



Timber! Qualified gains or legislative gains? Cosponsorship behavior in the 2007 Senate

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Outline

1. Introduction – Thrust of research.
2. Place in the grand scheme of things. An odd omission.
3. Data, methods, and results.
4. Conclusions
5. Questions and (hopefully) answers.

What is Bill Co-sponsorship?

- Before a bill ever becomes law it must be voted on.
- Before it comes to a floor vote (roll-call) it must go to committee.
- Before it comes to committee it must be gather momentum to be ‘seriously’ considered.
- Not all votes are equal. A Senator may shepherd a bill from beginning to passage. Logrolling, letter writing, staff meetings. Campbell (1982).

Why Co-sponsorship?

An odd omission

- Public Choice scholars are interested in the political and economic rational of constituent/politician motives for observed behaviors pertaining to legislative production. (e.g. Roll call votes, campaign contributions)
- However, this science thus far largely has been silent with respect to co-sponsorship behavior.

What explains bill co-sponsorship behavior

- In theory, legislators are motivated by at least two considerations: the ‘public’ interest, their own private interests (reflected by personal ideology and the interest in getting re-elected)
- In practice, previous investigators have found that ideology and political/economic interests influence roll-call voting
- But does this empirical understanding also apply to BILL CO-SPONSORSHIP?

Opportunity

- the question of whether or not the public choice model explains cosponsorship behavior has not been a subject of empirical study.
- This article identifies and analyzes the factors influencing Forest legislation co-sponsorship decisions of the 111th Senate.
- More specifically, we try to answer the question of what factors are influential in case of the qualified timber tax cut bill.

Particulars

- Senate Bill 402 and Congressional Bill 1937.
- would allow taxpayers to deduct, from gross income, 60 percent of timber gains from the sale or exchange of timber held for more than one year.
- The change results in a reduction of the income tax rate on corporations from the regular rate of thirty-five percent to fourteen percent.

This study uses the traditional roll call analysis model and logistic regression techniques to analyze the co-sponsorship decisions on Senate Bill 402.

Our empirical analysis focused on the U.S Senate 2005-2006 data

$$\text{Cosponsor}_i = \alpha_0 + \alpha_1 \% \text{Acres}_i + \alpha_2 \text{Forestry PAC}_i + \alpha_3 \text{Taxpayer}_i + \alpha_4 \text{Margin}_i + u_i$$

The fact that relevant data are aggregated at the state level forces us to focus on co-sponsorship in the Senate rather than the House of Representatives.

Descriptive Statistics

Variable	N	Mean	Std Dev	Min	Max
%acres	89	0.29	0.22	0.0030	0.8391
Taxpayer	89	50.77	29.46	1	100
ForestPAC	89	5005.60	9735.46	0	68300.00
Margin	89	62.15	10.81	4	99

Logit Results

Variable	Coefficient	Standard errors
Intercept	0.82345***	0.26246
%acres	0.32395*	0.18727
Taxpayer score	-0.00363**	0.00144
TotalForPAC	.1016x10 ⁴ **	.0438X10 ⁴
Margin	-0.00864**	0.00386

* Significant at the 10% level, ** Significant at the 5% level, *** Significant at the 1% level.

Altering probabilities

If we calculate the coefficients times their mean for all variables we can observe changes in the likelihood that an 'average' Senator will cosponsor or not cosponsor the bill.

A doubling of PAC dollars at the from 5000 to 10000 dollars gives us a change from $P=.25$ to $P=.30$.

Changing the mean margin of victory to 51% led to the largest change ($P=.25$ to $P=.35$).

Acres increase to 50% ($P=.25$ to $P=.31$).

Predictive ability

- In order to measure the performance of the model in predicting Co-sponsorship behavior, percentage of correct predictions can be calculated. For example, in case of Senate bill 402, the model correctly predicts 67 (56 for “no” and 11 for “yes”) of the 89 outcomes. In the case of the positive outcomes, the model correctly predicts 38.00% of the “yes” votes.

Conclusions

- The motivation for conducting this analysis was to determine whether there is evidence of a relationship between a Senator's bill co-sponsorship behavior and economic and political variables.
- Our analysis of data on co-sponsors of the 2007 Tree Act in the senate suggests that co-sponsorship was affected by both economic and political variables and all were significant.
- This model explained 43.75% of the variation in co-sponsorship of the bill analyzed. However, as this is an initial study into this area of legislative production, some further research is necessary to make confident conclusions.

Questions?

The background of the slide is a solid, warm brown color. Overlaid on this background are several stylized, semi-transparent leaf shapes in various shades of brown and orange, creating a subtle, autumnal pattern. The leaves are scattered across the frame, with some appearing larger and more prominent than others.