them. I just felt that there was too much at stake, and we just couldn't let them down. I did the same thing insofar as Willis Tate from SMU that headed a group that was interested in this area. I feel that this is part of our educational system in Texas, and as I said awhile ago, I'm very concerned about it. And as I've said many times before, I've put it as one of the two most important, and the other one that I'd put in that category is mental health and mental retardation. We've done so little in the field of mental health and mental retardation it's not even funny. We've done more in the educational field,

but we haven't done enough. We haven't gone far enough or fast enough. I feel that this is going to be determined to a large extent to what the courts say we can or cannot do. We've taken some steps now, and then, once we get some decisions, we'll know. But something's got to be done. This is part of the educational system we've got, and we can't let it go down the drain.

Riddlesperger: Well, Mr. McKool, I want to say how much I appreciate this interview, and I know that the North Texas State University Oral History Collection will. If you have any closing remarks, why, I would appreciate them, of course.

McKool: Well, thank you. I've enjoyed discussing these things with you. These are things that I'm interested in I'm concerned about, and that we're all trying to find answers to. It's been a pleasure to talk with you about them, and there's nothing I'd rather talk about than Texas politics.

Riddlesperger: Thank you very much, Senator.