from Montana. To these names I would like to add, today, one of my most esteemed colleagues and best friends in the Senate family—EDWARD M. KENNEDY, who, on yesterday, celebrated his 66th birthday.

Oh, to be 66 again!

From my perspective, of course, turning 66 places one in the springtime of one's life. What is truly remarkable about Senator KENNEDY is that, despite his relative youth, he ranks third in seniority in the Senate. Indeed, having begun his senatorial career at the tender age of 30, there is no reason why Senator KENNEDY may not grace this chamber with his presence for another 35 years (although I assure my colleague that, while he may have the upper hand on me in years, I am in no rush to relinquish my seniority to him!).

But Senator KENNEDY's career is not adequately measured in years. Rather, if we are to fairly and truthfully evaluate the career of the senior Senator from Massachusetts, we must reckon with the hard work, the legislative skill, and the undiminished idealism that have been the hallmarks of his Senate tenure. I shall elaborate on each of these points in turn.

I begin with hard work. For, far from relaxing upon his well-deserved laurels, Senator KENNEDY continues to put many of his far younger colleagues to shame with his willingness to put in long hours. I for one have always found it doubly fitting that Senator KENNEDY is the ranking member (and former Chairman) of the Senate Labor Committee. For the Senator is not just a passionate advocate of the causes of working men and women; he is also one of the most industrious members of this body, and a man whose tireless labor continues to inspire others. Senator KENNEDY knows well that, as Thomas Edison pointed out several generations ago, ''there is no substitute for hard work,'' and his success as a legislator owes much to his energy and dedication.

This brings me to my second point: the remarkable legislative acumen of my dear friend from Massachusetts. Senator KENNEDY first ran for the Senate in 1962 under the slogan ''He can do more for Massachusetts,'' and he has certainly more than lived up to those words. Massachusetts and the rest of the country owe a debt of gratitude to Senator KENNEDY. I will not try to recite all of his legislative achievements. Though many may consider me an orator of the old school, I have no intention of delaying the business of this body for the many hours that such a recitation would require. Instead, let me just point out a few of his more recent achievements, such as AmeriCorps, the School-to-Work Opportunity Act, the Family and Medical Leave Act, and the Job Training Partnership Act (and subsequent amendments). Few Senators have been as successful and as skillful as Senator KENNEDY at passing bills. Never content simply to endorse the efforts of his colleagues or to introduce a bill for the sole purpose of providing fodder for a self-serving press release, Senator KENNEDY brings to each of his legislative endeavors the diligence, savvy, and bipartisanship that have made him a great lawmaker.

Finally, I wish to salute Senator KENNEDY's idealism. Throughout his career, Senator KENNEDY has fought for a simple premise: that our society's greatness lies in its ability and willingness to provide for its less fortunate members. Whether striving to increase the minimum wage, to ensure that all children have medical insurance, or to secure open access to higher education, Senator KENNEDY has shown time and time again that he cares deeply for those whose needs greatly exceed their political clout. Unbowed by personal setbacks or by the terrible sorrow that has been visited upon his family time and time again, his idealism burns forth as resolutely and indefatigably as the torch burning over the grave of his brother, President John F. Kennedy.

And so, Mr. President, it gives me great pleasure to wish my good friend and beloved colleague, TED KENNEDY, a happy, healthy 66th birthday.

I yield the floor.

PAYCHECK PROTECTION ACT

The PRESIDING OFFICER (Ms. COLLINS). Under the previous order, the hour of 3 p.m. having arrived, the Senate will now proceed to the campaign finance reform legislation. The clerk will report the bill.

The bill clerk read as follows:

A bill (S. 1663) to protect individuals from having their money involuntarily collected and used for politics by a corporation or labor organization.

The Senate proceeded to consider the bill.

Mr. McCONNELL. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LOTT. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Madam President, spring has come early to Washington this year, and the Senate's return to the subject of campaign finance will strengthen the impression that we have already entered the television rerun season. The evening news, I fear, for the next few nights will seem like a replay of events from last fall when two irreconcilable points of view met on the Senate floor and reached a stalemate.

We agreed to try again at some time before March 6, and so, pursuant to that agreement, I have laid down a bill that embodies the most important campaign finance reform of all: paycheck protection. The bill, S. 1663, is at the desk.

It is as simple as this: No one should be forced to make a political contribution. That is pretty elementary, and overwhelmingly Americans, including union members, agree with that. No one should be compelled by a union or a corporation or a Congress to give their hard-earned dollars to a candidate or a campaign. And yet, millions of our fellow Americans are held up like that, not at the point of a gun but through misuse of their union dues.

I am the son of a shipyard worker, a pipefitter, a pipefitter union member, and even, as I understand it, temporarily a union steward. I grew up in a blue-collar family. I grew up with my father going to work in a shipyard, and I am very sympathetic to how they work—the conditions they used to have to work in and the fact that those conditions are better now.

But I know my father would have objected strenuously to his union dues being taken and used for political purposes with which he did not agree. Diverting workers' earnings to campaign coffers of some favorite politicians in some other part of the country, that certainly is a legitimate concern. No matter who does it, we shouldn't be allowing that to happen.

If we are serious about reforming the Nation's campaign finance laws, this is the place to start, by protecting workers' paychecks.

This bill before us, which is largely the work of my colleague from Oklahoma, Senator NICKLES, is the gate through which campaign finance reform must proceed if it is to proceed at all. Whatever our respective views on other aspects of the campaign finance debate, support for paycheck protection is a litmus test of whether we are serious or whether we are credible.

Opponents of paycheck protection have created quite a stir about other problems they perceive with campaign finance reform. They remind me of the overly zealous policeman writing a ticket for a car parked just 3 inches too close to a fire hydrant while a brutal mugging takes place right behind his back. In fact, the workers of America are mugged every time they are forced to contribute to candidates and to causes they do not support.

The bills that have thus far been called ''campaign finance reform'' would not do a thing about that, but, golly, they would sure write parking tickets.

This Senate over the past 2 years has been able to reach consensus on a lot of difficult issues. It hasn't been easy. We have worked hard reaching consensus, agreeing to welfare reform and last year the budget agreement and tax reductions. It took weeks, it took months, it took sacrifice, it took give and take. That atmosphere has not developed with campaign finance reform. You would think we could reach a consensus, but the consensus is not there yet. Both sides have to want consensus, and a consensus would have to do five things:

First, respect the constitutional rights of every American to engage in the political process as those rights were enunciated by the Supreme Court in Buckley v. Valeo. We don't need less participation by Americans at all stages of life and in all avenues in elections; we need more participation. We shouldn't be trying to restrict their expression; we ought to be encouraging it to take advantage of every opportunity to express themselves and express their views on issues and, yes, on candidates, and not sometime far off removed from an election when people are not paying attention. As a matter of fact, I think one of the things we ought to do is shorten the length of campaigns and compact them if we can, but there is a little problem with that, too. That would be my desire, but how do you do it constitutionally?

Second, encourage greater participation by citizens in the political process.

Third, ensure that any and all contributions to a campaign are absolutely voluntary.

Fourth, restrict the power of Government officials to meddle in campaigns and to intimidate citizens who participate in them.

And fifth, and last, safeguard America's elections from foreign influence.

All of us should be able to rally around those very basic principles, I think. Unfortunately, though, many in this Chamber don't seem to want a consensus. What they want is an advantage, an unfair advantage for some candidates, some special interests, and some contributors, but not for all.

Sure, let's be real honest. Democrats would like to limit contributions from groups that support Republicans, but if you talk about any kind of fair restriction on their supporters, oh, no, that's not fair. They want to tilt the Nation's campaign laws and, in the process, discourage citizen involvement in Government. Their legislation would make it more difficult for Americans to hold accountable their elected officials. That is hardly the way to restore trust in government or respect for those who lead it.

More rules and regulations will not do the job. Our elections are already swamped with rules and regulations. They are so complicated that virtually every congressional campaign now needs a battery of election law attorneys to guard against inadvertent violations.

Every campaign now has to have a CPA to make sure you get all these filings done properly and that you get the addresses and the employment. You better have some good legal advice and you better take every possible precaution to make sure that you are dotting every ''i'' and crossing every ''t,'' because there are going to be some people who will be pawing through everything you do.

I have voted for some of the campaign finance laws in the past. I voted for the FEC, thinking maybe it would get better, and it has gotten worse. We have been limiting participation. We have been making it more difficult for candidates to be able to raise the money to get their message out, and there are a lot of people I figure who would like to really put elections in the control of the national news media, the national broadcasters, certain limited organizations.

I have said here before, if I were at the mercy of the major newspaper in my State and the biggest television station in my State, I would be trying lawsuits in Pascagoula, MS, and making a lot more money, but I was able to get out and get my message across in spite of the opposition of the establishment, the courthouse gangs, and the news media with their prejudices. I was able to go directly to the people. Would the proposal that we have heard—McCain-Feingold—help that? No. It would cut that off.

All the laws already on the books did not prevent, by the way, the most blatant, the most egregious, the most offensive disregard of the law in the last Presidential campaign. I mean, this idea of ''stop me before I do it again,'' I do not think should sell.

The first thing we should do with our campaigns in America is to comply with the laws on the books. That is where the problem was. The last election, you know, did not have problems because we had people who were doing things that we could stop with this bill; they were violating the law. That is what caused the problem.

Foreign contributions are illegal. Many of the problems that we saw in the last election were illegal. Now some people say, ''Well, we've got to stop the efforts of people to help the parties.'' I thought we were supposed to help the two-party system in America. We should encourage the two-party system. We should encourage parties to get voters to turn out to the polls. We should encourage groups to support candidates of their choice—not discourage it.

The outcome, of course, that we had from the last Presidential campaign was a morass involving everything from Vice Presidential phone calls and Native American casinos to illegal fundraising at religious institutions. All of those things were probably against the law anyway.

When key Democratic fundraisers flee the country to avoid questioning, it is no wonder their beneficiaries would like to change the subject away from the enforcement of current law. But enforcing current law is precisely the way that we should begin the debate on this campaign finance reform issue today.

If current law needs to be streamlined or clarified or simplified, let us do it. But let us do it while encouraging greater participation by more people in politics, and let us do it constitutionally.

The amendment that will be offered by Senator MCCAIN and Senator FEINGOLD will take us in the wrong direction, in my opinion, toward more controls, more restrictions, and less accountability. We should go the other way. We should try to replicate on a national scale the spirit of a town meeting in which every person is free to speak, free to complain, and free to hold accountable those in positions of power.

The bill I have presented advances that goal by protecting workers' paychecks against political abuse. Let us agree to do this today and then explore other possible accords. If we can take this one step, this modest step, it could be the one that would break the dam and allow us to do some of the other things that we probably could agree to. But, no, it is said that this is a poison pill—a poison pill—when the American people know it is the right thing to do, when union members support it overwhelmingly, when what we are really talking about is voluntarily agreeing to have your money used.

That is a very American thing we are trying to do, I think. We should stop the confiscation of workers' earnings for the benefit of politicians. Then we can finish campaign finance reform in a true sense and move on to other matters the American people want us to deal with.

Let me just say that we are going to have a full debate on this today, tomorrow, Wednesday; and there will be votes on it as we agreed to last year. But I want to remind my colleagues that after this, we have pending some really important issues, including issues involving education in America, highway construction in America, NATO enlargement, a budget resolution, supplemental appropriations to provide funds for the situations in Bosnia and Iraq, and to make a decision about how to deal with IMF.

We are talking about Internal Revenue Service reform, maybe even some tobacco settlement legislation. All of that, and it has to be done before the end of April. We have a lot of work to do. We have a lot of work to do on issues that people really care about. Education is a perfect example. A decent infrastructure is another example. In my own State of Mississippi, we have gotten an unfair share of the highway funds for 40 years. It is time we changed that.

We should give this debate fair time. And we can do that this week as we promised. But we have a lot of really important issues that we need to take up that will directly affect people's lives in America for years to come. I hope that after a reasonable time, unless we can find some broader consensus that I do not see that would include paycheck equity for workers, then we should move on to other very important issues.

Mr. MCCONNELL. Would the leader yield?

Mr. LOTT. I yield to the Senator from Kentucky.

Mr. MCCONNELL. I say to my good friend and leader how much I appreciate his leadership on this issue. Your

speech was, of course, right on point. We have many important things to accomplish for the people of the United States that they care about deeply. I think the leader was right on point when he made the observation that the last thing we want to do is to diminish the ability of Americans to participate in the political process. So I thank my good friend and leader for his outstanding work on this subject.

Mr. LOTT. I thank the Senator.

I yield the floor, Madam President.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Thank you, Madam President.

I thank the leader for kicking off this debate on campaign finance reform.

PRIVILEGE OF THE FLOOR

Madam President, I ask unanimous consent that the following members of my staff be granted floor privileges for the duration of our debate on campaign finance reform: Mary Murphy, Bob Schiff, Sumner Slichter, Kitty Loos, and Diane Welch.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. Madam President, I and the senior Senator from Arizona, the senior Senator from Tennessee, and the Presiding Officer, and many of the rest of us have been looking forward to this moment for a number of months—the return of campaign finance reform to the floor of the U.S. Senate.

This is an important occasion because, when we left the issue last fall, we clearly were in somewhat of a stalemate. Some people wanted more than anything else to say that is it, the campaign finance reform debate of the 105th Congress is over and done with and we will not see it again. They wanted to call a halt to this debate and let us go to the 1998 elections changing absolutely nothing about the current system.

But others, including myself, thought that our consideration last fall of this issue had not been sufficient, that the American people deserved more from this Senate than parliamentary tricks and poison pills, that campaign finance reform is essential to the future of our democracy, and that we cannot afford to once again sweep this problem under the rug.

The sweeping has already begun anew. And it is vigorous sweeping. It is coming in the form, not this time of a poison pill amendment, but a poison pill bill. The underlying bill to which we will have the McCain-Feingold bill attached as an amendment is the same thing as the poison pill amendment. The majority leader made no pretense in this regard. It is simply the antiunion poison pill bill, as if that is the only issue that is involved in the question of campaign finance reform.

The idea that the entirety of campaign finance reform can be summarized in just the question of what happens to union dues is completely untenable. It is an untenable notion to any American that the whole problem with the campaign finance reform system is related only to labor unions.

Surely, that is part of the problem. But what about corporations? What about groups spending incredible amounts of money on ads that are not really issue ads at all; they are just phony campaign ads? What about multimillionaires buying Senate seats? What about all of these things?

I do not think anyone in America really believes that this whole topic is summarized and encapsulated in the mere question of what happens with union dues. It is also incorrect to suggest that the McCain-Feingold bill does not address that issue. It does in fact codify, put into statute, what the U.S. Supreme Court has said ought to be done and what is the law with regard to union dues, and it does so by codifying what is actually said in the so-called Beck decision.

So, Madam President, for all these months, after all this discussion of this issue for well over a year, all that the majority leader's bill does is say: We have to address this problem of union dues. I do not think anyone in America believes that.

We just learned a few hours ago, Madam President, that that was going to be the entire contents of the leader's bill. Over 4 months after we agreed that he would lay down the first bill in the debate and after an entire year of scandals and revelations and accusations and investigations, the entire bill that is before us at the moment consists of one narrow provision—one provision—the so-called Paycheck Protection Act. All this time the Republican leadership has not been able to come up with even one thing about this current campaign finance system that it wants to change other than that—not one—as if nothing else has occurred in the country that might trouble Americans a little bit about how much big money is awash in their system in Washington, DC.

The leader's bill does not even mention disclosure. It says nothing about fundraising on Federal property. It does not say a word about foreign money. It lets the soft money system off the hook entirely.

I guess, from the point of view of the majority leader, all is well in the campaign finance world except for that one question: What about those union dues? Of course, we in effect knew this was his position anyway. The majority leader calls our current system of unlimited contributions in the political parties by corporations and unions and wealthy individuals ''the American way.''

Frankly, Madam President, although I am not surprised at the proposal, I am disappointed. Although all the pundits have been saying for the past few months that the Republican opponents of McCain-Feingold were just going to try to bring about the same deadlock that we had before, I guess I hoped, without reason, that we might have a real debate here about two different bills, about two different visions, about two different real, comprehensive ideas about how our campaign financing system should work.

McCain-Feingold has been out there now for over 2 years. It has been analyzed and criticized and, of course, vilified in many ways, but at least it is out there. The so-called Snowe-Jeffords amendment has even been out there for the past week in draft form. Already some groups are attacking it. At least they have something to attack. At least the senior Senator from Arizona and I put our bill out there for people to review and consider. And at least Senators SNOWE and JEFFORDS are trying to reach a compromise and are willing to let people have a look at what they are proposing.

But, again, the leadership here has given us nothing new to look at all. Instead, all we get is merciless criticism of President Clinton's campaign fundraising for the last year and yet not a hint of a suggestion about how we could have changed that system that both Presidential campaigns abused. In fact, the very things that the leader was just describing as troubling about the President's campaign, in most cases, I think almost everyone would have to concede was legal. The raising of huge amounts of soft money is entirely legal. The leader's bill does not even mention the problem, as if nothing happened in 1996. Apparently the goal is, once again, just to tie this body in knots, not with a poison pill amendment, but now with a poison pill bill, the goal of which is to attack only one player in the system, the labor unions.

Madam President, I did note that one commentator this morning said that campaign finance reform is going to go down again in a prearranged standoff. I remember being told at the beginning of last year the bill would never come up, it was dead on arrival, it would never see the light of day, and certainly that it would never come back this year. But this notion of a prearranged standoff is something that I cannot accept from our point of view.

Well, there is no prearrangement on our side. We are ready to fight for reform, because that is what the American people want us to do. I think we have some reason to hope that we will have the votes to defeat the majority leader's attack on unions if he does in fact bring that up again for an up-or-down vote.

The majority leader is not going to be able to rely on his poison pill bill to defeat campaign finance reform this time. I hope that gives the American people some hope that we can finally achieve meaningful reform this year.

Madam President, a lot has happened in the world and in the country since we last debated this issue last October. Current events and breaking news are always unpredictable and sometimes distract us from the very important task we have at hand.

I want to agree with the leader that there are many other issues that require our earnest attention this year. But my first message today with regard to our priorities is that the allegations here in Washington with regard to certain personal issues and issues involving the White House are serious and they have to be taken seriously. But let us not let one potential scandal become an excuse to ignore an obvious and clear scandal. That clear and proven scandal is the record of the 1996 elections and the virtual destruction of the post-Watergate campaign finance reform. Today, Madam President, we are in grave danger of letting that happen.

Campaign finance reform is a difficult enough topic to get people interested in, anyway. It can be very arcane and this other alleged scandal which has piqued the public's interest could distract the public and the Senate and end up becoming one of the biggest gifts to the money-driven status quo that has ever occurred.

We have to recommit ourselves to the issue of cleaning up the political money system. That is why we are here today. I think there are two questions we have to answer. First, how is the American political system supposed to work? Whom is it supposed to serve? How one answers both of those questions depends on one's vision of American democracy. One vision, the one I share and I bet most of us share, that this is supposed to be a representative democracy. Our Government, our political process, and a good part of our common social and cultural heritage are all based on the premise that we are all to be treated equally under the law. It says so on the facade of the U.S. Supreme Court Building, ''Equal Justice Under Law.'' It is implied in our Nation's motto, e pluribus unum, ''out of many, one.'' It is clearly the driving principle behind our Constitution and behind this basic concept which has been summarized in the notion of one person, one vote, and the foundation of our whole electoral system.

Madam President, that vision of America and our democracy, a representative democracy, assumes that every American by his or her birthright has an equal role to play in this system. But there is another vision and that is a vision that does away with this notion of equality, ''one person, one vote,'' and replaces it with a system that I have come to see and refer to as ''corporate democracy.''

Now, what do I mean by that? I want to return again to a story from my younger days, as I mentioned before, because I think it illustrates the difference between representative democracy in one person, one vote, and the notion of a corporate democracy, which is what I think we are becoming. When I was 13, a relative of mine gave me one share of stock in our great Janesville, WI, company, the Parker Pen Company. My relative wanted me to learn something about how our economy worked, and more specifically about how the stock market worked. I think that share was worth about $13. My father told me in addition to owning a stock and getting the massive dividends that $13 share of stock would produce, I also owned a small piece of the company, and therefore, I was entitled to a vote at the company's stockholder meeting.

Now, already at age 13 I was interested in the political process and I sort of equated the idea of a shareholders meeting with voting at an election, so at that age I could hardly wait to get to the shareholders meeting and cast my ballot. I asked my father a follow-up question, ''When is the stockholders' meeting? When do I get to cast my vote?'' He laughed, and said ''I better tell you something, the number of votes you get depends on how many shares you have. It is not one person, one vote. It is how many bucks you have invested in the company.'' He said, ''You don't have the same vote and the same power as everyone else because it is a corporation. It is properly based—because it is a corporation—on how much money you are able to put into the corporation.'' He said, ''You can go to the stockholders meeting, Russ, but your vote won't count for very much.''

Needless to say, that dampened my excitement a little bit, but it helped me understand how a corporation works. The people with the largest stake in the business get the most say in how the business operates. That is how it should be. That is how it should be in a corporation. That is the basis of our system.

But that is not, Madam President, the way our democracy should work. We are all supposed to have the same opportunity in the democratic process. Now, some of us may have a larger interest in a particular policy or piece of legislation, but we are all supposed to be vested with an equal share of power in the process by which we appoint people to set policy and to vote on legislation.

Madam President, the current campaign finance system is fueling the transformation of our representative democracy into a corporate democracy, creating a political system that allots power in direct relation to the amount of money an individual or an interest group can contribute.

Let's not completely ignore those hearings that were held earlier last year by the senior Senator and chairman from Tennessee. Remember the testimony of Roger Tamraz who said not only that he had given $300,000 in soft money legally—remember the words of the majority leader, ''the problem is only what is illegal''—$300,000, legally to go to a coffee at the White House, but that next time he would do better. He would get into some serious money and contribute, instead, $600,000. He said he felt after his earlier experience that he needed to pay that kind of money to participate, to get access, and in his own words, ''to level the playing field'' with his competitors. He felt he needed to pay $600,000 so he could have equal share in the political process.

There is a question here of what that means not only for our political system but what does it mean for our free enterprise system? One of the great ironies for me in serving on both the Judiciary Committee where we work for the most part on domestic laws and then working on the Foreign Relations Committee is that we have an opportunity to look at the issue of international bribery.

Under American law, the Foreign Corrupt Practices Act, American business men and women are not allowed, under penalty of law and fines and imprisonment, to give bribes under that law to foreign companies and to foreign countries. But here in America, with a soft money system that is perfectly legal, these same business men and women have become the fall guys of the American political system who are called up and asked to give outrageous sums of soft money so they can enter a particular room to apparently be on a ''level playing field'' with others who have been pushed to do the same.

Madam President, there has got to be a different vision, a different vision than paying for nights in the Lincoln Bedroom or to have coffee with the President or going down to Florida to have lunch with a distinguished leader of the majority party for $50,000 and having him stand up and look out at the crowd and say this is the ''American way.''

In case anyone thinks that the motive of the people who give these kinds of soft money contributions is simply public spirited or perhaps that we could regard them as a bunch of people who are trying to buy influence that are constantly being swindled because they are getting nothing for it, you can rest assured that these contributions one way or another do affect public policy.

There have been a number of embarrassing examples. One is the case of the Federal Express Corporation. Another antiunion express carrier provision was inserted in the aviation bill. That provision, Madam President, had been defeated at every turn, at every opportunity, in every committee, on every floor vote, when it had been attempted, in Congress. This provision was supposed to make it more difficult for the employees of the Federal Express Company to organize their union, and the Federal Express Corporation makes no denial about this. In the waning days of the session, the Federal Express Corporation gave each party $100,000 in soft money, and the provision almost within a few hours found its way magically into a conference committee report. After this was jammed through the Congress, the very impressive CEO of FedEx—who I give credit to for his ingenuity in creating FedEx—came to see me and said, ''You people in Washington set this game up this way and I

will play it and I will play it hard as long as that is the way it is set up.'' I can't fault him for that. That is the way the system is set up.

Madam President, I think you know, as they say, the rest of the story. We had a UPS strike, and while that strike went on, while the unionized company was in a very difficult position and difficult negotiations, the FedEx Corporation obtained a 10 to 15 percent share of the business that used to go to UPS. That is a very good return for only $200,000 of soft money.

The 1996 Telecommunications Act covered a huge field from cable to cellular service to long distance. There was massive lobbying involved. It was the biggest overhaul of our communications law since 1934, and a Center for Responsive Politics analysis showed that cable companies, local telephone companies, and long distance companies gave more than $12 million in soft money and PAC contributions just during the 1996 election cycle.

When the bill finally passed in February 1996, all these corporate concerns supported it while consumer groups opposed it. There was very, very little in the way of consumer protections in that bill. Today, cable rates continue to go up, and merger mania has hit all parts of the telecommunications industry. We have yet to see any of those proconsumer effects of competition that the corporate donors who so strongly supported the bill had promised us at the time.

One more example, the B–2 bomber. Apparently, the Department of Defense doesn't really want the B–2 bomber anymore. There are questions about its effectiveness, including the possibility that it may not work very well when it gets wet. Yet the Congress added this past year $331 million in this year's bill to keep it going.

Northrup Grumman made $877,000 in PAC contributions and soft money contributions during that 1996 election. Its PAC gave $84,500 to House Members from January 1 to May 31, 1997.

There are other examples. There are many examples, but these are examples I have had a chance to witness in the last couple of years and they concern me. Lobbyists and other representatives have gotten the messages that some members expect contributions from lobbyists if they want to be heard. Some rely on the stick, saying ''put up or shut up.'' Others hold out a carrot, such as those who would write a letter to people inviting them, if they contribute a certain amount of money, to sort of a club atmosphere where they have been promised the rewards of ''leadership, friendship, effectiveness and exclusivity'' in return for a contribution.

In other words, our democracy has become a huge bazaar for very powerful traders. It is bizarre to watch it played out in the middle of our country's great symbol of democracy. Some of us are willing to fight for reform as long as it takes. Some say this is nothing more than a couple of Senators pretending to be like Sisyphus, pushing a rock up a hill.

But many issues take time. Tax reform has to be done over and over again to make it work. The post-Watergate reforms were difficult to get through but the fact is they worked pretty well for quite a few years. It has been 24 years since Watergate. Thomas Jefferson said there should be a revolution in America every 20 years. That is not such a terrible statement on our system if we have to fix our campaign finance laws every 20 years or less.

Madam President, this is the third year in a row we have made this effort and we will keep fighting for this until we give the American people a campaign finance system that does not turn them away from participating, it doesn't turn them off on participating in our great democracy.

I can't really talk about this issue without paying tribute to my senior partner in this effort, the senior Senator from Arizona, who is really the courageous one here. I am the one who is in the minority. It takes a lot more courage to buck this system for a member of the majority. He initiated our relationship for working together on many reform issues and I am grateful to him for having allowed me the chance to work with him on this issue.

When we got to the point of campaign finance reform after having successfully passed the gift ban and a number of other efforts, it became pretty clear this would be the hardest of all, changing this addiction to money in this town would be the hardest of all. So our bill has gone through several transformations due to political necessity, but it remains a strong and unique bipartisan compromise. It is not the Feingold bill. I tried the Feingold bill and got no cosponsors. That is a good bill, but it involves public financing, and there isn't majority support for that approach.

This was an exercise, instead, in seeing if people of different philosophies could come together and put together the first bipartisan effort of its kind in 11 years. McCain-Feingold in the form presented as an amendment at the next procedural point has several key components. It simply bans these unregulated soft money contributions, these huge contributions that are primarily funneled to the political parties. This is the piece President Clinton focused on correctly and rightly in his State of the Union Address. He said if you vote for McCain-Feingold you are voting against soft money; if you don't, you are supporting the current system.

In our bill, we have the beginning of mechanisms to try to encourage people to voluntarily limit how much they spend, at least of their own personal wealth, in the base bill. We also require much greater and more immediate disclosure of campaign contributions, electronic filing, daily filing of campaign contributions, and a prohibition on accepting contributions from people who have not disclosed their profession.

We heard a lot of opponents of our bill in the last debate talk about the need for prompt and complete disclosure. Madam President, that is exactly what we have in our bill, the strongest disclosure provisions to date. We also strengthen the FEC's enforcement powers, and we clarify and strengthen the ban on raising money on Federal property and on foreign contributions to elections. Now the current McCain-Feingold bill doesn't do everything that I would like to do on campaign finance reform. I don't think it even does everything that the senior Senator from Arizona wants to do. And so if we do have the opportunity as the debate goes on, we will offer the McCain-Feingold challenger amendment.

Our amendment would ask Senate candidates to voluntarily limit their overall spending by getting most of their campaign contributions from their own home State, limiting their PAC fundraising and restricting their spending from their own personal wealth. In return, they would receive the benefit of reduced-cost television time. So we hope to get to that point, and we are optimistic.

We expected fierce opposition to our bill in the past, and we got it. We knew from experience that many Members of the Senate are comfortable with the current campaign finance system and they don't want to change it.

We tried this in 1996 before people really got a good, clean look at this system, and we didn't get terribly far. When we failed to break a filibuster in 1996, the Senator from Arizona turned to me and said, ''This thing is going to take a scandal.'' I said, ''John, you're too pessimistic, we'll get it through.'' Well, he was right and I was wrong.

But we got a scandal. In 1997, we moved this issue much further. After the hearings conducted by the senior Senator from Tennessee and the revelation of many of the things that went on, we got 53 votes on the floor of the Senate; but we still faced a filibuster and a series of arguments that, in my view, can't withstand scrutiny.

I see that the Senator from Tennessee has entered the Chamber as well, and the Senator from Kentucky has risen to speak. At this point I will yield the floor and I will complete my remarks at another point.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER (Mr. FRIST). The Senator from Kentucky is recognized.

Mr. McCONNELL. The measure before us today is the Paycheck Protection Act, authored by the distinguished majority leader and the assistant majority leader. The Paycheck Protection Act is predicated on a fundamental tenet of any truly free society—that no person should be forced to support a cause or a candidate.

It is really quite that simple. Thomas Jefferson, perhaps, best enunciated this

principle with a characteristic eloquence that we will likely hear often during the course of this debate, and it certainly merits repetition.

Mr. Jefferson observed:

> To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyrannical.

Sinful and tyrannical as it is, union bosses do it every day. Millions of Americans are on the receiving end of this tyranny as a portion of their paychecks are confiscated and used to advance a political agenda with which many of them disagree. That fact, Mr. President, should not be in dispute.

Ten years have passed since the Supreme Court's Beck decision in which the Court ruled that workers who are forced to pay union dues as a condition of employment cannot be forced to pay dues beyond those necessary for collective bargaining. Yet, most union workers still have no relief. Their unions provide them with little or no information of their rights.

A national survey last year revealed that most union workers are not even aware of their rights under the Beck decision. Even more deplorable, many union workers' efforts to exercise their constitutional rights under Beck have been met with intimidation and with stonewalling. In a telling illustration, a union worker testified before Congress in 1997, just last year, that ''almost immediately the lies started: anti-union, scab, freeloader, and religious fanatic were labels ascribed to me,'' said a union member. That poor fellow had to resort to a lawsuit to get his union dues reduced in accordance with Beck.

The onus, Mr. President, should not be on the workers. It should not be the workers' burden to pursue an after-the-fact refund or to wait until the end of the year and have to jump through hoops to get returned to him or her money that should not have been taken in the first place.

Our friends on the other side of the aisle are understandably alarmed at the prospect of their most powerful, aggressive and well-funded ally losing a significant portion of the political war chest after workers are freed from the compulsory dues tyranny.

Mr. President, we know what happens. Washington State voters, back in 1992, by an overwhelming margin—70 percent, by the way, supported this—approved a referendum to make it illegal for unions to extract dues for political purposes without obtaining prior written approval from union workers. After this emancipation, only 82 of Washington State's public employee union members gave the union permission to take their money for political purposes. Prior to the voters' action, 40,000 Washington State employees had been forced to stand by helplessly as a chunk of their paychecks were confiscated and used without their consent to advance the political causes of the union bosses.

The number of Washington State teachers union members contributing even a modest dollar amount to the union bosses' political fund dropped from 48,000 down to 8,000. Now, all politicians who benefited from the union largess, a largess born of forced contributions, intimidation, and a conspiracy of silence, will understandably tremble at the prospect of losing it.

For them, the sounds of paycheck protection roaring down the legislative tracks must be terrifying indeed. Nationwide, over 80 percent of the American people support a Federal Paycheck Protection Act.

But I am certainly not so naive as to think union workers will see this freedom coming out of Washington, DC, because President Clinton would surely veto it. The union bosses have been so generous to the Clinton-Gore campaigns over the years that the Lincoln Bedroom probably feels like home.

Fortunately for America's union workers, they may well see relief in those States with the referendum process or political leaders less beholden to union bosses than is the President of the United States.

So, Mr. President, there is a lot of action out in the States. Proponents of paycheck protection are heartened by the reception they are getting out in the States. It will be on the ballot in California this June. Californians will have an opportunity to strike a blow for freedom for union workers. Freedom's prospects are quite bright there.

But the union bosses will resist this freedom for the rank and file. The union bosses will fight it with everything at their disposal, including the hundreds of millions of dollars they have amassed for political use from the workers' dues. It is expected that union bosses will spend $20 million or more in California in their quest to defeat this freedom quest for the rank and file.

I am confident that Californians will not be duped by the union bosses and their millions. Paycheck protection rings true to regular folks and not even the most sophisticated, well-funded smear campaign will drown it out.

There is going to be paycheck protection referenda in other States as well, Mr. President. I think there are four or five that are going to be on the ballot this year. There are movements all across America in State legislatures to press forward with bills giving union members these basic, fundamental rights. So to have this kind of measure described as a ''poison pill'' is amusing indeed.

It is fundamental, Mr. President, that no one in this country ought to be forced to contribute to causes with which they might disagree. So we will press forward with this issue and hope for the best. But it will go forward on a State-by-State basis regardless of what happens here in Washington.

Now, Mr. President, let me just make a few more observations. I see that my friend from Tennessee is here, and I won't delay him too long. I do want to make some observations about the larger question of McCain-Feingold. The whole motive behind this reform agenda for the last 22 years has been a disappointment, Mr. President, in the Supreme Court decision of Buckley v. Valeo, which was, of course, a great victory for the American people. The Court said in the Buckley case that spending is speech. When you first hear that, you sort of scratch your head and say, ''Gee, could that be true?'' But when you think about it and when you read the decision, it is obviously the case that in a country of 270 million people, unless you can amplify your voice, you don't have much speech. Dan Rather and Tom Brokaw and Peter Jennings have a lot of speech—way more than any of us—because their speech is amplified every night to millions of Americans. But the Court said to put Americans in a straitjacket of spending limits is to say that they are left only with inadequate speech—in other words, a kind of continuing effort to go door-to-door, I guess, to carry your message to more and more Americans.

In fact, the Court said a spending limit would be about like saying you are free to travel, but you can only have $100. How free are you? You are not very free if you can't amplify your voice. The Court said you are going to have a constitutional first amendment right to amplify your voice, either with your own resources or that of others gathered together in a common purpose to advance a particular cause. The cause could be speaking for a candidate, or against a candidate, or advocating an issue, or opposing an issue.

In fact, the whole Court case was crafted in the direction of a wide amount of permissible political discourse in this country. Well, the reformers hated that decision, and they have been coming back and coming back and coming back over the years, and it has had different names in different Congresses. A few years ago it was Boren-Mitchell. Now it is McCain-Feingold. But, fundamentally, the philosophy is the same: What is wrong with the system is that we just don't have enough regulation. We just don't have enough restraint on the voices of all of these Americans who are running around expressing themselves, and we don't like it.

So McCain-Feingold has been constantly changing, and the version we currently have before us is a little bit different from earlier versions. The original version sought to put the Government in charge of the political speech of individuals, groups, candidates, and parties. The current version, which is the same version that was defeated in October, seeks to put the Government in charge of the political speech of parties and groups, leaving aside individuals and leaving aside candidates.

So let me focus just a minute, Mr. President, on the kind of speech that parties and groups engage in. It is said that, because of the scandals of 1996, we should take away from the political

parties their ability to function in State and local races. It's called getting rid of soft money. What happened in 1996, Mr. President? As the distinguished majority leader pointed out, and as Senator THOMPSON's hearings have confirmed, we had arguable violations of existing laws; that is, contributions from foreigners, money laundering, and raising money on Federal property. All of that is against the law now. What that cries out for is enforcement of the law.

This bill—McCain-Feingold—doesn't have anything to do with the scandals of 1996. It is a totally different subject. This bill is seeking to restrain, to inhibit, to diminish the voices of American citizens in their effort to participate in the political process through their political parties, or through groups they may belong to.

Now, the courts have had a good deal to say about that, Mr. President. Let me start with the groups. The courts have said that a group or, for that matter, an individual can go out and engage in what's called issue advocacy, without having to ask permission from the Federal Government, without having to register with the Federal Election Commission, or subject itself to the rules that apply to candidates and to parties in Federal elections. The Court has said that as long as you don't say ''vote for'' or ''vote against,'' you are permitted wide latitude to applaud, condemn, say whatever you want to in the American political process.

There has been a whole line of cases on the question of issue advocacy. The Federal Election Commission doesn't like the law on issue advocacy. It has been pursuing groups over the years and it has lost every single case. In fact, the last case the FEC lost was in the Fourth Circuit, and they not only lost the case, but were required to pay the lawyer's fees of the other side because the FEC just didn't get it. They couldn't read the law.

It is very clear. We don't have the authority here in the Congress to keep people from criticizing us. We don't like it. We love to be able to control the entire election. But we don't own the election. The election is not the property of the candidates, and if people want to criticize us early or late, the courts are not going to allow us to interfere with that.

One of the mutations of this that is developing that we have heard about and read about may be offered by the senior Senator from Maine, Senator SNOWE.

I gather, in addition to trying to change the rules on issue advocacy, that it would also, in proximity to the election, require the group to disclose.

Mr. President, the courts have already spoken on that issue. They spoke on it as early as 1958 on the question of whether you could require a group to disclose their sources of funds or their membership lists as a condition for criticism. In the case of the National Association for the Advancement of Colored People, NAACP v. Alabama in 1958, the court made it very, very clear that it is a real threat to citizens' groups and to their right to band together and express themselves to require them as a condition for expressing themselves that they disclose their membership.

The court said in that case, ''Compelled disclosure of membership in an organization engaged in advocacy of particular beliefs'' . . . is inappropriate. ''Inviolability of privacy in group association may in many circumstances be indispensable to preservation of freedom of association, particularly where a group espouses dissident beliefs.''

The court went on to say:

> We think it apparent that compelled disclosure of petitioner's Alabama membership is likely to affect adversely the ability of petitioner and [*463] its members to pursue their collective effort to foster beliefs which they admittedly have the right to advocate, in that it may induce members to withdraw from the Association and dissuade others from joining it because of fear of exposure of their beliefs shown through their associations and of the consequences of this exposure.

In other words, Mr. President, there will probably be another effort here to shut down issue advocacy. Members may argue that we are not really telling them they can't speak; we are just saying they have to disclose if they speak. The courts have already said you can't do that; you can't require people to disclose their membership as a precondition for expressing their beliefs.

So it gets back to the fundamental point: We don't own these elections. Most of us do not like it when some group comes in. Even if they are trying to help us, we usually think they are botching it. We hate all of these voices that are outside of our campaigns and outside of our control. But that is the price you pay for free speech in a democracy—that is the price you pay for free speech in a democracy.

So all of these efforts to try to shut these groups up by forcing them to come under the Federal Election Commission, by forcing them into the hard money camp, by trying to make it difficult for them to express themselves in proximity to an election, there is no court in America that would uphold that. It is so clearly and blatantly unconstitutional that we ought not to do it.

The other entity that the most recent version of McCain-Feingold seeks to shut up are our great political parties. Soft money has become a pejorative term. Let me define it: Soft money is everything that isn't hard money. Hard money, by definition, is money raised and spent in support of Federal candidates. But, as we know, Mr. President, this is a Federal system. The two great national parties—the Democratic National Committee and the Republican National Committee—care who gets elected Governor of Tennessee and who controls the legislature in Tennessee. They may even care who gets to be mayor of Knoxville. They have at times even cared who the county commissioner was going to be in whatever county Knoxville is in. These are national parties. The only way you could eliminate non-Federal money by definition is to federalize everything. So that the Federal Election Commission would then be in charge of the city council races in Nashville.

That is a great step in the right direction—just what we need. The FEC would be the size of the Pentagon with reams of files in every race in America.

The second problem with eliminating non-Federal money is a practical problem. As I have already indicated, you will not be able to constitutionally eliminate issue advocacy from the American political scene. It cannot be done. If we tried to do that, it would be struck down. Maybe. We don't know. Some court could uphold an effort to eliminate so-called soft money for the national parties. I don't know. I doubt it.

But let's assume they would uphold it. Then, Mr. President, the situation would be this: The two great political parties, which exist only for the purpose of electing candidates, would be the only entities in America that could not engage in issue advocacy. Everybody else can—from the AFL–CIO to the Sierra Club to the Chamber of Commerce. Only political parties wouldn't be able to engage in issue advocacy.

So the candidates of those parties would be defenseless when groups hostile or individuals hostile to candidates of their parties came in and engaged in issue advocacy, particularly in proximity to an election. So the parties which exist for no other purpose other than to elect candidates would be restricted in engaging in issue advocacy presumably in defense of the candidates who wore their party label—a perfectly absurd result, Mr. President; a perfectly absurd and undesirable result of a quest to end non-Federal money.

Mr. President, fortunately, the Senate is not going to take that step. There is not a consensus for any of these so-called reforms. Fortunately, there is strong support for the first amendment.

I am glad that our friends in the press believe in the first amendment. They are the practitioners of the first amendment. They have from time to time believed that it only applied to them, which I have always found somewhat amusing.

I started last year asking reporters with whom I discuss this issue whether they have read Buckley. At the beginning of 1997 almost no one had. I am pleased to report that it got better. More and more reporters sat down and struggled their way through the Buckley case, and, all of a sudden, eyes popped open and they began to realize that the first amendment was not the sole prerogative—or property, shall I

say—of the fourth estate. It exists for all of us.

I have been perplexed, frankly, at the editorial support around the country for McCain-Feingold. The ACLU has been perplexed, too. I will just read a few observations from a letter of December 29 that they sent out to editorial boards around the country.

The ACLU said:

> We're perplexed. As Washington prepares for another round of campaign finance debate, we are deeply puzzled about why so many—particularly in the media—continue to support campaign finance legislation like the McCain-Feingold bill that is patently unconstitutional, unlikely to pass and doomed to failure in the courts.
>
> Frankly, we're also worried. Polls are beginning to suggest that the media's cavalier disregard for the free speech implications of current campaign finance proposals is encouraging an attitude among the public that could lead to serious damage to freedom of the press. A recent Rasmussen Research survey, for example, found that Americans believe that one of the best ways to clean up campaigns is to restrict newspaper coverage of elections.

Mr. President, I am not advocating that. But imagine the Washington Post calling for spending limits. It makes about as much sense as the Congress saying to the media, ''You are free to say whatever you want to but, by the way, your circulation is limited.'' And I wonder how the Washington Post would feel if the Congress decided it could only have a 5,000 circulation—not saying that Congress can have any impact on what the Washington Post can say—but that we just think the Post is speaking to too broad an audience, and it is spending too much. Obviously, I am being facetious. But it is the same principle. It is the very same principle.

Advocates of spending limits say we are not telling you what to do; we just think you are saying it too much or too many, but your audience is too widespread. We may all snicker about this issue. But, frankly, the public has a lot of skepticism about the press.

I am looking at an article by Richard Harwood in the Washington Post from last October referring to a study of public opinion commissioned in 1990 by the American Society of Newspaper Editors. It is part of the observance of the 200th anniversary of the Bill of Rights. Dick Harwood points out that a Lou Harris survey for that group more recently had some, as he put it, ''depressing findings.'' This is Harwood's observation about the Lou Harris poll of the American people. He said:

> If they had their way, ''the people''—meaning a majority of adults—would not allow journalists to practice their trade without first obtaining, as lawyers and doctors must license. Whether the preferred licensing authority would be the government or some other credentialing agency is not clear.

That was the majority view of the American public with regard to the licensing of the media.

Number two, referring to the survey:

> They would confer on judges the power to impose fines on publishers and broadcasters for ''inaccurate and biased reporting'' and would liberalize libel laws to make it easier for plaintiffs to win judgments against the press.

This is the majority view of the American people now. Third:

> They would empower government entities to monitor the work of journalists for fairness and compel us to ''give equal coverage to all sides of a controversial issue.'' They also favor the creation of local and national news councils to investigate complaints against the press and issue corrections'' of erroneous news reports.

That is the view of the American public, Mr. President.

Also, from this Rasmussen Research study, that I referred to earlier, there is a release from this institute of October 2, 1997, which has an interesting finding. It says:

> Most Americans think that friendly reporters are more important to a successful political campaign than money, according to a Rasmussen Research survey of 1,000 adults. By a 3-to-1 margin (61% to 19%) Americans believe that if reporters like one candidate more than another, that candidate is likely to win—even if the other candidate raised more money in the campaign.

Further:

> Americans are also generally suspicious of reporters. More than seven-out-of-ten registered voters believe that the personal biases of reporters affect their coverage of stories, issues, and campaigns.

I cite this somewhat tongue and cheek to make the point that the first amendment applies to all of us. Just because the American public is skeptical of the press and its motivations doesn't mean that we want to restrict the press. By the same token, Mr. President, it is astonishing to find so many editorial boards around the country that do not understand that the first amendment doesn't just apply to the press. It applies to all of us.

So, Mr. President, when all is said and done and this debate is ended, the Constitution will still be intact and the ability of individuals, groups, candidates, and parties who participate in the American political process without regulation or interference by the Government will be preserved.

PRIVILEGE OF THE FLOOR

Mr. President, I ask unanimous consent to allow a member of my staff, Melissa Figge, to have privileges of the floor during the duration of this debate on campaign finance reform.

The PRESIDING OFFICER (Mr. GREGG). Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, I yield the floor.

Mr. THOMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. Thank you, Mr. President.

Mr. President, during a 3-month period, the Governmental Affairs Committee saw examples of clear violations of the law—money laundering, foreign campaign contributions, violations of the Hatch Act, possible sale of influence. These are simple, flat-out legal violations which require little debate or delay in terms of prosecuting the appropriate individuals. There has been considerable delay, however, but at least we now see three indictments and the request for one special council coming totally or in part from our committee activities. One would assume that several more are imminent, judging from the record laid out before our committee.

There is another category of matters which up until 1996 were also considered to be violations of the law by most people—using the White House for fundraising purposes, a Presidential candidate actually controlling the expenditure of millions of dollars of soft money for TV ads containing electioneering messages placed specifically to advance his reelection prospects.

I say ''considered to be violations until recently'' because the Attorney General and Justice Department apparently now take the position that these activities are legal for the final time. Although I believe that these are erroneous interpretations of the law, supported by neither the law or logic, the result is to give new arguments to those who would seek to circumvent the clear intent of the law. This along with court decisions, Federal Election Commission interpretations of the law, and piecemeal Congressional amendments has resulted in a campaign finance system that is in shambles. The loopholes are now bigger than the law and there are now effectively no limits on big corporate, big labor, big individual monies flowing into our political campaigns—a situation that Congress has said we do not want for almost a hundred years.

And if people think the 1996 campaign set new records for the big money scramble, they only have to wait until the next election cycle, and especially the next Presidential race. At least the last time there was some concern among the candidates, and even the Clinton-Gore campaign, as to how far they could go in pushing the limits. Now that everyone has seen that the Justice Department is apparently willing to bless the most egregious of this activity and refuse to request the appointment of an independent counsel for what the Courts and FEC consider to be illegal activity, there will be no such hesitancy next time.

And the Clinton-Gore example will be picked up and followed in the Senate and House races, one can only assume. Under the Attorney General's interpretation, I can see nothing wrong with a Congressional candidate raising unlimited amounts of soft money for use in TV ads praising the candidate or denigrating his opponent, so long as the ads do not contain the magic words of ''vote for'' or ''vote against'' a particular candidate.

Congress must decide whether or not we are going to pass on this patchwork, swiss cheese system, which goes against the clear intent of Congress the last time they addressed these issues. If so then the implicit message will be

that we are no longer concerned about the appearance of corruption; that we think that millions of dollars from companies, unions and individuals who are trying to get us to pass legislation is okay with the American people. I don't think it is and I don't think that is what we want to say.

The McCain-Feingold bill addresses the worst of these problems. Also, many of my colleagues have amendments which would greatly improve our current situation, although they may never see the light of day.

However, I would urge that we don't get so caught up in the details of a particular piece of legislation that we are oblivious to the fact that we are going to have to comprehensively address money in our political system eventually. We haven't really done it in 20 years and it shows. In many other areas we see that after a period of time laws that have been passed have resulted in unintended consequences, and there are court decisions and there are administrative rulings to point out weaknesses in the legislation and sometimes they go contrary to congressional intent and we conclude that we need to address the law again. That is clearly what we are going to have to do with regard to campaign finance legislation.

It's important for us to understand how we got to where we are today. In 1907, Congress banned corporate contributions. In 1943, Congress banned labor union contributions. Congress comprehensively addressed how we finance our federal political campaigns in 1972 and 1974. Again, Congress was specifically concerned with the extent to which corporations, union, and individuals should be allowed to contribute to political candidates. Individuals were limited to $1,000 per election and limited to $25,000 in total annual contributions—$20,000 of this could go to party committees. Corporations and labor unions were strictly forbidden involvement in the federal campaign process, outside of $20,000 per election per candidate political action committee contributions. The underlying justification for allowing political action committees was to provide a mechanism to facilitate voluntary contributions from individual union members, corporate stockholders, and their administrative personnel.

In 1972 and 1974 limitations were placed on expenditures but all of them were either repealed or deemed unconstitutional with the Buckley versus Valeo decision in 1976, except for the restrictions on party committees and publicly funded Presidential candidates. And the contribution limits were upheld. So we have been talking about Buckley v. Valeo. The Senator from Kentucky rightly pointed out that in Buckley the Court struck down most of the limits on expenditures. The Court did not strike down the limits on contributions because the Court recognized that, historically, governments of all kinds have been concerned with the amounts of big money that could be given to politicians who were in charge of public policy. And, as I said, Congress has been concerned about that since 1907. This is not a new concern or a new issue.

Also, Congress eliminated private contributions to Presidential general election campaigns altogether for those who opted into the Presidential public financing program that was established. So for the last 25 years or so, Presidential nominees, who were willing to certify that they would not raise and spend additional funds, were given millions of dollars of tax payers money to fund their campaigns. That has been our system. Again, as with the idea of limiting corporate, union, and large individual contributions, the idea was to cut down on the corrupting influence or appearance of corruption of large sums of private money being given to Presidential candidates, or maybe Presidents who were already in office. Congress also believed this legislation would have the added benefit of pulling presidential candidates out of the fundraising chase, and instead allow them time to focus on issues and not so much on the money behind factions supporting those issues. So, for a long time, Mr. President—we talk about the Government being in charge and we don't want to put the Government in charge—for a long time in this country, many Members of this same body and many Members from both sides of the political spectrum, enough to get these laws passed for almost a century, the Government has been involved. I am not a big one for having the Government involved in a lot of things, but many of us have come to the conclusion that how we elect our Federal officers, how we elect our Federal officials, is one of those things that is legitimately the business of the Federal Government. And the Federal Government, and this Congress, has passed on specific contribution limitations in times past because of this notion that we need to kind of watch that carefully, because if you go out here in the private world and you see people in positions of decisionmaking receiving money from the people whom they are making the decision with regard to, that could be a problem. It is just kind of basic common sense. And the idea that the Government has kind of been oblivious to this and not involved in this for some time is really an invalid concept.

For 25 years, the system that I have just described has worked pretty well. There hasn't been a major Presidential scandal. People talk about public financing. We are clearly not talking about public financing here. But on the Presidential level, many people may not realize it but we have had public financing for a long time, and it has been scandal free. It has operated about as well for incumbents as it has challengers. It has been more of a level playing field, people have opted into it, and it has worked pretty well. All the TV advertisements were paid for within this system. With all of this money that was raised within this system, with these limitations placed on them, people managed to buy television ads and have pretty decent television campaigns—with this money, we call it hard money now, but the money within the system that was carefully thought out and allowed to be given to those of us in political office—because they were reasonable amounts and it didn't feel like they were large enough to have any influence on us, is what it boils down to.

However, things began to happen in the 1970s, with later more significant developments in the 1990s, that have totally transformed that system that Congress set up.

There was concern in Congress, for example, that there be adequate funding for grassroots political activities. We are all concerned about that. So, in the late 1970's, Congress amended the campaign laws and the FEC interpreted those amendments to allow national parties to send unlimited amounts, but for voter registration, voter turnout, and so forth, without these moneys counting against the limitations placed on party expenditures. Buckley, by the way, said that you could place limitations on party expenditures. That was one of the expenditure areas that Buckley said it was right and proper for Congress to place limitations on. We have limitations on party expenditures today.

Congress and the FEC also allowed part of these expenditures to be funded with money that might be referred to as ''outside the system''—outside the system that we have just been discussing, the $1,000/$5,000 limitation system that we have just been discussing. We now call this other money outside the system soft money—unlimited moneys; no limitation on these moneys from corporations, labor unions, individuals.

In 1991, now, moving along, the FEC—this is the Federal Election Commission, as we all know—decided that national parties could fund 35 percent of their generic voter-drive cost from soft money and 40 percent in an election year. So, now the soft money race was on. So now, we see, we were concerned about local grassroots participation. We let the parties send in more unlimited money for that purpose. Then we said OK, we can send some soft money in that you don't have to worry about limitations on, for that particular purpose. So the soft money drive was on and the public learned, in 1992, that the major party committees raised more than $83 million in soft money, which was 4 times the amount of soft money estimated to have been spent by the parties in 1984.

In 1996 the explosion in soft money continued. Soft money receipts by the Republican National Party committees increased 178 percent over 1992, to $138 million; while Democratic Party committee receipts of soft money increased 242 percent over 1992 levels to $123 million. It is almost enough to make you

long for the good old days back when many people were concerned about $5,000 PAC contributions. PACs were considered to be our greatest potential problem, not too long ago by many people.

So, naturally with all this new money on hand there was a tremendous desire by people in the political system to marry up that money with the largest expenditure that we were all beginning to incur at that time, and of course that's television advertising. So, in the summer of 1995, Dick Morris fervently believed television advertisements comparing the President with the Republican Congress were keys to the President's reelection. He encouraged the President to opt out of the public financing program in order to run expensive TV ads that he felt were absolutely necessary. Because he understood at the time, under the public system, if you took the public money but you couldn't go out here and raise all this money on the side, all this soft money to run these additional programs—he said, ''Mr. President, I wish you just wouldn't take the public money so we can have unlimited expenditures.'' The President decided to take the money and figure out a way to get the unlimited expenditures anyway. He told Mr. Morris to come back with plan B.

So, luckily for Mr. Morris, plan B was outlined for him in an advisory opinion, once again issued by the FEC. We talk about not putting the Government in this. The Government has been in this up to its eyebrows almost from the very beginning. Congress has been involved in it. Congress set up the Federal Election Commission. The Federal Election Commission comes with all these advisory opinions. They said you can use so much soft money for this, so much hard money for that, so many percentages for this purpose, so many percentages for the other purpose—that is the system we have now. The campaign finance reform bill would almost be a deregulation bill. This is not adding additional regulations on top of anything. This is doing away with some of this Rube Goldberg system that we have now.

So, continuing on with this pattern, the FEC comes in again and, in August of 1995, they issued an opinion and, despite an attempt to use careful language, the clear result of this advisory opinion was to place the FEC stamp of approval for the first time on the use of soft money by national party committees to pay for broadcast media advertisements that directly reference Federal candidates. So, by lumping this candidate-specific but issue-based TV advertising with grassroots activity which, as we discussed a moment ago, was encouraged by the 1979 amendment, the FEC handed Mr. Morris his plan B on a silver, soft-money platter.

The DNC and the Clinton-Gore campaign seized on the opportunity to use the FEC's hard/soft allocation regulations to run TV ads, using the 40 percent soft money. The first ones began running in October of 1995, shortly after this opinion was rendered. And so there we go.

However, it is very important to note that the rules still prohibited soft money electioneering messages and coordination between the candidate and the committee.

So, in summary, the national party could now spend soft money for a portion of its State-based party building, and it could directly spend soft money for a portion of its issue advocacy, or it could transfer soft money to the State parties.

Again, this is the system we have today. Does this sound like a simple free-enterprise system that we are trying to somehow improperly mess with? This is the hopelessly complex, as we will see in a minute, ridiculous system that we have allowed to be created under our very noses.

However, again, under the FEC rulings and court decisions, it should be noted that none of this soft money was supposed to go for activities that were to be coordinated with individual candidates. Nevertheless, by now the system had been haphazardly and without premeditation transformed from one which limited big money for Federal candidates into an attractive opportunity for anyone willing to push the soft money game to its next level and past what the law allowed.

The Clinton-Gore campaign was willing. Briefly stated, their campaign circumvented the DNC's coordinated limit and used approximately $44 million in national committee soft money to their candidates' advantage through electioneering messages that they claimed to be ''issue advertisements,'' all the while certifying under our Presidential system, that they would not spend more than the public funding system was giving them. They were receiving the taxpayer funding all at the same time they were raising the $44 million outside the system.

The President and the Vice President personally raised a lot of this money, putting them right back into the campaign fundraising chase that Congress specifically intended the campaign laws to put them above. The President personally reviewed and edited TV commercial scripts that the soft money went for and helped make the decision as to where the ads would be run. Again, soft money is not permitted to go to support individual candidates, and it is not supposed to be coordinated or directed by those candidates. Nevertheless, the Attorney General, through her opinion on this matter, permits this abuse, and we can fasten our seatbelts for the next elections unless we make some changes.

The second large area that was exploited in the 1996 election cycle had to do with the transfer of large amounts of soft money from the national party to the State parties, which in turn would be directed by the national parties as to how to use the funds for national party purposes. In other words, the national party is just using the State parties as a passthrough.

Under FEC rules, the amount of permissible soft money expenditures by State parties depends on the ratio of Federal to non-Federal candidates that is on the State's November ballot. For example, if there are two Federal races, say a Presidential and a congressional race, and eight non-Federal local races, the State party can pay for 80 percent of their generic activities with soft dollars.

Again, this is the simple, deregulated system that we have today.

Given that hard dollars raised in $1,000 increments are more difficult to raise, this gives an incentive to have the State party pay for as many activities as possible using soft money. In other words, now they have a system all contorted so that States can use more soft money than the Federal can, so you game the Federal system as much as you can through the party committee. The President raises the soft money, runs it through the DNC and spends the soft money additionally to what he is allowed to spend through the public financing. Then you go to the States, and because the States can use more soft money than you can, you run the rest of it through the States and have the States run the same ads that you are running at the Federal level for the same purpose, of reelecting the President. Now, that is the system that we have today.

So to take advantage of the system, the national party committees began transferring soft money to State party committees to utilize their higher soft-money allowance.

In the crucial 1995 pre-election year, according to the FEC reports, the DNC transferred almost $11.4 million of soft money to State parties, followed by another $6.4 million in the first quarter of 1996. The RNC shifted a little over $2.4 million to the States in about that same period of time. Ultimately, the DNC quietly transferred at least $32 million, and perhaps as much as $64 million by some estimates, to State Democratic Party committees in the 1996 election cycle. Of course, much of this money was used for television commercials.

This transfer allowed, of course, the State party committees to use national party soft money in areas to help their Federal election goals more than if the national committee had made the expenditures directly. The DNC, on its own, would have had to purchase the same air time under the guidelines requiring a high percentage of hard dollars.

Our hearings demonstrated that on some occasions, the very same ad would be run by both the national party and the State party, all created by the DNC Clinton-Gore consultants, Squier, Knapp & Ochs. Reports of the receipts and expenditures of a dozen State Democratic parties from July 1, 1995, to March 31, 1996, indicate the

State entities operated as a little more than passthroughs for the DNC to pay for the production and broadcasting of ads by the Squier firm. The Squier firm, of course, was in the White House consulting with the President, was the paid media consultant for the DNC, for the Clinton-Gore campaign and, at the same time, was running these ads and creating these ads for these State parties, and, in many cases, they were the same ads. As we see, the DNC and Clinton-Gore campaign found a way to use the big corporate, union and individual soft money they could raise for the direct benefit of their own campaign. They could actually raise the soft money from the DNC, which would, in turn, spend it as they were directed by the Clinton-Gore campaign in order to benefit the national campaign.

So it was all an obvious ruse to anybody who took a look at it, but it could work in a world where the FEC might take 4 or 5 years to impose a modest fine and where the Attorney General was willing to adopt a tortured Clinton-Gore legal defense theory in order to justify such actions.

Of course, labor unions and 501(c)(4) tax-exempt independent groups supporting both parties have kept apace of these new developments. They, too, now systematically run ads supporting or targeting specific candidates while often coordinating their activities with the candidate they support as well as with each other.

As with the national parties, they claim the ads they run are ''issue ads'' and, therefore, can't be regulated. Sometimes they are and sometimes maybe they are not. We have to decide that on an individual fact-by-fact basis. However, they take the position that, in most cases, they are not coordinating factual issues. But if they are coordinated with the candidate, it is considered to be a contribution to the candidate, according to Buckley.

Buckley has been quoted, of course, as limiting the regulation that Congress can place on expenditures, but in the Buckley decision, it says, if you set up a kind of a sham deal where you are supposed to be making these independent expenditures but you are really doing it at the direction of the candidate, that is not independent and that is considered a contribution to the candidate. The FEC has, in many cases, supported that proposition.

There is nothing in the court cases that would indicate that that is proper. In fact, quite the contrary. In fact, the FEC takes the position that even issue ads which are coordinated are illegal. National parties and independent groups seem to be taking the position that, ''We didn't coordinate, but if we did, it may be legal anyway.'' But the DNC and the Clinton-Gore campaign kind of stand alone on that issue because their soft-money expenditures were coordinated and directed by the President so openly and clearly and blatantly that they had no choice but to just adopt the idea, in the face of court decisions and in the face of FEC rulings, that it was still legal and proper, and the Attorney General has gone along with them on it.

As I said, Buckley addressed the problems of would-be contributors avoiding the contribution limits by the simple expedient of paying directly for media advertisements for a candidate when the expenditures were controlled by or coordinated with the candidate. Buckley stated—and this is a quotation from the much-quoted Buckley—''. . . such controlled and coordinated expenditures are treated as contributions rather than expenditures under the Act's contributions ceilings [And this]. . . prevents attempts to circumvent the Act through prearranged or coordinated expenditures amounting to disguised contributions. . . .''

That is the Buckley decision. But, of course, in the present environment, it prevents no such thing. Buckley says legally it prevents it. Practically we see that it does not.

It certainly makes no difference that the person who wants to purchase the TV ads runs his contributions through the political parties instead of directly. The potential corrupting influence that people have been concerned with for many, many years in this country and others is there anyway. Nevertheless, the Attorney General seems to have adopted the Clinton-Gore campaign argument.

The Attorney General's position will have many ramifications, Mr. President. Her position is based on the idea that soft money contributions are not ''contributions'' within the definition of the act, and she thinks since soft-money contributions really don't fall within that definition of contributions, then they are not regulated, so that you can have unlimited soft money over here, but we won't call them contributions, so they are not regulated.

Well, if that blanket position is true, then foreign soft-money contributions are not illegal either, because they came under the same definition. If soft-money contributions of any kind are not really contributions as defined by the act, then that is going to apply to domestic or foreign. Under her interpretation, you could have unlimited amounts of foreign money brought in and put by a political campaign into a soft-money account and used for so-called issue ads, and it would be perfectly legal.

These are the things we are going to see in the next election cycle.

If Congress does not want to be bound by this absurd interpretation, then we are going to have to act. So, in summary, we see that the 1996 elections produced some clear violations of the criminal law, and Congress' job in this area is to exercise oversight over the Justice Department to make sure the laws are enforced. We need no changes in the law with regard to these matters.

However, we also see that because of the way in which soft money, issue advocacy and coordination are being used and allowed to be used, as a practical matter, we are left with no campaign finance system at all, and we must decide if that is really what we want.

Because all these loopholes have been opened up now, contrary to our original intent, we find ourselves with a situation where we weren't the ones who opened up the barn door, but all the horses are rapidly leaving. Do we want to fix it or do we want to take advantage of it, because it essentially helps all incumbents, and we go through this exercise every so often and get a pretty good vote, but not quite enough, and now we can have our cake and eat it, too.

If we had come to this floor and passed a piece of legislation that allowed the current system, they would have laughed us out of town, and nobody here would have had the courage to do it.

So the question is whether or not, if we find ourselves with it, we are going to take advantage of it because it benefits an incumbent. Some would welcome this turn of events. Some honestly believe there is not enough money in our political system and that large corporations, unions and others should be allowed to make unlimited contributions to candidates.

I believe that those who hold this opinion have won the day so far, because I think that is exactly where we are now. And I think it is tragic, and I believe that those of us in both parties who support such a system because we think it might be beneficial to us as incumbents in some way are being very shortsighted, because I believe that no system that requires us or allows us as elected officials, including the President of the United States, to spend so much time raising so much money from so many people who have interests before us that we are passing legislation on, no such system will be allowed to survive indefinitely.

Where does such a system leave the average citizen with his or her $100 contribution? Is there any doubt as to why the more money we raise the fewer people vote?

Throughout history, people have recognized the inherent problems associated with large amounts of money going to those who make public policy. It does not require a very smart person to see the inherent problem with that. Nineteen centuries ago, the historian Plutarch thought that that was, more than anything else, what brought down the Roman Republic. Seven centuries ago, the Venetians imposed strict limitations on what could be given public officials. If the donors had favors to ask, they were not allowed to give anything.

Political influence money brought down the entire political systems in Japan and Italy. We have had our own money scandals—the corporate influence-buying scandals at the end of the last century as well as the Watergate campaign finance scandal that in large

part caused the legislation of 1974. So we do not have to look very far to see the relevant historical precedence of what we are dealing with.

It is unlikely that we have recently abridged the laws of human nature or the corrupting influence of power or what people are willing to do to get it. In fact, that is what the 1996 scandals are all about.

When you add all of this history, the fact that we now have spent—last time—$2.7 billion on our national elections, with all this amount of money involved, it is a virtual certainty we will have another major scandal in the not too distant future if we do nothing.

There are some who would try to convince those of us who are somewhat new to these hallowed halls that campaign finance reform is somehow not conservative or it is anti-Republican.

Well, I believe that the best witness on that is Mr. Republican himself, Barry Goldwater. In testifying before Congress in 1983, he said that big money ''eats at the heart of the democratic process. It feeds the growth of special interest groups created solely to channel money into political campaigns. It creates the impression that every candidate is bought and owned by the biggest givers. And it causes elected officials to devote more time to raising money than to their public duties. If present trends continue, voter participation will drop significantly''—sound familiar?—''public respect will fall into an all-time low''—sound familiar?—''political campaigns will be controlled by slick packaging artists''—sound familiar?—''and neglect of public duties by absentee officials will undermine government operations.''

Now, that is the man that we call ''Mr. Republican.'' Reading his ''Conscience of a Conservative'' as a college student had a lot to do with my becoming a Republican. And I do not think anybody ever accused Barry Goldwater of being an enemy of the first amendment.

I would ask those who are rightfully concerned about maintaining the authority of Congress in our system of checks and balances, those of us who criticize the courts—and I am one of them—and who criticize our Federal agencies—and I am one of them—if we really want the way we elect the highest officials in our Federal system to be determined not by Congress but by the courts, and by the Federal Election Commission, and by the Attorney General, and by those running for office who have the most audacity.

So while McCain-Feingold may achieve its predicted fate again this year—and maybe not—we need to realize that this overall issue is going to continue to stare Congress in the face. And as the next campaign makes the last one look like child's play, we are going to have to ultimately decide in this body, is this what we really want? And since it involves the very fundamentals of our democracy, don't we have an obligation to deal with it?

Thank you, Mr. President. I yield the floor.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, before the Senator from Tennessee leaves the floor, I would like to ask him a question and make a comment about his remarks.

I believe I heard the Senator from Tennessee predict that there would be more scandals associated with the present system. Did I hear him right? And what form will they be in? And how serious?

Mr. THOMPSON. Absolutely, I would say to my friend from Arizona. Nobody ever knows for sure what is going to happen, but if the past is prologue, we have seen throughout history and in our own recent history, and certainly in the history of Europe, that when the money gets out of hand, the scandals come.

And we have gone from a system now where we were arguing whether it should be a $1,000 limitation per individual or a little more or little less or whether it should be a $5,000 PAC limitation or not, and a big controversy whether that had a corrupting influence, to where now, instead of soliciting those amounts, we are soliciting $250,000 from these large entities.

So if the past has brought those kinds of political problems and legal problems to us, I think we can almost rest assured that in the future, with those amounts involved, that we will have the same thing.

As I said, I do not think that we have abridged the laws of human nature over the last few years. And I suppose that Lord Acton's admonition about the corrupting influence of power is still very much alive and well and with us.

So I say to my friend, I regret to say it, but I know that you predicted it would take another one to get anybody's attention on this issue. Now we have had one. Your prediction has come true. I am afraid that I am just following up with the next prediction.

Mr. MCCAIN. Could I ask the Senator also, in light of the literally thousands of hours that he has spent on this issue in the last year, is there any remaining restraint on campaign contributions? Is there any remaining law, rule, or regulation that, if someone is serious enough, that they can inject not as much money as they wish into any political campaign?

Mr. THOMPSON. As a practical matter, I think there are no restraints. I think under the present situation, with the FEC interpretations that have come down, with the Attorney General decisions and opinions that she has made, I literally think that you could call up someone, if you knew someone in Russia or China or Brazil, or wherever you wanted to—or California for that matter—get them to send a suitcase full of a million dollars cash, launder it, if you needed to, put it into a soft money account, and as long as you used issue ads and did not say ''vote for'' or ''vote against'' under this current ridiculous setup of interpretations we have now, that is permissible. That is the system we have currently.

Mr. MCCAIN. Could I ask my colleague from Tennessee then, if that is the situation, why does he detect a reluctance for our colleagues to support even, say, full disclosure or the banning of soft money or an abolition of the most obvious abuses that you so well described in your remarks?

Mr. THOMPSON. Well, I do not want to delve too deeply into the motivations of anyone. People can have different reasons for their thoughts. But it does puzzle me because, you know, in looking back at the history of this thing, some of the leading Republicans, some of the leading conservatives, as well as some of the leading liberals and Democrats in this body, have all joined together on some of these basic things.

What I think the Senator from Arizona and the Senator from Wisconsin and I are trying to do here is kind of get back to where we were 20, 25 years ago. We do not have that situation now. I hope the answer to your question is not that we see this current situation as an opportunity for incumbents. And we know that most of the money goes to incumbents. I have been a challenger; I have been an incumbent, like we all have. And we know how the system works and operates. And that is fine. That will always be the case.

We have some certain advantages, inherent advantages, in terms of news coverage and things of that nature that I have no intention of willingly giving up. And I think it is fine that I have those advantages. But the money situation has gotten out of hand, and incumbents have such an advantage there that about 90 percent of all the kind of money that we are talking about—well, that is not the correct figure either—but the great majority of the money we are talking about now goes into incumbents.

In times past, in this body those considerations have not ruled, and I do not think ultimately they will here now. And I am not saying that that is the motivation. All I am saying is that I hope that is not the motivation. I am afraid that if we do not do some things—the Senator from Kentucky pointed out problems with Buckley that we have on the free speech side of things. He makes some valid points there. It is a problematic situation. It has to be either not dealt with at all, because of the Court interpretations, or it has to be dealt with very, very carefully. I do not know how far we can go constitutionally.

But that has nothing to do with the contribution side. We decided back in 1907 that we did not want corporate contributions, large or small, and yet now we have effectively repealed that law, in my estimation.

Mr. MCCAIN. Let me finally ask the Senator from Tennessee, he also brings

a unique perspective to this issue in that he, I am sure, is the only Member of this body who was an active participant in the Watergate scandal. Part of the scandal was the washing around of large amounts of money. I have heard the stories—people walking around with a valise with a million and a half dollars of cash, et cetera. If we do not do something about this situation, in the view of the Senator from Tennessee, are we likely to see a repeat of those kinds of revelations?

Mr. THOMPSON. Well, I think if we do not do something about it, the big difference will be that people will not have to hide that activity anymore because it would be considered permissible. You might have some limitations on cash and things of that nature, but in terms of the amounts, you know, one of the Cabinet members of the President at that time allegedly was going around and, you know, hitting up these corporations for pretty good sums of money—at that point, $50,000, increments like that, some of it cash.

Mr. MCCAIN. That was scandalous.

Mr. THOMPSON. That was scandalous in those days.

Mr. MCCAIN. Now they are hit up for $50,000, and it is the order of the day, it is a lunch with the President.

Mr. THOMPSON. So we decided that—I think the country decided, after that, that we needed to decide what we wanted to have corporations and large labor unions do. Clearly, they needed to participate. We set up political action committees and decided how much we wanted them to participate. And we said to corporations, labor unions, ''You can't do any more than that in terms of direct political contribution.'' We said to individuals, ''You can't spend more than $1,000 per election per individual.'' That was not indexed. I think that was a mistake.

I think that $1,000, frankly, is ridiculously low nowadays, and if we had a higher hard money limitation that maybe so much money would not go into these independent ads and more money would go into hard money. But we sat down and consciously decided, I think, as a Congress and as a country, how much was appropriate for candidates to get their message out and to communicate with people and in what line did you get to a point where the influence might appear to be too great. These were all conscious decisions.

All I am saying to this body now is that we at least need to recognize that we are now addressing whether or not we still adhere to that or not or are we going to a system where there are no limitations.

Some people make an eloquent argument there should be no limitations at all. But it ought to be debated. We ought to hash that out here on the floor and not fool the American people into thinking that everything is basically just the way it was, and we do not want to encumber the system with additional regulations, and everything is fairly simple, and everything is fairly clean.

The Government, as I said, has been up to its eyeballs in this from day one, sometimes beneficially and sometimes ridiculously. And this law, to me, is just like most other major pieces of legislation. After 20 years, you learn some things about it. You have unintended consequences. You have court interpretations that go against what you thought you were doing.

So you have to sit down and revisit it and bring it up to date. I hope we don't avoid the responsibility of sitting down and revisiting this. If the majority sentiment is that we don't want any rules anymore, that we want to allow candidates to pick up the phone and raise $5 million, maybe run it through a committee but coordinate all of it and direct it so that you can slam somebody maybe 2 years in advance who might be a potential rival—if we really want to do that, say that is what we are doing and lay it out in a piece of legislation.

It is a hodgepodge now. We argue about what is legal and illegal. We have had some people say it is just violations of the law, what we need to do is enforce the law. That is true. Other people say, ''I don't see any violations of the law.'' See no evil, hear no evil, speak no evil. All we need is reform. They are in part true. The biggest problem is the gray area that everybody has assumed up until this last election was against the law.

The Clinton-Gore campaign primarily went way beyond that and the Attorney General is trying to back them up. We can stamp our feet about it—I think she is dead wrong— or we can sit down and say no, this is not the way it is, Attorney General, this is not the way it is, FEC, or courts, within the Constitution. We can make our own determinations as to what the Federal Government should be doing with regard to the election of Federal candidates.

You and I do not want the Federal Government involved in many aspects of people's lives. I decided a long time ago, the motivation has to do with lots of other things, like term limits and how long people stay when they are here, what their motivations are when they come here, what is primarily on their mind. All those kinds of things are the business of this body. That is Federal Government business. I make no apology for that.

So whether it is by inaction or by action, we are going to be determining how we elect people for Federal offices in this country.

Mr. McCAIN. Let me ask the Senator from Tennessee to sum up. Right now there is no restriction on any campaign contribution, in his view; there is no enforcement of existing law; there is no outrage because ''everybody does it.''

Mr. THOMPSON. I have heard that often. That was part of what we heard over the last several months.

Everybody doesn't do it. Everybody doesn't do the things that we saw the Clinton-Gore campaign do last time. I think everybody doesn't do what their campaign did in terms of laundering foreign money into this campaign or using the White House and denigrating the White House. Everybody doesn't do that.

Where there are clear law violations the laws ought to be enforced. That is another speech. If you get me started, it will be longer than the last speech.

Mr. McCAIN. But existing law is not being prosecuted.

Mr. THOMPSON. Is not being pushed hard enough, I don't think. We finally got a couple of indictments on matters that have been on the public record for a long, long time now. I am willing to reserve a certain amount of judgment to see what comes up. Based on the public record we have there could be a dozen indictments, based on things that have been on public record for a long, long time now. I expect there will be more indictments coming down the pike, but up until now it has not been aggressive. I'm afraid the trail has gotten cold on many. If you don't act promptly on some of these things, it is a lost cause. I'm afraid that has happened.

Having said all of that, they can't blind us to the fact that separate and apart from the clear violations of the law which do not need amendment—they are clear laws, they are clear violations—we have now created another area that does not require our attention, except our oversight, to see the law is enforced. What doesn't require our attention because of what the courts have done, because of what the FEC has done, because of what we have done and because of what the Attorney General has done, we have a hodgepodge that results in the allowance of unlimited amounts of money coming into any campaign almost under any circumstances. You have to run it through a committee, perhaps. You have to be careful how you word the TV ads, but as a practical matter we have no limitations. That is what deserves our attention.

Mr. McCAIN. I thank the Senator from Tennessee. I hope that it is understood the Senator from Tennessee, chairman of the committee, just finished a year-long oversight of the campaign finance abuses of this country. I think it is an important way to frame the debate which we are again embarking on, and that is that there are no limitations on any campaign contributions in American politics today. That is wrong. It is wrong. It is wrong. We need to do something to fix it, or I suggest that the people of this country will send some people who will fix it.

I thank the Senator from Tennessee for his incredible work and for his perseverance and for his courage under sometimes very difficult circumstances as he conducted his investigations throughout the last year. I'm grateful for him, as well, obviously for his friendship.

AMENDMENT NO. 1646

(Purpose: To provide a complete substitute to reform the financing of Federal elections)

Mr. MCCAIN. Mr. President, in accordance with the unanimous consent agreement regarding this issue, I send an amendment in the form of a substitute to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for himself Mr. FEINGOLD, Mr. THOMPSON, Ms. COLLINS, Mr. LEVIN, and Mr. CLELAND, proposes an amendment numbered 1646.

Mr. MCCAIN. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment will be printed in a future edition of the RECORD.)

Mr. MCCAIN. Mr. President, I am proud that today we begin what promises to be a thorough and responsible debate on the issue of campaign finance reform. I say responsible because I anticipate that in the course of this debate Senators will make unmistakenly clear whether they support or oppose meaningful reform. Senators will cast votes on at least one reform proposal, the revised McCain-Feingold legislation, and probably other proposals such as the one to be offered by Senator SNOWE before we vote on whether or not to invoke cloture.

Previous debates have ended, unsatisfactorily, in a series of cloture votes which, as we all know, tended to discourage good faith compromises among Senators who are genuinely committed to finding a fair and effective solution to the disreputable state of modern campaign financing. Moreover, cloture votes sometimes obscure from the public a Senator's true position on the issue in question. By the end of this debate, whichever argument prevails, Senators will be on the record in support or opposition to reform, and, thus, accountable to their constituents who may then register their approval or disapproval at the polls.

Mr. President, I believe an open debate, which considers amendments representing various views on the subject of reform, will encourage Senators on both sides of the issue to pursue a majority consensus on what can be done to improve our obviously and appallingly dysfunctional campaign finance system. Should our debate result in honest progress toward an acceptable compromise we may not even need to hold cloture votes. Of course, this is an ideal result of the debate we commence today, and I recognize that we are a long way from achieving it. But I believe, with just a minimum of good faith on all sides, we can get there.

But even if we fall short again, Mr. President, Senators will have shown ourselves willing to stand up for our beliefs and risk the people's judgment when next we stand for election. I am proud of my colleagues for having the courage of their convictions.

Mr. President, I want to thank the Majority Leader, Senator LOTT, for agreeing to return to this subject, and allow Senators to express their views by means usually employed in Senate debates—by means of amendment. I wish also to thank my friend, the Senator from Kentucky, who has long shown he has the courage of his convictions, for agreeing to resume debate in this manner.

I want also to thank the Minority Leader for his essential assistance in helping use to arrive at this important moment. I want to thank Senators SNOWE, JEFFORDS and CHAFEE along with Senator LEVIN for their efforts to help the Senate achieve a meaningful consensus on a contentious issue involved in this debate, and all Senators, on both sides of the aisle and the issue, who have worked hard to ensure that this issue is fairly addressed by this Senate.

I wish to thank all the co-sponsors of McCain-Feingold, both Republicans and Democrats, with a special thanks to a hardy band of determined Republicans, Senators THOMPSON, COLLINS and SPECTER who have labored long and hard to change what we believe to be a mistaken majority view among our fellow Republicans.

Lastly, I want to especially thank my tireless, resourceful and passionately committed friend, Senator FEINGOLD. I have been in Congress for many years now, and I have never worked with a more dedicated or able member of this institution to pass legislation of such importance to our political system. He has inspired my own determination, and I am grateful to him.

Mr. President, we will hear from many Senators, representing several points of view, during the course of this debate. I look forward to debating various provisions of our legislation, as well as amendments offered by my colleagues on a range of issues related to campaign finance reform. As I have said, many times in the past, this is a necessary and important debate. The issue of campaign finance reform merits our most serious attention. Indeed, I believe it deserves to be a central focus of this Congress' work. I believe this so strongly because I think it is beyond doubt that the way we finance our elections in this country has caused the people we represent to doubt our personal integrity and the integrity of the institution we are privileged to serve. And that, my friends, is a concern that should call us all to action.

The substitute that Senator FEINGOLD and I offer today represents a substantial change from S. 25, the original McCain-Feingold Campaign Finance Reform Bill, but at the same time, maintains the core of the original bill.

I strongly support all the provisions of the original bill. And as I have stated in the past, as the debate proceeds, Senator FEINGOLD and I intend to offer amendments that would restore the component parts of our original bill. We intend to proceed to those amendments in good time.

Pursuant to the unanimous consent agreement that the Senate entered into last year, the Senate will now turn to the bill S. 25 as modified, as an amendment to an original underlying bill. Later I will discuss my thoughts on the underlying bill, but now I would like to outline for my colleagues the contents of our proposal.

Before I elaborate on the provisions of the bill, I want to remind my colleagues of three points:

One—For reform to become law, it must be bi-partisan. This is a bi-partisan bill. It is a bill that effects both parties in a fair and equal manner.

Two—Reform must seek to lessen the role of money in politics. Spending on campaigns in current, inflation adjusted dollars continues to rise. In constant dollars, the amount spent on House and Senate races in 1976 was $318 million. By 1986, the total had risen to $645 million. And in 1996 to $765 million. Including the Presidential races, over a billion dollars was spent in the last race. And as the need for money escalates, the influence of those who have it rises exponentially.

Three—Reform must seek to level the playing field between challengers and incumbents. Our bill achieves this goal by recognizing the fact that incumbents almost always raise more money than challengers and as a general rule, the candidate with the most money wins the race. If money is forced to play a lesser role, then challengers will have a better chance.

TITLE I

Title One of the modified bill seeks to reduce the influence of special interest money in campaigns by banning the use of soft money in federal races. Soft money would be allowed to be contributed to state parties in accordance with state law.

In the first half of 1997, a record $34 million dollars of soft money flowed into political coffers. That staggering amount represents a 250% increase in soft money contributions since 1993. And Mr. President, unless reform is passed, we are witnessing only the beginning of this problem.

We do, however, seek to differentiate between state and federal activities. Soft money contributed to state parties could be used for any and all state candidate activities. Let me repeat that statement. Soft money given to the state parties could be used for any state electioneering activities.

If a state allows soft money to be used in a gubernatorial race, a state senate race, or the local Sheriff's race, it would still be allowed under this bill. However, if a state party seeks to use soft money to indirectly influence a federal race, such activity would be banned 120 days prior to the general

election. Voter registration and general campaign advertising would be allowed except during the 120 days prior to the election.

Voter registration efforts are very important. I know my colleagues recognize that fact. We want individuals to register and then to go vote. This bill allows parties to engage in voter registration activities. Additionally, state parties would be allowed within limits to engage in generic party advertising. These activities help build the party and encourage people to vote.

To make up for the loss of soft money, the modified bill doubles the limit that individuals can give to state parties in hard money. Consequently, the aggregate contribution limit for hard money that individuals could donate to political races would rise to $30,000.

This ban of soft money is important for two fundamental reasons: first, it would reduce the amount of money in the election process; and second, it would result in candidates being forced to campaign for smaller dollar amounts from individuals back home.

TITLE II

Title II of the modified bill seeks to limit the role of independent expenditures in political campaigns.

The bill in no way bans, curbs, or seeks to control real, independent, non-coordinated expenditures in any manner. Any independent expenditure made to advocate any cause, with the exception of the express advocacy of a candidate's victory or defeat, is fully allowed. To do anything else would violate the first amendment.

However, the bill does expand the definition of express advocacy. The courts have routinely ruled that the Congress may define express advocacy. In fact, current standards of express advocacy have been derived from the *Buckley* case itself.

As we all know, the Supreme Court case of *Buckley* v. *Valeo* stated that campaign spending cannot be mandatorily capped. This bill is fully consistent with the *Buckley* decision.

What the modified bill seeks to do is establish a so-called ''bright line'' test 60 days out from an election. Any independent expenditures that fall within that 60 day window could not use a candidate's name or his or her likeness. During this 60 day period, ads could run that advocate any number of issues. Pro-life ads, pro-choice ads, anti-labor ads, pro-wilderness ads, pro-Republican party or Democratic party ads—all could be aired with impunity. However, ads mentioning candidates themselves could not be aired.

This accomplishes much. First, if soft money is banned to the political parties, such money will inevitably flow to independent campaign organizations. These groups often run ads that the candidates themselves disapprove of. Further, these ads are almost always negative attack ads and do little to further beneficial debate and a healthy political dialogue. To be honest, they simply drive up an individual candidate's negative polling numbers and increase public cynicism for public service in general.

The modified bill explicitly protects voter guides. I believe this is a very important point. Some have unfairly criticized the original bill because they thought it banned or prohibited the publication and distribution of voter guides and voting records. While I disagree with those individual's conclusions, the sponsors of the modified bill sought to clarify this matter.

Let me state that voter guides are completely protected in the modified bill. Any statements to the contrary are simply not true.

Not only are statements criticizing the bill on this point inaccurate, but the bill—as I have stated—in fact protects voter guides. I want to read the provision in its entirety so that there will be no questions regarding this matter:

(C) VOTING RECORD AND VOTER GUIDE EXCEPTION.—The term express advocacy shall not include a printed communication which is limited solely to presenting information in an educational manner about the voting record or positions on campaign issues of 2 or more candidates and which:

(i) is not made in coordination with a candidate, or political party or agency thereof;

(ii) in the case of a voter guides based on a questionnaire, all candidates for a particular seat or office have been provided with an equal opportunity to respond;

(iii) gives no candidate any greater prominence than any other candidate; and

(iv) does not contain a phrase such as ''vote for'', ''reelect'', ''support'', ''Cast your ballot for'', ''(name of candidate) for Congress'', ''(name of candidate) in 1997'', ''vote against'', ''defeat'', or ''reject'', or a campaign slogan or words which in context can have no reasonable meaning other than to urge the election or defeat of 1 or more candidates.

I hope that this clear and concise language dispels any rumors that this modified bill will adversely, in any way, affect voter guides.

TITLE III

Title III of the modified bill mandates greater disclosure. Our bill mandates that all FEC filings documenting campaign receipts and expenditures be made electronically and that they then be made accessible to the public on the Internet not later than 24 hours after the information is received by the Federal Election Commission.

Additionally, current law allows for campaigns to make a ''best effort'' to obtain the name, address, and occupation information of the donors of contributions above $200. Our bill would eliminate that waiver. If a campaign can not obtain the address and occupation of a donor, then the donation can not and should not be accepted.

The bill also mandates random audits of campaigns. Such audits would only occur after an affirmative vote of at least four of the six members of the FEC. This will prevent the use of audits as a purely partisan attack.

The bill also mandates that campaigns seek to receive name, address and employer information for contributions over $50. Such information will enable the public to have a better knowledge of all who give to political campaigns.

TITLE IV

Title IV of the modified bill seeks to encourage individuals to limit the amount of personal money they spend on their own campaigns. If an individual voluntarily elects to limit the amount of money he or she spends in his or her own race to $50,000, then the national parties are able to use funds known as ''coordinated expenditures'' to aid such candidates. If candidates refuse to limit their own personal spending, then the parties are prohibited from contributing coordinated funds to the candidate.

This provision serves to limit the advantages that wealthy candidates enjoy and strengthen the party system by encouraging candidates to work more closely with the parties.

TITLE V

Lastly, the bill codifies the *Beck* decision. The *Beck* decision states that a non-union employee working in a closed shop union workplace and who is required to contribute funds to the union, can request and be assured that his or her money not be used for political purposes.

I personally support much stronger language. I believe that no individual—a union member or not—should be forced to contribute to political activities. However, I recognize that stronger language would invite a filibuster of this bill and would doom its final passage. As a result, I will fight to preserve the delicately balanced language of the bill and will oppose amendments offered by both sides of the aisle that would result in killing this important measure.

Mr. President, what I have outlined is a basic summary of our modifications to the original bill. I have heard many of my colleagues say that they could not support S. 25, the original McCain-Feingold bill for a wide variety of reasons. Some opposed spending limits. Others opposed free or reduced rate broadcast time. Yet others could not live with postal subsidies to candidates. And others complained that nothing was being done about labor.

I hope that all my colleagues who made such statements will take a new and open minded look at this bill. Gone are spending limits. Gone is free broadcast time. Gone are reduced rate TV time and postal subsidies. And we have sought to address the problem of undue influence being exercised by labor unions. All the excuses of the past are gone.

Mr. President, I know our legislation is not perfect. I know that if given the opportunity to offer amendments, many Members will do exactly that, and the legislation may well be improved as a result. I welcome those amendments. But first we are required to vote for or against tabling our amendment. And I appeal to my colleagues to vote against tabling.

I know that many on this side of the aisle do not agree with all the provisions I have outlined. But I know that many recognize that there is a problem with the way we finance our elections, and are distressed over the public's disdain for the system. It is a problem we must address. So let us do so. Let any senator offer an amendment to our legislation. I may agree with some. I may disagree with others. But by means of the amendment process we may begin building a consensus. Then we can all sit down, in good faith, and do what the people want us to do: come together on a consensus proposal to repair this terribly inequitable, unnecessarily expensive and, at times, corrupt campaign finance system.

This is our opportunity. If we opt for gridlock over results, we will only fuel the cynicism of the American electorate. I hope we will do what is right and take such steps as necessary to pass meaningful campaign finance reform.

UNANIMOUS CONSENT AGREEMENT

Mr. MCCAIN. Mr. President, On behalf of the majority leader, I ask unanimous consent that at 10:30 a.m. on Tuesday, February 24, the Senate resume consideration of the pending McCain-Feingold amendment. I further ask consent that the time between 10:30 and 12:30 be equally divided between the opponents and proponents. I ask unanimous consent that the time from 2:15 to 4 p.m. be equally divided between the opponents and proponents prior to the motion to table, and, finally, at 4 p.m. the Senate proceed to a vote in relation to the pending McCain-Feingold amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

MORNING BUSINESS

Mr. MCCAIN. Mr. President, I ask unanimous consent that there now be a period for morning business, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a withdrawal and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:00 noon, a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1270. An act to amend the Nuclear Waste Policy Act of 1982.

MEASURE PLACED ON THE CALENDAR

The following bill was read twice and placed on the calendar:

H.R. 1270. An act to amend the Nuclear Waste Policy Act of 1982.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3938. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the report of the fiscal year 1999 budget request; to the Committee on Rules and Administration.

EC–3939. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on military expenditures for countries receiving U.S. assistance; to the Committee on Appropriations.

EC–3940. A communication from the Director of the Office of Surface Mining, Reclamation, and Enforcement, Department of the Interior, transmitting, pursuant to law, the reports of two rules; to the Committee on Energy and Natural Resources.

EC–3941. A communication from the Deputy Associate Director for Royalty Management, Royalty Management Program, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC–3942. A communication from the Deputy Associate Director for Royalty Management, Royalty Management Program, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC–3943. A communication from the Assistant Secretary of the Interior for Fish and Wildlife and Parks, transmitting, pursuant to law, a report relative to the establishment of a memorial to the Reverend Dr. Martin Luther King, Jr.; to the Committee on Energy and Natural Resources.

EC–3944. A communication from the Secretary of Energy, transmitting, pursuant to law, a report relative to hazardous air pollutants; to the Committee on Energy and Natural Resources.

EC–3945. A communication from the Assistant Secretary of the Interior for Land and Minerals Management, transmitting, pursuant to law, the report of a rule received on February 17, 1998; to the Committee on Energy and Natural Resources.

EC–3946. A communication from the Director of the Office of Rulemaking Coordination, Department of Energy, transmitting, pursuant to law, the report of a rule received on January 21, 1998; to the Committee on Energy and Natural Resources.

EC–3947. A communication from the Assistant Attorney General (Legislative Affairs), transmitting a draft of proposed legislation to provide for the establishment of an electronic case management demonstration project; to the Committee on Banking, Housing, and Urban Affairs.

EC–3948. A communication from the Managing Director of the Federal Housing Finance Board, transmitting, pursuant to law, the report of a rule received on February 17, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–3949. A communication from the General Counsel of the National Credit Union Administration, transmitting, pursuant to law, the report of a rule received on February 10, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–3950. A communication from the Legislative and Regulatory Activities Division, Comptroller of the Currency, Administrator of National Banks, transmitting, pursuant to law, the report of a rule received on February 6, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–3951. A communication from the Secretary of the U.S. Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule received on February 18, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–3952. A communication from the Administrator of the U.S. Agency for International Development, transmitting, pursuant to law, the report of Development Assistance Program allocations for fiscal year 1998; to the Committee on Foreign Relations.

EC–3953. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report relative to foreign military sales customers; to the Committee on Foreign Relations.

EC–3954. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report relative to the status of loans and guarantees issued under the Arms Export Control Act; to the Committee on Foreign Relations.

EC–3955. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report relative to an analysis and description of services performed by full-time USG employees during fiscal year 1997; to the Committee on Foreign Relations.

EC–3956. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of a determination relative to assistance to the Government of Haiti; to the Committee on Foreign Relations.

EC–3957. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of the allocation of funds for fiscal year 1998; to the Committee on Foreign Relations.

EC–3958. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on U.S. Government assistance to and cooperative activities with the New Independent States of the former Soviet Union; to the Committee on Foreign Relations.

EC–3959. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report regarding the economic policies and trade practices of countries with which the U.S. has significant economic or trade relations; to the Committee on Foreign Relations.

EC–3960. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the reports of four notices of the proposed issuance of export licenses; to the Committee on Foreign Relations.

EC–3961. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting the report of the