Passing bills or paying the bills? Legislator trade-offs between policymaking and financial gains

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Abstract

Self-enriching politicians abound in democratic societies. Yet scientific inquiry on the topic is limited by a myopic focus on legislators' perceived corruption. I discard these normative concerns and test whether self-enrichment systematically affects legislative processes. I argue that politicians must prioritize either making money or making policy changes, both of which require significant investments of time and resources. Leveraging a novel dataset of financial disclosures and proposed legislation, I demonstrate that an increase in a legislator's annual income of $12,800 is associated with a decline in legislative productivity equivalent to a bill dying in, rather than advancing from, committee. Propensity-score matching validates this finding; lawmakers who are similar to their colleagues save for their money-pursuing priorities exhibit lower legislative productivity. I demonstrate that financial gains influence legislative processes, and argue that scholars should focus on the empirical implications of self-enriching politicians.

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Do self-enriching lawmakers do their jobs less effectively than fellow legislators? In 2015, a study by the Labour Party of the United Kingdom was released, showing that twenty Members of Parliament (MPs) with the highest outside earnings – income earned beyond their pay as an MP – exhibited significant shirking of their obligations to govern (Perraudin, 2015). They "[spoke] in fewer parliamentary debates, [submitted] fewer written questions, and [missed] more votes than other MPs..." (Perraudin, 2015). The evidence showed a cross-partisan pattern that legislators who sought outside wealth also shirked their governing responsibilities. Legislators use their office to make money – but does it change how the legislature operates?

We know little about the impact of self-enriching lawmakers on the political institutions they control, nor how lawmakers prioritize between their personal gain and the public interest. I build on a growing literature that identifies how and why politicians engage in financial gains (Palmer and Schneer, 2016; Fisman et al., 2015; Szakonyi, 2015; Lundqvist, 2013; Eggers and Hainmueller, 2009; Ferraz and Finan, 2009). I demonstrate that financial gains adversely impact the policymaking process, finding that lawmakers whose outside incomes grow each year are less effective than their colleagues.

There is practical importance to exploring the dynamics of financial gains since even ethical, permissible self-enrichment may weaken political institutions. Representative democracy is dependent on lawmakers expressing the public's needs through the legislative process (Rehfeld, 2009; Fox and Shotts, 2009; Besley and Coate, 1997). The electorate decides among candidates, in part, on the basis of competing policy proposals (Benoit and Laver, 2006; Downs, 1957). If lawmakers systematically prioritize their own finances over producing and passing policy, citizens do not observe some policy proposals and cannot make informed choices. Widespread self-enrichment may undermine public support for government (Morris and Klesner, 2010). Lawmakers who fail to perform their tasks as law-makers, and instead choose to make money, undermine the health of representative democracy.

This paper provides three contributions to the literature. First, I articulate a new theory where I argue that legislators' pursuit of financial gains negatively influences the policymaking process. They cannot "have it all," due to constraints on their time that prevent them from being both effective policymakers and adept at making money. Some lawmakers will exert their efforts on making money, while others will spend their time shepherding bills through the legislative process. This theory advances our insight into the behavior of political elites by showing how self-enrichment changes legislative behavior.

Second, I create a novel database of legislators' financial disclosures and three comparable policymaking outputs: legislative effectiveness, bill length, and statute changes. Finding data on legislators' personal finances is extraordinarily difficult, but the state of Florida provides a unique opportunity to examine how sitting legislators make money. Florida requires all sitting legislators to file annual reports on their incomes, and provides detailed data on each lawmaker's annual legislative outputs. I leverage these data to explore how patterns of financial gain affect legislators' ability pass legislation.

Third, I find evidence to support my claims. I find that legislators who pursue income gains are less effective lawmakers. Legislators who do exert effort to increase their income move fewer bills through the legislature than their policy-oriented colleagues. The implications of this research are that the politicians who use public office to enrich themselves subsequently shirk their duties as public officials. I find that income is not associated with the complexity of legislators' proposals – lawmakers who do make money can mask their low productivity by writing lengthy, detailed legislation they know will never become law.

The paper is organized as follows. I outline my theory of the impact of financial gains on the legislative policy process. Next, I describe how I constructed a novel dataset of Florida lawmakers' financial disclosures and policy outputs. I demonstrate the substantive effect of financial gains on the policy process – a mild increase of $12,800 in income is linked to a lawmaker reporting one fewer bill out of committee. I conclude by arguing for the need for more research on financial gains, and a nuanced understanding of the private returns to public office.

1 Financial Gains and Public Policy

The use of public office for private gain is not new to democratic politics (Blake and Martin, 2006; Warren, 2004; Stewart, 1952). Financial gains are one of four purposive, competing goals of lawmakers, alongside re-election (Cox and McCubbins, 2007; Mayhew, 1974), influence or prestige (Fenno, 1973), and making policy (Aldrich, 1995). Everyone wants to make money (Cagetti, 2003; Caballero, 1991); politicians share this all-too-human trait. Making money may come into conflict with these other goals due to the immense time and effort needed to become wealthy.

Academics have identified myriad ways by which politicians self-enrich. Legislators may "moonlight," or seek second sources of income outside the legislature (Geys and Mause, 2013). A legislator may earn "passive" income from existing assets, such as real estate or stock portfolios. She may use her elevated public image as a way to find new sources of income, using public office as a resume-building exercise (Palmer and Schneer, 2016; Eggers and Hainmueller, 2009). Her income may be tied to re-election, which frees her up to pursue private-sector income in her spare time (Fahey, 2018). A legislator may deliberately steer public resources towards industries from which she receives income (Querubin and Snyder Jr, 2009). A legislator may use her power to reduce her tax burdens or secure benefits for her companies, thereby increasing her own income (Szakonyi, 2015). These activities are both time- and resource-intensive.

To become proficient at making money, a legislator would have to abandon many of her other responsibilities. This trade-off is acceptable to some lawmakers, but not all. I argue that significant time and resource investment is required to overcome the agenda control mechanisms of legislatures, designed to slow down the progress of legislation. This constraint prevents lawmakers from pursuing both self-enrichment and passing meaningful policy changes. Effort exertion drives legislators' prioritization of purposive goals, and legislators must determine beforehand how much effort to exert at each goal.

Legislators must choose between policymaking and financial gains. We know that this tradeoff occurs between re-election and policy; some legislators pursue changes to public policy, aware it may cost them re-election (Perriello, 2017). Since legislators are incentivized to prize re-election above all else, such tradeoffs may indicate that legislators prioritize non-electoral goals. If one lawmaker is willing to trade re-election for a change in policy, another is willing to forego policy changes to make money. Legislators cannot prioritize prestige due to the small number of leadership positions and committee chair posts available. Legislators may engage in policymaking opportunities multiple times per year.

Consider Florida Representative Michele Rehwinkel Vasilinda (D-Tallahassee), who for four straight years proposed legislation that would require Florida-based supermarkets to label genetically-modified foods. Each year, her proposed bill would die in committee. At the same time, Ms. Rehwinkel Vasilinda held considerable stock in a Georgia-headquartered firm, Flowers Foods, that produces and advertises organic bakery products. She continued to propose her regulatory bill each year, making few changes. Coincidentally, the value of her stake in Flowers Foods doubled, from $66,000 to $112,000. Rep. Rehwinkel Vasilinda was clearly motivated to regulate genetically-modified foods, and may even wished to change public policy. Yet she invested more effort into doubling her investment.

Florida Representative Marco Rubio (R-Miami) arrived in Tallahassee in 2001 with no savings or assets and an income of only $90,000. By 2005, his net worth surpassed $400,000 and his income exceeded $300,000. Yet his average bill length in 2005 was a paltry 854 words and his only bills to make it to a floor vote were honorary resolutions celebrating the life of a deceased colleague, honoring the life of Pope John Paul II, and commending his university basketball team.

Florida Representative Will Weatherford's (R-Pasco) income grew by $45,000 over two years.[1] In 2013, his only legislative accomplishment was a resolution honoring the chamber's retiring Sergeant-at-Arms. Earlier in his career, Rep. Weatherford wrote a series of lengthy bills on abortion, the retirement system, and taxes that became law, but an income that remained static.

Finally, consider Florida Representative James "Jim" Waldman (D-Coconut Creek), who saw his income double from $201,000 in 2007 to $391,891 in 2011.[2] In those five years, not one of his twenty-four bill proposals became law. Yet his income declined to $365,000 in 2013, and two of his ten substantive bills that year were enacted into law. Legislators who pursue income become less effective policymakers, but they may refocus on policymaking.

1.1 How Financial Gains and Policymaking are Linked

To accomplish anything of consequence, each lawmaker must ration her time and resources. In election years, most efforts go to running for re-election – soliciting donations, appearing at campaign stops, creating ads, or meeting with constituent groups. When planning a policy initiative, she must begin the legwork of an often bruising legislative battle to get their bill

[1]Rep. Weatherford's income grew due to an increase of $70,000 in his consulting firm Red Eagle Group, which offset decreased income from another consulting firm, Diamond K Corporation.

[2]His income was derived largely from working as general counsel to Keiser University.

through the chamber. If she aspires to party leadership or higher office, she must build voter and elite coalitions to secure those posts. She must weigh these goals against her financial needs or wants.

Financial gains are a combination of time- and labor-intensive practices to increase income. For legislators who are employees, work requires a regular exertion of effort – one must show up, engage in labor of some sort, and help the firm produce a profit. If a legislator is also an employer, she must hire, monitor, or fire employees, invest in the company, and administer record-keeping, and tax reporting. Earning new sources of income is a similarly intensive process. Seeking out new jobs is costly, as is spending more time working at existing jobs. Obtaining a raise, or making new business investments, requires effort.

Legislators may pursue different kinds of wealth that require different levels of effort to sustain. Investing in real estate, or obtaining dividends from stock, represent "passive" income, whereas adding new jobs, or obtaining a salary increase from an existing job, represent "active" income. I focus on the latter; individuals who engage in active income must allocate their scarce resources and time more efficiently than individuals who play the stock market.

Policymaking also requires substantial exertion of effort (Hitt, Volden, and Wiseman, 2017; Keefer and Khemani, 2009; Atlas and Hendershott, 1997). Legislators must seek comprehensive feedback on policy proposals by working with interest groups and constituents (West, 1988; Moe, 1985). Drafting legislation requires coordinating teams of lawyers, legislative drafting committees, and other policy experts over a prolonged period of time. Each legislator must then lobby the agents of agenda control in the chamber to ensure the bill will get marked up favorably in committee, have time on the floor, and receive a vote (Cox and McCubbins, 2005; Cox and McCubbins, 2007). Throughout she requires an understanding of the chamber's procedures, rules, and norms.

The pursuit of financial gains consume the time required to meet constituents and learn about policy demands, engage with interest groups, write legislation, read and vote on legislation on the floor, attend committees, and maintain a campaign apparatus for re-election. Even a lawmaker who outsources many of the tasks of legislating to staff or lobbyists must still carefully allocate her scarce time to debating, voting, and lobbying agents of agenda control in the other chamber and the executive. I argue that lawmakers must decide to pursue either policy achievements or financial benefits.[3]

Lawmakers who prioritize financial gains remain aware of their constituent obligations, and as a result may try to "mask" their low productivity by resembling the high-productivity of policy-oriented colleagues. Therefore, they will still engage in policymaking, but the kinds of policymaking that are less likely to become law or shape public debate in a meaningful way. Their trade-offs are less noticeable to constituents, aiding their re-election prospects. Therein lies the danger to democracy – the influence of self-enrichment on policymaking may be imperceptible to most constituents, allowing self-enriching lawmakers to shirk their responsibilities.

1.2 Legislative Effectiveness and Complexity

To test my argument, I require a measure of an observable policymaking output that requires lawmakers to exert effort and cannot be feigned by unproductive legislators. This observable outcome should clearly delineate hard-working legislators from those who have decided to shirk their responsibilities to constituents, ostensibly in favor of financial gains. This policy exertion first requires the lawmaker to produce something tangible. Second, the lawmaker must use that tangible product to move policy in a meaningful manner. A resolution to name a post office, for example, would fail to meet these criteria. Finally, policy exertion must involve trying to get proposed legislation through her chamber. I leverage a measure of legislative effectiveness that fits these criteria (Volden and Wiseman, 2014; Miquel and Snyder, 2006; Box-Steffensmeier and Grant, 1999; Weissert, 1991; Frantzich, 1979).

I also require a measure of an observable policymaking output that self-enriching lawmakers might use to demonstrate their policymaking prowess without exerting significant effort to pass policy. This second measure will act as an apples-to-apples comparison to legislative effectiveness, to demonstrate that any findings are not an artifact of the measure. This measure requires substantially more exertion than floor votes or co-sponsorship rates, both of which require little time or energy to perform. Legislative complexity is this measure: lawmakers can write lengthy bills with far-reaching implications for public policy and push to make them law, or they can write lengthy, substantive legislation with little interest in the future of those

[3] Lawmakers who exert effort on policy changes to benefit their own finances will do so at the expense of other policymaking outputs. If such legislation is designed to maximize benefits to the legislator and not benefit constituents, she will receive little assistance in drafting and advocating for the bill. Nor will the legislation see wide support from other lawmakers.

bills. I leverage two measures of legislative complexity: average bill length and average counts of statute changes (Slapin and Proksch, 2014; Kousser, 2006; Huber and Shipan, 2002).

I define legislative effectiveness as the ability to shepherd one's proposed legislation through the stages of the legislative process. An effective lawmaker is an expert in a given policy area, familiar with the interest groups in that area that help draft legislation (Hall and Deardorff, 2006), knows how to work with leadership to ensure her bill receives favorable committee assignments and calendar space, and marshals the support of a broad coalition of fellow lawmakers during floor debate (Hitt, Volden, and Wiseman, 2017). In bicameral legislatures or presidential systems, effective lawmakers must also build relationships in the other chamber or with the executive.

Financial gains should reduce a legislator's effectiveness due to time constraints. Each stage of the legislative process requires careful and deliberate attention to ensure the proposed policy change continues to progress towards becoming legislation. Acquiring expertise, building relationships with interest groups, and cultivating relationships in the chamber require years of investment. These time constraints would all but prohibit a lawmaker from investing time and resources into her private career.

A self-enriching lawmaker will be less capable at legislative effectiveness while she pursues income or asset growth. While attending to her job or investments, she will build fewer relationships with other lawmakers or with interest groups, spend less time becoming an expert in policy areas, and work less frequently with the leadership. Such behavior may even be self-reinforcing: legislators who self-enrich will have to exert even more effort in future legislative sessions to shift purposive goals. Lawmakers who choose financial gains as a legislative goal have neither the time nor the resources to be effective lawmakers, and they will be unable to move bills through the legislative process.

Effectiveness Hypothesis: Lawmakers who self-enrich see their legislative effectiveness decrease.

We might expect financial gains to also influence the complexity of legislation she writes. Policy experts could produce detailed legislation due to their knowledge of the subject matter. Legislators who work closely with interest groups and constituents will want to produce benefits that precisely and efficiently target problems the legislation addresses. Lawmakers who wish to build legislative coalitions should produce longer, broader bills that benefit citizens beyond their district (Gamm and Kousser, 2010). Policy-oriented lawmakers should write complex legislation, while self-enriching lawmakers should write short, general bills.

Yet there are critical differences that would allow self-enriching legislators to perform well on complexity measures. The legislator could outsource the responsibility of requiring policy expertise to lobbyists or staffers. Lobbyists and interest groups often write large portions of proposed legislation on behalf of their client legislators (Hall and Deardorff, 2006). Staff and aides write large portions of proposed legislation for their boss. With interest groups and aides drafting complex legislation, a lawmaker could focus on financial gains, masking her low productivity and aiding her re-election prospects.

Even if they write their own bills, the effort exerted by lawmakers is insignificant compared to shepherding legislation through the chamber. A lawmaker may write a large number of bills in her first term, and continue to submit them with minor tweaks in subsequent terms without exerting tremendous effort.[4] They need not exert effort to move those bills out of committee, nor receive a floor vote, to continue using it for position-taking purposes. Freed from the obligation of passing legislation to address constituent demands, the legislator may prioritize self-enrichment as a goal.

Legislative complexity is comparable to legislative effectiveness in terms of potential effort exertion. Yet both hardworking lawmakers and self-enriching lawmakers may introduce equally complex legislation. Hardworking lawmakers use their expertise and cultivated political acumen to ensure bills become law, while self-enriching legislators will not. Instead, self-enriching lawmakers propose bills for position-taking, campaigning, or securing more employment (Rocca and Gordon, 2010; Balla and Nemacheck, 2000; Kessler and Krehbiel, 1996).

Complexity Hypothesis: Lawmakers who self-enrich will produce legislation as complex as lawmakers who do pursue policymaking.

I argue that financial gains cause lawmakers to shirk their policymaking responsibilities due to the time and resource constraints involved in introducing and moving complex policy through the chamber. Since lawmakers cannot adequately pursue both purposive goals, they must prioritize. My theory expects that the policymaking output most directly influenced by

[4] U.S. Senator Bernie Sanders (I-VT), who has a below-average legislative effectiveness score (Volden and Wiseman, 2014), introduced legislation in three recent Congresses (2009-10, 2013-14, and 2015-16) to break up large financial institutions. The legislation never received a floor vote, and only received minor modifications in language from year to year. His tax returns were only recently, and reluctantly, released.

the legislative process – legislative effectiveness – requires effort to succeed.

Many confounds may explain variation in legislative effectiveness or low legislative complexity. To overcome these concerns, I leverage a novel database of legislators from the U.S. State of Florida. This legislature provides their members with incentives to pursue either policymaking or financial gains. Six bill limits, strict control over legislative procedures by the chamber leadership, term limits, low pay, and sixty-day sessions all force lawmakers to choose between goals. Simultaneously, the state tries to prevent self-enriching behavior with stringent ethics transparency requirements. If there is evidence of this trade-off in Florida, said trade-off exists elsewhere.

1.3 The Florida House of Representatives

The Florida House of Representatives is the ideal legislative setting in which to test my theory. Its institutional structure – non-professional, term-limited, low pay – provides incentives for lawmakers to make money. The legislature also encourages its legislators to work hard for each of their proposed bills. And it provides these lawmakers with precious few opportunities to pursue both goals. Finally, it is the only democratic legislature that requires every member to publicly report every source of income, every asset, and every liability, to the penny.[5]

The Florida House of Representatives provides some incentives for legislators to pursue financial gains. Legislators are paid $29,967 and are required to be in session only sixty days per year, from March to May. For the other ten months, they must find work in order to achieve the lifestyles they want; such legislatures attract the wealthy and financially ambitious, who alone are able to miss two months of work each year to govern. Legislators are term-limited to eight consecutive years, requiring them to focus on their future careers outside the capitol. Media coverage of the legislature is considerably more muted compared to a national legislature, freeing lawmakers from the threat of news organizations writing about their financial gains.[6]

The Florida House of Representatives encourages its members to be very effective and efficient with their policymaking outputs. Each member of the chamber is restricted to introducing only six bills a year, a practice officially codified in 1998. This incentivizes each legislator to

[5]For a description on the benefits of Florida's legislature for this research, see Appendix A.

[6]The state has strict ethics laws that resulted in the removal of the Speaker of the House in 2009 and over thirty ethics investigations since the 1970s.

introduce bills that have a meaningful impact on their constituents and should deter position-taking. The chamber uses a professional drafting committee to standardize legislation language to meet uniformity and germaneness standards. The drafting committee makes it more difficult for legislators to "pad" their bill proposals with superfluous language. The Speaker of the Florida House wields tremendous power over the calendar, while committee chairs have the power to adopt bills introduced by other members as "committee bills" and make significant changes to language. Lawmakers who want to see any of their six bills become law must cooperate with committee chairs and leadership to ensure their bills make it to the floor, and assemble a broad coalition to ensure the bill passes. Finally, the typical bill is assigned to multiple committees, forcing the sponsor to overcome multiple veto points.

Florida thus provides an advantageous set of institutions that push lawmakers to clearly choose financial gains or policymaking as purposive goals. If a lawmaker wants to pass bills, they have little time to prop up their own financial interests, as they must instead build networks with the majority party leadership and a coalition of sixty other lawmakers, become experts in the policy domain, and engage in other time-intensive tasks that restrict their ability to make money. A lawmaker who pursues financial gains will pursue policy proposals that are heavy on electioneering or self-enrichment, but light on the details.

2 Data

I leverage novel datasets of members and legislation from the Florida House of Representatives. I also use data on the policymaking outputs of each legislator from the state's Policy Agendas Project. Thanks to these two sources of data, I am able to test this question for the first time. The domain of the data run from 1997 to 2015; the unit of analysis is the legislator-year, encompassing 2,944 observations.

I rely on regression analysis and propensity-score matching to provide evidence that income gains are associated with declines in legislative effectiveness.[7] These gains are substantive: a ten-percentage point increase in income – as little as $12,800 – is associated with one bill not reporting out of committee. Income gains are not systematically associated with other policy

[7] Matching as pre-processing can avoid some bias associated with model dependence; see (Ho et al., 2007; Imai and Van Dyk, 2004).

outputs. Below, I briefly list what data I collected, and how they are analyzed.

2.1 Outcome Variables

My outcome variables of interest are measures of policy exertion – the observable indicators that a lawmaker has exerted effort to change policy. I use three measures of policy exertion: legislative effectiveness scores, a legislator-year's average bill length, and a legislator-year's average number of statute changes. Legislative effectiveness is the outcome associated with the *Effectiveness Hypothesis*, while average bill length and statute changes are the outcomes associated with the *Complexity Hypothesis*.

While we might expect self-enriching legislators to perform poorly on all three metrics, my theory argues that financial gains should only systematically influence legislative effectiveness. All three measures are aggregated such that the unit of analysis is the legislator-year, rather than the individual bills.

My measure of legislative effectiveness is adapted from the Legislative Effectiveness Project (Volden and Wiseman, 2014). I only use substantive bills to calculate each legislator's score. My variable is created with the following equation:

$$LES_{it} = [\frac{\Sigma DWDN_{it}}{\Sigma_{j=1}^{N} DWDN_{jt}} + \frac{\Sigma CMTE_{it}}{\Sigma_{j=1}^{N} CMTE_{jt}} + \frac{\Sigma FLOR_{it}}{\Sigma_{j=1}^{N} FLOR_{jt}} + \frac{\Sigma PASS_{it}}{\Sigma_{j=1}^{N} PASS_{jt}}][\frac{N}{4}]$$

Where each legislator's effectiveness score, for legislator i in session t, is the member's fraction of all substantive bills that: 1) were introduced but not yet assigned to committee (DWDN), 2) had some action in committee (CMTE), 3) made it out of committee or to the floor (FLOR), or 4) were passed by the chamber (PASS). Legislative effectiveness scores range from 0 to 6, with a median of 0.66 and a mean of 0.77. In a hypothetical legislature of 100 members, where each member may propose five bills, and 100 bills die in the final three stages, a lawmaker who had four bills pass and one die on the floor would receive a score of 1.48. By contrast, a lawmaker who saw all five bills die in committee would receive a score of 0.56.[8]

[8] The calculation for this particular scenario is $(\frac{5}{500} + \frac{5}{400} + \frac{5}{300} + \frac{4}{200}) \times \frac{100}{4} = 1.48$ for the first lawmaker, compared to $(\frac{5}{500} + \frac{5}{400} + \frac{0}{300} + \frac{0}{200}) \times \frac{100}{4} = 0.56$ for the second lawmaker. There are many stages of the process at which to measure, and many potential ways to measure the resulting outcome. For these analyses I compare the effect of one bill dying in committee to one bill emerging from committee in a 120-seat legislature where each legislator can propose six bills, and one fifth of all bills die in the three final stages (none are withdrawn). An average lawmaker in this case would have an effectiveness score of $(\frac{6}{720} + \frac{5}{576} + \frac{4}{432} + \frac{3}{288}) \times \frac{120}{4} = 1.10$, but

I do not distinguish between passage in the chamber and becoming law.[9] Due to a norm in the legislature of working with the other chamber, very few bills in a given session will pass one chamber without a so-called "companion bill" pushing similar or identical language in the other chamber. Since legislation that passes the chamber has a very high probability of becoming law, I remove that second stage to avoid double-counting.

My measure of bill length is each legislator-year average of the word count of the substantive text of every proposed bill, 1997-2015 (Huber and Shipan, 2002). In so doing I obtain a sense of each legislator's effort on each bill she proposes. These bills were obtained from LexisNexis Advance, an online repository of proposed legislation. Where possible, the original version of the bill was used, although in some cases only the amended versions of the legislation were available. Moreover, only the substantive section of each bill was used – superfluous language regarding the bill, including lists of sponsors and abstracts of each bill, were not included in the word counts. The average legislator's annual bill length ranges from 46 words to over 138,000 words, with a median word count of 1,417.

My measure of bill complexity averages statutory changes for each legislator's annual bill proposals, a procedure with some precedence in the literature (Huber and Shipan, 2002). Florida's legislature has drafting staffers who carefully homogenize hundreds of bills. Every change to statutory code is referenced with the preamble "Section...is amended to read as follows," while every new section of code is referenced with the preamble "Section...is created to read as follows." My measure is an averaged count of each bill's use of the four words *section*, *amend*, *read*, and *enact*. Those words are rarely used elsewhere in the text. Proposed legislation with a large number of these words in the text change more parts of the state's statutory code than bills that do not.[10] The average legislator's average count of statute changes ranges from 0 to 269, with a median of 56.

if one fewer bill was reported from committee, the score drops to 1.03. If that bill was originally "supposed" to pass, the score would drop further to 0.93. Therefore, an increase of income that leads to a decline in LES of approximately 0.5-1.5 would mean that one fewer bill made it past the committee stage.

[9] I make three additional changes to the Volden-Wiseman measure; see Appendices B.2 and C.1 for a substantive discussion of those changes.

[10] Bills with a large proportion of those words may make more meaningful changes and add in less frivolous language, but this argument cuts both ways: legislation with several sizeable changes to state code may add little detail, while legislation with several small changes may edit small, precise parts of the legal code. There is no reason to believe that a length-adjusted complexity variable is more meaningful: see Appendix C.3 for further discussion.

2.2 Predictors

My predictor of interest is income, an ideal measure of legislative financial gains. I obtain financial data from 3,149 financial disclosure forms of legislators in the Florida House of Representatives (Fahey, 2018). Each lawmaker self-reports, in a section labeled "Part D," all individual primary sources of income. My measure of income is the aggregate dollar value of those individual income sources. An example of a disclosure form is provided in Figure 1.

[Figure 1 about here.]

Financial disclosure forms in Florida report two broad categories of financial information: income and net worth.[11] While income is easy to manipulate, the average lawmaker's net worth is very difficult to change by exerting effort.[12] Lawmakers may boost short-term wealth by making more income, and if they reduce income by shedding jobs or working fewer hours, they may focus on policymaking. A lawmaker's income – particularly income growth – is the likeliest place to observe a trade-off between financial gains and policymaking.

I report three measures of income in the analyses. The first is a measure of logged income; it is possible that lawmakers with higher initial incomes are less effective than their counterparts throughout their tenures in office.[13] The second measure is a dichotomous measure of changes in annual income to identify exertion of effort indicative of financial gain – positive increases in income show an effort to self-enrich. The third measure is a percentage-change measure of changes in annual income to identify fine-grained exertion of effort.

Politicians may be quite invested in financial gains, but some may make large amounts of money, while others make small amounts (Eggers and Hainmueller, 2013). Conversely, some lawmakers may forego large amounts of income to become policy specialists, while others can become expert policymakers by shedding small amounts of income. It is the pursuit of the purposive goal that matters in this analysis.

[11]When lawmakers decide to pursue financial gains, they do so by increasing the size of their assets or increasing the size of their income. Increasing assets are difficult in the short run; converting from liquid assets into investments or property rarely increases short-term wealth. Legislators are little better than the public when picking investment opportunities (Eggers and Hainmueller, 2013). Increasing income is merely a function of exerting more effort at current jobs or finding a new job.

[12]The correlation between net worth and lagged net worth in the Florida House of Representatives is 0.97; by contrast, the same correlation for income is 0.43. I test the effects of net worth on policymaking outputs: see Appendix C.2.

[13]See Appendices B.3 and C.4 for more discussion of income measures.

Every legislator's income is inflation-adjusted to 2001 dollars before any further transformations. Adjusting for inflation reduces the chance of attributing self-enriching behavior to cost-of-living income gains. For me to observe legislator financial gains, lawmakers have to show proactive effort. This would mean that any residual "passive" income legislators obtain through their employment has far less of an effect on the outcome than changes in their "active" income. Inflation-adjusted income ranges from $\$-15800$ to \$7.1 million, with an average of \$128,000 and standard deviation of $\$260,000$. The three measures of income are calculated as follows:

(1) Income(logged) $= log(Income_t)$

(2) ΔIncome (Dichotomous) $= 1$ if $Income_t - Income_{t-1} > 0$; else 0

(3) ΔIncome (Pct) $= \frac{Income_t - Income_{t-1}}{Income_{t-1}}$

These summary statistics should hearten citizens who fear that their elected leaders self-enrich; the median lawmaker actually *loses* \$500 in real income compared to the previous year, while the average lawmaker gains $\$4,400$ – an increase of 3.3%. These gains are not consistent with a story of all lawmakers using their legislative posts for financial gains.

Table 1 reports summary statistics for outcomes and predictors by year. I used all available data. Effectiveness data are available through the Florida Agendas Project, which prioritized odd-numbered years following elections, where most policymaking activity took place.[14] Legislative complexity scores exhibit missingness for two reasons. First, individual legislator bills that were taken and co-opted as "committee bills" are excluded from this dataset as the content and policy domain may have shifted considerably away from the lawmaker's wishes. Second, Florida's legislature numbers its bills in a ranking such that numbers over 4000 are mostly symbolic legislation; this analysis eliminates all bills labeled over 4000. Data on word length is unavailable before 1997, and unavailable in 1998. Financial gains data are not available for some individuals in the year they died, or if they abruptly retired, or if the lawmaker provided data on one aspect of financial gains but not others.

[Table 1 about here.]

[14] Policymaking activity declines in election years, likely for position-taking reasons. Effectiveness data before 2005 are not digitized: See Appendix A.1.

2.3 Controls

To control for other correlates of policymaking outputs, I obtain extensive data on members of the Florida House of Representatives. I classify these data into legislative and demographic subsets. The legislative variables include party, vote share, and committee assignment, while the demographic variables include all available aspects of a legislator's pre-public office background.[15] I obtain these measures from legislators' official websites or Project VoteSmart.

While I argue for a trade-off among the competing purposive goals of policymaking and financial gains, I must account for lawmakers' propensity to engage in the other two goals – electoral security and prestige. In so doing I may estimate the trade-off between policymaking and financial gains while holding constant additional trade-offs with re-election and prestige. To account for lawmakers who exert effort at ensuring re-election, I operationalize each legislator's party affiliation and their vote share in the most recent election. I operationalize each lawmaker's campaign contribution totals each cycle; fundraising for state legislative office requires large investments of time and effort, and candidates must spend multiple hours each week contacting donors by phone or in person (Kurtz et al., 2006).

To account for lawmakers who exert effort at obtaining prestigious posts, I operationalize whether legislators are the Speaker of the House, the Majority Leader, or the Minority Leader, or are chairs of three "power committees – Appropriations, Finance & Tax, and Rules. Additionally, I leverage assignment of all lawmakers to seven powerful policymaking committees that existed from 1997 to 2015.[16] These committees are Appropriation, Finance, and Rules, and four policymaking committees Agriculture, Education, Health, and Judiciary.

I operationalize each lawmaker's sex, race, age, and legislative tenure. I include two dichotomous measures of primary career: if the lawmaker had a business or management career, or if the lawmaker had a legal career. I operationalize annual gross state product of Florida to account for aspects of a legislator's wealth tied to the state's economy, such as the real estate market. I use year and unit fixed effects to account for unobserved temporal or behavioral shocks to Florida's legislature that might impact self-enrichment.

Correlations between the three policymaking outcomes, three measures of financial gains,

[15] A full description of all covariates in these analyses can be found in Appendix B.1.

[16] Many committees' jurisdictions changed over time, while others were eliminated. These seven committees are the only ones that survived from 1997 to 2015 intact with their jurisdiction unchanged.

and measures of other purposive goals are reported in Table 2. Each measure of income or income growth is negatively associated with legislative effectiveness. There is no systematic relation between measures of income or income growth and measures of legislative complexity.

[Table 2 about here.]

Correlations between purposive goals suggest that there are substantial trade-offs. ΔIncome (Dichotomous) and legislative effectiveness are negatively correlated, while campaign contribution amounts are positively associated with legislative effectiveness and income. Chamber leaders have lower legislative effectiveness scores and make fewer statute changes in their proposed legislation. Many purposive goals are not systematically related: income growth and campaign contributions are not linked, nor are measures of income associated with prestige.

3 Results

My first analyses test the *Legislative Effectiveness* hypothesis using ordinary least-squares regression (OLS).[17] I estimate coefficients from several models using two estimation techniques, regression and propensity-score matching. Each approach estimates similar relations between income growth and legislative effectiveness. Consequently I am confident that financial gains indeed cause lawmakers to shirk their governing responsibilities.

Table 3 reports coefficients from nine models[18]. The first set of models include unit and year fixed effects, as a conservative test to account for all unobserved heterogeneity. The second set of models include the set of control covariates and no fixed effects. The third set of models include year fixed effects as well as time-varying control covariates.

[Table 3 about here.]

All three measures of financial gains are negatively associated with legislative effectiveness. The coefficients for logged income are not statistically significant save the *Covariates* model, yet the two coefficients of income growth are negative and statistically significant in every

[17] My legislative effectiveness score is continuous but bound by zero. I re-estimate legislative effectiveness models using MLE with the Gamma distribution (Gelman and Hill, 2006); see Appendix C.5.

[18] See Appendix C.10 for the full table with all covariates; I also include three baseline models.

model. The robustness of the findings to model specification suggest that legislators do engage in a trade-off between policymaking productivity and self-enrichment.

These findings indicate that an increase in income of ten percentage points – \$12,800 – is associated with a legislator reporting one fewer bill out of committee. As lawmakers in Florida only have six bill proposals, this is a massive decline in legislator productivity. Larger income gains – which do regularly occur in a legislature like Florida – would reduce legislator productivity by a third, or even half, suggesting that these are not marginal or minor effects.

Other purposive goals, once income is accounted for, have little impact on legislative effectiveness. Neither vote share nor total campaign contributions – evidence of a trade-off between re-election and policymaking outputs – have a systematic effect on moving bills through the legislative process. Interestingly, the coefficient for leadership in each model is negative, albeit not statistically significant. This contrasts with the expected association between majority party status and legislative effectiveness. While we expect that lawmakers in the minority party are disadvantaged when they push for legislation, we do not expect it of majority-party leaders. See Appendix D.1 for a discussion of the effectiveness deficit of party leaders.

I find little systematic evidence that income gains are associated with bill length or counts of statute changes. Table 4 reports the estimated coefficients from twelve models that regress legislative complexity on income measures. Due to space constraints, I only report those models with unit- and year- fixed effects, and the set of control covariates; other specifications in the Appendix contain nearly-identical results.

[Table 4 about here.]

In two models, logged income is associated with higher legislative complexity, but in ten there are no statistically-significant associations. In one model the effect of income growth on legislative complexity is negative, while in the other eleven the association is positive. As before, members of the majority party produce more complex legislation.

I use matching to pre-process the data and obtain causal estimates of financial gains on legislative effectiveness and complexity. The outcome variable is the policymaking output in time t, while the treatment variable is my dichotomized income predictor. I use the full set of control covariates to create a propensity score, check for balance, and then generate a matched dataset.[19] Those estimates are reported in Table 5.

[Table 5 about here.]

As with the regression analyses, there is a negative relationship between income growth and legislative effectiveness. This relationship is statistically significant at the 0.05 level (one-tailed), and the substantive effect is that any decline in income is associated with two fewer bills leaving committee, for the average lawmaker. By contrast, the measures of legislative complexity tell no systematic story. Self-enriching lawmakers – again, those lawmakers whose inflation-adjusted incomes grew from the previous year – saw their bills *increase* in length by an average of 208 words, or 9.4 percentage point growth in legislative text. Yet the number of statute changes did not meaningfully change, suggesting that the additional language did not add more complexity to the state code. This evidence is consistent with a story wherein self-enriching lawmakers attempt to mask their low output by producing lengthier proposals they do not intend to convert into law.

Regression and matching analyses find a consistent, robust negative relationship between income growth and legislative effectiveness.[20] At the same time, there is no systematic relationship between income growth and legislative complexity. Legislators engage in clear trade-offs between purposive goals. Self-enriching lawmakers mask their low productivity by behaving like policy-oriented lawmakers and writing complex legislation.

This effect persists even when accounting for other potential trade-offs between purposive goals. The pursuit of electoral safety – operationalized as vote share in previous elections and campaign contributions obtained – does not systematically predict legislative effectiveness. Nor is prestige systematically associated with policymaking outputs, only status in the majority party. The persistent effect of private, outside income on the legislative process, even when controlling for a host of covariates that ought to be relevant, demonstrates that legislators do engage in a trade-off between the personal and the public.

The size of the substantive effect of income growth on effectiveness is underwhelming compared to the potential effects in legislatures without Florida's low bill proposal allowance, or strict ethics regulations. If lawmakers can propose as much legislation as they want, and

[19] Please see Appendix C.7 for balance estimates.

[20] See Appendix C for a lengthy list of robustness checks.

face few transparency requirements, they could self-enrich and easily disguise low productivity. Thus Florida presents a conservative test of this theory; lawmakers who pursue outside income elsewhere are almost certainly lower-quality legislators than their colleagues.

4 Discussion

These results demonstrate that lawmakers engage in a trade-off between their personal finances and their ability to shepherd legislation through the policymaking process. Lawmakers' effectiveness declines as their income goes up. Yet average bill word length and average statute changes are not related to income. While lawmakers may be able to engage in financial gains and produce complex bill proposals, those proposals will never become law due to lawmakers' inability – or disinterest – to push those bills to a successful floor vote.

We live in an increasingly unequal world, where economic growth disproportionately benefits those at the top. Citizens have legitimate concerns that their legislators do not represent their interests or that politicians abuse the perks of their office to financially self-enrich instead of lawmaking. The findings of this paper do nothing to allay those concerns, instead validating the notion that some politicians think of themselves rather than voters.

Nor is it surprising that when we allow politicians to moonlight, when we pay them very low wages, and when they only work-part time, their efforts are inconsistently devoted to policymaking. Politicians respond to incentives, and if they self-enrich rather than develop policy expertise, then citizens need to think carefully about how their legislative institutions are designed. Higher legislator salaries, longer legislative sessions, or more transparent reporting could reduce self-enriching behavior. If citizens are dissatisfied with legislative financial gains, they should make reforms.

That legislative effectiveness declines as income growth rises should be of concern to the scholarly community, who have only recently begun to analyze the personal dimension of legislative behavior. Partisanship, ideology, and electoral forces may drive much of what lawmakers say and do, but this paper provides clear evidence that personal financial decisions drive some aspects of the legislative process. In future analyses, financial gains could explain voting behavior, negative agenda control by legislative leaders, the decision to run for higher office, or the decision to retire. Exploration of financial gains as a systematic predictor of political behavior is needed; we do not know how financial gains impact representative democracy.

This paper highlights the need for financial transparency from our elected leaders. As a particularly stark example, we cannot analyze financial gains in the U.S. state of Illinois – where four governors and six members of Congress have been convicted of corruption or fraud charges in the modern era – because the state's politicians are not required to release systematic data on their assets or liabilities. Worldwide, few societies require financial transparency from their leaders, and attempts to induce transparency frequently fail. Without transparency, our understanding of the role of financial gains in the legislative process will be incomplete, nor will citizens avoid self-enriching politicians.

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State Representative Kevin Rader Financial Disclosure

Part B – Assets:	
Checking Account, Regent Bank, 568 Yamato Road, Boca Raton, FL 33431	$130,740
Traditional IRA, Fidelity Investments, 801 Boylston St., Boston, MA 02116	$13,409
401k, Blue Star Retirement Services, Inc., P.O. Box 2349, Ponte Vedra Beach, FL 32004	$102,367
Fidelity Investments, 801 Boylston St., Boston, MA 02116	$67
CKP Insurance, LLC	$4,100,000
House, 10750 Avenida Del Rio, Delray Beach, FL 33446	$874,947
2001 Chevrolet Suburban	$4,000
2006 GMC Yukon XL	$9,000
Florida Prepaid College Board, PO Box 6567, Tallahassee, FL 32314	$80,039
TOTAL	$5,314,569

Part C – Liabilities	
Credit Card, American Express, PO Box 650448, Dallas, TX 75265	$3,109
Credit Card, Citibank Visa, Box 6500, Sioux Falls, SD 57117	$50
Rushmore Loan Management Services, 15480 Laguna Canyon Road #100, Irvine, CA 92618	$999,999
Centerstate Bank of Florida, NA, P.O. Box 9602, Winter Haven, FL 33883	$162,529
TOTAL	$1,165,687

Part D – Income	
CKP Insurance, LLC, 21845 Powerline Road, Boca Raton, FL 33433	$902,397
Decision HR41, Inc., 11101 Roosevelt Blvd. N., St. Petersburg, FL 33716	$105,000
DAL Global Services, P.O. Box 20706, Atlanta, GA 30320	$10,000
State of Florida, 200 E. Gaines St., Tallahassee, FL 32399	$27,319

State Representative Kevin Rader Financial Disclosure

Part B – Assets:	
Checking Account, Regent Bank, 568 Yamato Road, Boca Raton, FL 33431	583,789
Traditional IRA, Fidelity Investments, 801 Boylston St., Boston, MA 02116	12,793
John Hancock Retirement Account, 319 Clematis Street, Ste. 203, West Palm Beach, FL 33401	123,565
Fidelity Investments, 801 Boylston St., Boston, MA 02116	67
CKP Insurance, LLC	5,000,000
House, 10750 Avenida Del Rio, Delray Beach, FL 33446	951,374
2001 Chevrolet Suburban	3,900
2006 GMC Yukon XL	9,000
Florida Prepaid College Board, PO Box 6567, Tallahassee, FL 32314	86,533
Empower Retirement, P.O. Box 173764, Denver, CO 80217	990
TOTAL	6,772,011

Part C – Liabilities	
Credit Card, American Express, PO Box 650448, Dallas, TX 75265	31,328
Credit Card, Citibank Visa, Box 6500, Sioux Falls, SD 57117	271
Rushmore Loan Management Services, 15480 Laguna Canyon Road #100, Irvine, CA 92618	991,482
Centerstate Bank of Florida, NA, P.O. Box 9602, Winter Haven, FL 33883	148,105
US Treasury payable, Austin, TX 73301	300,000
TOTAL	1,471,186

Part D – Income	
CKP Insurance, LLC, 21845 Powerline Road, Boca Raton, FL 33433	1,233,681
Decision HR41, Inc., 11101 Roosevelt Blvd. N., St. Petersburg, FL 33716	6,730
DAL Global Services, P.O. Box 20706, Atlanta, GA 30320	10,400
State of Florida, 200 E. Gaines St., Tallahassee, FL 32399	27,304

Figure 1: Sample financial disclosure forms, Florida House of Representatives: Kevin Rader 2014 (Top) and 2015 (Bottom).

Table 1: Distribution of Policymaking Outputs and Financial Gains By Year, 1997-2015.

	Legislative Effectiveness			Statute Changes			Average Words in Bill			Income (1000s) (2001 $USD)			ΔIncome (Percentage)		
Year	μ	σ	N	μ	σ	N	μ	σ	N	μ	σ	N	μ	σ	N
1997	0.34	0.24	108							101.50	78.36	117	0.09	0.48	95
1998										109.25	76.70	100	0.16	0.48	96
1999	0.80	0.75	115	56	16.56	104	2203	2678	109	141.20	259.75	116	0.19	0.67	84
2000										115.70	104.62	113	0.12	1.16	106
2001				56.27	8.91	119	2445	2599	119	119.55	126.49	118	-0.01	0.45	55
2002				53.65	9.08	117	3490	13175	117	121.60	136.13	114	0.08	0.44	113
2003	0.91	0.64	119	51.23	15.42	81	2904	3636	119	127.86	197.28	119	0.07	0.47	85
2004				57.58	16.52	80	2509	2539	117	133.80	173.89	113	0.20	0.79	111
2005	0.87	0.51	118	57.56	11.36	118	2029	1651	118	139.14	212.74	118	0.04	0.42	97
2006	0.70	0.57	89	54.96	13.82	104	1595	1495	107	174.01	284.59	109	0.25	1.67	107
2007	0.76	0.52	111	57.72	10.33	100	1476	1089	103	136.60	149.77	115	0.14	0.84	78
2008	0.66	0.51	103	55.93	19.44	73	1898	1950	114	115.82	99.12	112	-0.03	0.43	104
2009	0.73	0.44	117	60.56	18.94	93	1893	1876	115	107.39	76.55	118	0.06	0.48	81
2010	0.54	0.41	101	58.15	11.35	117	2426	2088	118	109.21	96.59	121	0.12	0.85	117
2011	1.02	0.61	113	58.38	12.65	99	2125	2094	103	116.40	118.57	121	0.06	1.10	80
2012	0.89	0.45	113	56.41	16.01	105	1983	1667	113	178.83	584.59	115	0.12	1.36	115
2013	1	0.49	116	57.76	13.47	109	1860	2931	115	125.31	138.08	121	0.03	0.40	77
2014	0.88	0.47	111	44.82	14.72	107	1916	3144	110	134.53	248.24	118	0.08	0.78	117
2015	0.66	0.43	109							182.76	559.15	120	4.66	44.81	98

Table 2: Bivariate Correlation Matrix of Financial Gains and Policymaking Outputs, 1997-2015.

	Income (logged)	ΔIncome (Dich.)	ΔIncome (Pct.)	Word Count	LES LES	Statute Changes	Vote Share	Donor $	Leader	Chair
Income (log)	1									
ΔIncome (1/0)	0.136*	1								
ΔIncome (%)	0.081*	0.056*	1							
Word Count	0.024	0.031	-0.004	1						
LES	-0.003	-0.073*	-0.034	0.108*	1					
ΔStatutes	0.04	0.01	0.013	0.086*	-0.006	1				
Vote Share	-0.021	0.01	-0.033	-0.02	-0.021	0.006	1			
Donor $	0.122*	-0.03	-0.01	0.047	0.104*	0.011	-0.289*	1		
Leader	0.039	0.014	-0.005	-0.035	-0.078*	-0.06*	0.046*	0.07*	1	
Chair	0.016	0.012	-0.005	0.052*	0.026	0.028	0.057*	0.06*	-0.022	1

Note: *p<0.05

Table 3: The estimated effect of financial gains on legislative effectiveness, 1997-2015.

	Dependent variable:								
	Legislative Effectiveness Score								
	Fixed Effects			Covariates			Covariates/Year FE		
Income (logged)	−0.057			−0.067*			−0.048		
	(0.049)			(0.036)			(0.031)		
Δ Income (Dich.)		−0.070**			−0.081**			−0.065*	
		(0.032)			(0.041)			(0.034)	
Δ Income (Pct)			−0.001**			−0.002***			−0.001***
			(0.001)			(0.0003)			(0.0002)
Majority Party				0.351***	0.342***	0.341***	0.323***	0.327***	0.325***
				(0.049)	(0.059)	(0.059)	(0.050)	(0.058)	(0.058)
Vote Share				0.103	0.078	0.074	0.079	0.056	0.056
				(0.104)	(0.126)	(0.128)	(0.082)	(0.089)	(0.091)
Tenure				−0.002	−0.005	−0.005			
				(0.008)	(0.009)	(0.009)			
Total Campaign $				0.014	0.018	0.019	0.002	0.001	0.001
				(0.015)	(0.020)	(0.020)	(0.010)	(0.015)	(0.015)
Leader				−0.263	−0.274	−0.242	−0.154	−0.164	−0.137
				(0.296)	(0.336)	(0.331)	(0.305)	(0.329)	(0.324)
Committee Chair				−0.156	−0.145	−0.169	−0.132	−0.134	−0.150
				(0.102)	(0.110)	(0.107)	(0.108)	(0.129)	(0.125)
Intercept	2.180**	1.553	1.484	0.604	0.042	−0.042	0.644*	0.130*	0.096
	(1.067)	(1.012)	(1.009)	(0.832)	(0.750)	(0.743)	(0.379)	(0.074)	(0.064)
Committee Controls	N	N	N	Y	Y	Y	Y	Y	Y
Demographic Controls	N	N	N	Y	Y	Y	N	N	N
Year FE	Y	Y	Y	N	N	N	Y	Y	Y
Legislator FE	Y	Y	Y	N	N	N	N	N	N
Observations	1,495	1,217	1,216	1,046	804	804	1,141	878	877
Adjusted R^2	0.210	0.218	0.215	0.094	0.081	0.079	0.183	0.185	0.184
F Statistic	1.895***	1.841***	1.826***	6.168***	4.389***	4.298***	10.840***	8.678***	8.592***

Note: *p<0.1; **p<0.05; ***p<0.01

Table 4: The estimated effect of financial gains on legislative complexity measures, 1997-2015.

	Dependent variables:											
	Average Bill Word Count						Average Statute Changes					
Income (logged)	108.2			183.7*			1.458*			0.172		
	(91.520)			(95.870)			(0.792)			(0.755)		
Δ Income (Dich.)		137.3			218.0			0.021			0.316	
		(148.2)			(150.0)			(1.261)			(1.127)	
Δ Income (Pct)			22.320			20.120			−0.074			0.261
			(53.300)			(71.080)			(0.456)			(0.634)
Majority Party				873.1***	996.7***	1,003.0***				2.158	3.661	3.662
				(134.7)	(127.4)	(126.8)				(1.756)	(2.258)	(2.260)
Vote Share				−293.900	−497.700	−494.000				0.251	−0.480	−0.480
				(291.500)	(421.100)	(422.100)				(2.545)	(3.332)	(3.338)
Tenure				67.700	11.840	10.510				−0.274**	−0.233	−0.234
				(41.200)	(40.980)	(40.630)				(0.129)	(0.160)	(0.158)
Total Campaign $				9.012	19.190	13.960				0.069	0.170	0.164
				(96.8)	(114.4)	(115.9)				(0.517)	(0.637)	(0.646)
Leader				−600.0	−600.1	−664.0				−2.421	−1.843	−1.927
				(724.2)	(767.4)	(771.1)				(8.009)	(8.071)	(8.304)
Committee Chair				−59.800	−146.400	−78.130				3.905	4.350	4.455
				(553.500)	(506.300)	(512.700)				(3.099)	(2.922)	(2.881)
Intercept	2,042.000	3,180.000***	3,266.000***	1,691.000	4,497.000***	4,715.000***	33.430***	48.260***	48.280***	50.810***	47.660***	47.920***
	(1,292.000)	(539.200)	(592.700)	(1,400.000)	(1,313.000)	(1,311.000)	(11.930)	(4.841)	(4.783)	(12.730)	(11.500)	(11.900)
Committee Ctrls	N	N	N	Y	Y	Y	N	N	N	Y	Y	Y
Demographic Ctrls	N	N	N	Y	Y	Y	N	N	N	Y	Y	Y
Year FE	Y	Y	Y	N	N	N	Y	Y	Y	N	N	N
Legislator FE	Y	Y	Y	N	N	N	Y	Y	Y	N	N	N
Observations	1,637	1,335	1,334	1,163	904	904	1,474	1,201	1,200	1,045	813	813
Adjusted R^2	0.138	0.093	0.092	0.044	0.043	0.041	0.142	0.142	0.142	0.004	0.016	0.016
F Statistic	1.644***	1.344***	1.339***	3.553***	2.932***	2.858***	1.606***	1.505***	1.507***	1.217	1.620**	1.621**

Note: *p<0.1; **p<0.05; ***p<0.01

Table 5: Matching with Financial Gains as Treatment: Comparison of Self-Enriching Lawmakers to Non-Self-Enriching Lawmakers, 1997-2015

	Estimate	Std. Error	Treated Obs	T-Statistic
Legislative Effectiveness	-0.146	0.053	343	-2.760
Average Word Count	203.519	137.363	382	1.482
Average Statute Changes	-0.410	0.944	345	-0.435