

Calendar No. 419

103^D CONGRESS
2^D SESSION

S. 1935

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.

APRIL 26 (legislative day, APRIL 11), 1994

Reported with an amendment and an amendment to the title

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IN THE SENATE OF THE UNITED STATES

MARCH 16 (legislative day, FEBRUARY 22), 1994

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

MARCH 17 (legislative day, FEBRUARY 22), 1994

Ordered; that if the Committee on Governmental Affairs has not reported the bill by the close of business April 27, 1994, then the bill be discharged and placed on the calendar

APRIL 26 (legislative day, APRIL 11), 1994

Reported by Mr. GLENN, with an amendment and an amendment to the title

[Strike out all after the enacting clause and insert the part printed in italic]

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—

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

23 (2) COVERED EXECUTIVE BRANCH OFFICIAL.—
 24 The term “covered executive branch official”
 25 means—

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

2 (B) the Vice President or the Vice Presi-
3 dent-elect;

4 (C) an officer or employee (other than a
5 clerical or secretarial employee) of the Execu-
6 tive Office of the President or any individual
7 functioning in the capacity of such an officer or
8 employee on an unpaid basis;

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

13 (E) an officer or employee serving in a
14 Senior Executive Service position, as defined in
15 section 3132(a)(2) of title 5, United States
16 Code;

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

20 (G) an officer or employee serving in a po-
21 sition of a confidential, policy-determining, pol-
22 icy-making, or policy-advocating character de-
23 scribed in section 7511(b)(2) of title 5, United
24 States Code.

1 ~~(3) COVERED LEGISLATIVE BRANCH OFFI-~~
2 ~~CIAL.—~~

3 ~~(A) IN GENERAL.—~~The term “covered leg-
4 islative branch official” means—

5 ~~(i) a Member of Congress or a~~
6 ~~Member-elect of Congress;~~

7 ~~(ii) an elected officer of either House~~
8 ~~of Congress;~~

9 ~~(iii) any employee of a Member of~~
10 ~~Congress or of a committee of either~~
11 ~~House of Congress;~~

12 ~~(iv) any employee on the leadership~~
13 ~~staff of the House of Representatives and~~
14 ~~any employee on the leadership staff of the~~
15 ~~Senate;~~

16 ~~(v) any employee of a joint committee~~
17 ~~of the Congress; and~~

18 ~~(vi) any employee of a working group~~
19 ~~or caucus organized to provide legislative~~
20 ~~services or other assistance to Members of~~
21 ~~Congress.~~

22 ~~(B) DEFINITIONS OF TERMS USED IN SUB-~~
23 ~~PARAGRAPH (A).—~~In subparagraph (A)—

24 ~~(i) the terms “employee on the leader-~~
25 ~~ship staff of the House of Representatives”~~

1 and “employee on the leadership staff of
2 the Senate” have the meanings stated in
3 section 207(e)(4) of title 18, United States
4 Code;

5 (ii) the term “employee” includes an
6 individual functioning in the capacity of an
7 employee described in subparagraph (A) on
8 an unpaid basis but does not include a
9 clerical or secretarial employee; and

10 (iii) the term “Member of Congress”
11 means a Senator or a Representative in, or
12 Delegate or Resident Commissioner to, the
13 Congress.

14 (4) ~~COVERED PERSON OR ENTITY.~~—The term
15 “covered person or entity” means a covered legisla-
16 tive branch official, an entity that is maintained or
17 controlled by a covered legislative branch official,
18 and any other person or entity to whom or to which
19 an item described in subsection (b) is provided on
20 behalf of a covered legislative branch official.

21 (5) ~~EMPLOYEE.~~—Except as provided in para-
22 graph (3)(B)(ii), the term “employee” means an in-
23 dividual who is an officer, employee, partner, direc-
24 tor, or proprietor of an organization, but does not
25 include—

1 (A) independent contractors; or

2 (B) volunteers who receive no financial or
3 other compensation from the organization for
4 their services.

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

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

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

20 (C) a communication between an organiza-
21 tion and any bona fide member of the organiza-
22 tion to directly encourage the member to urge
23 persons other than members to communicate as
24 provided in subparagraph (A) of this paragraph

1 or paragraph (1)(B) of section 4911(d) of the
2 Internal Revenue Code of 1986.

3 ~~(7) LOBBYING ACTIVITIES.—~~

4 (A) ~~IN GENERAL.—~~The term “lobbying ac-
5 tivities” means lobbying contacts and efforts in
6 support of such contacts, including preparation
7 and planning activities, research and other
8 background work that is intended, at the time
9 of its preparation, for use in contacts, and co-
10 ordination with the lobbying activities of others,
11 and, except as provided in subparagraph (B),
12 includes—

13 (i) a grass roots lobbying communica-
14 tion; and

15 (ii) a communication described in
16 paragraph ~~(8)(B)~~ (iii), (v), (vii), or (viii),
17 to the extent that such activities or communica-
18 tions are made in direct support of a lobbying
19 contact.

20 ~~(B) EXCLUSION OF RELIGIOUS ORGANIZA-~~
21 ~~TIONS.—~~The term “lobbying activities” does
22 not include grass roots lobbying communica-
23 tions by churches, their integrated auxiliaries,
24 and conventions or associations of churches
25 that are exempt from filing Federal income tax

1 returns under paragraph (2)(A)(i) of section
2 6033(a) of the Internal Revenue Code of 1986,
3 unless such communications are made by a per-
4 son or organization that is required by law to
5 be identified in a lobbyist registration form.

6 ~~(8) LOBBYING CONTACT.—~~

7 ~~(A) IN GENERAL.—~~The term “lobbying
8 contact” means an oral or written communica-
9 tion (including an electronic communication) to
10 a covered executive branch official or a covered
11 legislative branch official that is made on behalf
12 of a client with regard to—

13 ~~(i) the formulation, modification, or~~
14 ~~adoption of Federal legislation (including~~
15 ~~legislative proposals);~~

16 ~~(ii) the formulation, modification, or~~
17 ~~adoption of a Federal regulation, Executive~~
18 ~~order, or any other program, policy, or po-~~
19 ~~sition of the United States Government;~~

20 ~~(iii) the administration or execution of~~
21 ~~a Federal program or policy (including the~~
22 ~~negotiation, award, or administration of a~~
23 ~~Federal contract, grant, loan, permit, or li-~~
24 ~~cence), but not including a communication~~

1 that is made to a covered executive branch
2 official—

3 ~~(I) who is serving in a Senior Ex-~~
4 ~~ecutive Service position; or~~

5 ~~(II) who is a member of the uni-~~
6 ~~formed services whose pay grade is~~
7 ~~lower than O-9 under section 201 of~~
8 ~~title 37, United States Code,~~

9 in the agency responsible for taking such
10 administrative or executive action; or

11 ~~(iv) the nomination or confirmation of~~
12 ~~a person for a position subject to confirma-~~
13 ~~tion by the Senate.~~

14 ~~(B) EXCEPTIONS.—The term “lobbying~~
15 ~~contact” does not include a communication that~~
16 ~~is—~~

17 ~~(i) made by a public official acting in~~
18 ~~an official capacity;~~

19 ~~(ii) made by a representative of a~~
20 ~~media organization if the purpose of the~~
21 ~~communication is gathering and dissemi-~~
22 ~~nating news and information to the public;~~

23 ~~(iii) made in a speech, article, publica-~~
24 ~~tion, or other material that is widely dis-~~
25 ~~tributed to the public through radio, tele-~~

1 vision, cable television, or any other me-
2 dium of mass communication;

3 (iv) made on behalf of a government
4 of a foreign country or a foreign political
5 party and disclosed under the Foreign
6 Agents Registration Act of 1938 (22
7 U.S.C. 611 et seq.);

8 (v) a request for a meeting, a request
9 for the status of a Federal action, or other
10 similar contact, if there is no attempt to
11 influence a covered executive branch offi-
12 cial or a covered legislative branch official;

13 (vi) made in the course of participa-
14 tion in an advisory committee subject to
15 the Federal Advisory Committee Act (5
16 U.S.C. App.);

17 (vii) testimony given before a commit-
18 tee, subcommittee, or task force of the
19 Congress, or submitted for inclusion in the
20 public record of a hearing conducted by
21 such committee, subcommittee, or task
22 force;

23 (viii) information provided in writing
24 in response to a written request for specific
25 information from a covered executive

1 branch official or a covered legislative
2 branch official;

3 ~~(ix)~~ required by subpoena, civil inves-
4 tigative demand, or otherwise compelled by
5 statute, regulation, or other action of the
6 Congress or an agency;

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

14 ~~(xi)~~ not possible to report without dis-
15 closing information, the unauthorized dis-
16 closure of which is prohibited by law;

17 ~~(xii)~~ made to officials in an agency
18 with regard to—

19 (I) a judicial proceeding or a
20 criminal or civil law enforcement in-
21 quiry, investigation, or proceeding; or

22 (II) a filing or proceeding that
23 the Government is specifically re-
24 quired by statute or regulation to

1 maintain or conduct on a confidential
2 basis,

3 if that agency is charged with responsibil-
4 ity for such proceeding, inquiry, investiga-
5 tion, or filing;

6 (xiii) made in compliance with written
7 agency procedures regarding an adjudica-
8 tion conducted by the agency under section
9 554 of title 5, United States Code, or sub-
10 stantially similar provisions;

11 (xiv) written comments filed in the
12 course of a public proceeding or other com-
13 munications that are made on the record
14 in a public proceeding;

15 (xv) a petition for agency action made
16 in writing pursuant to established agency
17 procedures;

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

1 (xvii) a disclosure by an individual to
2 the appropriate authority on account of
3 which the individual is protected against
4 adverse personnel actions, or other repris-
5 als, under the amendments made by the
6 Whistleblower Protection Act of 1989, the
7 Inspector General Act of 1978, or other
8 law; and

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

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

1 (10) MARKET VALUE.—The term “market
2 value”, as applied to a gift, means the retail cost
3 that a person would incur to purchase the gift or,
4 if the cost cannot be ascertained, a reasonable esti-
5 mate of the retail cost. The market value of a gift
6 of a ticket entitling the holder to food, refreshment,
7 or entertainment is the retail cost of similar food,
8 refreshment, or entertainment.

9 (11) MEDIA ORGANIZATION.—The term “media
10 organization” means an organization engaged in dis-
11 seminating information to the general public through
12 a newspaper, magazine, other publication, radio, tel-
13 evision, cable television, or other medium of mass
14 communication.

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

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

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

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

3 (i) a college or university that is an
4 agency or instrumentality of the govern-
5 ment of a State or of a local unit of gov-
6 ernment thereof or that is owned or oper-
7 ated by such a government or by any agen-
8 cy or instrumentality of 1 or more such
9 governments;

10 (ii) a government-sponsored enterprise
11 (as defined in section 3 of the Congres-
12 sional Budget and Impoundment Control
13 Act of 1974 (2 U.S.C. 622)); or

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

23 (B) a Government corporation (as defined
24 in section 9101 of title 31, United States
25 Code);

1 ~~(C)~~ an organization of State or local elect-
 2 ed or appointed officials ~~(other than officials of~~
 3 ~~an entity described in subparagraph (A))~~;

4 ~~(D)~~ an Indian tribe ~~(as defined in section~~
 5 ~~4(e) of the Indian Self-Determination and Edu-~~
 6 ~~cation Assistance Act (25 U.S.C. 450b(e))~~);

7 ~~(E)~~ a national or State political party or
 8 any organizational unit thereof; or

9 ~~(F)~~ a national, regional, or local unit of a
 10 foreign government.

11 ~~(15)~~ STATE.—The term “State” means a State,
 12 the District of Columbia, and a commonwealth, ter-
 13 ritory, or possession of the United States.

14 ~~(b)~~ PROHIBITION OF GIFTS OF TRAVEL, ENTERTAIN-
 15 MENT, FOOD, LODGING, AND OTHER BENEFITS.—

16 ~~(1)~~ IN GENERAL.—Except as provided in sub-
 17 sections ~~(c)~~ and ~~(d)~~, it shall be unlawful for a lobby-
 18 ist or a client of a lobbyist ~~(including a principal of~~
 19 ~~a client)~~ to provide, directly or indirectly, to a cov-
 20 ered person or entity an item described in paragraph
 21 ~~(2)~~ using funds of—

22 ~~(A)~~ the lobbyist ~~(including personal funds~~
 23 ~~of the lobbyist or funds of the firm of which the~~
 24 lobbyist is a member or employee) or client ~~(in-~~

1 including personal funds of a client who is an in-
 2 dividual or of a principal of a client);

3 (B) a multicandidate political committee
 4 (as defined in section 315(a)(4) of the Federal
 5 Election Campaign Act of 1971 (2 U.S.C.
 6 441a(a)(4))) that is directly or indirectly estab-
 7 lished, administered, or financially supported by
 8 a lobbyist or client; or

9 (C) any other individual, person, or entity
 10 at the direction, recommendation, or other spec-
 11 ification of the lobbyist or client of the lobbyist.

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

14 (A) TRAVEL, ENTERTAINMENT, FOOD, AND
 15 LODGING.—Payment for local or long-distance
 16 transportation, entertainment, food, or lodging,
 17 whether provided in kind, by purchase of a tick-
 18 et, by payment in advance or by reimburse-
 19 ment, or otherwise.

20 (B) REIMBURSEMENTS.—Reimbursement
 21 of an expense.

22 (C) LOANS OR CONTRIBUTIONS.—A loan
 23 or contribution.

24 (D) GIFTS.—Any other item (including a
 25 service) of value.

1 ~~(c) EXCEPTION FOR CERTAIN DISCLOSED EXPENDI-~~
2 ~~TURES.—~~

3 ~~(1) IN GENERAL.—~~Subsection ~~(b)~~ shall not
4 apply to an expenditure made by a lobbyist or client
5 to provide to a covered person or entity an item de-
6 scribed in paragraph ~~(3)~~ if a lobbyist discloses, in
7 accordance with paragraph ~~(2)~~, the expenditure of
8 the lobbyist or client in the next lobbying disclosure
9 report that the lobbyist is required by law to submit.

10 ~~(2) DISCLOSURE.—~~With respect to each ex-
11 penditure for an item described in paragraph ~~(3)~~, a
12 lobbyist shall disclose—

13 ~~(A)~~ the name and position of the covered
14 person or entity to whom or which or on behalf
15 of whom or which the expenditure was made;

16 ~~(B)~~ a description of the item for which the
17 expenditure was made, including, in the case of
18 a charitable contribution, the name of the per-
19 son or entity to whom or which the contribution
20 was made;

21 ~~(C)~~ the date on which the expenditure was
22 made; and

23 ~~(D)~~ the amount of the expenditure.

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

4 (A) CERTAIN TRAVEL-RELATED EXPENDI-
5 TURES.—(i) Necessary travel-related expendi-
6 tures made by a lobbyist or client for a covered
7 legislative branch official, to the extent limited
8 by clause (iii), in connection with meetings,
9 speaking engagements, fact finding trips, and
10 similar events directly related to the official du-
11 ties of the official if—

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

14 (aa) 3 consecutive days (exclud-
15 ing travel days) in the case of domes-
16 tic travel and 7 consecutive days (ex-
17 cluding travel days) in the case of
18 international travel; and

19 (bb) 24 hours before or after
20 such person's actual participation in
21 the event in the case of domestic trav-
22 el or 48 hours before or after such
23 person's actual participation in the
24 event in the case of international trav-
25 el; and

1 (II) the official has caused the follow-
2 ing information to be published in the Con-
3 gressional Record in advance of the travel
4 (unless advance publication is not possible
5 because the travel arrangements cannot be
6 made in time for the information to be
7 published while the Senate or the House of
8 Representatives, as appropriate, is in ses-
9 sion or for other good reason (in which
10 case the information shall be provided in
11 advance of the travel to the Clerk of the
12 House of Representatives or the Secretary
13 of the Senate, as appropriate, who shall
14 make the information available to the pub-
15 lic immediately and shall cause the infor-
16 mation to be published in the next Con-
17 gressional Record));

18 (aa) The name of the covered
19 legislative branch official.

20 (bb) The dates and itinerary of
21 such travel.

22 (cc) A detailed statement of the
23 purposes of such travel.

24 (dd) The identity of the party
25 making the expenditure.

1 (ee) The anticipated amount of
2 the expenditure.

3 (ii) The requirements of clause (i)(I) may
4 be waived in exceptional circumstances if the
5 covered legislative branch official obtains a writ-
6 ten statement from the Select Committee on
7 Ethics of the Senate or the Committee on
8 Standards of Official Conduct of the House of
9 Representatives, as appropriate, that approves
10 the waiver and explains the justification for the
11 waiver. That committee shall cause the state-
12 ment to be published in the Congressional
13 Record in advance of the travel (unless advance
14 publication is not possible because the waiver is
15 granted at a time when the Senate or the
16 House of Representatives, as appropriate, is not
17 in session or for other good reason (in which
18 case the committee shall, in advance of the
19 travel, provide a copy of the statement to the
20 Clerk of the House of Representatives or the
21 Secretary of the Senate, as appropriate, who
22 shall make the information available to the pub-
23 lic immediately and shall cause the statement to
24 be published in the next Congressional
25 Record)).

1 ~~(iii)~~ Necessary travel-related expenditures
2 are limited to expenditures for a covered legisla-
3 tive branch official's transportation, lodging,
4 conference fees and materials, and meals of-
5 fered to all attendees as an integral part of the
6 event, including reimbursement for necessary
7 transportation whether or not such transpor-
8 tation occurs within the periods described in
9 clause ~~(i)(I)~~, but do not include expenditures
10 for—

11 ~~(I)~~ recreational activities, such as
12 greens fees, ski lift tickets, tennis court
13 time, theater tickets, tickets to sporting
14 events, and similar items;

15 ~~(II)~~ entertainment, other than that
16 provided in connection with meals offered
17 to all attendees as an integral part of the
18 event; or

19 ~~(III)~~ spouses and immediate family
20 members of covered legislative branch offi-
21 cials.

22 ~~(iv)~~ An event the activities of which are
23 substantially recreational shall not be consid-
24 ered to be directly related to the official duties
25 of a covered legislative branch official.

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

6 (C) CHARITABLE CONTRIBUTIONS.—A
7 charitable contribution (as defined in section
8 170(c) of the Internal Revenue Code of 1986)
9 knowingly made by a lobbyist or client to a per-
10 son or entity that is not maintained or con-
11 trolled by a covered legislative branch official on
12 the basis of a solicitation made by a covered
13 legislative branch official described in sub-
14 section (a)(3)(A) (iii), (iv), (v), or (vi).

15 (4) NOTIFICATION.—Not less than 3 weeks
16 after an expenditure required to be reported under
17 this subsection is made, the lobbyist or client who
18 made the expenditure or for whom the expenditure
19 was made shall provide, in a standard format, to any
20 covered person or entity whose name the lobbyist or
21 client intends for the lobbyist to include in the next
22 lobbying disclosure report on itemized expenditures
23 under this subsection that the lobbyist is required by
24 law to submit, a complete list of the information
25 that the lobbyist intends to disclose relative to that

1 covered person or entity. A lobbyist or client shall
 2 not submit a report until each covered legislative
 3 branch official identified in the report as a bene-
 4 ficiary of an expenditure (including an official on
 5 whose behalf an expenditure has been made for an-
 6 other person or entity) has been notified of the ex-
 7 penditure for a period of at least 15 days prior to
 8 the submission. A lobbyist shall not list in a report
 9 referred to in this paragraph any information rel-
 10 ative to a covered person or entity who—

11 (A) was not a beneficiary of such an ex-
 12 penditure (including a covered legislative
 13 branch official on whose behalf an expenditure
 14 was made for another person or entity); or

15 (B) reimburses the person making the ex-
 16 penditure the full amount of such expenditure
 17 within 30 days of the receipt of notification
 18 under this paragraph.

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

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

24 (2) POLITICAL CONTRIBUTIONS.—A contribu-
 25 tion (as defined in section 301 of the Federal Elec-

1 tion Campaign Act of 1971 (2 U.S.C. 431)) that is
2 lawfully made under that Act.

3 (3) **LITTLE INTRINSIC VALUE.**—An item of lit-
4 tle intrinsic value such as a greeting card or a per-
5 sonalized item such as a plaque, certificate, or tro-
6 phy that is intended solely for recognition of a cov-
7 ered person or entity.

8 (4) **FAMILY MEMBERS AND PERSONAL**
9 **FRIENDS.**—

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

20 (i) The history of the relationship be-
21 tween the individual giving the item and
22 the individual receiving the item, including
23 whether or not items have previously been
24 exchanged by such individuals.

1 (ii) Whether the individual who gave
2 the item personally paid for the item.

3 (iii) Whether the individual who gave
4 the item also at the same time gave the
5 same or similar items to other covered per-
6 sons or entities.

7 ~~(B) TAX DEDUCTION SOUGHT OR REIM-~~
8 ~~BURSEMENT ACCEPTED.—~~(i) The giving of an
9 item shall not be considered to be motivated by
10 a family relationship or personal friendship if
11 the individual giving the item—

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

15 (II) accepts direct or indirect reim-
16 bursement or compensation for the item
17 from a firm of which the individual is a
18 member or employee or from a client.

19 (ii) For purposes of clause (i), indirect re-
20 imbursement or compensation for an item in-
21 cludes—

22 (I) an expenditure from an expense
23 account made available to an individual by
24 the individual's employer, firm, or client;
25 and

1 ~~(H)~~ a fee charged by a lobbyist to a
2 client for the purpose of compensating the
3 lobbyist for the cost of an item.

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

6 ~~(6)~~ CERTAIN EVENTS SPONSORED BY CLI-
7 ENTS.—

8 ~~(A)~~ IN GENERAL.—Except as provided in
9 subparagraph ~~(D)~~, attendance, food, instruc-
10 tion, and materials provided to a covered legis-
11 lative branch official in connection with an
12 event described in subparagraph ~~(B)~~ or ~~(C)~~ if
13 such food, instruction, and materials are unso-
14 licited by the recipient and made available by a
15 client that is the sponsor of the event to all
16 attendees as an integral part of the event.

17 ~~(B)~~ BROADLY ATTENDED EVENTS.—An
18 event is described in this subparagraph if it is
19 a broadly attended event, such as a convention,
20 conference, symposium, banquet, reception, or
21 similar event.

22 ~~(C)~~ OTHER EVENTS.—An event is de-
23 scribed in this paragraph if it is a bona fide
24 meeting or similar event of an organization at
25 which the covered legislative branch official par-

1 ticipates, unless the value of any food provided
2 to the official in connection with the event ex-
3 ceeds \$20.

4 (D) EXCEPTIONS.—This paragraph shall
5 not apply to—

6 (i) travel expenses;

7 (ii) lodging;

8 (iii) entertainment collateral to an
9 event;

10 (iv) a meal taken other than in a
11 group setting to which all other attendees
12 are invited;

13 (v) a concert, play, motion picture,
14 sporting event, or similar public entertain-
15 ment event;

16 (vi) a conference, retreat, or similar
17 event for or on behalf of covered legislative
18 branch officials that is sponsored by or af-
19 filiated with an official congressional orga-
20 nization; or

21 (vii) an event that is hosted or
22 cohosted with, or in honor of, 1 or more
23 covered legislative branch officials.

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

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

6 (9) WIDE AVAILABILITY.—Opportunities and
7 benefits, including favorable rates and commercial
8 discounts, available to the public or to a class con-
9 sisting of all Government employees whether or not
10 restricted on the basis of geographical consider-
11 ations.

12 (10) PENSIONS.—Pension and other benefits
13 resulting from continued participation in an em-
14 ployee welfare and benefits plan maintained by a
15 former employer.

16 (11) PAYMENT BY THE GOVERNMENT.—Any-
17 thing that is paid for by the Government or secured
18 by the Government under Government contract.

19 (12) STATUTORY AUTHORITY.—Any gift accept-
20 ed under specific statutory authority except section
21 901 of the Ethics Reform Act of 1989 (2 U.S.C.
22 31-2).

23 (13) CERTAIN MEMBERSHIP FEES.—Reduced
24 membership or other fees for participation in organi-
25 zational activities offered to all Government employ-

1 ees by professional organizations if the only restric-
2 tions on membership relate to professional qualifica-
3 tions.

4 (14) AVAILABILITY TO GROUP OR CLASS NOT
5 RELATED TO CONGRESSIONAL EMPLOYMENT.—Op-
6 portunities and benefits offered to members of a
7 group or class in which membership is unrelated to
8 congressional employment.

9 (15) AVAILABILITY TO MEMBERS OF CERTAIN
10 ORGANIZATIONS.—Opportunities and benefits offered
11 to members of an organization, such as a credit
12 union, in which membership is related to congress-
13 sional employment if similar benefits are broadly
14 available to large segments of the public through or-
15 ganizations of similar size.

16 (16) OUTSIDE BUSINESS OR EMPLOYMENT.—
17 Gifts resulting from the covered legislative branch
18 official's outside business or employment activities,
19 in circumstances in which it is clear that such bene-
20 fits have not been offered or enhanced because of
21 the covered legislative branch official's official sta-
22 tus.

23 (17) BUSINESS OR EMPLOYMENT OF SPOUSE.—
24 Gifts resulting from the business or employment ac-
25 tivities of a covered legislative branch official's

1 spouse in circumstances in which it is clear that
2 such benefits have not been offered or enhanced be-
3 cause of the covered legislative branch official's offi-
4 cial position.

5 (18) INFORMATIONAL MATERIALS.—Informa-
6 tional materials that are sent to a covered legislative
7 branch official's office in the form of books, articles,
8 periodicals, other written materials, audio tapes, vid-
9 eotapes, or other forms of communication.

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

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

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

19 (c) CLIENTS.—

20 (1) NOTICE TO CLIENTS.—A lobbyist shall by
21 written notice inform any client of the lobbyist of the
22 requirements of this section applicable to the client.
23 Such notice shall be provided at the time at which
24 the lobbyist registers on behalf of the client and at
25 the beginning of each reporting period.

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

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

19 (g) GIFTS TO SPOUSES AND FAMILY MEMBERS.—
20 For purposes of this section, an item given to the spouse
21 or an immediate family member of a covered legislative
22 branch official shall be considered to be given on behalf
23 of the official.

24 (h) INDIRECT PAYMENTS FOR CERTAIN EVENTS.—
25 For purposes of this section, a contribution to or expendi-

1 ture on behalf of a charitable or other organization that
2 is made by a lobbyist or client of a lobbyist shall be consid-
3 ered to be an indirect payment on behalf of a covered legis-
4 lative branch official if the lobbyist or client knows or rea-
5 sonably should know that the contribution, or a substan-
6 tial portion thereof, will be used to underwrite travel, food,
7 entertainment or other expenses associated with the par-
8 ticipation of 1 or more covered legislative branch officials
9 in an event or events sponsored by the organization.

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

14 (j) REGULATIONS.—The President or the President's
15 designee shall publish in the Federal Register proposed
16 regulations to implement this section not later than 270
17 days after the date of enactment of this section. Not later
18 than the date that is 1 year after the date of enactment
19 of this Act, the President or the President's designee shall
20 publish in the Federal Register final regulations to imple-
21 ment this section.

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

25 (l) SEVERABILITY.—

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

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

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

21 **SECTION 1. SHORT TITLE.**

22 *This Act may be cited as the “Congressional Gifts Re-*
23 *form Act”.*

1 **SEC. 2. AMENDMENT TO THE SENATE RULES.**

2 *Rule XXXV of the Standing Rules of the Senate is*
3 *amended to read as follows:*

4 *“RULE XXXV*

5 *“GIFTS*

6 *“1. (a) No Member, officer, or employee of the Senate,*
7 *or the spouse or dependent thereof, shall knowingly accept—*

8 *“(1) any gift provided directly or indirectly by*
9 *a person registered as a lobbyist or a foreign agent*
10 *under the Federal Regulation of Lobbying Act, the*
11 *Foreign Agents Registration Act, or any successor*
12 *statute;*

13 *“(2) any gift having a value of \$20 or more from*
14 *any other person; or*

15 *“(3) gifts having a value of less than \$20 from*
16 *the same or different sources on a basis so frequent*
17 *that a reasonable person would be led to believe the*
18 *Member, officer, or employee is using his public office*
19 *for private gain.*

20 *“(b) For the purpose of this rule, the term ‘gift’ means*
21 *any gratuity, favor, discount, entertainment, hospitality,*
22 *loan, forbearance, or other item having monetary value. The*
23 *term includes gifts of services, training, transportation,*
24 *lodging, and meals, whether provided in kind, by purchase*
25 *of a ticket, payment in advance, or reimbursement after the*
26 *expense has been incurred.*

1 “(c)(1) The following items are gifts subject to the re-
2 strictions in subparagraph (a)—

3 “(A) a financial contribution or an expenditure
4 relating to a conference, retreat, or similar event for
5 or on behalf of Members, officers, or employees; and

6 “(B) a charitable contribution (as defined in sec-
7 tion 170(c) of the Internal Revenue Code of 1986)
8 made in lieu of an honorarium.

9 “(2) The following items are subject to the restrictions
10 in subparagraph (a)(1)—

11 “(A) an item provided by a lobbyist or a foreign
12 agent which is paid for, charged to, or reimbursed by
13 a client of such lobbyist or foreign agent;

14 “(B) an item provided by a lobbyist or a foreign
15 agent to an entity that is maintained or controlled by
16 a Member, officer, or employee;

17 “(C) a charitable contribution made on the basis
18 of a designation, recommendation, or other specifica-
19 tion made to a lobbyist or a foreign agent by a Mem-
20 ber, officer, or employee; and

21 “(D) a contribution and other payment by a lob-
22 byist or foreign agent to a legal expense fund estab-
23 lished for the benefit of a Member, officer, or em-
24 ployee.

1 “(d) The following items are not gifts subject to the
2 restrictions in subparagraph (a):

3 “(1) Any item for which the Member, officer, or
4 employee pays the market value.

5 “(2) A contribution, as defined in the Federal
6 Campaign Act of 1971 (2 U.S.C. 431 et seq.) that is
7 lawfully made under that Act.

8 “(3) Anything provided under circumstances
9 that clearly indicate, in accordance with paragraph
10 2(a), that it is provided for a nonbusiness purpose
11 and is motivated by a family relationship or personal
12 friendship and not by the position of the Member, of-
13 ficer, or employee.

14 “(4) Items which are not used and which are
15 promptly returned to the donor.

16 “(5) A food or refreshment item of minimal
17 value, such as a soft drink, coffee, or doughnut offered
18 other than as part of a meal.

19 “(6) Benefits resulting from the business or em-
20 ployment activities of the spouse of a Member, officer,
21 or employee, if such benefits have not been offered or
22 enhanced because of the official position of such Mem-
23 ber, officer, or employee.

1 “(7) Pension and other benefits resulting from
2 continued participation in an employee welfare and
3 benefits plan maintained by a former employer.

4 “(8) Informational materials that are sent to the
5 office of the Member, officer, or employee in the form
6 of books, articles, periodicals, other written materials,
7 audio tapes, videotapes, or other forms of communica-
8 tion.

9 “(e) The restrictions in clauses (2) and (3) of subpara-
10 graph (a) shall not apply to the following:

11 “(1) Meals, lodging, and other benefits—

12 “(A) resulting from the outside business or
13 employment activities of the Member, officer, or
14 employee (or other outside activities that are not
15 connected to the duties of the Member, officer, or
16 employee as an officeholder), if such benefits have
17 not been offered or enhanced because of the offi-
18 cial position of the Member, officer, or employee;
19 or

20 “(B) customarily provided by a prospective
21 employer in connection with bona fide employ-
22 ment discussions.

23 “(2) Awards or prizes which are given to com-
24 petitors in contests or events open to the public, in-
25 cluding random drawings.

1 “(3) *Honorary degrees and other bona fide*
2 *awards presented in recognition of public service and*
3 *available to the general public (and associated meals*
4 *and entertainment provided in the presentation of*
5 *such degrees and awards).*

6 “(4) *Donations of products from the State that*
7 *the Member represents that are intended primarily*
8 *for promotional purposes, such as display or free dis-*
9 *tribution, and are of minimal value to any individ-*
10 *ual recipient.*

11 “(5) *Meals and entertainment provided to a*
12 *Member or an employee of a Member in the Member’s*
13 *home State, subject to reasonable limitations, to be es-*
14 *tablished by the Committee on Rules and Administra-*
15 *tion.*

16 “(6) *Food and attendance provided at an event*
17 *sponsored by a political organization described in sec-*
18 *tion 527(e) of the Internal Revenue Code of 1986.*

19 “(7) *Training provided to a Member, officer, or*
20 *employee, if such training is in the interest of the*
21 *Senate.*

22 “(8) *Bequests, inheritances, and other transfers*
23 *at death.*

24 “(9) *Any item, the receipt of which is authorized*
25 *by the Foreign Gifts and Declarations Act, the Mu-*

1 *tual Education and Cultural Exchange Act, or any*
2 *other statute.*

3 *“(10) Anything which is paid for by the Govern-*
4 *ment or secured by the Government under a Govern-*
5 *ment contract.*

6 *“(11) A gift of personal hospitality of an indi-*
7 *vidual, as defined in section 109(14) of the Ethics in*
8 *Government Act.*

9 *“(12) Free attendance at an event permitted*
10 *pursuant to paragraph 2(b).*

11 *“(13) Opportunities and benefits which are—*

12 *“(A) available to the public or to a class*
13 *consisting of all Federal employees, whether or*
14 *not restricted on the basis of geographic consider-*
15 *ation;*

16 *“(B) offered to members of a group or class*
17 *in which membership is unrelated to congres-*
18 *sional employment;*

19 *“(C) offered to members of an organization,*
20 *such as an employees’ association or congres-*
21 *sional credit union, in which membership is re-*
22 *lated to congressional employment and similar*
23 *opportunities are available to large segments of*
24 *the public through organizations of similar size;*

1 “(D) offered to any group or class that is
2 not defined in a manner that specifically dis-
3 criminate among Government employees on the
4 basis of branch of Government or type of respon-
5 sibility, or on a basis that favors those of higher
6 rank or rate of pay;

7 “(E) in the form of loans from banks and
8 other financial institutions on terms generally
9 available to the public; or

10 “(F) in the form of reduced membership or
11 other fees for participation in organization ac-
12 tivities offered to all Government employees by
13 professional organizations if the only restrictions
14 on membership relate to professional qualifica-
15 tions.

16 “2. (a)(1) In determining if the giving of an item is
17 motivated by a family relationship or personal friendship,
18 at least the following factors shall be considered:

19 “(A) The history of the relationship between the
20 individual giving the item and the individual receiv-
21 ing the item, including whether or not items have pre-
22 viously been exchanged by such individuals.

23 “(B) Whether the item was purchased by the in-
24 dividual who gave the item.

1 “(C) Whether the individual who gave the item
2 also at the same time gave the same or similar item
3 to other Members, officers, or employees.

4 “(2) The giving of an item shall not be considered to
5 be motivated by a family relationship or personal friend-
6 ship if the family member or friend seeks—

7 “(A) to deduct the value of such item as a busi-
8 ness expense on the family member’s or friend’s Fed-
9 eral income tax return; or

10 “(B) reimbursement from—

11 “(i) a lobbyist or foreign agent required to
12 register under the Federal Regulation of Lobby-
13 ing Act, the Foreign Agents Registration Act, or
14 any successor statute; or

15 “(ii) a client of a lobbyist or foreign agent
16 described in division (i).

17 “(b)(1) Except as prohibited by paragraph 1(a)(1) a
18 Member, officer, or employee may accept an offer of free
19 attendance at a widely attended convention, conference,
20 symposium, forum, panel discussion, dinner, reception, or
21 similar event, if—

22 “(A) the Member, officer, or employee partici-
23 pates in the event as a speaker or a panel partici-
24 pant, by presenting information related to Congress
25 or matters before Congress, or by performing a cere-

1 *monial function appropriate to his or her official po-*
2 *sition; or*

3 *“(B) attendance of the event is appropriate to*
4 *the performance of the official duties of the Member,*
5 *officer, or employee.*

6 *“(2) A Member, officer, or employee who attends an*
7 *event described in clause (1) of this subparagraph may ac-*
8 *cept—*

9 *“(A) a sponsor’s unsolicited offer of free attend-*
10 *ance at the event for an accompanying spouse if oth-*
11 *ers in attendance will generally be accompanied by*
12 *spouses or if such attendance is appropriate to assist*
13 *in the representation of the Senate; and*

14 *“(B) transportation and lodging in connection*
15 *with the event if authorized in accordance with para-*
16 *graph 3.*

17 *“(3) Except as prohibited by paragraph 1(a)(1), a*
18 *Member, officer, or employee, or the spouse or dependent*
19 *thereof, may accept a sponsor’s unsolicited offer of free at-*
20 *tendance at a charity event in which the Member, officer,*
21 *or employee is a participant. Reimbursement for transpor-*
22 *tation and lodging may not be accepted in connection with*
23 *the event.*

24 *“(4) For purposes of this paragraph, the term ‘free at-*
25 *tendance’ may include waiver of all or part of a conference*

1 *or other fee or the provision of food, refreshment, entertain-*
2 *ment, and instructional materials furnished to all attendees*
3 *as an integral part of the event. The term does not include*
4 *entertainment collateral to the event or meals taken other*
5 *than in a group setting with all or substantially all other*
6 *attendees.*

7 “(c) For the purpose of this rule—

8 “(1) The term ‘client’ means any person who em-
9 ploys or retains a lobbyist or a foreign agent to ap-
10 pear or work on such person’s behalf.

11 “(2) The term ‘market value’, when applied to a
12 gift means the retail cost a person would incur to
13 purchase the gift. The market value of a gift of a tick-
14 et entitling the holder to food, refreshments, or enter-
15 tainment is the retail cost of similar food, refresh-
16 ments, or entertainment.

17 “3. (a)(1) Except as prohibited by paragraph 1(a)(1),
18 a reimbursement (including payment in kind) to a Member,
19 officer, or employee for necessary transportation, lodging
20 and related expenses for travel to a meeting, speaking en-
21 gagement, factfinding trip or similar event in connection
22 with the duties of the Member, officer, or employee as an
23 officeholder shall be deemed to be a reimbursement to the
24 Senate and not a gift prohibited by paragraph 1, if the
25 Member, officer, or employee receives advance authorization

1 *to accept reimbursement and discloses the expenses reim-*
2 *bursed or to be reimbursed and the authorization through*
3 *the Secretary of the Senate as soon as practicable after the*
4 *travel is completed.*

5 “(2) *Events, the activities of which are substantially*
6 *recreational in nature, shall not be considered to be in con-*
7 *nection with the duties of a Member, officer, or employee*
8 *as an officeholder.*

9 “(b) *Each advance authorization to accept reimburse-*
10 *ment shall be signed by the appropriate Member or commit-*
11 *tee chairman and shall include—*

12 “(1) *the name of the Member, officer, or em-*
13 *ployee;*

14 “(2) *the name of the person who will make the*
15 *reimbursement;*

16 “(3) *the time, place, and purpose of the travel;*
17 *and*

18 “(4) *a determination that the travel is in con-*
19 *nection with the duties of the Member, officer, or em-*
20 *ployee as an officeholder and would not create the ap-*
21 *pearance that the Member, officer, or employee is*
22 *using public office for private gain.*

23 “(c) *Each disclosure of expenses reimbursed or to be*
24 *reimbursed shall be signed by the appropriate Member or*
25 *committee chairman and shall include—*

1 “(1) total transportation expenses reimbursed or
2 to be reimbursed;

3 “(2) total lodging expenses reimbursed or to be
4 reimbursed;

5 “(3) disclosure of any other expenses reimbursed
6 or to be reimbursed (with the exception of any items
7 that may properly be accepted pursuant to clauses (1)
8 and (2)); and

9 “(4) a determination that all such expenses are
10 necessary transportation, lodging, and related ex-
11 penses as defined in this paragraph.

12 “(d) For the purposes of this paragraph, the term ‘nec-
13 essary transportation, lodging, and related expenses’—

14 “(1) includes reasonable expenses that are nec-
15 essary for travel for a period that may not exceed 3
16 days exclusive of traveltime within the United States
17 or 7 days exclusive of traveltime outside of the United
18 States unless approved in advance by the Ethics Com-
19 mittee;

20 “(2) is limited to expenditures for transpor-
21 tation, lodging, conference fees and materials, and
22 meals offered to all attendees as an integral part of
23 the event, including reimbursement for necessary
24 transportation, whether or not such transportation oc-
25 curs within the periods described in clause (1); and

1 “(3) does not include expenditures for rec-
2 reational activities, or entertainment other than that
3 provided to all attendees as an integral part of the
4 event.

5 “(e) The Secretary of the Senate shall—

6 “(1) make available to the public all advance au-
7 thorizations and disclosures of reimbursement filed
8 pursuant to subparagraph (a) as soon as possible
9 after they are filed; and

10 “(2) publish an annual report summarizing (by
11 Member, officer, or employee) travel expenses that are
12 reimbursed pursuant to this paragraph and aggregate
13 more than \$250 from any one source.

14 “4. (a) Notwithstanding any other provision of this
15 rule, a Member, officer, or employee of the Senate may par-
16 ticipate in a program, the principal objective of which is
17 educational, sponsored by a foreign government or a foreign
18 educational or charitable organization involving travel to
19 a foreign country paid for by that foreign government orga-
20 nization if such participation is not in violation of any
21 law and if the appropriate Member or committee chairman
22 has determined that participation in such program is in
23 the interests of the Senate and the United States.

24 “(b) Any Member who accepts an invitation to partici-
25 pate in any such program shall notify the Secretary of the

1 *Senate in writing of his acceptance. A Member shall also*
2 *notify the Secretary in writing whenever he has permitted*
3 *any officer or employee whom he supervises (within the*
4 *meaning of paragraph 11 of rule XXXVII) to participate*
5 *in any such program. The Secretary shall place in the Con-*
6 *gressional Record a list of all individuals participating; the*
7 *supervisors of such individuals, where applicable; and the*
8 *nature and itinerary of such program with participation*
9 *in a program permitted under subparagraph (a) if such*
10 *funds are not used for necessary food, lodging, transpor-*
11 *tation, and related expenses of the Member, officer, or em-*
12 *ployee.*

13 *“5. The Committee on Rules and Administration is*
14 *authorized to adjust the \$20 gift limit established in para-*
15 *graph 1 on a periodic basis, to the extent necessary to adjust*
16 *for inflation.”.*

17 **SEC. 3. AMENDMENT TO THE HOUSE RULES.**

18 *Clause 4 of Rule XLIII of the House of Representatives*
19 *is amended to read as follows:*

20 *“4. (a)(1) No Member, officer, or employee of the House*
21 *of Representatives, or the spouse or dependent thereof, shall*
22 *knowingly accept—*

23 *“(A) any gift provided directly or indirectly by*
24 *a person registered as a lobbyist or a foreign agent*
25 *under the Federal Regulation of Lobbying Act, the*

1 *Foreign Agents Registration Act, or any successor*
2 *statute;*

3 “(B) *any gift having a value of \$20 or more*
4 *from any other person; or*

5 “(C) *gifts having a value of less than \$20 from*
6 *the same or different sources on a basis so frequent*
7 *that a reasonable person would be led to believe the*
8 *Member, officer, or employee is using his public office*
9 *for private gain.*

10 “(2) *For the purpose of this clause, the term ‘gift’*
11 *means any gratuity, favor, discount, entertainment, hospi-*
12 *tality, loan, forbearance, or other item having monetary*
13 *value. The term includes gifts of services, training, trans-*
14 *portation, lodging, and meals, whether provided in kind,*
15 *by purchase of a ticket, payment in advance, or reimburse-*
16 *ment after the expense has been incurred.*

17 “(3)(A) *The following items are gifts subject to the re-*
18 *strictions in subparagraph (1)—*

19 “(i) *a financial contribution or an expenditure*
20 *relating to a conference, retreat, or similar event for*
21 *or on behalf of Members, officers, or employees; and*

22 “(ii) *a charitable contribution (as defined in sec-*
23 *tion 170(c) of the Internal Revenue Code of 1986)*
24 *made in lieu of an honorarium.*

1 “(B) The following items are subject to the restrictions
2 in subparagraph (1)(A)—

3 “(i) an item provided by a lobbyist or a foreign
4 agent which is paid for, charged to, or reimbursed by
5 a client of such lobbyist or foreign agent;

6 “(ii) an item provided by a lobbyist or a foreign
7 agent to an entity that is maintained or controlled by
8 a Member, officer, or employee;

9 “(iii) a charitable contribution made on the
10 basis of a designation, recommendation, or other spec-
11 ification made to a lobbyist or a foreign agent by a
12 Member, officer, or employee; and

13 “(iv) a contribution and other payment by a lob-
14 byist or foreign agent to a legal expense fund estab-
15 lished for the benefit of a Member, officer, or
16 employee.

17 “(4) The following items are not gifts subject to the
18 restrictions in subparagraph (1):

19 “(A) Any item for which the Member, officer, or
20 employee pays the market value.

21 “(B) A contribution, as defined in the Federal
22 Campaign Act of 1971 (2 U.S.C. 431 et seq.) that is
23 lawfully made under that Act.

24 “(C) Anything provided under circumstances
25 that clearly indicate, in accordance with paragraph

1 **(b)(1)**, that it is provided for a nonbusiness purpose
2 and is motivated by a family relationship or personal
3 friendship and not by the position of the Member, of-
4 ficer, or employee.

5 “(D) Items which are not used and which are
6 promptly returned to the donor.

7 “(E) A food or refreshment item of minimal
8 value, such as a soft drink, coffee, or doughnut offered
9 other than as part of a meal.

10 “(F) Benefits resulting from the business or em-
11 ployment activities of the spouse of a Member, officer,
12 or employee, if such benefits have not been offered or
13 enhanced because of the official position of such Mem-
14 ber, officer, or employee.

15 “(G) Pension and other benefits resulting from
16 continued participation in an employee welfare and
17 benefits plan maintained by a former employer.

18 “(H) Informational materials that are sent to
19 the office of the Member, officer, or employee in the
20 form of books, articles, periodicals, other written ma-
21 terials, audio tapes, videotapes, or other forms of com-
22 munication.

23 “(5) The restrictions in clauses (B) and (C) of sub-
24 paragraph (1) shall not apply to the following:

25 “(A) Meals, lodging, and other benefits—

1 “(i) resulting from the outside business or
2 employment activities of the Member, officer, or
3 employee (or other outside activities that are not
4 connected to the duties of the Member, officer, or
5 employee as an officeholder), if such benefits have
6 not been offered or enhanced because of the offi-
7 cial position of the Member, officer, or employee;
8 or

9 “(ii) customarily provided by a prospective
10 employer in connection with bona fide employ-
11 ment discussions.

12 “(B) Awards or prizes which are given to com-
13 petitors in contests or events open to the public, in-
14 cluding random drawings.

15 “(C) Honorary degrees and other bona fide
16 awards presented in recognition of public service and
17 available to the general public (and associated meals
18 and entertainment provided in the presentation of
19 such degrees and awards).

20 “(D) Donations of products from the State that
21 the Member represents that are intended primarily
22 for promotional purposes, such as display or free dis-
23 tribution, and are of minimal value to any individ-
24 ual recipient.

1 “(E) Meals and entertainment provided to a
2 Member or an employee of a Member in the Member’s
3 home State having, subject to reasonable limitations,
4 to be established by the Committee on Rules and Ad-
5 ministration.

6 “(F) Food and attendance provided at an event
7 sponsored by a political organization described in sec-
8 tion 527(e) of the Internal Revenue Code of 1986.

9 “(G) Training provided to a Member, officer, or
10 employee, if such training is in the interest of the
11 House of Representatives.

12 “(H) Bequests, inheritances, and other transfers
13 at death.

14 “(I) Any item, the receipt of which is authorized
15 by the Foreign Gifts and Declarations Act, the Mu-
16 tual Education and Cultural Exchange Act, or any
17 other statute.

18 “(J) Anything which is paid for by the Govern-
19 ment or secured by the Government under a Govern-
20 ment contract.

21 “(K) A gift of personal hospitality of an individ-
22 ual, as defined in section 109(14) of the Ethics in
23 Government Act.

24 “(L) Free attendance at an event permitted pur-
25 suant to paragraph (b)(1).

1 “(M) Opportunities and benefits which are—

2 “(i) available to the public or to a class
3 consisting of all Federal employees, whether or
4 not restricted on the basis of geographic consider-
5 ation;

6 “(ii) offered to members of a group or class
7 in which membership is unrelated to congress-
8 sional employment;

9 “(iii) offered to members of an organization,
10 such as an employees’ association or congress-
11 sional credit union, in which membership is re-
12 lated to congressional employment and similar
13 opportunities are available to large segments of
14 the public through organizations of similar size;

15 “(iv) offered to any group or class that is
16 not defined in a manner that specifically dis-
17 criminate among Government employees on the
18 basis of branch of Government or type of respon-
19 sibility, or on a basis that favors those of higher
20 rank or rate of pay;

21 “(v) in the form of loans from banks and
22 other financial institutions on terms generally
23 available to the public; or

24 “(vi) in the form of reduced membership or
25 other fees for participation in organization ac-

1 *tivities offered to all Government employees by*
2 *professional organizations if the only restrictions*
3 *on membership relate to professional qualifica-*
4 *tions.*

5 *“(b)(1)(A) In determining if the giving of an item is*
6 *motivated by a family relationship or personal friendship,*
7 *at least the following factors shall be considered:*

8 *“(i) The history of the relationship between the*
9 *individual giving the item and the individual receiv-*
10 *ing the item, including whether or not items have pre-*
11 *viously been exchanged by such individuals.*

12 *“(ii) Whether the item was purchased by the in-*
13 *dividual who gave the item.*

14 *“(iii) Whether the individual who gave the item*
15 *also at the same time gave the same or similar item*
16 *to other Members, officers, or employees.*

17 *“(B) The giving of an item shall not be considered to*
18 *be motivated by a family relationship or personal friend-*
19 *ship if the family member or friend seeks—*

20 *“(i) to deduct the value of such item as a busi-*
21 *ness expense on the family member’s or friend’s Fed-*
22 *eral income tax return; or*

23 *“(ii) reimbursement from—*

24 *“(I) a lobbyist or foreign agent required to*
25 *register under the Federal Regulation of Lobby-*

1 *ing Act, the Foreign Agents Registration Act, or*
2 *any successor statute; or*

3 *“(II) a client of a lobbyist or foreign agent*
4 *described in division (i).*

5 *“(2)(A) Except as prohibited by paragraph (a)(1)(A)*
6 *a Member, officer, or employee may accept an offer of free*
7 *attendance at a widely attended convention, conference,*
8 *symposium, forum, panel discussion, dinner, reception, or*
9 *similar event, if—*

10 *“(i) the Member, officer, or employee participates*
11 *in the event as a speaker or a panel participant, by*
12 *presenting information related to Congress or matters*
13 *before Congress, or by performing a ceremonial func-*
14 *tion appropriate to his or her official position; or*

15 *“(ii) attendance of the event is appropriate to*
16 *the performance of the official duties of the Member,*
17 *officer, or employee.*

18 *“(B) A Member, officer, or employee who attends an*
19 *event described in clause (A) of this subparagraph may ac-*
20 *cept—*

21 *“(i) a sponsor’s unsolicited offer of free attend-*
22 *ance at the event for an accompanying spouse if oth-*
23 *ers in attendance will generally be accompanied by*
24 *spouses or if such attendance is appropriate to assist*

1 *in the representation of the House of Representatives;*
2 *and*

3 “(ii) *transportation and lodging in connection*
4 *with the event if authorized in accordance with para-*
5 *graph (c).*

6 “(C) *Except as prohibited by paragraph (a)(1)(A), a*
7 *Member, officer, or employee, or the spouse or dependent*
8 *thereof, may accept a sponsor’s unsolicited offer of free at-*
9 *tendance at a charity event in which the Member, officer,*
10 *or employee is a participant. Reimbursement for transpor-*
11 *tation and lodging may not be accepted in connection with*
12 *the event.*

13 “(d) *For purposes of this paragraph, the term ‘free at-*
14 *tendance’ may include waiver of all or part of a conference*
15 *or other fee or the provision of food, refreshment, entertain-*
16 *ment, and instructional materials furnished to all attendees*
17 *as an integral part of the event. The term does not include*
18 *entertainment collateral to the event or meals taken other*
19 *than in a group setting with all or substantially all other*
20 *attendees.*

21 “(3) *For the purpose of this clause—*

22 “(A) *The term ‘client’ means any person who*
23 *employs or retains a lobbyist or a foreign agent to ap-*
24 *pear or work on such person’s behalf.*

1 “(B) The term ‘market value’, when applied to
2 a gift means the retail cost a person would incur to
3 purchase the gift. The market value of a gift of a tick-
4 et entitling the holder to food, refreshments, or enter-
5 tainment is the retail cost of similar food, refresh-
6 ments, or entertainment.

7 “(c)(1)(A) Except as prohibited by paragraph
8 (a)(1)(A), a reimbursement (including payment in kind)
9 to a Member, officer, or employee for necessary transpor-
10 tation, lodging and related expenses for travel to a meeting,
11 speaking engagement, factfinding trip or similar event in
12 connection with the duties of the Member, officer, or em-
13 ployee as an officeholder shall be deemed to be a reimburse-
14 ment to the House of Representatives and not a gift prohib-
15 ited by paragraph (a), if the Member, officer, or employee
16 receives advance authorization to accept reimbursement and
17 discloses the expenses reimbursed or to be reimbursed and
18 the authorization through the Clerk of the House of Rep-
19 resentatives as soon as practicable after the travel is com-
20 pleted.

21 “(B) Events, the activities of which are substantially
22 recreational in nature, shall not be considered to be in con-
23 nection with the duties of a Member, officer, or employee
24 as an officeholder.

1 “(2) Each advance authorization to accept reimburse-
2 ment shall be signed by the appropriate Member or commit-
3 tee chairman and shall include—

4 “(A) the name of the Member, officer, or em-
5 ployee;

6 “(B) the name of the person who will make the
7 reimbursement;

8 “(C) the time, place, and purpose of the travel;
9 and

10 “(D) a determination that the travel is in con-
11 nection with the duties of the Member, officer, or em-
12 ployee as an officeholder and would not create the ap-
13 pearance that the Member, officer, or employee is
14 using public office for private gain.

15 “(3) Each disclosure of expenses reimbursed or to be
16 reimbursed shall be signed by the appropriate Member or
17 committee chairman and shall include—

18 “(A) total transportation expenses reimbursed or
19 to be reimbursed;

20 “(B) total lodging expenses reimbursed or to be
21 reimbursed;

22 “(C) disclosure of any other expenses reimbursed
23 or to be reimbursed (with the exception of any items
24 that may properly be accepted pursuant to clauses
25 (A) and (B)); and

1 “(D) a determination that all such expenses are
2 necessary transportation, lodging, and related ex-
3 penses as defined in this paragraph.

4 “(4) For the purposes of this paragraph, the term ‘nec-
5 essary transportation, lodging, and related expenses’—

6 “(A) includes reasonable expenses that are nec-
7 essary for travel for a period that may not exceed 3
8 days exclusive of traveltime within the United States
9 or 7 days exclusive of traveltime outside of the United
10 States unless approved in advance by the Ethics Com-
11 mittee;

12 “(B) is limited to expenditures for transpor-
13 tation, lodging, conference fees and materials, and
14 meals offered to all attendees as an integral part of
15 the event, including reimbursement for necessary
16 transportation, whether or not such transportation oc-
17 curs within the periods described in clause (1); and

18 “(C) does not include expenditures for rec-
19 reational activities, or entertainment other than that
20 provided to all attendees as an integral part of the
21 event.

22 “(5) The Clerk of the House of Representatives shall—

23 “(A) make available to the public all advance
24 authorizations and disclosures of reimbursement filed

1 *pursuant to subparagraph (1) as soon as possible*
2 *after they are filed; and*

3 *“(B) publish an annual report summarizing (by*
4 *Member, officer, or employee) travel expenses that are*
5 *reimbursed pursuant to this paragraph and aggregate*
6 *more than \$250 from any one source.*

7 *“(d)(1) Notwithstanding any other provision of this*
8 *clause, a Member, officer, or employee of the House of Rep-*
9 *resentatives may participate in a program, the principal*
10 *objective of which is educational, sponsored by a foreign*
11 *government or a foreign educational or charitable organiza-*
12 *tion involving travel to a foreign country paid for by that*
13 *foreign government organization if such participation is*
14 *not in violation of any law and if the appropriate Member*
15 *or committee chairman has determined that participation*
16 *in such program is in the interests of the House of Rep-*
17 *resentatives and the United States.*

18 *“(2) Any Member who accepts an invitation to partici-*
19 *pate in any such program shall notify the Clerk of the*
20 *House of Representatives in writing of his acceptance. A*
21 *Member shall also notify the a Clerk in writing whenever*
22 *he has permitted any officer or employee whom he super-*
23 *vises to participate in any such program. The Clerk shall*
24 *place in the Congressional Record a list of all individuals*

1 *participating; the supervisors of such individuals, where*
 2 *applicable; and the nature and itinerary of such program.*

3 “(3) No Member, officer, or employee may accept funds
 4 *in connection with participation in a program permitted*
 5 *under subparagraph (a) if such funds are not used for nec-*
 6 *essary food, lodging, transportation, and related expenses*
 7 *of the Member, officer, or employee.*

8 “(e) The Committee on House Administration is au-
 9 *thorized to adjust the \$20 gift limit established in para-*
 10 *graph (a) on a periodic basis, to the extent necessary to*
 11 *adjust for inflation.”.*

12 **SEC. 4. AMENDMENT TO THE ETHICS IN GOVERNMENT ACT.**

13 *Section 102(a)(2)(A) of the Ethics in Government Act*
 14 *(5 U.S.C. App. 6, section 102), is amended by—*

15 (1) *inserting a dash after “and the value of”;*

16 (2) *striking “all gifts aggregating” and inserting*
 17 *the following:*

18 “(i) *all gifts aggregating”;*

19 (3) *striking the period at the end of the subpara-*
 20 *graph and inserting “; and”;* and

21 (4) *adding at the end the following:*

22 “(ii) *all gifts, other than food, lodging, or*
 23 *entertainment received as personal hospitality of*
 24 *an individual, having a value of \$20 or more*
 25 *that are—*

1 “(I) provided by a person required to
2 register under the Federal Regulation of
3 Lobbying Act, the Foreign Agents Registra-
4 tion Act, or any successor Act; and

5 “(II) would be prohibited by section
6 7353 of title 5, United States Code, but for
7 a personal friendship exception contained
8 in implementing rules and regulations is-
9 sued pursuant to in subsection (b)(1) of
10 such section.”.

11 **SEC. 5. EFFECTIVE DATE.**

12 *This Act and the amendments made by this Act shall*
13 *become effective on January 1, 1995.*

Amend the title so as to read: “A bill to limit the acceptance of gifts, meals, and travel by Members of Congress and congressional staff, and for other purposes.”.

S 1935 RS——2