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2^D SESSION

S. 1935

To prohibit lobbyists and their clients from providing to legislative branch officials certain gifts, meals, entertainment, reimbursements, or loans and to place limits on and require disclosure by lobbyists of certain expenditures.

IN THE SENATE OF THE UNITED STATES

MARCH 16 (legislative day, FEBRUARY 22), 1994

Mr. LAUTENBERG (for himself, Mr. WELLSTONE, and Mr. FEINGOLD) introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

A BILL

To prohibit lobbyists and their clients from providing to legislative branch officials certain gifts, meals, entertainment, reimbursements, or loans and to place limits on and require disclosure by lobbyists of certain expenditures.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. PROHIBITION ON CERTAIN GIFTS, MEALS, EN-**
4 **TERTAINMENT, REIMBURSEMENTS, AND**
5 **LOANS; NEW LIMITATIONS ON AND PUBLIC**
6 **DISCLOSURE OF CERTAIN EXPENDITURES.**

7 (a) DEFINITIONS.—In this section—

1 (1) CLIENT.—The term “client” means an indi-
2 vidual or other person or entity (including a State
3 or local government and including a foreign principal
4 (as defined in section 1(b) of the Foreign Agents
5 Registration Act of 1938 (22 U.S.C. 611(b)) that
6 employs or retains another person for financial or
7 other compensation to conduct lobbying activities on
8 the person’s or entity’s behalf. An organization, any
9 employees of which act as lobbyists on the organiza-
10 tion’s behalf, is both a client and an employer of
11 such employees. In the case of a coalition or associa-
12 tion that employs or retains other persons to con-
13 duct lobbying activities on behalf of its membership,
14 the client is the coalition or association and not its
15 individual members.

16 (2) COVERED EXECUTIVE BRANCH OFFICIAL.—
17 The term “covered executive branch official”
18 means—

19 (A) the President or the President-elect;

20 (B) the Vice President or the Vice Presi-
21 dent-elect;

22 (C) an officer or employee (other than a
23 clerical or secretarial employee) of the Execu-
24 tive Office of the President or any individual

1 functioning in the capacity of such an officer or
2 employee on an unpaid basis;

3 (D) an officer or employee serving in a po-
4 sition in level I, II, III, IV, or V of the Execu-
5 tive Schedule, as designated by statute or
6 Executive order;

7 (E) an officer or employee serving in a
8 Senior Executive Service position, as defined in
9 section 3132(a)(2) of title 5, United States
10 Code;

11 (F) a member of the uniformed services
12 whose pay grade is at or above O-7 under sec-
13 tion 201 of title 37, United States Code; and

14 (G) an officer or employee serving in a po-
15 sition of a confidential, policy-determining, pol-
16 icy-making, or policy-advocating character de-
17 scribed in section 7511(b)(2) of title 5, United
18 States Code.

19 (3) COVERED LEGISLATIVE BRANCH OFFI-
20 CIAL.—

21 (A) IN GENERAL.—The term “covered leg-
22 islative branch official” means—

23 (i) a Member of Congress or a
24 Member-elect of Congress;

1 (ii) an elected officer of either House
2 of Congress;

3 (iii) any employee of a Member of
4 Congress or of a committee of either
5 House of Congress;

6 (iv) any employee on the leadership
7 staff of the House of Representatives and
8 any employee on the leadership staff of the
9 Senate;

10 (v) any employee of a joint committee
11 of the Congress; and

12 (vi) any employee of a working group
13 or caucus organized to provide legislative
14 services or other assistance to Members of
15 Congress.

16 (B) DEFINITIONS OF TERMS USED IN SUB-
17 PARAGRAPH (A).—In subparagraph (A)—

18 (i) the terms “employee on the leader-
19 ship staff of the House of Representatives”
20 and “employee on the leadership staff of
21 the Senate” have the meanings stated in
22 section 207(e)(4) of title 18, United States
23 Code;

24 (ii) the term “employee” includes an
25 individual functioning in the capacity of an

1 employee described in subparagraph (A) on
2 an unpaid basis but does not include a
3 clerical or secretarial employee; and

4 (iii) the term “Member of Congress”
5 means a Senator or a Representative in, or
6 Delegate or Resident Commissioner to, the
7 Congress.

8 (4) COVERED PERSON OR ENTITY.—The term
9 “covered person or entity” means a covered legisla-
10 tive branch official, an entity that is maintained or
11 controlled by a covered legislative branch official,
12 and any other person or entity to whom or to which
13 an item described in subsection (b) is provided on
14 behalf of a covered legislative branch official.

15 (5) EMPLOYEE.—Except as provided in para-
16 graph (3)(B)(ii), the term “employee” means an in-
17 dividual who is an officer, employee, partner, direc-
18 tor, or proprietor of an organization, but does not
19 include—

20 (A) independent contractors; or

21 (B) volunteers who receive no financial or
22 other compensation from the organization for
23 their services.

1 (6) GRASS ROOTS LOBBYING COMMUNICA-
2 TION.—The term “grass roots lobbying communica-
3 tion” means—

4 (A) a communication that attempts to in-
5 fluence any legislation through an attempt to
6 affect the opinions of the general public or any
7 segment thereof as described in paragraph
8 (1)(A) of section 4911(d) of the Internal
9 Revenue Code of 1986;

10 (B) a communication between an organiza-
11 tion and any bona fide member of the organiza-
12 tion to directly encourage the member to make
13 a communication as provided in paragraph
14 (1)(B) of section 4911(d) of the Internal
15 Revenue Code of 1986; and

16 (C) a communication between an organiza-
17 tion and any bona fide member of the organiza-
18 tion to directly encourage the member to urge
19 persons other than members to communicate as
20 provided in subparagraph (A) of this paragraph
21 or paragraph (1)(B) of section 4911(d) of the
22 Internal Revenue Code of 1986.

23 (7) LOBBYING ACTIVITIES.—

24 (A) IN GENERAL.—The term “lobbying ac-
25 tivities” means lobbying contacts and efforts in

1 support of such contacts, including preparation
2 and planning activities, research and other
3 background work that is intended, at the time
4 of its preparation, for use in contacts, and co-
5 ordination with the lobbying activities of others,
6 and, except as provided in subparagraph (B),
7 includes—

8 (i) a grass roots lobbying communica-
9 tion; and

10 (ii) a communication described in
11 paragraph (8)(B) (iii), (v), (vii), or (viii),
12 to the extent that such activities or communica-
13 tions are made in direct support of a lobbying
14 contact.

15 (B) EXCLUSION OF RELIGIOUS ORGANIZA-
16 TIONS.—The term “lobbying activities” does
17 not include grass roots lobbying communica-
18 tions by churches, their integrated auxiliaries,
19 and conventions or associations of churches
20 that are exempt from filing Federal income tax
21 returns under paragraph (2)(A)(i) of section
22 6033(a) of the Internal Revenue Code of 1986,
23 unless such communications are made by a per-
24 son or organization that is required by law to
25 be identified in a lobbyist registration form.

1 (8) LOBBYING CONTACT.—

2 (A) IN GENERAL.—The term “lobbying
3 contact” means an oral or written communica-
4 tion (including an electronic communication) to
5 a covered executive branch official or a covered
6 legislative branch official that is made on behalf
7 of a client with regard to—

8 (i) the formulation, modification, or
9 adoption of Federal legislation (including
10 legislative proposals);

11 (ii) the formulation, modification, or
12 adoption of a Federal regulation, Executive
13 order, or any other program, policy, or po-
14 sition of the United States Government;

15 (iii) the administration or execution of
16 a Federal program or policy (including the
17 negotiation, award, or administration of a
18 Federal contract, grant, loan, permit, or li-
19 cense), but not including a communication
20 that is made to a covered executive branch
21 official—

22 (I) who is serving in a Senior Ex-
23 ecutive Service position; or

24 (II) who is a member of the uni-
25 formed services whose pay grade is

1 lower than O-9 under section 201 of
2 title 37, United States Code,
3 in the agency responsible for taking such
4 administrative or executive action; or

5 (iv) the nomination or confirmation of
6 a person for a position subject to confirma-
7 tion by the Senate.

8 (B) EXCEPTIONS.—The term “lobbying
9 contact” does not include a communication that
10 is—

11 (i) made by a public official acting in
12 an official capacity;

13 (ii) made by a representative of a
14 media organization if the purpose of the
15 communication is gathering and dissemi-
16 nating news and information to the public;

17 (iii) made in a speech, article, publica-
18 tion, or other material that is widely dis-
19 tributed to the public through radio, tele-
20 vision, cable television, or any other me-
21 dium of mass communication;

22 (iv) made on behalf of a government
23 of a foreign country or a foreign political
24 party and disclosed under the Foreign

1 Agents Registration Act of 1938 (22
2 U.S.C. 611 et seq.);

3 (v) a request for a meeting, a request
4 for the status of a Federal action, or other
5 similar contact, if there is no attempt to
6 influence a covered executive branch offi-
7 cial or a covered legislative branch official;

8 (vi) made in the course of participa-
9 tion in an advisory committee subject to
10 the Federal Advisory Committee Act (5
11 U.S.C. App.);

12 (vii) testimony given before a commit-
13 tee, subcommittee, or task force of the
14 Congress, or submitted for inclusion in the
15 public record of a hearing conducted by
16 such committee, subcommittee, or task
17 force;

18 (viii) information provided in writing
19 in response to a written request for specific
20 information from a covered executive
21 branch official or a covered legislative
22 branch official;

23 (ix) required by subpoena, civil inves-
24 tigative demand, or otherwise compelled by

1 statute, regulation, or other action of the
2 Congress or an agency;

3 (x) made in response to a notice in
4 the Federal Register, Commerce Business
5 Daily, or other similar publication solicit-
6 ing communications from the public and
7 directed to the agency official specifically
8 designated in the notice to receive such
9 communications;

10 (xi) not possible to report without dis-
11 closing information, the unauthorized dis-
12 closure of which is prohibited by law;

13 (xii) made to officials in an agency
14 with regard to—

15 (I) a judicial proceeding or a
16 criminal or civil law enforcement in-
17 quiry, investigation, or proceeding; or

18 (II) a filing or proceeding that
19 the Government is specifically re-
20 quired by statute or regulation to
21 maintain or conduct on a confidential
22 basis,

23 if that agency is charged with responsibil-
24 ity for such proceeding, inquiry, investiga-
25 tion, or filing;

1 (xiii) made in compliance with written
2 agency procedures regarding an adjudica-
3 tion conducted by the agency under section
4 554 of title 5, United States Code, or sub-
5 stantially similar provisions;

6 (xiv) written comments filed in the
7 course of a public proceeding or other com-
8 munications that are made on the record
9 in a public proceeding;

10 (xv) a petition for agency action made
11 in writing pursuant to established agency
12 procedures;

13 (xvi) made on behalf of an individual
14 with regard to that individual's benefits,
15 employment, or other personal matters in-
16 volving only that individual, except that
17 this subclause does not apply to any com-
18 munication with respect to the formulation,
19 modification, or adoption of private legisla-
20 tion for the relief of that individual;

21 (xvii) a disclosure by an individual to
22 the appropriate authority on account of
23 which the individual is protected against
24 adverse personnel actions, or other repris-
25 als, under the amendments made by the

1 Whistleblower Protection Act of 1989, the
2 Inspector General Act of 1978, or other
3 law; and

4 (xviii) made on behalf of a church, its
5 integrated auxiliary, or convention or asso-
6 ciation of churches that is exempt from fil-
7 ing a Federal income tax return under sec-
8 tion 6033(a)(2)(A)(i) of the Internal Reve-
9 nue Code of 1986 if the communication
10 constitutes the free exercise of religion or
11 is for the purpose of protecting the right to
12 the free exercise of religion.

13 (9) LOBBYIST.—The term “lobbyist” means an
14 individual who is employed or retained by a client
15 for financial or other compensation to perform serv-
16 ices that include lobbying contacts, other than an in-
17 dividual whose lobbying activities constitute less
18 than 10 percent of the time engaged in the services
19 provided by such individual to that client.

20 (10) MARKET VALUE.—The term “market
21 value”, as applied to a gift, means the retail cost
22 that a person would incur to purchase the gift or,
23 if the cost cannot be ascertained, a reasonable esti-
24 mate of the retail cost. The market value of a gift
25 of a ticket entitling the holder to food, refreshment,

1 or entertainment is the retail cost of similar food,
2 refreshment, or entertainment.

3 (11) MEDIA ORGANIZATION.—The term “media
4 organization” means an organization engaged in dis-
5 seminating information to the general public through
6 a newspaper, magazine, other publication, radio, tel-
7 evision, cable television, or other medium of mass
8 communication.

9 (12) ORGANIZATION.—The term “organization”
10 means a corporation, company, foundation, associa-
11 tion, labor organization, firm, partnership, society,
12 joint stock company, or group of organizations.

13 (13) PRINCIPAL OF A CLIENT.—The term
14 “principal of a client” means an individual who is an
15 officer, director, or partner of a client (but not in-
16 cluding an individual who is a public official).

17 (14) PUBLIC OFFICIAL.—The term “public offi-
18 cial” means an elected official, appointed official, or
19 an employee of—

20 (A) a Federal, State, or local unit of
21 government in the United States other than—

22 (i) a college or university that is an
23 agency or instrumentality of the govern-
24 ment of a State or of a local unit of gov-
25 ernment thereof or that is owned or oper-

1 ated by such a government or by any agen-
2 cy or instrumentality of 1 or more such
3 governments;

4 (ii) a government-sponsored enterprise
5 (as defined in section 3 of the Congres-
6 sional Budget and Impoundment Control
7 Act of 1974 (2 U.S.C. 622)); or

8 (iii) a public utility, including an en-
9 tity that provides gas, electricity, water,
10 communications and is an agency or in-
11 strumentality of the government of a State
12 or States or of a local unit of government
13 of a State or is owned, controlled, or oper-
14 ated by such a government or by any agen-
15 cy or instrumentality of 1 or more such
16 governments;

17 (B) a Government corporation (as defined
18 in section 9101 of title 31, United States
19 Code);

20 (C) an organization of State or local elect-
21 ed or appointed officials (other than officials of
22 an entity described in subparagraph (A));

23 (D) an Indian tribe (as defined in section
24 4(e) of the Indian Self-Determination and Edu-
25 cation Assistance Act (25 U.S.C. 450b(e)));

1 (E) a national or State political party or
2 any organizational unit thereof; or

3 (F) a national, regional, or local unit of a
4 foreign government.

5 (15) STATE.—The term “State” means a State,
6 the District of Columbia, and a commonwealth, ter-
7 ritory, or possession of the United States.

8 (b) PROHIBITION OF GIFTS OF TRAVEL, ENTERTAIN-
9 MENT, FOOD, LODGING, AND OTHER BENEFITS.—

10 (1) IN GENERAL.—Except as provided in sub-
11 sections (c) and (d), it shall be unlawful for a lobby-
12 ist or a client of a lobbyist (including a principal of
13 a client) to provide, directly or indirectly, to a cov-
14 ered person or entity an item described in paragraph
15 (2) using funds of—

16 (A) the lobbyist (including personal funds
17 of the lobbyist or funds of the firm of which the
18 lobbyist is a member or employee) or client (in-
19 cluding personal funds of a client who is an in-
20 dividual or of a principal of a client);

21 (B) a multicandidate political committee
22 (as defined in section 315(a)(4) of the Federal
23 Election Campaign Act of 1971 (2 U.S.C.
24 441a(a)(4))) that is directly or indirectly estab-

1 lished, administered, or financially supported by
2 a lobbyist or client; or

3 (C) any other individual, person, or entity
4 at the direction, recommendation, or other spec-
5 ification of the lobbyist or client of the lobbyist.

6 (2) PROHIBITED ITEMS.—An item is described
7 in this paragraph if it is 1 of the following:

8 (A) TRAVEL, ENTERTAINMENT, FOOD, AND
9 LODGING.—Payment for local or long-distance
10 transportation, entertainment, food, or lodging,
11 whether provided in kind, by purchase of a tick-
12 et, by payment in advance or by reimburse-
13 ment, or otherwise.

14 (B) REIMBURSEMENTS.—Reimbursement
15 of an expense.

16 (C) LOANS OR CONTRIBUTIONS.—A loan
17 or contribution.

18 (D) GIFTS.—Any other item (including a
19 service) of value.

20 (c) EXCEPTION FOR CERTAIN DISCLOSED EXPENDI-
21 TURES.—

22 (1) IN GENERAL.—Subsection (b) shall not
23 apply to an expenditure made by a lobbyist or client
24 to provide to a covered person or entity an item de-
25 scribed in paragraph (3) if a lobbyist discloses, in

1 accordance with paragraph (2), the expenditure of
2 the lobbyist or client in the next lobbying disclosure
3 report that the lobbyist is required by law to submit.

4 (2) DISCLOSURE.—With respect to each ex-
5 penditure for an item described in paragraph (3), a
6 lobbyist shall disclose—

7 (A) the name and position of the covered
8 person or entity to whom or which or on behalf
9 of whom or which the expenditure was made;

10 (B) a description of the item for which the
11 expenditure was made, including, in the case of
12 a charitable contribution, the name of the per-
13 son or entity to whom or which the contribution
14 was made;

15 (C) the date on which the expenditure was
16 made; and

17 (D) the amount of the expenditure.

18 (3) EXPENDITURES SUBJECT TO DISCLO-
19 SURE.—An item is described in this paragraph if it
20 is 1 of the following:

21 (A) CERTAIN TRAVEL-RELATED EXPENDI-
22 TURES.—(i) Necessary travel-related expendi-
23 tures made by a lobbyist or client for a covered
24 legislative branch official, to the extent limited
25 by clause (iii), in connection with meetings,

1 speaking engagements, fact finding trips, and
2 similar events directly related to the official du-
3 ties of the official if—

4 (I) the expenditure covers the cost of
5 the trip for a period of not more than—

6 (aa) 3 consecutive days (exclud-
7 ing travel days) in the case of domes-
8 tic travel and 7 consecutive days (ex-
9 cluding travel days) in the case of
10 international travel; and

11 (bb) 24 hours before or after
12 such person's actual participation in
13 the event in the case of domestic trav-
14 el or 48 hours before or after such
15 person's actual participation in the
16 event in the case of international trav-
17 el; and

18 (II) the official has caused the follow-
19 ing information to be published in the Con-
20 gressional Record in advance of the travel
21 (unless advance publication is not possible
22 because the travel arrangements cannot be
23 made in time for the information to be
24 published while the Senate or the House of
25 Representatives, as appropriate, is in ses-

1 sion or for other good reason (in which
2 case the information shall be provided in
3 advance of the travel to the Clerk of the
4 House of Representatives or the Secretary
5 of the Senate, as appropriate, who shall
6 make the information available to the pub-
7 lic immediately and shall cause the infor-
8 mation to be published in the next Con-
9 gressional Record)):

10 (aa) The name of the covered
11 legislative branch official.

12 (bb) The dates and itinerary of
13 such travel.

14 (cc) A detailed statement of the
15 purposes of such travel.

16 (dd) The identity of the party
17 making the expenditure.

18 (ee) The anticipated amount of
19 the expenditure.

20 (ii) The requirements of clause (i)(I) may
21 be waived in exceptional circumstances if the
22 covered legislative branch official obtains a writ-
23 ten statement from the Select Committee on
24 Ethics of the Senate or the Committee on
25 Standards of Official Conduct of the House of

1 Representatives, as appropriate, that approves
2 the waiver and explains the justification for the
3 waiver. That committee shall cause the state-
4 ment to be published in the Congressional
5 Record in advance of the travel (unless advance
6 publication is not possible because the waiver is
7 granted at a time when the Senate or the
8 House of Representatives, as appropriate, is not
9 in session or for other good reason (in which
10 case the committee shall, in advance of the
11 travel, provide a copy of the statement to the
12 Clerk of the House of Representatives or the
13 Secretary of the Senate, as appropriate, who
14 shall make the information available to the pub-
15 lic immediately and shall cause the statement to
16 be published in the next Congressional
17 Record)).

18 (iii) Necessary travel-related expenditures
19 are limited to expenditures for a covered legisla-
20 tive branch official's transportation, lodging,
21 conference fees and materials, and meals of-
22 fered to all attendees as an integral part of the
23 event, including reimbursement for necessary
24 transportation whether or not such transpor-
25 tation occurs within the periods described in

1 clause (i)(I), but do not include expenditures
2 for—

3 (I) recreational activities, such as
4 greens fees, ski lift tickets, tennis court
5 time, theater tickets, tickets to sporting
6 events, and similar items;

7 (II) entertainment, other than that
8 provided in connection with meals offered
9 to all attendees as an integral part of the
10 event; or

11 (III) spouses and immediate family
12 members of covered legislative branch offi-
13 cials.

14 (iv) An event the activities of which are
15 substantially recreational shall not be consid-
16 ered to be directly related to the official duties
17 of a covered legislative branch official.

18 (B) PERSONAL FRIENDSHIP.—Any expend-
19 iture for an item that is given by a lobbyist or
20 client to a Member of Congress that is moti-
21 vated by a personal friendship as described in
22 subsection (d)(4).

23 (C) CHARITABLE CONTRIBUTIONS.—A
24 charitable contribution (as defined in section
25 170(c) of the Internal Revenue Code of 1986)

1 knowingly made by a lobbyist or client to a per-
2 son or entity that is not maintained or con-
3 trolled by a covered legislative branch official on
4 the basis of a solicitation made by a covered
5 legislative branch official described in sub-
6 section (a)(3)(A) (iii), (iv), (v), or (vi).

7 (4) NOTIFICATION.—Not less than 3 weeks
8 after an expenditure required to be reported under
9 this subsection is made, the lobbyist or client who
10 made the expenditure or for whom the expenditure
11 was made shall provide, in a standard format, to any
12 covered person or entity whose name the lobbyist or
13 client intends for the lobbyist to include in the next
14 lobbying disclosure report on itemized expenditures
15 under this subsection that the lobbyist is required by
16 law to submit, a complete list of the information
17 that the lobbyist intends to disclose relative to that
18 covered person or entity. A lobbyist or client shall
19 not submit a report until each covered legislative
20 branch official identified in the report as a bene-
21 ficiary of an expenditure (including an official on
22 whose behalf an expenditure has been made for an-
23 other person or entity) has been notified of the ex-
24 penditure for a period of at least 15 days prior to
25 the submission. A lobbyist shall not list in a report

1 referred to in this paragraph any information rel-
2 ative to a covered person or entity who—

3 (A) was not a beneficiary of such an ex-
4 penditure (including a covered legislative
5 branch official on whose behalf an expenditure
6 was made for another person or entity); or

7 (B) reimburses the person making the ex-
8 penditure the full amount of such expenditure
9 within 30 days of the receipt of notification
10 under this paragraph.

11 (d) EXCEPTIONS.—The following are not subject to
12 subsection (b) or (c), except as provided in subsection
13 (c)(3)(B):

14 (1) MARKET VALUE PAID.—Anything for which
15 market value is paid by the recipient.

16 (2) POLITICAL CONTRIBUTIONS.—A contribu-
17 tion (as defined in section 301 of the Federal Elec-
18 tion Campaign Act of 1971 (2 U.S.C. 431)) that is
19 lawfully made under that Act.

20 (3) LITTLE INTRINSIC VALUE.—An item of lit-
21 tle intrinsic value such as a greeting card or a per-
22 sonalized item such as a plaque, certificate, or tro-
23 phy that is intended solely for recognition of a cov-
24 ered person or entity.

1 (4) FAMILY MEMBERS AND PERSONAL
2 FRIENDS.—

3 (A) IN GENERAL.—An item described in
4 subsection (b) given under circumstances that
5 make it clear that the item is given for a
6 nonbusiness purpose and is motivated by a fam-
7 ily relationship or personal friendship (including
8 a dating relationship) and not by the position of
9 the recipient. In determining if the giving of an
10 item is motivated by a family relationship or
11 personal friendship, at least the following fac-
12 tors shall be considered:

13 (i) The history of the relationship be-
14 tween the individual giving the item and
15 the individual receiving the item, including
16 whether or not items have previously been
17 exchanged by such individuals.

18 (ii) Whether the individual who gave
19 the item personally paid for the item.

20 (iii) Whether the individual who gave
21 the item also at the same time gave the
22 same or similar items to other covered per-
23 sons or entities.

24 (B) TAX DEDUCTION SOUGHT OR REIM-
25 BURSEMENT ACCEPTED.—(i) The giving of an

1 item shall not be considered to be motivated by
2 a family relationship or personal friendship if
3 the individual giving the item—

4 (I) seeks to deduct the value of such
5 item as a business expense on the individ-
6 ual's Federal income tax return; or

7 (II) accepts direct or indirect reim-
8 bursement or compensation for the item
9 from a firm of which the individual is a
10 member or employee or from a client.

11 (ii) For purposes of clause (i), indirect re-
12 imbursement or compensation for an item in-
13 cludes—

14 (I) an expenditure from an expense
15 account made available to an individual by
16 the individual's employer, firm, or client;
17 and

18 (II) a fee charged by a lobbyist to a
19 client for the purpose of compensating the
20 lobbyist for the cost of an item.

21 (5) RETURNED ITEMS.—Items that are not
22 used and are promptly returned to the donor.

23 (6) CERTAIN EVENTS SPONSORED BY CLI-
24 ENTS.—

1 (A) IN GENERAL.—Except as provided in
2 subparagraph (D), attendance, food, instruc-
3 tion, and materials provided to a covered legis-
4 lative branch official in connection with an
5 event described in subparagraph (B) or (C) if
6 such food, instruction, and materials are unso-
7 licited by the recipient and made available by a
8 client that is the sponsor of the event to all
9 attendees as an integral part of the event.

10 (B) BROADLY ATTENDED EVENTS.—An
11 event is described in this subparagraph if it is
12 a broadly attended event, such as a convention,
13 conference, symposium, banquet, reception, or
14 similar event.

15 (C) OTHER EVENTS.—An event is de-
16 scribed in this paragraph if it is a bona fide
17 meeting or similar event of an organization at
18 which the covered legislative branch official par-
19 ticipates, unless the value of any food provided
20 to the official in connection with the event ex-
21 ceeds \$20.

22 (D) EXCEPTIONS.—This paragraph shall
23 not apply to—

24 (i) travel expenses;

25 (ii) lodging;

1 (iii) entertainment collateral to an
2 event;

3 (iv) a meal taken other than in a
4 group setting to which all other attendees
5 are invited;

6 (v) a concert, play, motion picture,
7 sporting event, or similar public entertain-
8 ment event;

9 (vi) a conference, retreat, or similar
10 event for or on behalf of covered legislative
11 branch officials that is sponsored by or af-
12 filiated with an official congressional orga-
13 nization; or

14 (vii) an event that is hosted or
15 cohosted with, or in honor of, 1 or more
16 covered legislative branch officials.

17 (7) REWARDS AND PRIZES.—Rewards and
18 prizes given to competitors in contests or events, in-
19 cluding random drawings open to the public.

20 (8) LOANS.—Loans from financial institutions
21 on terms generally available to the public.

22 (9) WIDE AVAILABILITY.—Opportunities and
23 benefits, including favorable rates and commercial
24 discounts, available to the public or to a class con-
25 sisting of all Government employees whether or not

1 restricted on the basis of geographical consider-
2 ations.

3 (10) PENSIONS.—Pension and other benefits
4 resulting from continued participation in an em-
5 ployee welfare and benefits plan maintained by a
6 former employer.

7 (11) PAYMENT BY THE GOVERNMENT.—Any-
8 thing that is paid for by the Government or secured
9 by the Government under Government contract.

10 (12) STATUTORY AUTHORITY.—Any gift accept-
11 ed under specific statutory authority except section
12 901 of the Ethics Reform Act of 1989 (2 U.S.C.
13 31-2).

14 (13) CERTAIN MEMBERSHIP FEES.—Reduced
15 membership or other fees for participation in organi-
16 zational activities offered to all Government employ-
17 ees by professional organizations if the only restric-
18 tions on membership relate to professional qualifica-
19 tions.

20 (14) AVAILABILITY TO GROUP OR CLASS NOT
21 RELATED TO CONGRESSIONAL EMPLOYMENT.—Op-
22 portunities and benefits offered to members of a
23 group or class in which membership is unrelated to
24 congressional employment.

1 (15) AVAILABILITY TO MEMBERS OF CERTAIN
2 ORGANIZATIONS.—Opportunities and benefits offered
3 to members of an organization, such as a credit
4 union, in which membership is related to congress-
5 sional employment if similar benefits are broadly
6 available to large segments of the public through or-
7 ganizations of similar size.

8 (16) OUTSIDE BUSINESS OR EMPLOYMENT.—
9 Gifts resulting from the covered legislative branch
10 official’s outside business or employment activities,
11 in circumstances in which it is clear that such bene-
12 fits have not been offered or enhanced because of
13 the covered legislative branch official’s official sta-
14 tus.

15 (17) BUSINESS OR EMPLOYMENT OF SPOUSE.—
16 Gifts resulting from the business or employment ac-
17 tivities of a covered legislative branch official’s
18 spouse in circumstances in which it is clear that
19 such benefits have not been offered or enhanced be-
20 cause of the covered legislative branch official’s offi-
21 cial position.

22 (18) INFORMATIONAL MATERIALS.—Informa-
23 tional materials that are sent to a covered legislative
24 branch official’s office in the form of books, articles,

1 periodicals, other written materials, audio tapes, vid-
2 eotapes, or other forms of communication.

3 (19) HOME STATE PROMOTIONAL ITEMS.—
4 Home State products, food, or other items of mini-
5 mal value used primarily for promotional purposes.

6 (20) MODEST ITEMS OF FOOD OR REFRESH-
7 MENT.—Modest items of food or refreshment, such
8 as soft drinks, coffee, or doughnuts, offered other
9 than as part of a meal.

10 (21) HONORARY DEGREES.—An honorary de-
11 gree provided to a covered legislative branch official.

12 (e) CLIENTS.—

13 (1) NOTICE TO CLIENTS.—A lobbyist shall by
14 written notice inform any client of the lobbyist of the
15 requirements of this section applicable to the client.
16 Such notice shall be provided at the time at which
17 the lobbyist registers on behalf of the client and at
18 the beginning of each reporting period.

19 (2) NOTICE BY CLIENTS.—If a client of a lob-
20 byist makes an expenditure that the lobbyist will be
21 required to report under subsection (c), the client
22 shall promptly notify the lobbyist of such expendi-
23 ture. Failure to provide such notice shall be consid-
24 ered to be a violation of this Act.

1 (f) PROHIBITION OF PROVISION OF RECREATIONAL
2 TRAVEL.—It shall be unlawful for any individual or other
3 person or entity to provide for travel-related expenditures
4 (including transportation, lodging, food, and entertain-
5 ment) in connection with travel by a covered legislative
6 branch official, the activities of which travel are substan-
7 tially recreational, unless the provision for such expendi-
8 tures is made under circumstances that make it clear that
9 the expenditures are provided for a nonbusiness purpose
10 and are motivated by a family relationship or personal
11 friendship, and not by the position of the official, in ac-
12 cordance with subsection (d)(4).

13 (g) GIFTS TO SPOUSES AND FAMILY MEMBERS.—
14 For purposes of this section, an item given to the spouse
15 or an immediate family member of a covered legislative
16 branch official shall be considered to be given on behalf
17 of the official.

18 (h) INDIRECT PAYMENTS FOR CERTAIN EVENTS.—
19 For purposes of this section, a contribution to or expendi-
20 ture on behalf of a charitable or other organization that
21 is made by a lobbyist or client of a lobbyist shall be consid-
22 ered to be an indirect payment on behalf of a covered legis-
23 lative branch official if the lobbyist or client knows or rea-
24 sonably should know that the contribution, or a substan-
25 tial portion thereof, will be used to underwrite travel, food,

1 entertainment or other expenses associated with the par-
2 ticipation of 1 or more covered legislative branch officials
3 in an event or events sponsored by the organization.

4 (i) PENALTIES.—An individual or entity that violates
5 this section shall be subject to penalties in accordance with
6 S. 349, the Lobbying Disclosure Act of 1993, as approved
7 by the Senate on May 6, 1993.

8 (j) REGULATIONS.—The President or the President’s
9 designee shall publish in the Federal Register proposed
10 regulations to implement this section not later than 270
11 days after the date of enactment of this section. Not later
12 than the date that is 1 year after the date of enactment
13 of this Act, the President or the President’s designee shall
14 publish in the Federal Register final regulations to imple-
15 ment this section.

16 (k) EFFECTIVE DATE.—With the exception of sub-
17 section (j), this section shall become effective on the date
18 that is 1 year after the date of enactment of this Act.

19 (l) SEVERABILITY.—

20 (1) IN GENERAL.—If any provision of this sec-
21 tion, or the application thereof, is held invalid, the
22 validity of the remainder of this section and the ap-
23 plication of such provision to other persons and cir-
24 cumstances shall not be affected thereby.

1 (2) DISCLOSURE OF ACTIVITY IF THE PROHIBI-
2 TION OF SUCH ACTIVITY IS HELD INVALID.—If any
3 provision of this section that prohibits an activity by
4 a lobbyist or a client of a lobbyist is held invalid, a
5 lobbyist or client shall be required to disclose such
6 activity, pursuant to regulations promulgated by the
7 President or the President’s designee.

8 (m) STUDY.—Not later than 18 months after the ef-
9 fective date of this section, the President or the Presi-
10 dent’s designee shall submit a report to the Congress that
11 evaluates this section and identifies any significant prob-
12 lems that may have arisen in the implementation of this
13 section. The report shall include any relevant statutory
14 changes that the President or the President’s designee
15 may propose.

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