



SB 702

Testimony before the Texas House Committee on State Affairs

by James Quintero, Director

Mr. Chairman and Members of the Committee:

My name is James Quintero, and I represent the Texas Public Policy Foundation. Thank you for the opportunity to address the committee today. I am here to testify in support of Senate Bill 702.

The Senate engrossed version of SB 702 advances some important transparency and accountability measures related to taxpayer-funded lobbying, including:

- A requirement that certain state agencies and most local governmental entities hold a vote in an open meeting to approve or reject expenditures meant to influence legislation at the Capitol. The vote must be approved as a stand-alone item on the agenda at the meeting.
- The creation of new lobbying activity reports filed with the Texas Ethics Commission and published on the entity's website.

Sunshine of this nature is important for two reasons.

First, it is difficult to determine exactly how much taxpayer money is being spent on government lobbying government. Attempts to quantify it suggest that it's a rather costly affair though.

Lobbying disclosure forms reveal that 11 percent of lobbying dollars spent in 2017—or as much as \$41 million—was spent by local governments to influence legislation in Austin. These tens of millions of dollars exclude other monies paid to outside associations in the form of annual dues and employee salaries for internal intergovernmental relation teams.

Second, the new requirements will elevate the practice and increase public awareness. That's important because most are not informed about the issue. However, when they learn about it, they tend to feel strongly about it.

In mid-December, the Foundation hired a well-known national polling outfit (WPAi) to survey 800 registered Texas voters, asking them what they thought about the practice of taxpayer-funded lobbying. The results were overwhelming: **91 percent opposed the practice.**

No doubt, the public is repulsed by the issue because they understand that most local government lobbying runs counter to the interests of local taxpayers. For example, take this session's most contentious fight: property tax reform.

Of the 29 people who testified against Senate Bill 2 in the Senate Committee on Property Tax, not one was a regular citizen who was not a lobbyist, an employee of local government, or a local elected official.

SB 702's implementation should also shine a light on the less well-known practice of government employees who are assigned to lobby the Legislature. For example, in recent years, the city of Austin has spent about \$1 million to lobby the Legislature, employing a mix of contract lobbyists and government employees. This sum does not include funds spent on related activities, such as PR and bill analysis. Further, the city of Austin recently took out a seven-year, \$1-million lease on some prime real estate at 919 Congress Avenue to house their intergovernmental relations team—evidently, City Hall on 2nd Avenue isn't close enough to the Capitol.

As individuals, we enjoy the natural right of free speech. You may have heard that the lobbyists for the lobbyists have claimed that this measure and the many others that would restrict government lobbying are an abridgment of free speech rights. Only people have rights—governments don't have rights, they have powers.

Thank you for your time, and I look forward to answering any questions that you may have. ★



James Quintero is the director of the Think Local Liberty project at the Texas Public Policy Foundation. He's been featured in the *New York Times*, *Forbes*, the *Huffington Post*, Fox News, and Breitbart.

Since joining the Foundation in 2008, Quintero has focused his research efforts on state and local government spending, debt, taxes, financial transparency, annexation, and pension reform. Quintero received a bachelor's degree from the University of Texas at Austin and an M.P.A. with an emphasis in public finance from Texas State University.

About Texas Public Policy Foundation

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The public is demanding a different direction for their government, and the Texas Public Policy Foundation is providing the ideas that enable policymakers to chart that new course.

