

## **BILL ANALYSIS**

C.S.H.B. 3553  
By: Bonnen  
Elections  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The current practice of political consultants also working as lobbyists has the potential for compromising the democratic process if these individuals seek to influence their legislative clients after election. This potential conflict of interest could erode public confidence if there is a lack of transparency about the political consultant's relationship with such clients.

C.S.H.B. 3553 requires a registered lobbyist to indicate on the lobbyist registration filed with the Texas Ethics Commission the fact, if applicable, that the registrant receives compensation for services provided that is paid for from funds the registrant knows are subject to political campaign regulation and to include in the lobbyist activities report the full name and address of each person from whom the registrant receives compensation for services that the registrant has provided that is paid for from such funds.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 3553 amends the Government Code to require a lobbyist registrant, if the registrant receives compensation for services provided by the registrant that is paid from funds the registrant knows are subject to political fund and campaign regulation, to indicate that fact on the registration filed with the Texas Ethics Commission. The bill requires a registrant to include in the required lobbyist activities report the full name and address of each person from whom the registrant receives compensation for services provided by the registrant that is paid from funds the registrant knows are subject to political fund and campaign regulation. The bill makes its provisions applicable only to a required activities report that is due on or after November 10, 2009.

### **EFFECTIVE DATE**

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 3553 adds a provision not in the original requiring the lobbyist registrant to indicate on the lobbyist registration filed with the Texas Ethics Commission the fact, if applicable, that the registrant receives compensation for services provided by that registrant that is paid from funds the registrant knows are subject to political fund and campaign regulation. The substitute differs from the original by requiring the lobbyist registrant to include in the lobbyist activities report the full name and address of each person from whom the registrant receives compensation for services provided that is paid from regulated funds, whereas the original requires a lobbyist

registrant who provides political consulting services in connection with a political campaign to include in the required activities report, for each candidate, officeholder, political committee, or political party to whom the registrant provided political consulting services, certain detailed information, including the name and address of each person to whom the registrant provided political consulting services or for whom the registrant made an expenditure in connection with providing such services, the amount of compensation received by the registrant for that service, the amount of each expenditure made in connection with such services, and a description of the purpose of each expenditure, grouped according to four specified categories. The substitute removes a provision from the original prohibiting a registrant who reports an expenditure under one of those categories from reporting the same expenditure under another category. The substitute removes provisions from the original defining "political consulting services" and "political committee."