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Interview with
REPRESENTATIVE FRED AGNICH
November 30, 1979

Place of Interview: Dallas, Texas

Interviewer: Ronald E. Marcello

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Approved:

Fred J. Agnich
(Signature)

Date:

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Oral History Collection
Representative Fred Agnich

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Dr. Marcello: This is Ron Marcello interviewing Representative Fred Agnich for the North Texas State University Oral History Collection. The interview is taking place on November 30, 1979, in Dallas, Texas. I'm interviewing Representative Agnich in order to get his reminiscences and experiences and impressions while he was a member of the 66th Texas Legislature.

Mr. Agnich, this was a relatively different session in that you had a Republican governor. What did having a Republican governor mean to you as a Republican representative?

Mr. Agnich: Well, it meant a great deal, actually. I think the main difference that I detected was that I was consulted much more frequently by my Democrat colleagues than ever in the past. This is particularly true where a member would have some interest in a bill or a piece of legislation and was wanting to know what the governor's posture would be,

The second case was in appointments. I don't

suppose that hardly more than a day or two would go by in the whole session where I was not approached by someone recommending someone for an appointment. Surprisingly enough, most of the times their recommendations were not concerning Democrats. They recognized that under the rules of the game it was our turn now to appoint Republicans. But, many of them had friends, of course, or knew of people who were Republicans, and so they were recommending their appointment.

Marcello: I'd like to pursue both those points you mentioned in a little bit more detail in just a moment, but maybe I ought to ask this question first. What sort of a relationship did you have with Governor Clements?

Agnich: My relationship with the governor was quite close because we have been personal friends for some twenty years. He relied on my advice to a considerable degree, not only before the session but during the session. I think it was generally felt in the Legislature--in the House, particularly--that I was more, let us say, kind of a spokesman for the governor than any other individual. So, my relationship with him has always been excellent and never any problem at all in my getting to see the governor at any time. I didn't agree with everything the governor did, but, hell, I don't agree with myself most of the time--or some of the

time, anyway.

Marcello: Let's take this back one step farther, During the Republican gubernatorial primary when Mr. Hutchison squared off against Mr. Clements, who was your preference at that particular time?

Agnich: I stayed out of that simply because I had known Ray Hutchison, also, for a long time. I was instrumental in getting Ray into politics in the first place. I was the one that persuaded him and browbeat him and beat on him to run for the Legislature, and, of course, I knew his wife, Kay Bailey Hutchison. I've known her even longer. So, I was in a rather difficult situation. I personally felt that Clements, if he won the nomination, would have more of a chance of winning than Ray, though I think Ray would have made an excellent governor, also. I stayed out of that one.

Marcello: Did you have any particular preference, though, even though you did stay out of that primary?

Agnich: I'm not going to violate the sanctity of the ballot box (chuckle), so I'm not going to say who I voted for.

Marcello: I assume, however, that you would have been quite active in the Clements campaign after he did defeat Mr. Hutchison in the primary. You mentioned awhile ago that you believed that Governor Clements would have a better chance in the regular election if he had defeated Mr. Hutchison. Why

do you feel that way?

Agnich: Well, for two reasons. One was, I believe Governor Clements is a man of considerably greater financial means than Mr. Hutchison. That was an important factor. Secondly, I felt that Bill Clements would attract to his cause more Democrats than Ray Hutchison because in his years in working in the petroleum industry he had made just innumerable friends. I also knew that certainly Dolph Briscoe was not going to look with disfavor upon his candidacy. All these things were important, so for those reasons I felt that he would have a better chance of winning.

Marcello: You mentioned that he would have been in a better financial position. Any Republican candidate was going to have to spend a lot of money to get elected. Isn't that correct?

Agnich: Oh, absolutely. Sure, you had to. You're still facing the domination by the Democrats of most of the county courthouses across the state because that factor has always been one which tends to minimize the financial requirements of the Democrat candidate. However, that is beginning to disappear. I don't think it will be as true in the future.

Marcello: On the other hand, were you more delighted that Mr. Hill was running than Governor Briscoe? Did the Democratic candidate make any difference in that race?

Agnich: I really don't know. Of course, you always try to evaluate

those things. I would say that there're pluses and minuses both ways. If Briscoe had been the candidate, he would have been running against that business of having been in office too long, which had a lot to do with his defeat in the primary. Secondly, with Briscoe as the candidate, you would be utilizing the other side of the ideological split in the Democrat Party, and you would get a considerable number of liberals who would vote for Clements as being the lesser of two evils from their point of view. I really don't know. I think that in either case the result probably would have been the same.

Marcello: What role did Governor Briscoe play, if any, in that regular election in that contest between Clements and Hill?

Agnich: His own role personally was important in that he did not give any aid or comfort to Mr. Hill. Furthermore, in off-the-record conversations with many of his supporters--I'm informed, at least--he did say he would prefer Clements. Now, Janie Briscoe worked avidly for Mr. Clements. She really did. She went out in the line for him and worked just as hard as she could, and she was a factor in that race.

Marcello: What role did you personally play in the contest? How could you have been of help to Governor Clements?

Agnich: In a couple of ways. Of course, I contributed to his campaign. As a matter of fact, I'm still contributing. I

told the governor the other day, "I'm getting sick and tired of everytime I turn around, it costs me another \$5,000 to go to a cocktail party!" (chuckle) Aside from that, it was primarily advice on the stands he should take on particular issues. I particularly worked with him on budgetary matters because of my experience on the Appropriations Committee,

I was the one that first pointed out to him that the place in the budget where we were spending far too much money and money was being wasted was in the area of our institutions of higher education. I don't think there's any question. Anybody who looks at our system can see that this is the case, I further pointed out that I thought there was \$500 million too much being spent, and I believe it was a figure he used, too.

So, most of my help for him was not in the direct campaign itself. It was in a number of conversations and going over topics, going over positions that he should take-- that kind of advice.

Marcello: Did you find that he had a lot to learn politically?

Agnich: Oh, yes. One of his greatest strengths was also his greatest weakness in that politically he was rather naive. Somebody once said he was sort of like a bull in a china shop, but I guess that's true to a certain extent. On the other hand,

it was that very quality that attracted many of the voters.

Marcello: That is, the image of a non-politician, so to speak.

Agnich: That's right, and a guy who spoke his mind. You know, as a contrast to Dolph Briscoe, the contrast was rather dramatic. I think the people were ready for that kind of a change.

When the session first got under way, some of my Democrat colleagues came up to me and said, "You know, we kind of like your governor, but, god, Fred, can't you talk to him and tone him down a little bit? Geez, he opens his mouth sometimes, and he says things that aren't doing him or anybody any good!" I said, "Well, what you're trying to get me to do is to remove the very thing--the quality--that got him elected, the quality that keeps him high in the polls. You're asking me, in effect, to go out in the bullfight arena and take the meanest, toughest bull and cut his horns off. (Chuckle) You ought to be enough of a politician to understand that you can't do that! If you do, you do far more damage than what good you would do."

Marcello: You mentioned awhile ago that there obviously was a contrast between the Clements style and the Briscoe style. Could you elaborate on that?

Agnich: Oh, yes, sure. It's common knowledge that it was awfully hard to get to see Dolph Briscoe. The Democrats in the

Legislature had an awful time, I fared somewhat better than they did simply because Janie Briscoe and I had become good friends. If I wanted to see Dolph, I usually called up Janie and would come over, and she'd fix me a cup of coffee. It didn't much matter who was in the office, why, I got in. So, my relationship . . . I had no complaints. He most certainly did not spend any time cultivating any sort of relationship with the Legislature.

Marcello: It was almost a doctrine of non-interference in a sense, wasn't it?

Agnich: Well, I think maybe disinterest is perhaps a better word. I did not feel, nor did the majority of the members of the Legislature, that his staff was very good, either. They did things--their manner of approach and everything--that wasn't like . . . Briscoe was simply not a very warm person, nor someone that you can visit with easily on a friendly basis.

Clements is an entirely different kind of individual. I had told Governor Clements after he was elected--before the inauguration--that he ought to utilize the approach that Alan Shivers had used when he was governor, and that was, whenever a member of the Legislature wanted to see him--whatever he was doing, any way he could--he'd drop what he was doing and visit with that legislator. I said, "You

know, the members of the Legislature are like pussycats. If you want to hear them purr, you've got to stroke them once in awhile." He did do a great deal more of that than Briscoe, who could have done more than he did.

Marcello: I guess there's nothing that is better for a legislator's ego than to have that access to the governor.

Agnich: That's right. It's important to them. You see, you don't have to agree with the legislator, either. You can disagree with them as long as you listen to them. Furthermore, a lot of times a legislator will come under intense pressure from his home district to do something that he basically does not agree with. If he can get to see the governor, he can say, "Well, I went to the governor with it, and the governor turned me down." It gets the legislator off the hook (chuckle), so to speak, with his people back home because he did talk to the governor about it. Now, he might not have been as enthusiastic in talking to the governor (chuckle) as he could have been, but at least that took care of it.

Marcello: It would seem to me that you would want a smooth relationship between the governor's office and the Legislature if, for no other reason, than the Texas form of government is a legislative form of government, is it not?

Agnich: That's right. It sure is. For a governor to be really effective in Texas, he has to cultivate friends and allies

in the Legislature.

Now, one of the things that he did right was in his selection of his legislative staff, Jim Kaster was someone that I immediately recommended when Briscoe started looking. I said, "You've got one man that you ought to appoint. He's a Democrat, but he's a conservative Democrat. He was my deskmate for a couple of terms. He's respected in the Legislature. I don't think he has any enemies. I just don't think you could do better." So he did appoint Jim Kaster to that job.

In the process of doing that, particularly in budgetary matters, we had a lot of input from Democrat members of the Appropriations Committee who felt as I did, and as the governor did, about the necessity for paring down on expenditures. Some of them . . . I'm not even here going to say who they are, because a lot of people were not aware that that went on. But we had some staunch allies to help. You have to remember that the budget of the State of Texas is over \$22 billion for the biennium, and that is a tremendous operation.

I've been on the Appropriations Committee for ten years, and I'm just now really beginning to understand how it works. You can't expect someone--a new governor--to come into office, particularly if he's never been in state government before,

and really know what in the hell he's doing with respect to the budget. He has got to rely completely on someone else in his first term. Now, in the next session, why, it's going to be a different ballgame because he has already gotten a good grasp of that budget and how it works. So, it was extremely important that he get input, not only from myself but from the other members of the Appropriations Committee,

Incidentally, one of the effects of having Clements as governor was that I was appointed to the appropriations conference committee and, I believe, the only Republican in either House that has ever served in that position. That was directly because of Clements, of his saying to both Hobby and Clayton, "I need a representative on the conference committee," So, in effect, I was the governor's representative on that. It was to the advantage of both the speaker and lieutenant governor that that be the case because, with Clements having a representative, then that representative could tell the governor, in effect, "That little project there . . . don't veto that because Mr. Clayton really sets great store by it," or, "Lieutenant Governor Hobby has a great deal of interest in that area, so let's leave those alone." It's a matter of trading back and forth, and in return for that kind of treatment, there were other things

. . . the speaker and the lieutenant governor would sort of indicate, "Well, we wouldn't feel too badly if the governor really cut that one."

Marcello: You mentioned something that maybe we need to pursue just a little bit farther, too--the idea of compromising, giving and taking, and trading. It seemed to me from my research that this is one of the things that Governor Clements had to learn how to do. Is that a fair observation to make?

Agnich: Yes, he had to learn a little of the art of compromise, but you want to remember that he ran a large business enterprise as a service company. Now, when you're in business of running a service company--I was for many years--you've got to negotiate contracts all the time, and you have to compromise your position because you're not going to get everything you want. I think that, having run a service company, he did have much more experience in the art of compromise than he would, for instance, if he were running IBM or The Texas Company or something like that where you're not compromising to that extent.

He was not as hardheaded as you might think. He changed his position on a couple of things, one of them to my utter disgust and I really told him about it (chuckle). But he did change his position in a number of areas when, after examination, at least to him, he felt that he could see

where he had not been right.

Marcello: Yes, I think there were several cases where he did have to change his position, as you mentioned earlier. Let us get back now to a statement that you made earlier, almost at the very beginning of this interview. You mentioned that you were in the peculiar position now--as a Republican--whereby Democrats would come to you for advice on appointments and also for help concerning the passage of legislation.

Agnich: Or the vetoing of it.

Marcello: Or the vetoing of legislation. Can you give me any examples of some of the more important pieces of legislation where they actually came to you for help and your influence with the governor?

Agnich: Yes, I can certainly speak of two of them. They both were cases where the governor changed his position. The first of these was on the so-called usury law--the mortgage rate. If you'll remember, at the start of the session, he said that he was opposed to that, that he would not be able to support it. Well, a number of my Democrat colleagues came to me and said, "Look, we've just got to get that limit raised because in my district my people are really suffering. They simply can't get loans to buy homes, and the limit is outmoded." Many of them were opposed to having any limit

at all--as I am, as a matter of fact. I think it's wrong. I think you ought to let the marketplace prevail. I had several conversations with the governor about it. What really triggered the change was the FHA cut off all loans because they couldn't operate under that system. Of course, though he still didn't like it, he was presented with this fact of life, and he had to change his position, which he did. We didn't enact the right kind of a law. We're going to have to go back and raise it again. Personally, I hope we do away with the limit entirely.

The second case was the question of the Bar Association. The Texas Bar Association has operated, in my opinion, rather deviously over the years, claiming it was a state agency when it was to its benefit to be a state agency, but disclaiming that status when it was to its advantage to disclaim it. I was thoroughly--and still am--disgusted with the State Bar Association, as were a great many members of the Legislature. It was a hot fight, and I did everything I could to get Governor Clements to veto that bill. He said originally that he would veto the bill unless it contained certain provisions in it--which were not put in it. So that was a changed position. I objected strenuously to his vote because in working with some of the other members of the House, and in getting some votes that I needed on

some issues, I also agreed to do everything I could to get the governor to veto that Bar bill. The fact that he didn't veto it certainly did not help my position in the Legislature a bit (chuckle), and I don't know what they're going to do with me when we come back (chuckle), but I guess I'll survive. Those were two of them. There would be a number of things. We had one case where the governor's veto was overridden on a local game law--Bennie Bock's thing. Now, Bennie Bock and I have worked together particularly closely in the Legislature and in this session more than any other because he was appointed chairman of Environmental Affairs. He had never served on that committee and was simply not familiar with game laws. I had carried most of it, so we were just as close as could be. It was a rather embarrassing situation because I was not aware that Governor Clements was going to veto that bill. Now, I knew his position about local game laws, which is the same as mine. I just don't think we ought to have them. But I was not consulted, and if I had been, I would have said, "Governor, for God's sake, pick somebody else's bill! Don't take on Bennie Bock!"

When he vetoed it, then I had to get up and try to prevent the override of the veto. In the first vote, I did succeed, as a matter of fact. Then the speaker put on some pressure, and we lost enough votes where it was overridden.

Some of the members felt that I had put the governor up to it--I had not--but Bennie Bock didn't. Bennie understood the situation, and we're still close friends. It was sort of almost an embarrassing situation in which I found myself having to fight against a bill of a very good friend and a close colleague. I told the governor afterwards, "For God's sake, next time tell me before you do something like that!" (chuckle)

Marcello: Now, you also mentioned that from time to time your Democratic colleagues would consult you with regard to appointments that they would like the governor to consider. Can you give me some examples in this area?

Agnich: I'll have to think and see whether I could.

Marcello: This is, I guess, one of the few real powers that the governor has in Texas, is it not?

Agnich: That's right. That, and the line item veto. Well, I remember Bennie Bock coming to me and making a strong recommendation for an appointment of a Republican from his district. I remember his name was Marvin Seely. He was anxious to get him appointed to the Parks and Wildlife Commission. I did go to Tobin Armstrong and to the governor on it. Marvin happened to be a good, close friend of mine, but I also understood some of the political implications of such an appointment. We settled on a different individual

for that position, I agreed with the governor on that selection, and I so told Bennie that I had to agree reluctantly. There were a number of others.

Marcello: I assume you didn't recommend the appointment of any dead men, did you (chuckle)?

Agnich: No, I sure didn't. No dead men (chuckle), although that's not as surprising as it might seem because, I guess, in a four-year term, I don't know how many thousands of appointments are made. You're going to make some mistakes in that process-- not only dead men, but sometimes you might appoint somebody that's in jail or something of that kind (chuckle). Staff work is extremely important.

Marcello: You mentioned previously that you were on the Appropriations Committee once again. I would assume that, as a Republican and as a member of the Appropriations Committee this time around, that activity probably consumed most of your time in the Legislature.

Agnich: Almost all of it, yes. Here again was where having a Republican governor made a great deal of difference. I had many members come to me and say, "Look, for God's sake, don't let the governor veto this item," or some other item. Sometimes I would intercede in their behalf; other times I would say, "No, I'm sorry. If I've got my way, he's going to veto that because I just don't think it's the right kind

of an appropriation." That was one of the differences. In cases I did intercede and stop the vetoing of an item that might otherwise have been vetoed.

One of them was with the college in the district of the vice-chairman of the Appropriations Committee. He was a good, close friend, extremely conservative. He and I worked together just trying to cut expenditures all over, and I felt that he had displayed a great deal of forbearance in asking for appropriations in his own district. I felt it would be both politically and, for that matter, morally not right to veto those particular items which didn't amount to too much money. So that generally was the way we worked.

We did a lot of other things, too. The Legislature will always appropriate the total funds that it has available to it. Now, one of the tricks in keeping the budget within reason or saving money--if you have some input to the governor--is that on items that you have already discussed with the governor and you know he's going to veto them, then you do everything you can to put as many millions of dollars into that item as possible. See, when you do that, you prevent their being spent somewhere else, and therefore you have a much greater impact. If you look at some of my votes, people would be surprised: "You're supposed to be the guardian of the treasury. Why did you vote for all those millions?"

Well, because I knew they were going to get vetoed, obviously. You do that in the conference committee, not in the full committee.

Marcello: At the very beginning of the session, the governor was hoping to get somewhere in the neighborhood of a \$1 billion dollar cut in appropriations. Did you personally feel that a cut of a billion dollars was possible?

Agnich: Let me say it this way: It was possible in the sense that you could cut a billion dollars out of the budget and not hurt the services that the state is rendering in any way. It was not possible from a political point of view. I just didn't think that we'd be able to isolate enough items out of that bill that he could get at.

You know, the Legislature is pretty adept at the way they handle line items. For instance, they may have some salaries which are way out of line, let's say, for university presidents. But, you see, you lump all of those together with all of the salaries. In order to get at those salaries, the governor would have to just eliminate everybody's salary, and that, of course, would mean a special session, and you'd go back through it again without any assurance that the end result would be any different.

Part of the art is to try to so structure the bill that you leave enough things out in the open for the governor to

get at. We did have working arrangements with a lot of the Democrats, as I said, Certainly the speaker of the House, in particular, was helpful in getting some items left as line items that could be vetoed because he felt that they were not really required. Of course, that kind of process gets him off the hook, you see, because he didn't stop it. All he did was make sure that the bill was structured in such a way that Clements could get at it.

Marcello: You keep mentioning line items. I assume that your feeling is that this is one area where there's always room for a great deal of slashing.

Agnich: There are two situations where you could save money. One is by reducing the amount of money appropriated in a certain place. The other is by cutting it off entirely. With the line item veto thing, you can only cut it out entirely; you cannot reduce it. The governor in his power cannot reduce an expenditure, nor can he increase one, period. The only thing he can do is cut it all out or approve it all. This is one of the real weaknesses, I think, in our form of government. There ought to be some procedure where perhaps within some limits the governor could reduce expenditures where he felt they were unnecessarily high.

Marcello: What sort of a relationship did you develop with Speaker Clayton as a result of a Republican governor? I guess

what I'm saying in effect is, did your status vis-a-vis Speaker Clayton perhaps go up somewhat?

Agnich: Oh, yes. There would be a number of times when I'd confer with the speaker about some legislation, seeking to find out whether a piece of legislation could be amended so as to not incur the veto. Nobody really likes to have a bill vetoed or have a veto overridden. In other words, you'd like to try to avoid that situation. That's true on both sides. So, if there's some reasonable middle ground somewhere that you can find, well, then it's to both sides' benefit to try to work in that direction. There were a lot of cases where that occurred, and I spent a great deal of time with the speaker, much more than I had in previous sessions.

Well, for one thing, being on the conference committee where you really write the appropriations bill, anyway, the House conferees would visit with the speaker almost daily, generally before we went into the Conference Committee meeting, for the purpose of determining what our bargaining position was. You want to remember that the House and the Senate--the conferees--are really butting heads. The Senate has a position and the House has a position, and then it's a question of seeing whether or not there can be some middle ground. I remember one case where there wasn't any middle ground. The House was absolutely adamant, and we held our

position: "There just isn't any way. Now, if you insist, we're not going to have a conference committee report, and we're going to be in special session!" That went on until about four days before the end of the session when the Senate finally saw the wisdom of our ways (chuckle) and agreed to this particular thing.

Marcello: In the writing of the appropriations bill, does the House Appropriations Committee usually start with the recommendation of the Legislative Budget Board? Is that usually where you start?

Agnich: That's always where you start. I remember at the start of the session, a rather irate Republican called me and said, "Wasn't that a terrible thing that the Appropriations Committee did to the governor?" I said, "What do you mean?" He said, "Well, I understand that they got the governor's budget, and they threw it in the wastepaper basket!"

Marcello: Which is standard procedure, is it not?

Agnich: Yes. I said, "They didn't treat him any worse than they treated Briscoe or anybody before." (Chuckle) I said, "That's always what you do. You take the governor's budget, and you throw it in the wastepaper basket." (chuckle) This time, however, I did utilize that budget a good deal more.

Marcello: One of the areas of controversy, in terms of what the governor wanted and what the Legislature seemed to have

wanted, was in the area of teacher pay raises which, of course, would be a part of that overall appropriations bill. Evidently, there were some problems here. How did you feel on this issue?

Agnich: Your premise is not quite correct. The bulk of the Legislature felt just exactly like the governor did, but they were susceptible to pressures from teacher groups within their district, depending upon the district. They did not want to be in the position of alienating the teachers. What finally evolved was that the governor got his way by and large, and the members of the House protected themselves by saying, "Look, if we'd tried anything else, you wouldn't have got any raise because the governor was adamant about it. The only way we could get you anything was to agree to the compromise--7.4 percent," or whatever it was.

The governor's position on that was like many members of the Legislature, and that is that teacher salaries ought not to be raised drastically until we are able to install some kind of a merit system and to do something about the evils of tenure. We're all concerned about the quality of the teachers, and there isn't any question . . . you go across this state and look how many incompetent teachers we have. Good teachers will tell you this. Until the time comes when we can establish some accountability, they're

not going to get big increases.

I remember talking to a group of teachers, and I said, "If we could do that, I'd vote for a minimum salary of \$20,000 for teachers because I think a good teacher merits that kind of money. But I'm damned if I'm going to put in a great, big salary increase that has nothing to do with merit and lets those incompetents get the same kind of money as a good teacher!" You do irreparable harm when you do that because a good teacher gets to feeling, "Well, why should I be doing all this work and worrying about it? I'm not going to get any more than somebody over here who doesn't even know the subject that he or she is supposed to teach."

The Legislature has come a long way than when I first came in. When I first came in, if you spoke against the teacher's pay raise or an appropriation for education, you were against education. Not anymore, though. There's now that awareness that the people, in fact, are demanding that there be accountability because we're spending too much money. Not only that, but the people are not getting their money's worth because we look at the end product. We look at the SAT test scores, and it's obvious.

Marcello: It's also true, is it not, that the organized teacher groups are some of the more powerful, or certainly the most active, lobbies in Austin?

Agnich: I would think yes.

Marcello: TSTA . . .

Agnich: TSTA is probably the most vocal and the most powerful lobby in the state, and they utilize every known form of lobbying. We talk about special interests . . . that's the biggest special interest group we have.

I've had a long-running fight with them. My fight is, they seem--to me, at least--to be much more concerned with the teacher and the fringe benefits than they are with the students or for the people who are paying for that education. I think that's going to rebound to their detriment. I think it's one of the reasons they didn't get that big salary increase.

Marcello: This is one of the things I seem to have noticed in past legislative sessions when the Legislature was trying to address itself to the whole business concerning the Rodriguez decision. The only thing one really ever heard teachers talk about was a pay raise rather than the implementation of that Rodriguez decision.

Agnich: Yes, they weren't really concerned about the Rodriguez decision. They just wanted to get a pay increase. The other thing is that every time . . . see, TSTA not only pushes for bigger salaries, but it pushes for ever bigger, greater, more expanded, new programs that hire more and more and more teachers.

Each one of these becomes the lobby group within itself, and the TSTA will carry the flag for all of them whether it should be done or not. If they had any sense, they should be the ones who ought to raise the question about whether we need a new program or not. If they were to do that and come out and help defeat unneeded new programs, there would be more money available to pay teachers. I think they're concerned as much with the number of teachers as they are with the salaries they receive.

Marcello: You mentioned awhile ago that you were a member of the House conference committee concerning the appropriations bill. When you and your colleagues got together with your cohorts in the Senate, what seemed to be some of the areas of difference between the House and the Senate bills? Do you recall?

Agnich: There were a number of areas in which we had differing opinions. One classic fight, and I referred to it earlier, was that the Public Utility Commission had entered into a contract for the construction of an office building to house its operations south of the Colorado River. Well, in looking at that thing, we received some complaints from some employees. They were complaining because they did not want to move south of the river. The location was bad from their point of view. In the process, some of them alerted us to what was hanky-panky, beyond any question, in the

granting of the contract. The building was, as you may remember, about 75 percent finished. The Senate's position was that we were morally bound to go ahead and complete that because the state had signed the contract. The House's position was that every contract that the state ever signs has a clause in it which gives the state the right to cancel that contract if it wishes. Secondly, none of us were about to have our position, or that of the House, placed behind, and in effect giving consent to, something that we felt was not only unethical but very likely illegal. We absolutely refused to bend. I was adamant--I would not go-- and the speaker was adamant. We just butted heads on that thing the whole time, and finally reluctantly the Senate gave in. Now, I don't know what kind of pressures the senators were under, but the approach they took was that moral obligation of the state to fulfill a contract.

There would be any number of items. In particular, the Senate was much more prone to grant sums for construction of buildings at universities. Every senator has got to have a four-year college in his district. We don't have enough to go around to all the representatives, but each senator got one, you see (chuckle). So he's going to bleed and die for that particular school, whether they need the damn thing or not. We were just arguing unmercifully and browbeating

and going back and forth. Most of the time, we'd have to give a little bit, but we'd make them cut some of it out. Or sometimes in a couple of cases, I'd say, "Oh, that's not big enough," and added another \$10 million on it, knowing that Clements was going to cut it, anyway (chuckle).

Those are the main areas in which we disagreed. From a philosophical point of view, the main difference was in the treatment of higher education. Other than that, there'd be just individual items like that PUC building. There were some cases where the Senate . . . and I voted with the Senate on some occasions. I told the speaker, "That's one thing I'm not going to stick with you on because I think it's wrong,"

You ought to remember, though, that you don't take a vote and take the majority of the ten members. You see, you have to have a majority on the House side and a majority on the Senate side. So, even though I would side with the Senate and make the vote 6-4, it still wouldn't pass. The speaker knew that, so it was all right if I wanted to vote the other way (chuckle) if he had enough votes to hold it.

Marcello: Being a member of the Appropriations Committee and spending so much time on that appropriations bill, what procedure do you use in terms of voting for other legislation? Do you have to rely on the advice of your colleagues whose

judgment you trust, whose confidence you have?

Agnich: You do that in any event. Of all the myriad of items that we consider--4,000 pieces of legislation--there is no way that any individual can be competent in all fields that are covered. You look to those people in the Legislature who have established an expertise in a certain field. Most of the members of the House will look to me if it's fish or game legislation because I know it better than anyone else. I may look to someone else on a matter of a legal question--something of that kind. Yes, everybody in that Legislature knows who can be trusted and the few that cannot.

Other than that, my approach is a simple one: The longer I serve, the more I am convinced that fully 90 percent of the legislation we do pass is either bad or not needed. So, when in doubt, I vote "no." That's my advice to a new member. I say, "If you don't know it, if you don't know anybody whose opinion you trust, just vote 'no.' You can't get in trouble voting 'no,' but you sure can voting 'yes.'" Witness Sharpstown.

I killed one piece of legislation. I got up and I used the parliamentary procedure on a rules thing. I addressed the Legislature and pointed out to them the dangers of allowing the suspension of the rules to occur late in the session. I pointed out the Sharpstown case. I told them

the story about the time in the company I was running, we had operations in Turkish Thrace, which is European Turkey. It's bordered on the north by Bulgaria, and I learned right away to send some Turks ahead to tell the natives that we were not Bulgarians because the Turks there . . . whenever they saw a stranger, they shot him first, then inquired what he was. It was a far greater sin not to shoot a Bulgarian than it was to shoot an innocent person. I said, "You better watch out for this bill because it might be a Bulgarian." I killed it; it was a bad bill. A member or two were going to get fat off of this bill fast, so we killed it that way. You get a feeling after awhile for legislation.

Another rule of thumb is, almost always vote against any piece of legislation that consists of more than eight pages (chuckle). That's the truth because there's going to be something bad in it (chuckle).

Marcello: Somebody's trying to hide something or put some "zinger" in there someplace.

Agnich: (Chuckle) Yes, there's something in there you haven't figured out yet, so just vote against it. All the members tease me all the time. They claim that, since I've been in the House, I've worn out two dozen red lights and have never worn out a green light yet (chuckle).

Marcello: But you still haven't had your pet bill passed yet, that is,

for every bill that's passed, a bill has to be taken off the books.

Agnich: Or repealed, yes. It's the people themselves that do that. How many times have you heard somebody say, "Why doesn't the government do something about it?" Well, everytime you ask that question, you're asking for bigger, more complicated government. Everytime you try to cure some little bit of inequity--in other words, in that search for that utopian society--you usually do more damage than what you're trying to cure. You're much better off . . . you're going to have abuses. We're not a perfect race, and we do not live in a perfect society. We never will. You're much better off to have some inequities than you are to have a totally regimented society because you do much greater damage that way. It's a hard point to get across to the voter, but nevertheless it is true.

Marcello: Intertwined with the appropriations bill would be the whole subject of tax relief. Now, there was a certain amount of constitutionally mandated tax relief the Appropriations Committee would have had to have considered this time. Isn't that correct?

Agnich: Yes, but that tax relief amendment . . . I'm not sure whether that did any good or not, really. It was one that I reluctantly voted for when we first considered it. But there

are so many loopholes in it, and, quite frankly, I think in the Appropriations and in the conference committees, that may have been mentioned casually three or four times, but no one would pay any attention to it. There are so many loopholes in it that we could spend all the money we had available to us and not violate the provisions of that so-called limitation on taxes.

The only way that you can cut a budget significantly is by some sort of a Proposition 13 approach. The reason is very simple: If you were to conduct a statewide referendum, asking people if they'd be in favor of cutting expenditures of our state government by a billion dollars, I guarantee it would pass with 75 to 90 percent of the votes. But, if you ask them if they'd be in favor of not constructing a new medical school in that university where they live . . . oh, no! They won't want to do that. So, you see, each individual member is under that kind of pressure. In order for him to live to be reelected, he's got to get that thing approved. How does he do it? He goes to one of his colleagues who has a project that is equally undesirable and say, "I'll vote for that no-good dog of yours if you'll vote for my lemon." It's why, for instance, in national politics over the last, or more than, twenty years this country has almost always elected a Republican or very narrowly elected a

Democrat--except in one case when LBJ in the aftermath of the Kennedy assassination, which is something different. At the same time, the Congress has been overwhelmingly Democrat. Why? Because when they vote for the President, they are voting on the overall picture. They're all against big government; they don't want all this spending; they're against a lot of welfare. But in that home district, they're not going to turn out their congressman because he got them a new post office--it doesn't matter if it's needed--or he kept that defunct air base from closing (chuckle). So they're going to put him back. "He's a good ol' boy; I don't like the way he votes sometimes, but he teaches Sunday school in my church." (chuckle) So that's the reason. There's no way you can cut it, except by the kind of the thing like California had--some kind of a Proposition 13 thing. Then you can do it.

Marcello: I see the Peveto Bill finally passed the Legislature this time.

Agnich: Yes, and I consistently worked with Wayne on that bill and always voted for it. I voted with Wayne all the way down the line because I felt that that was at least one step into some more adequate method of taxation. It didn't go as far as I would have liked, but at least it establishes for the first time that you'll have a common assessor in the county. Unlike we've had in the past, where your house is worth

\$40,000 for the school district, but it's only worth \$20,000 for the county and maybe three times that for some other taxing entity . . . , it's the same house; it hasn't moved, you know (chuckle). You can see where two identical houses--one in East Texas, one in West Texas--might be valued differently. That makes sense because of the different economic circumstances surrounding it, but that same house hasn't moved. It ought to have the same evaluation. That's all essentially we did,

Marcello: How do you explain the bill passing this time and failing in previous sessions? Obviously, it's the Senate that has in the past killed this bill,

Agnich: That's right.

Marcello: How do you explain it getting through this time?

Agnich: I really don't know what possessed the Senate to--for a change--exercise some wisdom. I love to needle the Senate, you know (chuckle). It's great sport. When new members . . . sometimes we have these joint sessions when the Senate comes in the House chamber, and I'm always hollering to the new members, "For God's sake, when the Senate comes in, lock your desk!" (chuckle) The Senate has a different world over there. I don't really know what sort of . . . most of their decisions are made before they vote on the floor. That's all cut and dried. What sort of maneuvering went

on to get that thing passed this time, I don't know.

Marcello: I think the governor was quite active in his support of the Peveto Bill, was he not?

Agnich: Yes, he was and that probably helped some, too.

Marcello: There were also some modifications made in some of the consumer bills that had been passed, I guess, back in 1973. Of course, I'm referring to the Consumer Protection Act of 1973.

Agnich: That's right.

Marcello: What was your reaction to the proposals to make modifications in that original bill of 1973?

Agnich: Oh, I favored them all the way. As a matter of fact, I have a long record of undying opposition in voting against all consumer protection bills because my experience has been, not only in Texas but across the nation, that they invariably result in higher costs to the consumer. They do not protect him,

I voted against the Public Utilities Commission. I took a lot of flak. I fought that thing all the way because I knew what was going to happen. In every case of that kind that I've ever seen, the commission winds up being the voice of the industry itself. It always does. (Chuckle) You're worse off than you were before.

If you look at the contribution that Ralph Nader has

made to inflation in this country, it's absolutely unbelievable! Everytime you put more restrictions on this kind of thing or that kind of thing--you can't do this, you've got to do that--there's just an ungodly amount of paperwork that's got to be done. Somebody has to pay for that! Who pays for it? The consumer pays for it! He'd be a lot better off if he did not have those things and exercise some judgment in the type of products that he bought. Use the marketplace and let it prevail, and you'll be all right.

Marcello: Evidently, the trial lawyers were adamant in their opposition to modifications in that Consumer Protection Act.

Agnich: Oh, sure! The trial lawyers like all that stuff because the more paperwork you have, the more business they have. Any time you add a new regulation, it's always so worded that nobody knows what the hell it means, so you've got to go to court to find out what the interpretation of that is. The trial lawyers love it!

It's sort of like the . . . you know, in our income tax, if you took away all deductions except the individual personal one and had a maximum rate of about 16 or 18 percent, you would take in about half again as much money for the government, and you would not stifle incentive and initiative. Being in business as I have, I wouldn't have to . . . I could look at the merits of the business proposition instead of

having as my first question, "What are the tax consequences? How many damn tax lawyers do I have to hire? How many CPA's?" That kind of stuff inures to the benefit of that group.

We've got too many damn lawyers now. I've observed-- and it's an absolute fact--that if you can have a small town that only has one lawyer and another lawyer moves in, in a year's time each of them will have more business individually than that one lawyer had before the second one moved in (chuckle). They generate business. I'm just totally opposed to consumer legislation. I think it's bad; I think it's hurt this country. I'm not going to change. I'll vote against it everytime I get a chance.

Marcello: My next question has to do with something outside the realm of the House, but I'll ask you anyway. What was your reaction to the activities of the "Killer Bees" over in the Senate?

Agnich: I was sorry that they came back because, as far as I was concerned, I felt they should have stayed gone. The state would have been better off (chuckle). Beyond a question, Hobby was wrong in what he was trying to do--I'll agree with that--but it so happens that the "Killer Bees," as far as I'm concerned, have nothing in common with me. They're totally opposed to most of the things in which I believe. They're the way-gone liberal element and the big spenders and the kind that want more and more government regulations,

and I oppose that. So, for that reason, I would have been very happy if they never came back.

Marcello: There was some talk that the split primary was not really the motivation for their walking out. Rather, it was to kill those modifications in the consumer protection legislation.

Agnich: That's right, sure. They just used that excuse.

Marcello: How did you feel about the split primary?

Agnich: I was totally opposed to the split primary. The reason that the Democrats could not agree--and I knew they would not--was that the liberal Democrats there for a long time wanted to control the Democrat Party in Texas. They feel that--and I agree with them--that there ought to be a realignment of the parties and that the Democrats should be the voice of the liberal element and the Republicans the voice of the conservative element. Well, the so-called conservative Democrats really worry about the primary because they recognize that, under the present situation, there's going to be a wholesale migration of conservative Democrats into the Republican party and voting in the Republican primary. Therefore, if they represent a district which is evenly divided or where the margin of the conservatives is a slight, small one, then you see the possibility existing. Enough of the conservatives would move over to vote in the Republican

primary, and, therefore, the liberal would win the Democrat primary. That's what the fight was about--entirely. The liberals saw this as a chance to elect a lot more liberals; the conservatives saw that they might go down to defeat. From a Republican point of view, and obviously from a partisan point of view, I welcome the primary on the regular date because it's going to mean far greater numbers voting in our primary than ever before.

I think the time is now here for a realignment of the parties. It would have happened five years ago, I think, had it not been for Watergate because, at that time, you may recall I was instrumental in getting Rayford Price as speaker of the House to change parties. We had that all set up, and then Watergate totally destroyed it. We're beginning to see Democrat officeholders here in Dallas County, particularly, changing parties.

Marcello: How do you interpret this?

Agnich: There're a number of reasons for it. One of them in Dallas, particularly . . . if you'll remember in the last election, the Republican candidates for judges did very well, indeed, on a county-wide basis. That, of course, showed that Dallas County is ready to vote Republican county-wide. Secondly, many of the Democrat officeholders are basically akin in their thinking to the principles of the Republican Party.

They feel more at home with the Republican Party. So you combine the two things--the possibility of being defeated if they remain as a Democrat and, more important, being able to move in a group where they belong. You recently had two members of the House move over . . . or a member of the House and a member of the Senate. There will be two more county judges next week who are going to change parties officially. I think you're going to see more conservative Democrat precinct chairmen move over. As a matter of fact, at the last county meeting, we elected two new Republican precinct chairmen who had been Democrat precinct chairmen. You're going to see more and more of that. It's the disenchantment with their national party and the realization that they're now in the process of losing control of the state party.

Marcello: Is it not true that the Legislature this time is more perhaps conservative, at least than it was the last time?

Agnich: That's right. Yes, I think so. I think it's also true both in the Senate and the House. Thank God, we were able to keep our forces pretty intact, mostly in the defeating of legislation.

Marcello: What changes do you see perhaps in the Clements style going into the 67th Legislature?

Agnich: I think that he's learned a lot in the time he's been there.

I think you will see that he will not be as apt to get himself set in concrete on an issue as much as you saw before, because he now understands that if you do that, it makes it awfully hard to move if you've got those concrete boots on. Secondly, I think--and I hope--that from now on when he does take a position, that he will stick by that position and not change it. I think you'll see him being much more on the offense with budgetary matters rather than being so defensive, as he had to be last time. Now that he's got his budgetary group in place, he's understanding the process and just is better equipped to do it. I think that's going to be the main difference.

Marcello: Mr. Agnich, is there any personal legislation that you had passed this past session of the Legislature that you would like to talk about?

Agnich: I really didn't carry much because when you're on that Appropriations spot . . . but I did pass several pieces. One of them went through without any problem, and no one paid much attention to it, but it is quite a change. In the past, if you have a runaway child who left your home, there was nothing you could do to get that child back unless the child could be found in the street. You could not go into . . . you might know where the child is, but . . . no way. What developed . . . I had a distraught father call me about

his fourteen-year-old daughter who had run away from home and was living with a known dope pusher. Well, I got to checking that, and I checked with the Dallas police, and they told me that they had had great concern because a lot of these so-called runaways were being used for either drug purposes or child prostitution or child pornography. There ought to be some way in which, if they knew where the child was, they could go in there and get that child. So that simply was what the act did. It said that it was an offense--a felony, not a misdemeanor--for anyone to have criminal knowledge . . . in other words, to knowingly harbor a runaway child without the consent of the child's parents--a minor. As a matter of fact, it's in effect, and there already has been shown a considerable number of arrests made. If a child runs away and parents know where their child is, and that child's away from home without the consent of the parent and in a situation that they consider bad for their child, then they have legal remedy to get them back. I think it will do a great deal of good.

Oh, I've had a few other minor parks and wildlife stuff, but nothing of any major importance.

Marcello: Well, Mr. Agnich, that exhausts my list of questions. I want to thank you very much once again for having participated. As usual, you were candid, and, of course, that's the sort

of thing we're looking for in these interviews.

Agnich: Thank you. I always enjoy it. As far as being candid is concerned, I learned long ago in politics that you say what you think. You're not going to get in trouble with the voters or anybody else if you do that. In fact, they mostly appreciate it.