The Honorable Greg Bonnen Texas Capitol Room E2.504 P.O. Box 2910 Austin, TX 78768

Dear Chairman Bonnen,

As the House Appropriations Committee considers important budget decisions for the state of Texas and its taxpayers, we write today to express serious concerns with a budget request by the Texas Attorney General's office for \$43 million to compensate outside lawyers based in Chicago, Washington, DC and Houston to handle the antitrust lawsuit against Google. We urge your committee to decline funding for this unwarranted and expensive legal pursuit.

As stewards of hard-earned Texas taxpayer dollars, we applaud you and your colleagues for diligently reviewing and always being mindful of spending these limited resources. This has been a particularly tough year economically for many Texas families across the state. The precious dollars that are being requested by the Attorney General's office would be dedicated towards a lawsuit that could drag on for many years. As you also know, in responding to the economic downturn caused by the pandemic, state leadership in Texas previously ordered a budget reduction for all agencies, state boards, appellate court justices and judges, and institutions of higher education – a step that demonstrated a commitment to protecting taxpayers.

Given the U.S. Department of Justice's parallel lawsuit against Google, along with actions from other states, the Attorney General's request to fund this lawsuit is not only duplicative, but also runs counter to the fiscal directives of state leadership. Further, it has been reported that some former officials to the Texas Attorney General believe this case could be handled by the lawyers the Attorney General's office currently employs instead of outside lawyers.

To be clear, both our organizations believe that a light-touch approach to antitrust is the best outcome for both consumers and taxpayers. Furthermore, in <u>polling</u> conducted in Texas by NTU last year, antitrust enforcement and "big tech" investigations ranked at or near the bottom of the priority list of issues that Texans wanted to see their Attorney General tackle. Texans, and indeed all Americans, would be better served by allowing free markets to guide competition policy and enforcement.

While the Attorney General may believe this lawsuit against Google will be an easy victory, we all know that it is not the case. There should be no doubt that if this funding request is granted, the taxpayers of Texas will be on the hook for future multi-million-dollar payments for this lawsuit in the years to come. The \$43 million request will only be the first small down payment for the outside lawyers overseeing this case.

Thank you for your consideration this important budget decision that will have ramifications now and in the future. The taxpayers of Texas are counting on you to make the right decision in not funding this lawsuit.

Sincerely,





National Taxpayers Union Lone Star Policy Institute