

- SUBJECT:** Creating select interim committee to review ethics laws
- COMMITTEE:** Elections — committee substitute recommended
- VOTE:** 7 ayes — Morrison, Miles, Johnson, Klick, R. Miller, Simmons, Wu
0 nays
- SENATE VOTE:** On final passage, April 18 — 31-0, on Local and Uncontested Calendar
- WITNESSES:** (*On House companion HB 3621*)
For — Jim Clancy; (*Registered, but did not testify:* Jack Gullahorn, Professional Advocacy Association of Texas; Michael Schneider, Texas Association of Broadcasters)

Against — None

On — Ashley Fischer, Texas Secretary of State; Tom “Smitty” Smith, Public Citizen; (*Registered, but did not testify:* John Jackson, Republican Party of Texas)
- DIGEST:** SB 1773 would create a select interim committee to study and review the statutes and regulations related to ethics, including campaign finance laws, lobby laws, and personal financial disclosure laws. The study would need to consider:
- the purposes of the current laws and whether the laws accomplish those purposes;
 - the effectiveness of the current laws; and
 - what changes, if any, should be made to more effectively accomplish the purposes of the laws.
- The committee would be composed of nine members as follows:
- three senators and one member of the public appointed by the lieutenant governor;
 - three state representatives and one member of the public appointed by the speaker of the House of Representatives; and

- the presiding officer of the Texas Ethics Commission.

The lieutenant governor and the speaker of the House would need to appoint the members of the committee no later than 60 days after the effective date of the act. They would appoint one senator and one representative, respectively, to be co-chairs of the committee.

The committee would convene at the call of the co-chairs. It would have all the powers and duties provided to special or select committees and the Texas Legislative Council and Texas Ethics Commission would provide any staff and resources necessary.

Not later than December 20, 2014, the committee would be required to report its findings and recommendations to the lieutenant governor, speaker of the House, and the governor. The study would include recommendations for specific statutory and rule changes.

The bill would take effect September 1, 2013. The committee would be abolished and the bill would expire December 21, 2014.

**SUPPORTERS
SAY:**

SB 1773 would help update and fix existing problems with Texas's ethics laws. Many ethics laws are out of date and don't have reasonable provisions to address modern technology and modern ethical quandaries. Financial reporting, for example, covers only certain types of income and may not give a clear picture of what financial assets and conflicts certain elected officials may have. The Texas public has voiced dissatisfaction with the current ethics rules and enforcement, and it is clear they need intensive study and revision. This bill would provide that study and allow a committee to provide recommendations that could be implemented by future legislatures.

The committee created by the bill would be the most appropriate vehicle for these reforms. While some may suggest that the Texas Ethics Commission is not performing correctly and these issues could be resolved in the Sunset review of that agency, Sunset review and a Sunset bill are not the correct vehicle for policy choices. TEC is tasked with enforcing the statutes as they stand. Changes in underlying ethical policies and rules enforced by the TEC deserve separate, intensive consideration and should be implemented by a stand-alone bill.

The composition of the committee would provide an appropriate amount

of inclusiveness and expertise. A smaller committee would not provide enough representation and inclusiveness, particularly for an issue as important as our ethics laws. Many members are passionate about ethics laws, and because of this the committee would not suffer a lack of focus due to size. The major stakeholders in ethical issues are legislators and the public, so the makeup of the committee would represent both of these parties.

OPPONENTS
SAY:

The committee created by the bill should be smaller. Large interim committees often result in a lack of focus, and this committee would be no different. The committee should remain small in order to ensure it produces a good, useful study.

The committee should include professional ethicists and people with ethics enforcement or advising experience. These professionals would give the most effective advice and recommendations and would help the committee better understand its mission and its recommendations.

Finally, the committee should include two members of the Texas Ethics Commission. The TEC is traditionally bipartisan, so including two members would preserve the bipartisan nature and reflect the interests of both parties.

NOTES:

The committee substitute differs from the Senate version by providing for appointed co-chairs rather than one presiding officer elected by the members.

The companion bill, HB 3621 by D. Bonnen, was left pending in the House Committee on Elections on April 15.