BILL ANALYSIS

Senate Research Center 86R17042 JG-D

S.B. 29 By: Hall State Affairs 3/12/2019 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Governmental entities and organizations currently benefiting from public taxpayer dollars are hiring lobbyists to advocate in the Texas Legislature against bills intended to protect taxpayers. Taxpayers should not have to foot the bill for lobbying that advocates against their interest, such as cities lobbying against bills that could lead to lower taxes. Taxpayers should not have to pay for influencing legislators for a cause they do not support. S.B. 29 would prevent political subdivisions and external service providers from paying lobbying expenses. It would establish that an "external service provider" is an entity that receives public funds in exchange for lobbying services before the legislature. The bill would also prohibit any organization, including private entities, that receive state funds from spending those dollars on lobbying expenses. S.B. 29 would level the playing field between individual citizens and special interests. Citizens are not paid for voicing their opinion or their travel expenses, while lobbyists' expenses and salaries are often paid with citizens' money. It is unethical for a taxpayer to be forced to pay for influencing legislators about a cause they do not support, such as an increase in tax rates. At the 2018 Republican State Convention in San Antonio, ending taxpayer-funded lobbying was identified as a priority legislative issue. In fact, it is Plank 217 in the Party Platform.

As proposed, S.B. 29 amends current law relating to expenditures for lobbying activities made by certain entities.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 556.0055, Government Code, as follows:

Sec. 556.0055. RESTRICTIONS ON LOBBYING EXPENDITURES. (a) Prohibits a political subdivision or external service provider from paying, rather than prohibiting a political subdivision or private entity that receives state funds from using the funds to pay:

- (1) lobbying expenses incurred by the political subdivision or external service provider, rather than lobbying expenses incurred by the recipient of the funds; or
- (2)–(4) makes no changes to these subdivisions.
- (a-1) Prohibits a private entity that receives state funds from using the state funds to pay any expenses described by Subsection (a).
- (b) Provides that a political subdivision or entity that violates Subsection (a) or (a-1), rather than a political subdivision or private entity that violates Subsection (a), is not eligible to receive additional state funds.

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(c) Defines "external service provider" as an entity that receives funds from a political subdivision or public entity for the purpose of representing the political subdivision or public entity before a legislative body.

SECTION 2. Makes application of Section 556.0055, Government Code, as amended by this Act, prospective.

SECTION 3. Effective date: September 1, 2019.

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