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Interview with  
SPEAKER BILL CLAYTON  
April 2, 1982

Place of Interview: Austin, Texas

Interviewer: Ronald Marcello

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Oral History Collection

Speaker Bill Clayton

Interviewer: Dr. Ronald E. Marcello

Place of Interview: Austin, Texas

Date: April 2, 1982

Dr. Marcello: This is Ron Marcello interviewing Speaker Bill Clayton for the North Texas State University Oral History Collection. The interview is taking place on April 2, 1982, in Austin, Texas. I'm interviewing Speaker Clayton in order to get his reminiscences and experiences and impressions during the 67th Session of the Texas Legislature.

Mr. Speaker, to begin this interview, let me ask you some general questions. First of all, let's talk about elections of 1980. How was the business of the House affected by a reduction in its liberal membership to about forty or fifty?

Speaker Clayton: I don't think it really made that great a significance. I doubt, if you would compare on a philosophical basis the legislation passed in the last session of the Legislature, that it would be much different than any of the previous sessions. Texas generally has always been a majority conservative state, anyway, from a philosophical standpoint. We did lose or replace some of the liberal members with conservative members, but I anticipate that probably in the next session of the Legislature, you will even see a greater

shift in that direction.

Marcello: Would this be because people are becoming even more conservative, or is this because of the increasing strength of the Republican Party, or a combination of both?

Clayton: I think it is probably a combination of both. I don't know that the Republican Party in some areas has really increased their strength, their numbers, that significantly. I think basically the people that maybe are voting in some of the Republican primaries traditionally have always voted maybe Democratic but have always voted for conservative candidates. I think you will find some that vote in the Republican primaries, and a great many that vote in the Democratic primaries, will pick and choose in the fall elections. So I still tend to think that Texans pick and choose instead of our being a straight party line state.

Marcello: Would it be safe to say, however, that Texas is now a two-party state?

Clayton: Well, I don't know whether you could say that or not. Certainly, we are a two-philosophy state. You still have a coalition of Republicans and conservative Democrats that work together quite well in the legislative process. I anticipate that in the next session of the Legislature--I believe that there is now thirty-five Republican members now in the House--we will have fewer members from the Republican Party. Really and truly, I think we had, this past session, probably three or four members of the

Republican Party that were there from the coattail effect of Reagan's election. So I guess what I'm saying, Ron, is that I think that probably the Republican Party strength, so far as members of the House or Representatives are concerned, probably peaked during the last session.

Marcello: Let me ask you a few more general questions. Before the Legislature actually convened, there was the Brillab business. Now at the beginning of that session, could you detect that Brillab had any effect upon the business of the House of Representatives and your performance as speaker?

Clayton: No...well, in fact, let me back up from saying "no." I think, if it had had any effect, it had probably a more positive effect on making a cohesive working group. Why, I don't know, but it was quite an experience. We had just concluded a trial in September. We got right back on the road, put our speaker's race back together, and I was elected for a historical fourth term, which I doubt if that will happen again for a long, long time in Texas. The support was there. I think the people had confidence and faith in me and knew what the outcome of the trial was going to be from the very beginning. I just really believe that maybe through having to bear those burdens of the summer, it might have helped because I think it maybe reflected some of the characteristics of my true character and being able to withstand some pretty tough times.

Marcello: On the other hand, had there been no Brillab, I think most people

would agree that you were more or less a shoo-in for a fourth term.

Clayton: Well, I don't think there is any question about that; that was a foregone conclusion. Of course, I think it was those people that had supported me in the past, and would have supported me, disregarding the Brillab situation, maintained that posture throughout the entire trial, which was very rewarding to me and gave me additional strength to plug on and to fight on.

Marcello: What effect did being a lame duck speaker have upon the performance of the House? I say "lame duck" because obviously you had said that you weren't going to run for a fifth term (chuckle).

Clayton: That's right. And I think I surprised people in early February when I announced it publicly. It had no effect whatsoever because this was a unique year in legislative history--it happens once every decade--and that was with the redistricting coming down the pike. Everybody was mindful of the fact that the redistricting gets put together through, really, a leadership and a team effort. Consequently, it was a cementing factor that I think disregarded any down effect of being a lame duck. Frankly, I felt like we were able to accomplish more and do things that we hadn't done in past sessions.

Marcello: That's interesting because this was obviously a very, very hectic session, especially with redistricting and things of that nature.

Clayton: It was probably one of the roughest sessions that the House had been through in a great number of years. I am, as you know,

concluding twenty years of service in the House with my retirement now, I have seen some pretty hefty tax bill fights and things of that nature, but redistricting, I guess, always take the cake. There is an undercurrent throughout the entire session that dwells on legislative redistricting. I very frankly was very proud of the House in passing a House redistricting bill with 120 votes. That is just an almost unheard of thing. We did it. It was knocked down by the state courts, and it is unfortunate that it was because I think that, had it have passed the state court test, I believe it would have passed the federal court with regards to the Fourteenth Amendment and the Voting Rights Act.

**Marcello:** We'll come back and talk about redistricting later because obviously it was perhaps the most important issue in the entire session. Now very early in the session, you had proposed an ethics bill for the Legislature, certainly for the House. Give me some of the background on House Bill 1903,

**Clayton:** We introduced House Bill 1903 because we felt that throughout the summer and the proceedings of the Brillab trial, we had run head-on into some of the things that the prosecutors were trying to say was unethical and were a violation of the law. And clearly it was not. But there were questions raised; there were many grey areas. Very frankly, it was my opinion, and the opinion of numerous others who helped us on the legislation, that there needed to be some clarification. These grey areas needed to be ironed out, and they ought to apply to public officials, whether

they be elected or appointed, or an employee. They ought to be able to know which side of that line they are on in various activities, and that was the purpose of House Bill 1903, was to clarify some of the filing dates for campaign expenses and for officeholder expenses and to further, I guess, expand on conflicts of interest and a few things like that. It was a combination of several bills that had been introduced and put together.

Marcello: One of the things that that bill tried to do was also make a distinction between accepted contributions and received contributions, did it not?

Clayton: Right, because that was one of the questions that we faced in the trial, for example. When does a contribution become an accepted contribution for reporting purposes? We found in the trial a lot of different experiences that even we had not thought of ourselves. For instance, the claim in question, of course, was the \$5,000 that we were going to return to L. G. Moore. That became the center issue, I guess, of the trial. A very funny part about it was that when the court asked that we deliver them the money, we said, "Certainly. We want to take the serial numbers and make a photostatic copy, if it is permitted." They said, "Oh, well, it wouldn't make any difference because the F.B.I. did not keep the serial numbers of those bills." Well, that to me raised some additional questions so far as the trial was concerned. I think it's rather stupid for our government, if they are going to



pull these scams, to not keep an account of what is going on. Well, about three or four weeks ago, we found out that the F.B.I. had admitted that they did have some serial numbers on those bills. That was a relief to us because we know that they finally did make that check and find out that those were the ones (laughter).

But we also, in that process, discovered that on two or three other occasions, we had had some fund-raisers and had taken some checks from various individuals and laid them in our desk and two or three months later have calls that said, "Hey, that check hasn't cleared my bank account yet," and we'd look around, and, sure enough, there would be a pile of checks in the desk. I think that happened with a group over in East Texas at Rusk, Texas, one time. We had a fund-raiser over there. It also happened with some automobile dealers that had put together some funds for us. It is just that during the business of the office, I guess, a lot of times you forget some of those little details. You want to take care of it when the time comes, but it never does get taken care of, and this was so vividly pointed out at that trial. We wanted to clarify it and make it a positive thing as to when we could and when we couldn't accept and when you had to report the funds.

Marcello: Why did you decide upon a cap of \$100 on cash contributions?

I think that was part of your package.

Clayton: That was a part of it. Really, I guess, \$100 is just an

arbitrary figure. We had a lot of different people talk about different sums and things like that, but we finally just agreed on \$100. Why, I don't know. It was just one of those things. Some of them had \$50, some of them had \$250, some of them had \$500, some of them didn't want to receive any cash. Finally, that \$100 was, I guess, just a compromise.

**Marcello:** One last portion of that ethics bill that I want you to comment on was the ban on accepting donations during the legislative session and thirty days before and after.

**Clayton:** We thought that was in the current law before House Bill 1903, but we found out that in reality it could be averted. We had some members that went ahead and had fund-raisers during the legislative session. I think that is a very blatant thing to do because here at the time that you are in a position to vote on legislation, you are asking someone to contribute to your campaign. If there ever could be abuse, that is a time that it could be, and we just felt very strong about that. That should not be, and we included all the state government--not just the Legislature, but the executive branch, too. We talked to the Governor's Office and to some of the other people about it, and they said, "Our fund-raising is on-going." Well, that's true but the governor has an opportunity to veto legislation that is under consideration at that time or to approve it or to recommend it. To me, it is just as valid a situation to prohibit fund-raising in that period of time for the executive branch as it is the

legislative. So we included all of it, and I think it is good.

Marcello: Right or wrong, it just doesn't look good, does it?

Clayton: Well, it doesn't look good, and I think there could be abuse because people are going to be more prone, if they have a particular interest that is pending before the Legislature, to contribute. When it is induced in that respect, I think it is wrong.

Marcello: Common Cause came up with some alternative proposals. Among others it wanted to prohibit the use of leftover campaign contributions for personal use. What was your reaction to that proposal?

Clayton: We toyed with that and wanted to do that. We found out quick off that we couldn't pass that bill, basically in the Senate. There had been a lot of senators that had already informed us--and some had made it public--that they used officeholder funds for personal expenditures--for helping their children in school, buying clothes for their wives, automobiles, things like that. Frankly, I think that is in bad taste. There is nothing illegal about it, but I think it is in bad taste, and we wanted to prohibit it. We found out we couldn't, so we did the next best thing. We made them report all those expenditures of officeholder accounts so that the public could see what that money was going for.

Marcello: You say you couldn't prohibit that. Why was that?

Clayton: Because we couldn't pass the bill; we couldn't get the votes.

Marcello: I see.

Clayton: Yes, I would have loved to have done it, if we could have got the votes.

Marcello: How did you feel about the Common Cause proposal for a state ethics commission made up of six members and so on?

Clayton: I have had reservations about an ethics commission; however, I think the more we get into hearings with the other part of the ethics package we passed last session, the public officials standards committee, it looks to me that it is becoming more apparent that that ethics commission could have a rightful place. The main concern about an ethics commission is not the responsibility of what it might do in regards to duties, but how it might discharge those duties. Would it be political? Would it be Democratic? Would it be Republican? Who would be the appointees? Would they play favorites? This is, I think, the big issue, and if regulations could be written where there could be no favorites played, then an ethics commission could certainly, I think, have a great bearing and be very beneficial.

Marcello: Let's shift gears here and get off ethics legislation. Early on, Representative Gaston attempted to change the House rules. Of course, this happens periodically at the beginning of every session.

Clayton: I think he has been one of the leaders every session in trying to change the rules (laughter).

Marcello: One of his proposals was to curb the Speaker's power over committee assignments. What was your reaction to this as Speaker of the House?

Calyton: Well, knowing Frank, I think that he might have been taking a personal slap at me, and maybe not. He might have been sincere in it. But having been here for twenty years and serving under a number of speakers, I can assure you it would never work. It is not like the Congress; we are not a full-time body. If you are going to elect committee chairmen, whoever you are going to elect for speaker is going to be popular enough to support various ones for election to committees, anyway. It would just be kind of a farce. You can't go on a full seniority basis in my opinion because if you do, you get just exactly the opposite to what Frank Gaston was talking about in a lot of his concern about rural domination of the Legislature. The rural legislators gain tenure far beyond that of what most urban legislators do. I don't think that you could probably devise a much better system than what we have. I have looked at all fifty states, and the way that things are done, and, very frankly, I can't see trying to fix a wheel that is not broken.

Marcello: How important was it to you, or any speaker, to have this power or privilege over the selection of committee chairmen.

Clayton: Well, you have to organize the House to do the work that has to be done in 140 days, and that's to look at 5,000 pieces of legislation, determine priorities, and pass those bills that are

absolutely necessary. To do that you have got to have a cohesiveness. You have got to have a team. You have got to have some authority, so far as a leader, in the direction as to how you do that, and in a timely fashion. Without that, if you go in twenty-six directions, it could get so chaotic that you could never accomplish a single thing in a session, and we would wind up in Texas probably having to go to annual sessions and being a full-time professional political body, and that is not what Texas needs.

Marcello: While we are on the question of committee assignments and chairmanships, a proposal was put forward by Representative Coleman that called for organizing the House along party lines. How did you feel about that?

Clayton: Not yet, not in Texas. That is what is the matter with some of the states that I have observed, where you have a minority and a majority leadership of a caucus. The caucus determines what they are going to support and what they are not. I'm in favor of the members of the Legislature looking and supporting what Texans want,

Marcello: Let's talk a little bit about your committee chairmen. I'll throw out a name, and you give me your gut reaction to the person.

Clayton: All right,

Marcello: Representative Presnal as chairman of Appropriations.

Clayton: I think Representative Presnal came into his own this last

session, When we first appointed him as Appropriations chairman back in 1975, some of them questioned him being able to conduct the business of that committee and having one of the largest institutions of higher education right in his back door, I think he overcame those obstacles, and I heard more comment about Bill Presnal last session, and his improved talent and ability to run the Appropriations Committee, I believe, than any chairman that I had,

Marcello: Representative Uher, State Affairs.

Clayton: Uher is a peculiar person, hard to get to know. Yet, he was one who knew the program, and the way he handled his committee was quite different than maybe some others; but if he sensed that a bill was not to pass, whatever it took, he would see to it that it didn't pass. If he thought that one was supposed to pass, he would certainly go to any length to make sure that his committee acted favorably on that legislation.

Marcello: You mentioned that he didn't handle the committee as perhaps others would have. Can you elaborate on that?

Clayton: Well, I think he was not quite as diplomatic.

Marcello: Representative Washington, Human Services.

Clayton: I think he is a very genuine, fine fellow, one who no one questioned his integrity and one who always presented his legislation and the issues of the committee with a great deal of sincerity.

Marcello: Von Dohlen, Regions, Compacts, and Districts. This would

obviously be a very important committee.

Clayton: Yes, A very , very hard, dedicated worker, one who strove to do probably the hardest chore of the legislative session and tried to do it in a sense of fairness by covering the state and soliciting information and testimony and input from all segments and all ideologies. He probably had one of the harder times in the committee, again, because of the issue.

Marcello: It seems to me that is one of those committee assignments where you are damned if you do and damned if you don't (chuckle).

Clayton: Having observed about three or four redistrictings in my legislative career, that is the case. Ten years ago, Delwin Jones was chairman of the Redistricting Committee and drew a district for himself that he got beat in (laughter).

Marcello: Representative Davis of Ways and Means,

Clayton: A genius, very intelligent, fast on his feet. Sometimes he was so far ahead of other members that it irritated them, but he was a great floor leader,

Marcello: How did you go about, during the session, of selecting your committee chairpeople. Obviously, you had some leftovers from other sessions and so on, What things did you take in mind in putting together this group of chairpeople?

Clayton: Well, we tried to look at backgrounds and the geography of the state and tried to divide that by the ethnic make-up of the Legislature and the philosophical make-up of the



Legislature, I think, without a doubt, probably one of the best selections of my entire tenure as speaker of the House was that so often sought-after committee, but one whose chair really reeks more criticism than any other, and that is the Calendars Committee. Susan McBee, the first lady to ever chair that committee, I think, has done such a superb job this session that she had more favorable comment toward her ability, the way she handled the affairs of the Calendars Committee, that it was just remarkable,

Marcello: That is interesting because she really hadn't been in the Legislature that long, has she?

Clayton: No. Susan is retiring this year. She came to the Legislature when I was elected speaker. She will never have served under another speaker (chuckle).

Marcello: Okay, let's talk about some of the specific issues that faced the Legislature. At the beginning of the session, one of the issues that came up was that of initiative-referendum. As a state legislator or as the speaker of the House, what is your reaction to initiative-referendum?

Clayton: I am opposed to it.

Marcello: Why is that?

Clayton: I think that any issue that is important enough to be placed on the statute books of our state needs an open forum for debate where the impacts on all segments of society can be ascertained

and all phases of that particular proposal can be ferreted out.

Marcello: Has initiative-referendum, so far as your experience is concerned, ever lived up to the expectations that its proponents have had for it?

Clayton: No. It is a mechanism whereby, I think, emotions can be vented. Emotional issues are the ones that usually are forthcoming in initiative-referendum states.

Marcello: It seems to me that it could perhaps be very dangerous, especially in terms of so-called single-issue politics.

Clayton: That is the whole fear of it--absolutely. Nobody wants taxes. Who wouldn't vote to decrease their taxes--without thinking about what services they are going to cut?

Marcello: I guess that in the back of every legislator's mind was that of the California experience with Proposition 13.

Clayton: I think Proposition 13 is what started the big move for initiative-referendum; but, also, after studying and finding out what happened, it also, I think, put a damper on some of it--the enthusiasm for initiative-referendum.

Marcello: Now at the beginning of the session, this was evidently one of the pieces of legislation that Governor Clements considered to be very, very important.

Clayton: I would say that in the session before the last one, that was one of his main items. He was, I would say, lukewarm on it at the beginning of this session.

Marcello: Shall we say, perhaps, that it was on his "wish list" then?

Clayton: I think that would be where it was, yes.

Marcello: What role did he play in the debates and so on over initiative-referendum?

Clayton: In this session, very little. During the last session of the Legislature, his first term as governor, he was very active in talking to members about it,

Marcello: Why were the business interests so opposed to initiative-referendum?

Clayton: Well, ironically enough, labor was also opposed to it, and I think labor had made some statements that, "You bet! We don't like it because they will place right-to-work in the constitution, and people will vote for it. But you just give us initiative-referendum, and we'll put some issues on the ballot to abolish the sales tax and things like that real quick, and we will just see who can win the war," With those types of threats and those types of things, well, naturally, they got everybody kind of worried just a little bit: "What would happen?"

Marcello: I guess that looming in the back of the minds of many business representatives was the corporate profits or income tax?

Clayton: Corporate profits or income tax, you bet.

Marcello: What role were Waggoner Carr and the so-called Texas Thirteen playing in these debates over initiative-referendum?

Clayton: Well, naturally, they followed the line of Proposition 13 in California, which is still an active association, I suppose. They put out questionnaires to candidates for this year's election,

and, again, initiative-referendum is one of their issues and a Proposition 13 type of approach,

Marcello: Would you comment on the role that was played by Jim Nance, who, of course, was the lobbyist for the business interests?

Clayton: Jim Nance probably was accredited with having put together more research and background information and documentation on the effects of initiative-referendum than any other individual. In fact, I had received reams and reams of information from Baker, Botts, since he is a member of that firm, I think it began to enlighten a lot of people--the information that they put together and put out.

Marcello: What role was Governor Clements liaison playing? I'm referring to Bob Close.

Clayton: Well, Bob, of course, was for initiative-referendum and working for it at the request of the governor. But I think that in the session, as it developed, there were issues that became more pertinent than initiative-referendum, i.e., congressional and Senate and House redistricting. Once again, the prominence that they had began to gain diminished the efforts on other issues.

Marcello: It pushed some of these other things in the background.

Clayton: Right.

Marcello: Okay, let's go on and talk about another issue that came up before the Legislature. I'm referring to this whole business concerning interest rates. Again, this was to some extent a

carry-over from the previous session, too. I guess the bill that gained prominence in the House was House Bill 1228, is that correct?

Clayton: Yes,

Marcello: Okay, my research is a little unclear on this. In the original bill, was the ceiling on interest rates put at 30 percent and then dropped to 24 percent?

Clayton: Right,

Marcello: Okay, describe the process that occurred here by which the interest rate, as proposed by Representative Messer, was at 30 percent and then was later dropped down to 24 percent.

Clayton: Studies had been done all during the interim, and there had been a collective group of business associations, particularly those in the finance industry, savings and loans or credit unions, small loan lenders, the banks, all types of commercial lenders, that had formed together and had done an excellent job of putting together data of what was happening in Texas by restricting the flow of money into the state because of interest rates. This information was disseminated to the press throughout the state and, amazingly, gained editorial support from nearly every major newspaper in the state. With that then the information was distributed and lobbied to the members of the Legislature. I think it was probably as good an effort as I have ever seen. However, there were still some that were unconvinced of the need to raise interest rates to that proportion,

and, I believe it was in the Senate that that amendment was put on, and instead of fighting that amendment, I think all the groups came together and decided that they could live with the 24 percent and take the amendment and go on with it,

Marcello: I believe one of the leaders of that fight to reduce it to 24 percent was Craig Washington, was it not?

Clayton: I believe he was on the House side, yes.

Marcello: It is interesting, I think, that according to Senator Jones, if he had had his way in the Senate, there would have been no limit on interest rates. In other words, let the marketplace decide. How did you feel about...what was your reaction to that?

Clayton: I favored that concept. I think money is a commodity, and artificially putting a price on money is just like wage and price controls. Interest would have been no higher than it is today, had it been open-ended.

Marcello: While we are on the subject of money, let's go on to another topic--tax relief. At the beginning of the session, Governor Clements was hoping to come up with a billion-dollar tax cut. What happened?

Clayton: Well, that dream kind of got wiped out along the way, too, mainly because of the increased expenditures to offset the inflationary costs of doing the business of government. It really didn't leave us as much surplus as we had anticipated.

However, there was some tax relief; we passed some good bills. We gave the local entities of government additional options of more exemptions on homesteads. We passed probably one of the better pieces of legislation, in my opinion, on the state inheritance tax to conform closer to the federal law and give a break to those that want to keep the property in the family and pass it on.

So there was some tax relief. We went ahead and exempted the sales tax on the utilities completely, as we had tried to do two years ago. What is all totaled up to, I don't know, but there was a good deal of tax relief in the last session.

Marcello: The House approved a 40 percent homestead exemption for residential homeowners. What happened to that?

Clayton: I'm not sure about the final outcome of that. It seems to me, as best I recall, that that was amended in the Senate and came back with a set figure on it, and additional \$5,000 or \$10,000, that could be exempted. I think they left the option still to the local governments.

Marcello: What was your reaction to Governor Clements's attempts to come up with a billion-dollar tax cut?

Clayton: I certainly had no objection to it, as long as we had operating funds to take care of the biennial operations. We have been very fortunate in Texas, and I think this is something that a lot of folks in Texas overlooked. We haven't raised taxes at the state level in the last ten years, and I don't believe that in 1983, when we convene the next session of the Legislature,

that we will be pressed for taxes again, I'm of a firm belief that we will have enough surplus to once again appropriate for the biennial appropriations of state government.

Marcello: How do you account for the surplusses and not having to raise taxes?

Clayton: Well, the greatest thing had certainly been the economic activity of a state with a 27-plus percent increase in population over the last decade. It is no wonder that the activity has increased like it has. It is just almost a certainty that anytime you bring that many new people in, you are going to produce that much more income. A sales tax is a growth tax.

Our severance tax has continued to grow, even in light of the fact that production has leveled off, simply because of inflation. Those two factors coupled together, we have just continued to stay a little ahead of the pace of doing the business of state government. When you can take care of increased population and inflation without taxes, you are doing pretty good.

Marcello: Where would a state water plan fit in with a budget surplus?

Clayton: Well, I tried to fit that little program together and, I think, in a very unique way. I think it was probably untimely so far as the election was concerned. Had it been a year sooner in the drought period instead of a period just after floods all across



the state, it would have been a different outcome; or had we have waited until the general election, we would have got a bigger voter turnout. I think it is imperative that we continue to seek out solutions to the problems of Texas water.

Here is a report that I have just gotten from the High Plains Study Council and Water Development Board. We have got some serious problems lurking in front of us. The financing of those problems are going to have to have some assistance from the state level. We were proposing to take some of the surplus that remained after the appropriations of state government for the biennium--taking a half of that--and putting it into a trust fund so that we could use that as a leverage in helping local entities of government to guarantee their bond issues and save the people at those levels of government tons of money in interest so that they could sell their bonds.

It was a complicated issue. In fact, I think the complication of the issue was such that it probably helped defeat the issue. It is difficult sometimes to sell a very complicated issue, unless you have a lot of time.

Marcello: Would it be safe to say that perhaps water is going to be the key to Texas's continued growth and economic well-being?

Clayton: Oh, there is no question of it! Absolutely no question! It has to be. East Texas has been a water plentiful area of the state. East Texas has always been concerned from way back, twenty years ago, when we started talking about moving water

around the state, inter-basin transfers and one thing and another, that West Texas was all hungry for the East Texas water and wanted to move it all west. There is not enough water in East Texas to even begin to quench the thirst of West Texas, and we know that. You are not going to take from a basin when it is needed in a basin. East Texas had better wake up and watch out, or Houston is going to suck them dry. It is going to have to be that way because unless the growth patterns changed in Texas, that city in the next two decades is going to be a New York City.

Marcello: As you look back on that state water plan--and, of course, it was defeated in the election--what would you do differently in terms of presenting it to the voters?

Clayton: The distinction that I would make would be to rather than go at a special election, put it on the general election ballot, so more people would have the opportunity to voice their opinions on it. At the same time, you would have a longer time for an educational program,

Marcello: Where would this water come from, assuming that a state water plan were put into effect?

Clayton: The water plan that we were talking about and the financing for implementation was basically the implementation of local projects where there were reservoir sites available. It is my opinion that we in Texas are going to have to develop every available site possible and make use of every drop of water that we have that is usable in Texas before we can expect anybody

to want to give us water from outside the state. That's the thing we have got to work on first, and that's what that financing plan was about, is allowing local entities of the government to go out and meet their future projected needs,

**Marcello:** Now at some point during the legislative session, you must have conferred quite a bit with Governor Clements on this issue because I don't recall hearing him having said anything at the beginning of the session about a state water fund. Evidently, after it was proposed, then he came out in favor of it, also,

**Clayton:** We originated the concept and the plan and drafted it with the help of some of my former colleagues like Ray Hutchison and some other very able people in the water business. I discussed it with the governor on several occasions. I showed him what I thought were the advantages of that type of program, and he signed off on it and said, "I'll support it. It will become a part of my program."

**Marcello:** Was there any political horse-trading done here? In other words, I've seen it said in the newspapers--strictly in the newspapers--that some deals were worked out here concerning your support for his redistricting plan in return for his support for the state water plan,

**Clayton:** (Chuckle) Well, where those stories originate, of course, I have no idea. But, no, there was nothing ever said about that. I

think the governor has always been very cognizant of the water needs of the state. He was very receptive from early on when we talked about water plans and water programs and trust funds. This was all we talked about. I have never, in dealing with Governor Clements, made a deal--one issue for another issue or anything like that. I find him to be a very straightforward, honest, open person. I like to sit across the table and deal with that kind of a person because you know exactly where you are. If he is for you, he will tell you; if he is not, he will tell you. I appreciate that. So early on, we were on the same program so far as water was concerned.

Now that is not to say that we were not on the same program on redistricting. Basically, we were. We were shooting at it from two different angles. He had never seen the plan that we had developed. I don't know whether he ever developed a plan or not. I showed the governor the plan that we had developed, and the reason we developed it was because basically we thought we had developed conceptually a plan that would fit more of the majority of Texas--elect more conservatives, very frankly. That was basically one of his programs, too. He would have liked his conservatives to have been Republican; my conservatives, I would have like to have been conservative Democrats. That is the only difference we had.

so let's talk about redistricting, We will come back, then, and talk about law and order, But let's get into redistricting. Okay, first of all, as speaker of the Texas House of Representatives and a Democrat, what kind of a redistricting package or bill did you want to see passed? Maybe we need to speak in general terms first,

Clayton: I wanted to see a bill that was basically favorable to incumbents, I think this was one consideration, Redistricting is political, let's face it. I think it should be political; I think it should be done by the Legislature, And that is the type of bill we developed, In the House, to receive 120 votes, you know you have got to have satisfied a lot of people, We tried, as I said, to develop conceptually a bill that would elect conservative Democrats because I think that is what a majority of Texans look for, We also tried to maximize the amount of minorities that could be elected. We felt that that was a necessity and had to be done because of the Voting Rights Act, In doing this--this is ironic--what it does, it knocks out white liberals and replaces them with minorities, This is where the whole fight came between the liberal Democrats and the conservative Democrats, Republicans jumped on board because they saw the advantage of supporting minorities, too, because it knocked out liberal Democrats.

Marcello: Are you saying, in effect, that Governor Clements was more interested in increasing Republican representation, let's say,

in the United States House of Representatives than he was in creating a minority district?

Clayton: No, I'm not saying that. I'm saying that is a result of what happened. I can't read his mind, but the effect of electing more minorities had the effect of also electing more conservatives, be they Republicans or Democrats.

Marcello: Very early in that session, you used a computer network, did you not, in the redistricting process?

Clayton: Yes, we did,

Marcello: How helpful was that?

Clayton: I would have hated to attempt redistricting without it. Now when we redistricted in 1971, we weren't under the Voting Rights Act. Being under the Voting Rights Act, the mammoth amount of paperwork that is added to the responsibility of trying to meet those criteria is just unbelievable. We had in every precinct, in every district, the breakdown of the Hispanics, the breakdown of blacks, other minorities, the Anglos, the percentage of voters in those districts. All those things had to be considered as we drew the districts. Without that computer capability, it would have been almost impossible,

Marcello: Legislators and congressmen are very, very combative and touchy about redistricting, are they not?

Clayton: Sure, they are very possessive of what they have or, you know, what they call their district, and rightly so.

Marcello: Comment on the parade of members of the Texas congressional

delegation that descended upon Austin.

Clayton: Well, I suppose I met with each and every one of them on numerous occasions during the past year. We had many plans submitted to us. I was in Washington...in fact, during this last session *of the Legislature, I would go up there on business, and, boy how in the world the word spreads so fast, I don't know; but the minute I hit town, there I was, with the red carpet out and they wanting to talk (chuckle). I was up on other business. But we met with the congressional delegation. We wanted their input, and we wanted their ideas because, again, incumbency is important. In fact, the Valley district that we drew for the congressional plan took into consideration just exactly what Representative Kika De La Garza, one of the senior members of the Texas delegation, chairman of the Agriculture Committee of the House, wanted. Still, at the same time, the Voting Rights Act people and the Justice Department says, "No, you are packing the Mexican-American vote."* We were doing it at their request. You're damned if you do and damned if you don't (chuckle).

Marcello: What role does Jim Wright play in congressional redistricting? Let's talk about congressional redistricting now, and we will talk about state redistricting later.

Clayton: Okay, I've met in the majority leader's office on a couple of occasions during the session of the Legislature, and anytime that we were in the vicinity and close to one another, we generally got

together, Very frankly, I told him to draw his plan like he wanted it, and that is what it would be. We did that, but the courts changed it,

Marcello: I assume that he was very, very concerned with redistricting because it was possibly going to determine whether or not he would eventually become speaker of the United States House of Representatives.

Clayton: He was concerned from that standpoint, but the farther we got into redistricting, I think he began to see that there were some things that just had to be. Certainly he took up for Jim Mattox and Martin Frost and their configuration of districts as they were because that was two votes for him. That didn't prevail in the redistricting bill. It did in the courts. Ironically, we just got that bill back from the Supreme Court telling our panel of judges here in town, federal judges, that they have got two or three options: that they can either go back to the Senate bill that we passed, or they can leave it like it is for one year and change it next session, or stay the elections and move them back. So we are still in a dilemma on that.

Certainly, Jim Wright had an effect and, I think, rightly so. All things under consideration, whether you like Jim Wright or whether you don't like Jim Wright, he is Texas's only chance to move up in the power structure in Washington, and we definitely need someone there.

Marcello: Texas's influence in the Congress had diminished during the



past years, had it not, with the retirement of Mahon, Teague, and Poage,

Clayton: Yes, we have lost so many of our old hands.

Marcello: Could you detect from conversations with Wright, and from what you heard and so on, if he had to sacrifice Mattox or Frost, which one would he have rather had or sacrificed?

Clayton: I don't know that he ever expressed that, frankly. He was concerned about both of them. He may have, but if he did, I never detected it.

Marcello: There are some things concerning the whole redistricting process that I don't quite understand. What role does the governor play in redistricting? Basically, the Legislature had to do it, obviously.

Clayton: The only role that the governor plays is that he has the opportunity to veto a bill.

Marcello: He can veto both legislative and congressional redistricting?

Clayton: Yes, and he did the Senate bill, if you will remember. But what happens if we are out of session and don't have time to act after a veto, it just automatically throws it into the hands of the Legislative Redistricting Board--which happened--which happened to be five Democrats. I don't think this gave the governor much satisfaction either, although I continued to fight for the same type of plan that we had in the House.

Marcello: Normally, in redistricting the House redistricting is the House's business, the Senate redistricting is the Senate's business, and they don't interfere in each other's business.

- Clayton: That's true and that was true this session. When it came down to the Legislative Redistricting Board, we all participated in both plans with the exception of the fact that the lieutenant governor drew the Senate plan and I drew the House plan. The other people tried to throw in their amendments and add to and take from.
- Marcello: Do you like to go through redistricting, as a speaker of the House?
- Clayton: It didn't bother me. It is a hard-knocking battle. As long as you have got the majority, it is fun to come out of those kind of battles.
- Marcello: I assume that it does take away a lot from the other business of the House, however.
- Clayton: It does. But, at the same time, you can also use that as a leverage in getting some other business done.
- Marcello: What kind of pressure was being put on you and other members by blacks and other minorities in terms of creating special districts for them?
- Clayton: Well, the minorities were split. You had some of the probably more progressive blacks, like Craig Washington, who sided with some of the white liberals, saying, "Wait, the minorities can have more influence if they are divided in these districts where they can impact whoever the legislators are or congressmen are." Then you had the other blacks on the other hand who said, "No, we want to compact the blacks and Hispanics to the point where we realize and know we can elect one of our own." So we really had kind of a division between the minorities.

Marcello: What kind of a relationship did you have, or what were your feelings about, Jim Mattox when he was a member of the Texas Legislature?

Clayton: I like Jim personally, Philosophically, we were always different and on the opposite teams,

Marcello: Is there anything else relative to redistricting that you think that we need to talk about and get as part of the record?

Clayton: Nothing, other than the fact that it is, and always will be, I guess, a hard issue to resolve, and it is always the most important of all issues when it comes up in a legislative session, simply because of the fact it is one of the undergirding things felt throughout the entire session regardless of what you are taking up at the time.

Marcello: Of course, it is going to shape things for ten years.

Clayton: It is going to shape the destiny of the state. There is no question about it.

Marcello: Let's talk about the law and order legislation that came before the Legislature during this past session. It was very important to the governor, was it not?

Clayton: It was a package that he had recommended, one that he was keenly interested in, and probably he put as much effort on lobbying that package as any other group of bills.

Marcello: What was your reaction to that package of law and order legislation?

Clayton: I had no qualms about them. In fact, three or four sessions

ago, I had sponsored a package of law and order bills myself, and certainly. I think something has got to be done, I don't know what the answer is, but apparently we haven't hit the right thing yet. The crime rate is continuing to rise in the state, and it is quite a concern. If you go to counting the loss of life and the loss of property due to crime and the criminal element of the state, it is just unbelievable. Somewhere we have got to get a handle on it. I wish we had the answer.

Marcello: What role did Ross Perot play in the passage of this legislation?

Clayton: I think he had about three or four people that he kept down here all session--lobbying and following the legislation. Actually, there were kind of two packages. There was one package of bills that his group had submitted--the war on drugs--and then there was a package of bills that the governor had submitted. They kind of got intertwined as it went along, but there still was some distinction between the two. He played a pretty heavy role, and I expect that as an individual citizen, he probably spent more money on that issue than any other private individual ever has.

Marcello: Evidently, he did do some rather sharp and impressive lobbying on the passage of that package.

Clayton: He did. They had some very good personnel down here--very alert, attentive, and very brilliant people.

Marcello: Very pretty too, weren't they (chuckle)?

Clayton: They had two or three women workers down here and a couple of

guys, I believe. The ladies were very pretty and very alert to what was going on, and, frankly, I think they just did an outstanding job,

Marcello: Would you comment on one of the proposals which called for the admission of oral confessions as evidence?

Clayton: I have always been for oral confessions, I think that they are good, that we should use them in Texas. They have got to have some protection along with them. I think they need to be recorded, and I think they need to be recorded in the presence of a witness. Under those circumstances then, I certainly believe in the admission of oral confessions,

Marcello: Would you comment on your reaction to the wiretapping bill, as it was conceived to be used in what I would call hard drug cases?

Clayton: If it is not used to abuse and is used to control and get into the drug rings, then I'm for it. I have had a little experience with wiretapping in the Brillab situation, and very frankly, if it had not been for the taped conversation in my office, I may not be sitting here today because it was those tapes that I depended on to prove my innocence,

Marcello: Can you expand on that a little bit? I hadn't planned to talk about that, but you brought it up, so...

Clayton: Well, the whole trial was built around tapes of a stranger who had come in with a friend and was introduced to me and was seeking the state contract for health insurance with

the assertion that he could save the state a million dollars. Well, certainly, that got my attention because I am a fiscal conservative. Anytime I can save the state money, I'm going to try to do it. The conversation in two different meetings went from that subject to everything you can think of and eventually to them getting around and wanting to give me a contribution after we had concluded our business. And this is what the tape proved. So frankly, the tape was very beneficial to me.

Marcello: These guys were the ones that were wired,

Clayton: Yes,

Marcello: Wiretapping, I gather, was a pretty touchy issue in the Legislature.

Clayton: It always has been. You have got so many criminal defense lawyers in the Legislature that it always is a rough issue.

Marcello: For the most part, those people were opposed to the wiretapping part of that law and order legislation?

Clayton: Right.

Marcello: Let's more or less conclude this interview by reminiscing or getting a little philosophic. You have had four terms as speaker of the House. In years to come, what do you think you would most like to be remembered for as speaker of the House.

Clayton: I think, basically, what I am acclaimed for now, really, is fairness, openness, reform of the legislative process, being able to work with everybody regardless of their philosophy or

any other characteristic. I think that is one of the things I would like to be remembered for,

Marcello: As you look back upon your tenure as speaker of the House, is there anything that you would possibly do differently?

Clayton: Well, hindsight is always better than foresight (chuckle),

Marcello: Well, the reason I ask that questions is maybe I'll need to pass this on to "Gib" Lewis. Maybe he can get some advice from it (laughter),

Clayton: (Chuckle) Well, I'm sure there are things you would do differently, but I guess, as a whole, there is not a great deal I would do differently. You are wiser as you go out than you were when you came in, so you could make those assessments now. But if you were just entering the office again, I think the nature of a person would have him do the same things.

Marcello: What role have you played in Representative Lewis's quest for the House speakership?

Clayton: Well, I hope I have helped him a great deal. He has conferred with me from the very beginning. He asked me when he should get involved in the race. This was back even before Brillab. I have tried to tutor him in every respect as to the office, soliciting votes for the job. Very frankly, he is my candidate. I love him. I think he is a great guy. I think he will do a good job,

Marcello: Where do you go from here?

Clayton: Back to the farm--at least for a couple or three years,

After that, I don't know.

Marcello: Why was it that you decided not to continue to campaign for land commissioner?

Clayton: Very frankly, I never could get my heart into it. We thought we wanted to stay in the limelight a little bit so that four years hence we could run for governor or lieutenant governor. The land office was the only office that was really open without an incumbent in it. I frankly would have loved to have run for lieutenant governor, but I had committed to Lieutenant Governor Hobby several years ago that I wouldn't run against him. I worked with him; I liked him. I wouldn't run against Governor Clements. I like him. So that didn't leave much but the land office, and, really, that is not a lateral move. That was a move down from here. Although we had a campaign office open for a month-and-a-half, the only time I had ever set foot in that office was the Sunday evening before my Monday press conference--to write that statement.

I just couldn't get my heart into it, and I just don't believe it would have been right for the people of Texas. I think I could have won the office, but it wouldn't have been right for the people of Texas for me to serve there if I didn't really believe in it. So, consequently, I made the decision to step out and to step back and just to look for a year or two and make a determination then at that time whether to come back and run for lieutenant governor or governor.



- Marcello: What kind of political involvement do you see yourself having in the meantime?
- Clayton: Oh, I expect I'll stay plenty busy. I thought maybe things would slow down a little bit, but my speaking engagements seem like they have picked up. I continue to travel the state. I'm involving myself with more local boards and things of this nature. I'm sure that you won't catch me six days a week on the tractor (chuckle).
- Marcello: I would assume that one of the things that you could possibly do, and probably will be doing during this period, is perhaps speaking for or campaigning for the candidates. It's a good way of preparing for your political future.
- Clayton: I have. I have made a tentative offer, through some people in North Carolina, to Governor Hunt, who I would like to see run for the Democratic nomination for President. If so, I would be delighted to take on his campaign for Texas.
- Marcello: During the past several years, has the thought of changing parties ever occurred to you?
- Clayton: I have had a lot of people talk to me about changing parties. I don't guess there is a high-ranking Republican official in this state that hasn't been in this office asking me to make that consideration. My concern then and now and always has been that it is difficult for me to leave the people that brought me. The old saying, "you dance with who brought you," is one that I just can't forget.

Marcello: Well, I think that is probably a good place to end this interview, Speaker Clayton. Again, I want to thank you very much for having taken time to talk with me, and hopefully in three or four or five years hence, we can continue this series of interviews when you are in another office.

Clayton: Well, Ron, I wouldn't be surprised if we could.

Marcello: Okay, I've got that on tape.

Clayton: (Laughter).