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LOBBYING RESTRICTIONS

House Bill 4326 as enrolled
Public Act 383 of 1994
Second Analysis (1-5-95)

Sponsor: Rep. Tracey Yokich
House Committee: House Oversight and
Ethics
Senate Committee: Government
Operations

THE APPARENT PROBLEM:

Sometimes legislators who leave office become lobbyists and make use of their knowledge of government and governmental processes, their understanding of public policy, and their familiarity with former colleagues and staff members. Officials in the executive branch occasionally do this as well. In April of 1991, a state senator who had only just been re-elected the previous November for a four-year term resigned to become the head of an insurance company trade association. Some people argue that it would improve the reputation of the legislature and legislative process, as well as guard against corruption and appearances of corruption, if there was a "cooling off" period between legislative service and employment as a lobbyist (or between certain executive branch positions and employment as a lobbyist). Others, however, say that such restrictions on future employment are unfair reductions in economic freedom. However, there appears to be widespread agreement that a legislator should not leave in the midst of a term to lobby his or her colleagues.

THE CONTENT OF THE BILL:

The bill would amend the lobby registration act (MCL 4.416a) to prohibit a member of the Michigan Senate or House of Representatives who resigns from office from making expenditures for or receiving compensation or reimbursement for actual expenses for lobbying for the remainder of the term of office from which the person resigned.

A violation of the bill's provisions would be a misdemeanor, punishable by a fine of not more than \$1,000 or by imprisonment for not more than 90 days, or both.

The bill would take effect January 1, 1995.

FISCAL IMPLICATIONS:

The Senate Fiscal Agency reports that the bill would have no fiscal impact on state or local government. (12-5-95)

ARGUMENTS:

For:

Legislators ought to be held to higher standards than those in other professions if public trust in government is to be maintained. It is not too much to ask that legislators do not resign their offices to take positions that involve lobbying their former colleagues and staff. The state constitution prohibits a person elected to the legislature from receiving any civil appointments within the state from the governor during the term for which he or she is elected. This is understood to prevent legislators from being appointed judges, for example, and in one case may have prevented a legislator from being selected for a college presidency. The same sort of restriction at least ought to exist for lobbying positions. To have one of their colleagues one day discussing a certain issue among them as a representative and then turn around the next day and lobby on the same issue puts legislators in an uncomfortable position.

Response:

This bill once contained far more sweeping restrictions on entering lobbying from public office or state employment. As it stands now, it applies to a very rare circumstance, that of a state legislator leaving in the midst of a term to work as a lobbyist. An earlier version of the bill would have imposed a "cooling-off" period on legislators and many other state officials. It did this through a two-step limitation: six months after leaving office during which no lobbying could take place and an additional six months when a person could not

lobby the branch of government he or she had just left. The larger issue of legislators and other elected and appointed officials becoming lobbyists upon leaving office still needs to be addressed.

Against:

It is not fair to restrict the future employment of legislators in this way. It unfairly reduces a person's economic freedom.