SUBJECT:	Post election-day cutoff for making political contributions
COMMITTEE:	Elections — favorable, without amendment
VOTE:	6 ayes — Danburg, J. Jones, Averitt, Gallego, Greenberg, Uher
	3 nays — Denny, Hodge, Madden
WITNESSES:	For — None
	Against — Jonathan Snare, Republican Party of Texas
	On — Steve McDonald, Texas Democratic Party
BACKGROUND:	Under current law, political contributions may be made to statewide officeholders, a member of the Legislature, or a specific-purpose committee assisting, supporting, or opposing a statewide officeholder until the 30th day before a regular legislative session begins. Thereafter, contributions are prohibited through the day of final adjournment. A contribution postmarked more than 30 days before a regular session may be accepted. Likewise, a legislative caucus may not accept contributions from nonmembers after the 30th day before the start of a legislative session.
DIGEST:	HB 1893 would begin the cutoff for making political contributions on the day after the general election for state and county officers.
	HB 1893 would take effect September 1, 1999.
SUPPORTERS SAY:	Officeholders owe it to the public to make the political process as above- board as possible. The current time frame for accepting contributions raises fundamental questions of integrity. Allowing contributors to give and officeholders to accept political contributions so close to the start of a legislative session leads to the appearance of impropriety and the suspicion of a direct attempt to influence legislators and state elected officials. Funds contributed to a caucus right before a legislative session can be seen as an indirect attempt to influence the legislators who belong to the caucus.

HB 1893 House Research Organization page 2

The problem of "late train" donations — large post-election contributions is growing with every election cycle. Politicians use these contributions to pay their campaign debts and replenish their war chests. However, these contributions are perceived as playing an unhealthy role in influencing legislators and in shaping public policy. HB 1893 would inhibit special-interest groups from using donations to ingratiate themselves with newly elected officials. Contributors to the losing candidates often engage in an unseemly rush to make amends with the winners, who hold fundraisers between election day and the 30-day-beforesession contribution cutoff. With an election day cutoff, those who wished to hedge their bets still could contribute to both candidates or wait until after the legislation session ended, when their contributions would appear less like buying influence. **OPPONENTS** HB 1893 would hinder an officeholder's ability to raise money to pay SAY: campaign debts such as a large telephone bill that comes due after an election. HB 1893 would shorten by about six weeks the amount of time an officeholder would have to raise money before a legislative session begins. This only would force the officeholder to devote more time to fund-raising after the session. The impression created by collecting large "late train" contributions after a session would be no better than accepting them before. Caucuses are not political action committees and do not promote candidates. However, they do provide information to like-minded members to help them evaluate legislation. This bill would limit the ability of caucuses to raise the money needed to get their message out to the membership. OTHER This bill would favor incumbents because they usually start the election cycle **OPPONENTS** with more funds than challengers and would not be as hampered financially SAY: as challengers would be. It would make it harder for challengers of modest means to get elected. Officeholders in less affluent areas of the state also would be severely disadvantaged in their ability to raise money.

HB 1893 House Research Organization page 3

NOTES: A similar bill, HB 2003 by Greenberg, which would move the cutoff date for making political contributions to the 10th day before the date of the general election, has been referred to a subcommittee of the House Elections Committee.