

**University of Houston**  
**Oral History of Houston Project**  
*Governor Bill Hobby*

Interviewee: Governor Bill Hobby

Interview Date: Monday, August 8, 2016

Interviewer: Dr. Nancy Beck Young

Location: University of Houston, Houston, Texas

Transcriber: Ellen Schuble, Tranquility Transcriptions

Keywords: Nancy Beck Young – NBY, Governor Bill Hobby – BH, Texas, Politics, Houston, Democrat, Republican, Senator, Austin, Briscoe, Hobby family, government, Edgewood v. Kirby, Capitol, gerrymander, New Deal, 1950s, 1960s, 1970s, Eisenhower, Kennedy, Congress, Sharpstown, OPEC, democratic party, politics, Texas, Houston, Don Adam

**Abstract:**

Nancy Beck Young interviews former Governor Bill Hobby about Texas politics, his race, and his campaign as governor, and the proceeding of the state House and Senate during his career. He begin by speaking on his thoughts regarding the shift in Texas as a democratic state to a Republican state and his thoughts on the future of the state of Texas and its politics.

Other topics include OPEC, the Hispanic voting population, the constitutional convention, the Sharpstown scandal, and Governor Hobby's thoughts on the administration of other Governors and Lieutenant Governors of Texas.

NBY: I am Nancy Beck Young, and this is Monday, August the 8<sup>th</sup>, and I am here with Governor Bill Hobby, who was the Lt. Governor of Texas from 1973 until 1991. Elected in 1972 and ran for the last time in 1986. Right?

BH: That'd be '98. <possible error, 1988, 0:00:43>

NBY: '98. Okay. Bad math on my part there. Never get a historian to do math. Governor Hobby, I want start out by asking you some real big picture questions about the changes in Texas politics. When you first ran, Texas was still, for the most part, a one party Democratic state. There were no Republican statewide office holders, just a few Republicans in local offices, and in the Senate, and in the Congress, and in the House. Can you talk to me about the shift in Texas politics from the state being one party Democratic to becoming now...

BH: It's one party Republican.

NBY: One party Republican. Yeah, I just had to get the words out.

BH: Right. Well, the biggest reason, of course, is racial. When LBJ signed the Voting Rights Act, he famously remarked to his staff member Bill Moyers. He said, "Moyers, I am signing away the South to the Republicans for a generation." Well, I only wish he had been right. It's two generations and counting. It's primarily racial. I suppose that there are other reasons as well, but race is certainly the most important.

NBY: Do you think the changing nature of the state's economy has played a role or not played a role in this? Because that's another big shift, I think, looking from the late 60's/early 70's to now.

BH: Well, the state economy, obviously, is grown a great deal in that time. Back when I was in office in the 70s and 80s, two-thirds of the state revenue came from oil and gas severance taxes, and I don't know what that figure is now, but I am sure it is somewhat less than that, because other sources of revenue have picked up.

NBY: Do you think Texas will remain a one party state or not? Do you see signs of a realignment in the future?

BH: Not really, but I would like to comment on that for a minute. The fastest growing part of the Texas population is, of course, the Hispanic portion of the population. Hispanics tend to vote Democratic, so doesn't that mean that Texas will turn purple at least, if not blue? And the answer is I don't know, but if so, it's a long time away, and that's for this reason. And I've done many an arithmetic on this. Census data is reported by county. Statewide election returns are reported by county, so the county is your unit of analysis. Hispanics, even if they're citizens, don't vote very much for the following reasons: people are more likely to vote the higher their income, the older they are, and the more education they have. Well, Hispanics are the youngest part of the population. They're in the lower income part of the population, and they're less educated. For those reasons, which apply not only to Hispanics, but to everybody, at the present time at least, they don't vote very much. Let me put that... they don't vote as much as people who have higher incomes and more education.

NBY: Sure. How important do you think the migration of non-native-born Texans from the Northeast and the Midwest into Texas...

BH: That's very important. Let's talk particularly about California. There's been, as we all know, a big migration from California to Texas, and there are surveys that show that the folks who moved here from California are Republicans, and they vote. The state is getting redder and not bluer.

NBY: Because of who's moving here.

BH: Yeah, exactly.

NBY: And really, that traces back to the middle of the 20<sup>th</sup> century, right? With World War II and the immediate aftermath of economic industrialization in this state.

BH: Right.

NBY: Okay. You, throughout your career, talked a lot and worked a lot to change the manner in which the state legislature worked. You were an advocate for revising the state's constitution in the early 1970s and moving away from a part time legislature to a full time legislature.

BH: Wait a minute. Where do you get that?

NBY: Okay, maybe, well then let me stop and let you start then with the efforts to revise the constitution.

BH: At the same election at which I was first elected, in 1972, the voters ratified a constitutional amendment that the legislature had adopted calling for a constitutional convention.

And that constitutional convention took place, and it consisted of the legislature, the House and the Senate, meeting effectively in joint session. That convention failed by one vote to produce a new constitution, so the next regular session of the legislature (That was my first session.) in effect sat as a constitutional convention, adopted a constitution which was not very different from the one the constitutional convention almost passed. That proposed new constitution was defeated at the polls. Of course, the voters had to ratify it. That was defeated largely because Governor Dolph Briscoe opposed it. I was indeed an advocate of constitutional revision. I am not really so sure why now.

NBY: Do you remember why Governor Briscoe was opposed?

BH: No.

NBY: Okay. What were the most important changes that the new constitution saw but obviously were not implemented?

BH: You know, I can't remember.

NBY: Okay. Fair enough. Let's back up just a bit. What made you first decide to run for office?

BH: Well, I was born into a political family. In 1931, I published a book called *The Hobby Family in Texas History*, which consists largely of the composite... All over the Capitol, there are composite pictures of the House and Senate for each session going back to the days of the Republic. 35 members of my family have their pictures hanging in the Capitol in those composites, so we go back into Texas politics for a long time. Why run in 1972? Two reasons. One, Ben Barnes was Lt. Governor. Ben was running for Governor. <inaudible, 0:12:40> was

not running for re-election. In all other elections, except for those in '72, only half the Senate is on the ballot. There are 31 Senators, as you know, and in all other elections, only half the 16 or 15 are on the ballot. Censuses occur in years ending in "0". Redistricting occurs in years ending in "1". So all 31 Senators are on the ballot. Nobody has a free ride. In other words, nobody is in midterm. So I thought that would cut down on the number of Senators running. I was wrong. Only 10% of the Senate ran against me, but anyway, that is why I ran in '72. Let's see, what was the other part of the question?

NBY: Why did you decide to get into state politics?

BH: I was always going to do that.

NBY: Okay. It was just a question of when?

BH: Exactly.

NBY: Okay. Well, 1972 was a momentous election both in the state and in the nation. As well as your election that year, Dolph Briscoe was elected governor for the first time, and Richard Nixon was re-elected to the presidency. Can you talk a little bit about Governor Briscoe's election? And then I'll come back and ask about Nixon.

BH: Dolph Briscoe was a very, very fine man. One of the finest people I've ever known. It was an honor to serve with him. Okay. On the national scene, the Democratic, the presidential nominee, was a very unpopular candidate.

NBY: George McGovern.

BH: McGovern, exactly. In fact, I remember when McGovern came to Texas twice during that campaign. And on one occasion, he was in the Capitol while the legislature was in session.

There's a picture of him on the House floor, and he is trying to work the floor and shaking hands.

All you can see in the picture is the backs of legislatures running away. No one wanted to be in the picture with him. I remember one time he came to Houston, just made an airport stop, so I

was getting emails and telephone calls from Democratic party officials urging me to be at the airport, which I was not responding to...those emails and phone calls. Mark White was running

for Attorney General, and so we ran into each other, matter of fact, on a Sunday afternoon at an Oilers football game. Of course, he was getting the same calls, because he was the nominee for

Attorney General. He said, "Well, you know, I guess, we really ought to go." I said, "I tell you what, Mark. (Steve Oaks was my first campaign manager, first senior staff.) Stop by my house,

and Steve Oaks will take us by the airport." I wanted to be sure, if I went, Mark went with me.

We got out to the airport, and there was, in front of the terminal there, in front of the parking lot, there was a semi-trailer with some chairs and loud speakers and so forth. There was nobody up

on the truck, on the trailer. Neither Mark, nor I, attended.

NBY: Why was McGovern so unpopular in Texas?

BH: I don't really know. He was extreme, and it was as much personality as politics. I can't be more specific than that.

NBY: Okay. Fair enough. The year before you ran for office, Texas was embroiled in a scandal of immense proportions. The Sharpstown scandal.

BH: Absolutely.

NBY: Can you talk about Sharpstown and its legacy for governing once you came into office?

BH: Yes. There was the Sharpstown scandal, and there was a related scandal in Dallas, involving an insurance company. The two scandals were related, and as you said, they had a huge effect on state politics. And here is what I mean by huge effect. All the statewide officials seeking reelection were defeated. The majority of the legislature, the majority of both houses were freshmen. All defeated by basically having been in the wrong place at the wrong time. Yes, the Sharpstown scandal had an enormous effect on state politics.

NBY: Okay. I'm going to move on to a different policy area. One that has bedeviled state lawmakers for decades, and that is water. Can you talk the efforts to address to water?

BH: Sure. Well, water legislation, particularly when you are talking about moving water from one river basin to another, wow. To say that is controversial is to put it mildly. You think oil is important to Texas? Which it is, water is lots more important. If it involves moving water from one river basin to another, and that there is seven river basins in the state. That is rivers that rise within the state and flow into the Gulf. In other words, rivers that exist entirely within the state. Water legislation, the interest there, they split upland Texas from coastal Texas, West Texas from East Texas. East Texas is low and wet. West Texas is high and dry. Very, very contentious legislature.

NBY: Is there any hope of bringing East Texas' interests with West Texas' interests and devising a solution to the state's water problems?

BH: No. Both wet and dry Texas, free will adapted to the situation, because they have to. There is no magic solution.

NBY: There is no magic solution, okay. There never is. A different topic area. The infrastructure of medical education has grown tremendously since the post-war period, but since the 1970s. Can you talk about the importance of the expansion of medical education and medical research for the state's population, the state's economy?

BH: Well, I used to know the figures better than I do now. And of course, since I was there in the 70s and 80s, I am sure quite a few medical schools have been added in the state. I do remember a statistic from that time that doctors were more likely to marry and stay in the state, not where they went to medical school, but where they did their internship. So anyway, that is an interesting factor in the problem. I am out of date now. I don't know whether the state is now under – it used to be undersupplied with doctors, and of course, there is a racial problem within the state. Doctors, of course, want to practice in cities where there are hospitals and clinics and so forth. The state used to have a program, may still does, I don't know, where they would subsidize doctors to live in rural, underserved areas. As I recall, it didn't work very well, because they still wanted to be near hospitals and medical facilities.

NBY: I don't recall if the program still exists, but I do recall that you are correct. It didn't work well. I remember reading that doctors would stay the contracted amount of time and then move onto Dallas or Houston, maybe Austin, maybe Fort Worth, but they weren't inclined to stay in any of the rural parts of the state.

BH: Still not many doctors in Marfa.

NBY: Right, right, no. I haven't been to Marfa in a while, but I would not feel uncomfortable betting that there has been an influx of doctors in Marfa.

BH: As a matter of fact, McDonald's Observatory, out in West Texas, near Marfa and Alba, mountainous, beautiful part of the state, and people like to retire there, because it is so beautiful. There's a pattern that people retire from Houston or San Antonio or Dallas, they retire and move out to this beautiful part of Texas until they have their first healthcare crisis. Then they move back to the city.

NBY: Yep. That makes sense. That makes all good sense. You have been quoted as saying that government is about money, money, money.

BH: That's exactly right.

NBY: Can you talk a little bit about that?

BH: Sure. I spent 18 years as Lt. Gov., which means 18 years in a Senate chair, 18 years as Chair of the Legislative Budget Board, which in those days wrote the first draft of Appropriations Act. Each session, of course, hundreds, thousands of bills were introduced. Hundreds are passed, and the only one that really counts is the General Appropriations Bill. All the rest is poetry, so that was really my primary interest at that time. Particularly, education, both public education, that is pre-college, and higher education were and are to a great extent still underfunded, which has always puzzled me, because practically every member of the legislature went to public schools and public colleges and universities. You would think that public education, of all the governmental services, it ought to have the biggest constituency in the legislature, and it doesn't. The budget is usually balanced on the back of education. I tried during my time in the Capitol to help and improve public education.

NBY: And I think the record will reflect that you did do good work in that regard. I want to talk a fair amount of education in this. One ongoing issue during your time in state politics was the funding imbalance between so-called property rich districts and property poor districts, and that all was encapsulated in the Edgewood v. Kirby case that put that state in the oversight of the Fifth Circuit, the federal court. Can you talk about that conflict?

BH: Sure. Most of the time I was in the Capitol, in the 70s and certainly into the mid-80s, school finance was the big hot topic. Every year there were all kinds, I cannot even remember all the different lawsuits now. I tell you a big step in solving that problem Mark White gets the credit for. He got Ross Perot to lend his name to the Perot Commission, which was the inter-study group that led to some very real improvements in education. Specifically, teachers got the biggest pay raise in history, and obviously, they liked that, but there were some other provisions in that bill. Specifically, no pass, no play. If you didn't pass your courses, you can't play football. Teacher testing – teachers make their living giving tests. God forbid that anybody should test teachers. Well, these school teachers, who had just gotten their biggest pay raise in history, they didn't like teacher testing. Well, I took the test that was proposed for teachers, and it was about a junior high school level civics test. Teachers are supposed to be college graduates, right? Well, the teachers were so unhappy about teacher testing that they defeated Mark White, who had gotten the big pay raise for them, and elected Bill Clements, the most anti-education governor up until Rick Perry. Now these are people who are supposed to teach our kids how to think, right? So much for teachers' unions. Bill Ratliff, when he was first chair of Senate Finance and then Lt. Gov., came up with the closest thing to a real solution. It became known as the Robin Hood concept. The way school finance basically worked – school finance, of course, the

costs are shared between the state and the school district. The way it used to work was that the higher the rate of the local tax assessment, in other words, if the school district taxed property at 70%, they got more state aid than a school district that taxed at 60%. So that meant, property rich school districts taxed less, because they had a larger tax base, and so they also got less state aid. That was kind of a never-ending circle. Bill Ratliff came up with Robin Hood plan, which I thought made a lot of sense. As we all know, God knows how many lawsuits there are going on now. Fact is that education just doesn't have much support in the legislature.

NBY: Yes. Okay, I am going to go back to the early 1970s and change gears a bit. Two things happened very close in '72, '73 in the federal level that perhaps had an impact on state politics, certainly on Houston. That is the passage by Congress of the Equal Rights Amendment, sending it to the states for ratification. Texas was one of the very first states to vote to ratify the ERA before it became a controversial thing, and then in 1973, the Supreme Court decision in the case of Roe v. Wade. If you can talk about those two issues as they intertwined and had their effect on state politics and national politics. Then I'll get the Houston piece with the Equal Rights issue as a follow-up.

BH: Well, Roe V. Wade was, as you say, was the lead case on this. That case, that lawsuit was won by a lawyer named Sarah Weddington from Austin. She was in the legislature for some time. That was, of course, a landmark decision on, I guess it was, abortion rights basically, right?

NBY: Yes, sir.

BH: So what was the next question?

NBY: And the Equal Rights Amendment. Essentially, I am trying to get at how the issues of abortion and the effort to ratify the Equal Rights Amendment made Women's issues...

BH: Well, and the Equal Rights Amendment was again was equal rights for women. So the question, how did those two thing....?

NBY: ...effect the dynamics of partisan politics?

BH: Well, Democrats were for women's rights, and Republicans were against it. It was about that simple.

NBY: Do you have any memory of the 1977 International Women's Year National Conference, which was in Houston in 1977?

BH: No, I don't.

NBY: Okay. Then that will cross that off. Let me ask you about a completely different subject. During Governor Briscoe's administration, the death penalty was reinstated. Can you talk about that?

BH: Was reinstated?

NBY: Reinstated, yes. The Supreme Court had found the death penalty to be cruel and unusual and deemed unconstitutional until states could figure out a better, safer way to execute those individuals sent to death row. It was reinstated during Briscoe's tenure. Senator Adams actually carried the legislation that saw that.

BH: I am sorry. I don't remember the issue.

NBY: The death penalty, but I'll....

BH: I am sorry. I just don't recall.

NBY: Okay. That's perfectly fair, perfectly fine. Can you talk some about the issue of indigent healthcare?

BH: Okay. My mother, who was President Eisenhower's Secretary of Health and Welfare, that is an issue that she was very much involved in, but do I remember it as an issue in state politics? I am sure it was, but I just don't remember.

NBY: Okay. Let me go to something else. The oil crises of the 70s and the 1980s. We start the decade of the 1970s with the railroad commission opening up 100% capacity production. Byron Tunnell said, "We feel this to be a historic occasion. Damned historic and a sad one. Texas oil fields have been reliable old warrior that could rise to the task when needed. That old warrior can't rise anymore." And then we follow that...

BH: This was in response to OPEC.

NBY: Well, '71 is before OPEC, because the embargo is '74, and we just see the series of events that are pointing out that the economy of oil is not going to be the same in Texas, that we are running out and oil prices rise significantly and all that goes with that.

BH: Including increased state revenue.

NBY: Including, yes, which was not a bad thing. I happen to be of the small percentage of Texans who isn't all that happy when I go to fill up my car, and it is under \$2.00 a gallon,

because I know what that means for state revenue. But yeah, if you can talk about the oil crisis of the 70s and what it meant for state politics.

BH: I'm sorry. The embargo is what did you say?

NBY: Well, the embargo. I guess I am lumping the embargo with the move to a hundred percent capacity production, just the shift in oil in the 1970s, but if you want to focus on the embargo, that's fine.

BH: At one time, I may have mentioned this before. At one time, oil and gas severance taxes amounted to about a third of state revenue, so obviously, very important. And you're right, the railroad commission did used to set allowables. They set them for each field, or was it an overall statewide?

NBY: I believe they set them for each field.

BH: I think they did, too. Well, I mean, I don't know what else there is to say about it.

NBY: Okay. Then I'll move on. Let's talk about 1978 and the gubernatorial election that year. That was a very historic contest, the first Republican elected governor since Reconstruction, Bill Clements, his first term following. Can you talk about that contest?

BH: Well, let's start out by saying I didn't like Bill Clements that much. Let's just say I didn't like him very much, and of course, in that election, Mark White had beaten him for governor. Then he came back and he beat Mark White. I guess Clements served two non-consecutive terms. Let's just say that Clements did not have the same vision for the state that I did. That is about the lightest way I can think of.

NBY: How would you describe his vision for the state?

BH: He hadn't one. He was against education basically.

NBY: And took a meat cleaver to the state budget in 1979, cutting \$252 million.

BH: I'd forgotten the numbers.

NBY: What was his relationship like with the legislature?

BH: Basically, poor, but as you said, he is for cutting taxes. Well, that's always popular until people figure out what services they are losing as well.

NBY: 1979 was a year of much drama on and off the floor of the state Senate with the Killer Bees episode. Can you talk about the Killer Bees?

BH: Yes, that was a very unfortunate episode, and it was my fault. I say that because under Senate rules, it then took 2/3 vote to bring a bill up. It is now to 3/5. In other words, it is lowered from 21 to 19, so it is now a 3/5 rule. Either way, preferably with 2/3, it is a pretty good rule.

Technically, okay, here is the motion. The Senate calendar is a list of bills that have reported out of committee in the order in which they were reported out. That is Senate calendar. Well, by the second week of the 140 week session, that calendar is two legal pages long. At the end of the session, seven or eight pages, and these are seven or eight pages printed on both sides. The motion is to spend on this or rules or take up and consider Bill 123. That then required 2/3 and now 3/5. That's a good system. It's worked well for a long time. Let's go back to your question now.

NBY: The Killer Bees episode.

BH: Oh yeah. Right. Okay. The only foolish thing I ever did in my whole life. There was a bill on the calendar which would move the date of the Presidential primary much earlier in the process. The theory being to give Texas more clout in Presidential selection. And I was for that bill, but there was no way it was going to get 2/3, so I tried to manipulate the calendar in order to get that bill at the top of the calendar where you don't have to spend rules. I could just lay it out. It was a dumb thing to do. Of course, everybody soon figured out what I was trying to do. The Killer Bees flew away, breaking a quorum, in the Texas Senate.

NBY: Babe Schwartz was one of the Killer Bees, right?

BH: Babe was, yes.

NBY: Let's see. Who else was in that group? Was Oscar Mauzy in that group?

BH: Oh yeah, Mauzy certainly was.

NBY: What was their opposition to the early Presidential primary?

BH: You know, I never really figured that out.

NBY: Okay. They flew the coop, so what did it take to get them back and get the legislature back to work?

BH: Well, Babe Schwartz, who you mentioned, Babe was...they were hid out in an apartment in Austin there. Babe, he was the designated liaison. He would call in every morning. I'd say, "Babe, come on. Come on back in. Let's get back to work. No retaliation. Let's get back to work." Eventually, they did. The Killer Bees – there were eleven, because that's enough to break

quorum of the Senate. The Worker Bees stayed in, and the Killer Bees were not popular. Then they eventually came back in.

NBY: Because they had to for their own.

BH: Yeah.

NBY: Yeah. The state is upset, because nothing is being done.

BH: Right. Exactly. Of course, in the US Congress now, nothing is being done. They still have a quorum, but nothing gets done.

NBY: But that's a whole other story.

BH: Exactly.

NBY: And we'll stop. If we go there, we won't get much more done here. Can you talk about Babe Schwartz more generally? What sort of a legislator was he?

BH: Excellent. Babe was one of the hardest working, smartest members of the Senate. Good personal friend.

NBY: Okay. What were the issues that he most worked with?

BH: Healthcare and education, but I'll tell you one story about Babe. I hadn't thought about this in a long time. Under Senate rules, and House rules are very similar, the Lt. Gov., President of the Senate, appoints a Senate committee chairman and the committees, refers bills to the committees, and so forth, and determines what bills are actually voted on the floor. The Lt. Gov. doesn't lay out the bill. It's dead. At the beginning of every session, Oscar Mauzy. Oscar was

fresh from Dallas, the most liberal member of the Senate. The first order of business is Senate Resolution 1, which is the Senate rules for that session. The bill, as introduced, would be the rules for the last session. Oscar would send up amendments, gutting the Lt. Gov. The committees had to be appointed by seniority, I can't remember all of the them, but Oscar would send up these amendments and speak for them. Babe Schwartz, who was the next most liberal member of the Senate, he'd speak against the amendment and move to table. I think the most votes Oscar ever got was seven or eight. Now, if you don't think I didn't keep the roll calls on the desk up there, you got another thing coming. But anyway, Babe and I were and are good friends, which I don't get to Austin much these days.

NBY: Beyond his efforts to change the Senate rules, what was Senator Mauzy like?

BH: Education. He was Chairman of the Senate Education Committee. That reminds me of another story. It was years later when we talked about the parole commission, where Mark White appointed the parole commission that led to the passage of House Bill 72 which was the biggest pay raise and so forth and so on. Mark called a special session, which resulted in the passage of House Bill 72. Carl Parker was then chairman of Senate Education, from Port Arthur. Another just fine, fine guy. Parker came to me before the session and said, "Governor, I am not going to be here for this special session, because Beverly and I bought non-refundable tickets to Greece, a trip we've been planning for a long time, and so forth. I am just not going to be here for this special session." I said, "Parker, you're the chairman of the Senate Education. It's your job to carry this bill. If you're not here for this session, you don't need to come back at all." Well, he was disappointed of course, so I called. I was on the board of Southwest Airlines for 17-18 years.

I called Herb Kelleher, and Kelleher called TWA, and they let Carl reschedule his ticket, so anyway...

NBY: That's a wonderful, wonderful story. I like that a lot. Two problems solved with a couple of phone calls.

BH: Exactly. Oh, and to add to the irony of that. Carl Parker was always wanting to tax jet fuel whenever the Senate was debating a tax bill, which of course is a House bill. Carl would send up an amendment taxing jet fuel, which Herb didn't like that very much obviously, but Herb, nonetheless, got TWA to let him reschedule his tickets.

NBY: Talk for a minute about how, if you don't mind, the rise of Southwest Airlines has shaped Texas.

BH: Well, it certainly has. Southwest Airlines, as you know, was founded by Herb Kelleher. The name will come to me in a minute. That's a phrase I use more and more these days. The partner was, he operated FBO operation in San Antonio. Anyway, they were both friends of mine, so they came to see me one day and say, "Hey, we've got this wonderful new idea for an airline. It's going to be called Air Southwest." And you remember the, well, there's no reason why you should, but there's a famous drawing. It's on a cocktail napkin where they're planning this airline, and they've drawn the triangle – San Antonio, Houston, Dallas. Of course, that was the first routes on Southwest. I was on that board until they kicked me off. That's kind of an interesting story. When I was elected to the board, the rules were that you had to retire at 72, so when I turned 72, the board changed the rules to make mandatory retirement 75. Now that was just all because of me, of course. They didn't want to lose me, but Kelleher and I are the same

age. Kelleher would have had to go, too, so they amended the rules to say that you have to retire at 75 unless your name is Kelleher. The way they did that was say you have to retire at 75 unless you've been chairman, CEO and so forth. In which case, you never have to retire. They kicked me out when I was 75, and Herb went on several more years after that.

NBY: Okay. Can you talk about redistricting and the controversies that surround it, specifically redistricting in 1981?

BH: That was the only one I was involved in.

NBY: Right.

BH: Well, certainly this discussion, the word gerrymander is going to come up. What is a gerrymander?

NBY: Elbridge Gerry was...

BH: Governor of Rhode Island.

NBY: Right.

BH: Or Massachusetts? Anyway, it was Massachusetts.

NBY: And he complained about the way a district was drawn in the early national period of US History, and a political cartoonist dubbed it a gerrymander, fictitious animal playing off like, I guess, salamander. I don't know if I am right about that.

BH: Yeah. Exactly. The point is, okay, gerrymander, is a verb. Have you ever...it's a unique verb. Have you ever heard anybody say, "I gerrymandered?"

NBY: Uh-uh.

BH: Never have. Hmm. Now I don't gerrymander. I redistrict. I don't know about you guys. You may or may not gerrymander, but certainly they gerrymander. Okay? Point being that a gerrymander is a redistricting that you don't like. That's basically what it is. So now, there are no historians here, are there?

NBY: I am.

BH: You are. Well, okay, the only redistricting I was involved in was in '81. Some folks from San Antonio, from I have a lot of respect, Bartell Zachry and his brother, Stumberg. Their concern was Chick Kazen was a longtime Congressman from Laredo, highly respected. His district was based in Laredo, but it ran up and just got the southern tip of Bexar County. Bartell and Louis Stumberg, their concern was, they say, "Look, we can." In the 1980 census, Laredo had grown a lot, and they said, "We can read the numbers as well as anyone else, and we know that Chick's district is going to have to shrink, but please keep him in some part of Bexar County, because Chick is a senior member of the House Armed Services Committee. San Antonio is a, Bexar County is a big military county. Three <inaudible, 1:08:25> Fort Sam Houston, Brooke Army Hospital, anyway, it's a big part of the San Antonio economy." So I did it. I gerrymandered. What I did was run the district from Laredo, which had grown a lot, just ran it right up I-35, and just got a southern tip of Bexar county. The woman, she was the public affairs officer of the San Antonio Chamber of Commerce, Carla Obriotti. <error, Cathy Obriotti, 1:09:25> She had organized this trip when Stumberg and Zachry came to see me in Austin and had published a map for coming. Cathy Obriotti, she called me, and I knew what she was calling

about, so I had the map in front of me. "You didn't give Chick one of the military bases." And I said, "Well, Cathy, you told me to keep him in Bexar County, which I did, but you didn't tell me I had to give him one of the bases. Tell you what I am going to do." We just had him in the southern tip of Bexar County, but also in the southern tip of Bexar County is Kelly Air Force Base. It's an airport. It's a maintenance base, and it's right there in the southern tip. We will move that over. We will put Kelly Air Force Base in the district, which is 3000 acres, not a lot of people. And I never did anything like that without checking with the congressman, Democrat or Republican, so I called Chick Kazen, "Oh yeah. I'd love to have Kelly Air Force Base." Well, beware of what you ask for, because you might get it. Anyway, that change was made. Chick was re-elected in '82, but he was defeated by an Hispanic Republican in '84. Why would he have been defeated? Texas, of course, is a very popular state for military retirement. Specifically, the area around an Air Force base, like Kelly, military retirees - they got a PX, they got an officers' club, they got a golf course, they got a hospital. It is a popular area for retirees, and military retirees vote about 212% Republican, and so that got Chick beat.

NBY: Okay. Changing topics a bit, can you talk about the prison reform challenges? And I am thinking specifically about the Ruiz case and its impact on state politics.

BH: Prison reform or prison crowding is what we are talking about. Well, that is and certainly was, I am sure to some extent still is, a terrible situation, which had to be remedied. That was forced by the Ruiz case, William Wayne Justice. I can't really say it had a ....it was a controversial issue. I can't really say it was a big factor in state politics. Wasn't anybody for the prisoners, you know?

NBY: No. I guess what I recall and what I've turned up in reading for this was obviously no one was for the prisoners, but the concern about having the state under federal court supervision.

BH: Yeah. Sure. Exactly. Federal Court, meaning William Wayne Justice.

NBY: Exactly.

BH: Yeah, that was a concern.

NBY: Exactly. Can you talk some about William Wayne Justice? What he was like to...

BH: I never met him, but he was fine man. He was friends with the right kind.

NBY: Okay. Fair enough. I am going to in the time we've got left get you to talk about some of the other people involved in Texas politics. That's where the color often comes out in the various personalities who have populated the state. In the second half of the 20<sup>th</sup> century, depending on how you want to count someone as being a Texan or not, there have been three, if you want to count Eisenhower as having been born in Texas, go up to four people born in Texas or with a Texas, or lived in Texas to serve as President of the United States. With Eisenhower's birth, but not having lived here much, Lyndon Johnson and first President Bush and second President Bush, can you talk about the impact of each of them on state politics?

BH: President Eisenhower, of course, was...two of those, Eisenhower and LBJ were among the finest American presidents there have ever been. Now the George W. Bush, Bush 41, or that's George H.W., he wasn't born in Texas. He was born in Massachusetts or Connecticut.

NBY: Connecticut.

BH: His father was Senator was of Connecticut.

NBY: Right. Well, and George W. Bush was born in...

BH: In Midland, I think, wasn't it?

NBY: No, he came here as a baby. He was born after George, 41, when he is finishing up at Yale, I believe.

BH: Okay. Well, as I say, Eisenhower and Johnson were among the finest American presidents. LBJ, of course, he knew how to get it done. World War, blackmail. "Senator, I need your vote on a civil rights bill. You still want that National Park in your state? And how is that girlfriend of yours in Maryland?" But anyway, I admire them greatly.

NBY: What would you care to say about the Bushes' impact on Texas and on national politics?

BH: I think the Bush family has had a very good impact on politics. Like Eisenhower, Bushes, particularly Bush 41, was progressive Republican as Eisenhower was. The first Presidential vote I cast was for Eisenhower. My mother was, she had gotten to know him when he was in the Army in World War II. General Eisenhower was commander of the European theater, and she was a great admirer of his. She was his Texas campaign manager. My first vote, so it would have been, I was born in '32. Was the voting age? I think the voting age was 18 by then, so that would have been 1950, right?

NBY: Well, he ran for the first time in '52 and then re-election in '56.

BH: '52. Mother was his Texas campaign manager, so that was my first Presidential vote.

NBY: Can you talk some about the various men and women that served in the state Senate during your years as Lt. Gov.? I've got a long list of names here. I am probably leaving some out and the like. I'll start with Gonzalo Barrientos.

BH: Let's move on.

NBY: Okay. In general away from people in the Senate or...can you talk about the late 80s and the impact of the Savings and Loan crisis on state economy?

BH: I remember that there was a Savings and Loan crisis, but that's really all I remember about it.

NBY: Okay. Fair enough. I am trying to read through my notes here. During Governor White's administration, utility rate regulation became an important issue for voters as utility rates increased significantly. Can you talk some about that?

BH: Was that when the public utilities commission was established?

NBY: It was. As a result, yes, it was established during his...

BH: Well, of course, I remember that event. Specifically, Saralee Tiede, who was one of my closest friends and helped me write this book, when the public utilities commission was created, Saralee is a part of the public utilities commission, created a consumer advocate, and Saralee was the first consumer advocate on the utilities commission.

NBY: Can you talk about the efforts to improve state services, specifically for mental health and mental retardation?

BH: Well, that was something I always supported very strongly, which I would have anyway for two reasons. Betty Jo Hay, the wife and then widow of Jess Hay, and Helen Farabee, I mean, they were forces of nature, supporting mental health. Yeah, I think we made a lot of progress in that.

NBY: What were the biggest challenges to move forward with mental health and mental retardation?

BH: Spending money.

NBY: In a range of different policy areas, the second half of the 20<sup>th</sup> century, well, really going as far back as the New Deal in the 1930s, but then by the 1960s and 1970s, the federal government becomes involved in more and more policy issues that had previously been more strictly state issues. I can tick through a list – voting and redistricting, education, prisons, welfare policies, the environment, worker safety. What has been the impact on all of that on politics and also policy making?

BH: Well, that is a pretty broad question. Well, it's what the New Deal and the Great Society is all about basically.

NBY: In the time, we are running out of time, let me ask one last question for today. Can you talk about your decision not to run for another term in 1990?

BH: I had been there 18 years. That's long enough.

HHA #01106

Interviewee: Hobby, W.P. (Bill)

Interview: August 8<sup>th</sup>, 2016

28 of 28

NBY: Is there anything about the various topics that we brought up today or related topics that I haven't asked that I should have? I'll put on the list for next week or that you want to talk about now.

BH: No. I think we're about done.

NBY: Okay. Well, then thank you very, very much.

BH: Thank you for putting up with me for an hour and a half.

NBY: This has been great fun. I'll listen to the tape and see if there is anything else regarding state politics that we haven't talked about and should, but next week, we will talk about your family's history primarily.

End of interview.