How Do Interest Groups Seek Access to Committees?*

Alexander Fouirnaies
Nuffield College, Oxford University

Andrew B. Hall
Stanford University

March 30, 2016

The most up-to-date version of this paper is available at:
https://dl.dropboxusercontent.com/u/11481940/Fouirnaies_Hall_Committees.pdf.

Abstract

Concerns that interest groups use their financial resources to distort the democratic process are longstanding. Empirical research shows that interest groups seek access to legislators through their campaign contributions, but the literature is limited in its focus on direct access to relevant committee members in a static institutional environment. If interest groups value committees, we argue, then they should also value *indirect* access, that is, access to those who make committee assignments and to those who set the procedural rules of the legislature. We collect a new dataset on U.S. state legislative committee assignments from 1988–2014, merged with campaign finance data, in order to analyze over 300,000 candidate-committee observations across 99 legislatures. Using a difference-in-differences design based on changes in individual legislators' positions in the legislature, we show that interest groups value direct access to policy relevant committees, but we also show that they value indirect access. When a legislator gains procedural powers, interest groups reallocate considerable amounts of money to her. We take advantage of the institutional variation in the U.S. states to validate this indirect access hypothesis in several additional ways. Taken together, the results reveal how interest groups in a wide range of democratic settings seek to influence the policy process not only by seeking direct access to policymakers but by seeking indirect access to legislative procedure as well.

*Authors contributed equally and are listed in alphabetical order. Alexander Fouirnaies (alexander.fouirnaies@nuffield.ox.ac.uk, http://fouirnaies.com) is a Prize Postdoctoral Research Fellow at Nuffield College, Oxford University. Andrew B. Hall (andrewbenjaminhall@gmail.com, http://www.andrewbenjaminhall.com) is an Assistant Professor in the Department of Political Science at Stanford University. For comments, the authors thank Avi Acharya, David Broockman, Justin Grimmer, Kate Casey, Nathan Lee, Neil Malhotra, Nolan McCarty, Paul Sniderman, Jim Snyder, Chris Tausanovitch, Barry Weingast, John Zaller, and participants of the Stanford American Politics Workshop, the UCLA American Politics Workshop, and the Stanford GSB Political Economy Mini-Conference.

Introduction

Academics, pundits, and politicians alike have long considered how interest groups might use their financial resources in an attempt to influence the political process, driven in part by the public's concern that such influence might distort the democratic process. In a 1936 speech, to pick just one example, President Roosevelt declared that "We know now that Government by organized money is just as dangerous as Government by organized mob."[1] Concerns like this follow a simple logic. If interest groups' political aims differ from those of the general public, and if they can use their financial resources to influence the political process, then they may weaken the representational links between voters and politicians.[2] By what specific means do they attempt to do so, if they do? One crucial mechanism is campaign finance. A large and growing empirical literature in political science examines how interest groups distribute campaign funds, finding that they donate in an access-seeking manner—that is, they contribute directly to members who possess influence over relevant policy areas (e.g., Ansolabehere and Snyder 1998; Barber N.d.; Fouirnaies and Hall 2014; Grimmer and Powell N.d.; Romer and Snyder 1994; Snyder 1992).

While this overall pattern is well documented, *why* groups behave in this manner, and under what conditions they choose to do so, remains poorly understood. The effects of campaign contributions on either electoral results or policy outcomes are rarely found to be positive.[3] These null findings may indicate that campaign contributions matter little for political activity, or they may reflect the fact that the value of access is nuanced and difficult to observe. We offer evidence in support of the latter view. Employing a newly collected dataset on legislative committees and campaign finance in the U.S. states, we show how general the access-seeking behavior of interest groups is, and we develop and test a theory of what we call indirect access. We argue that, if policy relevance in the form of committee membership is valuable to interest groups, and if interest groups are strategic actors, then they should also seek access to those in the legislature imbued with procedural power, including the power to make committee assignments. We show that the donations of interest groups reveal that this indirect access is extremely important to them.

[1] `http://millercenter.org/president/speeches/speech-3307`, Accessed 14 December, 2015.

[2] It is also possible that interest groups can enhance the political process by offering efficiency improving information to legislators—that is, their role in the policy process need not be purely distortionary. Our paper will not differentiate these possibilities or their normative implications but will instead focus on evaluating the behavior of interest groups empirically.

[3] For a detailed discussion of this issue see Ansolabehere, de Figueiredo, and Snyder (2003).

Specifically, we offer a new dataset on over 300,000 committee assignments and campaign contribution portfolios in all 99 U.S. state legislatures over the past three decades. Using this data, we first show that interest groups seek out the committees with policy jurisdiction over their business interests, behaving in the state legislatures in a manner consistent with that found in the federal setting. Moreover, the industries that seek the most access to state legislative committees appear to be those most affected by state rather than federal policy decisions. But this is only one part of their strategy. We also establish that *interest groups seek out members of the legislature with the power to make committee assignments*—that is, they not only pursue their policy interests directly, but they also seek access to those who can *indirectly* affect policy by means of legislative procedure.

Following Romer and Snyder (1994), Berry and Fowler (N.d.), Grimmer and Powell (N.d.), and Knight (2005), we employ a difference-in-differences design to explore the effects of committee membership on interest-group contributions. This strategy isolates the value that interest groups place on relevant committee service, *per se*, accounting for the possibility that members valuable to interest groups self select onto relevant committees. To investigate indirect access effects, we begin by estimating the effect of a member joining the Rules committee on interest-group donations, finding that interest groups place tremendous value on Rules membership—in fact, joining the Rules committee is found to be more important than joining either the Appropriations or Ways & Means committees. To document how interest groups seek out those with the power to make committee assignments, we pursue a similar strategy, leveraging changes in members' leadership positions over time within careers. In order to disentangle the effect of the power to make committee assignments from the other powers that leaders hold, we exploit legislative reforms that transfer assignment power from one leadership position to another. We find that the effect of obtaining the power to assign committees on interest-group contributions is larger than the average effect of joining relevant policy committees.

We are able to examine these effects in greater detail by taking advantage of the variation in institutional structure across the U.S. states. We show that when term limits are implemented, which shorten the time horizon over which donors can build relationships with individual legislators, interest groups stop seeking access to committee assigners. Yet, even with term limits in place, interest groups continue to seek direct access to committee members, suggesting that direct access takes place over a shorter timeline than indirect access (Grimmer and Powell N.d.). In addition, interest groups appear to seek more access to committee assigners in more professionalized state legislatures (although this effect is noisier), while at the same time seeking more direct access in less professionalized legislatures.

The remainder of the paper is organized as follows. In the next section, we review the literature on interest-group access and we draw a distinction between direct access—which most previous literature is focused on—and indirect access, i.e., access to legislators with procedural power. Subsequently, we describe the new dataset we have collected to study the links between interest groups and legislative committees in the U.S. states, 1988–2014. Following that, we present empirical analyses of the effects of committee memberships on interest-group contributions. Then, we turn to analyses of how interest-group donors value legislators who possess the power to make committee assignments. Next, we explore variation in the effect across industries and across states. Finally, we conclude by discussing what our findings imply for our understanding of interest-group influence in the democratic process.

Theoretical Overview: Direct vs. Indirect Access

Anyone who observes politics is aware of the important role that interest groups play in the process, from mobilizing voters to lobbying members of Congress and beyond. But actually pinpointing the ways in which all of this interest-group activity changes political outcomes has proven difficult. When scholars zoom in on campaign contributions—the most readily observable component of interest-group political activity—the actual influence of interest groups seems to be subtle. Coarse statistical methods have proven unable to tie down any clear links between contributions and outcomes (Ansolabehere, de Figueiredo, and Snyder 2003).[4]

In response to this seeming paradox, political scientists have developed more nuanced theories in which interest groups seek access to—rather than explicit quid-pro-quo exchanges from—legislators (Hall and Wayman 1990; Snyder 1992). In this view, "...contributors must develop a relationship of mutual trust and respect with officeholders in order to receive tangible rewards for contribu-

[4]For a recent review of this literature, see Smith (2015).

tions" (Snyder 1992: 17).[5] They develop this relationship through sustained conversations and relationships, maintained by repeated political support and contributions.[6]

A number of empirical papers, focused on interest-group campaign contribution activity, find that interest-group behavior accords with this access hypothesis. Although lobbying and direct effort subsidies (through, e.g., drafting bills) are obviously important, and possibly more important than direct contributions to candidates, campaign contributions have several advantages for studying interest-group access. First, they are readily quantifiable and, since reporting standards have been consistent and strict in recent decades, a long time series is now available. Second, because contributions are denominated in dollars, researchers can readily compare them across time and contexts in a cardinal manner. Third, because contributions are costly, they credibly reveal the underlying preferences of interest-group donors. Finally, contribution strategies appear to be highly correlated with other aspects of interest-groups' political strategies. Smith (2015), for example, reports that, for every group in the paper's sample during the 2013 session of the Missouri legislature, "every interest group who made PAC contributions and supported one of the bills...also employed a lobbyist, and nearly all groups who do not make PAC contributions do not hire paid lobbyists..." (2). Thus, the patterns of donations are likely to be an observable proxy for a broader suite of interest-group influence strategies.

In an early paper on the subject, Romer and Snyder (1994) explores how committee membership affects an individual legislators' portfolio of campaign receipts, showing strong evidence that, at the federal level, PACs respond strategically to committee memberships.[7,8] A key innovation in the paper is the use of within-legislator over time variation in committee membership and contributions. Without this approach, PAC contributions that flow to legislators because of their

[5]Do these contributions lead to access? A novel experiment presented in Kalla and Broockman (N.d.) suggests that they do. The authors show that interest groups who disclose to members of Congress that they are donors are more likely to receive a meeting with the MC. Also consistent with this idea, though separate from the empirical approach taken in this paper, studies indicate that the stock market appears to value firms that are connected to incumbents (Gaikwad 2013; Goldman, Rocholl, and So 2009).

[6]This relationship building is not the only strategy that groups can employ. For example, as Smith (2015) argues, groups can also pursue an "outside" strategy in which they mobilize voters directly.

[7]Grier and Munger (1991) offers both theoretical and empirical evidence along similar lines; we do not focus on it here only because it does not employ the same within-legislator identification strategy we are focusing on. Also related, but differing in its focus on majority status rather than committees, is the work of Cox and Magar (1999).

[8]Implicit in this literature is the notion that committees, themselves, are important. If committees are unimportant for the legislative process, then interest groups may seek access elsewhere. A long literature establishes the many ways in which legislative committees matter for the legislative process (McConachie 1898; Weingast, Shepsle, and Johnsen 1981; Krehbiel, Shepsle, and Weingast 1987; Roberts 1990; Wilson 1885).

committee assignments are conflated with those that flow to them because of their pre-existing traits—traits which may lead them to select onto relevant committees. This selection dynamic is itself an interesting object of study, but for our purposes, it obscures the donations that are driven only by policy motivations, which can be isolated by focusing on changes in committee membership.

More recently, Grimmer and Powell (N.d.) employs a similar approach, again studying the U.S. House. The authors conclude that "business interests seek short-term access to influential legislators" (abstract). Like Romer and Snyder (1994), the paper focuses on matching interest groups to relevant committees. The authors demonstrate that when members are "exiled" from committees of relevance to a set of donors, those donors react by no longer giving money to the exiled legislator. Again, the evidence is highly consistent with access-motivated interest-group donation behavior.

Finally, Fouirnaies and Hall (2014) and Barber (N.d.) offer broad evidence that interest groups donate for access. These latter papers focus on incumbency more generally, rather than committee service specifically, showing that interest-group donors systematically seek out incumbents instead of challengers when they contribute. In doing so, they offer broad evidence on the overall motivations of interest groups, but they have less to say about the precise mechanisms by which these groups seek their access.

In the first set of empirical analyses in our paper, we extend these results, widening the context in which the analyses are performed, increasing the sample size dramatically, and inspecting a larger variety of committee types. We continue to find the same strategic patterns of behavior. Interest groups clearly seek out members of committees whose jurisdictions pertain to their economic interests.[9] We are also able to test this direct access hypothesis in more detail using the more fine-grained data at the state level. Not only do interest groups seek out relevant committees, but those groups that operate in industries more affected by state rather than federal policy do so at a higher rate than those more concerned with federal policy. Taken together, the results confirm and extend the results on direct access from the federal level.

But direct access is only one possible strategy for interest-group donors. Legislative policy is not set only through jurisdiction-specific committees. As the Krehbiel (1992) idea of remote

[9] Barber, Canes-Wrone, and Thrower (2015) present novel evidence that this effect of committee "match" might extend to individual donors with clear occupational interests, too. Moreover, an examination of corporate executive donation behavior suggests that they, too, donate strategically for access Gordon, Hafer, and Landa (2007).

majoritarianism makes especially clear, choices over legislative procedure are themselves choices over policy, since procedural choices map to choices over policies. One obvious focal point for influencing the procedural process is the Rules committee, tasked with determining the procedural rules by which bills will be considered on the floor of the legislature (among other procedural issues). The power of the Rules committee is far from abstruse; studying it in detail at the Federal level, Cox and McCubbins (2005: 125-126) concludes that "the Rules Committee plays a major role in determining which legislation is passed and which is not." By contributing to members of the Rules committee, interest groups may gain influence over the manner in which legislation proceeds—an influence that could be as valuable as, or even more valuable than, the chance to affect the content of policy directly.

This procedural influence perhaps links to the value of committees, too. In particular, the identities of those assigned to particular committees may matter. If committees provide interest groups with valuable access, then sophisticated interest groups should also seek *indirect* access to the individuals charged with making committee assignments in the legislature.[10] Interest groups may value this indirect access in several ways. If there is a set of legislators who are allied to a given interest group, and if committee service would offer these legislators the chance to influence policy in a manner favorable to the interest group, then ensuring that these allies obtain the proper committee assignments is of obvious value. In addition, if there are particular legislators *opposed* to a given interest group, preventing these members from sitting on relevant committees could be of equal or greater value, too.

There are several reasons to believe that this indirect access might be as valuable, or even more valuable, than direct access. For one thing, the power to assign committees is typically concentrated in a single individual to whom interest groups can donate, while each committee contains many

[10]This logic only accords partially with the idea of remote majoritarianism. It is consistent in its focus on procedure as a clear extension of policy. However, in a truly majoritarian legislature, the *de jure* authority to make committee assignments should be meaningless because the median legislator should always hold the true power. If the committee assigner offers a slate of committee assignments contrary to the preferences of the median, a majority-rule vote should overrule the assigner's proposal. We suspect that this level of median control is beyond the power of normal, operating legislatures. Scarce plenary time necessitates delegation (Cox and McCubbins 2011), and the legislature may not be able to afford spending the calendar time to reconsider committee assignments on a regular basis (e.g., Palmer 2014). Although majoritarian rules may constrain the committee assigner to some degree, we suspect there is room for discretion—this room for discretion is, in turn, what may make the committee assigner an attractive target for interest groups.

members.[11] Second, and perhaps more importantly, influence over relevant policy committees is more obvious and more observable—and thus, possibly more politically risky for both donating groups and for politicians themselves—while influence over committee assignments is more abstruse and less obvious to voters outside the legislature.

Our intuitions about the value of indirect access also come from conversations with a variety of politicians and interest-group actors. One former U.S. state legislator, in particular, told us that it was a well-known fact in his legislature that becoming the President Pro Tempore—the person in charge of committee assignments in his legislature—was a sure path to collecting easy money from donors. Another former state legislator echoed these ideas, stressing how sophisticated and well-informed interest group donors tended to be in his experience, often learning details of the legislative process before he did. These anecdotes also accord with even a casual reading of the local news about legislative politics; every year, a bevy of articles pore over the committee assignment process, focusing on which legislators obtain which positions and why.[12] Voters are unlikely to scrutinize these dry articles, but those involved in politics surely do.

On the academic side, we are not the first to propose the idea that interest-group money can indicate the more subtle ways in which particular legislative institutions may be influential. Ansolabehere and Snyder (1998), in particular, argues that interest-group money can reveal a broad range of powerful actors in the legislature. However, we are able to improve on previous work concerning indirect access in an important way. Considering total contributions to a variety of legislative positions may indicate whether these positions are powerful or not, but it may also indicate the selection of high-quality, high fundraising individuals into these positions. We need variation in who holds what positions in order to tease out the power of the position from these pre-existing characteristics of the legislators who obtain the position. This is not possible at the federal level, in most cases, because there are so few positions and they are held for so long by the same individuals. Focusing on the state legislatures not only boosts our sample size and extends

[11] This is not an unambiguous prediction, however. If interest groups compete with one another over conflicting policy goals, then the price of access to a single individual might rise in response to this demand. On net, access to a single individual might therefore end up being more or less beneficial for groups in equilibrium.

[12] For recent examples in the California state legislative context, see `http://www.calnewsroom.com/2014/12/19/did-speaker-toni-atkins-assign-juice-committees-alphabetically-achadjian-bonilla-get-best-assignments/`, Accessed 15 January, 2016.

the study of access seeking to another important democratic context, but it also allows us to study indirect access in a cleanly identified manner not possible at the federal level.

Having motivated our study and our focus on state legislatures, we now discuss the new data we have collected in order to make the inquiry possible.

New Data on State Legislative Committees, 1988-2014

In order to study how interest groups seek access to legislative committees—and for a variety of related questions—we collected a new, comprehensive dataset on committee assignments in the state legislatures using primary sources. The dataset contains information on the members of all standing and joint committees in all of the 99 legislative chambers during the period 1988-2014. Our primary source is the quarterly-published *State Yellow Book* covering the legislative sessions from 1988 to 2014 (Leadership Directories 2014). We supplement the information in these volumes with official minutes and records of proceedings obtained from the archives of the state legislatures.

On the basis of these sources, we first make a complete list of all legislators in a given session, and for each legislator we construct a vector where each element records the name of a standing or joint legislative committee on which the legislator served during the session in question. Then, on the basis of surname, party and district, we match each legislator in the list to the unique candidate identifier in Klarner et al. (2013)'s dataset on legislative elections. Finally, we merge this dataset with the detailed state-level contribution data from Follow The Money. This approach allows us to track within-legislator variation in committee assignments and map them to electoral and campaign finance activity, and it will allow other scholars to explore the data with ease in the future.

For the purpose of this paper, we need to make meaningful mappings between legislative committees and the donating firms and interest groups who operate within the purview of a given committee. Ideally, all state legislatures would apply the same naming conventions and use the same committee jurisdictions, so that we could compute the effect of, for example, serving on the banking committee on contributions from the banking sector across states. Unfortunately, this is not the case. Instead, the names and jurisdictions of committees vary widely across states and over time. Accordingly, we link donors and issue-specific committees across states and time by

Table 1 – Linking Interest Groups to Committees By Issue Area. We link sectors identified in the campaign finance data to issue-specific legislative committees by searching for sector-relevant word stems in the committee names.

Interest-Group Sector	Committee Name Word Stems	House % state-years	Senate % state-years
Agriculture	agri; food; forest; livestock; fish; farm; ranch; rural	92.8	84.8
Banking	bank; finan	76.1	84.6
Business	commerce; busine; industry	94.3	86.2
Construction	construc; infrastru; hous; mainten; build	60.6	30.4
Defense	defe; armed; veteran; milit; homeland; border	64.8	52.0
Education	educ; school; universi; child; youth	99.6	98.2
Energy	energy; resources; oil; gas; renewab; coal; nuclea; utiliti; electric; mining	96.6	93.1
Health	health; hospi; medi	91.3	90.8
Insurance	insur	58.7	53.8
Transportation	transpor; highway; road	93.4	95.1

constructing a set of flexible search criteria for committee names based on the standardized donor industry codings provided in the Follow the Money dataset.

Based on our reading of the detailed descriptions of committee jurisdictions for the 2010-2012 session, we produced a list of sector-relevant word stems that often appear in the name of committees with policy-relevance for a given sector. We then searched through the vector of committees for each legislator in order to determine whether the legislator is a member of a given sector-relevant committee. Table 1 outlines the mappings between interest-group sectors and committee-name word stems.[13] The last two columns in the table show the percent of state-years in which we observe an issue-relevant committee; as the numbers indicate, we tend to find relevant committees in most cases. We should note that we do not expect to match committees in 100% of cases since not all legislatures have committees on all topics. To the extent we have missed relevant committees, however, the resulting measurement error should only bias the estimates downward, away from finding evidence for direct access.

Committee Membership Increases Contributions From Relevant Groups

We begin by estimating the effects of committee membership on donations from interest groups with a business interest connected to the jurisdiction of the committee. A simple tabulation of

[13] In the Appendix, we list out all of the committee names that are matched to each of the ten industry categories.

interest-group donations across committees is insufficient to discern whether these interest groups actually value committees, themselves. This is because of clear issues of selection and omitted variables. For example, a legislator who cares about a particular issue of relevance to a given interest group may select onto the relevant committee; in the counterfactual world where this legislator did not sit on the relevant committee, the interest group might still want to contribute to her. A pooled comparison of interest-group contributions to relevant committees will conflate these types of selection with real differences driven by committee service *per se*.

To address these issues, we employ a difference-in-differences design in which we investigate the change in receipts from interest groups after a member switches onto a given committee. In so doing, we follow a series of empirical papers that study the effects of committees. This literature includes Romer and Snyder (1994), Grimmer and Powell (N.d.), and Knight (2005). Most recently, Berry and Fowler (N.d.) use a similar difference-in-differences design in the U.S. House to explore the effects of committee service on the provision of pork at the district level.

The key value of the difference-in-differences design for our purpose is that it removes any time-invariant attributes of legislators that correlate with campaign receipts from particular interest groups. This avoids conflating a legislator's overall propensity to gain contributions from a given interest group with the actual effects of joining the relevant committee. In addition, by comparing the change in a "treated" legislator's receipts before and after joining the committee to the same trend among "control" legislators who do not change committee memberships over the same time period, the design also addresses the possibility that there is a trend in the propensity for certain interest groups to donate to legislators.

The difference-in-differences design is not without assumptions, naturally. For the design to be valid, legislators who switch onto committees of interest must not be trending differently than comparison legislators; that is, had these legislators not switched onto these committees, the over-time change in their campaign receipts needs to be the same as the change we observe for the control legislators. The previous work cited above provides some support for this assumption. In addition, we validate it in several ways below.

Graphical Evidence for Direct Access Seeking

First, we investigate graphical evidence both for the effect of committee membership and for the plausibility of the parallel trends assumption. Figure 1 presents a simplified version of the regressions we will subsequently run. The graph considers contributions from "interested" interest groups to legislators who will serve on relevant committees—that is, it considers donations between interest groups and the committees who oversee the relevant issue areas in the legislature.

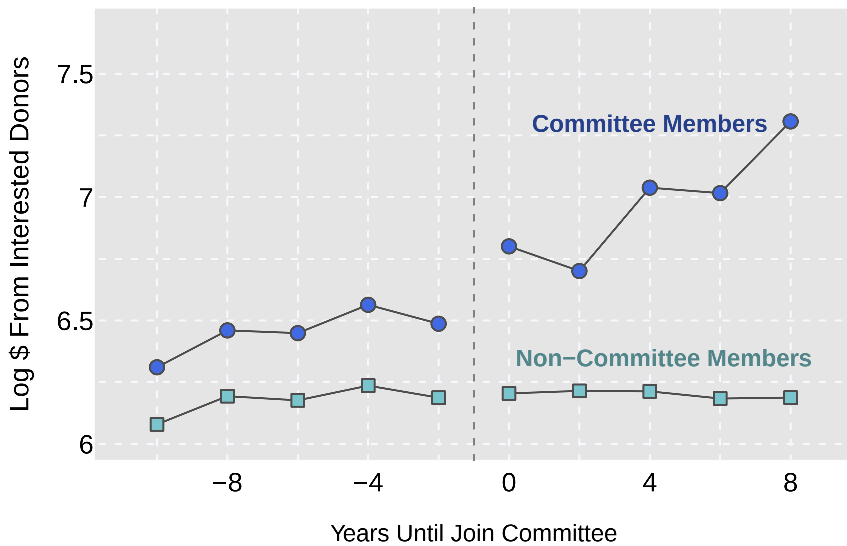
The first time series, in dark blue circles, presents these contributions to legislators who will go on to serve on the relevant committees. That is, starting at time 0 on the horizontal axis, these are legislators who have joined the committees of interest to interest-group donors (we pool over the different committees and their matched donors for the purpose of the graph; below we disaggregate the effects by industry). To maintain comparability, after time 0, this time series only includes members who remain on the committee. This selection is necessary to make the plot. However, we would not want to apply any such post-treatment selection for a formal analysis; the regressions below make no such sample restriction.

The second time series, the light blue squares, presents the same contributions over the same time period for legislators who never serve on these committees but who are in the same state as the treated legislators. We construct an index of average contributions from the same set of donors to this alternate set of legislators, which we then average by year and pair with the treated observations, allowing us to re-scale the graph in terms of time until "treatment" for the treatment group.[14]

The resulting graph suggests several important conclusions. First of all, legislators who will go on to serve on relevant committees are already receiving significantly higher amounts of money from interested groups before they join the committee. This is consistent with evidence presented at the House level in Berry and Fowler (N.d.); clearly, there is selection into service on these committees. This selection is why the difference-in-differences design is important. A pooled, cross-sectional comparison of campaign receipts to committee members vs. other legislators would pick up the effects of committee membership, but it would also pick up significant pre-existing differences

[14]Because of the complicated manner in which this control set is generated, we do not attempt to place standard errors around the plot's lines. The regressions below, however, make it clear that they are very precisely estimated.

Figure 1 – Effect of Committee Membership on Contributions from Interested Donors. The dark blue line (with circular points) plots contributions from interest-group donors to members of committees relevant to their industry, before and after each member joins the relevant committee. The light blue line (with square points) plots the contributions for the same interest-group industry for non-members.



between future committee members—who already raise considerable sums from the relevant donor groups—and legislators who will never serve on the relevant committees.

Moreover, this selection effect is also a main reason why we might expect indirect access to be valuable to groups. The fact that these members already raise extra money from relevant donors suggests that groups are aware that some members are more sympathetic to their causes than other members. By influencing the committee assignment process, groups may be able to direct these members to the relevant committees.

Second, there is clear evidence for a large effect of committee service on receipts from interested donors, even after accounting for the selection into committee service. There is a pronounced increase in contributions for members who join these committees, and no such increase is seen for the control legislators. This suggests that committee membership exerts its own effect on the donations of interested groups, separate from the selection of interested members onto these committees.

Finally, the graph shows no evidence of any pre-treatment trending for treated legislators. Although legislators who go on to join these committees have higher levels of contributions before they join, the over-time trend looks extremely similar between the two groups. This suggests that the parallel trends assumption is valid and gives plausibility to the design. We will probe the validity of the design in other ways after we present the formal regression results below. We turn now to these formal estimates.

Regression Results for Direct Access Seeking

First, we estimate the overall average effect of committee membership on contributions from relevant interest groups. For this purpose, after matching interest groups to relevant committees, we combine all the different interest group and committee pairs in a single analysis. After presenting these overall results, we will then estimate effects by industry.

Formally, we estimate equations of the form

$$\log \textit{Donations From Interested Donors}_{ijt} = \beta_1 1\{\textit{On Committee } j\}_{it} + \gamma_{ij} + \delta_{it} + \epsilon_{ijt}, \qquad (1)$$

where the outcome variable measures logged total contributions to incumbent i in election cycle t from interest-group donors whose industry places them in the jurisdiction of committee j. The variables γ_{it} and δ_{it} stand in for a variety of fixed effects, including candidate-by-industry fixed effects and either year or candidate-by-year fixed effects. The quantity of interest is β_1, which measures the average effect of incumbent i holding a committee position on contributions from interest-group donors in related industries.

Table 2 presents the estimated results. The first column presents a "naive" specification in which we pool all of the data, including no individual or time fixed effects. Here we see that, on average, members of committees receive far more contributions from interest-group donors in industries related to committees' jurisdictions. But this estimate is clearly biased upwards for the selection reasons discussed above.

The second column reflects the difference-in-differences estimate that addresses this source of selection. Here, we include candidate-by-industry dummies as well as year dummies. Hence, the resulting estimate is computed by comparing changes in the amount of money a candidate receives within a given industry before and after joining the relevant committee to the same types of within-industry, within-career changes for legislators who do not join the committee. Here we see a large,

Table 2 – Effect of Committee Membership on Contributions From Interested Donors.

	Log Group Contributions ($)		
On Committee	1.34	0.25	0.28
	(0.03)	(0.02)	(0.02)
Candidate by Industry FEs	No	Yes	Yes
Year FEs	No	Yes	No
Candidate by Year FEs	No	No	Yes
N	317,690	317,690	317,690

Robust standard errors clustered by candidate in parentheses.

positive effect. Joining the committee appears to cause roughly a 25% increase in the amount of contributions from interest groups whose business interests correspond to the committee's policy jurisdiction.

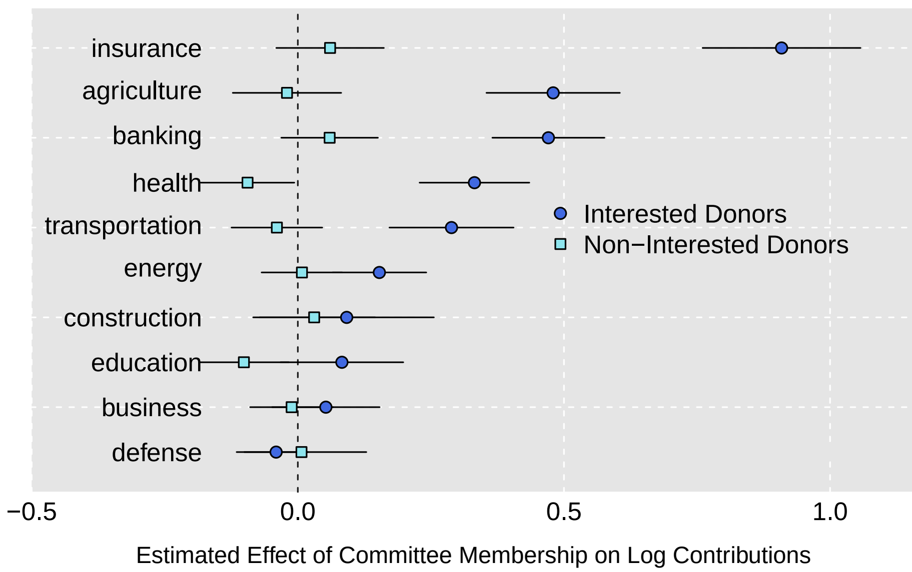
The final column shows the robustness of this estimate to specification. Here we perform a similar difference-in-differences but we use candidate-by-year fixed effects instead of simple year fixed effects. We find a very similar point estimate using this alternative setup. In all cases, joining a committee appears to cause a marked increase in contributions from relevant interest groups. This is consistent with the idea that interest groups seek direct access to legislators who wield influence in policy areas relevant to their business interests.

Effects Across Interest-Group Industries

Thus far, we have considered overall effects which pool across the different types of committees and interest-group industries. In this section, we disaggregate the estimates, computing separate difference-in-differences for each industry-committee pairing. Doing so provides further information on the potential motivations of interest groups. We find that direct access effects are particularly large for the policy areas in which state legislation has the most influence—a pattern that strongly suggests that interest groups seek direct access for policy reasons.

Figure 2 provides the results. The figure plots simple difference-in-differences estimates by industry, for both interested and non-interested donor groups, separately. The dark blue circular points are for interested donor groups; the light blue squares are for non-interested donor groups. Table 3 presents the formal estimates.

Figure 2 – Effect of Committee Membership on Donations from Interest-Group Donors. When they join new committees, legislators see a large increase in contributions from interest groups in industries related to the committee's jurisdiction (dark blue circles); no such increases are seen for donors in unrelated industries (light blue squares).



Focusing first on the dark blue point estimates, we see that there is a large, positive effect of joining relevant committees for interested donors in a large variety of industries. Insurance, banking, health, and agriculture are the industries that appear to value committees the most, on average. These large effects add further evidence that direct access seeking is specifically policy motivated; these are all policy areas in which the U.S. states have significant influence. In the state of California, for example, Insurance, Health, and Banking are among the most important of the "juice" committees—so called because, according to journalists, they are "the legislative bodies that consider bills that directly affect the bottom lines of the most powerful special-interest groups."[15] As another article in the Sacramento Bee describes it, "insurance is generally seen as a desirable 'juice' committee providing access to campaign donors."[16]

The non-effects for defense and education are likewise consistent with the idea that direct access is policy motivated. These are policy areas in which interest groups may have more reason to seek

[15] `http://www.laweekly.com/news/worst-legislator-in-california-part-ii-2170841`, Accessed 19 January, 2016.

[16] `http://www.sacbee.com/news/politics-government/capitol-alert/article4267094.html`, Accessed 19 January, 2016.

Table 3 – Effects of Committee Membership on Contributions.

	Estimate	SE	N
Overall	0.28	(0.02)	317,690
Insurance	0.91	(0.07)	25,998
Agriculture	0.49	(0.06)	26,297
Banking	0.48	(0.05)	25,957
Health	0.33	(0.05)	24,402
Transportation	0.27	(0.06)	26,084
Energy	0.15	(0.05)	25,401
Education	0.08	(0.06)	25,140
Construction	0.08	(0.08)	25,892
Business	0.06	(0.05)	25,030
Defense	-0.03	(0.03)	26,616

access to the federal rather than the state government. Tellingly, neither of these committees is considered to have “juice” in California.[17]

The light blue square point estimates can be thought of as a sort of placebo test where we evaluate whether donors value committees because of their specific policy jurisdictions or not. If committees are just generally valued, then non-interested donors—that is, interest groups not affiliated with the industries related to a particular committee’s policy jurisdiction—should display similar effect sizes to interested donors. Instead, we see much smaller, typically zero, effects for non-interested donors. This points to the specific, policy relevant value of committees.

The gap between the estimates also provides a triple-difference estimate for the value of committee service. As we see, across almost all industries, there is a very large positive effect of committee membership on donations from interested groups and no effect on non-interested donations.

Effects for Top Committees

Thus far we have explored policy specific links between committees and interest groups. But some committees—often the most highly sought after—have jurisdictions broader than any particular industry. In particular, we might suspect a large swath of interest groups to care which legislators

[17] Although precise definitions of “juice” committees vary, Defense and Education clearly do not rank. A recent listing of the juice committees includes the following committees: Appropriations; Banking and Finance; Business, Professionals, and Consumer Protection; Governmental Organization; Health; Insurance; Utilities and Commerce. See `http://www.calnewsroom.com/2014/12/19/did-speaker-toni-atkins-assign-juice-committees-alphabetically-achadjian-bonilla-get-best-assignments/`, Accessed 15 January, 2016.

become members of Appropriations, Ways & Means, and Rules. The first two of these are top committees tasked with coordinating fiscal and budgetary issues; the latter is a committee present in almost all legislatures that controls questions of legislative procedure. To estimate the effects of becoming a member of these top committees, we follow the similar specifications as before, but we include all types of interest-group donations since there is no clear matching of any particular industries to these general-purpose committees. As a result we no longer need candidate-by-industry fixed effects; instead, we use a variety of different fixed effects specifications that change the sets of observations used as controls for the difference-in-differences. These include simple year fixed effects, which compare trends across all legislators in all states, state-year fixed effects, which perform this comparison only within states, and state-chamber-year fixed effects, which perform this comparison only with legislative chambers. In the final specification we also add dummies for each possible level of legislator seniority.

Table 4 shows the results. Gaining membership to Appropriations and Ways & Means appears to provide little increase in contributions (first row). This is consistent with the null findings presented in Berry and Fowler (N.d.), although it may also be unrelated. That interest groups do not react to legislators becoming members of these top committees may indicate that these committees convey no power to their members, as suggested for the federal case in Berry and Fowler (N.d.); alternatively, it may only indicate that whatever power is conveyed is not of use to interest groups.

In contrast, becoming a member of the Rules committee appears to be extremely important to interest groups. This indicates how strategic interest groups may be. The Rules committee has no direct control over policy, but the decisions of the Rules committee may nevertheless be important. In the U.S. House, we know that the rules that accompany a bill when it is considered on the floor are crucial. Whether a bill is considered with a closed vs. open rule affects not only the content of the final bill and its likely outcome, but also influences the decisions of committee members anticipating whether or not their bill will be edited on the floor (see for example Gilligan and Krehbiel 1987). As such, the Rules committee may grant considerable procedural power—and therefore, indirect power over policy—to its members. In turn, it behooves interest groups to pay attention to who joins or vacates the Rules committee.

Table 4 – Value of Membership on Top Committees. Interest groups place great value on members of committees with influence over the rules of the legislature.

	Log Group Contributions ($)			
Ways & Means/	0.05	0.05	0.04	0.04
Appropriations	(0.03)	(0.04)	(0.03)	(0.03)
Rules	0.23	0.31	0.23	0.22
	(0.04)	(0.04)	(0.04)	(0.04)
N	31,765	31,769	31,750	31,750
Individual Fixed Effects	Yes	Yes	Yes	Yes
Year Fixed Effects	No	Yes	No	No
State-Year Fixed Effects	Yes	No	No	No
State-Chamber-Year Fixed Effects	No	No	Yes	Yes
Seniority	No	No	No	Yes

Robust standard errors clustered by legislators in parentheses. Sample sizes vary because of dropped singletons within fixed effects.

In this section, we have explored the value of committee memberships to interest-group donors. Using a new dataset on state legislative committee assignments, we have shown evidence that interest groups seek access to legislators who attain positions on committees that are relevant to their business interests. These findings are consistent with previous studies of interest groups and committees at the federal level, and they provide a clear picture of interest groups seeking direct access to specific legislators. Going further, we have also shown preliminary evidence that groups are thinking strategically—in addition to seeking direct access to relevant legislators, they aggressively seek out members of the Rules committee, one important form of procedural access. We now turn to the topic of indirect access in greater detail.

How Interest Groups Seek Indirect Access to Committees

Clearly, interest groups seek direct access to legislators serving on committees relevant to their business interests. But do they also seek indirect access to legislators who affect the committee process? In this section, we answer this question by investigating whether becoming the member of the legislature in charge of committee assignments causes an increase in contributions from interest-group donors.

The Committee Assignment Process: Data and Background

As the previous section has shown, committee membership matters. It is no logical leap to suspect, then, that who holds the power to make committee assignments matters, too. A rich literature explores the process by which committee assignments are made at the federal level (e.g., Krehbiel 1990; Londregan and Snyder 1994; Shepsle 1978). In the state legislatures, a dazzling variety of assignment procedures come into play. We take advantage of this variation to explore the value committee assignment power holds for interest groups.

In some states, the authority is delegated to a single legislator (e.g., the Speaker of the House, the President or President Pro Tempore of the Senate); in other states, a group of legislators are jointly responsible for assigning members to committees (e.g., decided in a joint process involving both the minority and majority leader, or delegated to a Committee on Committees or the Rules Committee); and in other states, committee membership is determined by seniority rule or decided in plenum.

To study the assignment process, we compiled a dataset describing the institutional features of the assignment procedures across states and years. For each state and year, we define a set of dummy variables indicating whether the responsibility for assigning legislators to committees is delegated to the Speaker of the House, the President of the Senate, the President Pro Tem, the majority-party leader, the minority-party leader, the Committee on Committees, or the Rules Committee. Our main primary source is the *Book of the States*, a yearly publication produced by the non-partisan Council of State Governments (Governments 2014). Chapter 3 in this book describes the institutional features of the state legislatures in a given year. In cases where the information in the *Book of States* was incomplete, we supplemented it with archival material from the relevant state legislative archives.

Using this data in conjunction with information on the identity of various legislative leaders collected in Fouirnaies and Hall (2015), we identify the individual legislator who controls the assignment process. The dummies are not mutually exclusive, but are constructed to reflect the control of the assignment process as accurately as possible. If, for example, the control over the assignment process in the upper chamber is shared between the majority- and minority-party leader (as it currently is in CO and IA), both of these legislators are coded as 1. When the responsibility is delegated to a committee (Committee on Committees or the Rules), our analyses focus on the chair of the committee.

If the procedural decisions were static over time and across states, it would be difficult to parse out the value of holding assignment power. Although we could take advantage of individual members switching in and out of the roles that possess these powers, these roles typically come with other powers as well—for example, the President Pro Tempore often has the power to assign committees, but of course this role comes with many other *de jure* authorities, too.

Fortunately for our purposes, there is substantial variation in the rules governing the authority to assign committee members. This variation allows us to cleave the value of assignment power from the value of other powers committee assigners often possess. To illustrate the variation, consider the allocation process in the upper chambers of Rhode Island and Connecticut. In Connecticut, the control of committee allocation was delegated to the President Pro Tempore up until 2006, at which point the Committee on Committees took over responsibility. In the upper chamber of nearby Rhode Island, the Majority leader held the power during the period 1990-2003, after which the President of the Senate obtained the power from 2004 to 2010. This type of *within-* and *between-state* variation in the process governing the allocation of committee membership is important because it enables us to compare the value of leadership institutions before and after the control over the committee assignment process is stripped away from a leader's portfolio of parliamentary rights. We exploit this in our identification strategy and discuss in further details below. Table 5 reports how these institutional rules varies across states and time.

Large Effects of Committee Assignment Power on Contributions

Empirically, we are interested in comparing contributions to a legislator who obtains control of the committee assignment process to the counterfactual amount of contributions that the legislator would have received, had she not controlled the assignment process. In equation 2, we define our main treatment dummy,

$$Assign_{it} = \begin{cases} 1, & \text{if legislator } i \text{ controls committee assignments prior to the election at time } t \\ 0, & \text{otherwise,} \end{cases} \tag{2}$$

Table 5 – Committee Assignment Control (% of years from 1988-2012).

	House						Senate						
	Maj. Leader	Min. Leader	Speaker	Com. on Com.	Rules Com.	Other	Maj. Leader	Min. Leader	President	Pres. Pro Tem	Com. on Com.	Rules Com.	Other
AK	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0
AL	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	31.2	18.8	50.0	0.0	0.0
AR	0.0	0.0	18.8	0.0	0.0	81.2	0.0	0.0	0.0	0.0	50.0	0.0	50.0
AZ	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0
CA	0.0	0.0	93.8	0.0	6.2	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0
CO	0.0	28.1	71.9	0.0	0.0	0.0	65.6	34.4	0.0	0.0	0.0	0.0	0.0
CT	0.0	0.0	68.8	31.2	0.0	0.0	0.0	0.0	0.0	68.8	31.2	0.0	0.0
DE	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0
FL	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0
GA	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	50.0	0.0	50.0	0.0	0.0
HI	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0
IA	0.0	0.0	100.0	0.0	0.0	0.0	50.0	50.0	0.0	0.0	0.0	0.0	0.0
ID	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0
IL	0.0	50.0	50.0	0.0	0.0	0.0	0.0	43.8	43.8	0.0	12.5	0.0	0.0
IN	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0
KS	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
KY	0.0	0.0	31.2	68.8	0.0	0.0	0.0	0.0	31.2	0.0	68.8	0.0	0.0
LA	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0
MA	0.0	28.1	71.9	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0
MD	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0
ME	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0
MI	0.0	0.0	100.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0
MN	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	50.0	50.0
MO	3.1	18.8	78.1	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0
MS	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0
MT	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0
NC	0.0	0.0	68.8	31.2	0.0	0.0	0.0	12.5	0.0	56.2	31.2	0.0	0.0
ND	0.0	0.0	37.5	62.5	0.0	0.0	0.0	0.0	0.0	0.0	93.8	6.2	0.0
NE	.	.	.	.	.	.	0.0	0.0	0.0	0.0	100.0	0.0	0.0
NH	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0
NJ	0.0	0.0	68.8	31.2	0.0	0.0	0.0	0.0	68.8	0.0	31.2	0.0	0.0
NM	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0
NV	0.0	0.0	100.0	0.0	0.0	0.0	62.5	0.0	0.0	0.0	0.0	0.0	37.5
NY	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0
OH	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	50.0	0.0	0.0	0.0	50.0
OK	0.0	0.0	100.0	0.0	0.0	0.0	0.0	31.2	0.0	68.8	0.0	0.0	0.0
OR	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0
PA	0.0	0.0	56.2	43.8	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0
RI	0.0	0.0	100.0	0.0	0.0	0.0	50.0	0.0	50.0	0.0	0.0	0.0	0.0
SC	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
SD	0.0	0.0	100.0	0.0	0.0	0.0	0.0	9.4	0.0	40.6	0.0	0.0	50.0
TN	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TX	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0
UT	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0
VA	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0
VT	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	6.2	0.0	93.8	0.0	0.0
WA	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	96.9	0.0	0.0	0.0	0.0
WI	0.0	0.0	100.0	0.0	0.0	0.0	37.5	0.0	0.0	0.0	0.0	0.0	62.5
WV	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0
WY	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0

Note: For each state, the table reports the percent of years in which the leader indicated by column header is responsible for appointing committee members.

where i indicates a legislator and t refers to an election year.

The leader who is endowed with the institutional power to control committee assignments is clearly not randomly drawn from the pool of legislators. Hence, a simple cross-sectional comparison of contributions will only yield an unbiased estimate of the value of committee assignment control under very strong, implausible assumptions. There are at least two major concerns:

1. Leaders are systematically different from other legislators,

2. The process of assigning committee members is only one of many important tasks handled by legislative leaders (e.g., they may also refer bills to committees and set the legislative calendar).

Both of these problems will likely create an upward bias in the estimated effect because the quality that separates leaders from other legislators presumably also help them attract contributions, and because the other tasks that leaders perform are probably also deemed valuable by campaign donors.

To isolate the value of committee assignment control, we exploit two sources of variation. First, to separate out the institutional value of various leadership positions, we leverage *within-legislator* variation induced by legislators moving in and out of leadership positions (following shifts in majority-party status, for example). Second, to disentangle the value of committee assignment control from other valuable institutional features of leadership positions, we exploit variation in the institutional rules governing the authority to appoint committee members.

Using OLS, we estimate the models of the following form

$$\begin{aligned} \textit{Log Money}_{it} \quad = \quad & \beta_1 \textit{Assign}_{it} + \beta_2 \textit{Speaker House}_{it} + \beta_3 \textit{President Senate}_{it} \\ & + \beta_4 \textit{President Pro Tem Senate}_{it} + \beta_5 \textit{Majority Leader}_{it} \\ & + \beta_6 \textit{Minority Leader}_{it} + \beta_7 \textit{Chair of Rules}_{it} + \\ & \beta_8 \textit{Chair of Committee on Committees}_{it} + \alpha_i + \delta_t + \varepsilon_{it}, \end{aligned} \tag{3}$$

where $Assign_{it}$ is the dummy variable as defined in equation 2; $\textit{Speaker House}_{it}$, $\textit{President Senate}_{it}$, $\textit{President Pro Tem Senate}_{it}$, $\textit{Majority Leader}_{it}$, $\textit{Minority Leader}_{it}$, $\textit{Chair of Rules}_{it}$, $\textit{Chair of Committee on Committees}_{it}$ are dummy variables taking on the value of 1 if legislator i is assigned

Table 6 – Value of Committee Assignment Control. Interest groups invest in legislators who possess the power to make committee assignments.

	Log Group Contributions ($)			
Assignment Control	0.86 (0.13)	0.40 (0.16)	0.40 (0.16)	0.41 (0.16)
N	32,615	32,615	32,601	32,600
Individual Fixed Effects	Yes	Yes	Yes	Yes
State-Year Fixed Effects	Yes	Yes	No	No
State-Chamber-Year Fixed Effects	No	No	Yes	Yes
Seniority Fixed Effects	No	No	No	Yes
Leadership Dummies	No	Yes	Yes	Yes

Robust standard errors clustered by legislators in parentheses.

to the leadership position in question during the term prior to the election at time t; a_i represents legislator-fixed effects; δ_t indicates year-fixed effects; finally ε_{it} indicate the error term.

Table 6 presents the estimated results. In the first column, we estimate the overall effect of obtaining the position associated with making committee assignments; this estimate reflects both the actual value to interest groups of making committee assignments, *plus* any other attributes that come along with this position. As the estimate shows, obtaining this position is extremely valuable to interest groups.

In the next column, we add dummies for the various types of leadership in order to parse out the value of committee assignment power itself. Here the hope is to hold membership in a given leadership position constant and alter who in the legislature holds the power to assign committees. As the estimate indicates, taking control of the committee assignment process appears to lead to a large increase in contributions from interest groups. The third and fourth columns explore alternate specifications for the difference-in-differences. While the second column uses simple individual and time fixed effects, the third and fourth use more flexible specifications in which treated legislators are compared only to other legislators in their own state (column 3) and to only legislators in their own chamber (column 4). These latter two columns likely represent our most trustworthy estimates, though they reduce power relative to the second column. In all cases, a large and positive estimate is found. Comparing the fourth column's estimate to the first column's—which includes powers other than appointment power—it appears that appointment power is responsible for roughly 40% of the overall effect of obtaining the relevant leadership positions. Moreover, the estimated effect of 0.40 is roughly twice as large as the average effect for direct access (0.25 from column 2 of Table 2).

How do we interpret these results? They seem to indicate that a legislator receives a large amount of new money when she gains the power to make committee assignments. As the logged estimates show, as a proportion of her contributions these effects appear quite large. What about relative to the donors' political campaigns in total? In the Appendix, we re-estimate these main results using the percentage of total money given in that state and year as the outcome variable. The results indicate that the effects are substantial; gaining the power to make committee assignments is estimated to cause roughly a 2.5 percentage-point increase in a legislators' share of all contributions given in the legislature.

Could these results on indirect access be the result of a violation of the parallel trends assumption? It is possible that individuals seize power of the assignment process at a time when their interest-group contributions are trending upwards in a manner systematically different than other legislators, which would produce an upward bias in our estimates. The use of differing sets of candidate and time dummies suggests this is not the case, but in the Appendix, we also go further and estimate leads of the treatment variable. Figure A.1 presents the resulting estimates, which show no evidence of pre-treatment trending.[18]

Examining Reforms Within States

The above analysis relies on comparing the effects of leadership across states. That is, while the analysis does include individual and time fixed effects that account for on-average differences across legislators (and therefore states, too) and years, the regression still separates out the effect of appointment power from the effects of obtaining leadership positions by making comparisons across states. This gives us the maximum power to estimate the value of appointment power, but it might overstate this value if there is a correlation between a state's choice to give a particular leadership position the power to make committee assignments and other factors that make that position powerful. For example, if state A makes the Speaker make committee appointments because the Speaker is a powerful actor, while state B makes the Majority Leader make committee

[18] We would also like to follow best practices by estimating specifications that include individual-specific linear time trends. Unfortunately the large number of individuals makes this computationally impossible as of now.

appointments because in that state this person is more powerful than the Speaker, than the variation in appointment power will not be the only thing captured by our difference-in-differences design.

To make sure this issue does not drive our results, we now perform a more focused analysis in which we leverage only within-state changes in the power to make committee assignments. That is, we zoom in on individual members who hold the same leadership position in consecutive terms but whose power to assign committees varies over these two terms. These are individuals who either (a) lose the power to make committee assignments while maintaining the same leadership position or (b) gain the power to make committee assignments while maintaining the same leadership position. There are 17 such cases in the dataset; hence, this analysis will not be statistically precise, but it will help to validate the results above.

We define a new variable $Switch_{it}$ which takes the value 1 if legislator i gains the power to make committee assignments at time t, 0 if there is no change in legislator i's powers, and -1 if legislator i loses the power to make committee assignments at time t.

First, we simply calculate the average change in log interest-group contributions for the switchers. Legislators already holding a leadership position who gain the power to make committee assignments see, on average, an increase of roughly 1.67 log points in their total contributions from interest groups—a massive increase. Legislators already holding a leadership position who lose the power to make committee assignments see, on average, a decrease of roughly .72 log points, again a very large change.

To test this more rigorously—while still keeping in mind the very small sample sizes—we run simple regressions of the form

$$Log\ Money_{it} = \beta_1 Switch_{it} + \gamma_i + \delta_t + \epsilon_{it} \tag{4}$$

where all variables are defined as before. This equation implicitly defines a new difference-in-differences design in which only the switching legislators are used in the treatment group, thus avoiding making any cross-state comparisons in the value of various leadership positions. Consistent with the simple averages calculated above, we estimate $\beta_1 = 0.29$, indicating a large increase when members gain the power to make committee assignments, holding their leadership position constant, and a large decrease when they lose this power. This point estimate is very similar in magnitude to the overall indirect access effects estimated before. With so few treated units it is difficult to perform statistical inference. With robust standard errors clustered by candidate—generally the preferred inferential approach, although clustered standard errors perform poorly when there are this few clusters (Bertrand, Duflo, and Mullainathan 2004; Cameron, Gelbach, and Miller 2008)—the t-statistic is 1.31 ($p < 0.19$). Nevertheless, the fact that the effect is so dramatic in these cases, along with the higher-powered analyses presented previously, strongly suggest that making committee assignments is a valuable asset. Indirect access appears to a high priority for interest groups.

Who Values Indirect Access?

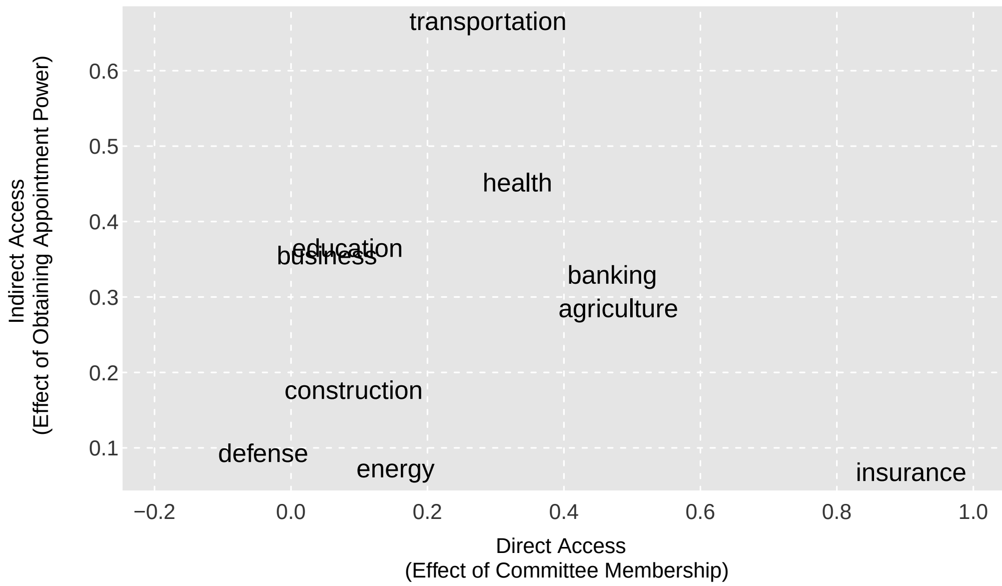
Above, we showed that indirect access is more important than direct access for interest groups in state legislatures, on average. But who are the groups that value one type of access or the other? Do groups trade off the two? In this section we explore this in more detail to understand the strategic behavior of interest groups.

First, we evaluate the link between direct and indirect access, with two possible theoretical predictions in mind. On the one hand, industries that value committees more, and therefore seek more direct access, might be expected to seek more indirect access, too. The logic is straightforward. The firms who care more about influencing committee members should also care more about influencing the composition of committees in the first place. While this logic seems clear, firms nevertheless are financially constrained. More donations to one set of legislators, such as committee members, may necessarily mean fewer donations to another set, such as committee assigners.

To assess these hypotheses, we estimate the effect of a legislator obtaining the power to make committee assignments on interest-group contributions for the same ten industry groupings we used in Figure 2. We use the same specification from equation 3, including dummies for the leadership positions to isolate the effect of appointment power itself. We then compare these estimates to the estimated effects of committee membership on contributions from the relevant interested industry from Figure 2.

As Figure 3 shows, we see a weak but *positive* correlation. Although the insurance industry appears to be a large outlier in how much it values direct access, overall, industries that seek out

Figure 3 – How Industries Value Direct vs. Indirect Access. Each point in the plot depicts the estimated effect of committee membership (horizontal axis) and committee assignment power (vertical axis) for a given interest-group industry.



relevant committee members also seek out those with the power to make committee assignments. The correlation may not be strong but it is decidedly not negative.[19] Rather than trading off direct and indirect access, the industries that give more to committees also generally seem to give more to committee assigners.

We can also investigate which specific parts of industries appear to place the most value on indirect access. In particular, we re-estimate equation 3 using contributions from each of the 80 sub-industry codings provided in the Follow The Money data. Figure 4 plots the resulting point estimates. Because there are many estimates, there are obvious concerns of multiple testing here. We view the plot as preliminary and descriptive. For this reason, we do not include confidence intervals, although many would be considered statistically significant if viewed in isolation.

The figure shows interesting possible variation in the value of indirect access. The top right of the plot shows the sub-industries where the effects of a legislator obtaining the power to make committee assignments on contributions is highest. As we see, the very highest estimate is for contributions from the Securities & Investment sub-industry. Mining, Air Transport, and Tobacco

[19]Including the insurance industry point, the correlation between the two estimates is roughly 0; however, omitting insurance, the correlation is 0.4.

Figure 4 – How Sub-Industries Value Indirect Access.

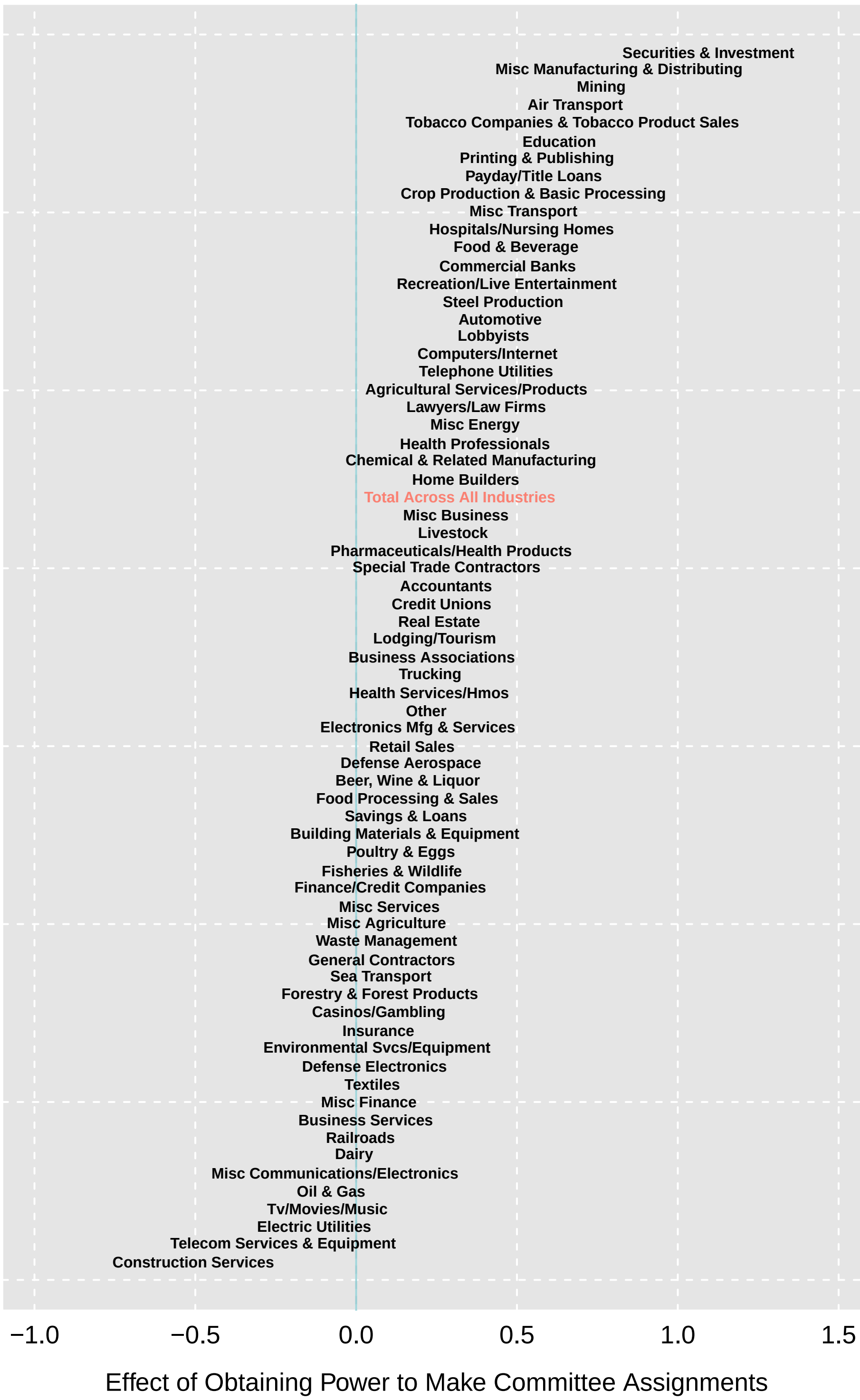


Table 7 – Value of Committee Assignment Control and State-level Institutions.

	Log Group Contributions ($)	Log Group Contributions ($)
Assignment Control	0.45 (0.17)	0.70 (0.33)
Assignment × Term Limits	-0.67 (0.26)	
Assignment × Squire Index		-0.01 (0.01)
N	32,615	32,615
Individual Fixed Effects	Yes	Yes
State-Year Fixed Effects	Yes	Yes
Leadership Dummies	Yes	Yes

Robust standard errors clustered by legislators in parentheses.

are among the other most invested sub-industries. In contrast, Railroads, Dairy, Oil & Gas, and Telecom are among those who seek the least direct access, according to the estimates. Though we do not explore this variation in detail in this paper, we hope that by documenting it we will spur future efforts to understand why some firms value indirect access more than others.

Direct and Indirect Access Across States

By studying state legislative committees, we also gain the advantage of being able to make comparisons across institutional contexts. In this section, we explore how the value of access appears to vary across states. We focus on two important types of institutional variation: term limits and professionalization.

Term limits provide a useful test of the indirect access hypothesis. A main part of the supposed value of "investing" in politicians depends on a long time horizon—"give early, give often" in the words of Snyder (1992). Legislative term limits remove this time horizon. If interest groups are donating for access, both directly and indirectly, then the implementation of term limits should diminish the value of access and thus decrease the amount of contributions from interest groups.

Simply comparing term-limited states to non-term-limited states will not test this hypothesis because term-limited states differ from other states in systematic ways. Instead, we follow Hall

(2014) and focus on within-state over-time variation in term limits, taking advantage of the fact that states which currently have term limits implemented them at various times in the past.

The first column of Table 7 presents the term-limits results. As the interaction term in the second row shows, the entire effect of obtaining committee assignment control is wiped out by term limits. That is to say, after term limits are put in place, interest groups no longer reallocate contributions in response to a legislator taking control of the committee assignment process. The size of the negative interaction coefficient even suggests the possibility that obtaining assignment power induces a decrease in contributions, but we cannot reject the null that the effect in the term-limited context is zero, so this is likely due to sampling variability rather than evidence of a truly negative overall effect.[20]

Next, we investigate how the effect varies across legislative professionalization, using the measure from Squire (2012). Some state legislatures, like California, are highly professionalized, with full-time staff, high salaries, and a well-developed institutional structure. Others, like New Hampshire, pay very little, employ legislators only part-time, and are only weakly organized. The Squire (2012) index measures how professionalized each state legislature is. We create ranks based on this measure and interact the ranking with our main treatment variable. The second column of Table 7 presents the results. As we see in the third row of the second column, the effect appears to shrink in less professionalized legislatures. For each increase in rank—that is, becoming less professional—the effect of obtaining the power to assign committees decreases by .01 log points. This may not seem large, but it implies that in the least professionalized legislature there is a much smaller effect of obtaining assignment control ($0.70-(50\times.01) = .2$). However, the standard error does not allow us to reject the null of no slope, so this result is more tentative.

One econometric issue warrants further mention. The U.S. states vary considerably in the overall amounts of money given to campaigns. Some states are larger and/or have more economic activity. Perhaps more importantly, some states limit the amount of money that donors can give to candidates while others do not. The differences in these levels may affect the state-by-state effect estimates—in particular, states where the overall amount of money contributed is less may exhibit smaller effect sizes because everything is necessarily compacted. Though there is no obvious

[20]Specifically, the p-value for the sum of the two coefficients is 0.27, so we cannot reject the null of a zero effect when term limits are in place.

Table 8 – Value of Industry-Specific Committee Membership and State-level Institutions.

	Log Group Contributions ($)	Log Group Contributions ($)
Committee Membership	0.290	0.178
	(0.018)	(0.037)
Committee Membership × Term Limits	0.037	
	(0.041)	
Committee Membership × Squire Index		0.004
		(0.001)
N	317,690	317,690
Candidate by Year FEs	Yes	Yes
Candidate by Industry FEs	Yes	Yes

Robust standard errors clustered by legislators in parentheses.

reason this variation should bias the across-state comparisons that are implicit in these interactive specifications, they are worth account for; accordingly, in the Appendix we re-estimate these regressions using as the outcome variable the percentage of all money given in that state and year to a particular candidate as the outcome variable. This addresses differences in the levels. We continue to find the exact same pattern of evidence in these alternate specifications.

We now replicate these analyses for direct access. We add the same interactions—on term limits and on professionalization—to equation 1, estimating the effect of joining a committee on contributions from interest groups linked to that committee. Here, the results are quite different.

Consider the first column. Unlike for indirect access, here the effect does not appear to vary at all with term limits. Even when legislators are term-limited, interest groups continue to seek out those serving on relevant committees. This may not be surprising given that committees continue to operate in term-limited legislatures, but it suggests that the reason interest groups scale back their contributions to committee assigners in response to term limits cannot simply be that committees are less valuable. Instead, we suspect that this pattern of results indicates that short-term access to committee members is valuable whereas building relationships to committee assigners requires more sustained effort over a longer period of time. This latter requirement becomes unattainable when term limits are put in places, since the person in charge of making committee assignments only possess this power for a brief period of time. That committee access is valuable even in the short term is consistent with the results presented in Grimmer and Powell (N.d.), who find that committee effects are immediate and sharp. Further work will be necessary to test this hypothesis in greater detail.

In the second column, we see that direct access effects are larger in less professionalized legislatures, again in contrast to the indirect access results. That is, as the Squire rank increases—indicating a less professionalized legislature—the effect of obtaining a relevant committee assignment on interest-group contributions goes up. The interaction coefficient is not especially large in magnitude, but, as before, if we consider the shift from most professionalized (rank=1) to least (rank=50), the effect would be more than twice as large. These results also illuminate the contrasts between direct and indirect access. It is possible that influencing the committee assignment process is more important in more professionalized legislatures where the committee system is more established; in less professionalized legislatures the assignment process may be more chaotic. Interest groups in these legislatures may therefore shift more of their effort to seeking out committee members directly. Again, these results are only tentative, but they suggest promising avenues for future research on the variation between direct and indirect access.

Discussion and Conclusion

Campaign finance continues to rank among the most salient political concerns of American citizens. There seems to be a widely held view that business interests, in particular, are able to use their financial resources to alter the political process in ways that benefit them. Without understanding the specific mechanisms by which these interest groups attempt to influence the process, it is hard to assess how accurate such claims are, or to begin to consider their normative implications. We do not pretend to provide a full account of the complex interplay of voters, interest groups, and political actors in a single paper, but we do pinpoint two particular strategies—direct and indirect access—by which interest groups seek access to legislators. These strategies are widespread, spanning the legislatures of all fifty U.S. states, and they are far-reaching, applying to a variety of committees and a range of different business interests.

The first of these two mechanisms, direct access, is well established in a longstanding literature in American politics. Drawing on the techniques from this literature, we have shown that the same patterns of access seeking persist in state legislatures. Indeed, these results point to the remarkable generalizability of the access hypothesis, not just across democratic contexts but across industries, since the state legislative data offers the opportunity to study a broader swath of industries and committees. The desire of interest groups to gain access to legislators is hardly limited to the big money, high salience context of our federal legislatures. Moreover, the variation in these effects across industries suggests that the desire for access is motivated by policy interests; the industries we found to seek the most access to relevant committees—insurance, banking, and health—are precisely the industries most affected by state-level policy. This pattern of evidence makes clear that, at the very least, interest groups deploy their campaign funds as if they provide strategic value.

The second mechanism, indirect access, is far less studied, but we have argued that it is at least as important a channel for interest-group influence. Interest groups are highly attuned to which legislators are sympathetic to their policy goals. The opportunity to help route these members to the proper committees is a clear strategic priority. Not only do the individuals in charge of making committee assignments possess a concentrated power of value to these groups, but because these decisions occur early in the session and are removed from policy decisions, they are likely to be less visible to the public.

To explore the value that interest groups place on indirect access, we began by investigating the effects of members joining the Rules committee, across all state legislatures. The effect of joining Rules on interest-group contributions is large—larger than almost all of the committee-specific direct access effects, and much larger than the effects for joining Appropriations or Ways & Means. Clearly, interest groups value influence over legislative procedure. Going further, we used data on leadership positions in state legislatures to try to isolate the effects of a legislator attaining the power to assign committees, aware of the possibility that committee assigners tend to be given other procedural powers at the same time. We documented a large, positive effect of obtaining the power to assign committees on interest-group contributions, indicating the value that strategic groups place on this procedural role in the legislature.

Finally, taking advantage of the rich variation in institutional structure across the U.S. states, we presented follow-up evidence showing some of the ways in which indirect access differs from direct access. Term limits do little to erode the value of direct access to committee members, but they entirely remove the observed value of indirect access. We suspect that this may be due to the fact that access to the committee assignment process requires a longer time horizon, necessitating a relationship built and maintained over many electoral cycles in order to bear fruit. The value of indirect access also appears to be increasing in the professionalization of the legislature, consistent with the notion that access to procedural power is more valuable in contexts where these procedures are well-established and regular. Again, this pattern is not found for direct access.

More generally, we hope that our study and the newly collected data that it offers will encourage more researchers to turn to the U.S. states for evidence on broad political phenomena. A long and fruitful literature has studied the state legislatures, but research in this vein is often regarded (sometimes unfairly) as being specific to the state context—akin to an area study. In fact the U.S. legislatures offer an unparalleled opportunity to test and revise general theories about the democratic legislative process. For our particular theory of indirect access, the federal level would be insufficient to establish any meaningful empirical patterns, due to the low degree of variation in which legislators possess the power to make committee assignments. For this question, and for many others like it, the variation in the institutional structures of the fifty U.S. states provide an invaluable laboratory.

How, and how much, do interest groups influence the political process? This is a large and important question, and there is much more work to be done to answer this question with any confidence. However, the patterns of evidence we have presented strongly suggest that interest groups view access to incumbents as valuable. Indeed, interest groups seem to value access to legislative committees enough to contribute both to committee members, directly, and to those legislators who control the committee assignment process. Unless interest groups are systematically wasting money, the results therefore suggest that they gain at least some amount of influence over the policy process through this behavior.

At the same time, the overall amounts that these groups give seem small (Ansolabehere, de Figueiredo, and Snyder 2003). Our results, and the accumulated results of the empirical literature on which we are building, raise a paradox. On the one hand, interest groups invest surprisingly little money, overall, in the political process. On the other hand, they invest what little money they commit to the process very carefully. Clearly, they do not dispense these contributions on a whim. Instead, they carefully seek out the members whose legislative roles offer potentially useful influence. Although the total amount of money spent is small, the investments in human capital necessary to deploy these amounts so strategically are not. Squaring these two conflicting observations is perhaps one of the most important tasks for future work in this literature.

References

Ansolabehere, Stephen, and James M. Snyder, Jr. 1998. "Money and Institutional Power." *Texas Law Review* 77: 1673–1704.

Ansolabehere, Stephen, John M. de Figueiredo, and James M. Snyder, Jr. 2003. "Why is There so Little Money in U.S. Politics?" *Journal of Economic Perspectives* 17(1): 105–130.

Barber, Michael. N.d. "Donation Motivations: Testing Theories of Access and Ideology." *Political Research Quarterly*. Forthcoming.

Barber, Michael J., Brandice Canes-Wrone, and Sharece Thrower. 2015. "Sophisticated Donors: Which Candidates Do Individual Contributors Finance?" Working Paper. http://pitt.edu/ sthrower/sophisticated%20donors.pdf.

Berry, Christopher, and Anthony Fowler. N.d. "Cardinals or Clerics? Congressional Committees and the Distribution of Pork." *American Journal of Political Science*. Forthcoming.

Bertrand, Marianne, Esther Duflo, and Sendhil Mullainathan. 2004. "How Much Should We Trust Differences-in-Differences Estimates?" *Quarterly Journal of Economics* 119(1): 249–275.

Cameron, A. Colin, Jonah B. Gelbach, and Douglas L. Miller. 2008. "Bootstrap-based Improvements for Inference with Clustered Errors." *The Review of Economics and Statistics* 90(3): 414–427.

Cox, Gary W, and Eric Magar. 1999. "How Much is Majority Status in the US Congress Worth?" *American Political Science Review* 93(2): 299–309.

Cox, Gary W., and Mathew D. McCubbins. 2011. "Managing Plenary Time: The US Congress in Comparative Perspective." In *The Oxford Handbook of the American Congress*, ed. Eric Schickler, and Frances E. Lee.

Cox, G.W., and M.D. McCubbins. 2005. *Setting the Agenda: Responsible Party Government in the U.S. House of Representatives*. Cambridge University Press.

Fouirnaies, Alexander, and Andrew B. Hall. 2014. "The Financial Incumbency Advantage: Causes and Consequences." *Journal of Politics* 76(3).

Fouirnaies, Alexander, and Andrew B. Hall. 2015. "The Power of Legislative Leaders." Working Paper. http://dx.doi.org/10.2139/ssrn.2653063.

Gaikwad, Nikhar. 2013. "Presidential Prospects, Political Support, and Stock Market Performance." *Quarterly Journal of Political Science* 8(4): 451–464.

Gilligan, Thomas W., and Keith Krehbiel. 1987. "Collective Decisionmaking and Standing Committees: An Informational Rationale for Restrictive Amendment Procedures." *Journal of Law, Economics, & Organization* 3(2): 287–335.

Goldman, Eitan, Jrg Rocholl, and Jongil So. 2009. "Do Politically Connected Boards Affect Firm Value?" *Review of Financial Studies* 22(6): 2331–2360.

Gordon, Sanford C., Catherine Hafer, and Dimitri Landa. 2007. "Consumption or Investment? On Motivations for Political Giving." *Journal of Politics* 69(4): 1057–1072.

Governments, Council Of State. 2014. *The Book of the States 2014*. Book Of the States Council of State Government.

Grier, Kevin B., and Michael C. Munger. 1991. "Committee Assignments, Constituent Preferences, and Campaign Contributions." *Economic Inquiry* 29(1): 24–43.

Grimmer, Justin, and Eleanor N. Powell. N.d. "Money in Exile: Campaign Contributions and Committee Access." *Journal of Politics*. Forthcoming.

Hall, Andrew B. 2014. "Partisan Effects of Legislative Term Limits." *Legislative Studies Quarterly* 39(3): 407–429.

Hall, Richard L., and Frank W. Wayman. 1990. "Buying Time: Moneyed Interests and the Mobilization of Bias in Congressional Committees." *American Political Science Review* 84(3): 797–820.

Kalla, Joshua L., and David E. Broockman. N.d. "Campaign Contributions Facilitate Access to Congressional Officials: A Randomized Field Experiment." *American Journal of Political Science*. Forthcoming.

Klarner, Carl, William Berry, Thomas Carsey, Malcolm Jewell, Richard Niemi, Lynda Powell, and James Snyder. 2013. "State Legislative Election Returns (1967-2010).".

Knight, Brian. 2005. "Estimating the Value of Proposal Power." *The American Economic Review* 95(5): 1639–1652.

Krehbiel, Keith. 1990. "Are Congressional Committees Composed of Preference Outliers?" *American Political Science Review* 84(1): 149–163.

Krehbiel, Keith. 1992. *Information and Legislative Organization*. University of Michigan Press.

Krehbiel, Keith, Kenneth A. Shepsle, and Barry R. Weingast. 1987. "Why Are Congressional Committees Powerful?" *American Political Science Review* 81(3): 929–945.

Leadership Directories. 2014. *State Yellow Book, Fall 2014: Who's Who in the Executive and Legislative Branches of the 50 State Governments*. Volume 26 Leadership Directories, Incorporated.

Londregan, John, and James M. Snyder, Jr. 1994. "Comparing Committee and Floor Preferences." *Legislative Studies Quarterly* 19(2): 233–266.

McConachie, Lauros G. 1898. *Congressional Committees: A Study of the Origin and Development of our National and Local Legislative Methods*. Crowell.

Palmer, Maxwell. 2014. "Why Legislatures Elect and Empower Leaders." Working Paper. http://ssrn.com/abstract=2300009.

Roberts, Brian E. 1990. "A Dead Senator Tells No Lies: Seniority and the Distribution of Federal Benefits." *American Journal of Political Science* 34(1): 31–58.

Romer, Thomas, and James M. Snyder, Jr. 1994. "An Empirical Investigation of the Dynamics of PAC Contributions." *American Journal of Political Science* 38(3): 745–769.

Shepsle, K.A. 1978. *The Giant Jigsaw Puzzle: Democratic Committee Assignments in the Modern House*. University of Chicago Press.

Smith, Jeff. 2015. “Passion or Dollars? How Mobilization Can Spoil the Mother’s Milk of Politics.” *Political Research Quarterly* 68(2): 253–265.

Snyder, Jr., James M. 1992. “Long-term Investing in Politicians; or, Give Early, Give Often.” *Journal of Law & Economics* 35(1): 15–43.

Squire, Peverill. 2012. *The Evolution of American Legislatures: Colonies, Territories, and States, 1619-2009.* Ann Arbor: University of Michigan Press.

Weingast, Barry R., Kenneth A. Shepsle, and Christopher Johnsen. 1981. “The Political Economy of Benefits and Costs: A Neoclassical Approach to Distributive Politics.” *The Journal of Political Economy* 89(4): 642–664.

Wilson, Woodrow. 1885. *Congressional Government: A Study in American Politics.* Houghton, Mifflin.

Online Appendix

Intended for online publication only.

A.1 Validating the Difference-in-Differences Design

To test whether the appointment-control treatment assigned at time t affects the allocation of donations in the pre-treatment sessions, we estimate the following models using OLS:

$$log(1 + contributions_{it}) = \alpha_i + \delta_t + \sum_{\tau=0}^{4}[\beta_{1,\tau} Appointment\, Control_{i,t+\tau}] + \mathbf{x}_{it}\theta + \varepsilon_{it}, \quad (5)$$

The results are reported in Figure A.1. As indicated by the graph, the estimates in the pre-treatment period are *not* statistically significantly different from zero. This suggests that pre-treatment trending is not a major cause for concern.

Figure A.1 – Testing for Pre-trending: Leads of the Treatment vs. Treatment Effect.

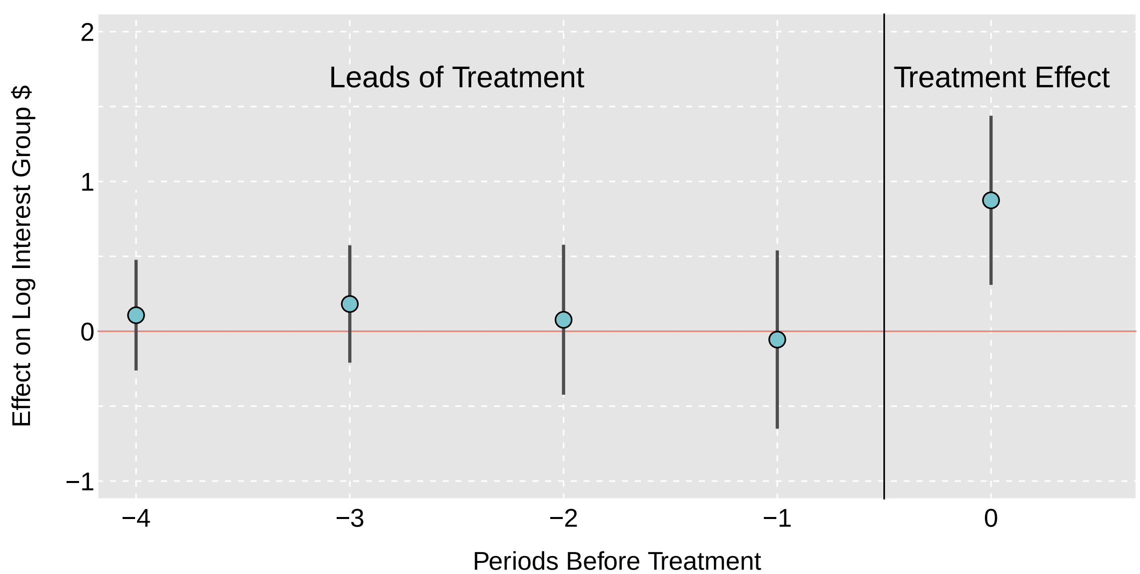


Table A.1 – Value of Committee Assignment Control. Interest groups invest in legislators who possess the power to make committee assignments.

	Group Contributions (%)			
Assignment Control	3.45 (0.43)	2.69 (0.56)	2.70 (0.53)	2.68 (0.53)
N	32,615	32,615	32,601	32,600
Individual Fixed Effects	Yes	Yes	Yes	Yes
State-Year Fixed Effects	Yes	Yes	No	No
State-Chamber-Year Fixed Effects	No	No	Yes	Yes
Seniority Fixed Effects	No	No	No	Yes
Leadership Dummies	No	Yes	Yes	Yes

Robust standard errors clustered by legislators in parentheses.

A.2 Robustness Checks

In Table A.1 we re-estimate the results from Table 6 using the share of total contributions as the outcome variable. As the table shows, obtaining the power to assign committees appears to exert a large effect on the allocation of interest groups' money.

Next, we also re-estimate the interactive effects using the share of total contributions as the outcome. In addition to an alternative interpretation of the effect, this constitutes an important robustness check for the results presented in the paper. States vary a lot in the overall levels of interest-group contributions, both due to state size and varying state regulations concerning limits on contributions. It is possible that effects are dampened in places where the levels of contributions are lower, which in turn could cause cross-state comparisons to be misleading. Re-doing the regressions with percentages addresses these concerns. As the table shows, we continue to find exactly the same patterns of results; term limits appear to reduce indirect access effects while professionalization appears to increase them.

Table A.2 – Value of Committee Assignment Control and State-level Institutions.

	Group Contributions (%)	Group Contributions (%)
Assignment Control	2.88 (0.58)	1.73 (0.84)
Assignment × Term Limits	-2.40 (1.06)	
Assignment × Squire Index		0.04 (0.02)
N	32,615	32,615
Individual Fixed Effects	Yes	Yes
State-Year Fixed Effects	Yes	Yes
Leadership Dummies	Yes	Yes

Robust standard errors clustered by legislators in parentheses.

A.3 Committee-Industry Mappings

The tables below provide an exhaustive list of the committee names that are matched to the ten industry sectors from Follow the Money.

Table A.3 – Committee-industry match. Agriculture, banking and business sectors.

Agriculture	Banking	Business
Agricultural Chemicals (Fertilizers & Pesticides)	Banks & Lending Institutions	Advertising & Public Relations Services
Agricultural Services & Related Industries	Commercial Banks & Bank Holding Companies	Alcohol
Agriculture	Credit Agencies & Finance Companies	Amusement Parks
Animal Feed & Health Products	Credit Unions	Amusement/Recreation Centers
Commodity Brokers & Dealers	Savings Banks & Savings And Loans	Apparel & Accessory Stores
Cotton		Artificial Sweeteners And Food Additives
Crop Production & Basic Processing		Beauty & Barber Shops
Farm Bureaus		Beer
Farm Machinery & Equipment		Beverage Bottling & Distribution
Farm Organizations & Cooperatives		Beverages (Non-Alcoholic)
Farmers, Crop Unspecified		Business Services
Feedlots & Related Livestock Services		Business Tax Coalitions
Florists & Nursery Services		Casinos, Racetracks & Gambling
Forestry & Forest Products		Catalog & Mail Order Houses
Grain Traders & Terminals		Chambers Of Commerce
Horse Breeders		Commercial Photography, Art & Graphic Design
Livestock		Confectionery Processors & Manufacturers
Milk & Dairy Producers		Consumer Electronics & Computer Stores
Other Commodities (Incl Rice, Peanuts, Honey)		Correctional Facilities Constr & Mgmt/For-Profit
Paper & Pulp Mills And Paper Manufacturing		Department, Variety & Convenience Stores
Poultry & Eggs		Direct Mail Advertising Services
Sheep And Wool Producers		Direct Sales
Sugar Cane & Sugar Beets		Drug Stores
Tobacco & Tobacco Products		Employment Agencies
Vegetables, Fruits And Tree Nut		Equipment Rental & Leasing
Veterinarians		Fish Processing
Wheat, Corn, Soybeans And Cash Grain		Food & Beverage Products And Services
		Food And Kindred Products Manufacturing
		Food Catering & Food Services
		Food Stores
		Food Wholesalers
		Funeral Services
		Furniture & Appliance Stores
		General Business Associations
		General Commerce
		Hardware & Building Materials Stores
		Import/Export Services
		Indian Gaming
		International Trade Associations
		Laundries & Dry Cleaners
		Liquor Stores
		Liquor Wholesalers
		Management Consultants & Services
		Marketing Research Services
		Meat Processing & Products
		Miscellaneous Repair Services
		Miscellaneous Retail Stores
		Outdoor Advertising Services
		Pest Control
		Physical Fitness Centers
		Political Consultants/Advisers
		Pro-Business Associations
		Professional Sports, Arenas & Related Equip & Svcs
		Recreation/Entertainment
		Restaurants & Drinking Establishments
		Retail Trade
		Security Services
		Services
		Small Business Associations
		Tobacco Companies & Tobacco Product Sales
		Vending Machine Sales & Services
		Video Tape Rental
		Wholesale Trade
		Wine & Distilled Spirits Manufacturing

Table A.4 – Committee-industry match. Construction, defense, education sectors.

Construction	Defense	Education
Architectural Services	Defense	Education
Builders Associations	Defense Aerospace Contractors	Law Schools
Building Materials	Defense Electronic Contractors	Medical Schools
Construction & Public Works	Defense Research & Development	Schools & Colleges
Construction Equipment	Defense Shipbuilders	Technical, Business And Vocational Schools & Svcs
Construction, Unclassified	Defense-Related Services	
Dredging Contractors	Ground-Based & Other Weapons Systems	
Electrical Contractors	Homeland Security Contractors	
Electrical Supply		
Engineering, Architecture & Construction Mgmt Svcs		
Engineers - Type Unknown		
Landscaping & Excavation Svcs		
Lumber And Wood Products		
Mobile Home Construction		
Other Construction-Related Products		
Plumbing & Pipe Products		
Plumbing, Heating & Air Conditioning		
Public Works, Industrial & Commercial Construction		
Residential Construction		
Special Trade Contractors		
Stone, Clay, Glass & Concrete Products		
Surveying		

Table A.5 – Committee-industry match. Energy, health, insurance, transportation sectors.

Energy	Health	Insurance	Transportation
Alternate Energy Production & Services	Aids Treatment & Testing	Accident & Health Insurance	Air Freight
Coal Mining	Biotech Products & Research	Insurance	Air Transport
Electric Power Utilities	Chiropractors	Insurance Companies, Brokers & Agents	Aircraft Manufacturers
Energy Production & Distribution	Dentists	Life Insurance	Aircraft Parts & Equipment
Energy, Natural Resources And Environment	Drug & Alcohol Treatment Hospitals	Property & Casualty Insurance	Airlines
Fuel Oil Dealers	Health Care Institutions		Auto Dealers, Foreign Imports
Gas & Electric Utilities	Health Care Products		Auto Dealers, New & Used
Gasoline Service Stations	Health Care Services		Auto Manufacturers
Independent Oil & Gas Producers	Health Professionals		Auto Repair
Independent Power Generation & Cogeneration	Hmos		Automotive, Misc
Lpg/Liquid Propane Dealers & Producers	Home Care Services		Aviation Services & Airports
Major (Multinational) Oil & Gas Producers	Hospitals		Bus Services
Metal Mining & Processing	Medical Laboratories		Buses & Taxis
Mining	Medical Supplies Manufacturing & Sales		Car Rental Agencies
Mining Services & Equipment	Mental Health Services		Cruise Ships & Lines
Natural Gas Transmission & Distribution	Nurses		General Aviation (Private Pilots)
Non-Metallic Mining	Nursing Homes		Manufacturers Of Railroad Equipment
Nuclear Energy	Nutritional & Dietary Supplements		Railroad Services
Nuclear Plant Construction, Equipment & Svcs	Optical Services (Glasses & Contact Lenses)		Railroad Transportation
Oil & Gas	Optometrists & Ophthalmologists		Railroads
Oilfield Service, Equipment & Exploration	Other Non-Physician Health Practitioners		Sea Freight & Passenger Services
Petroleum Refining & Marketing	Other Physician Specialists		Sea Transport
Power Plant Construction & Equipment	Outpatient Health Services (Incl Drug & Alcohol)		Ship Building & Repair
Rural Electric Cooperatives	Personal Health Care Products		Space Vehicles & Components
	Pharmaceutical Manufacturing		Taxicabs
	Pharmaceutical Wholesale		Truck & Trailer Manufacturers
	Pharmacists		Truck/Automotive Parts & Accessories
	Physicians		Trucking
	Psychiatrists & Psychologists		Trucking Companies & Services