

Mr. Speaker, cover-up and vindictiveness.

Mr. Speaker, I call today on Navy Secretary Dalton, as did the gentleman from Illinois (Mr. RUSH), to personally review this case and be sure that no stone is left unturned, that every step is taken to ensure that it is a road to justice that is traveled by our very own United States Navy.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Arkansas (Mr. HUTCHINSON) is recognized for 60 minutes as the designee of the majority leader.

Mr. HUTCHINSON. Mr. Speaker, it is my pleasure to rise today to speak on behalf of a subject that this Congress will address this week and probably even after we come back from the Memorial week break. The subject that we are going to address that I think is very important to the American voter is campaign finance reform.

Day after day, we see stories reported in the national media about the abuses of the last election on both sides of the aisle in the enormous and consistent chase of soft money.

I know the American people who hear these terms, probably their eyes glaze over and say, what are you talking about in soft money? The soft money we are speaking of is simply in the terms of the \$100,000, the \$200,000, or even the \$1 million contribution that flow into the national political parties from corporations, from labor unions, and from wealthy individuals.

Ever since going back, really, to the early part of the 19th century or this century, we have banned corporate money and labor union money to individual candidates. Yet, even though an individual Federal candidate cannot receive the corporate or labor money, that same money can flow in under court decisions to the national parties to be used for campaign type ads that affect our elections and affect candidates. So that is the soft money loophole that people speak about.

Particularly this last election, we saw a chase as we have not seen before in our campaigns where our national parties and our Federal candidates pursued this soft money, the huge contributions. It had a greater impact than ever before. So that points up the need for campaign finance reform.

People ask me, why in the world are you being involved in this issue in the United States Congress? To me, it is very simple. It is the fact that, during my campaign, people asked me on the campaign trail, what are you going to do about reforming our campaign finance system?

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I took the position, because I believed in it, that we ought to ban soft money to our national political parties, because of the abuses that we

have seen. I believe that once you make that pledge, you ought to have the same position in Congress, so I have stayed committed to that.

While we first came here as freshmen members of this great body, I met with my colleagues from across the aisles, the Democrat freshmen, headed up by the gentleman from Maine (Mr. TOM ALLEN), and then others on the Republican side of the aisle, the gentleman from Montana (Mr. RICK HILL), the gentleman from Utah (Mr. MERRILL COOK), the gentleman from Texas (Mr. KEVIN BRADY), and others who worked diligently crafting a bipartisan bill on campaign finance reform that does not try to do damage to the other side but tries to keep a level playing field, so we can have a bill that will be constitutional, that would stop the greatest abuses, and then would be meaningful reform.

That is what we crafted after 5 months of diligent work. We came up with this bill, and now it is the leading bipartisan bill on this floor. We have over 75 cosponsors to this legislation.

I am very grateful to the Republican leadership who designated the freshman bill, the Bipartisan Campaign Integrity Act, as the bill that would come forward to this body this week as the base bill to engage in the debate on campaign finance reform.

As it comes to this body, it will be subject to amendments. It will be subject to different substitutes that will be offered. I think this is good. It is a very open process. It is one that everyone can participate in, present their ideas on campaign finance reform. We cannot guarantee the result. That assures that it is going to be a very democratic process.

After we engage in this debate I hope the American people will be engaged and they will call their representatives, and that they will express their views as to what represents the appropriate change that we should have.

The Bipartisan Campaign Integrity Act will be presented this week on the House floor. We will start debate. Again, there will be amendments that are offered. Let me explain basically what this bill does, because it is very simple. It is straightforward, but it is very substantial reform.

First of all, this bill bans soft money to the national political parties, again, the greatest source of abuse. There are those who say, well, it will just simply flow to the State parties at that point.

We do not believe, under the tenth amendment to the United States Constitution, that the Federal Government should federalize all of the elections, because if you have an election in Arkansas or in Oklahoma or in Pennsylvania, you are going to have State candidates on the ballot and Federal candidates on the ballot, and we should not direct how every State party in the Nation handles money. I believe that the State laws should govern much of what happens at the State party level. So we address, as the United States

Congress, the greatest abuse, the soft money, the abusive money that goes to the national parties, and we stop that.

Secondly, we do set up the firewalls between the States that prevents this money from being transferred from State party to State party. Since the national parties cannot raise it, they cannot channel it down to the State parties. We also prohibit the Federal candidates or their agents from helping to raise that soft money, so this is very substantial reform when it comes to the abuse of soft money.

The second thing we do is that we provide more disclosure for the candidates and for all of the different groups that are engaging in issue-type campaigns and information to the voters. That is what is important, so the candidates will reveal in a more timely way how they are getting their money and how they are spending it, so there is information to the public on what the candidates are doing.

The next thing is information on what the issue groups are doing. We do not want to get into a constitutionally questionable area about where they get their money, but the people should know who is trying to influence the campaigns. Each of these groups, whether it is the AFL-CIO, the Right to Life, or the Sierra Club, or any other group that is out there, such as the Coalition for Better Government, who knows who they are? They should be able to say who they are and how much they are spending.

This is not an infringement upon the first amendment, this is consistent with our freedom of speech in America, but it still provides wonderful, important information to the electorate as to who is spending the money and who is trying to influence that campaign, who they are, and how much they were spending.

The next thing we do is that we index contributions to the rate of inflation. Right now the individual contribution limit has been fixed since the early 1970s. There has been no change in that. The fact that there has not been any change has allowed that individual contribution to be eroded by inflation, so what was a \$1,000 contribution is now in effect a \$300 contribution. So we strengthen the role of individuals by indexing their contributions to the rate of inflation.

These are important reforms that the Bipartisan Campaign Integrity Act accomplishes. These will be the basic parts of the reform that will be presented to this body this week.

Another way to express what we are trying to do is that we are trying to empower individuals in the election process. How do we empower individuals? We empower individuals under this bill first of all by restraining the voice of big money interests; in other words, that is the ban on soft money. In order to strengthen the people's voice, we have to restrain the big money interests in politics. In that way, it strengthens the voice of the individual.

I had a letter from a worker in my State who had worked hard for decades in building the party, in raising the small contributions, contributing the small contributions to the candidates. She wrote me a letter and said that it seems that that voice is being drowned out, the voice of the small contribution is being drowned out by the multinational corporations that are feeding our national political parties with literally millions of dollars of money. That was her impression. So if we restrain the big money interests, we empower the individual. That is what we are trying to do.

Many times the opponents to reform cite the Buckley versus Valeo decision. It is the United States Supreme Court decision that talks about free speech, that talks about campaign reform. They were evaluating the reform that was passed in the 1970s.

What the United States Supreme Court did in the Buckley versus Valeo decision was that it struck down limits on campaign spending, because spending was free speech. It struck down spending limits. Our bill does not do anything with spending. We do believe that it is appropriate that everyone spends money in campaigns because that is speech, that is free speech, that is first amendment privilege.

But the United States Supreme Court also said that it was consistent with the first amendment to restrict, have a reasonable restriction, on campaign contributions, so that is why they upheld the \$1,000 limit. It has been upheld, the corporate ban on contributions, and the labor union ban on contributions. They upheld the political action committees.

So there are reasonable restraints that can be made that are consistent with the first amendment. We restrain the voice of big money interests by limiting their contributions and their voice, and that strengthens and empowers the voice of the individual in American democracy.

Another thing we do to empower individuals is to empower them with information. That is the disclosure provisions, information as to where the candidates are getting their money, information as to what the issue advocacy groups are doing, who they are and how much money they are spending; who is trying to influence the elections.

A voter out there needs to be empowered with that information to make good decisions on who they are going to vote for, who the special interests are, who is trying to influence that particular candidate, so we empower that individual with the information.

Then we empower that individual, finally, by strengthening their voice, by strengthening their contribution, again, by indexing it to inflation, increasing their voice, increasing the amount that they can contribute to a candidate. So you empower individuals in our system of democracy. I believe that is significant reform. It is substantial reform. It is important for the voice of democracy.

What will happen down the road? What will happen if this is passed? If this legislation is passed by this body, first of all, I believe it gives tremendous momentum for campaign finance reform over in the other body, the United States Senate.

Secondly, besides giving that momentum, it will be held constitutional, because we have been careful to protect the first amendment, not to tread upon the rights of groups that are trying to influence the elections of this country, which is their first amendment rights. It will be held constitutional. I believe the President will sign it because it represents significant reform, so I think it can become law.

Also, once this is passed, we will empower individuals in our system of democracy, and I believe we will strengthen the role of the political parties. I am a former State party chairman, so I believe in political parties. I believe in their voice, and that their voice should not be drowned out.

However, I do not believe we ought to nationalize everything; that there is a role of the State party, a role of the national party, and there should be a balance between those. Our bill strengthens individuals, strengthens the political parties, strengthens their voices, and is a balance between the role of the candidates and the role of the issue advocacy groups. It represents significant reform.

Members might ask, is it a cure-all? Is this going to stop all the abuses? I am afraid it is not. Any law we pass out of this body, there might be someone who will sit and figure out exactly a way to get around or avoid it. We tried to eliminate those loopholes, but there is going to be a chance for reform down the road.

In the 1970s, four campaign reform bills passed this body, passed the Senate, and were signed into law, four of them. It has been decades since. We have an opportunity now to pass another law and have it signed into enactment. If we can do this, then it will set a pattern that, yes, we might want to review these laws again down the road. There might be some areas that the States need to address, but it is substantial reform. It is the first step to reform. It is reform that will give momentum to this effort and return democracy to the individual, and strengthen their role. That is what we want to accomplish.

When we look at the people that support campaign finance reform, from both sides of the aisle, Democrats and Republicans, former Presidents, from Gerald Ford to George Bush to Jimmy Carter, all have said that we ought to ban soft money. We have academics who look at this and say we ought to do that, and that we can do it constitutionally. Then we have leaders of reform, people from both sides of the aisle in this House, that support this.

Sure, there are opponents of this. They are going to try to kill it at every turn, but I think we have a great op-

portunity in this body to give something to the American people to fulfill our responsibility to them, and to fulfill our promises to them. When we do this in a bipartisan fashion, they will believe that we have done something good. It will reduce cynicism in America, it will increase confidence, and I believe that it is the most important thing we can do for the American citizens in this United States Congress.

Therefore, I ask my colleagues to support the Bipartisan Campaign Integrity Act. I hope that as we start this process, it will be an open and a fair procedure, one that we can say we are proud of; and that when we finish, when the day is done, we will say we have passed something that is good for the American public.

ONE OF AMERICA'S WORST NATIONAL SECURITY SCANDALS

The SPEAKER pro tempore (Mr. MILLER of Florida). Under the Speaker's announced policy of January 7, 1997, the gentleman from California (Mr. ROHRBACHER) is recognized for 60 minutes as the designee of the majority leader.

Mr. ROHRBACHER. Mr. Speaker, what started off as leaks about American corporations upgrading Communist Chinese rockets and missiles is today emerging as one of our country's worst national security scandals.

What could be worse than American corporations using technology, paid for by the American taxpayer, to improve Communist Chinese missiles and rockets so they will have a better chance of striking the United States with nuclear weapons?

What is worse than having government watchdogs go after companies engaged in this betrayal of the American people, and to have the prosecution of those responsible undercut by an executive action taken by none other than President Bill Clinton?

What is worse than to find out that the executive that gave the missile technology to the Communist Chinese, as well as the Communist Chinese themselves, I might add, donated a million dollars to the President's reelection effort at the time the missile deal was in play?

Mr. Speaker, the American people have bent over backwards so many times to give their President the benefit of the doubt. Many think the attention paid to sex scandals swirling through this administration are a waste of time, even a joke, never mind that the liberal establishment destroyed the career of Bob Packwood, Senator Bob Packwood from Oregon, just a few short years ago on allegations which were far less than what now face the President; and they also, this same liberal establishment, tried just a few short years ago to destroy the career of Justice Clarence Thomas with charges far less significant than those that are now being made against the President.