PERMISSION TO POSTPONE PROCEEDING ON MOTION TO RECONSIDER Conf. Rep. H. R. 5053, PREVENTING IRS ABUSE AND PROTECTING FREE SPEECH ACT Mr. BRADY of Texas. Mr. Speaker, I ask unanimous consent that the question on adoption of the motion to recommit to H. R. 5053 be subject to postponement as though under clause 8 of rule XX.

The SPEAKER pro tempore (Mr. POE of Texas), Is there objection to the request of the gentleman from Texas?

There was no objection.

PREVENTING IRS ABUSE AND PROTECTING FREE SPEECH ACT Mr. BRADY of Texas. Mr. Speaker, pursuant to House Resolution 778, I call up the bill (H.R. 5053) to amend the Internal Revenue Code of 1986 to prohibit the Secretary of the Treasury from requiring that the identity of contributors to 501(c) organizations be included in annual returns, and ask for its immediate consideration.

The Clerk read the title of the bill. The SPEAKER pro tempore. Pursuant to House Resolution 778, in lieu of the amendment in the nature of a substitutive constituent of the text of Rules Committee Print 114-58, is adopted, and the bill, as amended, is considered read the text of the bill, as amended, is as follows:

<table>
<thead>
<tr>
<th>Yeas</th>
<th>Nays</th>
</tr>
</thead>
<tbody>
<tr>
<td>412</td>
<td>9</td>
</tr>
</tbody>
</table>

The vote was taken by electronic device, and there were—yeas 412, nays 9, not voting 15, as follows:

<table>
<thead>
<tr>
<th>Yeas</th>
<th>Nays</th>
</tr>
</thead>
<tbody>
<tr>
<td>412</td>
<td>9</td>
</tr>
</tbody>
</table>

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced on the floor.

A motion to reconsider was laid on the table.

### Congressional Record — House

<table>
<thead>
<tr>
<th>Plate</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>H3777</td>
<td>June 14, 2016</td>
</tr>
</tbody>
</table>
VerDate Sep 11 2014 02:04 Jun 15, 2016 Jkt 059060 PO 00000 Frm 00022 Fmt 4634 Sfmt 0634 E:\CR\FM\A14JN7.014 H14JNPT1smartinez on DSK4SPTVN1PROD with HOUSE

Mr. LEVIN. Mr. Speaker, I yield myself such time as I may consume.

Over the past several years, the American people have come to learn just how reckless and untrustworthy the IRS can be with their sensitive taxpayer information.

Most concerning of all is that this Federal agency, which holds immense power to disrupt the lives of taxpayers, has directly exploited sensitive taxpayer information for political purposes.

We have responsibility to taxpayers to make sure this is never allowed to happen again. That is why we fought hard to push forward a ban on IRS political targeting as part of the PATH Act. And last December, that ban was signed into law for the very first time.

But we still have more work to do to clean up the IRS and hold it more accountable to the taxpayers it serves. The Preventing IRS Abuse and Protecting Free Speech Act continues this critical effort.

This important bill, authored by Congressman ROSKAM, would prohibit the IRS from collecting the identity of people who donate to tax-exempt organizations. During our committee’s IRS political targeting investigation, we learned that the IRS not only singled out certain organizations for heightened security, but in some cases, it even demanded they turn over a list of all their donors. These invasions of privacy are completely unacceptable.

The bill before us today makes much needed reforms to safeguard taxpayer identities and ease the compliance burden on tax-exempt organizations. Most importantly, this bill helps ensure that Americans can never again be singled out by the IRS for their political beliefs.

I am grateful to Chairman ROSKAM for his leadership and diligence on this important issue, and I urge all my colleagues to join me in supporting the passage of this legislation.

Mr. Speaker, I reserve the balance of my time, and I ask unanimous consent that the gentleman from Illinois (Mr. ROSKAM) be permitted to control the remainder of the time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LEVIN. Mr. Speaker, I yield myself such time as I may consume.

The Republican majority believes the more hidden money in politics, the better. Freedom of speech, they say, requires more and more dark money or that democracy requires the ability of a few key people to write a check of $100 million without anyone knowing who signed the check or, as a Koch brothers executive claimed, Americans have the right to “anonymous free speech.”

This bill now would help extend that anonymity to foreign individuals and foreigners who contribute in violation of our laws.

We have a crisis in our campaign system, a crisis. Tens of millions of dollars, and that was just the tip of the iceberg. And we have come to learn how reckless and untrustworthy the IRS can be with taxpayer information.

According to the Center for Responsive Politics, political spending by such tax-exempt groups at this point in the current election cycle is five times the amount spent at the same point during the 2012 cycle. Spending during the 2012 Presidential election cycle by 501(c)(4)’s and 501(c)(6)’s soared to more than $300 million, up from $100 million in 2008 and just $6 million in 2004, according to the Center for Responsive Politics. And the three largest 501(c)(4) spenders from the 2012 cycle, representing fully 51 percent of the total, have special meaning to this House majority.

They include Karl Rove’s Crossroads GPS, which spent $71 million; Americans for Prosperity, which Koch brothers spent $36 million; and the American Future Fund, also the Koch brothers, spent $25 million.

It is little wonder that the Koch brothers sent a letter to the Committee on Ways and Means Republicans the morning our committee marked up this bill in April, urging support of this legislation. It seeks to codify the secrecy around donations to social welfare organizations for political purposes.

So Republicans are here today to continue their attack on the IRS as they drive, really, to further undermine our campaign finance system. This legislation represents the last safeguard against foreign governments and foreign individuals from influencing our elections. Currently, foreign money cannot legally be given or spent in our elections, and a real protection we have against the use of foreign money by politically active social welfare organizations is that they must disclose their donors to the IRS.

This requirement means that tax exempt 501(c)(4) groups know they can be held accountable if they illegally spend foreign money in Federal elections.

Thirteen key campaign finance and government transparency groups, including Democracy 21 and Common Cause, have written to Congress opposing this bill. In their letter, they state: “The . . . bill would open the door wide for secret money from foreign donors to be illegally laundered into Federal elections through 501(c)(4) and other 501(c) groups. House Members should vote against eliminating the existing check against foreign countries, foreign companies, and foreign individuals spending money illegally to influence our elections.

This legislation would eliminate that protection. The administration opposes this bill. In its Statement of Administration Policy, it states: “By permanently preventing the IRS from requiring reporting of donor information by 501(c)(4) organizations, this legislation would constrain the IRS in enforcing tax laws and reduce the transparency of private foundations.”

Therefore, I strongly urge a “no” vote.

Mr. Speaker, I reserve the balance of my time.

Mr. ROSKAM. Mr. Speaker, I yield myself such time as I may consume.

I want to thank Chairman BRADY for his leadership in bringing this bill to the floor. Just to put this in context, let’s focus in on what we are really talking about. Every year, tax exempt 501(c) organizations fill out a form 990, and they send it to the IRS. So far, so good. It makes all the sense in the world. Public information. It is supposed to be public, and the public is able to review that.

Under current law—actually, it is a rule; it is not a statute, it is a rule—501(c) organizations have to fill out Schedule B. Okay, what is Schedule B? Schedule B is donor information. This donor information is submitted to the IRS. But here is the problem, Mr. Speaker. The IRS Commissioner has...
Mr. PASCRELL. Mr. Speaker, I rise today to speak on why this is a bad idea, one of the most recent victims of the IRS's proliferation of political groups claiming tax exempt social welfare. You know how many groups in the past 5 years have claimed that? That is the status as a means to hide the identities of the donors. Can't put it any more elementary than that.

Now, that is the very law my friend from Illinois—and I mean that seriously—the very law that he is talking about. These groups offer a back door into unrestricted spending on political speech, often in the form of advertising meant to influence elections. I don't think we would disagree on that point.

H.R. 5053 makes it easier for super-PACs to spend money anonymously in support of their preferred candidates or political party. That is H.R. 5053. The bill before us today would make it easier for groups to operate in the shadows, groups like the American Future Fund, which together spent more than $61 million in just one election in 2012 yet still claim tax exempt status.

Now, I believe we need better transparency and accountability in our system. Disclosure of donors to the IRS is a minimum safeguard and a practical tool for auditing. Furthermore, requiring disclosure of donors is one of the only safeguards we have against foreign money influencing our elections. That is why so many good government groups have spoken out against this legislation, groups that promote transparency in our political system, like the Sunlight Foundation and the League of Women Voters. This bill would make it easier, Mr. Speaker, for anonymous donors to funnel dark money into groups that spend unlimited sums of money to influence elections. This flies in the face of our democratic principles. I urge my colleagues to oppose it.

This isn't about the IRS. This is about hiding who contributes and how much. The IRS isn't for sale, but there are many buyers out there, Mr. Speaker, who want to remain unknown. You and I, the sponsor of this bill, we don't think so, I have no idea.

Mr. ROSKAM. Mr. Speaker, one quick point. The gentleman said that it was a practical tool for auditing, and yet there was a lawsuit recently where the attorney general of California tried to disclose the Schedule B information. The Federal judge who struck down the public disclosure pointed out that it had not been used in a single concrete instance, not one. And, in fact, the folks in California had not had this information for 10 years before they even noticed that it was missing.

Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. RANGEL), a truly distinguished member of our committee.

Mr. RANGEL. My colleagues, if you are frustrated, if you are down and out, if you lack self-esteem, if you really want to get a good shot in the arm, kick the IRS. I am telling you, I have been down here 46 years. It always works. It always works.

But to take away an institution that depends on voluntary contribution of taxpayers, to take away the image of trying to do the right thing for the American people because we have had some severe setbacks, whether under
Democrats or Republicans, is just the wrong thing to do.

I remember the days when people would say: Get some good grades and live a good life and do the right thing and you can run for public office. I like to believe that not every Republican kid comes from a rich family. I like to believe that they have the same aspirations, no matter what the political party is.

But today, in communities throughout these great United States, if somebody says they want to serve in the local, State, or Federal Government, what is the first thing you ask? How much money do you have? And then, you contribute that to the negative ads, where an Independent listens to Republicans and the Democrats, and are they turned off?

But assuming that some foreigner wants to interfere with a local election, that should bring Democrats and Republicans together. We can fuss with each other, but we certainly don’t like foreigners to interfere with our foreign policy.

Recently we have had some people come right here to the well from foreign governments and criticize our President. Criticism is one thing, but financing a political party or a political candidate is repugnant to everything we stand for.

If you really want to accumulate hundreds of millions of dollars to support an individual, why in the heck wouldn’t you want your name to be public, as the NAACP case, but I would say: Get some good grades and live a good life and do the right thing. If you really want to accumulate hundreds of millions of dollars to support a political candidate, you should not only be investigated, you should be found guilty, and those who violate the law ought to be convicted and serve time for it.

You don’t just take away the opportunity for somebody. I am not suggesting that you don’t have rich people who are financing governments that are not nice people, but we should not provide a vehicle for them to influence our elections.

Just because the Commissioner says, I don’t need additional responsibility, I can’t be required. If it can be appointed by a Democrat or a Republican, it is not for Commissioners to say what is good for this country. It is for this House of Representatives and the Senate.

I yield 2 minutes to the gentleman from New York.

Mr. RANGEL. Will the gentleman yield?

Mr. ROSKAM. I yield to the gentleman from New York.

Mr. RANGEL. Let me make it perfectly clear. If the IRS had leaked information or had not done their job, they should not only be investigated, they should be found guilty, and those who violate the law ought to be convicted and serve time for it.

You don’t just take away the opportunity for somebody. I am not suggesting that you don’t have rich people who are financing governments that are not nice people, but we should not provide a vehicle for them to influence our elections.

Just because the Commissioner says, I don’t need additional responsibility, I can’t be required. If it can be appointed by a Democrat or a Republican, it is not for Commissioners to say what is good for this country. It is for this House of Representatives and the Senate.

I yield 2 minutes to the gentleman from Tennessee (Mrs. BLACK) to give us more insight.

Mrs. BLACK. Mr. Speaker, I rise today in strong support of the Preventing IRS Abuse and Protecting Free Speech Act.

As we debate this legislation, I think back to June of 2013, when victims of the IRS targeting testified before our Ways and Means Committee, including someone from my own State, a fellow Tennessean, Kevin Kookogey, who is the founder of Linchpins of Liberty.

This legislation protects groups like Kevin’s from further IRS abuse by repealing the so-called Schedule B requirement that compels tax exempt organizations to turn over names, addresses, and other personal identifiable information of their donors.

Now, we know this information has been misused before and that the IRS, as has already been said, doesn’t use this information to determine a tax exemption status anyway.

So why in a free country would these groups need to turn over such personal information in the first place?

We should all be asking ourselves that question. This information is not needed, and it will protect those who choose to give to those organizations without having their information misused.

Let’s fix this problem today. I urge a “yes” vote on H.R. 5053.

Mr. LEVIN. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. DANNY K. DAVIS).

Mr. DANNY K. DAVIS of Illinois. I thank the gentleman for yielding.

As Commissioner, in my opinion, the Republican leadership has failed to provide sufficient investment in major emergencies facing Americans. They have refused to address the horrible epidemic of gun violence that plagues communities like mine and provides extremists an easy tool to kill dozens of people in minutes.

Further, the Republican leadership has refused to give sufficient funds to combat the Zika virus, risking the health and well-being of Americans.

They have refused to raise the minimum wage to help working families improve their quality of life and have advanced efforts to reduce access to school meals for low-income children.

Yet, today, the priority of Republican leadership is a bill to blindfold the Internal Revenue Service to large donors to any 501(c) organizations except under very narrow circumstances, opening the floodgates for unlimited, anonymous donations, possibly from foreign sources.

The confidential disclosure of donors provides an important check on secret money from foreign governments or individuals that could bias our elections. This is not a freedom of speech issue. This is not a fight for American freedom. This is a fight to protect the secret efforts to funnel so much money into certain coffers to undermine the integrity of our election system.

I strongly oppose this bill and hope the Republican leadership will focus on addressing the true emergencies facing American families, such as gun violence, hunger, poverty, and health. These are real deal issues.

Mr. ROSKAM. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mrs. MIMI WALTERS).

Mrs. MIMI WALTERS of California. Mr. Speaker, I rise today in support of the Preventing IRS Abuse and Protecting Free Speech Act.

The IRS requires tax exempt organizations to report sensitive information about their donors, but, frankly, the information is unnecessary.

There are numerous examples of the IRS targeting political groups, which demonstrates that the IRS is incapable of using this information for legitimate purposes. Even the IRS itself has indicated it is considering eliminating this requirement. By eliminating the IRS’ power to inquire into the membership of private citizen groups, taxpayers’ identities will be protected and the IRS will be properly targeting certain organizations.

I urge my colleagues to join me in supporting H.R. 5053 to hold the IRS...
June 14, 2016

CONGRESSIONAL RECORD—HOUSE

accountable and act in the best interest of the American taxpayer.

Mr. LEVIN. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. BECERRA), a member of our committee and chairman of our Caucus.

Mr. BECERRA. I thank the gentleman for yielding.

Mr. Speaker, I think it is, first, important to clarify this legislation impacts tax exempt organizations under the 501(c)(4)s. Many of these tax exempt organizations recognize as charities, like United Way and so forth, foundations. Social welfare organizations, they come in any variety.

A social welfare organization, typically when we think social welfare, it means, essentially, organizations that are promoting the common good and the general welfare of the people of a community. Social welfare organizations.

What the problem, then, here is that we have seen so many social welfare organizations, the 501(c)(4)s, become not promoters of social good, but some of the biggest campaign spenders in our election process. They use the loopholes in the Tax Code to be able to collect a whole bunch of money that usually Americans think goes to do social welfare and instead is now being used to drive our campaigns.

So this is now the problem with this particular legislation. This legislation says: You know what? Those organizations right now have to document who is giving them money, who is contributing the dollars to them, if it is bigger than a $5,000 contribution.

This bill says no longer would any of those 501(c) organizations, those tax exempt organizations, have to file the name of the contributor.

At a time, right now, when so many Americans have become skeptical about our government’s ability to promote the interests of our citizens first, at a time when so many believe our government is driven by special interests, we should be asking for more openness in our government, not less in how we do business. Secret money is hijacking our American democracy.

This bill would prohibit the disclosure of substantial contributions and promote special interest secrecy.

What do I mean by that? This bill would be the license to secretly influence our elections.

How? A foreign government doesn’t like where American policy is going, so guess what? They want to influence who gets elected.

What do they do? They don’t make a contribution to a candidate because they can’t under the law.

What did they do? They now give to one of these social welfare organizations and let them use the money to politick in our campaigns.

And why? If this bill becomes law, you will never know the name of that foreign government or foreign government official who makes that contribution. It can be a $5,000 contribution. It can be a $5 billion contribution. You never have to report it if you are one of these tax exempt organizations.

What else? Say there are drug traffickers who don’t like that we may be getting tough on drug laws. They don’t like it. They want to elect people who won’t be so tough. Because a drug trafficker won’t give it directly to a candidate, they give it to one of these social welfare organizations. The social welfare organization, under this bill, won’t have to report the contribution, the name of the contributor. If that drug trafficker gives $5,000 or $5 billion, it is never disclosed.

Who else? We are right now fighting ISIS. Say ISIS wants to make sure somebody gets elected to be the next President or a Member of Congress. They don’t like somebody else. How do they influence our elections? They get one of their wealthy contributors to give all of these tax exempt organizations. And guess what? That ISIS contributor never gets disclosed.

Since when do Americans want us to have a system in our elections where contributions can be made to influence our elections if we don’t know who is doing it?

If you don’t believe it is true that that is going on, let me give you this statistic that will blow your mind. Four years ago, in our last Presidential election, the Democratic Party and the Republican Party combined, the parties that we know are there for politics—spent a quarter of a billion dollars in the 2012 elections.

Guess how much these social welfare organizations spent in that same election? More than the two parties combined.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LEVIN. I yield the gentleman an additional 1 minute.

Mr. BECERRA. Mr. Speaker, the parties spent $255 million in 2012 politicking because that is what they are there to do. They have a partisan position, so they are using their money that people contribute to politick.

And by the way, when you make a contribution, you have got to report it to whom you give a contribution to that political party. $237 million in 2012 was spent by these social welfare organizations on politicking, and under this bill, if it becomes law, guess what? Those contributors won’t have to be identified; and so whatever your motives, you get to influence our elections without the American people—who can’t do the same thing, because if they give a contribution, they have got to disclose it—without the American people knowing who you are.

I don’t believe that is where this country wants to go. And I don’t care under what good-government kind of window you try to frame this, what you are doing is you are opening the door for secret money to influence our elections—as if it isn’t bad enough how much our elections are influenced by people who have wealth and do much more than the average American can even imagine.

So, Mr. Speaker, this is not a time to do that. Let’s vote for openness. And if you vote for openness, you have to vote against this bill.

Mr. ROSKAM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, did you notice something? Every one of the examples of the previous speakers were hypothetical, every one of them, drug dealers, drug traffickers, an ISIS strategy, as if ISIS is sitting around not cutting people’s heads off and writing checks. How absurd.

The notion that there is no documentation is a false claim. Of course people have to have documentation. Of course, those organizations have to document. They have to maintain records. They are subject to audit. They are subject to investigation.

But here is the point. We have been able to demonstrate actual harm to American people who are actually subject to a capricious and vicious attack by their own government. That is the Internal Revenue Service, who turned their stare at them and intimidated them. That is a fact.

This House voted on the criminal referral of Lois Lerner. This House has investigated, time and time and time again, to the point where our friends on the other side of the aisle have basically begged for mercy. said: Do we have to talk about the IRS anymore?

Well, yes, we do because this is the group that has been the bad actor, Mr. Speaker, in the past. Let’s realize who we are talking about.

Now, I think it is very, very important for us to recognize that we have an opportunity to do something, and that is this: let’s follow the lead of Commissioner Koskinen. If the Commissioner of the Internal Revenue Service thought, wow, ISIS is coming in here and they are coming over the ramparts and they are going to completely flood us, and we have got to watch out for ISIS and drug traffickers, why would Commissioner Koskinen say this: “On your 990, you tell donors”—and we are not about to try to change that. “As a general matter, who gives to you should not matter as to what you’re about to do.”

In other words, these things that the other side is saying are illegal, they are illegal. There is nothing in this that changes that.

But there is a plot trap in their logic, Mr. Speaker, and it is this: the IRS, by their own admission, is not going through this on a systematic basis. They acknowledge that. They are not going through this on a systematic basis. They are not investigating them.

So what happens?
They are prohibited under the heading, Mr. Speaker, from disclosing this information, under section 6103, that makes that disclosure a crime. Oh, it makes it a crime—unless they do it to some conservative group and it happens to be an accident.

To give us more insight on this, I yield 3 minutes to the gentleman from Oregon (Mr. WALDEN).

Mr. WALDEN. Mr. Speaker, I walked in and was hearing the gentleman from California talk about all these foreign donations, and I thought for sure he was talking about the Clinton Foundation donations from foreign governments. That is a big question about their influence on policy and appointments and other things. That is why I was glad the gentleman clarified the topic at hand here.

What we are doing here, really, is protecting the First Amendment’s guarantee of freedom of speech. That is a very bedrock of our democratic society. As Franklin wrote: “Whoever would overthrow the Liberty of a Nation, must begin by subduing the Freedom of Speech.”

See, American citizens should not be targeted by their own government for exercising their civil rights to their free speech, which is exactly why we are here today; because, under the Obama administration, the IRS has all too often targeted groups based on their political affiliation.

I don’t care whether you are liberal, conservative, or somewhere in between, you shouldn’t have your government targeting you, through the IRS, based on your political views. And they even disclosed the identities of supporters of these organizations.

This commonsense bill would protect the First Amendment by prohibiting the IRS from collecting sensitive information about citizens who support nonprofit organizations like charities, like church organizations, trade associations, and more.

This would, of course, apply to future administrations, too, and will simply serve to strengthen our constitutional right to free speech, no matter what party occupies the White House.

Even some IRS officials have admitted they don’t need this information to enforce the Tax Code, though I imagine they did find it useful when they “accidentally” leaked at least one conservative group’s list of supporters to another nonprofit that, in turn, made that list public.

This bill would take away this power from the agency completely. That will greatly reduce the chance this could happen again. Doing so would protect taxpayer identities and sensitive information, and help prevent the IRS from going after certain organizations because they don’t agree with that organization’s mission.

So I urge opposition of this thoughtful legislation. Let’s prevent taxpayers, protect them, and prevent abuse of taxpayers, and protect their free speech rights under the Constitution.

Mr. LEVIN. Mr. Speaker, can I ask how much time is available? How much time do we have, please?

The SPEAKER pro tempore. The gentleman from Michigan has 10½ minutes remaining.

Mr. LEVIN. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. BECERRA).

Mr. BECERRA. I thank the gentleman for yielding.

Mr. Speaker, we just want to respond to my friend from Illinois and some of his comments, and my friend from Oregon.

The Clinton Foundation, great that you raise that because, see, the Clinton Foundation has raised a lot of questions in the minds of some. At least, some are trying to politicize it, whether you agree or don’t agree with the money that came, because some money did come from foreign sources.

This bill would terminate the need for the Clinton Foundation to report any sources of its income. So, if you are concerned that the Clinton Foundation has gotten some contributions from foreign sources, this bill makes it worse because, under this legislation, the Clinton Foundation wouldn’t have to report any of those contributions anymore. And so that is the craziness of this legislation.

It is not speculation to say what will happen. We have gone from virtually zero spending by social welfare organizations that are tax exempt for political purposes to, now, these social welfare organizations spending more than the political parties spend together.

So it is not speculation. The expert from the Joint Tax Committee said so himself. This is what will happen, could happen, if we pass this legislation.

Please reject this bill.

Mr. ROSKAM. Mr. Speaker, I think I am the only person on this side, so I am prepared to close, but I will defer to the gentleman from Michigan if he wants to wind it up.

I reserve the balance of my time.

Mr. LEVIN. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Maryland (Mr. SARBANES), who has worked so hard for so long on this issue. It is a privilege.

Mr. SARBANES. I thank the gentleman for yielding.

In my personal view, fundamentally, this is about which direction we want to move in as a country, as a Congress, as a responsible institution, as a government, in terms of whether we are going to respect the American people and their voice, whether we are going to turn their voice over to Big Money, to special interests that are hijacking our politics and our government.

The problem with the proposal that is being put on the floor today is that it is moving us in the wrong direction. It is moving us away from the kind of disclosure information transparency in our political process that the American people are demanding.

If you talk to the average person out there, they feel disrespected, locked out, left out, left behind, pushed to the margins of their own democracy, feeling as though Big Money calls the shots, the insiders rule the roost, and the average person has no voice, is of no consequence.

They see the money being spent on these campaign commercials during election time. They don’t know where it is coming from. They don’t know what organizations are supporting it, and they feel like they have a stake in their own democracy anymore.

What is interesting is that, you know, traditionally, in the past, Republicans had argued for more transparency and disclosure: that all political activity, all contributions that were made and all expenditures, should be divulged. In fact, in 1996, MITCH MCCONNELL, the majority leader in the Senate, declared, proudly: “Public disclosure of campaign contributions—public disclosure of campaign contributions—and spending should be expedited so voters can judge for themselves what is appropriate.”

We are moving even further away from public disclosure of these contributions, and we believe this bill would say that the IRS isn’t even going to be able to collect information on who is donating to these 501(c)(3) organizations. So at a time when the American people are saying we need more accountability in our politics, in our government when it comes to this secret money that is out there, at a time when Americans want more accountability, this bill moves us towards less accountability. It will move secret money even further into the shadows and contribute further to a less responsive and less transparent democracy.

I can hear the American people saying to the Republicans who are putting this on the bill, who are authorizing this legislation: Are you new here? Are you new in this current environment, political environment, where we are so angry, as the American people, that we want to understand who is trying to hijack our politics, and you are going to move us in the opposite direction?

People already feel locked out. We don’t have to do more to push them in that direction. We need more accountability, not less. For that reason, I urge my colleagues to defeat this bill today.

Mr. ROSKAM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, one of the reasons people feel locked out and left out is the cold notion that the government that is supposed to be collecting taxes and evaluating things according to the law, it turns out that they were acting for a malevolent reason. It turns out that they were going after the very people that they were supposed to protect. Turns out they were investigating based on religious belief, education belief, and so forth.

So it is no wonder that the public feels disconnected from this. It is no
Mr. Speaker, I reserve the balance of my time.

Mr. LEVIN. Mr. Speaker, I yield 1 minute to the gentleman from Maryland (Mr. SARBANES).

Mr. SARBANES. I just wanted to respond to this idea that the public wouldn't benefit from this. Yes, there are opportunities to develop more disclosure of this information to the public, and the Democrats would like to see that. But the public would benefit from the IRS' getting more information about where this money comes from because it is the IRS' responsibility to determine whether these 501(c)(3) organizations are getting hijacked and taken over by special interest money—potentially foreign interest—and so forth. So the public would absolutely benefit if the IRS, which is the organization that has responsibility for determining whether you should have tax-exempt status or not, can fulfill that function on behalf of the public, and this would make it even more difficult for that agency to do its job in that respect.

Mr. Speaker, I reserve the balance of my time.

Mr. LEVIN. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I have been discussing this issue here about abuses. There was mismanagement. I was among those who indicated that the person or the two people most responsible should be relieved of their duties.

It is also true, when we asked the inspector general, “Did you find any evidence of political motivation in the selection of the tax-exemption applications,” the answer of the inspector general was, “We did not, sir,” period.

To be sure, there is always an element of abuse that is the abuse of 501(c)(4)s. It is scandalous. They are supposed to be doing social welfare. What has happened is they have used the mask of legality, many of these, to essentially become political organizations. That is the scandal.

Essentially what the Republican Party is doing here is saying that they want to essentially pull a mask over what is scandalous.

Mr. SARBANES said, this bill goes in the wrong direction. We need more disclosure, not less.

The坐 her了' heel in the argument of Mr. ROSKAM and others is this: A foreign government has to now disclose to IRS; a foreign individual would have to disclose to IRS what was illegal. They essentially want to eliminate that requirement in terms of this form altogether—eliminate it—so that there would be no way of knowing through that operation when there was a violation by a foreign government or an individual trying to influence the political process of this country.

It is bad enough that domestic money reigns so supremely. Essentially what the majority here wants to do is add foreign money that process.

You say that speech is power. But speech backed up by hidden money essentially undermines the democratic processes of this country. What you are doing today is coming forth here and essentially wanting to give a further impetus to this distortion of the democratic process. Money reigns too strongly in the political process, and you now essentially want to say: if it is foreign, all the better. It is terrible.

It is terrible. It is terrible.

It is terrible.

It is terrible. It is terrible. It is terrible. It is terrible. It is terrible. It is terrible. It is terrible.

And that's just the way it is.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 778, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. SARBANES. Mr. Speaker, I have a motion to recommit to the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. SARBANES. I am opposed to it in its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.
The Clerk read as follows:

Mr. Sarbanes moves to recommit the bill H.R. 5053 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment:

Add at the end the following:

SEC. 3. PROHIBITION ON REQUIRING CONTRIBUTIONS TO POLITICAL CAMPAIGNS AND IN ANSWER TO QUERIES OF THE INTERNAL REVENUE SERVICE IN THE CASE OF ORGANIZATION INTERVENING IN POLITICAL CAMPAIGN.

The amendments made by section 2 of this Act shall not apply in the case of an organization described in section 501(c) of the Internal Revenue Code of 1986 which directly or indirectly participates in, or intervenes in, any political campaign on behalf of (or in opposition to) any candidate for public office.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Maryland is recognized for 5 minutes in support of his motion.

Mr. SARBANES. Mr. Speaker, this is the final amendment to the bill, which will not kill the bill or send it back to committee. If adopted, the bill will immediately proceed to final passage, as amended.

Mr. Speaker, we have had a debate here today on this larger issue of accountability to the American people when it comes to our politics, the way we govern, and the huge amounts of secret money that are pouring into our politics in a way that has left the average American feeling cynical and disconnected from their democracy. If anything, what Americans want to see is not less information and less accountability, but more of it.

Now, many people out there are just kind of hanging on by a fingernail in terms of any confidence or trust when it comes to our democracy and our politics because they see how Big Money has sort of taken over the conversation and that the megaphone that Big Money has is hard to compete with if you are just a regular person out there who wants your voice to be heard. But it is even worse when you don’t know who is holding that megaphone when that speech comes in with all that money behind it and you don’t know who the speaker is because that money behind it and you don’t know who is holding that megaphone when that speech comes in with all that money behind it and you don’t know who the speaker is because that money behind it and you don’t know who the speaker is because that money is benefitting from this tax exempt status.

So what this motion to recommit would do is pretty straightforward. It says that if one of these 501(c) tax exempt organizations—and I am reading now from the motion to recommit, from the amendment that would be made—is directly or indirectly participating in or intervening in any political campaign on behalf of or in opposition to any candidate for public office, then in that instance, the IRS ought to be able to collect that information on who their donors are.

Look, it makes sense. Taxpayers out there are saying: We understand that there are organizations that should be tax exempt because of the good work that they are doing, that they are actually social welfare organizations, the local Boys & Girls Clubs, organizations like that, providing a public benefit. That is okay. We will pay our taxes. But we want to know that those organizations shouldn’t have to do because they are doing something that is good for the public and good for the community and so forth.

But if an organization is getting taken over by some group that has got a political goal or political objective, then it shouldn’t be entitled to that tax exemption anymore.

That is what this motion to recommit says: You don’t get to deny the IRS the kind of information that will allow them to make a judgment as to whether you deserve to have that tax exempt status. So that is all that we are trying to do.

There are two things that the IRS needs to look at when they are deciding whether a C organization is engaged primarily in political activity. One is, where is the money going? How are they spending it? They will be able to see that. But the other is, where is the money coming from? Is that money being spent? Who is behind the thing? That helps them decide, is this organization really fulfilling tax exempt purposes, or is it just masquerading that way when, in fact, what it is doing is engaged primarily in political activity?

So we want the IRS to have the information that allows them to reach a judgment as to whether an organization that is benefiting from this tax exemption really deserves to get that tax exemption. That is what this motion to recommit would do.

We need more accountability, not less, in our politics. We need more information to decide who appropriately is benefiting from this tax exempt status.

Mr. Speaker, for that reason, I urge my colleagues to support the motion to recommit, and I yield the balance of my time.

Mr. ROSKAM. Mr. Speaker, I rise in opposition to the motion to recommit.

The Speaker pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 3 p.m.), the House stood in recess.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Brian Pate, one of his secretaries.

RECESS

The Speaker pro tempore. Pursuant to clause 8 of rule XX, and the order of the House of today, further proceedings on this question will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The Speaker pro tempore. Pursuant to clause 8 of rule XX and the order of the House of today, proceedings will resume on questions previously postponed.

Votes will be taken in the following order:
Adoption of the motion to recommit H.R. 5053, and
Passage of H.R. 5053, if ordered.

The first electronic vote will be conducted as a 15-minute vote. Any remaining electronic vote will be conducted as a 5-minute vote.

It eliminates a burdensome reporting requirement for not-for-profits, and the IRS itself has indicated that it doesn’t use the reported information for tax enforcement.

There is absolutely no reason not to eliminate the Schedule B on the Form 990. Not only is it unnecessary, but the IRS doesn’t have a good track record at protecting sensitive information or treating everyone fairly. We shouldn’t be giving the Internal Revenue Service access to this information, especially when they don’t need it to do their job.

Mr. Speaker, I urge my colleagues to vote against the motion, “yes” on H.R. 5053, and I yield back the balance of my time.

The Speaker pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The Speaker pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. SARBANES. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The Speaker pro tempore. Pursuant to clause 8 of rule XX, and the order of the House of today, further proceedings on this question will be postponed.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. Duncan of Tennessee) at 4 o’clock and 1 minute p.m.