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Gov. Perry Pays Lobbyist more than \$1 Million in Taxpayer Money ~ Rep. Dunnam Calls for Audit of Several Maloney Contracts and Clients ~

Austin, Texas -- **"The Governor owes the taxpayers of this state an explanation,"** said House Democratic Leader Jim Dunnam. **"Why has Governor Perry spent over \$1 million of taxpayer money on multiple lobbying contracts with Tom DeLay's former chief of staff, Drew Maloney? Texas taxpayers are tired of corruption and cronyism, and they deserve to know the truth—more than \$1 million dollars are being wasted on a single, Washington, DC lobbyist."**

Since March of 2003, Drew Maloney, former chief of staff for former Congressman Tom DeLay, has received more than \$1 million of Texas taxpayer money through four separate taxpayer-funded lobbying contracts. Each of the four entities is either funded by Governor Perry's Enterprise Fund, or directly controlled by Governor Perry.

"I have asked the State Auditor to look at these four lobby contracts, and the entities for which Drew Maloney is lobbying," said Rep. Dunnam. **"I think these lobby contracts just scrape the surface of fiscal mismanagement and potential corruption."**

Approximately \$420,000 of the more than \$1 million paid to Mr. Maloney since 2003 was funneled through an entity called Advanced Materials Research Center, LLC (AMRC). On March 29, 2004, Governor Perry, through his taxpayer-funded Enterprise Fund, contributed \$40 million to AMRC. A mere two days after AMRC received its \$40 million check from Mr. Perry's Enterprise Fund, Mr. Maloney registered to lobby for AMRC.

"The Governor told Texans he would use the Enterprise Fund to create jobs," said Rep. Dunnam. **"Now, we find out Governor Perry is using his slush fund to make Tom DeLay's former chief of staff into a millionaire. This is outrageous, indefensible, and demands a thorough investigation."**

Mr. Maloney's second taxpayer-funded contract is with a dubious outfit called the Texas Energy Center (TEC). The exact same day (February 1, 2004) Governor Perry signed a contract with TEC worth \$3.6 million, the Energy Center hired lobbyist Drew Maloney and agreed to pay him \$20,000.

"This is like a crime novel written without the mystery. The very day Governor Perry promises the Energy Center \$3.6 million, the Energy Center gives Mr. Maloney another lobby contract, paid for in full by the taxpayers of the state of Texas," said Rep. Dunnam.

Mr. Maloney's third taxpayer-funded lobby contract (worth \$180,000) is with an entity called Gas Technology Institute (GTI). The Texas office for GTI, coincidentally, is actually housed in the Texas Energy Center. In 2005, GTI entered into two contracts with the State of Texas that paid GTI a total of \$1,511,378.38. On March 1, 2005, a mere three months after GTI was selected to receive \$1.5 million in state funds, GTI hired Drew Maloney as a lobbyist.

Mr. Maloney's fourth (and most infamous) taxpayer funded lobby contract, which is currently being audited by the Texas Comptroller of Public Accounts, is with Governor Perry's Office of State Federal Relations (OSFR). Through OSFR, Governor Perry hired Drew Maloney to lobby for the state, despite the fact that 32 Congressmen and women, 2 U.S. Senators, and the President of the United States all call Texas home. From March of 2003, through October of 2005, Texas taxpayers paid Mr. Maloney \$435,000 for his lobbying services. Despite continued criticism, multiple inquiries, and continued calls on the Governor to cancel the contract, Governor Perry continues to defend this indefensible expenditure of taxpayer dollars.

"Governor Perry should promise the people of Texas that he will quit wasting literally millions of taxpayer dollars on his lobbyist pal Drew Maloney, especially considering that Mr. Maloney is Tom DeLay's former chief of staff," said Rep. Dunnam.

"Because these four lobby contracts create more questions than answers, I have asked the State Auditor to begin a comprehensive audit of all of Mr. Maloney's lobby contracts with Texas state agencies and state-funded entities," said Rep. Dunnam. **"If Mr. Maloney has more taxpayer funded lobby contracts, we need to identify them. If a conflict of interest exists due to his lobbying for multiple state-funded entities, then those conflicts need to be identified and reconciled."**

"In addition," said Rep. Dunnam, **"I think the State Auditor needs to look at how Enterprise Fund money is being spent, and whether paying millions of taxpayer dollars to a single, Washington, DC lobbyist is the type of job creation Texans have been repeatedly promised by this Governor."**