WASHINGTON, WEDNESDAY, FEBRUARY 13, 2002

House of Representatives

BIPARTISAN CAMPAIGN REFORM ACT OF 2001

(Continued)

The CHAIRMAN. No amendment to the bill, or to the bill as perfected by an amendment in the nature of a substitute finally adopted, shall be in order except those printed in the portion of the CONGRESSIONAL RECORD designated for that purpose or otherwise specified in House Resolution 344. Before consideration of any other amendment, it shall be in order to consider each amendment in the nature of a substitute specified in section 2 of the resolution. Each such amendment may be offered only in the order specified, may be offered only by the Member designated or a designee, shall be considered read, shall be debatable for 40 minutes, equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment except as specified in section 3 of the resolution.

If more than one amendment in the nature of a substitute specified in section 2 is adopted, only the one receiving the greater number of affirmative votes shall be considered as finally adopted. In the case of a tie for the greater number of affirmative votes, only the last amendment to receive that number of affirmative votes shall be considered as finally adopted.

After disposition of the amendments in the nature of a substitute specified in section 2, the provisions of the bill, or the provisions of the bill as perfected by an amendment in the nature of a substitute finally adopted, shall be considered as an original bill for the purpose of further amendment under the 5-minute rule and shall be considered read.

No further amendment shall be in order except those specified in section 3 of the resolution. Each such amendment may be offered only by the Member designated or a designee. Each such amendment shall be considered read, shall be debatable for 20 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

Pursuant to the order of the House of Tuesday, February 12, 2002, the Chair shall alternate recognition to offer the amendments specified in section 3 between the majority leader or a designee or the majority leader, and Representative SHAYS or Representative MEHAN or a designee of either Member, only as follows:

The majority leader for one amendment;
Representative SHAYS or Representative MEHAN for one amendment;
The majority leader for two amendments in sequence;
Representative SHAYS or Representative MEHAN for one amendment;
The majority leader for two amendments in sequence;
Representative SHAYS or Representative MEHAN for one amendment;
The majority leader for two amendments in sequence;
Representative SHAYS or Representative MEHAN for one amendment;
The majority leader for two amendments in sequence;
Representative SHAYS or Representative MEHAN for one amendment;

It is now in order to consider the amendment in the nature of a substitute numbered 13 specified in section 2 of House Resolution 344 by the gentleman from Texas (Mr. ARMEY).

Amendment in the nature of a substitute No. 13 offered by Mr. ARMEY:

Mr. ARMEY. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute No. 13 offered by Mr. ARMEY:

Strike all after the enacting clause and insert the following:

SEC. 1. SHORT TITLE.
This Act may be cited as the “Ban it All, Ban it Now Act”.

TITLE I—SOFT MONEY ACTIVITIES OF PARTIES AND CANDIDATES

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.
(a) In General.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), is amended by adding at the end the following:

SEC. 323. SOFT MONEY OF POLITICAL PARTIES.
(a) NATIONAL COMMITTEES.—
"(1) IN GENERAL.—A national committee of a political party (including a national congressional or Senatorial campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) APPLICABILITY.—The prohibition established by paragraph (1) applies—
"(A) to any national committee, any officer or agent acting on behalf of such a national committee, and any entity that is directly or indirectly established, financed, maintained, or controlled by such a national committee; and
"(B) to all activities of such committee and the persons described in subparagraph (A), including the construction or purchase of an office building or facility, the influencing of the reapportionment decisions of a State, and the financing of litigation relating to the reapportionment decisions of a State.

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—Any amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.
§ 301. BAN ON USE OF SOFT MONEY FOR GET-OUT-THE-VOTE ACTIVITIES

(a) IN GENERAL.—Any amount expended or disbursed for get-out-the-vote activities by any organization described in subsection (b) shall be made in connection with an election for State or local office, if the communication involved is in connection with an election for such State or local office and refers only to any other candidate for the State or local office held or sought by such individual, or both.

(b) ORGANIZATIONS.—An organization described in this subsection is—

(1) an organization that is described in section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986 (other than a political committee, a State, district, or local committee of a political party, or the authorized campaign committee of a candidate for State or local office);

(2) a candidate, individual holding Federal office, agent of a candidate or individual holding Federal office, or an entity directly or indirectly established, maintained, or controlled by any such national, State, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, who does not solicit funds for, or make or direct any donations to—

(A) an individual identified by a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for Federal office, or
generic campaign activity that is not Federal election activity described in section 315(a)(1)(D); or

(B) an entity that is not a Federal election activity described in clause (i) and that promotes or supports a candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that is not a Federal election activity described in section 315(a)(1)(D).

(c) FUNDRAISING COSTS.—An amount spent by a person described in subsection (a) or (b) to raise funds that are used, in whole or in part, for expenditures and disbursements for a Federal election activity shall be made in connection with funds subject to the limitations, prohibitions, and reporting requirements of this Act.

(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee or a State, district, or local party committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to—

(1) an organization that is described in section 501(c)(3) of such Code (other than a political committee, a State, district, or local committee of a political party, or the authorized campaign committee of a candidate for State or local office);

(2) a candidate, individual holding Federal office, agent of a candidate or individual holding Federal office, or an entity directly or indirectly established, maintained, or controlled by any such national, State, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, who does not solicit funds for, or make or direct any donations to—

(A) a candidate for State or local office, or the authorized campaign committee of a candidate for State or local office;

(B) solicitor, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

(C) solicit, receive, direct, transfer, or spend funds in connection with an election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

(i) are not in excess of the amounts permitted with respect to contributions to candidates committees under paragraphs (1), (2), and (3) of section 315(a); and

(ii) are not from sources prohibited by this Act from making contributions in connection with Federal election activity which are not subject to the limitations, prohibitions, and reporting requirements of this Act.

(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual described in such paragraph who is also a candidate for a State or local office solely in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted by State or local law and refers only to such State or local candidate, or to any other candidate for the State or local office sought by such candidate, or both.

(e) EVENTS.—Notwithstanding standing paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event by any organization described in such paragraph, if the event involves primarily activities described in clauses (i) and (ii) of section 301(20)(A), or made for any such entity which engages primarily in activities described in such clauses, the limitation applicable for purposes of a donation of funds by an individual shall be the limitation set forth in clause (i) or (ii).
ever have been, or ever will be corrupted.

That is a great fiction for demagoguery, but it is not the facts of who we are, and we ought to have the courage to stand up and say, my colleagues, that we are decent, honest, hard-working servants of this country, our respective districts, and the ideas that we embrace. And I, for one, am proud to make that comment about myself and my colleagues.

We have in this debate a great deal of allegiance to Shays-Meehan. There is Shays-Meehan No. 1, the original bill that attracted a lot of co-sponsorship, and a lot of people will come to the floor and say, I am for that, and by their commitment to Shays-Meehan will be for the original Shays-Meehan bill, a couple of years old now.

There are those who will say I am committed to what I call Shays-Meehan No. 2, the revision of the original Shays-Meehan that featured 17 amendments that were offered by a rule earlier in this Congress, in 17 separate amendments, which was considered unfair and resulted in the rule being voted down, principally by proponents of Shays-Meehan.

Or there may be those who believe in Shays-Meehan No. 3; that which we discovered in the wee hours of the morning as they were presented last night with some seven or eight new amendments to it, which will be offered later as a substitute by the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN).

What is the common thread that runs through Shays-Meehan No. 1, No. 2, and No. 3? A consistent pattern of the accumulation of loopholes to the soft money ban. It may be that my memory does not serve me well, but it is possible perhaps Shays-Meehan No. 1, the original, did have an immediate, full, complete, comprehensive ban on soft money. That may or may not have been the case, but it is sure not the case now.

We have in the accumulation of loopholes some 20 loopholes to the soft money ban. The one thing for certain we can say about Shays-Meehan, as we will see it on this floor, is there is no full soft money ban now.

My favorite loophole of the soft money ban, and the only one I will talk about because there are so many loopholes, is the one that popped up last night and tonight. That loophole, under the guise of reform, allows people to do with soft money after reform what they cannot do legally today, and that is borrow soft money, spend it as hard money, and then after the election pay it back as soft money. That one cracks me up.

How in the world could anybody with a straight face say I am here with a heartfelt commitment to get rid of the evils of soft money and vote or even offer such an amendment to Shays-Meehan?

If my colleagues want to end soft money now, now, vote for the Armey substitute. It does not end soft money after the election, it does not end soft money after we have used it to manipulate hard money, it is now. So if, in fact, my colleagues have the courage of their convictions and they want to put their money where their mouth is, there is an amendment, and that is where their soft-spoken mouth is, vote for Armey and get rid of soft money now.

If my colleagues do not want to get rid of soft money now, then quit talking about it. I at least do us the courtesy of giving us the benefit of the doubt with respect to the suspicion that we are not total idiots. We are either for a ban on soft money now or we are not. We are either for tricks and gimmicks, exceptions and loopholes or we are not. If we are for a real ban now, vote for Armey.

Mr. Chairman, I ask unanimous consent that I be allowed to yield the debate time I have remaining on my amendment to the gentleman from California (Mr. DOOLITTLE), the further ask unanimous consent that he be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HOYER. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) may each control 6 minutes of the time allocated to me, and that they may yield such time.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I have in my hand a letter from Mr. Larry Noble, executive director and general counsel of the Center for Responsive Politics, who was the former general counsel of the Federal Election Commission, and I quote from that letter:

"It is clear under Federal election law that only hard money can be used to pay off hard money debt. The letter goes on to say, ‘I see nothing in section 402(b)(1) of the Shays-Meehan Substitute,’ referred to by so many of the speakers, that would supersede current Federal law. Under section 402(b)(1), soft money funds on hand after elections could only be used to pay off debts or obligations used for soft money expenditures."

Constantly, the other side has been using as a windmill that they want to have us quixotically focus on, this incorrect claim that we somehow allow soft money to be used to pay off hard money debt. The letter goes on to say, ‘I see nothing in section 402(b)(1) of the Shays-Meehan Substitute,’ referred to by so many of the speakers, that would supersede current Federal law. Under section 402(b)(1), soft money funds on hand after elections could only be used to pay off debts or obligations used for soft money expenditures."

Mr. Chairman, I provide for the RECORD the letter I just quoted from.

CENTERS FOR RESPONSIVE POLITICS,

Hon. Christopher Shays,
Longworth Building, Washington, DC.

Dear Congressman Shays: This is in response to your question regarding whether a national committee of a political party can use soft money to pay off a debt or obligation that was used to fund expenditures that must be paid for with hard money. It is clear under federal election law that only hard money can be used to pay off a loan that was used for hard money expenditures. I see nothing in Section 402(b)(1) of the Shays-Meehan Substitute Amendment that would supersede current federal law. Under Section 402(b)(1), soft money funds on hand after the election could only be used to pay off debts or obligations used for soft money expenditures.

If you have any other questions, please do not hesitate to contact me.

Sincerely,
Larry Noble,
Executive Director and General Counsel,
(Former General Counsel of the Federal Election Commission).

Mr. HOYER. Mr. Chairman, I reserve the balance of my time.

Mr. LINDER. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DOOLITTLE), who has some time constraints, and then I will make my comments.

Mr. DOOLITTLE. Mr. Chairman, I thank the gentleman for yielding me this time.

I draw Members’ attention to an article in today’s Washington Post, not by a Republican or a conservative, by Robert J. Samuelson, entitled “It Is Not Reform, It Is Deception.” That is all this Shays-Meehan bill and the McCain-Feingold bill are about. I encourage Members to read it because it is not from a Republican perspective, and yet it makes all the Republican arguments. With all of the demagoguery we are going to hear today, I hope Members will read this because in one little summary, Members will get the essence of what this is all about.

Mr. Chairman, the disastrous present law that we have was given to us by those same liberals who are now bringing to us an updated version in the Shays-Meehan bill. This law was rammed through in 1974 by liberal Democrats in the far left of the think tanks to try and take advantage of Republicans through the law and making it harder for them to campaign. It worked. It took us 20 additional years before we won the House of Representatives as a result of that law.

If this disastrous bill passes today unamended, I suspect we will have another 20 years in the trenches before we ever come back. Why is it right to abuse the law to skew it in favor of one party and against another? It is terribly wrong.

As Samuelson says, it is not reform, it is deception. I support the amendment of the gentleman from Georgia (Mr. LINDER). If we ban soft money, ban it cleanly, not with 85 pages of exceptions like the Shays-Meehan bill does. Ban it cleanly. It does not need to be banned, but I am going to vote for the amendment because I want the bill to go to conference.

This disastrous system the Democrats gave us needs to be fixed. The
only way to fix it and get a level playing field is to send it to conference. I support the gentleman's amendment.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the gentleman from Virginia (Mr. MORA). Mr. MORA. Mr. Chairman, Virginia. Mr. Chairman, first of all, I take great exception to the majority leader's words that we think that he is a total idiot. Not only is the gentleman very clever, but his amendment is very clever. It is not the word's that are the problem, it is the intent. In fact, only 8 cents out of every soft-money dollar spent in the 2000 campaign cycle spent by the parties went to voter education, phone banks, voter registration, get-out-the-vote, traditional party-building activities. The problem is the intent. If this passes, it will go to conference, and it will be killed in conference.

Mr. LINDER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I begin to address the question of intent, this bill, or the vast majority of this bill, was actually introduced March 15, 2001. It was introduced by me after talking to many people about it because I believe if we want to get rid of soft money, Members ought to talk about it.

Every year since 1996, this body has been offered a version of Shays-Meehan, and in every Congress we have listened to our colleagues take the floor of the House to vilify soft money and all of its evils and vills; yet in all of the various incantations of the Shays-Meehan language that we have seen over the years, we have never seen a version that bans soft money in Federal elections. Let me say that again. In all of the various incantations of the Shays-Meehan language that we have seen over the years, we have never seen a version that bans soft money in Federal elections.

Further, in any rendition of the Shays-Meehan bill, the authors banned all soft money immediately. That is right. Yet for the rest of this day and into the night, we are going to hear that this proposal bans soft money. It calls to mind the wonderful line from Alice in Wonderland when one of the character says, "When I use a word, it means exactly what I want it to mean." That is what "ban" is going to be today.

Mr. Chairman, I am the former chairman of the National Republican Congressional Committee. I ran that committee on the very soft dollars that we seek to ban today. So when I speak about the need to end soft money in Federal politics, I know of what I speak. It is from that background that I came to the floor proudly today to support the ban-it-all, ban-it-now reform legislation of the gentleman from Texas. I support campaign finance reform.

In fact, even as a former NRCC chairman, I introduced my own campaign finance reform legislation in this Congress, legislation that would ban all soft money used by national committees, corporations, and labor unions. I am pleased that much of that bill is incorporated in this substitute today. But the debate here today is not about my language; it is about my principles. And while I support campaign finance reform, principle prevents me from supporting Shays-Meehan.

Shays-Meehan. Mr. Chairman, all Americans deserve a voice in the political process, and we need campaign finance reform to ensure that all voices are heard. Yet Shays-Meehan singly silences some voices altogether while amplifying others. Shays-Meehan creates a playing field, but it is not a level playing field. It is a field where winners are guaranteed. Clever rhetoric and good intentions have never been able to hide this fatal flaw.

While soft money is certainly not the root of all evil in modern politics, all direct contributions to national parties from corporations, labor unions, or individuals should fall under the same regulations to candidates.

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While soft money is certainly not the root of all evil in modern politics, all direct contributions to national parties from corporations, labor unions, or individuals should fall under the same regulations to candidates.

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

Mr. HOYER. Mr. Chairman, I yield the balance of my time to the gentleman from Florida (Mr. Davis) and ask unanimous consent that as a member of the Committee on House Administration, that he may control that time.
February 13, 2002

CONGRESSIONAL RECORD — HOUSE

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would re- mind Members to address remarks to the Chair and not to those in the audience.

Mr. DAVIS of Florida, Mr. Chairman, I yield 1 minute to the gentleman from Rhode Island (Mr. LANGEVIN).

Mr. LANGEVIN. Mr. Chairman, I rise in strong support of the historic Shays-Meehan Campaign Finance Reform Act today. For too long, our Nation's elections have been tainted by the effects of soft money, and the Shays-Meehan bill is the only measure that will put an end to this corrupting influence.

Public participation is the cornerstone of a healthy democracy. As secretary of state of Rhode Island, I worked to make government more accessible to our citizens. However, despite these advances, my constituents still feel disheartened by our Nation's election system because large sums of money drown out the voice of the average American.

Reform is never easy. We often forget the immense courage exhibited by our Founding Fathers in challenging the status quo. We must remember this lesson and vote for true campaign finance reform so that we can fundamentally restore democracy out of the hands of corporations and interest groups and restore the voice of our citizens. Vote against the Army substitute and for Shays-Meehan.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. I thank the gentleman for yielding me this time.

Mr. Chairman, current campaign finance laws were written to curb the abuses of another generation. Thirty years later, a new plague has infected our Nation's elections, soft money. This money, these unlimited contributions, are used to run attack ads, and they do distort our public policy choices here. That is why I urge all my colleagues to defeat all of these amendments and substitutes that are being proposed and to pass Shays-Meehan. If this government is to remain a government of the people, by the people and for the people, we must take soft money out of this campaign finance system. We must pass Shays-Meehan and take these unlimited contributions and set them aside. Our democracy will work, and work far better than it does today, if we pass this bill.

Mr. LINDER. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Florida (Mr. KELLER).

Mr. KELLER. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise today in strong support of the gentleman from Texas' campaign finance reform bill to completely ban all soft money.

I support this bill for three reasons: First, this bill completely ban all soft money for national, state and local parties, unlike the Shays-Meehan bill which has a $60 million loophole for soft money to State and local parties.
Second, the Shays-Meehan bill is blatantly unconstitutional, because it attempts to ban outside groups from running any television or radio ads 60 days before an election. The gentleman from Texas’ bill contains no such constitutional limitation.

Third, it is critical that we pass the Army campaign finance reform bill in order to send this legislation into the conference committee so that the President of the United States will have some input into the campaign finance reform debate. Specifically, President Bush has repeatedly said that paycheck protection is an important component to any campaign finance reform bill, yet there currently is not a paycheck protection component to the Shays-Meehan bill.

Mr. SHAYS. Mr. Chairman, I yield myself 15 seconds to point out to the gentleman that our bill does not ban outside ads 60 days to an election. It just says you cannot use corporate treasury money to union dues money or unlimited money.

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

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. I thank the gentleman for yielding time. I applaud the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) for their distinguished and hard work that has brought this bill to the floor today.

Mr. Chairman, many of my colleagues on the other side of the aisle have used the word “hypocrisy,” but the biggest hypocrite, the only hypocrite in this body today is anyone who votes against Shays-Meehan and for any of the poison pills or the substitute bills that will send it, the bill that they are going to the conference committee where it will certainly die and be killed in conference.

Shays-Meehan has already passed the Senate. It has the fragile flower of consensus that has been worked out carefully, over 10 years. We have the best opportunity now in 10 years to pass meaningful reform, send it to the President, and he says he will sign it.

If Members are serious about campaign finance, then vote for Shays-Meehan and show the American public that our government is not for sale.

Mr. LINDER. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER asked and was given permission to revise and extend his remarks.

Mr. WELLER. Mr. Chairman, I rise in support of the Army amendment, which frankly is an amendment that really points out what a sham the Shays-Meehan legislation is.

The Shays-Meehan legislation says it bans soft money. No, it does not. It has got a $60 million soft money loophole, and the sponsors know it. The Army legislation actually is a true soft money ban. So if you want to get rid of soft money, vote for the Army amendment.

But also I want to urge my colleagues to read the bill, because not everyone is a Shays-Meehan, but also there is a betrayal in this legislation. Many Members were urged to sign the discharge petition saying we needed to rush it to the floor. Of course the effective date now is postponed until after the election, negating that argument. But last night at midnight, there was a change made to the bill which will allow committees such as the Democratic Congressional Committee to borrow money against their building fund, which has up to $40 million, to borrow hard money and pay it back with soft money; pay a hard money loan with soft money, a total betrayal of the basic principles of Shays-Meehan.

Mr. SHAYS. Mr. Chairman, I yield myself 1 minute to say to the distinguished gentleman, he is just dead wrong. He is dead wrong about what he has said.

First, this bill was not brought in at the midnight hour. That is just simply inaccurate. He is simply incorrect about somehow that this is a sly thing to have the bill take effect in November. No, the reason why it is taking effect in November is that we have had 16 months already pass. Sixteen months have already passed. And so it becomes extraordinarily difficult to implement a bill in which 16 months have passed.

Mr. LINDER. Mr. Chairman, I continue to reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, it is my distinct pleasure to yield 1 minute to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Chairman, I rise in opposition to the substitute. The moment was ripe for me to stand up to this House 4 years ago in a special election. My very first official act after being sworn into office was to cosponsor the bill by the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN). It is still one of the proudest moments of my career. The gentleman from Connecticut and the gentleman from Massachusetts have kept the torch burning for many years. I salute them. I also salute my 20 friends on the other side of the aisle who have signed the discharge petition, who have acted courageously and stood up to their own leadership.

Mr. Chairman, we have all seen the abuse are knew all of our political system. We also know that these substitute bills do not represent reform. They are cynical attempts to force the bill into conference with the Senate, where it has died many times before.

Before any of us ever heard the word Enron, we knew all that the voices of our constituents can and are often drowned out by powerful groups with endless resources. In so many of our national debates, from prescription drugs to patients’ rights to our energy policy, special interests have held sway over the people’s interests. It is time today to pass Shays-Meehan to honor the people we represent, the American people who voted for Shays-Meehan, but also there is a betrayal in this legislation.

Mr. LINDER. Mr. Chairman, I yield myself such time as I may consume.

I would like to point out that there was nothing cynical about my intent to introduce this bill a year ago. There is nothing cynical about supporting it now.

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

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Chairman, on September 11 our democracy was tested by foreign terrorists. With unity and resolve, we met that test.

Today our democracy faces a different challenge, a cancer from within, in the form of massive campaign contributions called soft money. The victims of this cancer are the millions of decent, hard-working Americans whose voices are being drowned in a sea of special interest contributions.

Trying to call million-dollar contributions “free speech” gives a new meaning to the phrase “money talks.” And Americans know that in Washington, D.C., money is talking too loudly.

Free speech is a fundamental right, but in a democracy, the strength of a citizen’s voice should depend upon the quality of one’s ideas, not the quantity of one’s bank account.

Let us unite once again in defense of our democracy. Let us affirm the great American ideal that this should truly be the people’s House, where the voice of every citizen is heard, not just a privileged few.

Vote for Shays-Meehan and oppose all Trojan horse substitutes.

Mr. DAVIS of Florida, Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from California (Mrs. TAUSCHER).

Mrs. TAUSCHER. I thank my friend and colleague for yielding time.

Mr. Chairman, I have supported Shays-Meehan since being elected to Congress in 1996. I helped pass this bill twice. I hope today we can get a clean bill so we can vote for it again. I urge my colleagues to oppose the Army substitute so we can get a clean vote today on Shays-Meehan.

Our democracy deserves honest campaigns and honest elections. Voters deserve to know the truth about who is working to affect election outcomes, including the people and interest groups behind billion dollar campaigns. There is no reason parties need to collect large, unregulated amounts of money that can be used to directly influence elections. Campaign finance reform will help restore the public’s faith in our elected officials and the legislative process.

Unfortunately, the Republican leadership will stop at nothing to kill this.
bills, only further distancing working families from their government.

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I hope supporters of reform in previous years will keep working with both parties and support real reform again this year and today when it really matters.

Mr. LINDER. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Arizona (Mr. Hayworth).

Mr. HAYWORTH. Mr. Chairman, I rise in support of the amendment because it offers us a straightforward choice: either you ban soft money or you do not.

It was your second President, John Adams, who pointed out that facts are stubborn things. And on pages 78 and 79 of the Shays-Meehan bill, here it is: “This act and the amendments made by this act shall take effect November 6, 2002.”

It is a fair question to ask: Why would we set up a new loophole to really have a type of legalized money laundering, hard money for soft money, all the little gyrations we can have? Certainly not for partisan advantage from my hand-picked friends on the left or my well-meaning friends on the right. Certainly not for that. But yet, at the end of the day, how can you deny it?

Facts are stubborn things. I do not question the intent, although it is provoked good enough to ban soft money, why not do it now, and not wait until the day after election day? Do it now.

Mr. SHAYS. Mr. Chairman, I yield myself 15 seconds to point out to the gentleman that there is nothing in this bill which allows soft money to be replaced by hard money; nothing in this bill whatsoever.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from South Carolina (Mr. GRAHAM).

Mr. GRAHAM. Mr. Chairman, the hardest thing I think in politics or life is to argue with people you are close to personally and that you share a common philosophy and way of doing business with. That is where I find myself. I find myself in the distinct minority among my party. I find myself hearing the Speaker and others saying this particular piece of legislation would destroy my party. I respectfully disagree, but it is no fun being where we are at today.

In 1996, when we first started talking about reforming this system, it sounded good to me, and it still does. Half the people in this country vote. Of those eligible to vote, half of those do not even register. We are getting down to just a few people having participation feelings about our government.

I am convinced, rightly or wrongly, that the way we conduct campaigns is turning Americans off in droves.

The soft money problem, I am glad this amendment is up. We need to ban soft money. I would say to the gentleman from Arizona (Mr. Hayworth), we need to do it now, we really do; and I am going to vote for that. But I am going to vote for Shays-Meehan.

A lot of this is games. But let me tell you what it is like. If you give $25,000 to the Republican Party, the Democratic Party wants $30,000, because it gets out in about 30 seconds. If you are a company out there and they call you up on the phone wanting money, you say no, at your own peril. If there is a bill in Congress that affects the average everyday American, somebody can send that up in a whisper party, and you will never convince me that does not affect the quality of legislation.

I am ready and willing to do something about it. I even have to argue and disagree with the people that I hold dear personally and professionally. I think America needs to change the way we conduct our campaigns, and I am willing to pay a price by making my friends mad at me.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. Mr. Chairman, who are we kidding? We are kidding the American people. They get this. They know that if we pass this substitute or any of 10 amendments by the majority, that, for all practical purposes, we will have killed Shays-Meehan and true campaign finance reform for this year.

You talk about cooking something up at the last minute. My understanding is our side of the aisle only got notice of this substitute at 1 a.m. this morning. It is unfortunate, but if the sponsors of this substitute really wanted to be actively engaged in this process, they should have done it earlier, and many of their proposals quite possibly could have been included in the ultimate Shays-Meehan bill. But they failed to do that; and we find ourselves now with this substitute before us.

I say we vote it down, we pass Shays-Meehan, and bring real campaign finance reform to the people of this so-deserving country.

Mr. LINDER. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Pennsylvania (Ms. HART).

Ms. HART. Mr. Chairman, I rise in support of the substitute. I rise in support of the substitute because the base bill is not perfect. Granted, no bill is perfect. This bill does one thing that it should not do; it continues to allow soft money participation in campaigns.

When a company in my district, they want us to clean up campaigns. They ask me to support Shays-Meehan. I discuss with them what they are really concerned about regarding campaigns, and they say they want us to eliminate soft money. That is what this substitute does.

Many of us signed a Common Cause pledge when we ran a couple of years ago that said I will support a complete ban on soft money and will oppose any legislation that does not completely ban soft money.

Now, many of those who are supporting the bill as it is written today, the Shays-Meehan bill, are not banning soft money and are violating the Common Cause pledge.

I am going to stick with the pledge, support the bill that eliminates soft money, and also support the bill that makes sure that these changes take effect.

Mr. DAVIS of Florida. Mr. Chairman, I ask unanimous consent to return control of the time on this side to the gentleman from Maryland (Mr. HOYER).

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I would like to say this bill does have a purpose: it allows people to honor their pledge, but then kill campaign finance reform. This bill is not a bill that can pass the Senate. It is a bill that is not going to go anywhere. It is a bill that would force a conference committee and I would like to know what is going to happen.

So this is why this bill has finally come forward. There will be a few people that say I want a pure bill. They are the ones I lived in Virginia and helped kill campaign finance reform in the process.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished woman from the District of Columbia (Ms. Norton).

Ms. NORTON. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, a Presidential spokesman has just said good things about Shays-Meehan and Ney-Wynn. After Enron I suspect the President to ultimately choose Shays-Meehan, and so should we.

Opponents have now put forward a substitute they have always argued was unconstitutional because it banned soft money. Shays-Meehan skillfully threads its way through the constitutional thicket to conform with the Buckley Supreme Court decision.

The President sees no way around Enron and campaign finance reform. I think he will shortly see that all roads to reform lead to Shays-Meehan.

Mr. LINDER. Mr. Chairman, can the Chair tell us how much time is remaining?

The CHAIRMAN. The gentleman from Georgia (Mr. LINDER) has 15 minutes remaining, the gentleman from Maryland (Mr. HOYER) has 2 minutes remaining, the gentleman from Connecticut (Mr. SHAYS) has 30 seconds remaining, and the gentleman from Michigan (Mr. LIVIN) has 1 minute.

Mr. LINDER. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I know it is early in the morning, so I shall not appoint the time, but in many ways, it is already midnight at the costume party. It is time we remove our
masks and we see who is who. We need to be very clear where we are right now, and I hope the folks who are watching the debate are very clear where we are right now.

Shays-Meehan, as filed late last night, does not ban soft money. Let me repeat that. Shays-Meehan does not ban soft money. It restricts it, it plays with it, but it does not ban soft money. I notice that my friends on the other side are avoiding a debate on details. Our side talks details; their side talks sides. They say this amendment is a poison pill. If it is, it is a poison pill that is worth about $40 million to the other side. This is not a Swiss cheese soft-money ban, as one of my colleagues referred to it. It is something full of holes and loop holes, but there is not enough cheese here for it to qualify.

Mr. Chairman, if you want to ban soft money, there is only one vote today that bans soft money. This is it. Nobody, nobody who votes against this substitute amendment, can say they voted to ban soft money. Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I just would like to point out that the gentleman that soft money had its introduction to enable people to build buildings. We did not create this. It has been in the bill forever.

We are just simply saying that if a party is, frankly, stupid enough to spend its soft money to build a building instead of campaigning against us, be our guest. If they have committed to it, they cannot raise any soft money after November 6, but they certainly can pay their bills on money they set aside.

I would prefer them building a building rather than running against us, and that is their choice. You cannot use any soft money for any hard-money expenditure, which the gentleman is also incorrect about.

Mr. HOYER. Mr. Chairman, I yield myself 1 minute, and then I will yield the balance of my time to the gentleman from Michigan (Mr. LEVIN) for the purpose of closing.

Mr. Chairman, I rise in opposition to the Armey substitute. The debate here is saying that if you do not vote to ban all soft money, do not vote to ban any soft money. When the proponents of the amendment to ban all soft money know that its inevitable effect will be to ban no soft money, does that sound somewhat Orwellian? It is. Does it sound like giving with the right hand and taken away with the left? It is.

My friends in my party, as everybody in America knows, there is but one opportunity to ban at least a large portion of soft money, and that is Shays-Meehan. Vote against this Armey substitute.

Mr. LINDER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I would like to point out that for those who think this is cynical, this bill was essentially introduced in March of last year. Both parties raised about the same amount of soft money, about $245 million in the last cycle; and we should ban it all, and those who do not want to ban it all, do not want to ban it.

The Shays-Meehan bill will only reduce soft money on national political parties; admittedly, not to local parties, admittedly not to interest groups. They can still continue to use soft money. Only national political parties will be totally forbidden from using soft money.

Yet, we are going to drive wedges between the national parties and special interest groups. We are going to make our politics narrower and narrower in focus, because interest groups tend to have a single interest. Whether it is pro- or anti-abortion, pro- or anti-gun, pro- or anti-environmental, they are single-issue organizations, and they will be unfettered in their use of soft money, and we will have candidates across this country trying to genuflect between the alter of this group or that group, and not to the people with the broadened philosophy, but with narrow interests. That is bad for our politics; it is bad for our policy.

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This substitute was not cynical. For those who say it is a poison pill, let me just say that that is a bad cliche, and, for the most part, cliches are substitutest for rigorous thought. This was put forth a long time ago. It could have been read long before Shays-Meehan was ever even produced at midnight last night. In fact, many of the folks who signed the discharge petition which passed through to put this bill on the floor have not read this Shays-Meehan version yet. This is only the most recent iteration.

If we want simply to curb some soft money, but not all, support Shays-Meehan. If we want to simply marginally reduce corporate, union and special interest loopholes, support Shays-Meehan. If we want to nibble around the edges of this debate year after year after year, then the Shays-Meehan is the bill for you. But if we want a complete and total ban on every dollar of very soft money involved in Federal election advocacy today, then join me and the gentleman from Texas (Mr. ARMNEY), and support this substitute. Join us. Ban it all; ban it now.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Mr. Chairman, I yield myself the remainder of my time, and I thank the gentleman from Maryland (Mr. HOYER) for yielding me the time.

(Levin asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Chairman, the Speaker has apparently said that it is Armageddon for the Republicans if Shays-Meehan passes. I think the real problem is that it would be Armageddon for them if they defeated it. So what we are seeing here are tactics to obscure the issue.

Shays-Meehan does not nibble around the edges of soft money. It gets at the vice, and that is the unrestricted use of soft money for so-called issue ads. All it allows in a very circumscribed way, very circumscribed, is money for registration and get-out-the-vote. We will go into that later. Mr. Chairman, $40 million. It is absurd to talk that way. What Shays-Meehan tries to do is to preserve the democratic processes of registration and getting out the vote.

What does the Armey amendment do? What it essentially says is no one can use even their own funds to help register people or get them out to vote, whether it is the NAACP or the NRA or anybody else. Nobody can use any of their own treasury monies. It is anti-democratic. What it is is a smoke-screen, and we can see through it. The opposition cannot decide whether it wants to open the spigot altogether or shut it down altogether. You are moving from pillar to post when the solid position in the middle of this issue is Shays-Meehan.

Vote down the Armey amendment and let us pass true reform. The day has come for Shays-Meehan, McCain-Feingold, and nothing is going to stop that effort.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. ARMNEY).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SHAYS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 179, noes 249, not voting 6, as follows:

[Ball No. 19]

AYES—179

Aderholt
Akin
Arms
Arms
Baker
Bengtson
Bartlett
Barton
Brown (SC)
Bryant
Bunton
Bonilla
Bono
Boozman
Brady (TX)

Camp
Ms. DEGETTE changed her vote from “aye” to “no.”

Mr. TERRY, Mr. REYNOLDS and Mr. FOSSELLA changed their vote from “no” to “aye.”

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. PETERSON of Pennsylvania. Mr. Chairman, I offer an amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute No. 14 offered by Mr. NEY.

Mr. NEY. Mr. Chairman, I offer an amendment in the nature of a substitute.

Title I—Reduction of Special Interest Influence

Title II—Independent and Coordinated Expenditures

Title III—Coordination with candidates.

Title IV—Personal Wealth Option

Title V—Miscellaneous

Title VI—Independent Campaign Finance Reform

Title VII—Prohibiting Use of White House Meals and Accommodations for Political Fundraising
TITLE VIII—SENSE OF THE CONGRESS REGARDING FEDERAL GOVERNMENT PROPERTY

Sec. 801. Sense of the Congress regarding applicability of controlling legal provisions to fundraising on Federal government property.

TITLE IX—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY

Sec. 901. Requiring national parties to reimburse at cost for use of Air Force One for political fundraising.

Sec. 902. Reimbursement for use of government equipment for campaign-related travel.

TITLE X—PROHIBITING USE OF WALKING AROUND MONEY

Sec. 1001. Prohibiting campaigns from providing currency to individuals for purposes of encouraging fundraising at an event.

TITLE XI—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

Sec. 1101. Enhancing enforcement of campaign finance law.

TITLE XII—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

Sec. 1201. Severability.

Sec. 1202. Review of constitutional issues.

Sec. 1203. Regulations.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:—

"Sec. 323. (a) NATIONAL COMMITTEES.—

'(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) and any officers or agents of such party committees, shall not solicit, receive, or direct to another person a contribution, donation, or transfer of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

'(2) APPLICABILITY.—This subsection shall apply to any entity that is directly or indirectly established, financed, maintained, or controlled by a national committee of a political party (including a national congressional campaign committee of a political party), or an entity acting on behalf of a national committee, and an officer or agent acting on behalf of any such committee or entity.

'(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

'(1) IN GENERAL.—An amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party) for Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

'(2) FEDERAL ELECTION ACTIVITY.—

'(A) In general.—The term ‘Federal election activity’ means—

'(i) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot, the date of which a candidate for State or local office also appears on the ballot; and

'(ii) a communication that refers to a clearly identified candidate for a Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and is made for the purpose of influencing a person regarding the communication is express advocacy.

'(B) EXCLUDED ACTIVITY.—The term ‘Federal election activity’ does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

'(i) an individual campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, provided the campaign activity is not a Federal election activity described in subparagraph (A); and

'(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A).

'(C) FEDERAL ELECTION ACTIVITY.—The term ‘Federal election activity’ means—

'(i) a candidate or a political committee (including a national congressional campaign committee of a political party, and any subordinate committee of either), an entity that is directly or indirectly established, financed, maintained, or controlled by a national, State, district, or local committee of a political party, and any different paragraph (1), a candidate may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

'(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in paragraphs (2)(A) and (2)(B)(v) of section 323(b).
in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

“(4) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed not later than the specified periods required for political committees under subsection (a).”.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF COORDINATED EXPENDITURE.—Section 301(b)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

“(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xv) as clauses (viii) through (xii), respectively.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

SEC. 201. DEFINITIONS.

(a) IN GENERAL.—Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

“(17) INDEPENDENT EXPENDITURE.—

“(A) IN GENERAL.—The term ‘independent expenditure’ means an expenditure by a person—

(i) for a communication that is express advocacy; and

(ii) that is not coordinated activity or is not provided in coordination with a candidate or a candidate’s agent or a person who is coordinating with a candidate or a candidate’s agent.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF EXPRESS ADVOCACY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) is amended by adding at the end the following:

“(17) EXPRESS ADVOCACY.—

“(A) IN GENERAL.—The term ‘express advocacy’ means a communication that advocates the election or defeat of a candidate by—

(i) containing a phrase such as ‘vote for’, ‘re-elect’, ‘support’, ‘cast your ballot for’, ‘name of candidate’ for Congress, ‘name of candidate’ in (year), vote against’, ‘defeat’, ‘reject’, or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of one or more clearly identified candidates; and

(ii) referring to one or more clearly identified candidates in a paid advertisement that is not broadcast on radio or television within 60 calendar days preceding the date of an election of the candidate that appears in the State in which the election is occurring, with respect to a candidate for the office of Vice President or President, the time period is within 60 calendar days preceding the date of a general election of the candidate.

(iii) expressing unmistakable and unambiguous support for or opposition to one or more clearly identified candidates when taken as a whole and with limited reference to external events, such as proximity to an election.

(B) VOTING RECORD AND VOTING GUIDE EXEMPTION.—Paragraph (A) does not include a communication which is in printed form or posted on the Internet that—

(1) presents information solely about the voting record or position on a campaign issue of one or more candidates (including any statement by the sponsor of the voting record or voting guide of its agreement or disagreement with the record or position of a candidate), so long as the voting record or voting guide when taken as a whole does not express unmistakable and unambiguous support for or opposition to one or more clearly identified candidates;

(ii) is not coordinated activity or is not made in coordination with a candidate, political party (including all congressional campaign committees and all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinating committees of such committees)) or candidate’s agent or a person who is coordinating with a candidate or a candidate’s agent or a person who is coordinating with a candidate or a candidate’s agent, except that nothing in this clause may be construed to prevent the sponsor of the voting guide from directing questions in writing to a candidate about the candidate’s position or views in response to questions for purposes of preparing a voter guide or to prevent the candidate from responding in writing to such questions; and

(iii) does not contain a phrase such as ‘vote for’, ‘re-elect’, ‘support’, ‘cast your ballot for’, ‘name of candidate for Congress’, ‘name of candidate in (year)’, vote against’, ‘defeat’, ‘reject’, or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of one or more clearly identified candidates.

(c) DEFINITION OF EXPENDITURE.—Section 301(9)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)) is amended—

(1) in clause (i), by striking “and” at the end;

(2) in clause (ii), by striking the period at the end and inserting “;”;

and

(3) by adding at the end the following:

“(iiii) a payment made by a political committee for a communication that—

(I) refers to a clearly identified candidate;

and

(II) is for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).

SEC. 202. EXPENDITURE DETERMINED WITHOUT REGARD TO BACKGROUND MUSIC.

Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)) is amended—

(A) by striking clause (iv); and

(B) by adding at the end the following:

“(C) BACKGROUND MUSIC.—In determining whether any communication by television or radio broadcast constitutes express advocacy for purposes of this Act, there shall not be taken into account any background music not including lyrics used in such broadcast.”.

SEC. 203. CIVIL PENALTY.

Section 399 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(A)—

(i) in clause (i), by striking “clauses (ii)” and inserting “clauses (ii) and (iii);” and

(ii) by adding at the end the following:

“(iii) If the Commission determines by an affirmative vote of 4 of its members that there is a knowing and willful violation of section 304(c), the Commission shall not enter into a conciliation agreement under the provisions of this section or institute a civil action for relief under paragraph (6)(A);”;

and

(B) in paragraph (6)(B), by inserting “except an action instituted in connection with a knowing and willful violation of section 304(c)” after “subsection (A)”;

and

(2) in subsection (d)—

(A) in subparagraph (A), by striking “any person” and inserting “the person or the second sentence of subsection (c)(2)”;

and

(B) by adding at the end the following:

“(D) In the case of a knowing and willful violation of section 304(c) that involves the reporting of an independent expenditure, the violation shall not be subject to this subsection.”.

SEC. 204. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended—

(1) in subsection (c)(2), by striking the undesigned matter after subparagraph (C); and

(2) by redesigning paragraphs (3) of subsection (c) as paragraphs (4) and (5) respectively.

(b) IN GENERAL.—Section 305 of the Federal Election Campaign Act of 1971 (2 U.S.C. 435) is amended—

(1) in subsection (a)(1)—

(A) in paragraph (1), by striking “and” and inserting “,” and inserting “(2),” (3), and “(4)”;

and

(2) by adding at the end the following:

“(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES AS DEFINED IN SECTION 301(I)(7) WITH RESPECT TO THE CANDIDATE DURING THE ELECTION CYCLE.

(c) CERTIFICATION.—Before making a coordinated expenditure under this subsection with respect to a candidate, a committee of a political party shall file with the Commission a certification, signed by the treasurer of the committee, that the committee has not and shall not make any independent expenditure with respect to the candidate during the same election cycle.

(d) APPROPRIATION.—For the purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees and all political committees established and maintained by a State political party (including any subordinating committees of such committees)) shall be considered to be a single political committee.

(E) TRANSFERS.—A committee of a political party that submits a report under subparagraph (A) with respect to a candidate shall not, during an election cycle, transfer
any funds to, assign authority to make co-
ordinated expenditures under this subsection to,
or receive a transfer of funds from a,
committee of the political party that has made
any contribution to or received a transfer from
an independent expenditure in ex-
pertise with respect to the candidate.

SEC. 206. COORDINATION WITH CANDIDATES.
(a) DEFINITION OF COORDINATION WITH CAN-
DIATES.
(1) Section 303(b) of the Fed-
eral Election Campaign Act of 1971 (2 U.S.C.
431(b)) is amended—
(A) in subparagraph (A)—
(i) by striking "coordinated activity" at the end of clause (i);
(ii) by striking the period at the end of clause (ii) and inserting "; or; and"
and (iii) by adding at the end the following:
"(C) Coordinated activity (as defined in subparagraph (C));
and"
(b) by adding at the end the following:
"(C) Coordinated activity means anything of
value provided by a person in coordination
with a candidate, an agent of the candidate,
or the political party of the candidate or its
agent for the purpose of influencing a Fed-
eral election (regardless of whether the value
being provided is a communication that is
express advocacy) in which such candidate
seeks nomination or election to Federal of-
lice, and of the following:
"(1) A payment made by a person in co-
operation, consultation, or concert with,
at the request or with the knowledge of,
or on any general or particular understanding
with a candidate, the candidate's authorized
committee, the political party of the candidate,
or an agent acting on behalf of a candidate,
authorized committee, or the political party of
the candidate.
"(2) A payment made by a person if the
person making the payment is a member, em-
ployee, fundraiser, or agent of the can-
didate's authorized committee in an execu-
tive or policymaking position.
"(v) A payment made by a person if the
person making the payment has served in
any formal policy making or advisory posi-
tion with the candidate's campaign or has
participated in strategic or policymaking discus-
sions (other than any discussion treated as
a lobbying contact under the Lobbying Disclosure Act of 1995 in the
case of a candidate holding Federal office
or as a similar lobbying activity in the case
of a candidate holding State or other elec-
tive office) with the candidate's campaign
relating to the candidate's pursuit of nomi-
nation for election, or election, to Federal
office, in the same election cycle as the elec-
tion cycle in which the payment is made.
"(vi) A payment made by a person if
the person making the payment
retains the professional services of
any person that has provided or is providing
campaign services in the same elec-
tion cycle to a candidate (including services
provided through a political committee of
the candidate's political party) in connec-
tion with the candidate's pursuit of nomina-
tion for election, or election, to Federal of-
lice, including services relating to the can-
didate's office, and of the following:
"(A) A payment made by a person who
has directly participated in fundraising ac-
tivities with the candidate or the solicita-
tion or receipt of contributions on behalf of
the candidate's political party.
"(B) A payment made by a person who
has communicated with the candidate or an
agent of the candidate (including a commu-
nication to the candidate's authorized com-
mittee of the candidate's political party) after the
declaration of candidacy (including a pollster,
media consultant, vendor, advisor, or staff
member acting on behalf of the candidate),
about advertising message, allocation of re-
sources, fundraising, or other campaign mat-
ters related to the candidate's campaign, in-
cluding campaign operations, staffing, tac-
tics, or strategy.
"(ix) The provision of in-kind professional
services or polling data (including services
for a communication that clearly refers to
the communication as defined in subparagraph (C));
"(x) A payment made by a person who has
engaged in or retains the professional services of
a candidate's authorized committee or the
candidate's campaign, in
cluding any general or particular understanding
with the candidate.
"(B) By striking the period at the end of
subsection (c) and inserting the following:
"(1)SECTION 301(8).
"(2) by striking the period at the end of
paragraph (4)(B) and inserting ; or; and"
"(3) by striking the period at the end of
subsection (e) and inserting the following:
"(A) The Commission shall promulgate
rules regarding the use of computers and facsimile
machines, if not required to do so
under the regulation promulgated under
clause (i).
"(B) The Commission shall make a de-
signation, statement, report, or notification
that is filed electronically available in a format
accessible to the public on the Internet
not later than 24 hours after the designation,
statement, report, or notification is received by
the Commission.

(C) In promulgating a regulation under
this paragraph, the Commission shall pro-
vide methods (other than requiring a signa-
ture on the document being filed) for verifying
designations, statements, and reports
covered by the regulation. Any docu-
ment verified under any of the methods shall
be treated for all purposes (including penal-
ties for perjury) in the same manner as a
document verified by signature.

SEC. 302. PROHIBITION OF DEPOSIT OF CON-
TRIBUTIONS IN EXCESS OF $50 OR MORE
IN INCOMPLETE CONTRIBUTOR INFORMATION.
Section 302 of Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by add-
ing at the end the following:
"(j) DEPOSIT OF CONTRIBUTIONS.—The trea-
surer of a candidate's authorized committee
shall not deposit, except in an escrow ac-
count, or otherwise negotiate a contribution
from a person who makes an aggregate amount of contributions in excess of $200 during any one calendar year, a contribution if the treasurer verifies
that the information required by
this section with respect to the contributor is
complete.

SEC. 303. AUDITS.
(a) RANDOM AUDITS.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—
(1) by inserting "(1) IN GENERAL.—" before "The Commission";
(2) by moving the text 2 ems to the right;
and
(3) by adding at the end the following:
"(2) EXTENSION OF PERIOD DURING WHICH CON-
TRIBUTIONS MAY BE REGARDED AS NIL.—Section
311(b)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by strik-
ing "8 months" and inserting "12 months".

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE REGARDED AS NIL.—Section
311(b)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by strik-
ing "8 months" and inserting "12 months".

SEC. 304. REPORTING REQUIREMENTS FOR CON-
TRIBUTIONS OF $50 OR MORE.
Section 304(b)(3)(A) of the Federal Election Campaign Act At 1971 (2 U.S.C. 438(b)(3)(A) is amended—
(1) by striking "$200" and inserting "$50"; and
(2) by striking the semicolon and inserting ", except that in the case of a person who makes contributions aggregating at least $50
but not more than $200 during the calendar year, the identification need include only the name and address of the person.”;

SEC. 305. USE OF CANDIDATES’ NAMES.
Section 302(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(c)) is amended by striking paragraph (4) and inserting the following:

“(4) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

“(ii) a political committee that is not an authorized committee shall not—

“(I) include the name of any candidate in its name; or

“(ii) in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of the committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate’s name has been authorized by the candidate.”

SEC. 306. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS
Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(b)) as amended by section 201(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(b)) is amended by adding at the end the following:

“(1) by inserting after ‘‘Sec. 322.’’ the following:—

“(a) In General.—; and

“(b) by striking at the end the following:

“(b) Solicitation of Contributions.—No person contributing by falsely representing himself or herself as a candidate or as a representative of a candidate, a political committee, or a political party.”

SEC. 307. SOURCE MONEY OF PERSONS OTHER THAN POLITICAL PARTIES
(a) In General.—Section 305 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) as amended by section 201(c) and section 201(d) of the Internal Revenue Code of 1986, that makes an aggregate amount of disbursements in excess of $50,000 during a calendar year for activities described in paragraph (2) shall file a statement with the Commission—

“(a) on a monthly basis as described in subsection (a)(4)(B); or

“(b) in the case of disbursements that are made under this section to an electioneering communication—within 24 hours after the disbursements are made.

“(2) Activity.—The activity described in this paragraph is—

“(A) a federal election activity;

“(B) a communication described in section 316(b)(2)(A) that expresses support for or opposition to a candidate for Federal office or a political party; and

“(C) an activity described in subparagraph (B) or (C) of section 316(b)(2).

“(3) applicability.—This subsection does not apply—

“(A) a candidate or a candidate’s authorized committees; or

“(B) an independent expenditure.

“(4) CONTENTS.—A statement under this section shall contain such information about the disbursements made during the reporting period as the Commission shall prescribe, including—

“(A) the aggregate amount of disbursements made;

“(B) the name and address of the person or entity to which the disbursement is made in an aggregate amount in excess of $200;

“(C) the date made, amount, and purpose of the disbursement; and

“(D) whether the disbursement was in support of, or in opposition to, a candidate or a political party, and the name of the candidate or the political party.”.

“b) Definition of generic campaign activity.—Section 305 of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)(7)) as amended by section 201(b) is further amended by adding at the end the following:

“(1) General campaign activity.—The term ‘general campaign activity’ means any activity that promotes a political party and does not promote a candidate or non-Federal candidate.

SEC. 308. CAMPAIGN ADVERTISING
Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended—

“(1) in subsection (a)—

“(A) in the preceding paragraph (1)—

“(i) by striking ‘‘Whenever’’ and inserting ‘‘Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever’’;

“(ii) by striking ‘‘an expenditure’’ and inserting ‘‘a disbursement’’; and

“(ii) by striking ‘‘direct’’ and inserting ‘‘an independent expenditure’’.

“(B) in paragraph (3), by inserting ‘‘and permanent street address’’ after ‘‘name’’; and

“(2) by adding at the end the following:

“(c) Any printed communication described in subsection (a)(3) shall include, in addition to the requirements of paragraphs (1) and (2) of subsection (a) which are applied to the printed communication—

“(I) of the candidate or that the use of the candidate’s name has been authorized by the candidate.

“(2) by inserting ‘‘and the candidate’s authorized committees will not make expenditures in excess of the personal funds expenditure limit.’’

“(B) Time to file.—The declaration under subparagraph (A) shall be filed not later than 7 days after the earlier of—

“(i) the date on which the candidate qualifies for the general election ballot under State law; or

“(ii) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

“(B) Personal funds expenditure limit.—

“(1) In General.—The aggregate amount of expenditures that may be made in connection with an election by a congressional candidate or the candidate’s authorized committees from the sources described in paragraph (2) shall not exceed $50,000.

“(2) Certification by the Commission.—

“(1) In general.—The Commission shall determine whether a candidate has met the requirements of this section and, based on the determination, take such action as he or she determines is reasonable for the content of this advertisement, with the blanket to be filled in with the name of the candidate or the person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.

“TITLE IV—PERSONAL WEALTH OPTION
SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT
Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

“(a) General.—A candidate for election to the Senate or Representative in or Delegate or Resident Commissioner to the Congress is eligible to expend personal funds from the personal funds expenditure limit.

“(b) Time to file.—The declaration under subparagraph (A) shall be filed not later than 7 days after the earlier of—

“(i) the date on which the candidate qualifies for the general election ballot under State law; or

“(ii) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

“(C) certification by the Commission.—

“(1) In General.—The Commission shall
determine whether a candidate has met the requirements of this section and, based on the determination, issue a certification stating whether the candidate is an eligible Congressional candidate.

“(2) time to file.—Not later than 7 business days after a candidate files a declaration under paragraph (1) or (2) of subsection (a), the Commission shall certify whether the candidate is an eligible Congressional candidate.

“(3) Revocation.—The Commission shall revoke a certification under paragraph (1), based on information submitted in such form and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate violates the personal funds expenditure limit.

“(4) Determinations by Commission.—A determination made by the Commission
under this subsection shall be final, except to the extent that the determination is subject to examination and audit by the Commission and to judicial review.

(2) PENALTY.—If the Commission revokes the certification of an eligible Congressional candidate—

(1) the Commission shall notify the candidate and the candidate’s authorized committees; and

(2) the candidate and a candidate’s authorized committees shall pay to the Commission an amount equal to the amount of expenses and other amounts recognized as a national committee of a political party or a State committee of a political party in connection with the general election campaign of the candidate under section 315(d).

SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434a(d)) as amended by section 206 is amended by adding at the end the following:

"(5) This subsection does not apply to expenditures made in connection with the general election campaign of a candidate for Senator or Representative in or Delegate or Resident Commissioner to the Congress who is not an eligible Congressional candidate (as defined in section 322(b))."

TITLE V—MISCELLANEOUS

SEC. 501. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

"USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES—

"SEC. 313. (a) PERMITTED USES.—A contribution accepted by a candidate, and any other amount received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

(1) for expenditures in connection with the campaign for Federal office of the candidate or individual;

(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

(4) for transitions to a national, State, or local committee of a political party.

(b) PROHIBITED USE.—

(1) IN GENERAL.—A contribution or amount described in subsection (a) shall not be converted to personal use by any person to personal use.

(2) CONVERSION.—For the purposes of paragraph (1), a contribution or amount shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the election campaign or individual’s duties as a holder of Federal officeholder, including—

(A) a home mortgage, rent, or utility payment;

(B) a clothing purchase;

(C) a noncampaign-related automobile expense;

(D) a country club membership;

(E) a vacation or other noncampaign-related trip;

(F) a household food item;

(G) a tuition payment;

(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

(I) dues, fees, and other payments to a health club or recreational facility."

SEC. 502. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

"(a) PROHIBITION.—

(1) It is unlawful to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from any person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value in connection with a Federal, State, or local election while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

(2) PENALTY.—A person who violates this subsection shall be fined not more than $5,000, imprisoned more than 3 years, or both; and

(2) by striking subsection (a) and inserting the following:

"(a) PROHIBITION.—It shall be unlawful for—

(1) a foreign national, directly or indirectly, to make a contribution or donation of money or other thing of value, or to promise expressly or impliedly to make a contribution, in connection with a Federal, State, or local election; or

(2) a person to solicit, accept, or receive a contribution or donation from a foreign national.

(b) PROHIBITING USE OF WILLFUL BLINDNESS AS DEFENSE AGAINST CHARGE OF VIOLATING FEDERAL ELECTION LAWS.

(1) IN GENERAL.—Section 313 of such Act (2 U.S.C. 441(e)) is amended—

(A) by redesignating subsection (b) as subsection (c); and

(B) by inserting after subsection (a) the following new subsection:

"(b) PROHIBITING USE OF WILLFUL BLINDNESS AS DEFENSE AGAINST CHARGE OF VIOLATING FEDERAL ELECTION LAWS.—

(1) IN GENERAL.—It shall not be a defense to a violation of subsection (a) that the defendant did not know that the contribution originated from a foreign national if the defendant failed to have knowledge that the contribution originated from a foreign national, except that the trier of fact may not find that the defendant should have had knowledge that the contribution originated from a foreign national solely because of the name of the contributor.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply with respect to violations occurring on or after the date of the enactment of this Act.

(c) PROHIBITION APPLICABLE TO ALL INDIVIDUALS WHO ARE NOT CITIZENS OR NATIONALS OF THE UNITED STATES.—Section 313(b) of such Act (2 U.S.C. 441(e)(b)(2)) is amended by striking the period at the end and inserting the following:

"(2) in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)."

SEC. 503. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 401, is further amended by adding at the end the following new section:

"PROHIBITION OF CONTRIBUTIONS BY MINORS—

"SEC. 325. An individual who is 17 years old or younger shall not make a contribution to

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a candidate or a contribution or donation to a committee of a political party."

SEC. 506. EXPEDITED PROCEDURES.

(a) In General.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)), as amended by section 506(b), is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) PENALTY.—(1) IN GENERAL.—Except as provided in paragraph (2), notwithstanding any other provision of this title any person who violates subsection (c) is subject to a term of imprisonment which may not be more than 10 years, fined in an amount not to exceed $1,000,000, or both.

(2) EXCEPTION.—Paragraph (1) shall not apply with respect to any violation of section (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(22) of the Immigration and Nationality Act)."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.


(a) In General.—Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any other provision of this section, if a candidate (or the candidate’s authorized committee) believes that a violation described in paragraph (2) has been committed with respect to an election occurring during the 90-day period preceding the date of the election, the candidate or committee may institute a civil action on behalf of the Committee for campaign-related relief (including injunctive relief) against the alleged violator in the same manner and under the same terms and conditions as an action instituted by the Commission under section 301(a)(6), except that the court involved shall issue a decision regarding the action as soon as practicable after the action is instituted and to the greatest extent possible the decision prior to the date of the election involved.

(2) A violation described in this paragraph is a violation of this Act if of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 relating to—

(A) whether a contribution is in excess of an applicable limit or is otherwise prohibited under this Act; or

(B) whether an expenditure is an independent expenditure under section 301(17)."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after the date of the enactment of this Act.

SEC. 511. DISPOSITION OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) In General.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 505, is further amended by adding at the end the following new section:

"SEC. 509. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) In General.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as amended by section 504(b), is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) PENALTY.—(1) IN GENERAL.—The person making the contribution or donation shall be sentenced to a term of imprisonment which may not exceed 5 years, fined in an amount not to exceed $250,000, or both.

(2) EXCEPTION.—Paragraph (1) shall not apply with respect to any violation of section (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(22) of the Immigration and Nationality Act)."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.


(a) In General.—Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any other provision of this section, if a candidate (or the candidate’s authorized committee) believes that a violation described in paragraph (2) has been committed with respect to an election occurring during the 90-day period preceding the date of the election, the candidate or committee may institute a civil action on behalf of the Committee for campaign-related relief (including injunctive relief) against the alleged violator in the same manner and under the same terms and conditions as an action instituted by the Commission under section (a)(6), except that the court involved shall issue a decision regarding the action as soon as practicable after the action is instituted and to the greatest extent possible the decision prior to the date of the election involved.

(2) A violation described in this paragraph is a violation of this Act if of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 relating to—

(A) whether a contribution is in excess of an applicable limit or is otherwise prohibited under this Act; or

(B) whether an expenditure is an independent expenditure under section 301(17)."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after the date of the enactment of this Act.

SEC. 517. DISPOSITION OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) In General.—The person making the contribution or donation shall be sentenced to a term of imprisonment which may not exceed 5 years, fined in an amount not to exceed $250,000, or both.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 518. PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 505, is further amended by adding at the end the following new section:

"SEC. 326. (a) In General.—Nothing in this Act shall be construed to prohibit any individual eligible to vote in an election for Federal office from making contributions or expenditures in support of a candidate for such an election or from paying voluntary contributions or expenditures made through a separate segregated fund established by the individual’s employer or labor organization) or otherwise participating in any campaign for such an election in the same manner and to the same extent as any other individual eligible to vote in an election for such office.

(b) GEOGRAPHIC RESTRICTIONS ON CONTRIBUTIONS.—Subsection (a) may not be construed to affect any restriction under this title regarding the portion of contributions accepted by a candidate from persons residing in a particular geographic area."
effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.

(b) Amounts Used to Determine Amount of Penalty for Violation.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

"(10) For purposes of determining the amount of a civil penalty imposed under this subsection, the amount of the donation involved shall be treated as the amount of the contribution involved.";

(c) Discouragement Authority.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

"(e) Any conciliation agreement, civil action, or criminal action entered into or instituted by the Commission, the Federal Election Commission, or the Attorney General to take future actions with respect to any contribution or expenditure that is the subject of the agreement or action for transfer to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action, or for the purpose of soliciting contributions or for any profit-making purpose; and"

SEC. 512. ESTABLISHMENT OF A CLEARING-HOUSE OF INFORMATION ON POLITICAL ACTIVITIES WITHIN THE FEDERAL ELECTION COMMISSION.

(a) Establishment.—There shall be established within the Federal Election Commission a clearinghouse of public information regarding the political activities of foreign principals and agents of foreign principals. The information comprising this clearinghouse shall include only the following:

(1) all registrations and reports filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) during the preceding 5-year period;

(2) all registrations and reports filed pursuant to the Foreign Agents Registration Act, as amended (22 U.S.C. 611 et seq.), during the preceding 5-year period;

(3) all public hearings, hearing witnesses, and witness affiliations printed in the Congressional Record during the preceding 5-year period;

(4) public information disclosed pursuant to the rules of the Senate or the House of Representatives regarding honoraria, the receipt of gifts, travel, and earned and unearned income;

(5) all reports filed pursuant to title I of the Ethics in Government Act of 1978 (5 U.S.C. App.) during the preceding 5-year period;

(6) all public information filed with the Federal Election Commission pursuant to the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) during the preceding 5-year period.

(b) Disclosure of Other Information Prohibited.—The disclosure by the clearinghouse of any information other than that set forth in subsection (a) is prohibited, except as otherwise provided by law.

(c) Director of Clearinghouse.—

(1) Duties.—The clearinghouse shall have a Director, who shall administer and manage the responsibilities and all activities of the clearinghouse. In carrying out such duties, the Director shall—

(A) develop a filing, coding, and cross-indexing system to carry out the purposes of this section (which shall include an index of all persons identified in the reports, registrations, or other information comprising the clearinghouse);

(B) notwithstanding any other provision of law, make copies of registrations, reports, or other information comprising the clearinghouse available for public inspection and copying, beginning not later than 30 days after the information is first available to the public, and furnish a copy of any such registration, report, or other information by hand or by copying machine or, at the request of any person, furnish a copy of the information upon payment of the cost of making and furnishing such copy, except that no information contained in such registration or report and no such other information shall be sold or used by any person for the purpose of soliciting contributions or for any profit-making purpose; and

(C) not later than 150 days after the date of the enactment of this Act and at any time thereafter, to prescribe, in consultation with the Comptroller General, such rules, regulations, and forms, in conformity with the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this section in the most effective and efficient manner.

(2) Appointment.—The Director shall be appointed by the Federal Election Commission.

(3) Term of Service.—The Director shall serve a single term of a period of time determined by the Commission, but not to exceed 5 years.

(d) Penalties for Disclosure of Information.—Any person who discloses information in violation of subsection (b), and any person who sells or uses information for the purpose of soliciting contributions or for any profit-making purpose in violation of subsection (c)(1)(B), shall be imprisoned for a period not more than 1 year, or fined in the amount provided in title 18, United States Code, or both.

(e) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to conduct the activities of the clearinghouse.

(f) Foreign Principal.—In this section, the term ‘foreign principal’ shall have the same meaning given the term ‘foreign national’ under section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as in effect as of the date of the enactment of this Act.

SEC. 513. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(d)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(d)(2)), as amended by sections 564(b) and 568(a), is further amended after "a national of the United States" the following: ‘or a national of the United States (as defined in section 191(a)(22) of the Immigration and Nationality Act)’.

TITLE VI—CAMPBELL ELECTION COMMISSION ON CAMPAIGN FINANCE REFORM

SEC. 601. ESTABLISHMENT AND PURPOSE OF COMMISSION.

There is established a commission to be known as the ‘Campbell Election Commission on Campaign Finance Reform’ (referred to in this title as the ‘Commission’). The purposes of the Commission are to study the laws relating to the financing of political activity and to report and recommend legislation to reform those laws.

SEC. 602. MEMBERSHIP OF COMMISSION.

(a) Membership.—The Commission shall be composed of 12 members appointed within 15 days after the date of the enactment of this Act by the President from among individuals who are not incumbent Members of Congress and who are specially qualified to serve on the Commission by reason of education, training, or experience.

(b) Appointment.—

(1) In General.—Members shall be appointed as follows:

(A) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the Speaker of the House of Representatives.

(B) Five members (three of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the majority leader of the Senate.

(C) Two members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(D) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(2) Failure to Submit List of Nominees.—If an official described in any of the subparagraphs of paragraph (1) fails to submit a list of nominees within the 15-day period which begins on the date of the enactment of this Act,

(A) such subparagraph shall no longer apply; and

(B) the President shall appoint three members (one of whom shall be a political independent) who meet the requirements described in subsection (a) and such other criteria as the President may apply.

(c) Political Independent Defined.—In this subsection, the term ‘political independent’ means an individual who at no time after January 1992—

(A) has held elective office as a member of the Democratic or Republican party;

(B) has received any wages or salary from the Democratic or Republican party or from a Democratic or Republican party officeholdere or candidate; or

(C) has provided substantial volunteer services or made any substantial contribution to the Democratic or Republican party or to a Democratic or Republican party officeholder or candidate;

(d) Vacancies.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(e) Political Affiliation.—Not more than four members of the Commission may be of the same political party.

SEC. 603. POWERS OF COMMISSION.

(a) Hearings.—The Commission may, for the purpose of carrying out this title, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. In carrying out the preceding sentence, the Commission shall ensure that a substantial number of its meetings are open meetings, with significant opportunities for testimony from members of the general public.

(b) Quorum.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings. The approval of at least five members of the Commission is required when approving all or a portion of the recommended legislation.

Any member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this section.
TITLE VIII—ENHANCING ENFORCEMENT OF FEDERAL GOVERNMENT PROPERTY

SEC. 801. EFFECTIVE DATE

This Act shall take effect upon the enactment of this Act.

SEC. 802. EFFECTIVE DATE

(a) It shall be unlawful for any person to
(b) If any provision of this Act or amendment
to actions brought with respect to elections
made by this section shall apply with respect
to any provision of this Act or amendment
made by this Act, and the application of the
(a) MANDATORY IMPRISONMENT FOR CRIMI-

TITLE XII—REVIEW OF CONSTITUTIONAL ISSUES

SEC. 1201. REVIEW OF CONSTITUTIONAL ISSUES

An appeal may be taken directly to the Su-
preme Court of the United States from any
final judgment, decree, or order issued by
any court ruling on the constitutionality of
any provision of this Act or amendment
made by this Act.

SEC. 1202. EFFECTIVE DATE

Except as otherwise provided in this Act,
this Act and the amendments made by this
Act shall take effect upon the expiration of
the 90-day period which begins on the date
of the enactment of this Act.

SEC. 1204. REGULATIONS

The Federal Election Commission shall
prescribe any regulations required to carry
out this Act and the amendments made by
this Act not later than 45 days after the date
of the enactment of this Act.

The CHAIRMAN. Pursuant to section 2
of House Resolution 344, the gen-
tleman from Ohio (Mr. NEY) and
a Member opposed (Mr. HOYER) each
will control 20 minutes.

The Chair recognizes the gentleman
from Ohio (Mr. NEY).

Mr. NEY. Mr. Chairman, I yield my-
self such time as I may consume.

Mr. Chairman, I hope that this is an
historic substitute today because I
think we are going to come together;
and I am sure the gentleman from Mas-
achusetts (Mr. MEEHAN) and the gen-
tleman from Connecticut (Mr. SHAYS)
are going to stand up at this micro-
phone, I am positive, and probably
bravo and endorse this substitute. Now,
I could be wrong, but I have a good feeling about this one.

One common refrain we have heard is that the Congress must pass campaign finance reform now because it has previously passed the House by wide margins. Well, the substitute I offer today is the bill that this House passed previously. I offer it not because I think it is really a good bill and not because I particularly want to see it passed; on the contrary, I think this is a bad piece of legislation. I voted against it in the last Congress. I wish it had not passed then, and I really do not again want to see it particularly passed today.

With all sincerity, I offer this today because I want to give Members the opportunity to vote on a bill that they previously supported which never made it to the President. Well, the substitute I offer today is the bill that this House passed previously. I offer it not because I think it is really a good bill and not because I particularly want to see it passed; on the contrary, I think this is a bad piece of legislation. I voted against it in the last Congress. I wish it had not passed then, and I really do not again want to see it particularly passed today.

February 13, 2002

The Shays-Meehan bill that passed in the House and Senate was passed in the 106th Congress by a vote of 252 to 177. It was offered in the last Congress my colleagues and I offered as a substitute the language of H.R. 417, the Shays-Meehan legislation which passed in the 106th Congress by a vote of 252 to 177.

I would like to say that this substitute is exactly the same bill that was passed in the previous Congress. Unfortunately, the bill has changed so much it is no longer germane to the Shays-Meehan bill on the floor today, and that is due to the constantly evolving product that we are dealing with. Let me repeat that because I think Members need to realize this. The Shays-Meehan bill that is on the floor today is so different from the one we passed in the previous Congress that the bill is not even germane to the new Shays-Meehan bill.

Accordingly, some changes have been necessary for this substitute to be in order, some sections had to be struck. In essence, however, the substitute is the Shays-Meehan bill that passed previously.

Offering this as an amendment, in addition to giving Members an opportunity to be consistent in their voting, provides an opportunity to highlight the evolution in the Shays-Meehan legislation that was introduced last night brought forth. As Members know, the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) introduced a bill very similar to H.R. 417 at the start of this Congress. That bill, H.R. 380, was introduced on January 31, 2001; but that is not the Shays-Meehan bill that they have chosen to bring to the floor today.

Instead, on June 28, 2001, one day before my committee, the Committee on House Administration, was scheduled to mark up campaign finance legislation, they introduced a new bill, H.R. 2356. That is the bill that serves as the base text today. The substitute offered today by the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) that we saw for the first time last night makes even further changes to their bill.

Members need to be aware that the bill they are being asked to vote on today is not the same bill that they supported previously in the 106th Congress. As Members know, the old Shays bill, banned soft money. The new bill simply does not ban all soft money. We have talked about the loophole we can drive a truck through. In this substitute, which the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) previously supported, soft-money contributions to the political parties for Federal election activities were banned. In the new version, today’s version, there is no ban. State and local parties are permitted to receive soft-money contributions from unions and corporations. So if my colleagues want to ban soft money and they voted previously to do so, they should vote for this substitute because the new Shays bill simply will not do it.

In the old Shays bill issue ads were banned 365 days a year. In the new Shays-Meehan bill, they are banned for only 90 days, meaning that under the new Shays bill unions and corporations can use soft money to run attack ads 275 days a year. If my colleagues want to ban issue ads funded with soft money, they should vote for this substitute because the new Shays bill simply will not do it.

In the old Shays bill, soft money could be used for any form of election-related communication, meaning they could not use soft money for television ad and newspaper ad or a pamphlet. In the new Shays bill, the only form of communication that cannot be funded with soft money are broadcast ads run during the 60 days before an election or the 30 days before a primary. Meaning, under the new Shays-Meehan bill, ground could use the unlimited amount of unregulated money on mass mailings, phone banks and push polls. If my colleagues want an issue-ad restriction that would stop all communications funded with soft money, they should vote for this substitute because the new Shays bill simply will not do it.

Those are just some of the biggest examples of the changes that have been made. Here are some others:

The old Shays bill did not treat House and Senate candidates differently. The new one does. The new bill allows candidates for the Senate and the President to accept $2,000 from an individual per election, but House candidates can only receive $1,000. If my colleagues think House and Senate candidates should have the same contribution limits, they should vote for the substitute because the new Shays bill will not do it.

The old Shays bill did not include a soft-money loophole that would allow a political party to keep any soft money it had as long as it wanted to build a new headquarters. The new Shays-Meehan bill does. So if my colleagues do not think a political party should be able to use money to build a new headquarters, vote for the substitute.

The old Shays bill required publically funded candidates to certify that no soft money was raised to benefit their candidates. The new Shays bill simply does not do it.

The old Shays-Meehan bill banned the use of the White House for political fund-raising. The new Shays-Meehan bill does not do it.

The list goes on and on and on. It is obvious that the bill on the floor today, though it bears the name Shays-Meehan label, is not the old Shays-Meehan bill. While the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) do not want to give Members the opportunity to vote on the provisions, I think we can give them the opportunity to vote on the substitute.

I should say the offering this amendment as a substitute is anti-reform now. Was not then, it is now. That argument simply amazes me, frankly, Mr. Chairman. Somebody will make a good case to prove me wrong, I am sure, in a couple of minutes. I have faith in my colleagues.

I am sure that if my colleagues went back and looked at all the newspaper editorials that were urging Members to vote for the substitute at the time it was offered in the last Congress my colleagues will see that Members were told that if they did not vote for H.R. 417 they were against reform. Now with essentially the same bill being offered today through this substitute, we will have the chance to vote for it is to be against reform. It is surreal. It is Alice in Wonderland.

I look forward to the vote on this substitute. I plan to vote against it because I think it is a bad bill. New Shays, old Shays, I think we are all kind of a little bit bad, need a little bit of correction, little bit of work, which we an do together if we pass a couple of good amendments, keep it going; but I
look forward to seeing how Members vote on it today.

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

Mr. HOYER. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio (Mr. NEY) and the gentleman from Massachusetts (Mr. MEEHAN) may each control 5 minutes of the time allocated to me and that they may yield time.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. CARDIN), the distinguished former speaker of the Maryland House, member of the Committee on Ways and Means and my good friend.

Mr. CARDIN. Mr. Chairman, I was listening to my friend, the gentleman from Ohio (Mr. NEY), explain the reasons he submitted the amendment or substitute, and I think it is a good reason to vote against it. We are in agreement.

Let me try to simplify it. If my colleagues are for reform, if they want to try to clean up the path to corrupt the public will believe that special interest dollars are not going to have more influence but less influence on what we do in this body, if my colleagues want to move down that path, then they have to put their own judgments in the views aside. There is only one opportunity in this Congress to get it done and that is to vote against the Ney substitute, to vote for the Shays-Meehan bill and McCain-Feingold. That is going to be the only opportunity we are going to have.

So, yes, each of us could try to craft a bill that we think is best, or we could try to understand the explanation of the gentleman from Ohio (Mr. NEY) as to why he is offering his amendment, which I have a hard time following; or we can vote for the only bill that is going to have a chance of being signed that will reduce special interest dollars, soft money, that will close loopholes in the law. I urge my colleagues to reject Ney and support the Shays-Meehan bill.

Mr. Chairman, I rise today in strong support of H.R. 2356, the Bipartisan Campaign Reform Act, sponsored by Mr. SHAYS and Mr. MEEHAN, Senator MCCAIN and Senator FEINGOLD. I am an original co-sponsor of this important legislation, and I urge members of the House to defeat the proposed substitutes to Shays-Meehan, as well as those amendments designed to derail the bill and prevent meaningful campaign finance reform legislation from being enacted into law.

Special interest campaign contributions represent a serious threat to public confidence in our government. The amount of money contributed to candidates for Congress and President calls into question the independence of our elected officials to make judgments in the public interest. As the level of spending in campaigns has continued to rise, those concerns have grown more serious. As members of Congress, we have a responsibility to strengthen our democracy by significantly reducing the influence of money. Recent scandals have proven, beyond the shadow of a doubt, that corporate wrongdoers can buy access and influence in Washington at the expense of voters in the districts.

The bill would close two large loopholes in the law that contribute to the corruption of our political system. One loophole is so-called "soft money" contributions, which are unregulated and unlimited contributions from wealthy individuals or interest groups. The other major loophole deals with "independent" issue advertisements, which allow special interests to seek to influence the outcome of an election campaign by spending large sums of money on advertising campaigns. Currently, these ads which are clearly aimed at influencing an election can be worded in a way that they are deemed issue advocacy and are not subject to campaign spending limits or disclosure requirements.

Either major changes to our campaign financing system proposed in the bill would require Federal Election Commission (FEC) reports on candidate fund-raising and expenditures to be filed electronically, and provide Internet posting of this and other disclosure data. The FEC would be required to post such information within hours of filing. The bill would also change from quarterly to monthly the filing requirements for candidates in election years, ensuring more timely information for the voting public on their candidates for Congress. In addition, the bill would provide for expedited and more effective FEC procedures, which would give the FEC greater enforcement authority and ability to crack down on violators of our campaign finance laws. The FEC, under the bill, would also serve as an information clearinghouse that would provide easy access to citizens and the media to lobbying reports, reports filed under the Foreign Agents Registration Act, Congressional witness lists and gift disclosures.

Mr. Chairman, the time has come for us to start to restore confidence of the American people in our democratic system by reducing the influence of special interest money. We have the opportunity to do just that today by supporting the Bipartisan Campaign Reform Act.

Mr. NEY. Mr. Chairman, I yield 15 seconds to myself.

As I understand it, now it is a bad bill; it is not a reform bill. It was good then; it is not good now. I am still a little puzzled, I guess, Mr. Chairman.

(Mr. WELLER asked and was given permission to revise and extend his remarks.)

Mr. WELLER. Mr. Chairman, I rise in support of the Ney substitute based on the principles that were articulated by the sponsors of this legislation in the last Congress who claimed at the time that the original version of Shays-Meehan was based on principle. If my colleagues take time to read the latest version of Shays-Meehan, they see that it has abandoned principle. What is the hurry? What is the big rush? Ban- ning that evil thing called soft money. Shays-Meehan is so full of loopholes today that it allows for $90 million in soft money to continue to be part of the process. It is so full of loopholes that independent advocacy attack ads are prohibited on electronic media, they are prohibited from spending money to advocate a position up until the election on TV or radio; but they can still buy full page ads in the New York Times, The Washington Post, U.S.A Today, and all the other print media. The question is why does the print media get that loophole and not electronic, television, or radio? It is a good question. Something we want to ask.

I also wonder why they changed the effective date. We were urged in this House to move quickly, we have got to act quickly, got to do it now, we need to have a discharge petition, we got to do it now so it affects the next election. The bill comes to the floor and last night they changed the bill so it is not effective until after the election. So what is the hurry, huh? Maybe it could matter.

The other thing that really to me is what is something that really shows the lack of principle in the current Shays-Meehan is if we read the bill on page 78 and 79 which points out that under the current version of Shays-Meehan, which goes into effect the day after the election, that they can borrow hard money which according to the advocates of Shays-Meehan is good money, borrow hard money from a personal friend or financial institution, but after the election they can use soft money to pay it back. Hmm. Think about that principle.

Take the Democratic Congressional Committee, $40 million in their building account. They can use that $40 million as collateral to borrow millions in hard money and continue to solicit soft money up until the election. When the election is over with, pay off that hard money loan with soft money. Hmm, so much about principle.

I realize there is a lot of good intentions by those who may want to vote for Shays-Meehan. It is not the same bill. It is no longer based on principle. It has become a sham, and I urge a no vote on Shays-Meehan.

Mr. SHAYS. Mr. Chairman, I yield 1 minute to myself to correct the "hmm" of my colleague, who basically said something that simply was not accurate. They cannot use soft money to pay off a hard-money debt. That is simply not true.

This bill is different. Our bill is different than it was because a funny thing happened. The Senate got to look at our bill and they made some changes. They added the Levin amendment, which allows soft money, no more than $10,000 if a State allows it, not for Federal elections, and it cannot be used for any campaigns. That is what they do. So the Levin amendment makes our bill different.

We have the Snow-Jeffords amendment in the Senate which says 60 days to an election. So that is why, in fact, the bill is different. The bill is...
Mr. NEY. Mr. Chairman, I yield 15 seconds to myself.

So it is okay for the Senate to make some changes we can accept but, and morph the original bill 252 people voted for and get to the point we are at today, but it is not okay to take some type of an amendment, which there are good amendments, today from the floor of this House and introduce them. So the gentleman has the sacred hand or something in this?

Mr. Chairman, I yield 30 seconds to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Chairman, I thank the gentleman from Ohio (Mr. NEY) for yielding me the time.

Let me read the language of the bill, and I urge everyone to take time to read the language of the bill. Page 79, line 12. Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002, or any run-off election or recount resulting in such an election.

If my colleagues read the bill, they can borrow hard money and pay it back with soft money. Lack of principle.

Mr. SHAYS. Mr. Chairman, I yield 30 seconds to myself to just say my colleagues have to read the bill and know the law. The law makes it illegal to use soft money for a hard-money expenditure.

The purpose of this is if they incurred a soft-money expenditure before the election day and the person wants to get paid afterwards, they get paid up to the date of January. A soft-money expense for a soft-money expenditure, a hard-money expense for a hard-money expenditure, but one does not always pay the bill by the expense.

Mr. MEEHAN. Mr. Chairman, I yield 45 seconds to myself.

In addition to that, Larry Noble, the executive director/general counsel of the Center for Responsive Politics, the former general counsel of the Federal Elections Commission, clearly states in this letter that I will again have added to the RECORD: “It is clear under Federal election law that only hard money can be used to pay off a loan that was used for hard money expenditures.”

There is nothing in the Shays-Meehan Substitute that would support the current Federal law. Under this section, soft money funds on hand after the election could only be used to pay off debts or obligations used for soft money expenditures. That is the law.

One of the great things I have really enjoyed is working with my colleague, the gentleman from Ohio (Mr. NEY), on campaign finance reform. I was just so disappointed, after debating the Ney bill with him over the last year, that when it came time to put in a substitute, we did not get the Ney bill. I was looking forward to that.

The letter I referred to earlier is hereby inserted for the RECORD. Thank you.

Now, Mr. Chairman, I ask unanimous consent to yield the balance of my time to the gentleman from Massachusetts (Mr. FORD), and ask further that he be allowed to control that time.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. NEY. Mr. Chairman, I yield myself 1 minute.

Before my colleague leaves the floor, I want to rekindle his faith in our system, because there is a Ney-Wynn amendment coming. So the gentleman will have that chance, the whole bill we debated, the gentleman is going to have that chance to vote, and I just wanted to reassure him of that.

Mr. MEEHAN. Mr. Chairman, will the gentleman yield?

Mr. NEY. I yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Chairman, I was just disappointed that it was not a substitute.

Mr. NEY. I just did not want the gentleman to leave without being rekindled.

Mr. MEEHAN. I thank the gentleman.

Mr. NEY. Mr. Chairman, reclaiming my time, I think a lot of issues that do or do not pass here are debated, obviously, on their merits, whether it is prescription drugs or health care or Social Security. And when we start to talk about the money in the system and the influence, this bill is not going to change that.

Wealthy individuals, in my opinion, are still going to be in the system, unregulated, to do as they want with advocacy. But groups that are pushing, for example, for prescription drugs, their voices will be silenced, in the Shays-Meehan approach, in the last 60 days if they want to go to the radio ads or they want to go to the media. I do not think that is a level playing field, letting one or two wealthy individuals in this country push around the advocacy as they please. Maybe they will want to stop prescription drugs, perhaps help prescription drugs, but, on the other hand, a lot of people who will advocate for a lot of good things for Americans, their voices will be silenced.

Mr. FORD. Mr. Chairman, how much time do I have remaining?

Mr. CHAIRMAN. The gentleman has 2½ minutes.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. KIND).

(Mr. KIND asked and was given permission to revise and extend his remarks.)

Mr. KIND. Mr. Chairman, I rise today in strong support of the Shays-Meehan bill and in opposition to the Ney substitute. Convention.

When I entered Congress back in 1997, Mr. Chairman, one of the first things I did was help organize a bipartisan freshman campaign finance reform
task force. Even as political neophytes in this institution, we knew then what is true today, that the political system was awash with money; that there were too many powerful special interest groups dominating the agenda in Washington; and that it was wrong and it needed to change.

The legislation we came up with called for a ban on the unregulated, unlimited, soft money contributions. That is consistent with the Shays-Meehan bill before us today, soft money, by the way, that reached the level of $500 million in the last election alone. Unfortunately, I believe the Ney substitute today is just a cynical ploy to try to get a bill, or any bill, that is different from the Senate, passed so the opponents of reform can kill it in the conference committee.

They are not the only ones who have been very cynical about finance reform. The American people have been cynical, too, and not because they do not believe in too much money, but too much influence of money in the political system, but they do not believe Congress will do anything about it.

The day of reckoning has arrived today, and I urge my colleagues to support reform, the Shays-Meehan bill, and vote "no" on the Ney substitute.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. HOEFFEL).

Mr. HOEFFEL. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in opposition to the Ney substitute, because it is clearly designed to send campaign reform to conference where it will die. I rise in full support of the Shays-Meehan underlyng bill.

It is time that we get soft money out of Federal elections. It is time that we control the sham issue ads. In fact, Mr. OXLEY, I yield 4 minutes to the gentleman from Ohio (Mr. OXLEY), chairman of the Committee on Financial Services.

Mr. OXLEY. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in opposition to the Ney substitute, because it is clearly designed to send campaign reform to conference where it will die. I rise in full support of the Shays-Meehan underlyng bill.

We should consider other steps that would limit the corrupting influence of private money on public campaigns. We should consider a measure of public financing for congressional elections, as we do for Presidential elections. We should consider ways to raise the discourse and stop the negative ads, and do other things to clean up our system and restore a sense to the democratic process. It begins with the Shays-Meehan bill, not the big donors, and restore a sense that it matters what we say in campaigns and what people do in campaigns.

I oppose the substitute and support Shays-Meehan.

Mr. FORD. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Wisconsin (Ms. BALDWIN), my friend.

Ms. BALDWIN. Mr. Chairman, I rise in strong support of the Shays-Meehan substitute and against the Ney substitute before us. Americans in my district and across the Nation are dissuaded and have been calling out for reform for years, only to discover their collective voices have fallen on the deaf ears of the leadership of this House.

Since my constituents sent me here as they did through their vote, hundreds upon hundreds have contacted me regarding this very issue: campaign finance reform. They want public servants who are beholden to the voters of their district, not to special interest groups and their soft money, and they want policy and laws drafted by those acting in the public interest, not those carrying water for narrow private special interests.

No comments were more compelling than the one young author from Wisconsin who contacted me regarding Shays-Meehan. As a young voter, he said, "I am encouraged by the possibility that this bill will be one necessary step. People will again trust the system. We want you to know that the system is more important to our democracy."

We must pass this bill.

Mr. NEY. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio (Mr. NEY), chairman of the Committee on the Ney substitute.

Mr. NEY. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio (Mr. NEY), chairman of the Committee on the Ney substitute. (Mr. NEY asked and was given permission to revise and extend his remarks.)

Mr. OXLEY. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in opposition to the Ney substitute, because it is clearly designed to send campaign reform to conference where it will die. I rise in full support of the Shays-Meehan underlyng bill.

I have been concerned that our approach to campaign finance reform, driven by the well-meaning reformers and also some folks that may have a special interest, that we are punishing the political parties in our attempt to clean up the system. The political parties are really the essence of our system here. Nothing in the Constitution talks about political parties. Political parties developed as the Constitution talks about political parties and give it to special interests or to the media? I just do not understand that. Why would we want to say to the Republican Party in Ohio that they cannot have the ability to go out and recruit candidates and talk to voters and send out mailings and, yes, give contributions to candidates who proudly wear their party label? I thought that was what political parties were all about.

Under this legislation, under the underlying legislation, the Shays-Meehan bill, we treat political parties like they are another special interest. Just the contrary. Our political parties represent the ideals that we both share as Republicans and Democrats.

If the Republican Party in Ohio thought it was important enough that I get reelected, why should they not be able to contribute any amount of money they want to my campaign? After all, their job is to recruit and find candidates to fill public offices. That is what they do. So we are going to say to them, oh, this is terrible, you cannot take soft money, you cannot be involved in contributing to candidates’ campaigns. I am sorry, but I do just not accept that.

I also do not accept the fact that we are going to give the media total control of the airwaves and the newspapers the ability to influence voters when, in fact, other groups who have maybe the same first amendment rights, I would like to think have the same first amendment rights, are going to be constricted in what they are able to spend and what they are able to say. So the media says to us, you need to clean up the system. Oh, by the way, we want to make sure that we get top dollar for our ads that we run during the political season, but at the same time we want to be able to control the discourse.

So the first amendment applies to the newspapers, it applies to The New York Times, it applies to the networks, but it does not apply to political discourse by organized groups. What a shame that is.

Let us support the Ney substitute and get on with the business.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Washington State (Mr. INSLEE). (Mr. INSLEE asked and was given permission to revise and extend his remarks.)

Mr. INSLEE. Mr. Chairman, an hour ago a woman named Marilyn Robinson testified over in the Rayburn Building. She told the story about her 18-year-old son Liam Wood, who was killed in the explosion of a gasoline pipeline. Two hundred thousand gallons of gasoline were released and exploded, incinerating two young children and killing her son.

The reason her son died in part was because this institution did not pass any meaningful laws to make sure gasoline pipelines do not explode. The reason this institution failed in that duty is in part because we are shackled by special interest money. I am here to...
say for the spirit of Mr. Wood and those who can potentially be victims of this continued slavery to special interest money, that we should bury this cynical amendment that throughout history has stopped any campaign finance reform. We should bury it today so that we can live.

Mr. NEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. chairman, this is not a cynical substitute. This is Shays-Meehan that I will include for the RECORD from which is not addressing this.

We have heard about a letter from Larry Noble, who is no longer associated with the Federal Election Commission. At one point he was general counsel. He is now associated with the Center for Responsive Politics, and I think we have heard from Mr. Noble on his long history of losing cases at the FEC, the list of cases he has lost being far larger than the cases he has won. In fact, one case he litigated, the Christian Action Network, which is in my home fourth district, he not only lost it, the FEC was faced with fees and sanctions that were imposed against the FEC. We believe his letter is erroneous. It has nothing to do with the current FEC, which is not addressing this.

Mr. CHAIRMAN. I have a memorandum that I will include for the RECORD from Patton Boggs that basically says in contrast to current law, the proposed language in the Shays-Meehan substitute would allow a national party committee to pay any debt with soft non-Federal dollars in the period from November 5, 2002 to January 1, 2003. Specifically, it could be used to retire outstanding debts or obligations that were incurred with the 2002 elections. That would be illegal under current law, which would not allow us to borrow hard dollars and pay them off with soft dollars. This would allow building-fund dollars which now are limited to building funds to basically repay hard-dollar obligations that were barred, and under the building-fund loophole that we find later in the legislation, that could be replenished later down the road with soft dollars. That is under the language.

I am here to understand the arguments from the other side unless their committees can come forward and make it clear that they would not try to do this in terms of what the interpretations are.

I have also looked at Trevor Potter’s Web site, the Campaign Finance Institute, and although they are saying one thing to Members, their own Web site states that new transitional rules in the Shays-Meehan substitute provides that through the end of 2002 the national parties may spend excess soft money to pay off any outstanding debts. Sponsors and opponents of the bill dispute whether the provisions would allow or require hard money to pay off hard money debts. We seem to have that disagreement today. But he notes on the Web site that the text provides that soft money could be used to retire outstanding debts incurred solely in connection with an election. That means hard dollars. That is what it means under the law. It does not make any reference to contributions or expenditures, i.e., hard money, or non-Federal joint or allocated activities which include soft money. I do not question the motives of the other side, but when we come up with amendments drafted in the dead of night, submitted the evening before, drafting errors occur. I think that we have the large support of Ney-Wynn and defeat of a Shays-Meehan substitute.

The memorandum previously referred to is as follows:

PATTON BOGGS LLP,

Re Shays-Meehan Effective Date.

The proposed Shays-Meehan effective date language (section 402) provides that:

(a) IN GENERAL.—Except as otherwise provided in section 308 and subsection (b), this Act and the amendments made by this Act shall take effect November 6, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a), such amounts shall apply with respect to the spending of such funds by such committee:

(1) Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date, so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002 (or any runoff election or recount resulting from such an election).

(2) At any time after the effective date, the committee must spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility.

The Federal Election Campaign Act and current Federal Election Commission regulations require federal expenses (including federal debts) to be paid out of the federal account. See, e.g., 11 C.F.R. §102.5. Moreover, the regulations also require allocations between federal and non-federal activities. 11 C.F.R. §106.5. In contrast to current law, the proposed language would allow a national party committee to pay any debt with soft, non-Federal dollars in the period from November 5, 2002 to January 1, 2003. Specifically, it could be used to “retire outstanding debts or obligations” that were incurred in connection with the 2002 elections. It fails to differentiate between federal debt and non-federal debt. This is not consistent with the current regulations that specifically require hard debt to be paid with hard dollars. Moreover, the language explicitly references “debts or obligations incurred . . . solely in connection with an election” — this appears to mean hard dollar debt.

The lack of specificity in the language means that a portion of hard dollar debt or obligations could be paid for with soft money. Any legal test of this provision would take many years under the FEC enforcement process. (Also note that Title I of H.R. 2356, new language added at section 323(b)(2)(A) specifying that state parties must expend funds “to the extent the amounts expended or disbursed for such activity are allocated (under regulations prescribed by the Commission) among amounts . . .”)

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentlewoman from New Jersey (Mr. Pascrell).

Mr. PASCRELL. Mr. Chairman, America, America, the witching hour is upon campaign finance reform. Please give close attention to how we Members of Congress vote. Everyone claims to be doing the right thing. Everyone seems to be saying they support reform. But make no mistake about it, there is only one bill here that creates real reform for our Nation’s campaign finance laws while passing the Senate, and that is Shays-Meehan.

Our political system has gone bad mad. In the 2000 election, candidates spent more than $4 billion, a 50 percent increase since 1996. That is obscene. Who is giving all of this money to the parties? Is it the little guy? No. Not even the medium guy. Instead, there are big donations from big corporations. Obviously Enron, which has given almost $6 million to Federal candidates, $3.5 million of that $6 million is soft money. Do you know what they were doing? This is not misinformation. If Members want to talk about a Web site, go on their Web site and see their numbers.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. Greenwood).

Mr. GREENWOOD. Mr. Chairman, I oppose the Ney substitute because I believe it and the amendment thereto to follow will kill our crusade against soft money, and our crusade against soft money was to win if our democracy is to prevail.

There are those who say that soft money, corporate money, labor money...
is really about philosophy. It is not about corruption. It is about how these organizations support the parties of their choice with their dollars.

For the last 2 months I have spent most of my time investigating the Enron scandal to see what effect what Enron did to further its philosophy, in March of 2000 it gave $50,000 to the Democratic National Committee. The next month in April it gave $75,000 to the Republican National Committee. In May, it gave $50,000 to the Democratic National Committee. In June it gave $50,000 to the Republican National Committee. And the day before that, it had given $50,000 to the Democratic Senatorial Campaign.

Mr. Chairman, this is not about philosophy, this is about access and influence; and it corrupts our process. If a Member of this body went to Enron and called them on the phone and said, I would like a check for $50,000, or cash for $50,000, the Member would go to jail for corruption as he or she should. If Enron Corporation gave $50,000 to one of our congressional campaigns, we would go to jail, as we should, because that is corruption. But somehow if the same Member of Congress goes over to the Democratic Committee or Republican Committee and picks up the phone and says, I need a check for $50,000 for my party so we can get our people elected, that is not corruption? The American people know that is corruption. It does corrupt the process.

I have listened to my colleagues on both sides of the aisle lament that without these dollars they cannot get reelected. It is true. I remember Take Your Daughter to Work Day a few years ago I brought my 12-year-old daughter down, and at a Republican National Committee function we were talking about the money we had to raise and how we are going to get that money. The Member tapped me on the shoulder and whispered into my ear, and she said, "Everybody should just do what is right, and if you do what is right, the people will vote for you.

Mr. Chairman, Members should do what is really right and vote for Shays-Meehan.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. KUCINICH), a former mayor of Cleveland and an outstanding reformer in our body.

Mr. KUCINICH. Mr. Chairman, it is time for this Congress to rescue and secure our democracy from the soft-money slavery of special interests and the clutches of the best-government-money-can-buy. We must stand here on the highest hill in the land and tell corporate interests, which give billions in soft-money contributions that hold this government hostage, let my people go.

Finance and credit card companies gave $9 million in corporate campaign cash, and ordinary people ended up with higher rates of foreclosure. Let my people go.

Banking and security interests gave $87 million for banking deregulation, which undermines consumers’ economic interests. Let my people go.

Corporate campaign cash buys higher electric rates. Let my people go.

Corporate campaign cash buys a higher rate of prescription drugs. Let my people go.

Corporate campaign cash bought fast track which cost Americans millions of jobs. Let my people go.

Corporate campaign cash wants to buy the privatization of Social Security. Let my people go.

Mr. Chairman, freedom is on the line today. Free this Congress. Free this system. Free democracy from the yoke of corporate control. Let my people go.

Pass the Shays-Meehan substitute.

Mr. HOYER. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Missouri (Ms. McCARTHY).

(Ms. McCARTHY of Missouri asked and was given permission to revise and extend her remarks.)

Ms. McCARTHY of Missouri. Mr. Chairman, I commend the gentleman from Ohio (Mr. NEY) with regard to his work on election reform which was very bipartisan and passed this House nearly unanimously. That is why I am troubled today with having him stand up and present a bill for our support that he opposes personally, and opposes the bill we all seek, which has bipartisan support and will genuinely reform our campaign system.

To reform campaign laws and campaign laws in the same session would enforce in people’s mind that we have indeed our process up here and restored integrity to our election system. The confidence of the American people is at stake, and we deserve to serve them as we have in the past and continue to do so today.

Mr. Chairman, Shays-Meehan legislation will rein in that soft money and the deceptive ads that frustrate and confuse the people about the election system; and it will provide the American public with important information on which individuals or organizations are trying to influence their vote. I urge adoption of Shays-Meehan and oppose the Ney substitute.

Mr. FORD. Mr. Chairman, I yield 1 1/2 minutes to the gentlewoman from Michigan (Ms. RIVERS).

Ms. RIVERS. Mr. Chairman, as I listen to this debate and as I have listened to it in the past, we have been here before on this, I am reminded of the legendary creature, the hydra. The hydra, if one of its heads was cut off, it would grow two more. That is the way the arguments against Shays-Meehan seem to be. How many arguments do we have to hear? How many times do we have to endure this?

Today we hear that the bill that would not be supported 3 months ago is now the bill that should be embraced today. And then after arguing that, they suggest that the people on this side of the aisle are not operating from principle. Well, what is the principle that is driving the argument against reform? It seems to be the desire to protect the status quo at any cost by any argument no matter how specious.

Mr. Chairman, we have a shameful voter-participation record in this country. We have a political system that is not trusted by the people of this country. Enough is enough. It is time to end the cynical games, both political and parliamentary, that perpetuate this system. It is time to defeat the substitute, pass the Shays-Meehan and finally, finally, pass campaign finance reform.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY. Mr. Chairman, hopefully today will be a day where the American public wins. Five years ago as a freshman class president, I joined new Members of the 105th Congress view this institution and the way they view the White House.

We pledged that no matter what or how tough the going got, we would clean up the way elections are run. We knew that massive amounts of unregulated soft money have a corrosive influence on our political process. In fact, unregulated soft-money giving has increased by 137 percent since we made our pledge.

And so here we are, on the verge of finally doing something about it by passing campaign finance reform. But if we do not pass the Shays-Meehan bill, the campaign finance reform obstructionists will once again rest easy, knowing that the will of the public will be subverted by special interests, only this time in conference committee. It is time we kept our promise.

I urge my colleagues to join me in voting "no" on the Ney substitute as well as any poison pill amendments that might be considered.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York (Mr. ISRAEL).

Mr. ISRAEL. Mr. Chairman, I rise against this substitute by one of those Members who has been working on a bipartisan basis to strengthen Medicare and provide affordable prescription drugs to seniors. I know that this fall as sure as the leaves turn, I will turn on my television and there is going to be some phony ad, backed by soft money, by some innocent-sounding group masking a special interest, drowning out the real voices of real people and real seniors. It is enough.

I have heard the debate on both sides of the aisle on who Shays-Meehan really helps and who it hurts. There are some Democrats who say that Shays-Meehan will really help the Republicans, and there are some Republicans who say that Shays-Meehan will really help the Democrats. Mr. Chairman, how about helping the American people? How about putting them ahead of politics for once in this House? That is what we should do. The only way to truly do that is to pass Shays-Meehan and not substitutes designed to defeat it.
Mr. SHAYES. Mr. Chairman, I yield myself the balance of my time.
I would point out that in conversation with Trevor Potter, who had just been recently discussed, he pointed out that he totally disagrees with what was said by the gentleman from Virginia (Mr. Tom Davis), and the reference to his Website, in fact, not even his Website.
And that this $40 million fund that is being described, Democrats have $3.2 million in their building fund and Republicans have $1.8 million in their building fund. So if the Democrats have $40 million, they would have to raise from this point on the difference, basically $36.8 million, and then not spend it against candidates who are running for office.
Again, I just repeat, if the Democrats want to raise $36.8 million and spend it against candidates who are being described, Democrats have $3.2 million in their building fund and Republicans have $1.8 million in their building fund.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas, Mr. JACKSON-LEE.

Mr. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.

Mr. HOYER. Mr. Chairman, I yield the balance of my time to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. I thank the gentleman for yielding me this time.
TITLE III—MISCELLANEOUS

Sec. 301. Use of contributed amounts for certain purposes.

Sec. 302. Prohibiting record-keeping on Federal property.

Sec. 303. Strengthening foreign money ban.

Sec. 304. Modification of individual contribution limits in response to expenditures from personal funds.

Sec. 305. Television media rates.

Sec. 306. Limitation on availability of lowest unit charge for Federal candidates attacking opposition.

Sec. 307. Software for filing reports and pre-clearance disclosure of contributions.

Sec. 308. Modification of contribution limits.

Sec. 309. Donations to Presidential inaugural committee.

Sec. 310. Prohibition on fraudulent solicitation of funds.

Sec. 311. Study and report on Clean Money Clean Elections laws.

Sec. 312. Clarity standards for identification of sponsors of election-related communications.

Sec. 313. Increase in penalties.

Sec. 314. Statute of limitations.

Sec. 315. Sentencing guidelines.

Sec. 316. Incarceration penalties imposed for violations of conduit contribution ban.

Sec. 317. Restriction on increased contribution limits by taking into account candidate’s available funds.

Sec. 318. Clarification of right of nationals of the United States to make political contributions.

Sec. 319. Prohibition of contributions by minor parties.

TITLE IV—SEVERABILITY; EFFECTIVE DATE

Sec. 401. Severability.

Sec. 402. Effective date.

Sec. 403. Judicial review.

TITLE V—ADDITIONAL DISCLOSURE REQUIREMENTS

Sec. 501. Internet access to records.

Sec. 502. Maintenance of website of election expenditures.

Sec. 503. Additional disclosure reports.

Sec. 504. Public access to broadcasting records.

TITLE VI—ENFORCEMENT

Sec. 601. Administration.

Sec. 602. Enforcement.

Sec. 603. Penalties.

Sec. 604. Adjudication.

Sec. 605. Administrative hearing.

Sec. 606. Certification.

Sec. 607. Judicial review.

Sec. 608. Seizure and retention of records.

Sec. 609. False statements.

Sec. 610. False statements in reports.

Sec. 611. Civil penalties.

Sec. 612. Criminal penalties.

Sec. 613. Legal remedies.

Sec. 614. Liens and attachments.

Sec. 615. Garnishment.

Sec. 616. Right of the United States to make political expenditures from personal funds.

Sec. 617. Compliance with this Act.

Sec. 618. Limitation on availability of lowest unit charge for Federal candidates attacking opposition.

Sec. 619. Software for filing reports and pre-clearance disclosure of contributions.

Sec. 620. Modification of contribution limits.

Sec. 621. Donations to Presidential inaugural committee.

Sec. 622. Prohibition on fraudulent solicitation of funds.

Sec. 623. Study and report on Clean Money Clean Elections laws.

Sec. 624. Clarity standards for identification of sponsors of election-related communications.

Sec. 625. Increase in penalties.

Sec. 626. Statute of limitations.

Sec. 627. Sentencing guidelines.

Sec. 628. Incarceration penalties imposed for violations of conduit contribution ban.

Sec. 629. Restriction on increased contribution limits by taking into account candidate’s available funds.

Sec. 630. Clarification of right of nationals of the United States to make political contributions.

Sec. 631. Prohibition of contributions by minor parties.

Sec. 632. In general.

Sec. 633. Exception for political parties, federal candidates and officeholders, and state parties acting jointly.

Sec. 634. Prohibition on conduit contributions.

Sec. 635. Enforcement.

Sec. 636. Administrative hearing.

Sec. 637. Judicial review.

Sec. 638. Seizure and retention of records.

Sec. 639. False statements.

Sec. 640. False statements in reports.

Sec. 641. Civil penalties.

Sec. 642. Criminal penalties.

Sec. 643. Legal remedies.

Sec. 644. Liens and attachments.

Sec. 645. Garnishment.

Sec. 646. Right of the United States to make political expenditures from personal funds.

Sec. 647. Compliance with this Act.

Sec. 648. Limitation on availability of lowest unit charge for Federal candidates attacking opposition.

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Sec. 702. Criminal penalties.

Sec. 703. Legal remedies.

Sec. 704. Liens and attachments.

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Sec. 714. Clarity standards for identification of sponsors of election-related communications.

Sec. 715. Increase in penalties.

Sec. 716. Statute of limitations.

Sec. 717. Sentencing guidelines.

Sec. 718. Incarceration penalties imposed for violations of conduit contribution ban.
jointly by 2 or more State, local, or district committees of any political party or their agents, or by a State, local, or district committee of a political party on behalf of the State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii); (ii) a contribution to a candidate for State or local office, if the contributor is designated to pay for a Federal election activity described in subparagraph (A); (iii) the costs of a State, district, or local political convention; (iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that are available only to a candidate for State or local office; and (v) the cost of constructing or purchasing an office facility owned by a State, district, or local committee.

21. Generic campaign activity. The term `generic campaign activity' means a campaign activity that promotes a political party and does not promote a candidate or non-Federal candidate.

22. Public communication. The term `public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing, telephone bank, or any other form of general public political advertising.

23. Mass mailing. The term `mass mailing' means a mailing by United States mail or facsimile of more than 500 pieces of mail matter of an identical or substantially similar nature within any 30-day period.

22. Political committee. The term `political committee' means:

(a) A national or congressional political committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either a political committee.

(b) Other political committees to which section 301 applies.

(c) The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either a political committee.

SEC. 102. INCREASED CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.

Section 316(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking `or' at the end;

(2) in subparagraph (C)—

(A) by inserting `other than a committee described in subparagraph (D))' after `committee'; and

(B) by striking the period at the end and inserting `or'; and

or by adding at the end the following:

(2) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.

SEC. 103. REPORTING REQUIREMENTS.

(a) Reporting requirements. Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

(b) Political committees.

(1) National and congressional political committees. The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either a political committee.

(c) Other political committees to which section 301 applies.

(1) A political committee.

(2) Specific disclosure by state and local parties of certain nonfederal amounts permitted to be spent on federal election activity.

(3) Political committee.

(4) PERMITTING CERTAIN SOLECITATIONS.

(A) General solicitations. Notwithstanding any other provision of this subsection, an individual described in paragraph (1) or (2) of section 316(a) and committee. (b)(2)(C) of section 316(a) and committee. (b)(2)(C) of section 316(a) and committee.

(1) A political communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii); (ii) a contribution to a candidate for State or local office, if the contributor is designated to pay for a Federal election activity described in subparagraph (A); (iii) the costs of a State, district, or local political convention; (iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that are available only to a candidate for State or local office; and (v) the cost of constructing or purchasing an office facility owned by a State, district, or local committee.

21. Generic campaign activity. The term `generic campaign activity' means a campaign activity that promotes a political party and does not promote a candidate or non-Federal candidate.

22. Public communication. The term `public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing, telephone bank, or any other form of general public political advertising.

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(A) by inserting `other than a committee described in subparagraph (D))' after `committee'; and

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(b) Other political committees to which section 301 applies.

(c) The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either a political committee.
disclosed in section 301(20)(A) shall include a disclosure of all receipts and disbursements described in section 322(b)(2)(A) and (B).

(5) ITEMIZATION.—If a political committee has reports required to be filed under this subsection, all items required to be filed for the same time periods required for political committees under subsection (a)(4)(B).

(6) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(b)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(b)(8)) is amended—

(1) after subsection (a), by inserting at the end the following:

(a) IN GENERAL.—Each political committee which receives contributions aggregating in excess of $2,000 in any calendar year, or which is subject to reporting, for any applicable electioneering communication, shall file with the Commission, at the time of receipt of contributions aggregating in excess of $10,000 in any calendar year, a report containing—

(i) a description of such communication;

(ii) the amount of each disbursement or expenditure by the committee, and by any person acting on behalf of the committee, which constitutes an expenditure or an independent expenditure under this Act;

(iii) the names and addresses of all contributors who contributed an aggregate amount of $1,000 or more to the committee during any calendar year, in the case of a candidate for Federal office;

(iv) a statement containing the information described in paragraph (2) with respect to each communication described in subparagraph (A), which is made by any entity described in section 304(f)(3) of such Act (including any political party or committee thereof, or an agent or affiliation of any such candidate, party, or committee) that is subject to reporting under such regulations as the Commission may require to carry out the purposes of the Internal Revenue Code of 1986.

(b) RESPONSIBILITIES OF FEDERAL COMMUNICATIONS COMMISSION.—The Federal Communications Commission shall compile and maintain any information the Federal Election Commission may require to carry out sections 301(b)(8) and 316(b)(2) of the Federal Election Campaign Act of 1971 (as added by section (a)), and shall make such information available to the public on the Federal Communication Commission’s website.

SEC. 206. COORDINATED COMMUNICATIONS AS CONTRIBUTIONS.

Section 315(a)(7) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

(C) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broad-cast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(ii) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(iii) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(iv) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(v) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(vi) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(vii) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(viii) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(ix) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(x) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(xi) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(xii) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(xiii) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(xiv) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(xv) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(xvi) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(xvii) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(xviii) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(xix) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(xx) If clause (i) is held to be constitutionally insufficient by final judicial decision to prevent approval hereof of the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which refers to a candidate for an office other than President or Vice President, which is targeted to the relevant electorate.

(2) by redesignating clauses (ix) through (x) as clauses (ii) through (iv), respectively.
Subtitle B—Independent and Coordinated Expenditures

SEC. 211. DEFINITION OF INDEPENDENT EXPENDITURE.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by striking paragraph (17) and inserting the following:

"(18) INDEPENDENT EXPENDITURE.—The term ‘independent expenditure’ means an expenditure by a person—

(A) expressly advocating the election or defeat of a clearly identified candidate; and

(B) that is not made in concert or cooperation with or at the request or suggestion of such candidate, the candidate’s authorized political committee, or their agents.

SEC. 212. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 201) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C); and

(2) by adding at the end the following:

"(ig) TIME FOR REPORTING CERTAIN EXPENDITURES.—

(1) EXPENDITURES AGGREGATING $1,000.—

(A) INITIAL REPORT.—A person (including a political committee that makes or contracts to make independent expenditures aggregating $1,000) shall file a report describing the expenditures within 24 hours.

(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

(2) EXPENDITURES AGGREGATING $10,000.—

(A) INITIAL REPORT.—A person (including a political committee that makes or contracts to make independent expenditures aggregating $10,000) shall file a report describing the expenditures within 48 hours.

(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

(3) PLACE OF FILING; CONTENTS.—A report under this subsection—

(A) shall be filed with the Commission; and

(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.

(b) CONFORMING AMENDMENT.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)) is amended by striking ", or the second sentence of subsection (c),".

SEC. 213. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434d) is amended—

(1) in paragraph (1), by striking "and (3)" and inserting ", (3), and (4);"; and

(2) by adding at the end the following:

"(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, no committee of the political party may make—

"(i) any coordinated expenditure under this subsection with respect to the candidate during the election cycle at any time after it makes any independent expenditure (as defined in section 301(17)) with respect to the candidate during the election cycle; or

"(ii) any independent expenditure (as defined in section 301(17)) with respect to the candidate during the election cycle.

(b) APPLICATION.—In this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political party.

(c) TRANSFERS.—A committee of a political party that makes coordinated expenditures under this subsection with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to, make coordinated expenditures under this subsection to, or receive a transfer of funds from, any committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.

SEC. 214. COORDINATION WITH CANDIDATES OR POLITICAL PARTIES.

(a) IN GENERAL.—Section 315(a)(7)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434a(7)(B)) is amended—

(1) by redesignating clause (ii) as clause (iii); and

(2) by inserting after clause (i) the following new clause:

"(B) expenditures made by any person (other than a candidate or candidate’s authorized committee) in cooperation, consultation, or in concert, with, or at the request or suggestion of, a national, State, or local committee of a political party, shall be considered to be contributions made to such party committee; and"

(b) REPEAL OF CURRENT REGULATIONS.—The regulations on coordinated communications paid for by persons other than candidates, authorized committees of candidates, and political party committees adopted by the Federal Election Commission and published in the Federal Register at page 76138 of volume 65, Federal Register, on December 6, 2000, are repealed to the extent that the Commission is required to promulgate new regulations under subsection (c) as described in the second sentence of section 402(c).

(c) REGULATIONS BY THE FEDERAL ELECTION COMMISSION.—The Federal Election Commission shall promulgate new regulations on coordinated communications paid for by persons other than candidates, authorized committees of candidates, and party committees that are not required by agreement or formal collaboration to establish coordination. In addition to any determination made by the Commission, the regulations shall address—

(A) payments for the republication of campaign materials;

(B) payments for the use of a common vendor;

(C) payments for communications directed or made by persons who previously served as an employee of a candidate or a political party; and

(D) payments for communications made by a person after substantial discussion about the communication with a candidate or a political party.

(d) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF subdivision (b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441(b)(2)) is
amended by striking “shall include” and inserting “includes a contribution or expenditure, as those terms are defined in section 301, and also includes”.

TITLE III—MISCELLANEOUS

SEC. 301. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

“SEC. 313. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

“(a) PERMITTED USES.—A contribution or donation described in subsection (a) shall be converted to personal funds only for the purposes of:

(1) for otherwise authorized expenditures in connection with the campaign for Federal office of the candidate or individual;

(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

(3) for contributions to an organization described in section 179(c) of the Internal Revenue Code of 1986;

(4) for transfers to a national, State, or local committee of a political party.

“(b) PROHIBITED USE.—The following:

(1) a contribution or donation of money or other thing of value or any person to solicit or receive a donation of money or other thing of value in connection with the campaign for Federal office, may be used by the candidate or individual—

(A) for otherwise authorized expenditures in connection with the campaign for Federal office of the candidate or individual;

(B) a contribution or donation to a committee of a political party;

(C) an expenditure, independent expenditure, or disbursement for an electioneering communication (within the meaning of section 304(f)(3)); or

(D) a person to solicit, accept, or receive a contribution or donation described in subparagraph (A) from a foreign national.

“SEC. 302. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

“(a) INCREASED LIMITS FOR INDIVIDUALS.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended—

(1) in subsection (a)(1), by striking “$1,000” and inserting “$10,000”; and

(2) by adding at the end the following:

“(i) INCREASED LIMIT TO ALLOW RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.—

(1) The Federal Election Commission shall not accept any contribution and a party shall not make any expenditure, under the increased limit under paragraph (1), when added to the aggregate amount of contributions previously accepted and party expenditures previously made under the increased limits under this subsection for the election cycle, exceeds 110 percent of the opposition personal funds amount.

(B) EFFECT OF WITHDRAWAL OF AN OPPosing CANDIDATE.—A candidate and a candidate’s authorized committee shall not accept any contribution and a party shall not make any expenditure under the increased limit after the date on which an opposing candidate ceases to be a candidate to the extent that the amount of such increased limit is attributable to such opposing candidate.

(C) DISPOSAL OF EXCESS CONTRIBUTIONS.—

(1) The aggregate amount of contributions accepted by a candidate or a candidate’s authorized committee under the increased limit under paragraph (1) and not otherwise expended in connection with the election with respect to which such contribution relates shall, not later than 50 days after the date of such election, be used in the manner described in subparagraph (B).

(B) RETURN TO CONTRIBUTORS.—A candidate or a candidate’s authorized committee shall return the excess contribution to the person who made the contribution.

(C) LIMITATION ON REPAYMENT OF PERSONAL LOANS.—Any candidate who incurs personal loans made after the effective date of the Bipartisan Campaign Finance Reform Act of 2002 in connection with the candidate’s campaign for election shall not repay (directly or indirectly), to the extent such loans exceed $250,000, such loans from any contributions made to such candidate or any authorized committee of such candidate after the date of such election.

(D) NOTIFICATION OF EXPENDITURES FROM PERSONAL FUNDS.—Section 304(a)(6) of the
Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (E); and

(2) in inserting after subparagraph (A) the following:

"(B) NOTIFICATION OF EXPENDITURE FROM PERSONAL FUNDS.—In this subparagraph, the term 'expenditure from personal funds' means—

'(i) an expenditure made by a candidate using personal funds; and

'(ii) a contribution or loan made by a candidate using personal funds or a loan secured using such funds to the candidate's authorized committee.

'(ii) DECLARATION OF INTENT.—Not later than the date that is 15 days after the date on which an individual becomes a candidate for the office of Senator, the candidate shall file a declaration stating the total amount of expenditures from personal funds that the candidate intends to make, or to obligate to make, with respect to the election that will exceed the State-by-State competitive and fair campaign fund (as defined in subsection (a)(1)) with—

'(I) the Commission; and

'(II) each candidate in the same election.

'(iii) INITIAL NOTIFICATION.—Not later than 24 hours after the date described in clause (ii) makes or obligates to make an aggregate amount of expenditures from personal funds in excess of 2 times the threshold amount in connection with such an election, the candidate shall file a notification with—

'(I) the Commission; and

'(II) each candidate in the same election.

'(iv) ADDITIONAL NOTIFICATION.—If a candidate files an initial notification under clause (iii), the candidate shall file an additional notification each time expenditures from personal funds in excess of the threshold amount are made or obligated to be made in an aggregate amount that exceed $10,000 with—

'(I) the Commission; and

'(II) each candidate in the same election.

'(v) CONTENTS.—A notification under clause (iii) or (iv) shall include—

'(I) the name of the candidate and the office sought by the candidate;

'(II) the date and amount of each expenditure; and

'(III) the total amount of expenditures from personal funds that the candidate has made, or obligated to make, with respect to an expenditure that is the subject of the notification.

'(C) NOTIFICATION OF DISPOSAL OF EXCESS CONTRIBUTIONS.—In the next regularly scheduled report after the date of the election for which a candidate seeks nomination for election to, or election to, Federal office, the candidate or the candidate's authorized committee shall submit to the Commission a report indicating the source and amount of any excess contributions (as determined under paragraph (1) of section 315(i)) and the manner in which the candidate or the candidate's authorized committee used such funds.

'(D) ENFORCEMENT.—For provisions providing for the enforcement of the reporting requirements under this paragraph, see section 305.

SEC. 306. LIMITATION ON AVAILABILITY OF LOWEST UNIT CHARGE FOR FEDERAL CANDIDATES ATTACKING OPPOSITION.

(a) IN GENERAL.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)), as amended by this Act, is amended by adding at the end the following:

"(b) RATE AVAILABLE FOR NATIONAL PARTIES.—Section 315(b)(2) of such Act (47 U.S.C. 315(b)(2)), as amended by subsection (a)(3), is amended by inserting "or to a national committee of a political party making expenditures under section 315(d) of the Federal Election Campaign Act of 1971 on behalf of such candidate in connection with such campaign," after "such office";

(c) PREEMPTION.—Section 315 of such Act (47 U.S.C. 315) is amended—

'(1) by redesignating subsections (c) and (d) as subsections (e) and (f), respectively; and

'(2) by inserting after subsection (b) the following new subsec-

"(c) PREEMPTION.—

'(1) IN GENERAL.—Except as provided in paragraph (2), a licensee shall not preempt the broadcast service of a broadcast station, or a provider of cable or satellite television service, by an eligible candidate or political committee of a political party who has purchased and paid for such use pursuant to subsection (b);

'(2) CIRCUMSTANCES BEYOND CONTROL OF LICENSEE.—If a broadcast station, or a provider of cable or satellite television service, is preemted because of circumstances beyond the control of the licensee of the broadcast station, or the provider of cable or satellite television service, the preemption shall cover the broadcast station, or the provider of cable or satellite television service, during the broadcast during which such program may also be preemted.

(b) RANDOM AUDITS.—Section 315 of such Act (47 U.S.C. 315), as amended by subsection (c), is amended by inserting after subsection (c) the following new subsection:

"(d) RANDOM AUDITS.—

"(1) IN GENERAL.—During the 45-day period preceding a primary election and the 60-day period preceding a general election, the Commission shall conduct random audits of designated market areas to ensure that each television broadcast station, and provider of cable or satellite television service, in those markets is allocating television broadcast advertising time in accordance with this section and section 312.

"(2) MARKETS.—The random audits conducted under paragraph (1) shall cover the following markets:

"(A) At least 6 of the top 50 designated market areas (as defined in section 312(c)(1) of title 17, United States Code).

"(B) At least 3 of the 51-100 largest designated market areas (as so defined).

"(C) At least 3 of the 101-150 largest designated market areas (as so defined).

"(D) At least 3 of the 151-210 largest designated market areas (as so defined).

"(3) BROADCAST STATIONS.—Each random audit shall include each of the 3 largest television broadcast networks, 1 independent network, and 1 cable network.

"(e) DEFINITION OF BROADCASTING.—Section 315(b)(2) of such Act (47 U.S.C. 315(b)(2)), as redesignated by subsection (c)(1) of this section, is amended by inserting "a television broadcast station," before "and a provider of cable or satellite television service" before the semicolon.

"(f) STYLISTIC AMENDMENTS.—Section 315 of such Act (47 U.S.C. 315) is amended—

'(1) by striking "In general," in subsection (a), and inserting "In general," before "If any";

'(2) in subsection (e), as redesignated by subsection (c)(1) of this section, by inserting "and a broadcast station," before "and a provider of cable or satellite television service";

'(3) in subsection (f), as redesignated by inserting "Regulations," before "The Commission";
broadcast that does not meet the require-
ments of subparagraph (C) or (D), such can-
didate shall not be entitled to receive the 
rate under paragraph (1)(A) or (2) for such 
broadcast. A candidate shall be provided 
and certified as qualified by the Commission 
if, in the case of a television broadcast, at 
the end of such broadcast there appears si-
multaneously, for a period no less than 4 sec-
onds—

(i) a clearly identifiable photographic or 
graphic image of the candidate; and

(ii) a clearly readable printed statement, 
identifying the candidate and stating that 
the candidate has approved the broadcast 
and that the candidate’s authorized com-
mittee paid for the broadcast.

“(C) TELEVISION BROADCASTS.—A candidate 
meets the requirements of this subparagraph 
if, in the case of a television broadcast, at 
the end of such broadcast there appears at 
least 10 seconds, for a period no less than 4 sec-
onds—

(i) a clearly identifiable photographic or 
graphic image of the candidate; and

(ii) a clearly readable printed statement, 
identifying the candidate and stating that 
the candidate has approved the broadcast 
and that the candidate’s authorized com-
mittee paid for the broadcast.

“(D) RADIO BROADCASTS.—A candidate 
meets the requirements of this subparagraph 
if, in the case of a radio broadcast, the 
broadcast includes a personal audio state-
ment identifying the candidate and stating 
that the candidate has approved the broadcast 
and that the candidate’s authorized commit-
tee paid for the broadcast.

“(E) CERTIFICATION.—Certifications under 
this section shall be provided and certified as 
accurate by the candidate (or any authorized 
committee of the candidate) at the time of 
purchase.

“(F) DEFINITIONS.—For purposes of this 
paragraph, the terms ‘authorized committee’ 
and ‘Federal office’ have the meanings given 
such terms by section 301 of the Federal 

“(b) CONFORMING AMENDMENT.—Section 
315(b)(1)(A) of the Communications Act of 
1934 (47 U.S.C. 315(b)(1)(A)), as amended 
by this Act, is amended by inserting “subject 
to paragraph (3),” before “during the forty-five 
days”:

“(c) EFFECTIVE DATE.—The amendments 
made by this section shall apply to broad-
casts made after the effective date of this 
Act.

SEC. 307. SOFTWARE FOR FILING REPORTS AND 
PROMPT DISCLOSURE OF CON-
TRIBUTIONS

Section 304(a) of the Federal Election Cam-
paign Act of 1971 (2 U.S.C. 434(a)) is amended 
by adding at the end the following:

“(A) IN GENERAL.—The Commission shall—

(i) promulgate standards to be used by 
vendors to include in the software developed 
under the standards promulgated under clause 
(i) each person who files a designation 
statement, or report in electronic form under 
this Act.

(ii) provide to vendors to include in the software developed 
under the standards promulgated under paragraph (A) 
the ability for any person to file any designation 
statement, or report, or any report required 
under this Act in electronic form.

“(B) ADDITIONAL INFORMATION.—To the ex-
tent feasible, the Commission shall require 
vendors to include in the software developed 
under the standards promulgated under paragraph (A) 
the ability for any person to file any design-
ated statement, or report, or any report required 
under this Act in electronic form.

“(C) REQUIRED USE.—Notwithstanding any 
provision of this Act relating to times for fil-
ing required reports, or in the case of a Federal 
candidate (or that candidate’s authorized committee) 
shall use software that meets the standards 
promulgated under this paragraph once such 
software is made available to such can-
didate.

“(D) REQUIRED POSTING.—The Commission 
shall, within 10 days of such software becoming 
available, post on the Internet any information 
received under this paragraph.”.

SEC. 308. MODIFICATION OF CONTRIBUTION LIMITS

(a) INCREASE IN INDIVIDUAL LIMITS FOR CUR-
TAIN CONTRIBUTIONS.—Section 315(a)(1) of the 
Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended 
by striking “$1,000” and inserting in its stead—

(1) in subparagraph (A), by striking “$1,000” and inserting “$2,000” or, (or in the case of a candidate for Representa-

tive in or Delegate or Resident Commis-
sioner to the Congress, (B) and

(2) in subparagraph (B), by striking “$20,000” and inserting “$25,000”.

(b) INCREASE IN ANNUAL AGGREGATE LIMIT

ON INDIVIDUAL CONTRIBUTIONS.—Section 
315(a)(3) of the Federal Election Campaign 
Act of 1971 (2 U.S.C. 441a(a)(3)) is amended 
to read as follows:

“(B) DURING THE PERIOD BETWEEN 
JANUARY 1 AND DECEMBER 31 OF EACH YEAR

(i) the amount so increased shall re-

main in effect for the calendar year; and

(ii) if any amount after adjustment under clause (i) is not a multiple of $100, 
such amount shall be rounded to the nearest 
multiple of $100.

“(C) In the case of contributions under sub-
sections (a)(1)(A), (a)(1)(B), (a)(3), and (b), 
increases shall only be made in odd-numbered 
years and such increases shall remain in ef-
fect for the 2-year period beginning on the first 
day following the date of the last gen-
eral election.

“(D) EFFECTIVE DATE.—The amendments 
made by this section shall apply with respect 
to contributions made on or after January 1, 
2003.

SEC. 309. DONATIONS TO PRESIDENTIAL INA-
GURAL COMMITTEE.

(a) IN GENERAL.—Chapter 5 of title 36, 
United States Code, is amended—

(1) redesigning section 510 as section 511; and

(2) inserting after section 509 the fol-

lowing:—

“§510. Disclosure of and prohibition on cer-
tain donations.

“(a) IN GENERAL.—A committee shall not 
be considered to be the Inaugural Committee 
for purposes of this chapter unless the com-
mittee agrees to, and meets, the require-
ments of subsections (b) and (c).

“(b) DISCLOSURE.—

“(1) IN GENERAL.—Not later than the day 
that is 90 days after the date of the Presi-
dential inaugural ceremony, the committee 
shall file a report with the Federal Election 
Commission disclosing any donation of money 
or anything of value made to the committee 
in an aggregate amount equal to or greater than $200.

“(2) CONTENTS OF REPORT.—A report 
filed under paragraph (1) shall contain—

(A) the amount of the donation;

(B) the date the donation is received; and

(C) the name and address of the person 
making the donation.

“(c) LIMITATION.—The committee shall not 
accept any donation from a foreign national 
and shall be subject to the campaign finance 
restrictions of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)).

“(b) REPORTS MADE AVAILABLE BY FEC.

Section 304 of the Federal Election Cam-
paign Act of 1971 (2 U.S.C. 434), as amended 
by sections 103, 201, and 212 is amended 
by adding at the end the following:

“(b) REPORTS FROM INAUGURAL COMMIT-
TEES.—The Federal Election Commission 
shall make any report filed by an Inaugural 
Committee under section 510 of title 36, 
United States Code, accessible to the public 
at the offices of the Commission and on the 
Internet not later than 48 hours after the re-
port is received by the Commission.

SEC. 310. PROHIBITION ON FRAUDULENT SOLICI-
TATION OF FUNDS

Section 322 of the Federal Election Cam-
paign Act of 1971 (2 U.S.C. 442) is amended—

(1) by inserting “(a) IN GENERAL.—” before “No person”;

(2) by adding at the end the following:

“(b) FRAUDULENT SOLICITATION OF FUNDS.—

No person shall—

“(1) fraudulently misrepresent the person as 
speaking, writing, or otherwise acting for 
or on behalf of any candidate or political 
party or employee or agent thereof for the 
purpose of soliciting contributions or dona-
tions; or

“(2) willfully and knowingly participate in 
or conspire to participate in any plan, 
scheme, or design to violate paragraph (1).”.

SEC. 311. STUDY AND REPORT ON CLEAN MONEY 
ELECTIONS

(a) CLEAN MONEY ELECTIONS DEFINED.—In 
this section, the term ‘clean money elections’ means elections 
held under State laws that provide in whole or in part for the public financing of election 
campaigns.

(b) STUDY.—

(1) IN GENERAL.—The Comptroller General 
shall conduct a study of the clean money 
elections of Arizona and Maine.

(c) MATTERS STUDIED.—(A) STATISTICS ON 
CLEAN MONEY ELECTIONS CANDIDATES.—The Comptroller 
General shall determine—

(i) the number of candidates who have 
chosen to run for public office with clean money 
elections including—

(I) the office for which they were can-
didates;

(II) whether the candidate was an incum-

bent or a challenger; and
SEC. 312. CLARITY STANDARDS FOR IDENTIFICATIONS OF ELECTION-RELATED ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking “Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcast station, newspaper, magazine, outdoor advertising facility, mailing, or any other medium of public communication—” and inserting—

“Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcast station, newspaper, magazine, outdoor advertising facility, mailing, or any other medium of public communication—”;

(B) in paragraph (3), by inserting “and in a manner with a reasonable degree of color contrast between the background and the printed matter so as to be readable by the recipient of the communication;” after “message”; and

(C) in paragraph (4), by striking “a disbursement” and inserting “a disbursement for an electioneering communication (as defined in section 301(h)(3))”.

SEC. 313. INCREASE IN PENALTIES.

(a) IN GENERAL.—Subparagraph (A) of section 309(d)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended to read as follows:

“(A) any person knowingly and willfully commits a violation of any provision of this Act which involves the making, receiving, or reporting of any contribution, donation, or expenditure—

(i) aggregating $25,000 or more during a calendar year shall be fined under title 18, United States Code, or imprisoned for not more than 5 years, or both; or

(ii) aggregating $2 or more (but less than $25,000) during a calendar year shall be fined under title 18, United States Code, or imprisoned for not more than one year, or both.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring on or after the effective date of this Act.

(c) SPECIFICATION.—Any printed communication described in subsection (a) that—

(i) be of sufficient type size to be clearly readable by the recipient of the communication;

(ii) be contained in a printed box set apart from the other contents of the communication;

(iii) be printed with a reasonable degree of color contrast between the background and the printed matter so as to be readable by the recipient of the communication; and

(iv) be inserted or made in a disbursement for a communication (as defined in section 301(h)(3)) after “public political advertising”;

(B) in paragraph (3), by inserting “and permanent street address, telephone number, or World Wide Web address” after “name”; and

(C) in paragraph (4)(C), by inserting “—

(c) SPECIFICATION.—Any printed communication described in subsection (a) shall—

(1) be of sufficient type size to be clearly readable by the recipient of the communication;

(2) be contained in a printed box set apart from the other contents of the communication;

(3) be printed with a reasonable degree of color contrast between the background and the printed matter so as to be readable by the recipient of the communication;

(4) be transmitted through television or radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following audio statement: ‘‘(with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payer). If transmitted through television, the statement shall be conveyed by an unobscured, full-screen view of a representative of the political committee or other person making the statement, or by a representative of such political committee or other person in voice-over, and shall also appear in a clearly readable manner of not less than 12-point typeface of a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.”

SEC. 314. STATUTE OF LIMITATIONS.

(a) IN GENERAL.—Section 308(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended by striking “3” and inserting—

“5”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring on or after the effective date of this Act.

SEC. 315. SENTENCING GUIDELINES.

(a) IN GENERAL.—United States Sentencing Commission shall—

(1) promulgate a guideline, or amend an existing guideline under section 994 of title 28, United States Code, to take into account the following considerations:

(A) a contribution, donation, or expenditure—

(i) from a foreign source;

(ii) exceeding $25,000 during a calendar year;

(iii) to a political committee or other person in connection with a political committee or other person paying for an electioneering communication (as defined in section 301(h)(3)); or

(iv) by a candidate or committee involved in the violation;

(B) an aggregate amount of illegal contributions, donations, or expenditures—

(i) from personal funds under subparagraph (A); or

(ii) from personal funds under subparagraph (B);

(C) an intent to achieve a benefit from the violation;

(D) the receipt or disbursement of campaign funds;</p>
gross receipts advantage of the candidate's authorized committee.

"(ii) GROSS RECEIPTS ADVANTAGE.—For purposes of clause (i), the term 'gross receipts advantage' means the excess, if any, of—

"(I) the aggregate amount of 50 percent of gross receipts of a candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held, over—

"(II) the aggregate amount of 50 percent of gross receipts of the opposing candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held."

SEC. 318. CLARIFICATION OF RIGHT OF NATIONAL- ALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

"PROHIBITION OF CONTRIBUTIONS BY MINORS

Section 324. An individual who is 17 years old or younger shall not make a contribution to a candidate, committee, or convention of a political party.

TITLe IV—SEVERABILITY; EFFECTIVE DATE

SEC. 401. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of any provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act shall be applied in the case described in this Act and amendments and to any person or circumstance, shall not be affected by the holding.

SEC. 402. EFFECTIVE DATE.

(a) In GENERAL.—Except as otherwise provided in section 308 and subsection (b), this Act and the amendments made by this Act shall apply:

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 329(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a), the following rules shall apply with respect to the spending of such funds by such committee:

3. REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Federal Election Commission shall promulgate regulations to carry out title I of this Act and the amendments made by such title. Not later than 270 days after the date of the enactment of this Act and the Federal Election Commission shall promulgate regulations to carry out all other titles of this Act and all other amendments made by this Act which are under the Commission's jurisdiction.

SEC. 403. JUDICIAL REVIEW.

(a) SPECIAL RULE FOR ACTIONS BROUGHT ON CONSTITUTIONAL GROUNDS.—If any action is brought for declaratory or injunctive relief to challenge the constitutionality of any provision of this Act or any amendment made by this Act, the following rules shall apply:

(1) The action shall be filed in the United States District Court for the District of Columbia and shall be heard by a 3-judge court convened pursuant to section 2261 of title 28, United States Code.

(2) A copy of the complaint shall be delivered promptly to the Clerk of the House of Representatives and the Secretary of the Senate.

(3) A final decision in the action shall be reviewable only by appeal directly to the Supreme Court of the United States. Such appeal shall be taken by the filing of a notice of appeal within 60 days after the filing of a jurisdictional statement within 30 days of the entry of the final decision.

(4) It shall be the duty of the United States District Court of the District of Columbia and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of the action as consistent with the Justices' schedule.

(b) INTERVENTION BY MEMBERS OF CONGRESS.—In any action in which the constitutionality of any provision of this Act or any amendment made by this Act is raised (including but not limited to an action described in subsection (a)), any member of the House of Representatives (including a Delegate or Resident Commissioner to the Congress) or Senate shall have the right to intervene either in support of or opposition to the position of a party to the case regarding the constitutionality of the provision or amendment. To avoid duplication of efforts and reduce the burdens placed on the parties to the action, any action may make such orders as it considers necessary, including orders to require intervenors taking similar positions to file joint papers or to be represented by a single attorney at oral argument.

TITLe V—ADDITIONAL DISCLOSURE PROVISIONS

SEC. 501. INTERNET ACCESS TO RECORDS.

Section 304(a)(11)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(B)) is amended to read as follows:

(F) in the case of a request made by, or on behalf of, a legally qualified candidate for public office; or

(b) COMMUNICATIONS.—A licensee shall maintain, and make available for public inspection, a complete record of a request to purchase broadcast time that—

(1) is made by or on behalf of a legally qualified candidate for public office; or

(2) contains a communication relating to any political matter of national importance, including—

(c) COORDINATION WITH OTHER AGENCIES.—Any Federal executive agency receiving election-related information which that agency is required by law to publicly disclose shall cooperate and coordinate with the Federal Election Commission to make such report available through, or for posting on, the site of the Federal Election Commission in a timely manner.
The CHAIRMAN. Pursuant to section 2 of House Resolution 344, the gentleman from Connecticut (Mr. SHAYS) and a Member opposed each will control 20 minutes.

Mr. NEY. Mr. Chairman, I claim the time in opposition to the amendment.

Mr. SHAYS. Mr. Chairman, for the purposes of yielding, I yield 5 minutes to the gentleman from Maryland (Mr. HOYER) and 7½ minutes to the gentleman from Massachusetts (Mr. MEEHAN), and I ask unanimous consent that they be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would just say that this is, in fact, the amendment that has worked its way through the House on two occasions, in 1998 and 1999, and on both occasions has been changed slightly. This amendment now has gone to the Senate in which the Senate worked on amendments, and we met with Senators from both sides of the aisle to learn what they needed in that bill in order for them to pass it, and we think we have worked out a bill that is about 85 percent of what we had hoped it would be in 1998 and 1999. This is not the identical bill that passed the Chamber in 1998 and 1999, but it is darn close.

I am asking this House to vote out this substitute and allow this to be the base bill, so that we can then have the 10 amendments from the gentleman from Texas (Mr. ARNEY) and the 3 amendments that will be offered by the gentleman from Massachusetts (Mr. MEEHAN) and myself, and by other individuals.

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

Mr. HOYER. Mr. Chairman, I yield myself such time as he may consume to the distinguished gentleman from Michigan (Mr. DINGELL), the dean of the House.

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Chairman, I rise to assert my strong support for the Shays-Meehan substitute and to urge my colleagues to do likewise and to vote down all poison pills and crippling amendments.

Mr. MEEHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill before us represents bipartisan, bicameral campaign finance reform. A lot has been said on the House side in opposition to changes in this bill over a period of the last several months. This bill has been a bipartisan, bicameral work in progress over a period of the last several years. I want to thank my Republican colleagues, particularly the gentleman from Connecticut (Mr. SHAYS) for his efforts, as well as our colleagues from both sides of the aisle in the other body.

We have crafted a bill that gets at the soft money system that is clearly out of control. All one has to do is go back to one's home district and listen to people talk about unlimited contributions to both political parties, corporate contributions to union treasury dues being used for political campaigns, and wealthy individuals contributing unlimited amounts of money to the parties.

Mr. Chairman, Senator MCCAIN once said that it is going to take a scandal to get people's attention back to how dirty politics is. What happened was two or three scandals ago when we were looking at foreign nationals coming in and contributing millions of dollars. The latest one is Enron, $4 million over the last 10 years in soft money; 70 percent of all of the money that Enron has contributed since 1995, soft money, including nearly $2 million in the last election cycle.

We face an historic vote. It is time for the votes to be counted. The Congress, this opportunity the House has had to fundamentally change the soft money system that has been such an abuse over the last decade. The eyes of this entire country are looking at this House to determine whether or not our bipartisan efforts will pay off and send a bill over to the United States Senate and get it to the President's desk.

I thank all of the Members on both sides of the aisle that have made this possible. I have a bunch of votes that are outstanding. The Members who have been for reform over the last several years have to look within themselves to show the courage, the independence, the commitment to true reform, to make this reform happen today in the House of Representatives.

Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut (Ms. DELAURO), who has played such a critical role in our efforts to pass campaign finance reform.

Ms. DELAURO. Mr. Chairman, today, at long last, we are on the precipice of cleaning up our electoral system, of standing up to special interests, standing up for democracy.

This is an historic moment. We have the opportunity to end the era of unregulated soft money. We may bring to a close a period when ordinary citizens could not be heard above the clamor of the special interests. Today is the day Congress can say no to special treatment. Today is the day no more Enrons.

I ask my colleagues, Democrats and Republicans, to stand together to defend this bill against the onslaught. Our opposition will make certain that every single one of every amendment today puts us against the amendment, but the American people are fed up with business as usual. They stand with us as we bring down the curtain on this era.

We have a responsibility to strengthen our democracy. Vote for the bipartisan Shays-Meehan substitute. Turn aside the poison pill amendments so that in our political process we can empower people over money.

Mr. NEY. Mr. Chairman, I yield 4 minutes to the gentleman from Texas (Mr. DELAY), the majority whip.

Mr. DELAY. Mr. Chairman, I appreciate the gentleman yielding me this time.

Mr. Chairman, I rise in opposition to this substitute, to the substitute to the substitute for Shays-Meehan. With this substitute, I say to my colleagues, if we pass this substitute, we can no longer call it campaign finance reform; it is now campaign finance regulation, because with this substitute more loopholes are created, more changes are made, and those changes are made to satisfy people's own special interests, either in the Senate or in the House. This substitute pits the national parties against special interest groups, unions and others, and weakens our national party system.

This substitute, as we found out this morning, when we voted last week, wanted to protect the good soft money that the Democrat national parties have already raised and the good soft money that they are going to raise between now and the election by changing the effective date. And they made the effect of the last election.

Now, what is the difference? If it is bad soft money, and if it is corrupting like they say, then what is the difference in doing it now or after the election? The difference is that they want to have a bunch of money that they think is good now and they want to use it. Not only that, but this creates a system that allows them to borrow soft money and hard money and then pay it off with soft money, a brand new approach to campaign finance. It is regulation when you pick winners and losers.

Now, they have said that they disagree, that my interpretation of their language is wrong, and they tried it out on one couple of lawyers, Mr. Larry Noble. Mr. Larry Noble happens to be a lobbyist for the Center of Responsive Politics. He is a former FEC counsel that was a pretty bad one. He lost almost every case that he ever brought before the FEC, and he wrote that our interpretation is wrong.

Then, to add cynicism to this whole process, they sent a person by the name of Trevor Potter over to the Republican Tuesday Group. Now, Trevor Potter is a lobbyist for Campaign Finance Institute. He is on the board of Common Cause, and he was formerly Senator McCain's presidential counsel. He spoke to the Tuesday Group, told them one thing, and when we pull up his Website, he says something completely different. When I read this legislation, it is quite clear that they can borrow money, hard or soft, and pay it off with soft money. They can do it.
They are opening loopholes everywhere. This is not reform. This is regulation.

Mr. TOM DAVIS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Virginia, the chairman of the NRCC.

Mr. TOM DAVIS of Virginia. Mr. Chairman, a statement was made earlier that Trevor Potter has now disowned his own interpretation, and this is the Website that I would ask be included in the RECORD, the Website makes it very clear that it does not make reference to contributions or expenditures; in other words, that the Federal dollars go along with what the gentleman just said. Trevor Potter is a trustee of the organization. It may appear that he is now disowning the statement of the organization of which he is on the letterhead.

There is just a lot of double-talk going on around here today. It looks to me like an honest drafting error, but it is a very serious error that changes the rule of the game that allows unlimited amounts of soft money to be spent as Federal dollars in this election cycle, and it is a very serious error.

Mr. DELAY. Mr. Chairman, reclaiming my time, I would just correct the gentleman. It is not an honest drafting error; it is intentional so that they can use their good soft money and pay for it later with other soft money. It is their use of soft money when they stand before the American people saying they are getting rid of this terrible soft money.

Mr. HOYER. Mr. Chairman, I yield myself 35 seconds.

We believe the interpretation of the gentleman from Virginia and the majority whip is absolutely incorrect; wrong. It does not do what they say it does.

However, having said that, for the RECORD, it is clearly the drafters’ intent that it not allow, nor do we believe it does allow, the use of soft money to pay hard money bills.

So the interpretation is clear, and the intent is without question. The representations of the chairman of the NRCC are incorrect.

Mr. NEY. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky (Mr. WHITFIELD).

Mr. WHITFIELD. Mr. Chairman, when I think about the Shays-Meehan bill, I think of many people who have described it in the news media as an incumbent protection act. And I think that adequately describes what this bill is all about because we all know that the incumbent Member of Congress, it is very easy to raise hard money through political action committees. But if you are a challenger to an incumbent, it is very difficult to raise hard money, and you get your best support from soft money through issue advocacy ads.

The only thing this legislation does is it does not apply in any way to money spent by politicians for their campaigns, but does seriously restrict money spent by other groups and entities to talk about campaigns, and particularly that is true within the last 60 days of an election.

Mr. Chairman, the Supreme Court has made it very clear that there are two types of money. Hard money; if you expressly advocate the defeat or election of a candidate, you can only use hard money. But if you talk about issues and tell people the way a candidate is going to vote, you can expressly advocating his defeat or election, you can use soft money. But Shays-Meehan says that any ad run within 60 days of an election must use hard money. And the Supreme Court and other Federal courts have consistently said that if you create obstacles to participating in the election system in the democracy that we live in, then it is unconstitutional. So I do not think there is any question that trying to deprive people of a political future 60 days of an election unless they meet all of the requirements in meeting the rules and regulations set out by the Federal Election Commission, unless they are able to meet that hard burden, then they are shut out of the political system. I urge a no vote on Shays-Meehan.

Mr. MEEHAN. Mr. Chairman, I yield myself 15 seconds.

The gentleman from Kentucky says this is an incumbent protection bill. Look, under the soft money system in the last election cycle, 98 percent of the Members of Congress who ran for reelection were reelected. The cycle before that under the soft money system, 98 percent of the Members of Congress who ran for reelection were reelected. We could not have a system that is more friendly to incumbents than the system we have right now.

Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. WOOLSEY).

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Chairman, today the people’s House can clean up our election system. We have a real chance.

My constituents in Marin and Sonoma Counties just north of San Francisco across the Golden Gate Bridge vote 85 percent every time we have an election chance. They want to make sure that the Shays-Meehan bill is passed because they wisely understand the influence of big money on our government. My constituents want fair campaign processes where everyone has a voice. They want a government that is trustworthy and responsive to their needs, not the needs of special interests. They want our children to have an election system that they will be proud to participate in.

Without real reform we tell our children that only wealthy contributors have a voice in the political process. I urge my colleagues to support the Shays-Meehan bill. Vote for it and show our children that we want to participate, too.

Mr. NEY. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi (Mr. WICKER).

Mr. WICKER. Mr. Chairman, first of all, I want to say I appreciate my friend, the gentleman from Connecticut (Mr. SHAYS), frankly acknowledging that the bill that is before us today is different from the one that he has been advocating in the past.

I wonder, Mr. Chairman, however, if this has sunk in on the American people, the fact that this is a substantially different bill and it was changed at midnight last night to accommodate certain votes that were needed to enact the legislation. One of the more egregious changes is the creation of a giant loophole in the so-called soft money ban. Under the Shays-Meehan amendment, Members of Congress would be allowed to raise soft money from 501(c) organizations.

Now, these are special interest groups that have a legitimate place in our society. However, if the Shays proposal is enacted as it is now before us, the use of 501(c) organizations will dramatically change.

Last year we all remember one ad from a 501(c) coordinated organization in the Presidential campaign. The ad focused on the horrific death of a young man in Texas. Mr. Shays criticized then-candidate Bush for not supporting a proposal regarding hate crimes. By creating this loophole regarding special interest groups, sham 501(c) organizations will be popping up all over the country to funnel soft money to campaigns. Members will be able to get their biggest contributors to say, “I know of a good government group that is involved in voter education. Would you please donate a million dollars to this good government group?” And then the good government group gets involved in voter education and politics in that Congressman’s district, aiding or abetting the Congressman’s campaign.

Remember previous finance reforms? They were supposed to fix our campaign system; instead they created new loopholes. Mr. Chairman, this is a brand new loophole created at midnight last night. I urge my colleagues to oppose this Shay substitute for that very reason.

Mr. MEEHAN. Mr. Chairman, I yield 2½ minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, I want to welcome converts. I do not always get a chance to do that, but for years here I have tried to defend freedom of expression, free speech and the first amendment. We have passed information censoring the Internet that was thrown out unanimously by the Supreme Court. We have put restrictions. And, frankly, I have usually found most of my friends on the other side voting for these restrictions, but today is the day of conversion.
The first amendment and freedom of speech have gained today defenders that they have never had before. Unfortunately, I am afraid they will never have them in the future either. But, for instance, I was looking at the amendment. Chairman of the Democratic Caucus, Mr. MENENDEZ.

Mr. MENENDEZ, Mr. Chairman, our system of campaign finance is out of control, drowning in money, including the money of corporate polluters and scam artists like the Enron crowd, and in the process drowning out the voices of working Americans and their families.

I ask why do we not have a patients’ bill of rights and why do we have a fisaclo like Enron? The unlimited, unregulated special interest soft money has got to go. It has got to go now, today, once and for all. Mr. Chairman, democracy is about the people. It is about every single person who can hear my voice. This is their House, their Congress, their government, and they want it back. But the Republican leadership has done everything it can to kill this bill. In fact, the only way we got this bill to the floor was by getting Members to sign a discharge petition to force the leadership to give this bill a chance. Well, today they want campaign finance reform with procedural tactics and poison bill amendments, and we have to defeat those efforts.

Millions of special interest soft money should not undermine the millions of American that tried to get their vote to be the powerful tool in this democracy. For the sake of our democracy, we have to defeat these tactics, level the playing fields, get the special interest soft money out of politics once and for all, and give the American people a new day dawn in our democracy, one for all, and return this government to the American people. Vote for Shays-Meehan. Vote against all of the poison pills, and let us have a new day dawn in our democracy, one that is a democracy in which the individual citizens’ right to their vote and the power of their vote will ultimately determine the fate of policy in this country, not hundreds of millions of dollars of special interest monies.

The CHAIRMAN. The gentleman from Connecticut (Mr. S HAYS) has 6 1/2 minutes remaining. The gentleman from Ohio (Mr. NEY) has 12 minutes remaining. The gentleman from Maryland (Mr. HOYER) has 2 1/2 minutes remaining. The gentleman from Ohio (Mr. Ney) has the right to close. Mr. NEY. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DOOLITTLE).

(Mr. DOOLITTLE asked and was given permission to revise and extend his remarks.)

Mr. DOOLITTLE. Mr. Chairman, it is not reform. It is deception. That is what Mr. Samuelson from the Washington Post says about Shays-Meehan. I want to keep repeating that. It is not reform. It is deception. Because that is exactly what it is. It is deception.

By the way, one part of this deception I really like which is this part about the loan provision is marvelous. That is perfectly consistent with my plan for deregulation, which would eliminate all the limits and would solve this problem once and for all because we would have full disclosure, and you would not have to have this subterfuge of soft money and issue ads and independent expenditures and all these things that are getting worse and worse because of you folks. You gave us the present law, and you are making it worse. But this loan provision is fantastic.

I want to draw everyone’s attention to it. If this horrible bill somehow becomes law, we will take full advantage of it. I promise you, because we can do this, too. As Republicans we can do this, too. Brussels thanks to the provision that you have given us.

Here is the analysis I am reading from. “In contrast to current law, the proposed language would allow the national party committee to pay any debt with soft non-Federal dollars from the period of November 5, 2002, to January 1, 2003.”

Now, that is not consistent with the current regulations that specifically require hard debt to be paid with hard dollars. As a practical matter, the plain wording of the proposed language would allow a national party committee to borrow hard dollars, spend those dollars in an upcoming election, and then use the remaining soft dollars to pay the debt. That is great. You cannot even do this under current law, but under the change you are making, it is just effective, just for the end of this year we will be able to do this.

Why not just go all the way, defeat your bill and pass deregulation, which really does solve the problem? Because if soft money is evil, why is it good for you to be able to do this and pack it in with all you can with your collateralized loans to get all the advantage you can out of this election? Just like Samuelson said, “It is not reform. It is deception.”
Mr. TOM DAVIS of Virginia. I yield to the gentleman from Tennessee.

Mr. FORD. Mr. Chairman, I know the gentleman made the point about the Democratic Party, but was not the gentleman quoted in the front page of one of our local newspapers here on the Hill that we could not pass a telecom bill because it would hurt campaign contributions to the party?

Mr. TOM DAVIS of Virginia. Mr. Chairman, I do not believe I was quoted as saying that.

Tonight this substitute is not fair. It is not bipartisan. It is written to gain the current system. Their leadership on the other side woke up and found they had a huge hard-dollar gap. If my colleagues reject this substitute, remember this, those who signed the petition: if my colleagues reject the substitute, we are down to the base bill. That is the bill my colleagues signed the discharge petition for. They have not lost anything.

The substitute was unveiled for the first time last evening at 10 p.m. That is when the public, that is when the opposition got to see it; and as we can see, drafting errors occur sometimes when people do these things at the last moment, and that is the problem that we have here.

The underlying bill would still stand if this substitute is rejected. I oppose this legislation as it is now being debated. Do not be afraid of giving up soft money. If it is bad next year, it is bad now. Let us do it immediately instead of waiting till next year.

Mr. BLUNT. Mr. Chairman, I thank the gentleman from Ohio (Mr. NEY) for yielding me the time.
We will have a chance to do what the Shays-Meehan bill did in an earlier time, to ban all soft money. It did that, it had random FEC audits, it had strong penalties for violators. None of those things are there, and one of the things that is there is this huge confusion. The only thing that can be done with the money is that is in the coffers of the parties after the November 5 election this year.

This is what happens when my colleagues file a bill at 10 or 11 o'clock at night to vote on the next day that did not have committee hearings, that everybody says would just be devastated by going through the regular process and going through conference.

There has been a lot of discussion about that, a lot of letters flying around, lots of things put on the file. I just received from two of the current commissioners of the FEC, David Mason, the chairman, and Bradley Smith, the commissioner, a letter indicating not the views of the agency, because they have not met yet, but this is the chairman and one of the commissioners.

This says that “the transition rule allowing national party committees to spend soft money between November 6, 2002, and January 1, 2003, does not prohibit the use of soft money to pay debts related to Federal elections. Be- cause the proposed bill effectively invalidates the Federal Election Com- mission soft money allocation regulations,” which as they apply to national parties, “as of the effective date of No- vember 6, no rule of the Commission would address how parties could use these funds to retire debts.” Two cur- rent commissioners of the FEC say in the concluding sentence, “If Congress wishes to prohibit the use of soft money to retire hard money debts during the transition period, the legisla- tion should be amended to specify this restriction.”

That is exactly what we have been saying on the floor all day. It is, in fact, the case. It opens the door fully to use any soft money that can be collected or is in either party’s coffers this year to retire hard-money debts this year. That may not be what my friends who drafted this legislation thought it would mean. Maybe they did not even look at this particular provision that was being drafted, but that is what it means. Not only does this bill not close the door on soft money in the future, it knocks down the door on the impact that soft money would have in this election.

We will see the greatest race for soft money, if this bill passes, that we have seen to date. Last cycle, my friends on the Democratic side collected more soft money than we did on the Repub- lican side. I suppose they could do that again. If they do this in a partisan sense, it would be a lot of sense. I cannot get this that would be the result; they would want the American people to think was the purpose of campaign finance reform.

That is what this bill says. It should have had a hearing. A conference would be a good thing. We need to do this in the regular order. We are not doing it that way.

Mr. HOYER. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I know the two com- missioners and I have a lot of dealings with the FEC, but they must have had a very quick reading. The fact of the matter is section 441(b) of the Federal Election Act prohibits what they assert the bill allows, and the transition rule to which they refer does not affect this provision. So that I fear what has happened is they have analyz- ed the transition provision without analyzing existing law which is not changed, which prohibits which the gentleman from Virginia (Mr. Tom DAVIS) and the gentleman from Mis- souri (Mr. Blunt) and others have as- serted would happen.

Mr. Chairman, I yield 45 seconds to the gentleman from Wisconsin (Mr. Barrett) and apologize for not having more time to yield.

Mr. Barrett of Wisconsin. Mr. Chairman, I stand as a proud supporter of the Shays-Meehan bill and congratula- te the gentleman from Connecticut (Mr. Shays) and the gentleman from Massachusetts (Mr. Meehan) for the fine work that they have done. It is time. It is time that we start moving this train forward.

What we have heard this afternoon is we have heard people who have long op- posed campaign finance reform come down to this well and try to nitpick, try to nitpick at this bill. They are trying to love this bill to death, to death because the last thing they want to do is have campaign finance reform in this country.

This bill is not perfect; but for the first time in a long time, we are try- ing to clean up this system.

1530

I love having people in this country involved in our democracy. It is the ul- timate participatory sport. But fewer and fewer people believe that they can have an impact in our democracy when big money rules the day.

Mr. Chairman, it is time for us to pass this bill.

Mr. HOYER. Mr. Chairman, I yield 45 seconds to the distinguished gentleman from Massachusetts (Mr. Neal).

Mr. Neal of Massachusetts. Mr. Chairman, I thank the gentleman for a long 45 seconds.

The gentleman from Virginia (Mr. Davis), my friend, raised the question earlier why did somebody sign the dis- charge petition. It is the first one I have signed in 14 years in this House, and I was number 218, precisely for the purpose of giving the American people a full and fair discussion about campaign finance.

Everybody knows what has happened in this transition. It is no secret that the Republican leadership is opposed to campaign finance. Enron has cast a new day around here.

This debate appears to be com- plicated. The task ahead of us is really quite simple. The time is now to adopt this legislation. This part of our cam- paign finance season in this House is known for one thing: It is search and destroy with soft money. It is not to enlighten. It is to evict the public debate.

Mr. Chairman, I would suggest now that we take down the “For Sale” sign that hangs over this wonderful old house and pass Shays-Meehan. We need to move forward with this campaign fi- nance bill.

Mr. SHAYS. Mr. Chairman, I yield the balance of my time to the distinguis- hed gentleman from Delaware (Mr. Castile).

Mr. CASTLE. Mr. Chairman, I thank the gentleman for yielding me this time, and I, too, rise in strong support of Shays-Meehan.

We cannot rework the underlying bill here. If we did, it would go to con- ference and the bill would be dead. In- stead, we have to face what we are doing, and basically in this legislation we are doing things that I think need to happen. We are not doing other things which should not happen. We are not banning voter guides.

I disagree entirely with the argument that you can use soft money to pay off hard money debts. That is another sec- tion entirely of the Code, and I hope everybody will take the time to read that carefully. And the support for that comes from the Democratic side, I might add.

There is no limit to free speech here. I have heard that. There is no limit whatsoever to free speech. In fact, there are no real changes in what we are limiting here. We are just focusing on the methodology by which money is paid for campaigns, not what is stated, not free speech. That is just an abso- lutely wrong statement with respect to that.

This bill basically plays no tricks. What you see is what you get. It is tak- ing the contributions which have come in from corporations, labor unions, wealthy individuals, into the parties, and then are spent to their benefit out altogether and is providing for a good financial package and good elections.

We should all support the Shays-Mee- han substitute.

Mr. HOYER. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California (Ms. Millender-McDonald)

(Ms. Millender-McDonald asked and was given permission to revise and extend her remarks.)
Ms. MILLENDER-MCDONALD. Mr. Chairman, I stand in strong support of the Shays-Meehan bill, as it will help us to clean up our campaign financing system.

Mr. Chairman, I rise in opposition to the Ney amendment because it deviates from the original Shays-Meehan bill that we supported in the House. At this juncture, when we are debating the merits of campaign finance reform, it is critical that we send a clear message to the American people that we are not pawns of campaign contributors.

Furthermore, given the cynical attitudes of the American public about the affect of campaign contributions on the actions of Representatives, we must send a deafeining message.

Notwithstanding our past history of using soft monies to facilitate traditional and legitimate goals, The time has come to take the money out of politics. The American people continue to be cynical about whether their legislators are bought by special interests. The path to true reform is being paved with special interest groups and individuals stronger. We have a great two-party system, and any other party that wants to come onto the scene in this country will be weakened by this bill. They will have to come begging for their approval and money from the incumbents.

It treats House and Senate candidates differently. We have talked about that. The charity money-raising that is going to go on here and the influence-peddling that can come out of that is going to be absolutely amazing. If we truly want to clean the system up, this goes in reverse.

I am asking people to vote “no,” because my colleagues are going to have some amendments and alternatives in the Ney-Wynn proposal framing up that has disclosure and the good things I think we need to do and which embark upon reform. This does not do it. This is a different animal today that we are dealing with.

I believe, the worst part of this bill, I believe, Mr. Chairman, and I hope the American people understand, that as we stand here and debate this today is the fact that we have the greatest democracy in the world, where people speak out, they say what they want to say, groups push either direction for advocacy, for what they think is right in this country, but this does gag groups, make no bones about it.

Groups can spend all the soft money they want in the newspapers. If they want to speak for the second amendment from an NRA perspective, if they want to speak for gun control, they are going to have a problem. Millions of people involved in the labor movement and labor to have their voices. Millions of people that work in small businesses, the people of this country, Mr. Chairman, that go out on the treadmill every day trying to figure out how on earth they are going to feed their families and keep their communities going, the people that have a right to speak out are going to be gagged.

I ask my colleagues to look into their hearts. They know we are right on these issues. They know this has changed. We can do the right thing. We will have some alternatives coming down the road today. That is what we need to do, vote “no” on this. This is not the same bill. This is a sham bill. It has the loopholes; it does not do what they said it would do last year.

We need to be able to let the American people speak freely. Do not gag Americans. Vote “no” on this measure.

Mr. SHAYS. Mr. Chairman, I rise to discuss an issue in the Shays-Meehan bill that has prompted some questions—what fundraising activities may federal candidates and office holders engage in.
These are important and legitimate questions, and I intend here to clarify the lines drawn in the bill. It is a key purpose of the bill to stop the use of soft money as a means of buying influence and access with federal officials. As an important part of this goal, we have removed the federal limits on contributions to candidates and committees. Federal candidates and officeholders, furthermore, cannot establish or control political committees that raise soft money.

We recognize that Federal ofﬁcials and candidates raise money for nonprofit organizations. The bill applies some restrictions to such fundraising activities when the principal purpose of the solicitation involves get-out-the-vote and voter registration activities, or where the solicitation is speciﬁcally for the purpose of the funds being used for GOTV and voter registration activities. In addition, federal ofﬁcials and candidates cannot raise money or ofﬁcials can continue to solicit hard money for party committees. So a federal ofﬁcial can, in addition, solicit money for nonprofit organizations. This, of course, means that a federal can-

not solicit the funds authorized to be spent under the Levin amendment.

Similarly, a federal ofﬁcial can solicit money for state candidates, but such solicitations would be subject to the federal contribution limits and source prohibitions—$2,000 per election cycle from federal and $5,000 per election from PACs, and no contributions from corporations or labor unions.

SOLICITATIONS FOR OUTSIDE GROUPS

The bill allows federal officials and candidates to make general solicitations without restriction for outside non-proﬁt groups (those not subject to the Internal Revenue Code, such as 501(c)(3) and (c)(4) groups), so long as the group is not one with a principal purpose of conducting get-out-the-vote or voter registration activities, and so long as the money is not solicited speciﬁcally for the purpose of conducting GOTV and voter registration activities. The general solicitation cannot specify how the funds will or should be spent.

An ofﬁcial can also make a solicitation for non-proﬁt groups that do principally engage in such voter activities, or for funds speciﬁcally to be spent for GOTV or voter registration activities, but the solicitation must be made only to individuals, and is no more than $20,000 per year. An ofﬁcial cannot solicit funds from a corporation or labor union for such purposes. These restrictions apply to the solicitation of funds by a federal ofﬁcial. A federal ofﬁcial can sit on the board of a non-proﬁt or otherwise participate in the activities of the non-proﬁt, so long as he or she was not engaged in raising money for the non-proﬁt on election-related activities. A federal candidate or ofﬁcier cannot direct the expenditure of such funds.

Mr. KILDEE. Mr. Chairman, this is a historical day for this House and for this country. Today we have the opportunity to limit the scandalous infusion of money into the electoral process.

Our Founding Fathers never foresaw this existing system for democratic elections. Today we can move closer to the principles of those Founding Fathers. Vote for the bill the House offered today by Mr. SHAYS and Mr. MEEHAN.

This may be our last best chance.

Mr. FALEOMAVAEGA. Mr. Chairman, I rise today in support of the Shays-Meehan substitute and want to explain one provision in the bill which will clarify campaign ﬁnance law with respect to contributions to federal candidates by U.S. nationals.

American Samoa is the only jurisdiction under U.S. authority in which a person can be born with the status of U.S. national. A national is under other allegiance to the United States, but is not a citizen. U.S. nationals travel with U.S. passports and are eligible for permanent residence in the United States. They are not foreign citizens or foreign nationals. In fact, they have most of the same privileges and immunities as U.S. citizens. However, federal campaign law was enacted before American Samoa had representation in the U.S. Congress and current law fails to address the issue of contributions from U.S. nationals.

Mr. Chairman, federal campaign law currently speciﬁes that U.S. citizens and permanent resident foreign nationals may make contributions to candidates for federal ofﬁce. Although there is an advisory opinion from the Federal Election Commission which interprets current law to allow U.S. nationals to contribute to federal elections, a federal court could at any time interpret the law to exclude U.S. nationals. Our failure to amend current law could also be interpreted to mean that Congress originally intended to prohibit U.S. nationals from contributing to federal elections.

Mr. Chairman, I do not believe it was or is the intent of Congress, or the law, to exclude U.S. nationals from contributing to federal campaigns. Congress simply enacted a law before American Samoa had representation in the U.S. Congress. Now it is time to amend the law to specifically address the issue of U.S. nationals.

Mr. Chairman, I urge my colleagues to support this technical change in any bill which moves forward.

Mr. RAMSTAD. Mr. Chairman, today we are casting historic votes on the most important campaign ﬁnance reforms since the Watergate reforms of 25 years ago.

Today, we will ﬁnally have the opportunity to eradicate the biggest cancer on the federal campaign ﬁnance system—soft money. Shays-Meehan will go a long way in reducing the disproportional and undue inﬂuence of unregulated and unlimited soft money.

We should pass this common-sense reform legislation to restore people’s trust in the system and give the American people a bigger voice in their government.

Mr. Chairman, let’s get real honest for a minute! The truth is that both political parties are addicted to soft money, and campaign ﬁnance reform gives both parties heartburn.

But the political parties will survive and continue to ﬂourish with the public faith in the political process will be enhanced.

Let’s do the right thing! Let’s rid the system of unregulated, unlimited soft money. Let’s pass Shays-Meehan.

The American people deserve nothing less!

Mr. SHAYS. Mr. Chairman, I rise to discuss one of the key sections of the Shays-Meehan substitute, the soft money provisions relating to national and state parties. The state party provisions contain a section, commonly referred to as the Levin amendment, that I want to take this opportunity to explain. In addition, some who oppose campaign ﬁnance reform characterize the Levin amendment as a major loophole in the Shays-Meehan substitute. They are wrong. This discussion is intended to spell out what the Levin amendment does and does not allow.

SHAYS-MEEHAN’S TREATMENT OF NATIONAL PARTY SOFT MONEY

The soft money provisions of the Shays-Meehan bill regarding the national political parties operate in a straightforward way. The national parties are prohibited from raising or spending any soft money. At the national party level, the ban on soft money is complete. This ban covers not only the national party committees themselves, but also the congressional campaign committees of the national parties. And it covers any ofﬁcer or agent acting on behalf of the national party committees, as well as any entity that is established, ﬁnanced, maintained or controlled by a national party committee.

The purpose of these provisions is simple: to put the national parties entirely out of the soft money business. The provision is intended to be comprehensive at the national party level. Simply put, the national parties, and anyone operating for or on behalf of them,
are not to raise or spend, nor to direct or control, soft money. This ban covers all activities of the national parties, even those that might appear to affect only non-federal elections. Because the national parties operate at the national level, and are inextricably intertwined with federal officeholders and candidates, who raise and spend money in federal elections, there is a close connection between the funding of the national parties and the corrupting dangers of soft money on the federal political process. The only effective way to address this problem of corruption is to ban entirely and permanently the raising and spending of soft money by the national parties.

SHAYS-MEEHAN’S TREATMENT OF STATE PARTY SOFT MONEY

The treatment of the state parties is different. This is because state parties obviously engage in activities which are purely directed to non-federal elections. The Shays-Meehan bill does not regulate the kind of money that can be raised by the state parties. That is left to state law. What the bill does do is direct the state parties to spend only hard money on those activities—believe it or not—that affect both federal and non-federal elections. This is necessary to prevent blatant evasion of the federal campaign finance laws.

This approach is in many ways similar to current law. Currently, if a state party engages in activities that affects federal elections—such as running an ad that says “vote for Congressman Smith”—the state party would be required to spend hard money on these activities. Similarly, if the state party engages in activities that purely affects state elections—as an ad that says “vote for Governor Smith”—it would spend whatever soft money is permitted under state law.

The Shays-Meehan bill does not change either one of these propositions.

But there is a range of activities that state parties engage in that, by their very nature, affect both federal and non-federal elections. These are the familiar “party building activities,” such as get-out-the-vote drives or voter registration drives. These activities—registering voters to vote in elections that have both state and federal candidates, engaging in activities designed to bring them to the polls to vote for federal and non-federal candidates—clearly have an impact on both federal and non-federal elections.

Under current law, state parties pay for these “mixed” activities using a mixture of both hard and soft money pursuant to allocation formulas set by the Federal Election Commission. But these allocation rules have proven wholly inadequate to guard against the use of soft money to influence federal campaigns. Much state party building activity is directed principally to influence federal elections, and all of the party voter activity inevitably does have a substantial impact on federal campaigns. Further, the state parties run TV and radio ads, purportedly as “issue ads,” that directly praise or criticize federal candidates by name without using words like “vote for” or “vote against”—and the FEC has taken the unrealistic position that such ads have an impact on both federal and non-federal elections, and should accordingly be funded with an allocated mixture of hard and soft money.

The Shays-Meehan bill addresses these problems by simply applying the principle of current law—that state parties must use solely hard money to pay for activities that affect federal elections—to a category of activities which clearly affect federal elections and which the bill defines as “federal election activities.” Section 101(b) of the bill defines these activities as the following:

(i) Voter registration activity in the last four months before an election;
(ii) Voter identification, GOTV, and generic campaign activity (i.e., activity relating to a party not a specific candidate) that is conducted in an election in which a Federal candidate appears on the ballot;
(iii) Public opinion polls (also a defined term that includes communications by radio, TV, newspapers, phone banks and other methods of public political advertising) that refer to a clearly identified Federal candidate and that promotes or supports, or attacks or opposes, a federal candidate or office.
(iv) Services provided by employees of a state or local party who spend more than 25 percent of their compensated time on Federal elections.

This definition of “Federal election activities” is significant because in section 101(a) of the bill (new section 323(b) of the Act), there is a requirement that state parties spend only Federal money (hard money) on “Federal election activities.” That is how the Shays-Meehan bill prevents soft money from being injected into federal races through the state parties.

Again, the bill does not restrict fundraising by state parties. That is left as a matter of state law. But it does say to the state parties that when they spend money on activities that affect federal elections, including the defined category of “Federal election activities,” they must spend solely hard money for those activities.

The lack of a state party soft money proviso is a fundamental shortcoming of the proposal of Mr. Ney and Mr. Wynn. The restrictions on state parties using soft money to influence federal elections is one of the most important features of the Shays-Meehan bill. Much of the soft money being raised today by the national parties is transferred to state parties to be spent on influence Federal elections. An effective effort to address state party soft money spending to influence federal elections is absolutely essential to real campaign finance reform and solving the soft money problem.

CRITICS OF THE LEVIN AMENDMENT

Critics have contended that the state parties should not be prevented from spending money that is legal in their state on activities that are designed to improve voter turnout and assist state candidates in a state election. When the McCain-Feingold bill was considered in the Senate last year, Senator Carl Levin of Michigan, a long-time and strong supporter of the bill, worked with the sponsors of the legislation to craft a provision to allow limited spending of soft money by state parties on a limited subset of state party activities. On the Senate floor, Senator Levin explained that his amendment: “will allow the use of some non-Federal dollars by State parties for voter registration and get out the vote, where the contributions are allowed by State law, where there is no reference to Federal candidates, where limited to $10,000 of the contribution which is allowed by State law, and where the allocation between Federal and non-Federal dollars is set by the Federal Election Commission.”

Senator Levin also specified: “These dollars are not raised through any effort on the part of Federal officeholders, Federal candidates, or national parties. These are non-Federal dollars allowed by State law.”

CHANGES TO THE LEVIN AMENDMENT IN SHAYS-MEEHAN

In addressing the Levin amendment in our substitute, the sponsors of the Shays-Meehan bill wanted to accomplish two things. First, we wanted to amend the state party provisions to allow a new loophole for corporations, unions, wealthy individuals to exploit. In our view, those purposes were not in conflict, since Senator Levin made clear it was not his intent to undermine the campaign finance reform effort, but only to support legitimate state party activities that promote voter participation by allowing a limited amount of non-federal money to be used for those purposes.

The changes in the Levin amendment incorporated in our substitute have been agreed on with the sponsors of the Senate bill. They do not change the essential thrust of the Levin amendment, but they do provide additional restrictions to help ensure that the amendment will not become a new loophole in the law.

DESCRIPTION OF REVISED LEVIN AMENDMENT

With that background in mind, let me describe the Levin amendment, as modified in the Shays-Meehan substitute. New section 323(b)(2)(A) of the FECA permits state parties to spend up to $10,000 per year (non-federal money) on certain Federal election activities, as long as the spending is made up of both Federal money (hard money) and soft money in a ratio to be prescribed by the FEC. The activities that state and local parties can pay for under this exception are voter registration in the last 120 days prior to an election, and certain GOTV and other activities specified in new section 301(20)(A)(ii).

Under new section 323(b)(2)(B)(i), the exception applies only if the activity paid for does not refer to a clearly identified Federal candidate. In addition, under new section 323(b)(2)(B)(ii), the exception does not apply to any activity that involves a broadcast, cable or satellite communication, unless that communication refers only to state and local candidates or contains words or phrases paid for in part with so-called “Levin money” may mention state or local candidates or contain a generic party message, but they cannot mention Federal candidates. And if these efforts are carried out through radio or TV ads they must mention clearly identified state or local candidates only, or they will be subject to the state party soft money restrictions and no “Levin money” can be used. To be clear, “Levin money” cannot be used by state parties to pay for broadcast ads that mention federal candidates.

In addition, the soft money or “Levin money” portion of the spending is subject to a number of restrictions. Under new section 323(b)(2)(B)(iii), it must be legally raised under state law, and no person can give more than $10,000 per year to a individual state or local committee, even if state law permits greater contributions. So if a state allows direct corporate or labor union contributions to political parties corporations and unions can make contributions of up to $10,000 or the state limit, whichever is lower, to the party committee. Otherwise the law prohibits corporate or labor union contributions to political parties, the Levin amendment does not supersede that prohibition, and corporate
or union contributions of “Levin money” would be banned.

After the Senate passed the Levin amendment, the question arose whether the amendment was intended to limit a donor to a single $10,000 contribution to all of the non-Federal political committees in a state, or to permit separate contributions to the state committee and local committees. Since the Senate appears to have intended that there is not a single per donor limit on all contributions to party committees in a state, further restrictions on the raising and spending of “the joint fund” by the committees are implied in order to prevent the Levin amendment from becoming a new loophole.

Accordingly, under new section 323(b)(2)(B)(iv), the version of the amendment contained in the Shays-Meehan substitute, all of the non-Federal and Federal money spent on the activities authorized by the Levin amendment must be raised solely by the committee doing the spending. Transfers of money between committees are not permitted. Thus, a county committee of a political party may accept contributions, but it must not retain, and spend that money itself, and it cannot work with any other party committee in raising or spending that money. It cannot transfer that money to the state committee. Furthermore, it must itself raise the hard money allocation required, and it may not accept transfers of hard money from a state or national party committee to satisfy that allocation requirement.

Finally, and very importantly, in new section 323(b)(2)(C), we affirm that federal candidates or office seekers and the national committees not participate in the raising or spending of the soft money that is permitted to be spent under the Levin amendment. In addition, joint fundraisers between state committees or state and local committees are not permitted. Prohibiting Members of Congress and Executive Branch officials from being involved in soft money fundraising is one of the central purposes of the campaign finance reform effort. Consistent with Senator LEVIN’s original intent, this new provision will ensure that that central purpose of the bill is not undermined. The joint fund-raising prohibition will prevent a single fund-raiser for multiple state and local party committees.

Mr. Chairman, let me address two additional questions that have arisen as to the interpretation of the Levin amendment. First, the $10,000 per year limit applies collectively to a corporation and its subsidiaries, and to a union and its locals, in the same way as contributions from PACS set up by subsidiaries and local unions are treated under current law. See 2 U.S.C. § 323(b)(1). To allow a separate contribution limit to apply to subsidiaries of a corporation or locals of a union would completely undermine the $10,000 limit as a check against the Levin amendment being used to continue the unlimited contributions that the soft money system now permits.

Second, while state and local committees may accept separate contributions of up to $10,000 per year from donors permitted to give that much under state law, state and local committees are not allowed to create their own multiple subsidiary committees to raise separate $10,000 contributions under this provision. The proliferation of new state party committees (e.g., the Northern California Republican Party Committee, the Southern California Party Committee or the New York Democratic Committee A, Committee B, Committee C, etc.) would be in complete contradiction to the provision, which allows only limited amounts of non-federal money to be given to a state or local committee for limited party-building activities that do not refer to federal candidates.

Mr. KLECKZA. Mr. Chairman, today, at long last, the House of Representatives will finally get a fair vote on campaign finance reform legislation. In order to reach this point, 218 Members had to sign a discharge petition to force the anti-reform Republican leadership to bring this measure to the floor for a debate and hopefully passage. H.R. 2356, the Bipartisan Campaign Reform Act of 2001, is necessary if we are to remove the undue influence of soft money on our political process and the unregulated issue advertisements that inundate our airwaves during each election season.

When Congress passed the Federal Election Campaign Act (FECA) of 1971 it included a provision that allowed national political parties to raise unlimited contributions from soft money, to spend that money for with publicly disclosed and regulated campaign purposes. In the year 2000 elections alone, $10,000 per year limit applies collectively to a county committee of a political party may accept contributions, but it must not retain, and spend that money itself, and it cannot work with any other party committee in raising or spending that money. It cannot transfer that money to the state committee. Furthermore, it must itself raise the hard money allocation required, and it may not accept transfers of hard money from a state or national party committee to satisfy that allocation requirement.

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When Congress passed the Federal Election Campaign Act (FECA) of 1971 it included a provision that allowed national political parties to raise unlimited contributions from soft money, to spend that money for with publicly disclosed and regulated campaign purposes. In the year 2000 elections alone, $262 million spent four years earlier. The increase in the amount of soft money used in campaigns. In the year 2000 elections alone, $495 million in soft money was spent by the parties, an amount that is nearly double the $262 million spent four years earlier. The steady increasing use of soft money to skirt federal campaign contribution laws has given rise to widespread concerns about the role of soft money in our political process.

Although these ads technically adhere to federal reporting and disclosure laws by running outside of the time limits for “broadcast time periods” set out in the Federal Election Communication Act, FECA, such advertisements were supposed to be paid for by regulated hard money that is raised through limited contributions to political parties and candidates.

We have all seen an unacceptable increase in the amount of soft money used in campaigns. In the year 2000 elections alone, $495 million in soft money was spent by the parties, an amount that is nearly double the $262 million spent four years earlier. The steady increasing use of soft money to skirt federal campaign contribution laws has given rise to widespread concerns about the role of soft money in our political process.

This bill would also retain several important hard money contribution limits. Individuals would still be permitted to contribute only $1,000 per election to a candidate or a committee. The House of Representatives and political action committees would be restricted to the current $5,000 per election limit.

This day has been a long time coming. We need to reduce the influence of unregulated soft money which has been increasing into our political system. H.R. 2356 reigns in soft money and issue advertising that has operated outside the framework of our campaign-finance laws. I urge my colleagues to support the amendments that the reform measure’s authors must offer in order to get the complete bill to the floor under the GOP leadership’s rule. Similarly, I urge Members to oppose those “poison pill” amendments designed to kill the bill, and instead support final passage of this important measure.

Mr. Chairman, I rise to address the scope of an exception to the definition of “electioneering communications” set out in section 201(3)(B), which include (i) news distributed by broadcast stations that are not owned or controlled by a candidate, (ii) independent expenditures, (iii) candidate debates and forums and (iv) “any other communication exempted under such regulations as the Commission may promulgate . . . to ensure appropriate implementation of this paragraph.” I wish to discuss the purpose of the fourth exception.

The definition of “electioneering communications” is a bright line test covering all broadcast, satellite and cable communications that refer to a clearly identified candidate and that are made within the immediate pre-election period of 60 days before a general election, or 30 days before a primary. But it is possible that there could be some communications that will fall within this definition even though they are plainly and unquestionably not related to the election.

Section 201(3)(B) was added to the bill to provide Congress with some limited discretion in administering the statute so that it can issue regulations to exempt such communications from the definition of “electioneering communications.”
CONGRESSIONAL RECORD — HOUSE

February 13, 2002

H411

Ms. HART and Mr. SKEEN changed their vote from “aye” to “no.”

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the rule, the substitute is finally adopted.

(By unanimous consent, Mr. LARGENT was allowed to speak out of order.)

Mr. LARGENT. Mr. Chairman, this being my last week to serve in Congress, I wanted to make just a brief statement to my friends and colleagues.

Last week my youngest son Kramer completed an essay on Mark Twain. I was struck by how many facts about Mark Twain’s life reminded me of my 7 years in Congress. Samuel Clemens was born at the appearance of Halley’s Comet in 1835 and died the next time it came around in 1910. I thought about that as I prepare to cast my last vote in Congress on campaign finance reform and harken back to the days of 1994 when the first vote I cast was on GATT, the last vote of the 103rd Congress.

In my son’s report I also learned something I did not know, that Samuel Clemens’ alias, Mark Twain, was actually a nautical term that was used by riverboat crews, and it denoted two fathoms, or 12 feet, the depth necessary for safe passage.

Mr. Chairman, this being my last week to serve in Congress, I wanted to make just a brief statement to my friends and colleagues.

Last week my youngest son Kramer completed an essay on Mark Twain. I was struck by how many facts about Mark Twain’s life reminded me of my 7 years in Congress. Samuel Clemens was born at the appearance of Halley’s Comet in 1835 and died the next time it came around in 1910. I thought about that as I prepare to cast my last vote in Congress on campaign finance reform and harken back to the days of 1994 when the first vote I cast was on GATT, the last vote of the 103rd Congress.

In my son’s report I also learned something I did not know, that Samuel Clemens’ alias, Mark Twain, was actually a nautical term that was used by riverboat crews, and it denoted two fathoms, or 12 feet, the depth necessary for safe passage.

We in Congress often refer to our Nation as our ship of state, and we hear polsters ask questions to voters, do you think that the ship is headed in the right direction or the wrong direction? I ran for Congress in 1994 because you think that the ship is headed in the right direction or the wrong direction? I ran for Congress in 1994 because I believed our country was headed in the right direction, and I wanted to
make a difference, like most of you, the reason that you ran.

Now, 7 years later, I believe that togetherness we have worked to move our country into safer waters. We worked together to balance the budget, we overhauled welfare, we cut taxes, we strengthened our military together, we deregulated telecommunications and repealed Glass-Steagall.

Yes, much good has been accomplished the last 7 years, but as we all know, there are always potentially treacherous waters around the next bend. The long-term solvency of Social Security and Medicare, the unregulated growth of government spending and the ongoing war on terrorism are all shoals upon which we could run aground.

As I leave Congress, I wish to thank you all for the gift of your wisdom, your guidance and your friendship that you have given me, and I want to thank you all for your service to our great country. I admire and respect each one of you. I have to admit that I sometimes felt frustrated when some of you did not think like I did. Though we will always have different points of view in this body, I have come to appreciate the fact that many of you hold thoughtful and principled positions that differ from my own. I recognize that our divergent views on the left and right, among Democrats and Republicans, southerners and northerners, those representing the east coast and the west coast, are a great strength of this Congress. The right course and safe passage for the Nation is not the exclusive property of either side.

Serving with you all in this esteemed body has been the greatest honor and the greatest privilege that I have ever known. I want to thank the great Oklahomans who entrusted me with this rare privilege, and I thank you, my friends and colleagues, for your efforts to serve our Nation. I will never forget this year for journalism.

As I return to my home State to seek the office of Governor, I will continue to pray for each of you. I will pray that as I return to the office of Governor, I will continue to serve our Nation. I will never forget the commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open where the people are sovereign, the ability of the citizenry to make informed choices among candidates for office is essential, for the identities of those who are elected will largely shape the course that we follow as a nation.

(5) The First Amendment protects public association as well as political expression. The constitutional right of association complicate in NAACP v. Alabama, 357 U.S. 449, 460 (1958), stemmed from the Court’s recognition that “[e]ffective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association.” Subsequent decisions have made clear that the First and Fourteenth Amendments guarantee “freedom to associate with others for the common advancement of political beliefs and ideas,” a freedom that encompasses “[t]he right to be associated with the associations of one’s choice.” Kasper v. Pontikes, 414 U.S. 51, 56, 57, quoted in Cousins v. Wygoda, 419 U.S. 477, 487 (1975).

(6) In Buckley v. Valeo, the Supreme Court stated, “A restriction on the amount of money a person or group can spend on political communication during a campaign Nec that is essentially expressive in nature by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every mode of communicating ideas in today’s mass society requires the expenditure of money. The distribution of the humblest handbook or leaflet entails printing paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate’s increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.”

(7) In the 1980’s, the Supreme Court repeatedly claimed that campaign spending has skyrocketed and should be legislatively reestrained. The Buckley Court stated that the First Amendment does not permit the government to make that determination: “In the free society ordained by our Constitution, it is not the government but the people—individually and collectively as associations and political committees—who must retain control over the

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Mr. Chairman, as the
deignee of the majority leader, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 32 offered by Mr. HYDE: Add at the end the following title:

TITLE VI—NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS

SEC. 601. FINDINGS.

Congress finds the following:

(1) The First Amendment to the United States Constitution provides, “Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the free speech and/or petition the Government for a redress of grievances.”

(2) The First Amendment affords the broadest protection to such political expression in order “to assure [the] unfettered interchange of ideas for the bringing about of political and societal changes desired by the people.” Roth v. United States, 354 U.S. 476, 484 (1957).

(3) According to Mills v. Alabama, 384 U.S. 241, 248 (1966), there is practically universal agreement that a major purpose of that Amendment was to protect the free discussion of governmental affairs, “. . . of course discussions of candidates . . .”

(4) According to New York Times Co. v. Sullivan, 376 U.S. 254, 270 (1964), the First Amendment affords the minimum commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open where the people are sovereign, the ability of the citizenry to make informed choices among candidates for office is essential, for the identities of those who are elected will largely shape the course that we follow as a nation.

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achieve that aim, that achievement does not, in my view, constitute a subversion of the political process." Federal Election Commission v. NCPAC, 470 U.S. at 497. For instance, if the Democratic Party spends large sums of money in support of a candidate who wins, takes office, and then implements the Party’s platform, that is not corruption; that is success. The ideas in that platform—marketplace and representative government in a party system. To borrow a phrase from Federal Election Commission v. NCPAC, “the fact that a candidate is elected and then acts in a manner to alter or reaffirm their own positions on issues in response to political messages paid for by [political groups] can hardly be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.” Id. at 498. Ct. Federal Election Comm’n v. M. C., 538 U.S. at 263 (suggesting that “[v]oluntary political associations do not . . . present the specter of corruption.”). Colo. Republican Fed. Campaign Comm’n v. Federal Election Comm’n, 518 U.S. 604, 617 (1996) (J. Thomas, concurring). Justice Thomas continued: “The structure of political parties is such that the theoretical danger of those groups actually engaging in what could be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.” Id. at 498. Ct. Federal Election Comm’n v. M. C., 538 U.S. at 263 (suggesting that “[v]oluntary political associations do not . . . present the specter of corruption.”).

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(15) Nor is any restriction prohibited by the First Amendment simply because the one making the speech contacted or communicated with others. For some time, the Federal Election Commission had the view that such “coordination” (an undefined term), even of communications that did not contain express advocacy, somehow was problematic, and subject to the limitations and prohibitions of the Act. This view has been rejected by the courts. Federal Election Commission v. Christian Coalition, 52 F. Supp. 2d 45 (D.D.C. 1999). The courts have held that even political party committee limits on coordinated expenditures are an unconstitutional restriction on speech. Federal Election Commission v. Colorado Republican Federal Campaign Comm’n, 213 F.3d 1221 (10th Cir. 2000). Unless a party committee’s expenditure is the functional equivalent of a contribution (and therefore subject to the limits that Congress has imposed on candidates), see Federal Election Commission v. Colorado Republican Fed. Campaign Comm’n., 150 L.Ed.2d 461, 470 (U.S. 2001), see pages cited therein for by [political groups] can hardly be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.” Id. at 498. Ct. Federal Election Comm’n v. M. C., 538 U.S. at 263 (suggesting that “[v]oluntary political associations do not . . . present the specter of corruption.”). Colo. Republican Fed. Campaign Comm’n v. Federal Election Comm’n, 518 U.S. 604, 617 (1996) (J. Thomas, concurring). Justice Thomas continued: “The structure of political parties is such that the theoretical danger of those groups actually engaging in what could be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.” Id. at 498. Ct. Federal Election Comm’n v. M. C., 538 U.S. at 263 (suggesting that “[v]oluntary political associations do not . . . present the specter of corruption.”).

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Section 602: Notwithstanding any provisions of this Act, and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that Amendment, specifically the freedom of speech or of the press, or the right of the people to peaceably assemble, and to petition the government for redress, specifically the freedom of those freedoms found in that Amendment.

Mr. HYDE. Mr. Chairman, I want just to say it is true, we do not have the power to adjudicate constitutionality, but we certainly have the power to recognize it when we see it and assert our opinion that something is unconstitutional. We are sworn to protect that document.

Mr. HOYER. Mr. Chairman, reclaiming my time, I agree with the gentleman; and I say to the gentleman, he and I have voted on different sides of an issue that I think was a very central first amendment right. He and I differed on that issue. But our opinion on that issue, other than that it may have motivated each of us to vote, is irrelevant. In the final analysis what is relevant, what is important to the individual, is what the Supreme Court of the United States says we did, and nothing we say in our legislation, affirming its constitutionality or questioning its constitutionality, will make any difference. It is the opinion of the Supreme Court that will make the difference.

Therefore, I oppose this amendment, not because its sentiment is wrong—because its sentiment is not—but because it is mere surplusage, and not relevant to this legislation. I do not mean to say to the gentleman from Illinois that his opinion as to the constitutionality of one or more provisions of the act is not relevant. Clearly it is, and it may well motivate his vote on this particular piece of legislation. But to add this surplusage does not add to or subtrah from the substance of this legislation.

I would hope that this body would reject this amendment because of the process that this amendment will require the legislation to then go through.

Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Michigan (Ms. Rivers).

Ms. RIVERS. Mr. Chairman, Shays-Meehan does not prohibit speech of any type. It seeks to stop the use of soft money to pay for campaign ads. This is a long-standing authority that Congress has been able to exercise, starting with prohibitions on corporate monies in 1907, unions in 1947, and then 1974 for Buckley v. Valeo.

Soft money is not protected by the Constitution. Soft money was created by the FEC in 1976. It is a creature of the Federal bureaucracy. In particular standing under the Constitution. The Supreme Court has never held soft money to be constitutionally invidiate, and to argue that the Congress cannot undo what a Federal agent has wrought is to deliberately ignore who is the master and who is the servant. There is no free-speech violation in Shays-Meehan and no reason to support this amendment.

Mr. HOYER. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Indiana.

Mr. PENCE. Mr. Chairman, I thank the distinguished chairman for yielding me this time, and I rise in strong
support of the Hyde amendment to this legislation. I consider it a privilege to debate men of such eloquence as the gentleman from Maryland in this Chamber, but, if I may say so, I take issue with that the determination of constitutionality is outside of our purview. I will grant the point to the gentleman from Maryland that it is not our purview under this Constitution to determine what is and is not constitutional, but I would offer that while we are not constitutionally bound, it is part of our duty expressed in the oath of office that every man and woman who has served in this institution takes, an oath of office to defend and uphold the Constitution of the United States of America. It presupposes that we make a judgment in our own hearts, in our own minds, and express it with our own vote about that which we consider to be constitutional and that which we do not.

I may argue, Mr. Chairman, that this bill’s prohibition of political speech in the last 2 months by individuals or organizations other than political action committees is even to my 10-year-old son a clear violation of those words that “Congress shall make no law abridging the freedom of speech.” Only by adopting the Hyde amendment will we as an institution say that whatever the courts may do, and, if I may say so, they have occasioned some bone-headed decisions over the years, the courts may do at whatever level, that it was never the intention of this institution to trample on that first amendment.

If I may say, Mr. Chairman, I think many of the advocates of this bill suspect the provisions might be unconstitutional. It is perhaps the reason why they oppose the nonseverability provisions that have attempted to be added to this bill. I believe it is the reason why they do not want to stand with those of us who, if there is a part of this found unconstitutional, then all of it must be rejected. Let us say yes to the blood-bought freedoms of the Bill of Rights and yes to the Hyde amendment.

The CHAIRMAN pro tempore (Mr. THORNBERY). The gentleman from Illinois (Mr. HYDE) has 1 minute remaining; the gentleman from Maryland (Mr. HOYER) has 4 1/2 minutes remaining.

Mr. HOYER. Mr. Chairman, I yield 2 1/2 minutes to the distinguished gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, I was struck by reading the findings. Members will be pleased to know that if they vote for this amendment, they will be certifying the American Civil Liberties Union as an expert on the interpretation of the first amendment.

Now, I often agree with the ACLU on the First Amendment, not on some other amendments, but I think this is a new height in freedom of expression. Look at finding 16 on page 12: Whether it is the American Civil Liberties Union or the counsel to National Right to Life, experts have thoughtfully explained this need. I am sure the ACLU appreciates the gentleman from Illinois’s very occasional endorsement, because I must say, having served on the Committee on the Judiciary with him for years, I do not remember many other occasions when he and the ACLU have agreed on constitutionality; not on the antiterrorism bill.

In fact, I agree with the gentleman from Indiana. I do not think we should vote that we think are unconstitutional. That is why I have consistently voted against the censorship of the Internet which this House passes every other year, and, in the alternative year, the Supreme Court throws out.

The fact is that there is a pattern here of people who have never found much virtue with the ACLU and the first amendment suddenly becomes believers. Now, it also sanctifies here the case of Ms. Toomey, the libel case that I have heard Members be critical of, but people also talk about the First Amendment. So what this amendment will we as an institution come to stand for? I will grant the point to the gentleman from Maryland that it is our purview. I will yield to the gentleman for 1 minute, I have the right to close, and I have 2 minutes, and I will yield to the gentleman from Tennessee (Mr. CLEMENT), and then the gentleman from Illinois can take his time, and I will take this last minute to close.

Mr. HYDE. Mr. Chairman, I thank the gentleman from Maryland. Just so the gentleman from Massachusetts (Mr. FRANK) does not leave the room.

Mr. HOYER. Mr. Chairman, I cannot guarantee that, I would say to the gentleman from Maryland (Mr. HOYER) has 2 minutes remaining.

Mr. HYDE. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee (Mr. CLEMENT).

Mr. CLEMENT. Mr. Chairman, I thank the gentleman for yielding me this time.

This is a critical debate, and I am very pleased, number one, that the Shays-Meehan passed by such an overwhelming vote. Now we have various amendments that could very well impinge on the First Amendment. I am not a constitutional scholar, but I know one thing, that this language contains biased findings and attempts to impose a one-sided interpretation of the First Amendment as a matter of statutory law to falsely imply that the Shays-Meehan bill violates the First Amendment.

All of us have to look at all of these amendments very, very closely, particularly these perfecting amendments, and how is it going to affect Shays-Meehan, because we have a good piece of legislation. We have not had any major reform on campaign finance reform since the 1970s. Why? Because of Watergate. And why are we getting the vote on the Shays-Meehan, and real campaign finance reform today? Because of the Enron scandal. Let us support strongly Shays-Meehan.

Mr. HYDE. Mr. Chairman, I yield myself such time as I may consume just to say to my friend from the upper regions of Massachusetts that Nadine Strossen, the president of the ACLU, has written me several warm letters, and we have worked together on civil asset forfeiture, a concept that the gentleman has supported. So we found common ground on more than one issue with the ACLU.

Lastly, I would hope the gentleman would read section 602. The inaccuracies and errors in the petition itself are the result of midnight draftsmanship which is brought upon us as a gift from the gentleman from Maryland (Mr. HOYER) and his party whose devotion to rapidity sometimes intrudes on coherency.

Mr. HOYER. Mr. Chairman, will the gentleman yield on that point?

Mr. HYDE. Surely.

Mr. HOYER. Mr. Chairman, first of all, the gentleman from Maryland (Mr.
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HOYER was not involved in this, but secondly, let me say to the gentleman that I will remind him of his remarks as we go through legislation in the coming months.

The CHAIRMAN pro tempore. The time of the gentleman from Illinois (Mr. HYDE) has expired.

Mr. HOYER. Mr. Chairman, I yield 10 seconds to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, this is the second time we have heard reference on the other side to the haste, the other side would not allow it to be done in the appropriate way.

Mr. HOYER. Mr. Chairman, I have 50 seconds remaining; is that correct?

The CHAIRMAN pro tempore. The gentleman from Maryland (Mr. HOYER) is recognized for the remaining time.

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Mr. FRANK. Mr. Chairman, this is the second time we have heard reference on the other side to the haste, the other side would not allow it to be done in the appropriate way.
Mr. Chairman, it is no wonder that so many of our colleagues have been lobbying heavily to oppose the section 305, despite the fact that the airwaves are a public resource. And let me state that again. Despite the fact that the airwaves belong to the people of the United States, the Broadcasting Industry Association has spent millions of dollars lobbying against legislation to regulate political advertisements. And let me state that again.

Ms. SLAUGHTER. Mr. Chairman, if I yield myself 2 minutes.

Mr. Chairman, it is no wonder that so many of our colleagues have been lobbying heavily to oppose the section 305, despite the fact that the airwaves are a public resource. And let me state that again. Despite the fact that the airwaves belong to the people of the United States, the Broadcasting Industry Association has spent millions of dollars lobbying against legislation to regulate political advertisements. And let me state that again.

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Mr. Chairman, it is no wonder that so many of our colleagues have been lobbying heavily to oppose the section 305, despite the fact that the airwaves are a public resource. And let me state that again. Despite the fact that the airwaves belong to the people of the United States, the Broadcasting Industry Association has spent millions of dollars lobbying against legislation to regulate political advertisements. And let me state that again.
Now they have the nerve to say that we should not enforce the 1971 law that said that when they sell ads to political candidates they must do it at the lowest rate they give it to anyone else. There are two loopholes to this law. One, they will sell an ad to a candidate for the lowest rate, but then they will get, oh, we are going to bump the candidate from 6 p.m. the day before the election to 3 a.m. because someone else is willing to pay a higher rate, unless of course the candidate pays the premium rate. So here we will say, no candidate can risk that, so everybody pays the premium rate. They have completely undermined the existing law which says they have got to pay the cheapest rate.

All this bill does, and the amendment would negate, is enforce the existing law and say they must give them unpreemptible time so people can take it and it means it at the lowest rate they have sold for the last few months. Second, if it is not fair to see that the sponsor of this amendment would say that this is a new perk for candidates. It is not a perk for candidates. It is saying that as a beginning of paying off their obligation to the public, we no longer have the equal-time doctrine, we no longer have the fairness doctrine, we no longer have the public service requirement for which they get their license. They do not have to cover both, the 45 seconds per campaign or 45 seconds per election per night. We are simply saying sell the ads, but sell it as the Congress has said 30 years ago, for the lowest unit rate they sell it to anybody else.

TV ads cost 80 percent of the cost of all communication to voters. There is no reason why we cannot ask these broadcasters who get, again their entire product is on public air waves, which we give them for free, we license to them for free, why we can ask is that they enable candidates to try to conduct election campaigns for the cheapest rate they sell to other people to strengthen our democracy.

Mr. BURR of North Carolina. Mr. Chairman, I yield 30 seconds to the gentleman from Louisiana (Mr. TAUZIN), the chairman of the Committee on Energy and Commerce.

Mr. TAUZIN. Mr. Chairman, if ever there was an amendment that provided preferential speech in America it is the Torricelli language. It is the only way they can ask is that they enable candidates to try to conduct election campaigns for the cheapest rate they sell to other people to strengthen our democracy.

The gentleman from Texas (Mr. GREEN), the greatest football coach in my life, is going to yield 3 minutes to the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Chairman, I want to thank the gentleman from North Carolina for yielding me the time.

Every 2 years we as Members raise our right hand and swear to uphold and defend the Constitution of the United States. That means when bills come before this House we have a responsibility to, in our opinion, look to see if we are, in fact, following the Constitution.

One of the unconstitutional provisions in the underlying bill is this provision that would require broadcasters to sell time at the lowest unit cost of any time during the last 180 days. It is clearly unconstitutional. There is no requirement in here that newspapers sell us ad time at the lowest possible rate or radio stations who get their air waves from the public. There is no requirement there that they pay the lowest unit cost.

This is a subsidy to Federal office holders and only Federal office holders. It is blatantly unconstitutional. We should support the amendment offered by our colleagues, the gentleman from Texas (Mr. GREEN) and the gentleman from Michigan (Mr. LEVIN), and approve this product.

Mr. GREEN of Texas. Mr. Chairman, I yield 45 seconds to the gentleman from Ohio (Mr. STRICKLAND).

Mr. STRICKLAND. Mr. Chairman, the Torricelli language allows Federal candidates to buy premium air time at a dirt cheap price. Some say that if ad time costs less, campaigns will spend less. To the contrary, they will spend more. If my colleagues think people are going to spend 30 seconds, they are not common sense think how they will feel if we keep the Torricelli language.

We have got to get back to the basics, the firm handshake, the sincere look in the eye and the sympathetic ear. Not only would this amendment require us to rely on personal connections with the people, it will also prevent us from placing an unfair burden on the broadcast industry. As Federal candidates we do not deserve special treatment from this amendment.

Ms. SLAUGHTER. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN pro tempore. The gentleman from Michigan (Mr. LEVIN) has 1 minute of time.

Ms. SLAUGHTER. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN asked and was given permission to revise and extend his remarks.

Mr. LEVIN. Mr. Chairman, I do not understand the argument that this part of Shays-Meehan is unconstitutional. The LUC provision has been in the law for 30 years. The problem is that it is not working.

TV advertising is a major method of communication. It is said by the proponents of this amendment that TV is only 25 percent, but in contested elections it is probably 60 or 70 percent of the cost.

And here is what has been happening with the present law, and I read and I quote from someone who is a time buyer. ‘‘It’s become common practice for station ad salesmen to pressure you out of buying LUC into buying non-preemptible by telling you it’s the only way they can be sure the ads will be run when you want.’’

And so here is the problem. These TV costs have been skyrocketing. There is a question of corporate responsibility here. The last month of the election of the House, the TV stations where the challenger gave 1 minute of time, free media, for candidate discourse. So I think there is a real challenge to the broadcast industry.

The Senate addressed it by 70-to-30 vote. By a 70-to-30 vote, this amendment would reverse it and essentially leave us back where we were. That is not a responsible approach to the needs of democracy or a responsible approach by the broadcast media of this country.

Mr. OSBORNE. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska (Mr. OSBORNE), the greatest football coach in my life.

Mr. OSBORNE. Mr. Chairman, I thank the gentleman for yielding me the time and for that fine endorsement. I appreciate it.

I urge support for the Green-Burr amendment, which would strike section 305 of the Shays-Meehan bill. While attempting to reform the campaign finance system, section 305 unfairly burdens television stations. Giving political candidates dramatically lower rates for advertising hurts the television industry and interferes with normal commerce. Lowering the amount of money candidates spend on television ads supplants advertisers who pay standard rates, and this is very unfair.

In addition, section 305 will not reduce campaign spending. If candidates are allowed to buy cheaper spots on television, this will only lead to a large influx of political ads during the campaign.

I urge support for the Green-Burr amendment.

Mr. GREEN of Texas. Mr. Chairman, I yield 45 seconds to the gentleman from New York (Mr. TOWNS).

Mr. TOWNS. Mr. Chairman, I rise to strongly urge my colleagues to vote ‘‘yes’’ on the Green-Burr amendment.
Everyone in this Chamber agrees that campaigns are too expensive and that the majority of the money is spent on the airwaves. I can understand how some might think that the solution is to lower the cost of air time. It sounds great, but the only thing lowering the rates of television air time will do is to increase the amount of ads that will be on. It will increase the cost of campaigns.

It is important that we regulate, we carefully regulate the airwaves and use our airwaves and our spectrum and our media for the benefit of the people.

This is not an infringement upon the rights of the broadcasters. This is a fulfillment of the capacity and the possibilities of the broadcast media. Most of the industrialized nations, the civilized nations, are providing greater access to the media for candidates, far greater than the United States. The industrialized nations, the civilized nations, are providing greater access to the media for candidates, far greater than we provide in the United States.

I urge my colleagues to support this amendment. This is the right thing to do.

Mr. OWENS. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. OWENS), one of our brightest and most articulate Members and my colleague from New York. (Mr. OWENS asked and was given permission to revise and extend his remarks.)

Mr. OWENS. Mr. Chairman, the airwaves, the spectrum, is owned by the American people. Most of the American people do not know that we own it and that the representatives of government, the Members of Congress, are the trustees for the American people. We need to take back our airwaves and use our airwaves and our spectrum and our media for the benefit of the people.

This is not an infringement upon the rights of the broadcasters. This is a fulfillment of the capacity and the possibilities of the broadcast media. Most of the industrialized nations, the civilized nations, are providing greater access to the media for candidates, far greater than we are. So we need to take this first step.

The broadcasters are very anxious, upset, because they know if we take one step, it might lead to a greater regulation by the public as a whole that the airwaves belong to the people. Freedom of speech has to be guaranteed some way. We cannot do it the way we do with the print media, where anybody can get access to the print. We regulate, we carefully regulate the airwaves and the spectrum.

There is not enough room for everybody, so those who are regulated must bow to the regulation which puts forward the interest of the people. They must bow to certainly making our political campaigns more accessible to people.

Big money will always have an advantage, as long as we leave the broadcasters in charge, to charge what they want to charge. Eventually we must reach the point where the airwaves time is mostly free. That is the point they do not want us to move toward, and any step in that direction is going to hurt. That is why we have such great resistance to this tiny step forward, by having them lower their rates so that cost to allow everybody to be able to afford, or most candidates better afford access to the media.

It belongs to us in the first place. We are not infringing on any God-given right of the broadcasters. We are returning the spectrum to the people and letting the people know it belongs to them.

Mr. BURR of North Carolina. Mr. Chairman, it is a pleasure to yield 1 minute to the gentleman from Florida (Mr. STEARNs), the chairman of the Subcommittee on Commerce, Trade, and Consumer Protection of the Committee on Energy and Commerce.

Mr. STEARNs. Mr. Chairman, I thank my colleague. I rise in strong support of the Green-Burr amendment.

Do my colleagues want to see what happens when we force the networks to subsidize the races for Members of Congress? Go to the June 10, 1998, article in The Hill magazine. They talked about the campaign in California. The campaign was such that the requests for political advertising were so overly demanding, the networks could not even comply. The requests for such high demands were forced to restrict local and State candidates besides those running for Governor from airing political ads. As a result, some TV stations even refused to take ads from Governor candidates from the Governor or Federal candidates, infuriating candidates for other office, squeezing out all candidates for local races.

Without this amendment, this bill will result in further socializing political campaigns. Furthermore, it epitomizes the law of unintended consequences, ultimately doing more harm than good in attempting to level the political playing field.

So I urge the Green-Burr amendment.

Mr. GREEN of Texas. Mr. Chairman, how much time is remaining?

THE CHAIRMAN pro tempore. The gentleman from Texas (Mr. GREEN) has 1½ minutes remaining to the Gentleman from North Carolina (Mr. BURR) has 1½ minutes remaining, and the gentlewoman from New York (Ms. SLAUGHTER) has 1 minute remaining.

Mr. GREEN of Texas. Mr. Chairman, I yield 45 seconds to my colleague, the gentleman from Hawaii (Mr. ABERCROMBIE).

(Mr. ABERCROMBIE asked and was given permission to revise and extend his remarks.)

Mr. ABERCROMBIE. Mr. Chairman, if we hear one more talk about special interests. This is all special interests. The question is whether it is in the public interest or not.

I can tell my colleagues what is going to happen, and we all better remember it. All politics is local. And out where I am anyway, if anyone thinks they are going to show the football game at one time and another infomercial at another time, and that is going to work out somehow in the normal days that you get where you get the lowest rate, you are dreaming.

What is going to happen is the local advertisers, aside from me or aside from my colleagues, are going to have to make up the difference. And I am not going back in my district and tell people that are trying to make a living, especially after 9/11, in their advertising that they have to pay more so that people can listen to more.

All I am trying to do when I get down there is express all the virtues I have. And at least in my district they already know I am full of virtue.

Mr. Chairman, I rise in support of the Burr-Green amendment.

It obviates Section 305 of underlying bill, a provision that does not address the central issues of the campaign finance debate: soft money and so-called issue ads.

The language in Section 305 is well intentioned. It seeks to lower the costs of campaigns, a goal everyone agrees is worthwhile.

However, the mechanism if flawed. Forcing broadcasters to charge artificially low rates for political ads only invites them to look elsewhere to make up the lost revenue. Section 305 virtually forces them to raise the rates for non-political ads.

Using an example from my home state of Hawaii, is it realistic to expect a station to charge the same rate for the UH-BYU football game as for a late-night infomercial? If we force broadcasters to do that, we shouldn’t be surprised when business economics compel them to charge more for the ads in slots with smaller audiences. And who ultimately winds up paying for the added charge? Not the advertisers, they’re going to turn around and make it up with higher prices for their goods and services.

So the ultimate subsidizer of forced ad rate reductions is—you guessed it—the consumer. That’s you, me, and all the people in our districts. We’ll pay more for food, prescription drugs, gasoline—everything from Spam musubi to that neighbor island trip for a family reunion.

The bottom line is that Burr-Green is pro-consumer. It has no effect on the thrust of Shays-Meehan. This is an amendment that every Member can support, regardless of which side of this debate you’re on.

Ms. SLAUGHTER. Mr. Chairman, I yield myself the balance of my time.

This is a debate that has gone on one way or another here in the House since the early 1970s. It was considered a great reform in 1970 that we would try to do something about controlling television time.

I even remember there was a bill way back in the dark days by Congressman Udall when he was here. Congressman Udall did not believe if you owned a major television network, you owned a media market that you should also own the newspapers and all the radio stations, and Congress agreed with him. It was really quite an astonishing thing.

That will never see the like of that again, because I think we have gotten to the point now where, at least in my media market, there is not a home-grown station there. They are all
Mr. GREEN of Texas. Mr. Chairman, I yield the balance of my time to the gentleman from Michigan (Mr. DINGLE).

(Mr. DINGLE asked and was given permission to revise and extend his remarks.)

Mr. DINGLE. Mr. Chairman, shame on us. This is an outrage. Current law says that Members of Congress get the lowest unit rate now on radio and television. This amendment says we get the lowest unit rate on the basis of being preemptable. That makes the other users of the broadcast spectrum subsidize us. The mom-and-pop stores, the drugstores, the automobile dealers, are all going to be paying our costs for our political ads, as will the local political candidates.

We are literally putting our hands in the pockets of the local folks to get ourselves a special benefit. I do not have the arrogance to vote for a proposal of this kind, or to say this is in the public interest. This is nothing more or less than dipping into the pockets of the home folks to get Members a subsidy for the campaign. What is the change that it makes? It changes the law so that now, if passed, the bill would give special treatment to us above and beyond these other persons. This is unfair. I urge Members to adopt the amendment which will be approved by the Senate. Read BNA’s publication this morning.

The CHAIRMAN pro tempore (Mr. THORNBERGER). All time has expired.

The question is on the amendment offered by the gentleman from Texas (Mr. GREEN).

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

RECORDED VOTE

Mr. GREEN of Texas. Mr. Chairman, I demand a recorded vote. A recorded vote was ordered.

The vote was taken by electronic device, and there were—aye 327, noes 101, not voting 6, as follows:

[Roll No. 23]
Mr. PICKERING. Mr. Chairman, as the designee of the majority leader, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment. The text of the amendment is as follows:

Amendment No. 27 offered by Mr. PICKERING

Mr. PICKERING. Mr. Chairman, as the designee of the majority leader, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment. The text of the amendment is as follows:

Amendment No. 27 offered by Mr. PICKERING

Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to the Second Amendment of the Constitution

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO THE SECOND AMENDMENT OF THE CONSTITUTION.

None of the restrictions or requirements contained in this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any person who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to the Second Amendment to the United States Constitution.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Mississippi (Mr. PICKERING) and the gentleman from Texas (Mr. STEINHOLM) each will control 10 minutes.

The Chair recognizes the gentleman from Mississippi (Mr. PICKERING). Mr. PICKERING. Mr. Chairman, I yield myself such time as I may consume.

My amendment is very compact, simple and precise. My amendment preserves the free speech rights of any constituency or grassroots organization that desires to educate the public as to the voting record, statements or other actions of Federal officers or candidates for office as they relate to the second amendment. This amendment protects all parties that want to engage in the debate over the second amendment, from Sarah Brady to the NRA.

One of the fundamental problems I have with this legislation is its regulation of free speech by grassroots organizations that engage in issue advocacy and educating the public to the voting records of Members of Congress. The base text of Shays-Meehan regulates the free speech of everyone from the far left to the far right, from the pro-life movement to farmers, from veterans groups to religious organizations. I regret that I did not have more time to draft an amendment that would have been able to restore more of the free speech rights of some of these other organizations; however, I believe this amendment is a bright line for which Members must make a stand over whether they want any amendment protections afforded to our citizens and afforded to grassroots organizations, or whether they support
the regulation of these groups’ free speech rights.

In short, you are either for the first amendment and the second amendment, or you oppose those free speech first amendment rights and the rights of those who want to defend the second amendment.

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

Mr. STEHNOLM, Mr. Chairman, I yield to the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF: I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to this amendment which effectively states that the provisions of campaign finance reform shall not apply to any form of communication on any matter pertaining to the second amendment.

Imagine a world in which campaign finance reformers would force the bill into conference committee. This amendment? It is offered precisely because it would force the bill into conference committee. Why? It is not. Whatever your position on the second amendment, and you might ask, how could that possibly be constitutional? And, of course, the answer is, it cannot be. We cannot single out any amendment, no matter how favored or disfavored, and extinguish the right of free speech under the law. Those regulations that are content-based, as opposed to time, place or manner, are the most suspect under the first amendment, and plainly we cannot constitutionally single out the second amendment, or any other, for different treatment under the campaign finance laws.

But even if we could, is this good policy? And, of course, it is not. Whether you are a pro-gun control or anti-gun control, why would you want to allow unlimited, unaccountable, anonymous expenditures on campaign ads and time on TV that is as important as the second amendment and be precluded from knowing who is paying for it? Because if this amendment were to pass and somehow be constitutional, that is what we would have. Those who would have these anonymous, unlimited expenditures on ads about the second amendment, and you would not know who is paying the freight. How can that possibly be good policy? It is not. Whatever your position on the second amendment is, this is bad policy.

So why is it offered when it is plainly unconstitutional and when it is bad policy whether you are for or against a strict construction of the second amendment? It is offered precisely because it is unconstitutional, because it would force the bill into conference committee, because it would effectively kill Shays-Meehan.

Make no bones about it. These amendments are all over the boards. This one goes after the second amendment; another, civil rights. But the design is the same. It is to kill reform. Oppose this amendment.

Mr. PICKERING, Mr. Chairman, I yield to the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE: Mr. Chairman, again to quote from today’s Washington Post, Robert Samuelson, not a conservative, not even a Republican, says of Shays-Meehan, “It’s not reform, it’s deception.” “It’s not reform, it’s deception.” Why are we offering this on the second amendment, the previous speaker asked? We have these poison pill amendments to exempt everyone, frankly. The point we want to make is that this deception is trying to curb the free speech rights of all Americans. It is unbelievable how, despite the facts, these people continue to pursue the right to regulate and to curb the free speech rights of all Americans. It is unbelievable how, despite the facts, these people continue to pursue the right to regulate and to curb what we consider to be the constitutional rights of many Americans are being trampled upon by this legislation; but I want to add my remarks to a more troubling issue, an issue that arose last night at midnight. It is the language on page 79 of this legislation which does something shocking. It provides that in this election and this election only, you can spend soft money however you want as though it were hard money to expressly advocate the defeat of a candidate, and then you can repay that debt with soft money.

If soft money is so evil, why was this language inserted in the bill last night? I know that Mr. SHAYS did not write this language; and I know that both sides, Mr. SHAYS and his colleagues on the other side, have said it is not our intent to do that, and I have read the two letters they have produced to address that issue.

But it is our job not to rely on our intent, but on the words we write; and I would urge my colleagues to read the words on page 79. They are very clear. They say, “The committee may spend such funds to retire outstanding debts.” It does not say outstanding soft-money debts, Chris. It says outstanding debts of every kind. I have read both of the letters that Mr. SHAYS and his colleagues have produced, and I want to ask you, Chris, if you understand that this language means that you can take soft money that you have on hand and spend borrowed money for hard-money purposes, you can advocate the defeat of a candidate with that and then repay it with soft money, something you say you do not intend, are you willing to amend this? Because that is what this language does. It will create a huge loophole through which $40 million of money can be borrowed and then spent on hard-money purposes to advocate the defeat of candidates this year, and then repay with soft money. The letters do not say to the contrary, Chris.

Mr. SHADES, Mr. Chairman, I yield to the gentleman from Connecticut.

Mr. SHADES: I yield to the gentleman from Connecticut.

Mr. SHAYS, Mr. Chairman, I would say to the gentleman, we do not agree with the gentleman’s analysis, but I want to answer the question.

Mr. SHADES: Reclaiming my time, find me one sentence in here, Chris, find one word, you can read
English, do you have page 79 of your bill?
Mr. SHAYS. Yes, I do.
Mr. SHADEEG. Will you please read it, Chris?
Mr. SHAYS. I did read it. That is what I read you.
Mr. SHADEEG. No. Well, read it right now, and read these words, Chris. Would you read these words? It says “retire outstanding debts.”
Mr. SHAYS. I do not disagree with the gentleman’s words. I do not disagree. But may I have a chance to respond?
ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE
The CHAIRMAN pro tempore (Mr. THORNBERRY). Members will suspend.
The Chair would request that Members yield time properly, and the Chair further requests Members address their remarks to the Chair, and finally the Chair requests that Members refer to other Members by their proper State designation, preferably by first names.
The gentlewoman from Virginia (Mr. TOM DAVIS), and to my dear friend, the gentleman from Virginia (Mr. SHADEEG), there is probably little that can be done to satisfy his concerns, I would say to the gentleman from Connecticut (Mr. SHAYS), because he was opposed to the bill before reading the entire right.
I am reminded in some ways as I hear my colleagues of the recent Presidential race, when our current President, and congratulations again to him, would say to his opponent, Al Gore, that this guy will say anything to win. In a lot of ways, my friends on this side of the aisle are pulling every everything out of their hat to try to confuse and distort Members on this side and their own right to send this bill to conference.
I would say to the gentleman from California (Mr. DOOLITTLE), the same columnist you cite over and over again, Mr. Samuelson, he referred to the Republican tax package as deceptive also. Maybe he is wrong on both fronts.
I would say to the gentleman from Texas (Mr. ARMY) to my dear friend, the gentleman from Virginia (Mr. TOM DAVIS), and to my friend, the gentleman from Texas (Mr. DELEY), all the amendments that are being offered, this is the same group that was opposed to campaign finance before we arrived here today.
I close on this: the addiction to soft money, all of us will be okay without it. We can find ways to pay for our golf tournaments, to pay for our resort visits. We can find ways to pay for all of those things we pay for with soft money now. Vote for Shays-Meehan. Vote down these poisoned amendments.
Mr. SHADEEG. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. ANDREWS).
(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)
Mr. ANDREWS. Mr. Chairman, I thank my friend for yielding me time.
Mr. Chairman, I am pleased to speak in favor of this language protecting the constitutional freedoms guaranteed to Americans by the second amendment. The second amendment does not belong to the Republican Party, and it does not belong to the Democrats either; it belongs to all the people in this great country.
No one in this Chamber is a stronger advocate of second amendment freedoms than I am, and I appreciate having this time to make this clear to my colleagues. I am committed to protecting our second amendment freedoms and to making sure that the language we are debating right now is included in any campaign reform legislation that is advanced by this House.
Let us pass this pro-freedom amendment.
The CHAIRMAN pro tempore. The gentleman from Mississippi (Mr. PICKERING) has 2½ minutes remaining, and the gentleman from Texas (Mr. STENHOLM) has 6½ minutes remaining.
Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee (Mr. FORD).
Mr. FORD. Mr. Chairman, my dear friend, the gentleman from Arizona (Mr. SHADEEG), there is probably little that can be done to satisfy his concerns, I would say to the gentleman from Connecticut (Mr. SHAYS), because he was opposed to the bill before reading the entire right.
I am reminded in some ways as I hear my colleagues of the recent Presidential race, when our current President, and congratulations again to him, would say to his opponent, Al Gore, that this guy will say anything to win. In a lot of ways, my friends on this side of the aisle are pulling every everything out of their hat to try to confuse and distort Members on this side and their own right to send this bill to conference.
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Let us pass this pro-freedom amendment.
The CHAIRMAN pro tempore. The gentleman from Mississippi (Mr. PICKERING) has 2½ minutes remaining, and
to do with the second amendment or the first amendment. It has everything to do with whether or not we are going to clean up our political system just a little bit.

The CHAIRMAN pro tempore (Mr. Tiahrt) said, "The gentleman from Mississippi (Mr. PICKERING) has 1½ minutes remaining.

Mr. PICKERING. Mr. Chairman, I yield myself the remaining time.

Let me use the words of those who advocate this reform to tell what this legislation is all about. They are very clear about their purposes.

Scott Harshberger, the president of the Washington D.C.-based Common Cause, says, "We need to make the connection with everyone who cares about gun control that there is a need for campaign finance reform because that is how you are going to break their power.

He goes on to say, "The equation," he says, "is a simple one. A vote for campaign finance reform is a vote against the second amendment gun lobby." It says, "This is one of those times where there is a very direct connection." They say, "A vote for campaign finance reform is a vote for policies about guns."

It is very clear that their intent here is to gut and to defeat those who want to advocate and defend the second amendment. A vote here is to take away the rights of those on the first amendment, the freedom of speech, to help defeat those who want to defend the second amendment.

This is about the second amendment. The whole underlying text of the legislation of this section is unconstitutional. I am convinced it will be struck down. But we need to make sure that people know what is really going on right here. This is an attempt by their own words to defeat those who want to defend and protect the second amendment.

If one stands for the first amendment right of free speech that is most precious to me, if one stands for the first amendment right of free speech that is most precious to me, if one stands for the second amendment, then I urge my colleagues to support this amendment.

Mr. BARR. Mr. Chairman, I rise today in support of the amendment to H.R. 2356, offered by Representative CHIP PICKERING.

This so-called campaign finance reform legislation is a direct attack on every American's fundamental right of free speech. It is the 1st amendment right of free speech that is most necessary to protect and defend the Bill of Rights and the entire Constitution.

Those of you who have delivered long and flowery orations, telling us how campaign finance reform "is about the wealthy and the corrupt influencing our electoral process. In fact, it is about who controls the information being delivered to the electorate. Should it be the liberal and media elites who are so removed from the average American? Should it be this same group that at every opportunity attempts to prohibit law-abiding Americans everywhere from owning firearms? Or should it be grassroots organizations; reflecting the views of their millions of members? It should be the latter, and the Pickering amendment will help ensure that. There is no better way to place the power of media access into the hands of the elite; and the Pickering Amendment will at least ensure this cabal will not be able to dominate the 2nd Amendment debate that is the lifeblood of our freedoms. If this vital amendment fails, then one of our most fundamental liberties will be diminished. That small group of elitists who disdain the common American, and scorn their right to own ownership of their power to influence the gun debate by libeling candidates who stand firm in the protection of the 2nd amendment.

It is our constitutional freedom that is at stake here, and we must not allow it to be jeopardized under the guise of "reforming the electoral process." I urge you to vote "aye" on the Pickering amendment.

The CHAIRMAN pro tempore. Time for debate has expired. The question is on the amendment offered by the gentleman from Mississippi (Mr. PICKERING).

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

RECORDED VOTE
Mr. PICKERING. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—aye 209, noes 219, not voting 7, as follows:

AYES—209


NAYS—219


NOT VOTING—7

Deutsch  —  Ehrlich (PA)  —  EMmer  —  Gordon  —  Green (GA)  —  Hefley  —  Hayes  —  Heuer  —  Hefley  —  Hime  —  Hilty  —  Hobbins  —  Hoekstra  —  Holden  —  Hostettler  —  Holden  —  Houston  —  Howorth  —  Hudson  —  Hulshof  —  Issa  —  Issa


Mr. WAMP and Mr. WATT of North Carolina changed their vote from "aye" to "no."

Mr. RADANOVICH and Mr. EHRlich changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. FLETCHER. Mr. Chairman, on rollcall No. 24, I was unavoidably detained. Had I been present, I would have voted "aye."

Stated against:

Mr. KENNEDY of Rhode Island. Mr. Chairman, on rollcall No. 24, I was unavoidably detained. Had I been present, I would have voted "no."

The CHAIRMAN pro tempore (Mr. THORNBERY). Pursuant to the order of the More...
First Amendment of the Constitution of the United States.

Mr. Chairman, this amendment is pretty simple. It states that no restrictions in the Shays-Meehan bill can bar statements or positions of a candidate pertaining to civil rights and other issues affecting minorities.

This amendment is not about soft money. It is not about the RNC, the DNC, the NRCC, the DCCC. It makes clear that there are issues concerning civil rights and minorities that will not be restricted in any way as a result of some parameters on free speech politicians write today to protect their incumbency.

Let me illustrate for example, Mr. Chairman. It is a documented fact that Americans in the black communities support giving parents the choice of where to send their kids to school. They support the right to send students to private and religious schools if they think those schools are better suited to their educational needs. Why should an organized group of black parents not be able to communicate their views at any time, their opinions on a candidate’s views about parental choice? I would also ask the question, if it is bad somehow or another to say that they cannot voice their concerns, their opinions in the last 60 days, should they be able to voice their concerns at all? If it is bad in the last 60 days, it ought to be bad all year round. Under the Shays-Meehan bill, these parents would be silenced. Under my amendment, we protect their first amendment rights.

The voices of African Americans should not be constrained. The thoughts and ideas of those speaking on issues concerning minorities and civil rights must not be muted. The right to express oneself ought to be sacrificed at the altar of what I believe is a flawed campaign finance bill.

Winston Churchill, in a speech to the British House of Commons in 1944, said: “The United States is a land of free speech politicians write today to protect the rights of the American people in the integrity of our election process, an indispensable keystone of democracy. Mr. Chairman, I yield myself 2 minutes to the gentleman from Massachusetts (Mr. MEEHAN) for his clarification. The FEC will no doubt issue regulations that carry out the intent of this language.

I urge my colleagues to pass this vitally important legislation, to restore the faith of the American people in the integrity of our election process, an indispensable keystone of democracy.
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February 13, 2002
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fact, it is the essence of the first amendment that all speech is protected, that no speech is more protected than any other, that there is no State-favored speech. This is about a bill which I suggest to the gentleman from Oklahoma (Mr. Watts) does not stop free speech, contrary to his representations.

Does it say under the rules that someone has to use hard money that is disclosable to make that speech on television and on radio? Yes, it does, and if it were not for that same. If it were not so, I suggest to the gentleman it would be unconstitutional.

The gentleman may take the position that, in fact, the bill is unconstitutional, and that will be argued clearly in the Supreme Court; but this is not about undermining civil rights speech, undermining speech about the second amendment, undermining speech, in fact, pursuant to the first amendment.

This is about reforming campaign finances.

And I will say to my friend that this amendment, like the other amendments, clearly is designed, in my opinion, to undermine and defeat campaign finance reform, not to protect civil rights speech, which is, in fact, protected under the first amendment, which is, I think, protected under the thirteenth, fourteenth and fifteenth amendments.

This amendment, like its predecessors, which were exactly alike, is unnecessary, unneeded, and ought to be opposed.

Mr. Watts of Oklahoma. Mr. Chairman, I yield myself such time as I may consume to say to my friend from Maryland that he is right, these amendments are offered to show the consequences that this legislation creates is going to be bad for every constituency in America that wants to have a voice the last 60 days of a campaign.

Mr. Chairman, I yield 3 minutes to the gentleman from Mississippi (Mr. Pickering).

Mr. Pickering. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oklahoma. The previous amendment dealt with the second amendment. We are trying to make the point, whether it is on civil rights or the second amendment, whether it is a prolife group, religious or secular group, farmers, veterans, those who want to participate in the political process, that we are going to regulate fact, restrict their first amendment or free speech rights, their political rights to express themselves.

In my district, the African American community, the Choctaw Tribe, the Mississippi Band of Choctaws, a growing Hispanic community, if they want to emerge in a grassroots organization in informing people of the positions and the parties or the candidates, are we going to place the heavy hand of government on them to make it more difficult to participate, to restrict their freedoms?

This is something that should cut across all groups, all parties, in the defense of the very fundamental rights we have as Americans that I enjoy as an American, and that is the freedom of speech without government regulating it, restricting it, or making it more difficult for people to participate regardless of their power or their position.

This is a long tradition that we have had, but this American people know who is talking to them, that is the issue here, as well as the freedom to talk. Both are protected under Shays-Meehan.

Mr. Chairman, I yield 2 minutes to the gentleman from Georgia (Mr. Lewis), who, as I have said before, has risked life and health to protect the civil rights of not only African Americans, but all Americans.

Mr. Lewis of Georgia. Mr. Chairman, I want to thank my friend, the gentleman from Maryland (Mr. Hoyer), for yielding me this time.

This amendment is another poison pill. It is a phony issue. It has nothing but nothing to do with free speech or civil rights. I respectfully say to my friend from Oklahoma, that civil rights is not a franchise of any one race. True, some in a race may have felt it stronger than others, but we have stood up, I will respectfully say to my friend from Oklahoma, that civil rights is not a franchise of any one race. True, some in a race may have felt it stronger than others, but we have stood up,

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other than from so many other States and so many other races have paid such a high price for full participation in our society today.

As we celebrate February and Black History Month, one of the clear messages that comes to me from my African American constituents is that the struggle continues. It is not over. And I believe that what this amendment says is that we need to protect that and make it abundantly clear, and I think that is what this is about.

I could understand people wanting to vote "no." I can understand for partisan reasons voting one way or the other on any bill. But let us not say this bill protects the interests of minorities or anybody else. It just refunds the money. It deregulates it. Soft money is not banned under this bill, it just says that certain interest groups get the last whack at it. Certain interest groups are protected just a little bit more than others.

I would urge my colleagues to vote for the Watts amendment.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. MEEKS).

Mr. MEEKS of New York. Mr. Chairman, I stand here in strong opposition to this amendment.

This is a clear case where we must read the label very carefully, look at the small print, because to say that this is about civil rights, if this House and the American people have felt aggrieved, and the American people have felt aggrieved with what we are doing here with campaign financing, and it needs reforming.

This is not a civil rights bill.

Mr. WATTS of Oklahoma. Mr. Chairman, I yield the balance of my time to the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. Mr. Chairman, I would just say that this bill is not about true campaign finance reform. What the amendment of the gentleman from Oklahoma (Mr. WATTS) tries to do is it tries to stop the censorship of free speech having to do with civil rights and protecting and being a proponent of protecting the rights of minorities. Without this amendment, and contrary to what has been said before, there are elevated cases of increased scrutiny on certain classes of speech, on certain attributes of individuals in this country. What are we trying to do by this amendment is to ensure that free speech having to do with the protection of civil rights will be protected.

1915

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, if an argument lacks substance, Members create a straw man, and make that straw man look exceedingly bad. Then they knock that straw man down, and then say how great it is. The problem here is this straw man is hollow and not true. There is no restriction in this bill for any American to raise an issue on either side of the second amendment, to raise any first amendment issue, or to raise any issue of civil rights. There is no Member of this House on this side, and I do not believe there is any Member on that side, who would stand to limit debate or speech on any of those issues. That is the straw man.

Mr. Chairman, this bill is about campaign finance reform. This bill is about letting Americans know who is paying for elections. This bill is trying to give Americans confidence that they are included in the process.

Mr. Chairman, I reject out of hand the straw man, and let us reject out of hand this amendment.

The CHAIRMAN pro tempore (Mr. THORNBERRY). All time has expired.

The question is on the amendment offered by the gentleman from Oklahoma (Mr. WATTS).

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

RECORDED VOTE

Mr. HOYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 185, noes 237, not voting 12, as follows:

[Roll No. 25]

AYES—185

Aderholt
Armey
Baker
Ballenger
Bartlett
Barton
Boren
Boehner
Bono
Boozman
Brown (SC)
Burr
Burton
Burrage
Callahan
Calverly
Camp
Cannon
Cantor
Capito
Chabot
Chambliss
Cochle
Collins
Cooksey
Cox
Creigh
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
DeLeau
Demin
Diaz-Balart
Doolittle
Dreier
Duncan
Ehlers
Emerson
English
Everett
Flake
Fleischer
Forbes
Pessola
Gesty
Gekas
Gibbons
Rogers
Goode
Gooch
Granger
Graves
Grassley
Gutknecht
Hail (TX)
Hansen
Hart
Hastings (WA)
Bayes
Hefley
Hercy
Hillery
Hobson
Hornbeck
Holden
Hostettler
Huuskow
Hunter
Hylde
Jackson
Jones (IL)
Johnson, Sam
Jones (NC)
Keller
Kerns
Kingston
Kile
Knollenberg
Kolle
LaHood
Laxalt
Leach
LaTourette
Lewis (CA)
Lewis (PA)
Linder
Lous (OK)
Manuel
McCrery
McHugh
McKinley
McKeon
McNulty
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Otter
Pence
Petersen (PA)
Piccott
Pombo
Portman
Praye (OH)
Putnam
Racine
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Saxton
Ryan (WI)
Ryan (R)
Saxton
Schaffer
Schrock
Sessions
Sessions
Sherwood
Shibink
Shuster
Simpson
Sikian
Smajda
Smith (TX)
Sonder
Steuart
Stump
Suozzo
Swain
Tancrdeo
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Ms. HOOLEY of Oregon and Connecticut, MALONEY of Connecticut, LARSON of Connecticut and WYNN changed their vote from “aye” to “no.”

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Connecticut (Mr. SHAYS) or the gentleman from Massachusetts (Mr. MEEHAN).

AMENDMENT NO. 10 OFFERED BY MRS. CAPITO Mrs. CAPITO. Mr. Chairman, I offer an amendment as the designee of the gentleman from Connecticut (Mr. SHAYS).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mrs. CAPITO: Add at the end of title III the following new section:

SEC. 229. MODIFICATION OF INDIVIDUAL CONTRIBUTION LIMITS FOR HOUSE CANDIDATES IN RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.

(a) INCREASED LIMITS.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by inserting after section 315 the following:

‘‘SEC. 315A. (a) AVAILABILITY OF INCREASED LIMIT.

(1) IN GENERAL.—Subject to paragraph (3), if the opposition personal funds amount with respect to a candidate for election to the office of Representative in, or Delegate or Resident Commissioner to, the Congress exceeds $350,000—

(A) the limit under subsection (a)(1)(A) with respect to the candidate shall be tripled; and

(B) the limit under subsection (a)(3)(B) shall not apply with respect to any contribution made by a candidate if the contribution is made under the increased limit allowed under subparagraph (A) during a period in which the candidate may accept such a contribution;

(C) the limits under subsection (d) with respect to any expenditure by a State or national committee of a political party on behalf of the candidate shall not apply.

(2) DETERMINATION OF OPPOSITION PERSONAL FUNDS AMOUNT.—

(A) IN GENERAL.—The opposition personal funds amount is an equal amount to the excess, if any, of—

(i) the greatest aggregate amount of expenditures from personal funds (as defined in subsection (b)(1)) that an opposing candidate or a candidate authorized committee during any election in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held, over

(ii) the aggregate amount of 50 percent of gross receipts of the opposing candidate’s authorized committee during the preprimary calendar period, or the number of contributions accepted by a candidate’s authorized committee during any election in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held.

(3) TIME TO ACCEPT CONTRIBUTIONS UNDER INCREASED LIMIT.

(A) IN GENERAL.—Subject to subparagraph (B), a candidate and the candidate’s authorized committee shall not accept any contribution, and a party committee shall not make any expenditure, under the increased limit until paragraph (1) and—

(i) until the candidate has received notification of the opposition personal funds amount under subsection (b)(1); and

(ii) to the extent that such contribution, when added to the aggregate amount of contributions previously made, would exceed the aggregate amount of expenditures previously made under the increased limits under this subsection for the election cycle, exceed 100 percent of the opposition personal funds amount.

(B) EFFECT OF WITHDRAWAL OF AN OPPosing CANDIDATE.—A candidate and a candidate’s authorized committee shall not accept any contribution and a party committee shall not make any expenditure under the increased limit after the date on which an opposing candidate ceases to be a candidate to the extent that the amount of such increased limit is attributable to such an opposing candidate.

(4) DISPOSAL OF EXCESS CONTRIBUTIONS.—

(A) IN GENERAL.—The aggregate amount of contributions accepted by a candidate or a candidate’s authorized committee under the increased limit under paragraph (1) and not otherwise expended in connection with the election with respect to which such contributions relate shall, not later than 50 days after the date of such election, be used in the manner described in paragraph (2).

(B) RETURN TO CONTRIBUTORS.—A candidate or a candidate’s authorized committee shall return to the contributor the portion of the contribution that is attributable to the person who made the contribution.

(b) NOTIFICATION OF EXPENDITURES FROM PERSONAL FUNDS.

(1) IN GENERAL.—

(A) DEFINITION OF EXPENDITURE FROM PERSONAL FUNDS.—In this paragraph, the term ‘‘expenditure from personal funds’’ means—

(i) an expenditure made by a candidate using personal funds; and

(ii) a contribution or loan made by a candidate using personal funds or a loan secured using such funds to the candidate’s authorized committee.

(B) DECLARATION OF INTENT.—Not later than the date that is 15 days after the date on which an individual becomes a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, the candidate shall file a declaration stating the total amount of expenditures from personal funds that the candidate intends to make, or to obligate to make, with respect to the election that will exceed $350,000.

(C) INITIAL NOTIFICATION.—Not later than 24 hours after a candidate described in subparagraph (B) makes or obligates to make an aggregate amount of expenditures from personal funds in excess of $350,000 in connection with any election, the candidate shall file a notification.
“(D) ADDITIONAL NOTIFICATION.—After a candidate files an initial notification under subparagraph (C), the candidate shall file an additional notification each time expenditures from personal funds are made or obligated to be made in an aggregate amount that exceeds $10,000. Such notification shall be filed not later than 24 hours after the expenditure or obligation.”

“(E) CONTENTS.—A notification under subparagraph (C) or (D) shall include—

“(i) the name of the candidate and the office sought by the candidate;

“(ii) the date and amount of each expenditure; and

“(iii) the total amount of expenditures from personal funds that the candidate has made, or obligated to make, with respect to an election as of the date of the expenditure that is the subject of the notification.”

“(F) PLACE OF FILING.—Each declaration or notification required to be filed by a candidate under subparagraph (C), (D), or (E) shall be filed with—

“(i) the Commission; and

“(ii) each candidate in the same election and the national party of each such candidate.”

“(G) NOTIFICATION OF DISPOSAL OF EXCESS CONTRIBUTIONS.—In the next regularly scheduled report after the date of the election for which a candidate seeks nomination for election to, or election to, Federal office, the candidate or the candidate’s authorized committee shall submit to the Commission a report indicating the source and amount of any excess contributions (as determined under subsection (a)) and the manner in which the candidate or the candidate’s authorized committee used such funds.

“(H) ENFORCEMENT.—For provisions providing for the enforcement of the reporting requirements under this subsection, see section 332.

“(I) CONFORMING AMENDMENT.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 304(a), is amended by striking “subsection (i)” and inserting “subsection (i) and section 315(a).”

“The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentlewoman from West Virginia (Mrs. CAPITO) and the gentleman from Connecticut (Mr. SHAYS) each will control 10 minutes.

The Chair recognizes the gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Mr. Chairman, I yield myself such time as I may consume.

(Mrs. CAPITO asked and was given permission to revise and extend her remarks.)

Mrs. CAPITO. Mr. Chairman, as a strong supporter of campaign finance reform, I am glad to see us debating this issue on the floor this evening. I want to thank the gentleman from Connecticut (Mr. SHAYS) for allowing me to offer this amendment, and I appreciate his willingness to allow me to stand in support of the amendment.

Mr. Chairman, this amendment was created in cooperation with the most ardent supporters of campaign finance reform in an attempt to devise a way to correct what I believe is one of the most glaring inequities in the current system. We have seen self-financed candidates giving unlimited personal resources to outspend and defeat their opponents. Unfortunately, the bill that we are currently considering tilts the playing field away from average Americans wishing to run for office. My amendment would help return a sense of balance to congressional elections by allowing candidates who are unfairly disadvantaged by their opponents’ ability to match funds through higher contribution limits and additional assistance from the national party.

Quite simply, once a candidate spends $350,000, and I think that is quite a lot, especially when they have their own money on their own campaign, their opponent is eligible to raise matching funds. These matching funds can come in the form of national party assistance and/or additional individual contribution raised at three times the current limits. Once parity is achieved, the regular contribution limits go back into effect.

I want to stress to my colleagues that my intention in offering this amendment is not to add more money to the campaign process. I want to encourage all candidates, wealthy or not, to play by the same rules. This amendment is not about throwing more money into campaigns. It is about making money less important by correcting the inequities that are created when wealthy candidates use their own resources to sway elections.

There are many candidates, and I am one, who have attempted to run a successful campaign against an opponent who has an unlimited war chest of personal finances. It is unfortunate that the strength and the seemingly bottomless nature of a candidate’s pocketbook can present additional obstacles beyond the basic debate over the merits of ideas. Large personal fortunes were not a prerequisite that our Founding Fathers envisioned for being a public servant. The creators of our government never intended for big bank accounts to be the key to ensuring many years in office. That was to be a decision for the voters.

The American public’s cry for campaign finance reform is a testimony to the widespread, accepted truth that money can have the ability to distort government and politics. The uneven playing field that is created when candidates throw millions and millions of their own money into an election must be addressed and remedied here and now if we want true and comprehensive campaign finance reform.

The only way a pure American democracy can work is if people have faith in the system and if they participate. That includes running for office. It is time to recognize that the realities of today’s elections prevent many from participating.

I urge my colleagues to accept the amendment so that any American running for office can compete on an even playing field.

Mr. Chairman, I reserve the balance of my time. I yield 4 minutes to the gentleman from New York (Mr. OWENS).

(Mr. OWENS asked and was given permission to revise and extend his remarks.)

Mr. OWENS. Mr. Chairman, the gentlewoman makes a persuasive case, and I would not want to argue with the fairness, logic or common sense of what she has to say. It makes sense.

The important thing is that Shays-Meehan makes sense as it is right now, and if this amendment is being offered as another way of tinkering with it in a way which makes it impossible to get a settlement between the two Houses, then that I would be certainly opposed to.

But I cannot argue with the logic. All of us ought to understand that the American public out there, our constituents, are like the little child in Hans Christian Anderson’s tale of “The Emperor’s New Clothes.” They understand what is happening. They understand what makes sense.

If we are tinkering and posturing in our desire to prevent an amendment moving forward, they can understand that. In the long run, we will have to be on the side of logic, and this amendment certainly makes a lot of sense. In fact, the campaign finance reform bill which is in effect in New York and other areas is a very good law that I would point to as a good model.

Mr. FATTAH. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Pennsylvania.

Mr. FATTAH. Mr. Chairman, if I could ask the author of the amendment, could they clarify whether this language was considered in the Senate. If we could get some clarification, it might be helpful.

Mr. SHAYS. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Connecticut.

Mr. SHAYS. Mr. Chairman, I appreciate the gentleman yielding.

Mr. Chairman, the Senate has what they refer to as a “millionaire’s amendment” or a level playing field amendment. They allow for three times the amount of hard money at a certain level, and then at a certain point they allow for unlimited spending. Each Senate district is different. So they did it for each Senate territory. The States have different populations and so on.

So what was done by the gentlewoman from West Virginia is an amendment that allows House Members to have the same kind of amendment. It would be compatible with the Senate amendment. It works in harmony with it.

We have this as what we refer to as a neutral amendment. The Senate does not pass it or not. We want to make sure that the House does its will. I support this amendment with all my heart. I think the one weakness
Mr. UDALL of New Mexico. Mr. Chairman, I rise to support this amendment because I think it brings fairness to this process.

Mr. Chairman, today, as we debate this critical legislation, it is important to remember how we got here. In the aftermath of the Watergate scandal, our nation began looking for a way to address the major problems facing our political system. Congress led the way to reform by amending the 1971 Federal Election Campaign Act (FECA) in the hope that we could clean up our political system. The Shays-Meehan bill is a way to address the major problems facing our political system.

After Watergate, we heard stories of bags of cash used to corrupt our politics. Those bags of cash were of their day. Then we had soft money in cash—today we have soft money checks. And the amounts are astronomical.

Almost 30 years later, we are faced with a system that, while certainly better than it was in the early 1970s, remains riddled with loopholes that allow wealthy special interests to exert too much influence. In the resulting flood of cash, the average voter isn’t heard. The 1970s campaign finance reform was intended to clean up our system. Yet the well-intentioned efforts of those who formed the Shays-Meehan bill have been challenged. The amount of soft money and the influence of big money in campaigns and elections.

This gets around the Supreme Court decision in Buckley v. Valeo that basical-ly said millionaire candidates can spend as much money as they want on behalf of their own campaigns, while the rest of us are limited in what we can raise by the Federal Election law. This relaxes those laws that will allow more in relaxing their contributory limits to candidates, and also the way we raise money. This means the playing field for candidates who are challenging millionaires or who are challenged by millionaires; the individual who can go to McDonald’s, have breakfast with himself, write himself a $3 million check and have the largest fund-raising breakfast in history. This would allow us the tools to be able to go and compete fairly with them.

I am often asked why Congress has not been able to pass legislation such as a patient’s bill of rights or a Medicare prescription drug benefit for the nation’s seniors. I have to say that we in Congress must fight against a powerful tide of money that makes a mockery of our current campaign fi-nance laws. What are the stakes? Is it less than our democracy. The principle of one man, one vote is consistently undermined by the ability of wealthy individuals and interests to purchase political power.

We must respect the electoral process, they must stand against such popular measures. We must restore dig-nity to the process by putting people ahead of money. Shays-Meehan, although it is not the end of the road, is a real step towards a political system of, by and for the people, without the corrupting influence of enormous amounts of soft money. I hope you will join me in pass-ing Shays-Meehan, free of poison pill amend-ments, so that we may take yet another step forward and respect the electoral process.

In closing, I want to congratulate and thank my colleagues, Mr. SHAYS and Mr. MEEHAN, for their leadership on this issue. I am proud to associate myself with their hard work on this important legislation and look forward to its passage.

I urge my colleagues to vote no on these sham poison pill amendments and vote yes on final passage. It’s the best option for honest campaign reform we have had in a generation. Mr. FAITHAH. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. ANDREWS).

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Chairman, I thank the gentleman for yielding me time.

In the aftermath of Enron, many in the halls of government and across the country are tak-ing a new look at the role that soft money plays in politics. The true outrage of Enron is not that they broke the rules, it is that they were able to use their money and influence to make the rules in the first place. Enron got the help of its workers and shareholders paid the price.

The case of Enron only proved what most people already know about our campaign fi-nance system. Even before Enron, 75 percent of Americans supported campaign finance re-form. But, if the American people see their workers and shareholders paid the price.

This year, opponents of reform will yet again attempt to kill reform through dishonesty and subterfuge. We will see amendment after amendment aimed at sending Shays-Meehan, the most comprehensive reform bill currently before Congress, to the curb where its opponents predict it will die a slow but si lent death. These amendments will no doubt seem reform-oriented on the surface, but be neath their shell they are poison pills, de signed to kill our efforts for reform. That’s what poison pills are for. We must stand to get her together against these poison pills. If we hold our united front on these tough amendments, we will have a final product that we can send to the other body and to President Bush for his signature.

American people are to participate in and respect the electoral process, they must see that the influence of the voter is not outweighed by the purchased influence of wealthy special interests. We must restore dig nity to the process by putting people ahead of money. Shays-Meehan, although it is not the end of the road, is a real step towards a political system of, by and for the people, without the corrupting influence of enormous amounts of soft money. I hope you will join me in pass ing Shays-Meehan, free of poison pill amend ments, so that we may take yet another step forward and respect the electoral process.

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(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Chairman, I thank the gentleman for yielding me time.
long line of amendments we are dealing with tonight, as I think it is a serious amendment and not an attempt to scuttle it. Again, I think adjusting the hard-money contributions when one runs against a person with great wealth is fair, sensible and entirely consistent with the underlying scheme, and I urge my colleagues to vote in favor of the amendment.

Mrs. CAPITO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to thank my colleagues for their support and in verbalizing it this evening. My intent, of course, is to improve the legislation and not to bring it down in any form or fashion. I think I made a good point that I have worked with the most ardent supporters of campaign finance reform to improve this bill.

Mr. Chairman, I yield back the balance of my time.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, on reflection from the debate and persuaded by my worthy colleague, I would recede from my position. I urge all Members to support the amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. THORNBERY). The question is on the amendment offered by the gentlewoman from West Virginia (Mrs. CAPITO).

The amendment was agreed to.

The CHAIRMAN pro tempore. Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment offered by the gentleman from Texas (Mr. ARMYE).

AMENDMENT NO. 28 OFFERED BY MR. SAM JOHNSON OF TEXAS

Mr. SAM JOHNSON of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. Is the gentleman from Texas a designee of the gentleman from Texas (Mr. ARMYE)?

Mr. SAM JOHNSON of Texas. Yes, Mr. Chairman.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 28 offered by Mr. Sam Johnson of Texas:
Add at the end of title II the following new subtitle:
Subtitle C—Exemption of Communications Pertaining to Veterans, Military Personnel, or Seniors

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 24,000,000 men and women have served in the United States Armed Forces from the Revolution onward and more than 25 million are still living. Living veterans and their families, plus the living dependents of deceased veterans, constitute a significant part of the present United States population.

(2) Veterans are black and they are white; they are of every race and ethnic heritage. They are men, and they are women.

They are Christians, they are Muslims, they are Jews. They are fathers, mothers, sisters, brothers, sons and daughters. They are neighbors, down the street or right next door. They are factory workers. They are Americans living today who served in the armed services, and they are the more than 1,000,000 who have died in America fighting for freedom. The members of our elite organization are those who have discharged their very special obligation of citizenship as service members from America and continue to expend great time, effort and energy in the service of their fellow veterans and their communities.

(4) There is a bond joining every veteran from every branch of the service. Whether drafted or enlisted, commissioned or non-commissioned, each took an oath, lived by a code, and stood ready to fight and die for their country.

(5) American men and women in uniform risk their lives on a daily basis to defend our freedom and democracy. Americans have always been proud of the sacrifices worth fighting for—values and liberties upon which America was founded and which we have carried forward for more than 225 years, that men and women of this great nation gave their lives to preserve.

(6) It is the sacrifice borne by generations of American veterans that has made us strong and has rendered us the beacon of freedom guiding the course of nations throughout the world. American veterans have fought for freedom for Americans, as well as citizens throughout the world. They have helped to defend and preserve the values of freedom of speech, democracy, voting rights, human rights, equal access and the rights of the individual—those values felt and nurtured on every continent in our world.

(7) The freedoms and opportunities we enjoy today were bought and paid for with their devotion to duty and their sacrifices. We can never say it too many times: We are the beneficiaries of their sacrifice, and we are grateful.

(8) Of the 25,000,000 veterans currently alive, nearly three of every four served during a time of war or official period of hostility. About a quarter of the Nation’s population—approximately 70,000,000 people—are potentially eligible for Veterans’ Administration benefits. And the majority of these veterans are not veterans, family members or survivors of veterans.

(9) The present veteran population is estimated at 25,600,000, as of July 1, 1997. Nearly 80 of every 100 living veterans served during defined periods of armed hostilities. Altogether, almost one-third of the nation’s population—approximately 70,000,000 people—are potentially eligible for Veterans’ Administration benefits.

(10) Care for veterans and dependents spans centuries. The last dependent of a Revolutionary War veteran died in 1911; the War of 1812’s last dependent died in 1946; the Mexican War’s, in 1962.

(11) The Veterans’ Administration health care system has grown from 54 hospitals in 1930, to include 193 medical centers; more than 350 outpatient, community, and outreach clinics; 126 nursing home care units; and 35 domiciliaries. Veterans’ Administration hospitals provide a broad spectrum of medical, surgical, and rehabilitative care.

(12) World War II resulted in not only a vast increase in the veteran population, but also in large number of new benefits enacted by the Congress for veterans of the war. The War of 1917-1924, or World War I, ended June 2, 1919, and June 22, 1944, is said to have had more impact on the American way of life than any law since the Homestead Act more than a century ago. More than 2,700,000 received disability compensation or pensions from VA. Also receiving Veterans’ Administration benefits were 922,713 widows, children and parents of deceased veterans. All told, the Veterans Administration managed the largest medical education and health professions training program in the United States. Veterans’ Administration facilities are affiliated with 107 medical schools, 55 dental schools and more than 1,200 other schools across the country. Each year, nearly 65,000 health professionals are trained in Veterans’ Administration medical centers. More than half of the physicians practicing in the United States have had professional education in the Veterans’ Administration health care system.

(13) 75 percent of Veterans’ Administration research programs are practicing physicians. Because of their dual roles, Veterans’ Administration research often immediately benefits veterans and their families.

(14) American men and women in uniform risk their lives on a daily basis to defend our freedom and democracy. Americans have always been proud of the sacrifices worth fighting for—values and liberties upon which America was founded and which we have carried forward for more than 225 years, that men and women of this great nation gave their lives to preserve.

(15) Of the 25,000,000 veterans currently alive, nearly three of every four served during a time of war or official period of hostility. About a quarter of the Nation’s population—approximately 70,000,000 people—are potentially eligible for Veterans’ Administration benefits. And the majority of these veterans are not veterans, family members or survivors of veterans.

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(17) Care for veterans and dependents spans centuries. The last dependent of a Revolutionary War veteran died in 1911; the War of 1812’s last dependent died in 1946; the Mexican War’s, in 1962.

(18) The First Amendment to the United States Constitution states that, “Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.”

(19) A re-statement on the amendment of this proposal in the number of issues discussed, the depth of the quantity of expression by restricting the content of expression, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.”

(20) The Supreme Court recognized and emphasized the importance of free speech rights in Buckley v. Valeo, where it stated, “A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today’s society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies necessitate a hall and publicizing the event. The electorate’s increasing dependence on television, radio, and other mass media for news and information has made these devices indispensable instruments of effective political speech.”
Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield myself such time as I may consume.

This amendment, Mr. Chairman, addresses the rights of veterans of this Nation. As a 29-year Air Force veteran and prisoner of war who had my freedom taken away for many years, nearly 7, I am appalled that anyone would try to take away the rights of any American, especially those who put their lives in harm’s way to defend our Constitution and this Nation.

Let us not forget that between 1940 and 1947, over 16 million Americans signed up to stand with their country against the forces of fascism and tyranny. Over 400,000 never returned.

Let us not forget that a decade later, almost 7 million Americans served in the Korean War, and 55,000 ended up giving up their lives.

Throughout the conflicts, from the Revolutionary War to Vietnam, Desert Storm, and now Afghanistan, let us not forget the brave men and women who have answered the call to protect our freedom, and today more than 25 million of those brave souls are still alive in this country wanting their freedom.

Veterans understand that freedom is not free, and I think everyone in here knows that. Those men and women fought and defended this Nation for us to be able to stand here on this floor today and talk. It must be defended again. Would anyone disagree with this? I do not think so.

Is there anyone who would deny a veteran’s right to be heard or the right to hear what affects them? After all, veterans’ issues are not Republican issues. They are not Democrat issues either. Veterans’ issues are not liberal; they are not conservative. Veterans’ issues are American issues. They have the right to talk about them, and we have an obligation to listen to them.

Veterans are about defending our country, providing quality health care and protecting Social Security. We must not silence the men and women who have fought and died to keep America free. I need a vote for this amendment. We need to vote for veterans.

Let me just tell you that our veterans today are over there in Afghanistan protecting the freedoms of America and the freedom of the world. We are doing everything we can to provide them the sustenance, the equipment, the best training possible; and we have the best-trained men and women in the world. They are going to protect us and our rights, and we need to protect them and their right to free speech.

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

Mr. FATTAAH. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) may control 5 minutes of my time and be permitted to yield said time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Connecticut (Mr. SHAYS) will control 5 minutes, and the gentleman from Pennsylvania (Mr. FATTAAH) will control 5 minutes.

Mr. FATTAAH. Mr. Chairman, I yield 1½ minutes to the gentleman from the great State of Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Chairman, I co-chair the Bipartisan House Army Caucus, and I represent the Fort Hood installation in the United States, Fort Hood. I represent over 65,000 military retirees and veterans. I will match my record in supporting veterans and a strong national defense with any Member of either party in this House.

This amendment is not about fighting for veterans. If we want to fight for veterans, then maybe some Members of this House can vote “no” tomorrow on some tax cuts, that because of those tax cuts, we will have less money for veterans’ health care.

This amendment would actually allow an anti-veteran, anti-defense group to run a sham ad in the last hours of a campaign under the guise of a Texans for Veterans group.

So let no one be deceived. Despite the good intentions perhaps of this amendment that this is all about pro-veteran, pro-military, pro-senior citizen groups wanting to come in and want ads, most veterans I represent in my district do not have $1 million to put into a soft-money account. They are hard-working, decent Americans like most others, trying to struggle to pay their bills.

Mr. Chairman, if we want to fight for veterans, let us fight for funding for veterans’ health care and not try to make this amendment look like it is a litmus test vote of whether you are for tax cuts, military, or veterans and our servicemen and women.

This is a bad amendment; it is a Trojan horse; it is a poison pill. We should vote against it.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida (Mr. BILIRAKIS).

Mr. BILIRAKIS. Mr. Chairman, I appreciate being yielded the time.

Mr. Chairman, this amendment will do what the gentleman from Texas says it will do. It is a good amendment. Veterans come from all walks of life and represent a true cross-section of this country. They took an oath, lived by that oath, and stood up and died for their country. Should those who defended our Nation against tyranny and oppression not have a strong voice in our political process? Should they not be heard above all else?

It is not easy to wear the uniform of one’s Nation, and too often the needs of these great men and women are overlooked by the great country they proudly served. This amendment guarantees our veterans will have the right to express their views on issues affecting them.

The Constitution grants Americans the right to criticize or praise their
elected officials, and we should not punish the very individuals who put their lives on the line to protect our freedom and way of life by depriving them, as this bill would probably do, of their voice in our political process.

As a 4-year veteran myself, I urge my colleagues to pass this important amendment. We will never be able to properly thank those veterans who gave up so much for our Nation, but we can honor them.

We can honor them by passing this amendment. Vote for the Armey-Johnson amendment.

Mr. SHAYS. Mr. Chairman, I yield myself 2 minutes.

I would like to start by saying I have a number of heroes in this House. One of them is the gentleman from Illinois (Mr. HYDE), right over there, the best reason why we should not ever think of having term limits. Another hero is sitting right there.

When I was elected, I wanted to meet the gentleman from Georgia (Mr. LEWIS) more than almost anyone else, but after I was elected, when I heard that the gentleman from Texas (Mr. SAM JOHNSON) won, I wanted to meet him more than anyone else. I went to him and asked him if I could get his book and pay for it, and he did not make me pay for it, but I read that book, and I figuratively bended my knees in gratitude for his service.

So I say that because I think he believes that his amendment is needed, but his amendment is not needed, and his veterans have all the voice they need.

What we are doing in our substitute is we are saying the 1907 law banning corporate treasury money will be enforced, the 1947 law banning union dues money will be enforced, and the 1974 law that says individual contributions can have limits unless it is just one individual who is spending it.

We allow for people to speak out. Sixty days before an election, soft money can be used. Sixty days to an election, it is hard money contributions. All of the money that individual veterans raise can be spent and can be advertised.

So I know he believes in this amendment, but I can tell my colleagues, we have had a lot of groups that have voiced their position, but the veterans are not one of them. They know in this country they have a voice, and they know in this Congress they have a lot of people who listen.

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

Mr. FATTAH. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. STRICKLAND).

Mr. STRICKLAND. Mr. Chairman, I think all of us honor our veterans in this Chamber, but what veterans are really interested in is having adequate health care.

Just a few days ago, this administration changed the $2-per-prescription copay or deductible that veterans have been required to pay for their prescription medications to $7 a prescription, a whopping $250 one-time increase. Many veterans in my district get 10 or more prescriptions per month. We take 7 times what the $7-a-month-on-vets-with-a-fixed-income I think we ought to all join in supporting my legislation to return that deductible to $2 per prescription and keep it there for the next 5 years.

Why are we imposing a $1,500 deductible, an不可想象的, for veterans who get health care at many of our VA facilities? That is a new policy.

If we want to help our veterans, we will make sure they get the kind of health care they need rather than putting an additional burden upon them.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I kind of agree with the gentleman, but if we take away their right to speak, we are not ever going to get that fixed.

Mr. Chairman, I yield 1½ minutes to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, make no mistake about it, this is a vote for veterans, if one supports the Johnson amendment, which I do; if we vote against it, it is a vote against veterans.

The gentleman from Ohio made the case very, very strongly. Their voice. Look at the gentleman from Texas. Look at how he walks. Look at his hand. Do we not want veterans to have free speech at the time of an election when decisions are made?

I represent Fort Bragg. My veterans, my soldiers, men and women in uniform appreciate tax cuts as well, because that gives them the freedom and the flexibility and the financial ability to meet the challenges that they face.

So pleased that I am in voting for the Johnson amendment which will allow veterans the voice that they need, particularly at election time.

Mr. FATTAH. Mr. Chairman, can I have an audit of the time, please?

Mr. FATTAH. The CHAIRMAN pro tempore (Mr. THORNBERY). The gentleman from Pennsylvania (Mr. FATTAH) has 2½ minutes remaining; the gentleman from Connecticut (Mr. SHAYS) has 3½ minutes remaining; the gentleman from Texas (Mr. SAM JOHNSON) has 4½ minutes remaining.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. HAYWORTH), a member of the Committee on Ways and Means.

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman from Texas for yielding me this time.

As the former chairman of the Subcommittee on Benefits of the House Committee on Veterans’ Affairs, I am especially proud to rise in strong support of this amendment offered by the gentleman from Texas (Mr. SAM JOHNSON).

Mr. Chairman, it is a curious process here, because actually, through the amendment process, we are trying to restore first amendment rights. Think about what was done earlier today. It was bad enough that we established a new and, really, the ultimate loophole into hard money, a new reason why we are opposing this amendment is because we do not believe that the amendment is needed because we know that first amendment rights are not threatened.

One of the curious things here is that this does not just involve veterans, it involves senior citizens. Senior citizens. AARP supports and has asked for this amendment, asked for our bill, our substitute, because they think their voice is being drowned out by large sums of union dues interests, as do some veterans. Some veterans think their voice has been drowned out by the voice of large
Mr. FATTAH. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Chairman, the amendment we have before us is smoke and mirrors. Veterans have every right, and, in fact, today I am going to ask every single veteran to contact the Democrats, contact the Republicans and hold them accountable. Hold them accountable on the fact that today we have had a budget in the Committee on Veterans’ Affairs that talks about $3.1 billion. Yes, of that $3.1 billion, there is a $1,500 deductible that our veterans are going to have to pay. I am going to ask them to call and call, call every single Congressman, including the Democratic side.

That bill also calls for the fact that our veterans are going to have to pay $400 million additional monies on prescriptions. I may have to ask them and they have the right, to call their Congressman, whether Republican or Democrat.

They are also being asked to cut $600 million from VA. That is part of the budget that is calling for a $3.1 billion increase when in reality it is less than $1 billion, which is not even enough to take care of existing costs.

If we want to help veterans, let us make sure we help veterans by giving them the needs that they have and the health care needs that they need now.

Mr. BROWN of Florida. Mr. Chairman, I am on the House Committee on Veterans’ Affairs and have been on that committee for the entire 10 years I have been here in this Congress. Let me tell my colleagues that I am very upset over the fact that we have a budget before this Congress that talked a great talk for veterans, but does not walk the walk. I cannot believe that we are going from $2 to $7 for copayments. We in this Congress ought to be ashamed of ourselves. If we want to help the veterans, help them financially and not with this phony talk.

Vote down this amendment.

Mr. FATTAH. Mr. Chairman, I reserve the time for my close, and I have no further speakers. The CHAIRMAN pro tempore (Mr. SHAYS) has 21⁄2 minutes remaining; the gentleman from Texas (Mr. FATTAH) has as a member of the committee the right to close.

The gentleman from Pennsylvania (Mr. FATTAH) has 1½ minutes remaining; the gentleman from Connecticut (Mr. SHAYS) has 2½ minutes remaining; the gentleman from Texas (Mr. SAM JOHNSON) has 1¼ minutes remaining.

Mr. FATTAH. Mr. Chairman, I reserve the time for my close, and I have no further speakers. The CHAIRMAN pro tempore (Mr. SHAYS) has 21⁄2 minutes remaining; the gentleman from Texas (Mr. FATTAH) has as a member of the committee the right to close.

The amendments we have before us is smoke and mirrors. Veterans have every right, and, in fact, today I am going to ask every single veteran to contact the Democrats, contact the Republicans and hold them accountable. Hold them accountable on the fact that today we have had a budget in the Committee on Veterans’ Affairs that talks about $3.1 billion. Yes, of that $3.1 billion, there is a $1,500 deductible that our veterans are going to have to pay. I am going to ask them to call and call, call every single Congressman, including the Democratic side.

That bill also calls for the fact that our veterans are going to have to pay $400 million additional monies on prescriptions. I may have to ask them and they have the right, to call their Congressman, whether Republican or Democrat.

They are also being asked to cut $600 million from VA. That is part of the budget that is calling for a $3.1 billion increase when in reality it is less than $1 billion, which is not even enough to take care of existing costs.

If we want to help veterans, let us make sure we help veterans by giving them the needs that they have and the health care needs that they need now.

Mr. BROWN of Florida. Mr. Chairman, I am on the House Committee on Veterans’ Affairs and have been on that committee for the entire 10 years I have been here in this Congress. Let me tell my colleagues that I am very upset over the fact that we have a budget before this Congress that talked a great talk for veterans, but does not walk the walk. I cannot believe that we are going from $2 to $7 for copayments. We in this Congress ought to be ashamed of ourselves. If we want to help the veterans, help them financially and not with this phony talk.

Vote down this amendment.

I believe that the Bush Administration budget for veterans is an absolute disgrace. Their proposal is particularly disappointing when one considers the fact that the Bush Administration made various public statements describing how they were going to improve and increase the veterans’ budget.

The Administration claims that this year’s budget requests a record-setting $25.5 billion for medical programs, but in reality, they are asking Congress to appropriate $22.75 billion for veterans’ medical care—$2.75 billion less than the reported record-setting reported total. And of the $25.5 billion the Administration claims the budget will provide for veterans medical care, $794 million will simply shift personnel related costs to VA from the Office of Personnel Management (OPM). Moreover, there is another $1.28 billion to offset cost increases like inflation, higher pharmaceutical costs and managed care services. Taken together, this $2 billion increase does not provide a single dime more for medical care for veterans. Not only does this budget make it tougher for the veterans to receive the health care that they deserve, but it actually adds costs to the veterans by increasing their prescription drug copayments.

In addition, the proposed increase in the medical care appropriation for fiscal year 2003 is approximately $100 million more than the veteran’s Administration already plans to request for fiscal year 2002 which the Administration acknowledges is $400 million short of meeting veterans’ needs. Five of VA’s 22 networks have already projected shortfalls in funding for veterans medical care by the year’s end. The Administration already plans to request a $142 million supplement for funding to continue to treat non-service connected, higher income veterans, and they claim they will “find” another $300 million in “management efficiencies.” As proposed by the Administration, the fiscal year 2003 VA medical care budget will require VA to find an additional $316 million in management savings in order to meet veterans’ demand for health care.

This is purely shameful. It is preposterous that the Bush Administration, who has requested $142 billion for the military, refuses to request more money to take care of our nation’s heroes who have risked their lives to defend our democracy.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 30 seconds to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman from Texas once again.

My good friend from Florida proves the point. She has objected to what has gone on in the Committee on Veterans’ Affairs. Why muzzle the veterans 60 days before the election? If they have concerns in a free society, let them bring them forth and make them clear. Do not abridge that. Oh, yes, I guess that is right, that they can advertise on the pages of the New York Times. I know that is of acute interest to at least a few in this Chamber. But why would we abridge their rights to freedom of speech? This is the essence of the battle of ideas in a free society, and what has gone on here is suppression of that debate, the very thing we should champion.
Pennsylvania (Mr. FATTAH) has 1¾ minutes remaining.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, I rise to speak in opposition to this amendment.

There is not a veteran or person in our armed services who has not served this country who desires some special set of rights or some special circumstances. What they desire for themselves is the same that we would provide for any American citizen. And what we are doing here is removing from politics the corruption of unlimited soft-money expenditures.

We will not have the Enrons of this country taking a few of their people and saying this is some kind of veto rights or some special circumstances. Given a great deal of sacrifice to bring our country who desires some special set of rights or some special circumstances. Our armed services who has served this country.

Mr. CHAIRMAN pro tempore. The result of the vote was announced as above recorded.

Mr. WU changed his vote from “aye” to “no.”

The CHAIRMAN pro tempore. Pursuant to the order of the House of the Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMSTRONG).

AMENDMENT NO. 30 OFFERED BY MR. COMBEST

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Subtitle C—Exemption of Communications Pertaining to Workers, Farmers, Families, and Individuals

SEC. 221. FINDINGS.

Congress finds the following:

(1) There are approximately 138 million people employed in the United States, not least of which is by participating in our electoral and political system in a number of ways, including informing citizens of key votes that affect their common interests, criticizing and praising elected officials for their position on issues, contributing to candidates and political parties, registering voters, and conducting get-out-the-vote activities.

(2) Thousands of organizations and associations represent these employed persons and their employers in numerous forms and forums, not least of which is by participating in our electoral and political system in a number of ways, including informing citizens of key votes that affect their common interests.

(3) The rights of American workers to bargain collectively are protected by their First Amendment to the Constitution and by provisions in the National Labor Relations Act. Federal law guarantees the rights of workers to choose whether to bargain collectively.

(4) Fourteen percent of the American workforce has chosen to affiliate with a labor union. Federal law allows workers and unions the opportunity to combine strength and to work together to seek to improve the lives of America’s working families, bring fairness and dignity to the workplace and secure social and economic equity in our nation.

(5) Nearly three quarters of all United States business firms have no payroll.
are self-employed persons operating unincorporated businesses, and may or may not be the owner's principal source of income.

(6) Minorities owned fewer than 7 percent of all major farms, excluding corpora-
tions, in 1982, but this share soared to
about 15 percent by 1997. Minorities owned
more than 3 million businesses in 1997, of
which 651,000 were self-employed, and
more than $591 billion in revenues, created
more than 4.5 million jobs, and provided
about $36 billion in payroll to their workers.

(7) It is estimated that 65 percent of
the labor force participation rate of American women was the highest in the
world.

(8) Labor-Worker unions represent 16 mil-
lion working men and women of every race
and ethnicity and from every walk of life.
Labor unions and their families have mobilized in growing numbers. In the 2000 election, 36 percent of
the nation's voters came from union house-
holds.

(9) According to the 2000 census, total
United States families were totaled at over
105 million.

(10) In 2000, there were 8.7 million African
American families.

(12) Asians have larger families than other
groups. For example, the average Asian fam-
ily size is 3.8 compared to an average
Caucasian family of 3.1 persons.

(13) American farmers, ranchers, and agri-
cultural managers direct the activities of
the world's most productive agricultural
sectors. They produce enough food and
fiber to meet the needs of the United States and produce a surplus for export.

(14) About 17 percent of raw United States
agricultural products are exported yearly,
including 83 million metric tons of cereal
grains, millions of pounds of potatoes, 1.4
million metric tons of fresh vegetables.

(15) One-fourth of the world's beef and
nearly one-fifth of the world's grain, milk,
and eggs are produced in the United States.

(16) With 96 percent of the world's popu-
lation living outside our borders, the world's
most productive farmers need access to
international markets to compete.

(17) Every State benefits from the income
generated from agricultural exports. 19
States have exports of $1 billion or more.

(18) On United States on United States ex-
ports is $49.1 billion and the number of im-
ports is $37.5 billion.

(19) The income from farming-production agriculture-contributed $60.4 billion toward the
national GDP (Gross Domestic Product).

(20) Farmers and ranchers provide food and
habitat for 75 percent of the Nation's wild-
life.

(21) More than 23 million jobs-17 percent of
the civilian workforce-are involved in some
phase of growing and getting our food and
clothing to us. America now has fewer farm-
ers, but they are producing now more than
ever before.

(22) Twenty-two million American workers
process, sell, and trade the Nation's food
and fiber. Farmers and ranchers work with the
Department of Agriculture to produce healthy
fruits, crops, while caring for soil and
water.

(23) By February 8, the 9th day of 2002, the
average American has earned enough to pay
for their family's food for the entire year. In
1970 it took 12 more days than it does now to
earn a full food pantry for the year. Even in
1980 it took 10 more days—49 total days—of
earning to put a year's supply of food on the table.

(24) Farmers are facing the 5th straight
year of the lowest real net farm income since the Great Depression. Last October, food farmers received their sharpest drop
since United States Department of Agri-
culture began keeping records 91 years ago.
During this same period the cost of produc-
tion has hit record highs.

(25) The First Amendment to the United
States Constitution states that, “Congress
shall make no law respecting an establish-
ment of religion, or prohibiting the free
exercise thereof; or abridging the freedom of
speech, or of the press; or of the right of the
people peaceably to assemble, and to peti-
tion the Government for a redress of griev-
ances.”

(26) In Buckley v. Valeo, the Court stated
that

(27) In response to the relentlessly repeated
claim that campaign spending has sky-
rocketed and should be legislatively re-
strained, the Buckley Court stated that the
First Amendment denied the government the
power

(28) Buckley, the Court also stated, “The concept that government may restrict the
speech of some elements of our society in
order to enhance the relative voice of others
is wholly foreign to the First Amendment,
which was designed to secure the widest pos-
sible dissemination of information from di-
versely or collectively as associations and political com-
mittees—who must retain control over the
quantities and range of debate on public issues
in a political campaign.”

(29) The Court stated that the

(30) Citizens in states or related to their lives have the Con-
stitutional right to criticize or praise their
officials individually or collec-
tively as associations and political com-
mittees—who must retain control over the
quantities and range of debate on public issues
in a political campaign.”

(31) Candidate campaigns and issue cam-
paigns are the primary vehicles for giving
voice to popular grievances, raising issues
and proposing solutions. An election, and the
time and energy of our political speech should be at its most robust and un-

(32) The First Amendment to the United
States Constitution states that, “Congress
shall make no law respecting an establish-
ment of religion, or prohibiting the free
exercise thereof; or abridging the freedom of
speech, or of the press; or of the right of the
people peaceably to assemble, and to peti-
tion the Government for a redress of griev-
ances.”
industry representatives to track important issues and to alert them when action is needed.

Most important to them is when the group reports how a particular candidate views their issue of interest. The problem is not interest groups, but the groups that somehow were deemed politically incorrect by the political and media elites. To them Washington knows best, and if they are from a less-populated rural area of the country, their view and television ad should not count or be heard.

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

Mr. HOYER. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) may each control 4 minutes of time allocated to me and that they may yield time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. MEEHAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. STUPAK) for the purpose of a colloquy.

Mr. STUPAK. Mr. Chairman, I wish to engage the sponsor of the legislation in a colloquy concerning election-related advertising that is permitted by the Shays-Meehan substitute. Would the gentleman from Massachusetts please respond to the following question: Does the Shays-Meehan substitute allow political action committees of labor unions and nonprofit organizations, such as the Sierra Club or the National Rifle Association, to pay for broadcast ads that name a candidate for Federal office during the last 60 days of an election cycle?

Mr. MEEHAN. Mr. Chairman, will the gentleman yield?

Mr. STUPAK. I yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Chairman, I am happy to respond to the gentleman's inquiry, and the answer is yes. Political action committees, commonly known as PACs, raise money from individual donors in amounts that are limited by Federal law. They are subject to the Federal Election Campaign Act, thus they are not affected at all by Title II of the Shays-Meehan substitute which relates to electioneering communications. Title II provides that corporations, including nonprofit corporations and unions, cannot use their treasury funds to pay for ads that mention a Federal candidate during the last 2 months of the election cycle. However, PACs, because they are not corporations or unions, can run ads that mention a candidate at any time during the election cycle without any restrictions.

Mr. STUPAK. Reclaiming my time, just to clarify, Mr. Chairman, am I correct in saying that the Shays-Meehan substitute does not prohibit an organization, even like farmers, like the amendment before us now, from running any ad; it simply states that ads that mention candidates within the last 60 days of an election must be paid for with federally regulated hard money.

Mr. MEEHAN. If the gentleman will continue to yield, that is absolutely correct. Organizations may run any ad they wish at any time all if they use hard money.

Mr. STUPAK. However, PACs, such as those in corporations, labor unions, or groups like the Sierra Club or the NRA have set up, are hard-money entities. All their fund-raising and spending is governed by Federal law. So PACs can run ads that mention candidates during the last 60 days of an election cycle.

Mr. MEEHAN. I thank the gentleman for that clarification.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Chairman, I think the gentleman for yielding me this time.

I want to try to put this in layman's terms on what this means. Especially after that last colloquy, I think it is easier for people to get the details. I run these focus groups. I go to a civic club, a good government group, and I say, let me just ask all of you: Give me a show of hands if you see an ad run in the final 60 days before an election that mentions a candidate's name, would you consider that a campaign ad? And it does not matter if the group is Republican, Democrat, nonprofit, just about everybody, everybody will raise their hand. They think that is a campaign ad if it mentions a candidate's name.

Then I say, okay, do not look at the person next to you, just answer the question: Do you think that if that group that runs that ad mentions the candidate's name, that they should come under the same rules and regulations as the candidates themselves, who also mention each other's names? And everybody raises their hand.

And I say it is sad that that is all that this bill does and everybody talks about it being some infringement on your first amendment rights. It treats the groups exactly like it treats the candidates. Now, if that is unconstitutional, then the way they treat us is unconstitutional, and that is not the case. It has been upheld.

That is the layman's description of what we are doing. We can get into all the technical explanations, but it is just that simple. That is what this bill does. And most people out there cannot understand why they would not come under the same rules. They can run the ads. We are not gagging them. We are not telling them they cannot, we are just saying they have to come under the same rules.

Now, I am frustrated with this system, but this system has been in place since 1974, and it has been upheld. It is a regulated system, and I do not think the people are going to let us go back to a totally unregulated, unlimited system.

So why can we not all, if we are going to play in the final 60 days before a campaign, why can we not all play by the same rules?

Mr. COMBEST. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Okay, Mr. Chairman, I got everyone's attention. I do not even know how I did that, but there must be a signal out here.

Let me just say this. In terms of not having different rules and saying everybody's going to be treated differently, that is not bad. That is the way they did it in the Soviet Union. Everybody was treated right. They did not have any first amendment rights. Must have been the message. Nobody can speak the last 60 days.

I hate attack ads. I am the father of four kids. Do my colleagues know how humiliating it is to have an attack ad run when you are trying to bond with your 13-year-old going through middle school and all she hears on the radio is what a creep you are? Of course, she has been telling me that for a long time, but it is embarrassing.

I do not like attack ads, but doggone it, I cannot think of America without that first amendment right to run an attack ad. I think that would be far worse through hate than the victim of one. I have to say it scares me to think of an America where we cannot run an attack ad. I try to turn them around. I say, well, there goes my opponent saying these bad things again. I am not going to do that. But he has the right to call me a scalawag, if that is what makes him feel good. And I have the right to tell the folks I am not a scalawag and vote for me anyhow.

This bill says to my farming population, buy from my farmers down in Evans County, in Tattnall County, in Vidalia, where we get all those great Vidalia onions, it says that they cannot participate in the system. Oh, the system lets certain people participate. You can give $50 million up to a political party if you are a big union or a company and you want to contribute. Hey, this bill allows the Democratic National Committee to build a building. Hey, this bill is so good, but we do not want to give these big business people the advantage that we give in Afghanistan recently, and I am glad that American farmers are so doggone productive that we averted a lot of starvation in central Asia this year. Our farmers are up against the wall. They have huge labor problems. They have environmental problems; they have problems with NAFTA and GATT, and they have to compete against countries that do not have to play by the same
rules that we do. Our farmers’ backs are against the wall right now with credit, with import, with falling markets, yet we are going to tell them, hey, just to be on the safe side, you all have to shut up the last 60 days. That is not fair.

It is not fair that all this bill really does in the name of banning soft money is reregulate it and refunnel it into preferred special interest groups. In my little old Georgia farm bureau, and all the 159 counties of Georgia, they tell me that the money to respond to all the big guys, and that is the whole point of this amendment.

We do not allow corporate treasury money and union dues money 60 days before an election; we allow individual contributions and PAC contributions to compete. Nobody is shutting up. It is just a level playing field. They can run their ads.

They are not the big guys, but they can do it with a unified effort on the part of a whole number of farmers who are fighting for their cause.

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

Mr. MEEHAN. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore. The gentleman from Massachusetts (Mr. THORNBERRY). The gentleman from Massachusetts has 1½ minutes remaining.

Mr. MEEHAN. Mr. Chairman, I yield myself ½ minute.

The CHAIRMAN pro tempore. The gentleman from Massachusetts seeks to protect workers, farmers, and families, because we all know that workers, farmers, and families have these big soft money accounts. They raise millions.

As I sit back and think about it, the workers, the farmers, and the families are the reason why we need to pass this bill. The workers, the farmers, and the families, without these big multinational soft money PACs, soft money operations, are the reason why we have to pass this bill.

This unlimited soft money is the reason why we do not have a patients’ bill of rights, the reason why we do not have Medicare prescription drug coverage for seniors, and the reason why workers are getting the shaft day in and day out because of this soft money system.

Mr. COMBEST. Mr. Chairman, could the Chair give us the time accounting?

The CHAIRMAN pro tempore. The gentleman from Texas (Mr. COHEN) has 4½ minutes remaining, the gentleman from Maryland (Mr. HOYER) has 2 minutes remaining, the gentleman from Connecticut (Mr. SHAYS) has 1½ minutes remaining, and the gentleman from Massachusetts (Mr. MEEHAN) has 1 minute remaining.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Chairman, I thank the gentleman for yielding me this time.

The supporters of this legislation wonder why the opponents of the legislation seem to be wanting to single out groups for special protection. I would simply submit to them that they ought to know why. It is because the legislation actually singles out corporations for special treatment.

If my colleagues wonder why the media, the big media, are so much in favor of this bill, it is because they are the only ones left standing once it passes. The parent company of MSNBC contributed about $2 million in soft money last year to the political process here. The parent company of CNN contributed $2.5 million last year in soft money. Yet they can speak through their media subsidiary. They are treated differently. They are given a media exemption.

Now, if my colleagues are yelling at the campaign finance amendment which single out individuals and saying they should be able to speak, and saying that that is wrong, why do my colleagues give a media exemption to corporate-owned media? Why do my colleagues treat corporations, some corporations, differently than others?

This is just one example of the blatant inconsistencies of the bill. I would urge a “no” vote on the Combest amendment and a “no” vote on Shays-Meehan.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

What our law seeks to do is enforce the 1907 law banning corporate treasury money, the 1947 law that bans union contributions in explicit terms, the 1974 campaign finance reform law. That is what our bill seeks to do. It allows people to speak out using the hard money 60 days before an election, and, frankly, they can use all that other money 60 days before an election.

That is what your bill seeks to do. We are getting closer and closer to seeing that happen.

Mr. Chairman, I yield the balance of my time to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, how much time did he yield back to me?

The CHAIRMAN pro tempore. One minute.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York (Mr. Engel).

Mr. ENGEL. Mr. Chairman, I thank the gentleman for yielding me this time. I oppose the amendment, and I urge all my colleagues to vote against it.

I oppose all these poison pill amendments because they are simply designed to kill the bill. The American people demand campaign finance reform. They will not stand for the killing of this bill. This bill needs to pass as is so the Senate can pass it and we can avoid a conference which will solely be called to kill it.

The American people are outraged at Erption. That is the impetus for many people switching their vote and supporting the bill. I have been here a good number of years now. It is very rare that we have a discharge petition, with a majority of Members of the House forcing a bill to come to the House floor. I am certain that had a majority of Members of this House want to see campaign finance reform and a majority of the American people want to see campaign finance reform.

Mr. Chairman, we know there is too much money involved in these elections, and we know that soft money is probably the most egregious form. We need to pass this bill, and we need to kill all of the poison pill amendments. I urge a “no” vote on the amendment.

Mr. MEEHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me be clear. Nothing in the Shays-Meehan bill would ban an outside group or a political party or a wealthy individual from running an advertisement on workers or farmers. Simply put, there is no ban on ads in this bill, and nothing in this bill would apply to written voter guides. This bill simply says if you are a corporation, a 501(c) tax exempt or a union and want to broadcast cable, broadcast satellite, ads 60 days before the Federal election, hard money has to be used rather than soft money. That is what this bill does.

This means that if the NRA, the Sierra Club, National Right to Life, NARAL, the AFL-CIO wants to fund these ads mentioning Federal candidates proximate to Federal elections, they can fund them through their PACs.

In fact, the sham-issue ad provisions that are now in the bill are much narrower than ever before. And, previous versions of this bill passed the House with 252 votes.

We narrowed the provision to focus only on broadcast, cable and satellite ads proximate to Federal elections to make sure this provision stood on stronger constitutional grounds, and to ensure that the bill would have no impact on voter guides.

The provision now is not only narrower in scope but more likely to pass constitutional muster—because it supplies the bright-line
test the Court prefers for distinguishing be-
tween campaign advertisements and pure
issue advocacy. We have found the right bal-
ance—as a matter of policy, and as a matter of
Constitutional law. Indeed, 9 former ACLU
leaders have said that our approach to shun
issue advocacy is constitutional.
We need to put teeth back into laws long
on the books preventing corporate treasury
money or union dues from being used for
campaign ads. It is time for this sham to
end. It is time for those who pay for campaign ads to play by
the rules—and for the American people to know exactly who is
filling the airwaves with ads attacking candidates every second Fall.
Vote “no” on this poison pill amendment.
It’s a cynical ploy designed by opponents of this
bill. Don’t be fooled by this sham amend-
ment.
Mr. COMBEST. Mr. Chairman, I yield
myself the balance of my time.
Mr. Chairman, I am going to have to
go with the gentleman from Tennessee
someday to one of his town hall meet-
ings. I have yet to have the luxury of a
town hall meeting or sitting around
with a group of people in a coffee shop in
Tennessee and have them unanimously
agree to the fact that we ought to bring
them under some new Federal regula-
tions.
It seems to me that the last two op-
ponents of the amendment have pretty
much brought about the argument that
is being brought about tonight, that
anybody who is concerned about their
farmers or their workers or their fam-
ilies is bringing a poison pill. I have not
quite figured out why it is in the legis-
lative process. If Members are trying to
protect the group of people that they
represent, it is a poison pill. It may
have an impact on a piece of legis-
lation that the proponents would love to
see put into place without any changes,
but I am hopeful that the legislative
process does not work that way; but it
blows holes in it, and it is a poison pill.
I would say that if there is no concern about,
as regulations are being changed
in regards to campaign financing and
campaign advertising, then we could say
those people in rural America, to those
farmers and workers and families, that
in fact they would be protected if we
adopt this amendment.
Mr. Chairman, I yield back the bal-
ance of my time.
Mr. HOYER. Mr. Chairman, I rise
in opposition to this amendment. It is
an amendment like the other four amend-
ments. It is an interesting proposition that
we have before us. We are talking about
campaign finance reform.
The gentleman from Tennessee (Mr.
WAMP) said that he went and asked his
people about whether or not they
thought that everybody ought to be cov-
ered by the same rules. The gentle-
man from Tennessee (Mr. WAMP) said
yes, all of them agreed that every-
body ought to be covered by the same
rules and they ought to know who ad-
verises and tells them things so they
can figure out for themselves what peo-
ple are saying.
I suppose there are some on the other
side of the aisle who will go home and
say yes, I am for campaign finance re-
form, but I voted to exempt everybody
from its coverage. That would be an
interesting campaign finance reform. We
have it on the books; but by the way, it
does not cover anybody. Everybody is
exempt.
Now, this amendment exempts work-
ers and families and farmers and indi-
viduals. I am trying to figure out who,
therefore, would be included if we
adopted this amendment, seeing as how
most of us sort of consider ourselves
individuals?
So this is an extraordinarily inter-
esting amendment, but it is also an
extraordinarily bad amendment; and I do
not believe any Member who is at all ser-
ious about trying to have some
meaningful campaign finance reform
reform could in good conscience, with any in-
tellectual honesty, and with all due re-
spect to the gentleman from Texas
whom I have a great relationship with
and greatly respect, possibly vote for
his amendment. Therefore, I enthu-
siastically urge Members to vote
against it.
Mr. Chairman pro tempore (Mr.
THORNBERRY). All time for debate on
this amendment expired.
The question was taken; and the
RECORDED VOTE
aye 191, no 237,
ayes 191, noes 237,
Mr. PASTOR changed his vote from "aye" to "no."
So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Connecticut (Mr. SHAYS) or the gentleman from Massachusetts (Mr. MEEHAN).

Amendment No. 12 Offered by Mr. WAMP
Mr. WAMP. Mr. Chairman, I offer an amendment, designee of the gentleman from Connecticut (Mr. SHAYS).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. WAMP: in section 315(a)(1)(A) of the Federal Election Campaign Act of 1971, as proposed to be amended by section 308(a)(1) of the bill, strike through the legislative process and ultimately be signed into law, and I do not think it is appropriate for the Senate to have a different level on individual contribution limits than House candidates.

I also think we need to look over the last generation at exactly what has happened in individual contribution limits to House candidates. In 1974, this $1,000 was a lot of money, and individuals had that much influence in the process at that time. The fact is that the value of $1,000 in 1974 was a lot greater than the value of $1,000 in 2002. As a matter of fact, if it was indexed to inflation, which we index other factors of money and value, if it was indexed to inflation, it would be well over $3,000. I realize raising it from $1,000 to $3,000 would be too much to swallow at one time.

The Senate-passed bill also sets the limit for White House candidates and Senators, but it leaves the House at $1,000. So we are the only one of the considered that is not raised.

I think from a quality standpoint we need to raise it to $2,000. From a value of individual contributions standpoint, we need to raise it to $2,000. I think we need to adopt the underlying premise they should be indexed into the future.

I will just say this before I reserve the balance of my time. through my party. But I never have been able to measure whether reform would help my party, but to hurt the two-party system. I believe we should support the two-party system, and I certainly do not want to in any way hurt my party. But I never have been able to measure whether reform would help one party or hurt the other party, and at different times I felt maybe one had an advantage or not an advantage. I do not know this how will end up in terms of we gain the advantage, but I truly believe that this measure will strengthen the two-party system, and it will strengthen the parties at a time where we are removing the unlimited, unregulated soft money loophole. And when you remove that from the process, you need to increase the hard-dollar, the individual dollar contribution participation, so the parties can continue to thrive without looking to some new loophole. The parties need individual participation, and this will encourage individual participation.

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

Mr. FARR of California. Mr. Chairman, I yield myself 1 minute to speak in opposition to this amendment.

Mr. Chairman, this is a bad amendment; but let me put it first in perspective. Ten years ago President Bush vetoed a campaign finance reform bill, a tougher bill than any of the votes we have taken tonight. That bill that was supported by both houses of Congress and soft money, it limited PAC contributions, it put a limit on individual contributions, it eliminated the issue-advocacy ads, it tightened the coordinated expenses and independent expenditures, it put stricter lowest-unit rate rules on broadcasters, and it allowed some public financing.

That bill was vetoed. We had campaign finance reform in America, and it was vetoed by the President. We hope that this President will not veto this bill, but he should with this amendment in it. I will tell you why. This is a bad amendment. More than 300 Members in this House twice have voted against this amendment. The last two times that this amendment was on the floor, overwhelmingly they defeated it. I urge those Members to do the same tonight.

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

Mr. WAMP. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri (Mr. HULSHOF).

(Mr. HULSHOF asked and was given permission to revise and extend his remarks.)

Mr. HULSHOF. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise to ask support for the Wamp amendment.

Mr. Chairman, I think that we have been viewing this entire debate through the eyes of 435 incumbents. I think we need to take a look at what changes are we making to campaign finance laws through the eyes of a challenger.

I have run as a challenger on two occasions, Mr. Chairman, in 1994 and 1996, and then as a sitting office-holder in 1998 and the year 2000. I can make a case that soft money actually benefits a challenger. Nonetheless, I think we should ban soft money at the Federal level.

But what do we do to assist that challenger in the meantime? I think the gentleman’s amendment is right on point. We have to make it easier for someone in our respective districts to take the initiative. Even if it is that there are inherent advantages to an incumbency, whether it is the power of the frank, whether it is the ability to stand here and talk and be recognized on C-SPAN. There are these built-in advantages to a sitting office-holder.

What do we do for the 435 candidates who may want to seek to serve in this body? Based on that issue, I think that this amendment is timely. I think it is an issue of parity, as far as this body and the other body; and I think with the corresponding ban on soft money, I think we should look to an increase in hard dollars and really give those challengers the ability to stand for public office.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Chairman, in response to the gentleman before me, hard money was outrun by incumbents 3.2 to 1. That is a totally BS argument, to say, hey, this is going to help challengers. It is going to help incumbents.
Lobbyists give 92 percent of their money in hard contributions. They say oh, this limit is too low, $1,000. Yes, less than 1 percent of the people in America contribute $1,000, so for 99 percent of the people, this a moot argument. Yes, but for those fat cats, those people who can afford the $1,000, this is an argument.

Come on, guys, let us get real. You say oh, the Senate, the Senate is doing $2,000; $2,000 every 6 years. You are talking about $2,000 every 2 years. That means every 6-year Senate cycle they raise $2,000, you raise $6,000.

So the arguments that are being drug before us are false arguments. Many reformers back in 1974 argued for $100. Apply the inflation rate to $100. It means every 6-year Senate cycle they raise $2,000; $2,000 every 6 years. You are allowing communities, these constituencies just to be disenfranchised. We do not have large amounts of money. The Color of Money, it is an indisputable fact of our political system. The interests that too often are in Washington and even in our States. So I hope we would move from $1,000 to $2,000.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Chairman, I rise today to oppose this amendment which doubles the amount of money an individual can donate to a candidate, known as hard money, from $1,000 to $2,000. This amendment really is a complete step backwards in trying to get money out of our system. As Public Campaign states in its report called “The Color of Money,” it is an indisputable fact of our political system that those candidates and laws favored by wealthy contributors usually prevail over those who would be backers who cannot afford to give such large sums of money.

Now, because of wage disparities and lower incomes in minority and poor communities, these constituencies just do not have large amounts of money to contribute to campaigns. We only further disenfranchise them if we raise the amount of hard money that an individual can contribute. Also this hard-money system makes it much harder for women, people of color, and low-income people to run for office. It is really undemocratic. Allowing that amount to be doubled will only give wealthy people even more influence in our system.

Mr. Chairman, I urge my colleagues to vote no on this very discriminatory amendment. We should be reducing the hard-money limits, rather than increasing them.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. TIERNY).

Mr. TIERNY. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I have great respect for the gentleman from Tennessee and believe that he is not bringing this amendment for any ill purposes and may genuinely believe that he is doing a good thing here. But I think logic, if we can talk for a second, argues otherwise. The fact of the matter is, as others have mentioned here, the underlying bill is trying to get money out of politics. We take target on the soft money and move that along.

The fact of the matter, it seems incongruous and contradictory to take a look and say now, on the hard money, we are going to increase the amount on that. If you can get access, if you can play in this political game at $1,000, you can certainly play at $2,000. For those in our American system who have not been able to play at the $1,000 level, this will be even further excluded and feel even more remote from the process.

There are already too many people participating in this system, too few people registering and too few a percentage of those registering are voting; and a great part of it is because they think people that have money in the system have access. And that does not matter whether it is soft money or hard money. If you double the hard-money limits, then people that do not have $1,000 to throw in a pie and do not have $2,000 think you are just making it more and more difficult for them to have a voice.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from New Mexico (Mr. UDALL).

Mr. UDALL of New Mexico. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise to oppose the Wamp amendment. Putting more big money into the system is not the solution. We should be trying to encourage candidates to raise dollars in smaller amounts, not increasing the contribution amount to $2,000.

This debate reminds me of the discussion between the candidate and the contributor. The contributor asked the candidate, what do I get if I contribute $500 to your campaign? The candidate says, you get good government.

The contributor says, well, what do I get if I contribute $1,000 to your campaign? The candidate says, you get good government.

Well, how about $2,000? The answer is, you get any kind of government you want.

We do not want to go down that road. Keep the $1,000 maximum contribution limit. Vote no on the Wamp amendment.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Ms. RIVERS).

Ms. RIVERS. Mr. Chairman, I rise in opposition to this amendment. To limit the availability of soft money while simultaneously raising individual contribution levels will not be seen as campaign finance reform by our constituents.
Mr. WAMP. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Texas (Mr. BARTON).

Mr. BARTON of Texas. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I want to give my colleagues a real world example under today's rules. Now, this is a Republican primary example; it is not Republican versus Democrat. There is a new seat down in Texas that my son is running in. He is running among six other primary candidates, one of whom spent $4 million to run in a primary in Houston 2 years ago, $4 million, and got beat by a gentleman who is sitting on this floor.

Now, under today's campaign finance rules, if my son is able to get somebody on the phone, he is still not going to match the $4 million that was spent 2 years ago, but he may be able to double the efficiency.

If we were talking about raising this to $100,000, some of my friends might have argued against it, but going from $1,000 to $2,000, there is a real-world example, admittedly in a Republican primary, where this, if it were law today, would give a challenger candidate who is not a millionaire an opportunity to have a chance to get enough funding to at least be competitive.

So I rise in strong support of the Wamp amendment, and I ask for its adoption.

Mr. FARR of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have been down this road before. In 1996, the gentleman from Kentucky (Mr. WHITFIELD) had this amendment. It was debated, the same debate, and it was soundly rejected. Mr. Chairman, 315 Members of this body voted no. We are on the record record on that.

In 1999 the gentleman from Kentucky (Mr. WHITFIELD) again offered this amendment, the same debate, and 300 of us voted against it. Why? Because there is no reform in campaign reform if we are doubling the amount of money that we are putting into the bill.

This is not reform. We are trying to do history tonight. We are trying to pass campaign finance reform. We cannot have reform out there with a message that says, well, no reform, but we just doubled the amount of money that we can get from individual rich contributors. There is only one way to have campaign finance reform, and that is to defeat this amendment with the same 300 votes that voted against it in 1998 and 81 votes are on the record, do not flip flop.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Mr. Chairman, I thank the gentleman for that exciting rendition. The points the gentleman made were very succinct, and I appreciate the gentleman raising those issues, including the number of Members who had voted on this measure the last time, the Members that voted against this amendment.

I want to thank the gentleman on the other side for the hard work that he has put forward in bringing about true campaign finance reform, but I do disagree with some of his sentiment.

I agree with the premise that we do not need to add more money into the process; we should be looking at reducing it. The other thing that we need to remember is nobody is forcing anybody to run for office, and they should have that opportunity, and it should not be all about money, and it should be about their ideas.

I think this sends a totally wrong message. I would encourage the body to vote down this amendment, as they did vote down this amendment before, and say no to this kind of politics and yes to campaign finance reform.

Mr. FARR of California. Mr. Chairman, I yield myself the remaining time.

Everybody here has been elected under the law that allows a $1,000 limit. We had no problem getting elected. Many of us have been elected many, many times. There is nothing broke out there that needs fixing. The law is a good law, and let us keep that good law so that we can have good, meaningful campaign finance reform tonight. Do not do it by throwing away the message by doubling the amount of contribution. You can take if this amendment is passed. This is a bad amendment. Defeat it.

Mr. Chairman, I yield back the balance of my time.

Mr. WAMP. Mr. Chairman, in trying to change that now, I yield the balance of our time to the distinguished gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, I thank the gentleman for yielding.

This has been a spirited debate. We did not put it in our substitute so we would, in fact, have this debate. We are going to live with whatever the decision is afterwards, whether this amendment fails or succeeds. I hope this amendment succeeds with all that I can urge. It is not a question of going from the $1,000 to $2,000, it is a question of going from $2 million to $2,000, or a half a million to $2,000, or $200,000 to $2,000.

We have gotten elected in part because of all of this soft money which we are going to see disappear. We are going to return it back to individual Americans.

Mr. WAMP. $2,000 is more than $1,000, but it should be $3,500 if we were looking at 1974. I urge my colleagues as Democrats and Republicans to support this amendment.

This bill may become law. We are going to have to live with it for the next many, many years, and I think my colleagues will agree that $2,000 will be better in the years to come than $1,000 and will make it equal to the $1,000.

Ms. LEE. Mr. Chairman, I rise today to oppose the Wamp amendment, which doubles the amount of money an individual can donate to a candidate, known as hard money, from $1,000 to $2,000. I personally believe that we should decrease this maximum amount by 50% to $500 if we are really serious about campaign finance reform. The Wamp amendment is a complete step backwards in trying to get the money out of our political system.

As Public Campaign states in its report, The Color of Money, "It is an indisputable fact of our political system that those candidates and laws favored by wealthy contributors usually prevail over those whose backers, or would-be backers, cannot afford to give large sums. As American University law professor Jamin Raskin has stated, this system is 'every bit as exclusionary to poorer candidates and voters as the regime of the high filing fee and the poll tax' was in discriminating against African Americans and poor people in the South."

Because of wage disparities and lower incomes in minority and poor communities, these constituencies don't have the resources to contribute to campaigns. We only further disenfranchise them if we raise the amount of hard money that an individual can contribute. Additionally, this hard money system makes it much harder for women, people of color, and low-income people to run for office. This is undemocratic. Allowing that amount to be doubled will only give wealthy people even more influence in our political system.

We see that influence every day. For example, wealthy Enron and Arthur Andersen executives gave almost $800,000 in $1000 contributions since the 1990 election cycle according to U.S. Public Interest Research Group. Do we want our lawmakers and law professors even more influence over Congress?

A 2000 poll by the Mellman group found that 81 percent of voters either support lowering the $1000 hard money limit or keeping it the same. The American people oppose the Wamp amendment and we should, too. I urge my colleagues to vote against this very discriminatory amendment.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The question is on the amendment offered by the gentleman from Tennessee (Mr. WAMP).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.
A recorded vote was ordered. The vote was taken by electronic device, and there were—ayes 218, noes 211, not voting 6, as follows:

(Amounts in thousands and dollars unless otherwise indicated.)

(Numbers in thousands and dollars unless otherwise indicated.)

Amendment No. 33 offered by Mrs. Emerson

Amendment No. 33 offered by Mrs. Emerson
soft money from 501(c) tax-exempt organizations. That is an outrage and even Senator McCain did not support that loophole.

Labor unions worry that corporate soft money is killing our political system, and business interests worry that unions and union soft money is killing our political system. In fact, the fact of the matter is that the flood of soft money from both sides, from both sides drowns out the only voices which are important. Those are the voices of the American people.

The only way to allow the voices of the American people to be heard is to totally ban all soft money. Let us support true campaign finance reform, reform that closes all the loopholes. Let us get rid of the Levin loophole. Let us get rid of the midnight loophole to solicit 501(c) organizations, and let us ban all soft money.

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

Mr. LEVIN. Mr. Chairman, I yield myself 3 minutes.

Anyone who believes in grassroots activities must vote no on this amendment. It has been subject, as it has been true of other provisions, of grotesque mischaracterization. What this does is not open the flood gate. Instead, there is a channel for coordination with other political parties. They cannot be raised in Federal office-holder or candidate. There can be no mention, and I emphasize, of special interest dollars, but providing them the resources, maybe the stamps, maybe the literature, that helps or enables them to be part of this process. The Levin provision only allows what States already do themselves, there is no federal intervention.

I believe this is an asset. This is something that contributes to what we are trying to do, get more people involved, say yes you can be involved and your voice is very important.

This deals with a myriad of groups. It does not isolate groups. It does not distinguish or suggest that people cannot be involved. These are resources that will be given to allow us to organize in our communities. I cannot imagine any of us that go home to any of our respective communities would ever say to the committeemen who work long hard hours, to precinct judges that work with us, that the work in encouraging people to vote is not important.

I would ask my colleagues to look at these resources as it is. These are not dollars that come to any one of us. These are not dollars that, in fact, have direct influence and direct us in making policy decisions. These are dollars that have to do with bringing in a whole group of individuals who will have the opportunity to exercise their view and viewpoints. This is not a good amendment, and I would ask my colleagues to defeat it.

Mrs. EMERSON. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. Ney), the tremendous chairman of the Committee on House Administration.

Mr. NEY. Mr. Chairman, I thank my colleague for yielding me the time.

This, of course, what my colleague is trying to correct, this is the Enron limousine part of Shays-Meehan, $60 million-some with the Levin amendment. We call it the Enron limousine. They could have spread around $60 million-some.

I think we have heard it all tonight. I do not know if it is because it is getting late or because we have just got to create more on the floor of the House. We have heard it all. Now eliminating soft money, which is what this amendment does, is a poison pill. We have really evolved.

Somebody said this bill has barely changed. It is not the same species. I cannot believe that we are talking about doing something good with the elimination of the soft money, it now becomes a poison pill; but back-room deals can be cut all the time to evolve this bill. We bring up good amendments and all of the sudden they are just not good enough.

In defense, somebody said tonight it can only be used for good purposes. It is still influence-peddling when someone is going to throw that money around. From our point of view, this is what my colleagues have said hundreds of times about this type of soft money. The 501(c)(3) too is also in here, the 501(c)(3)s, and there is a building fund. This is so full of soft money, and my colleagues know it.

This is a good amendment, makes a good contribution. I urge support of the amendment.

Mr. LEVIN. Mr. Chairman, how much time is there, please?
The CHAIRMAN pro tempore. The gentlewoman from Missouri (Mrs. Emerson) has 4 1/2 minutes remaining. The gentleman from Michigan (Mr. Levin) has 5 minutes remaining.

Mr. LEVIN. Mr. Chairman, I yield myself 15 seconds.

The $50 million figure comes out of thin air, made of whole cloth; and the gentleman who just spoke wants to have unlimited soft money while this is money under State law, carefully, carefully confined to grassroots activity. No one should vote for the Emerson amendment.

Mr. CHAIRMAN pro tempore (Mr. Ney). The gentlewoman from Missouri (Mrs. Emerson) has 3 1/2 minutes remaining.

It is soft money raised by a State, and a State chooses to do it. Any State that does not allow soft money, there is no soft money. We are allowing States to do what they want to do for their elections, for local and State elections.

Now, I confess to my colleagues that there was an amendment that did this before. The gentleman from Arkansas had an amendment where he wanted the States to raise soft money, and I opposed it because I knew we would eventually send it to the Senate. I wish this amendment were not here, as a purest, but I think it is fair. My concern is that it is a good amendment now, that it could be changed over time, but it is fair now. It works now. And it is absolutely essential if we are to pass this bill that this amendment stay in and that the amendment being offered not be allowed to pass. I cannot emphasize it enough.

We have had some easy votes, maybe my own 15 seconds, and they are going to be really, really close now. After all this, we are going to defeat this bill by accepting an amendment that frankly is pretty amazing given that the gentleman from Ohio (Mr. Ney), in a few moments, is going to offer an amendment that has unlimited soft money at the State level.

So is this a perfect bill? No. It is 85 percent of what I would like it to be. The gentleman from Michigan (Mr. Levin) and I have had debates about this, because I think this is something that could be turned into something later on. But as it is constructed, as it is used, it is fair. It makes sense. No Federal employee can raise it, it cannot be raised by Federal employees, it has limited use, and it cannot be used for any advertising.

Mrs. EMERSON. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. Flake).

Mr. FLAKE. Mr. Chairman, I thank the gentlewoman for yielding me this time.

We have come full circle. It is 10:30 on a Wednesday night, and I think we have heard just about everything. We have heard that soft money is evil, yet now it is okay. We have heard from the other side that we have to do without it, but now we cannot do without it. We have heard that we have to get rid of it, but now we need it to collateralize loans and to pay off hard money loans through an amendment in the middle of the night that nobody seems to want to own up to.

We have heard it all. Let us call this what it is. It is a blatant attempt to buy the last couple of votes needed for this bill, and it keeps getting worse and worse and worse. I wonder at what point people will stand up and say, enough. This is not the bill we started with. It keeps getting worse.

We have come full circle. Soft money is bad; now it is not only good, it is necessary to promote grassroots activity. Which is it? Please tell us.

I urge support of the Emerson amendment.

Mr. LEVIN. Mr. Chairman, how much time is remaining?

The CHAIRMAN pro tempore (Mr. Thornberry). The gentlewoman from Missouri (Mrs. Emerson) has 3 1/2 minutes remaining. The gentleman from Michigan (Mr. Levin) has 2 1/2 minutes remaining. The gentlewoman from Missouri has the right to close.

Mrs. EMERSON. Mr. Chairman, I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield myself 15 seconds. To the gentleman from Arizona, if he wants to defame the Members of the Senate, Mr. McCain, Mr. Feingold, and all others who voted in favor of this, it was by voice vote, go ahead and do so. Go ahead and do it. The gentleman is making a mistake.

This is to preserve grassroots activity and nothing else.

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

Mrs. EMERSON. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. Ose).

Mr. OSE. Mr. Chairman, I thank the gentlewoman from Missouri for yielding me this time.

Let me just say that I do not serve in the Senate. I serve in the House. My district goes up and down the center part of California. And while I am very respectful of what the fine Senators in the other body might have to do or say, maybe two of California’s Senators might visit my district sometime in the next few months and find out what they are saying, with all due respect to the gentleman. They do not speak for my district. They do not speak for California.

And if they want to come to my district and visit with my people, I will be happy to have a town hall meeting with them.

Mr. LEVIN. Mr. Chairman, I yield myself such time as I may consume to respond to the gentlewoman from California that I think his Senators will take up his invitation.

Mr. Chairman, I yield the balance of my time to the gentleman from Massachusetts (Mr. Meehan), who has worked so hard on this bill and who very much opposes this poison pill amendment.

The CHAIRMAN pro tempore. The gentleman from Massachusetts is recognized for 4 1/2 minutes.

Mr. MEEHAN. Mr. Chairman, I thank the gentleman from Michigan for yielding me this time.

It is about 10:35 at night, and the amendments continue. This is an amendment, another attempt to destroy the coalition that we have held together over a period of the last several years. There have been negotiations that have taken place that have been bipartisan and bicameral. We have a historic opportunity here in this House to pass a bill that will fundamentally change the way elections are held in this country. A historic opportunity.

The only way we are not going to have this opportunity is if the opponents of reform are able to pass an amendment that is designed to kill the bill. We have faced a series of those amendments, all taken in last night at about 12 o’clock and all designed to break up the coalition. Sometimes they try to break off Democrats, sometimes they try to break off Republicans, sometimes they have amendments that the Senate will never go along with. Sometimes it is Senate Republicans they are trying to offend. Anything and everything that can be proposed to try to defeat McCain-Feingold/Shays-Meehan has been proposed this evening. This is nothing more than the latest attempt.

I want to tell my colleagues something. The American people get it. The American people are watching this debate tonight waiting to see who is for real reform, who is trying to break up the coalitions, who wants to pass a bill, and who wants to kill a bill, because every person in this House knows that if we pass a bill designed to go to the conference committee, it is going to die in conference, just where a patient’s bill of rights is dying. Just where campaign finance reform in the House has died. We have preconferred this bill with the Senate, to design a bill that is balanced and fair to both political parties.
Now, if my colleagues want to defeat campaign finance reform, they will have yet another possibility to do that. That is this amendment. And after this amendment, we will have other amendments designed to kill this bill. But I believe in a majority of the Members of this House are ready to stand in a bipartisan way, whether it takes until 11 o'clock, 12 o'clock, 1 a.m., 2 a.m., 3 a.m., or 4 a.m. we are going to stand tall, opposed to any amendment that will break up our coalition.

I ask all Members on both sides of the aisle to defeat this amendment and pass campaign finance reform.

Mrs. EMERSON. Mr. Chairman, I yield myself such time as I may consume, and I would like to ask my good friend, the gentleman from Massachusetts (Mr. MEEHAN), one question.

If soft money is so corrupting, why then does the gentleman allow any soft money to be legal in this bill?

Mr. MEEHAN. Mr. Chairman, will the gentlewoman yield?

Mrs. EMERSON. I yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Chairman, if the gentlewoman thinks soft money is okay, why does she oppose the $10,000 limit?

Mrs. EMERSON. I hate soft money. Mr. MEEHAN. Can I answer the question?

Mrs. EMERSON. Yes. Mr. MEEHAN. This is a limited amount, $10,000. It cannot go for television ads, it cannot go for radio ads.

Mrs. EMERSON. Wait, stop, everyone.

Mr. MEEHAN. It cannot go for radio ads.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The CHAIRMAN pro tempore. The gentleman from Michigan (Mr. BONNIE) will come to the chair.

Mr. MEEHAN. Mr. Chairman, I would like to have just a very short answer from the gentlewoman.

Mr. MEEHAN. If the gentlewoman chooses to yield further to the gentleman from Massachusetts, she may do so.

Mrs. EMERSON. Mr. Chairman, I yield myself such time as I may consume, and I would like to ask my good friend, the gentleman from Massachusetts (Mr. MEEHAN) talk about the corruption of soft money and how we do not have a prescription drug bill for senior citizens because of soft money, and his bill does not ban it. In the gentleman’s bill there are huge loopholes for obscene amounts of money from pharmaceutical companies, from unions, from whoever to keep us from doing legitimate legislation.

If we are really serious about this, we will ban all soft money now and forever.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Missouri (Mrs. EMERSON).

The question was taken; and the RECORDED VOTE was ordered.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 185, noes 244, not voting 6, as follows:

(Roll No. 29)

AYES—185

Abercrombie  Abero  Ackerman  Allen  Andrews  Bachu  Baird  Baldwin  Ballenger  Barr  Barrett  Beccera  Benten  Bennet  Berman  Bishop  Bisgrojevich  Bernemen  Boehlert  Bonier  Borski  Boswell  Boucher  Boyd  Brady (PA)  Brown (FL)  Brown (OH)  Cappe  Capuano  Cárdenas  Carson (IN)  Carson (OK)  Castle  Clay  Clyburn  Clyburn  Clyburn  Clyburn  Cohn  Cody  Cooper  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  Cummings  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Mr. TOOMEY and Mr. KERNS changed their vote from “aye” to “no.”

So the amendment was rejected.

The House of Representatives on three occasions: once under suspension as a freestanding bill and twice as amendments to the Shays-Meehan legislation. In the 106th Congress, it received a vote of 282-126; in the 106th Congress, a margin of 242-181.

On both of those occasions, the amendment was adopted, the Shays-Meehan bill came to final passage, and the Shays-Meehan bill was adopted overwhelmingly in the House of Representatives. I challenge those of my colleagues who have been saying throughout the afternoon that this amendment is a poison pill amendment. We have adopted three amendments already today which I think have improved this legislation.

This amendment is one that has widespread bipartisan support. I urge my colleagues to adopt it as they have the other three amendments.

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

Mr. HOYER. Mr. Chairman, I yield myself 5½ minutes.

Mr. WICKER. Mr. Chairman, I yield myself 5¾ minutes.

Mr. WICKER. Mr. Chairman, I yield myself 5¾ minutes.

Mr. HOYER. Mr. Chairman, I yield myself 5 minutes. This amendment takes away rights that currently exist. Mr. Chairman, I yield 1 minute to the gentlewoman from Hawaii (Mrs. MINK).

Mrs. MINK of Hawaii. I thank the gentleman for yielding me this time.

Mr. Chairman, I represent well over 100,000 individuals in my State who are legal residents who have come here to make a life for their families.

The Constitution was written by some very, very wonderful people who made no distinction whatsoever in guaranteeing the rights and privileges of this country when they wrote the word “persons.” They did not say “citizens.” They said “persons.” And the courts time and time again have protected the rights of persons within the United States, and yet they have not made any discriminations, neither should we, in terms of dealing with these people who are legally here.

Twenty thousand legal residents currently serve in the military. More than 20 percent of American veterans who received the Congressional Medal of Honor were legal residents. How can we deny legal residents the right to care about what is happening in this country? We need to keep them in the political process. Do not write them off. They are our friends. They are part of our community. We should respect the work that they do.

Mr. WICKER. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I thank my friend from Mississippi for yielding me this time, and I thank my friend from Hawaii for her impassioned statement.

You know, the whole purpose of the amendment process is to offer perfecting amendments, and indeed, if we followed the gentlewoman’s logic, then we would allow noncitizens to vote.

After all, should they not have a voice? Indeed, we have seen evidence of that in recent election campaigns, just as we saw in 1996, Bernard Schwartz, the leading contributor to the Democratic Party, and his Loral Missile Systems give the Communist Chinese guidance systems, and our Commander in Chief at that time did absolutely nothing. And that was an outrage. But we undid the pop psychology of the left: “Oh, gee, it’s just this horrible system. I didn’t really mean it. It’s just a horrible system.”

Now, my friends, here is your chance to change the system, to say lawful citizens can contribute. No more financial backers of Red Pigeon, Communist Chinese cigarettes, no more daughters of the head of the Chinese equivalent of the CIA who showed up in the Oval Office, no more sham corporations, Chinese shell corporations operated by the Red Army of China doing their dirty work through soft money to a Clinton-Gore reelection campaign.

If you are serious about reform, stand up for national security, stand up for this perfecting amendment, but I know the Orwellian phrase will be somehow this is a poison pill. Yes, I guess it is poisonous to disallow enemies of this state access to our political system. That is so bizarre.

Shame on those who advocate this. Support this amendment. Stand up for America. Improve this amendment.

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds.

The CHAIRMAN pro tempore. The Committee will be in order.
Mr. HOYER. The House is not in order, and particularly the gentleman from Arizona is not in order.

The CHAIRMAN pro tempore. The gentleman will state his inquiry.

Mr. HAYWORTH. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN pro tempore. The Chair would respond that all Members should refrain from impugning the personal motives of other Members or engaging in personalities.

The Chair would also respond that the Chair is attempting to maintain order so that we can work our way through the amendments. If the Members would cooperate, that would be helpful.

The Chair recognizes the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, tarring with a broad brush is not worthy of this House. It has happened before, and it has demeaned the Constitution and the generosity of the Statue of Liberty that stand at the door of the House.

Mr. Chairman, I yield 1 minute to the distinguished gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Chairman, it is obvious that xenophobia is alive and well in some quarters of this Chamber. This is not about foreign influence. Legal permanent residents are the sons and daughters, brothers and sisters, mothers and fathers of United States citizens who obeyed the rules, followed the laws, and now are in this country and live a lawful life. They fight for the country, they die for the country, they contribute to the Nation's economy, and they pay taxes.

Today there are 20,000 legal permanent residents enlisted in the Armed Forces of the United States. They are protecting our airports, our seaports, our borders. They risk their lives daily in Afghanistan and other places around the world to protect us here at home. And they have the right to make contributions to candidates and to candidates they support now under the law, a right that should not be taken away from them.

If they can die for this country, sir, they certainly have the right to choose who is going to send them there by the political process. But they can participate by giving contributions, and that should never, ever, be taken away.

Mr. WICKER. Mr. Chairman, I yield myself 25 seconds.

Mr. Chairman, I am a veteran of the United States Air Force. I have worn the uniform of my country, and I still serve in the United States Air Force Reserve. And I would tell my friend from New Jersey that every member of the United States military is prohibited by law from making political contributions.

When I was on active duty, I could not make political contributions. I was just as good a citizen then as I am now; but because of the nature of my activity, I could not make such contributions, and I was no less of a citizen.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. REYES), the chairman of the Hispanic Caucus.

Mr. REYES. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, this evening it is a simple situation that we are facing here in the House. Each one of you is going to get one of these handouts this evening, and let me just read it to you. It says, "He saved the lives of our American soldiers under fire in Vietnam. He received the Congressional Medal of Honor. He now heads the United States Selective Service System. Now we want to make him, and others like him, guilty of an unlawful act if they contribute to your campaign."

"Alfred Rascon, now director of the United States Selective Service, was a legal permanent resident when he served our country in Vietnam and earned the Congressional Medal of Honor."

That is what it gets down to. It gets down to fairness. It gets down to recognizing that legal permanent residents live here, work here, pay taxes; they serve in the military, they earn Medals of Honor, and we should be ashamed of ourselves if we pass this tonight.

Mr. HOYER. Mr. Chairman, I yield 45 seconds to the distinguished gentleman from Texas (Mr. GONZALEZ), whose father was a giant in this institution on the right of all people.

Mr. GONZALEZ. Mr. Chairman, I rise in strong opposition. We really thought this was going to be the last amendment, because we thought they would save the worst for last; but it is not, and we are here at this moment, and I have about 30 seconds.

Who are you talking about? Who are these legal permanent residents that you refer to? Are they faceless members of a crowd? I will tell you who they are. They are people who are in this country; they have a greater appreciation for the freedoms of our democracy than most people that are here today simply by accident of birth. They contribute the blood, sweat and tears to this country. They have a greater love as anyone that was ever born here.

If you come to San Antonio, Texas, you will know exactly what I am talking about. Do you want to know what we are talking about tonight? I will tell you. Look in the mirror. You will see the face of your grandparents and your parents, your brothers and your sisters and your neighbors. That is who we are talking about tonight.
people are waiting for the American dream. They pay taxes, they have given their sons and daughters, they fight our wars. And they will continue to do that because they have a strong belief in our Constitution and the freedom that this country represents.

We cannot allow this amendment to go forward. I hope that Members on the other side of the aisle will agree with me.

Mr. WICKER. Mr. Chairman, I yield 1¼ minutes to the gentleman from Georgia (Mr. BARR).

Mr. BARR of Georgia. I thank the gentleman for yielding me time.

Mr. Chairman, what is wrong with the Shays-Meehan picture? If a U.S. citizen wishes to contribute voluntarily money for party building, for grassroots activity, to get out the vote, to educate voters, they are prohibited from seeing their money used for those lawful legitimate laudable purposes by a political party at any time during a campaign and by a grassroots organization during the final stages of a campaign. Yet a noncitizen, somebody not allowed to vote in this country, care under Shays-Meehan, vote and influence political events in this country by making a contribution.

Something is wrong with this picture, when we are taking rights away from United States citizens in Shays-Meehan and allowing the right to vote to influence the political process to noncitizens. That is what is wrong with the picture.

It is a loophole that must be plugged. Vote for the Wicker amendment. The Wicker amendment simply stands for the proposition, very simply, that if you cannot vote, you should not be able to contribute and influence directly the political process through money when you do not have the right to vote.

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, The gentleman is wrong on both points. It does not take rights away from American citizens, and this bill neither gives nor takes away from rights of people who legally live in this country. That is what is wrong with the picture.

It is a loophole that must be plugged. Vote for the Wicker amendment. The Wicker amendment simply stands for the proposition, very simply, that if you cannot vote, you should not be able to contribute and influence directly the political process through money when you do not have the right to vote.

Mr. WICKER. Mr. Chairman, I yield 30 seconds to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Chairman, I just want to give two faces to the people that you would deny this right. I had one woman who was a doctor at the local emergency room, an Indian physician. She wanted to do the same thing.

What is wrong with letting these people exercise their rights? Nothing.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the gentlewoman from California (Ms. PELOSI), the Democratic whip.

Ms. PELOSI. Mr. Chairman, I thank the distinguished gentleman for yielding me time and for his leadership on this important issue.

Mr. Chairman, I represent a district that is so diverse, our country is every day invigorated by the arrival of newcomers on our shores. They bring with them their courage, their commitment to family values, a commitment to the academic ethic, the religious ethic, a sense of community, and a strong love of freedom and patriotism, yes, to America.

I urge my colleagues to oppose this unfortunately mean-spirited amendment because it is a poison pill and because it is making our country of a right to participate in the freedom that they have so courageously sought.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Wisconsin (Mr. INSLEE).

Mr. INSLEE. Mr. Chairman, I have permission to revise and extend my remarks.

Mr. Chairman, where are the smartest people in the world going? They are going to America.

Mr. WICKER. Mr. Chairman, how much time remains on each side?

The CHAIRMAN pro tempore (Mr. THORNberry). The gentleman from Mississippi (Mr. WICKER) has 1½ minutes remaining; the gentleman from Maryland (Mr. HOYER) has 1¾ minutes remaining.

Mr. WICKER. Mr. Chairman, I would inquire of the gentleman from Maryland as to the amount of speakers he has remaining.

Mr. HOYER. Mr. Chairman, I have two, but I will take 15 seconds, and I will yield the balance of the time to the gentleman from Connecticut (Mr. SHAYS).

Mr. WICKER. Mr. Chairman, if the gentleman would go ahead with his one speaker, then I will conclude our portion of the debate.

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds. First of all, let me say that the information I have is that military personnel can, in fact, contribute. They cannot solicit, but they can contribute.

Second, I would say that when we say that I left my lamp beside the golden door, it means that you are welcome. And when we say to somebody, you are a legal permanent resident and you can pay taxes and serve in the service, it means not only are you welcome, but you can participate. Let us not shut that golden door tonight.

Mr. Chairman, I retain the balance of my time.

Mr. WICKER. Mr. Chairman, I yield myself such time as I may consume.
Mr. Chairman, I thank the gentleman from Maryland, who is my friend, for the tone of his remarks, and I would assume him that when I was a member of the United States Air Force, it may have been by statute, it may have been by regulation, but members of the service were under oath, from making contributions, and we were still good citizens.

Mr. Chairman, I regret the tone that this debate has taken tonight. I am looking at the faces of my colleagues. I know them, they know me. I would hope they would not impugn a racist motive to an amendment that I have offered on several occasions in this body and has been adopted overwhelmingly on a bipartisan basis.

This is an issue of foreign campaign influence, and I regret that tonight there have been attempts to turn it into a minority issue or a racial issue, or an immigration issue, because it most certainly is not. It is about the fact that really and truly, abuses have occurred, and this legislation has been adopted by this body three times already to address those abuses. It simplyجمل the gentleman from Connecticut (Mr. CARTER).

Mr. SHAYS. Mr. Chairman, I thank the gentleman for yielding me this time.

I had fainted unless I believed to see the goodness of the Lord in the land of the living, and I see this goodness in this House, and I see a little anger, and I see little charges. My wife and I got to serve in the Air Corps. It was the best 2 years of our lives, serving in another country and learning another culture.

George Bush gets it. He would oppose this amendment. He knows we live in a pluralistic society, and he knows our party is not pluralistic. Look at us. We are good people, but we do not look like that, and some day my hope, some day my hope is that we will look like that, but amendments like this make it worse for people of other cultures to want to be a part of our party.

This amendment passed in the past because we confused foreign nationals and the soft money they gave to legal permanent residents who were giving legal contributions, and we got caught up in all of that soft money given by foreign nationals. This is not about foreign nationals. It is about legal permanent residents being allowed to participate in our government.

Mr. Chairman, this amendment is more than a poison pill to campaign finance reform; it is a poison pill to our Constitution—to our civil rights.

There is nothing in this Constitution that says that the protections of the Bill of Rights extend only to United States citizens. Throughout there is reference to people, not just citizens. There have been court decisions time and time again that have extended the protections of the Constitution to all persons living within the United States.

We have had a great problem in the Congress making a distinction between illegal residents and legal permanent residents. Legal permanent residents have gone through all the processes. They have spent years to even come to the United States. They have come here with the purpose of being lawful, participating people in this great democracy. They play important civic roles and pay federal, state and local taxes. They serve in the military and are deeply affected by political decisions.

Nearly 20,000 legal permanent residents are now serving voluntarily in the military and playing key roles in our nation’s defense against terrorism. Moreover, more than 20 percent of the Congressional Medal of Honor recipients in our nation’s wars have been legal immigrants, many of whom later became citizens of this country.

Why are we afraid of these legal residents? We should not be. We should be welcoming them as participants in this democracy.

Let us not make a mockery of our Bill of Rights, of our Constitution, and adopt an amendment that says we will let you live in our country, but we will not allow you to participate.

Do not disgrace the Constitution by supporting this kind of amendment.

The CHALLIE amendment. All time for debate has expired.

The question is on the amendment offered by the gentleman from Mississippi (Mr. WICKER).

The question was taken; and the RECORDED VOTE was ordered.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—aye 196, noes 208, not voting 6, and allow those to vote.

[Roll No. 30]

AYES—160

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Mr. Chairman, this amendment is more than a poison pill to campaign finance reform; it is a poison pill to our Constitution—to our civil rights.
Mr. BALLENGER and Mr. CUNNINGHAM changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. Thorndyke). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. Armey).

AMENDMENT NO. 29 OFFERED BY MR. REYNOLDS

Mr. REYNOLDS. Mr. Chairman, I offer an amendment as the designee of the gentleman from Texas (Mr. Armey).

THE CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 29 offered by Mr. REYNOLDS:

Amend section 402 to read as follows:

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect as of such date, the committee shall return in subsection (a) which remain unexpended prior to the effective date described in such section, has received funds described in such section, including any person who is subject to such section 323(a)(1) of the Federal Election Commission, and I am reading verbatim, the transition rule allowing national political parties to borrow hard money and repay it with soft money.

That is right, according to the commissioners of the Federal Election Commission, and I am reading verbatim, the transition rule allowing national party committees to spend soft money between November 6, 2002, and January 1, 2003, does not prohibit the use of soft money to pay debt related to Federal elections.

It is clear that this Congress would weaken existing law because, and I am again citing FEC officials, the proposed bill effectively invalidates the Federal Election Commission’s soft-money allocation regulations.

That is just one opinion. So let us hear another.

According to Common Cause lawyer Trevor Potter, former counsel to Senator Dole, national parties may spend excess soft money to pay off any outstanding debts, noting that the tax provides that soft money could be used to retire outstanding debts, incurred solely in an election occurring by November 5, 2002. It does not make reference to contributions or expenditures or non-Federal, joint or allocated activities.

Yet another opinion from election law expert Benjamin Ginsberg of Paton Boggs: The lack of specificity in this campaign, asking only that they demonstrate that they believe in what they told the American people today, by really, truly banning soft money and banning it now.

To my colleagues on the other side of the aisle who support Shays-Meehan, I ask only that they demonstrate that they believe in what they told the American people today, by really, truly banning soft money and banning it now.

Without this amendment, the supporters of Shays-Meehan are saying proposed language would allow national party or committee to borrow hard dollars, spend those dollars in the upcoming election, and then use the remaining soft dollars to repay that debt.

With this kind of creative bookkeeping on the part of the Shays-Meehan supporters, I cannot help but wonder if Arthur Andersen helped draft it. Mr. Chairman, Webster’s defines reform as to amend or improve by change of form or removal of abuses. Without this amendment, there will not be reform because we do not remove faults or abuses. In fact, this bill allows manipulation and subversion and gives preferential treatment and sweetheart deals to many of those who claim today that the system was fraught with those very vices.

Frankly, I do not see how making an exception to allow the Democratic National Committee to manipulate a $40 million soft money fund to help fund campaigns this year is reform by any definition, especially when they would be prevented from doing so under the current law that we stand under today.

I do not see how allowing parties to pay back hard-money campaign expenditures with millions of dollars in soft money represents a ban by any stretch of anyone’s imagination.

A few months ago, the chief sponsor of this measure said, and I quote, “There is no reason to delay the demise of this indefensible soft money system.” end quote. CHRISTOPHER SHAYS, May 1, 2001.

Soft money donations to national parties are as evil and corrosive as Shays-Meehan proponents proclaim, then they should be stopped immediately. I realize that Shays-Meehan today, in its fourth incarnation, is not the Shays-Meehan that was first introduced. In fact, these two bills have about as much in common as a Ford Escort and a Ford Explorer. It is the same manufacturer, the same brand name, but completely different vehicles. Worse, instead of existing laws that Shays-Meehan supporters claim are already too lax.

To my colleagues on the other side of the aisle who support Shays-Meehan, I ask only that they demonstrate that they believe in what they told the American people today, by really, truly banning soft money and banning it now.

Without this amendment, the supporters of Shays-Meehan are saying...
that while soft money may be bad, it is not bad enough to ban right here, right now. There is a word for that, Mr. Chairman, and it is hypocrisy. I urge approval of the amendment.

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

Mr. DAVIS of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. HOYER), the distinguished ranking member.

Mr. HOYER. Mr. Chairman, I was not going to speak on this amendment, but the gentleman from New York (Mr. REYNOLDS), my good friend, mentioned hypocrisy. It is an interesting word.

We stand here with an amendment that says we ought to have a ban on soft money tomorrow, today. Today is tomorrow, my friend from Massachusetts tells me. What a wonderful proposition, from the party whose President George Bush, the first, in 1991 vetoed campaign finance reform, an amendment that says let us do it today from the party that for 10 years has delayed the adoption of campaign finance reform.

My, my, my. Now with the practicality of implementing an entire new program, that cannot possibly be done in this set forth, dear, therefore, to kill this bill, is put forward. My, my, my. I say yes, hypocrisy is an interesting word.

Mr. REYNOLDS. Mr. Chairman, I yield myself such time as I may consume.

It gets down to the bottom line we are not going to hide from this vote anymore. We are going to have a vote tonight. The Democratic major had 40 years to bring about true campaign reform. It is going to be passed by Republican votes tonight. I only can ask for a level playing field. I ask that we ban it right now, right here, February 14, reform.

Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me the time, and I rise in strong support of this amendment. The other point that the gentleman speaks on this amendment, the reason being that this amendment would simply correct what is probably the most egregious, perhaps even the most cynical flaw in this badly flawed bill. And the flaw is simply this: the Shays-Meehan bill allows a party to borrow money to run their campaign, I yield myself such time as I may consume.

The fact is the Shays-Meehan bill has a money laundering provision, a provision that allows them to convert from soft to hard money. Soft money is supposed to be this egregious evil. The bill allows the parties to go out and raise it and then convert it and use it for a broader purpose, basically enhance its value, spend it as though it were hard money; and how convenient this is that the party that overwhelmingly supports this bill just happens to be the party that is relatively low on hard money these days, has an ample reserve of soft money. This is a very cynical feature of this bill, and I commend the gentleman from New York (Mr. REYNOLDS) for offering the amendment that would correct it.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from New York (Mr. REYNOLDS) has 2½ minutes remaining. The gentleman from Florida (Mr. DAVIS) has 8½ minutes remaining.

Mr. DAVIS of Florida. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) control 3 minutes of the time allocated to me and have the ability to yield time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. DAVIS of Florida. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, first let us talk about the time. Yes, if this bill had come up in a timely fashion last year, it would have been effective for this cycle. The amendment purports to say let us put it into effect right away. Seventy House seats will be decided in primary in 3 weeks. The States of California and Florida, 70 House seats, are in 3 weeks. Members can differ about a lot of this bill, but it is simply not logically possible to argue that they are for this bill and are going to have it go into effect 3 weeks before primary which have been conducted heretofore under the old rule. That is just not arguable, and to have someone say I am for the bill but I want to make it take effect right away and then call me a hypocrite is like being called silly by the Three Stooges. It simply does not make any sense.

One cannot purport to be for this bill and say that they are now going to put it into effect 3 weeks before 70-some odd primaries.

The other point that the gentleman raised has some validity. There is some ambiguity in the bill; and as Members know, it will be corrected in a recommit. To the extent that there is an unintentional ambiguity that would allow the transfer, the recommit will ban that. I understand that there is no worse news to give people who have found a flaw in something they hate than to plan to correct a flaw. I apologize. Maybe they should have held that they tortured language or did not torture the language, they came up with an ambiguity.

The two sponsors of the bill are going to put an end to that ambiguity. I understand why they want to talk about it now. It was that way, and they will miss it. I understand, because it will take away from them that argument. So the fact is very simple. If my colleagues voted for Shays-Meehan, how can they possibly now go to the people and say yes I voted for this and I then voted to make it take effect immediately 3 weeks before the primaries in which the rules have already been under the other way? Then it has got to correct a flaw. The President.

I hope this amendment is defeated and we will correct that error in the recommit.

Mr. REYNOLDS. Mr. Chairman, I yield myself such time as I may consume.

My colleagues keep getting confused between hard and soft money. Last I knew a primary was won on hard money, not using soft money. I also recollect that basically on some of the ambitions of some of the Members of the other side of the aisle they killed the bill the last time we had it in July, when we did not pass the rule, which I managed on this very floor, Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. SHADEG).

Mr. SHADEG. Mr. Chairman, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me the time.

I spent almost a decade of my life doing campaign finance law before being elected to the United States Congress, and in that tenure I never advocated Republican Secretary of State, but I did advise two different Democrats to Secretaries of State, and I want to focus on this language because I think it does matter.

I am glad that the gentleman from Massachusetts (Mr. FRANK), my colleague, has acknowledged that we are going to correct or they claim they are going to correct this flaw, but all day long they have been saying it was not a flaw. Indeed, this morning, the heat of debate, oh no, this language is perfect, we would never do such a thing.

I want to walk us through the language. I began today by calling the lawyer who replaced me as the adviser of the Arizona Secretary of State, and I faxed her the language and said does this language allow soft money to be used to repay a debt for dollars that were spent as hard dollars? She reviewed the language and in a phone conversation said to me, clearly, it does, there is no question about that. Tonight after the last minute motion to recommit we are going to correct an error that they denied all day. I guess my question is, how many other errors are there?

It is interesting to me. I guess the gentleman from Massachusetts (Mr. FRANK) now says that the two letters that were produced today saying this defect is not here, in fact, are wrong themselves. I am glad he concedes that. As a matter of fact, the first of those two letters says it is clear that under current laws, only hard money can be used to pay off a loan where the money was used as hard money. Well, yes, that is the law now...
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Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

We have three amendments, and that is it, and I cannot predict the outcome of any of the three. But we have really two issues that are in play right now. One is the issue of the delay to the start of the next campaign season, November 6, and the other is soft money.

In regards to the issue of delay, we thought that after 16 months already into an election cycle we can blame one side or the other, we are here now and not in July or January of last year. We are 16 months into a 24-month election cycle, and by the time this bill becomes law, if it does become law, it is 2 or 3 or 4 months from now, and then we only have 4 months.

So I was asked, and others, does it make sense to have this bill take effect now, and the answer was it really does not. And I have spoken to some Members here who say the same thing. They know it. People on my own side of the aisle know it does not make sense to have it take effect today unless we want to kill the bill.

Now, on the issue of the soft money, I have all day, because the one thing that I do not want is there to be any ambiguity for any Member about any question of this bill. And the gentleman from Arizona (Mr. SHADEGO) was the final straw. He was the final straw. I believe he believes so strongly about this, and I believe he has influence over other Members, and so the motion to recommit is going to make it clear that there cannot be any soft money used for hard money expenses.

Now, the question my side of the aisle will have the answer is are they going to vote for a motion on the other side to take care of a problem they want to take care of? And that is going to be real curious. Are my colleagues going to do it, or is it all rhetoric? We are going to solve the problem about this issue in a motion to recommit, and I hope my colleagues will support it because it will take care of the problem of the feeling of ambiguity.

In my sense there is not a problem with it, but I certainly want to make sure there is no doubt. And the other reason we want to make sure there is no doubt is the President has expressed concern about this, and we need to make sure there is no doubt in the mind of the President.

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

Mr. DAVIS of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. HOLT).

Mr. HOLT. Mr. Chairman, I thank the gentleman for yielding me this time.

There has been a steady stream of amendments today intended to kill campaign finance reform. This is the latest one, and I am sure voters will look at how Members vote on final passage to see if they really want this to be the law, or if they want it to take effect immediately.

I want to make sure that we do not lose perspective, as my colleagues talk about everything that is wrong with this. This is a bill that creates possibilities. This is a first and necessary step to restore a sense of the possibility of self-government to workers, to families, to college students, to farmers.

When I arrived here in Washington, the first day I took the oath of office, I sat down with the gentleman from Connecticut (Mr. SHAYES) and the gentleman from Massachusetts (Mr. MEEHAN) to enlist in this effort because it was apparent it is necessary to restore trust in government.

The people of America do not have the trust in their ability to run their government, not special interests, but ordinary people, then America's gift to the world, this idea of self-government, will start to disintegrate.

Mr. REYNOLDS. Mr. Chairman, I yield myself the balance of my time.

I have listened to whether this has constitutional questions. This bill is riddled with constitutional questions. Even the sponsors have said some of it will be thrown out by the courts.

But I do know this: Without this amendment the supporters of Shays-Meehan are saying that while soft money may be bad, it is not bad enough to ban right here right now.

I yield myself the balance for that, Mr. Chairman. It is hypocrisy.

I urge approval of the amendment, and I will ask for a recorded vote. Mr. DAVIS of Florida. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, this is a very important amendment. It has the potential to derail the bill. We have seen through that masquerade all night. I think the House deserves a substantive debate on the merits, and we have had it, except we did not even get an attempt by the sponsor of the amendment to respond to two of the most important points made here.

We all understand when we are passing blatant unconstitutional bills. Nobody needs a law degree to recognize that. There was not even an attempt to respond to the argument by the gentleman from California (Mr. SHERMAN) that we are criminalizing behavior that is currently legal. There has been no attempt to respond to the point that it would be unrealistic and even be thinking about passing a bill that is supposed to take effect today when we all know rules have to be developed and
that the President has not even weighed in on this bill.

This has been a very good debate. It has exposed this amendment for what it is. It is a thinly veiled attempt to sabotage a bill that is demonstrating a lot of courage on the Republican side of the fence, true reform, matching the efforts of the Democrats. I believe we should pass our bill tonight.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York (Mr. REYNOLDS).

The vote was taken by electronic device, and there were—here is the list of the votes—those who voted yes and those who voted no.

Mr. REYNOLDS. Mr. Chairman, I demand a recorded vote.

The vote was taken and recorded.

The result of the vote was announced by the Clerk. Pursuant to the order of the House, the amendment was rejected.

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. The text of the amendment is as follows:

Amendment No. 25 offered by Mr. KINGSTON—

(A) IN GENERAL.—The term ‘Federal election activity’ means—

(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

(iii) a public communication that refers to a clearly identifiable candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual’s compensated time during that month on activities in connection with a Federal election.

(B) EXCLUDED ACTIVITY.—The term ‘Federal election activity’ does not include an amendment approved or disbursed by an election campaign committee for a State, district, or local committee of a political party for—

(i) a public communication that refers solely to a clearly identifiable candidate for Federal office or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

(ii) a contribution for a candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

(iii) the costs of a State, district, or local political convention; and

(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

In section 402(b), strike—

(A) the term ‘Federal election activity’ as it appears in subparagraph (A)(i); and

(B) the term ‘excluded activity’ as it appears in subparagraph (B)(i).

In section 301(20) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

Amend section 301(20) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

Ms. WOOLSEY changed her vote from “aye” to “no.”

So the amendment was rejected.

The result of the vote was announced as above recorded.
Mr. FATTAH. Mr. Chairman, I assert my right to claim the time in opposition.

The CHAIRMAN pro tempore. The gentleman from Pennsylvania will be recognized for 10 minutes.

The CHAIRMAN pro tempore. The gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a real easy amendment. This is a fun amendment at this time of night. Not much brain power is required on this one. Just a fair amendment.

If you think about it for a minute, if you listen to the rhetorical montage we have had today, you got real confused on who are the good guys and who are the bad guys, a lot of finger pointing. But one thing you conclude is soft money is bad; whether it is effective this election or after it or before, today or tomorrow, soft money is bad.

Therefore, my friends, I would not want to see anybody build a building with this bad soft money. It would mean the building would be bad. It would mean the building would be corrupted. It would mean from the very beginning all the phone calls that were made from that building would be tainted.

Let me just say this: I want to say there are a lot of folks over there on that side of the aisle that think we do not like Democrats; and I want you to know, I like Democrats. I admire Democrats. I love the audacity of some of the Democrat Party.

There was a story of a young man who graduated from the University of Georgia, went to work for Sun Trust Bank, one of the great Georgia institutions. At the end of the first day of 8 hours, he went to the boss and said, Boss, there is an opening over at the Coca-Cola Company. I would like you to write me a letter of recommendation.

The boss looked at him and said, You are out of your mind. You just started here. This is your first day. You have barely completed 8 hours. You want me to write you a letter of recommendation?

He said, Yes. Coca-Cola doesn’t have opportunities that often, and I want to go work for them. Can’t you think of something good to say about me?

And the boss got a piece of paper and said, To whom it may concern: I like his nerve.

I want to say this, I like your nerve. Let me tell my friends what is in this bill. This says you have got to get rid of all your soft money 30 days after the ban is completed or the new regulations are completed, so you have until December, except any time after the effective date the committee may spend such funds for activities which are solely to defray the cost of construction or purchase any office building.

Well, I am sure most of you do not know that is in there. As much nerve as you have, I am sure that would embarrass some of you, so we are going to take that out with this amendment. And that is all it does, Mr. Chairman. Mr. Chairman, I reserve the balance of my time.

Mr. FATTAH. Mr. Chairman, I ask unanimous consent to yield 3 minutes to the gentleman from Connecticut (Mr. SHAYS) and have him have the ability to yield that time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me rise in opposition to this amendment. For I guess 10 times tonight or today we have been confronted with any manner of amendment seeking to derail the opportunity for this House to join our colleagues in the Senate and to give this President, who committed himself to be a reformer, an opportunity to put his signature on a campaign finance reform bill.

We have had people come at this issue from every different conceivable direction. Now we have this final attempt. I am sure my colleague and my friend would not be willing to amend his amendment to have both parties accede over the properties ever built with soft money, any television stations, any other facilities. This notion that somehow during this transition period the majority would prefer that this money be spent on campaigns rather than to be put towards refurbishing a party headquarters; this bill allows either party to take the extra soft money, not spend it on campaigns, but to invest it in infrastructure as we move to ban it completely. It is not dissimilar to other reform measures that we have dealt with in the past. So, Mr. Chairman, let us enjoy another what will be failed attempt to derail this House from meeting its date with destiny, and that is we will pass Shays-Meehan, and we will do it tonight.

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

Mr. KINGSTON. Mr. Chairman, I yield 2½ minutes to the gentleman from Missouri (Mr. BLUNT), the distinguished deputy whip.

Mr. BLUNT. Mr. Chairman, of course I rise in support of the amendment. I do not know why this amendment would derail the bill. The Senate I do not think had it in their bill; it was not in the original Shays-Meehan bill. In fact, under the original bill, the parties had to get rid of all soft money in their accounts beginning 30 days after enactment. This was added, I think, at a later time to really put a big loophole in this bill so that the parties could retain soft money.

Now, this does not really affect both parties the same way, because only one party has the money in the account right now to build a building. It has already been pointed out that if this money is, in fact, corrupting, it would seem it would be corrupting for all purposes. Money that was bad to use for voter registration, money that was bad to use for party building an actual building that was bad to use to turn out the vote, one would think that same money would be bad to use to build a building for one of the parties.

Now, I hope that the plan, and we have talked a lot today, but I hope the plan is not to take this building fund and use it to pay off hard money that might be borrowed during the campaign, the campaign we are in right now. Certainly it would be nice collateral for a loan that then one could turn around and pay off that loan. That is what at least two Commissioners of the FEC say that could be done with this building fund. Why not eliminate this building fund completely, and let us be clear. Soft money has always been impacted by soft money, let us be aboveboard on that; let us do the same thing for all party-building, including the headquarters; this bill allows either party if one of the parties keeps their money in an account that has been tied up until after this election, I hardly think that same money would be used to build a building.

This is an area where if the parties are not going to be negatively impacted by soft money, let us be aboveboard on that; let us do the same thing for all party-building, including the headquarters; let us ban soft money, let us take this out of the bill. It was not in the Senate bill. It was not in the Senate bill, and we have talked so much today about how we need to have things that are compatible. We cannot amend the bill, and we cannot go to conference, we cannot do anything with this bill because the Senate needs to accept it. This is a wholly grown idea on this side of the building.

I think it ought to be eliminated from the bill. I encourage my colleagues on both sides of the aisle to vote for this amendment and get rid of this soft money to be used only for this one purpose, only to benefit one party.

Mr. FATTAH. Mr. Chairman, I yield to the gentleman from the Commonwealth of Massachusetts (Mr. MEEHAN), one of the prime sponsors.

Mr. MEEHAN. Mr. Chairman, here we have another amendment, it is about 10 minutes of 1:00, another attempt to try to break the fragile coalition, but let us be clear. Soft money has always been available for party-building. It has always been available for physical buildings.

Now, would not the Republicans be so lucky if we are going to enact this bill the day after the next election. Does anyone really think the parties are going to commit soft money not for television ads, but to build parties? The reality is this is put into the bill in July so that either party who had expenses relative to buildings could pay them.

Now, if this bill does not go into effect until after this election, I hardly think that will be an advantage to structure a party if one of the parties keeps soft money and, rather than put them into 30-second spots, pays off a building with it.
The reality is the soft money influence has ballooned by 100 percent every 4 years because of television ads. The reason why soft money is an issue is because of television ads, 30-second spots. That is what we attempt to eliminate, and we do.

Mr. FATTAH. Mr. Chairman, I reserve the balance of my time.

Mr. KINGSTON. Mr. Chairman, I yield 30 seconds to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, I think there is a misunderstanding on this side of the aisle over how this money could be used if it were not utilized for building money. The bulk of this money in both parties' campaign funds come from contributions from Freddie Mac and Fannie Mae. These are federally chartered organizations, and the only contributions they give parties has to be used for building funds. It could never be used under existing law for campaign ads.

So when we say it could be or better be used, I do not think we understand the nature of this money and the nature of contributions that it has under the law. I just wanted to clarify that. This money has to be used for building under current law. Unless we change this on motion to recommit, we would be allowing it to pay off a soft dollar debt.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume.

I am glad that the gentleman seeks to clarify, because much of what has happened by those who are opponents to this proposal has been an attempt to misinform; all the way from the White House press room to the floor of the House, an attempt to misinform people about the intent of this bill.

But a bipartisan majority has found its way through. It would never be used under existing law for campaign ads.

Mr. KINGSTON. Mr. Chairman, the gentleman yield to the gentleman from Virginia (Mr. WELDON of Pennsylvania).

Mr. WELDON of Pennsylvania. The gentleman from Georgia (Mr. KINGSTON) has 4 minutes remaining; the gentleman from Connecticut (Mr. SHAYS) has 3 minutes remaining; the gentleman from Pennsylvania (Mr. FATTAH) has 4 minutes remaining.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

I have looked at the latest FEC report and what we have down in the building fund for the RNC is $1.8 million and the DNC is $3.2 million.

Now, I will acknowledge to my colleagues, the gentleman from Arizona, he has asked, well, there is this talk of $40 million. I am trying to nail down where it comes from, but I look at the FEC report and this is what I see. So then what they would have to be doing is they would have to be raising money right now for soft money for a building instead of spending it on a campaign.

Now, I do not know if there is some $40 million that does not show up in the FEC. I stand ready to comment on it, but that is what we have got.

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

Mr. FATTAH. Mr. Chairman, I yield 1 minute and 15 seconds to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, when the gentleman from Virginia (Mr. TOM DAVIS), the chairman of the Republican Campaign Committee, raised the issue, I went to find out because I do not know much about this issue.

First of all, let me tell him that most of the funds, at least on our side, I do not know what is in your accounts, are non-Freddie Mac, Fannie Mae funds, soft dollars. The overwhelming majority of them, number one. Number two, clearly what this is is under the present system we have, I presume from time to time my colleagues have, they may not be doing so now, raised money for the purposes of either creating or constructing headquarters. My colleagues have a headquarters. We have a headquarters.

What the provision obviously says, if my colleagues have done that, as we have and I presume my colleagues have, and we have that money in the pocketbook for the purposes of building a building, we will be allowed to do that. We cannot raise more soft money, but you will be allowed to spend that money for the purposes of completing that project. It seems to me that we do that in almost all legislation that we pass. It is fair for both sides; and while it may seem to be a politically advantageous argument to make, as if it is some special deal, in fact, it is a transition provision that not only applies to our parties when we change the rules, it applies to almost every facet of business, and we do it in Ways and Means tax bills all the time.

So I suggest that we defeat this amendment and move on with the substance of this legislation.

Mr. KINGSTON. Mr. Chairman, how much time is remaining?

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Georgia (Mr. KINGSTON) has 4½ minutes remaining. The gentleman from Pennsylvania (Mr. FATTAH) has 2½ minutes remaining. The gentleman from Connecticut (Mr. SHAYS) has 15 seconds remaining.

Mr. KINGSTON. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. WELDON).

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank my colleague for yielding me time.

I am confused and I am troubled. I have supported Shays-Meehan, and I have opposed almost all of the amendments because I have been told this is a very carefully crafted compromise. Now I find out late last night we have put this provision in at somebody's request that was not in the Senate bill. Unless somebody can tell me that is wrong, I would ask my colleagues to say. My side says it was added in and it was not in the Senate bill.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. The gentleman from Connecticut (Mr. SHAYS) told me last night.

Mr. SHAYS. Mr. Chairman, if the gentleman will yield, this amendment...
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Mr. WELDON of Pennsylvania. It was not in the Senate bill; that is correct.

Mr. KINGSTON. Mr. Chairman, I yield myself such time as I may consume. In fact, I would rather be home with my wife on Valentine's Day, but we are here and in order, to clean out the creek, we have to get the hogs out of the water first. What we need to focus on here, we have heard from the gentleman from Connecticut (Mr. SHAYS). He is against this amendment. We have heard from the gentleman from Massachusetts (Mr. MEEHAN). He is against it.

Mr. FATTAH. Mr. Chairman, do I have the right to close?

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. TAUZIN. Mr. Chairman, I thank the gentleman for yielding me time.

Let me point out two factors about this provision that I think require us to pass this amendment. The first is that the provision allows not only the keeping of soft money for the building of a building, but the keeping of it so long as you never build that building. There is no time limits on how long this money can be kept. So if one decides just not to use it, one can simply put it in a CD and just keep it around.

Now, why would one do that? Well, there are no provisions against using this money as collateral for other loans. So, therefore, this money could be kept in a CD, this soft money, this money that is supposed to be bad and corrupting, in a CD, collateralize loans. And then because the loans are made to the committee, the committee can use that loan money as hard money and spend it on ads or whatever other purpose the money you want in effect. Because soft money like all money is fungible, it can be dearly, and there are some accountants around that can help one do it if one wants to do it, keep this soft money indefinitely. Use it as collateral. Every time one runs into trouble, just borrow against it, spend it for campaigns, spend it for ads. Do all the things my colleagues say they want to make outlawed.

If Members believe soft money is so corrupting, why would they want to keep it around and perhaps use it for that purpose, simply not build the building, constantly borrow against it? Pay off the loan when one could, but constantly borrow against it as collateral whenever extra money was needed for a campaign? In effect, converting soft money into hard money through the process of using as collateral.

That is what this bill currently allows to be done. Now, why would either party want to allow that to happen if, in fact, Members want to get rid of soft money as a corrupting feature in future campaigns? This amendment is necessary to correct this defect in the bill that the Senate was clever enough not to include in their legislation, and we ought to adopt the amendment.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume.

First of all, I know at least for myself I would rather be home with my wife on Valentine's Day, but we are here and in order. To clean out the creek, we have to get the hogs out of the water first. What we need to focus in on here, we have heard from the gentleman from Connecticut (Mr. SHAYS). He is against this amendment. We have heard from the gentleman from Massachusetts (Mr. MEEHAN). He is against it.

The people who are the promoters of campaign finance here in the House are against this amendment and those people who have spent every amount of energy and intellect on trying to stop and derail this bill, they are for this amendment. So, now we should not need, as the gentleman from Georgia (Mr. KINGSTON) said when he opened this debate, it is a defect of intellectual curiosity of this. The cosponsors of the bill are against the amendment. They said it did not show up last night. It was in in July. Either when that information was offered, the gentleman from Georgia (Mr. WELDON) who was arguing that point, still said, well, I am going to vote for it anyway. Do not let the facts get in your way. Let us try nonetheless if we can to honor our two colleagues who keep at both committees. There are hard-dollar funds, Federal-dollar funds. Then there are three soft-money accounts. There is a corporate soft-dollar account, a personal soft-dollar account that could be spent differently in different States.

Then there is a building-fund soft-dollar account. Those moneys are, for the most part, I mean, 90-plus percent, moneys that are earmarked from corporations, particularly Freddie Mac and Fanny Mae, who have restrictions on the dollars they can give. They have given millions of dollars through the years, and I think we ought to just get to spend it.

This is not a poison pill amendment. This amendment I think is a free vote for Members, but it is a special carve out; and I just call that to Members' attention.

Mr. KINGSTON. Mr. Chairman, I yield myself the remaining time.

If we are just urging Members to support this amendment. The situation with this entire bill is we hear soft money is bad but not this soft money, not that soft money. It is a confusing bill. That is why it is a long bill, and what this amendment simply says is that the money cannot be used for any time to set in an account to build a building after soft money is banned by it.

Mr. Chairman, I yield back the time remaining.

Mr. WELDON of Pennsylvania. My colleagues and friend mentioned me but mischaracterized what I said. I did not say that this was added in last night. I said this was not in the Senate bill. That is what I said. And that has, in fact, been said by both sides.

I was told that this bill was identical to what the Senate passed and that is in fact not the case. So I have been misled. But I do not like the fact that the gentleman misrepresented what I said. I urge my colleagues who voted for Shays-Meehan to support this amendment because this was stuck in because the obvious says is that the financial advantage that the Senate did not see. It is wrong and it is not in the spirit of what campaign finance reform is all about.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

I just want to say honestly to this Chamber that I believe that the comments made by the gentleman from Virginia (Mr. TOM DAVIS) were correct. I am going to be voting against this amendment, but I do believe his point that my colleagues can raise them from the FHA and others is an accurate point and makes it easier to raise that soft money for those purposes.

Mr. KINGSTON. Mr. Chairman, I yield 30 seconds to the gentleman from Virginia (Mr. TOM DAVIS). He is against this amendment. We have heard from the gentleman from Massachusetts (Mr. MEEHAN). He is against it.

Mr. FATTAH. Mr. Chairman, do I have the right to close?

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. TOM DAVIS of Virginia. Mr. Chairman, let me understand the accounting. I know this as chairman of our committee, and my colleague's committee operates separately. We have several different funds that we keep at both committees. There are hard-dollar funds, Federal-dollar funds. Then there are three soft-money accounts. There is a corporate soft-dollar account, a personal soft-dollar account that could be spent differently in different States.

Then there is a building-fund soft-dollar account. Those moneys are, for the most part, I mean, 90-plus percent, moneys that are earmarked from corporations, particularly Freddie Mac and Fanny Mae, who have restrictions on the dollars they can give. They have given millions of dollars through the years, and I think we ought to just get to spend it.

This is not a poison pill amendment. This amendment I think is a free vote for Members, but it is a special carve out; and I just call that to Members' attention.

Mr. KINGSTON. Mr. Chairman, I yield myself the remaining time.

If we are just urging Members to support this amendment. The situation with this entire bill is we hear soft money is bad but not this soft money, not that soft money. It is a confusing bill. That is why it is a long bill, and what this amendment simply says is that the money cannot be used for any time to set in an account to build a building after soft money is banned by it.

Mr. Chairman, I yield back the time remaining.

The CHAIRMAN pro tempore (Mr. THORNBERY). The gentleman from Pennsylvania (Mr. FATTAH) has 11⁄2 minutes remaining.

Mr. FATTAH. Mr. Chairman, I yield 45 seconds to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. Chairman, I am not sure why we are debating this
amendment in the first place; but the fact that we are, I think there is one flawled argument that has been made. If one cannot use the money for hard purposes in the first place, I do not think one can pledge it as a collateral for hard purposes because if they had a default the money would be illegal at that point. I think the argument that was made was wrong in the first place, but I think it is sort of a meaningless amendment as it is.

Mr. FATTAH. Mr. Chairman, I yield myself the remainder of my time.

I feel almost in the role of Joshua, but I want to choose to be with SHAYS and MEEHAN this day, and I would hope that my colleagues would follow.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Georgia (Mr. KINGSTON).

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

The CHAIRMAN pro tempore. The amendment as it is.

The CHAIRMAN pro tempore. Pursuant to the order of the House of Representatives, Tuesday, December 12, 2002, the following amendment is now in order to consider an amendment from the gentleman from Texas (Mr. ARMED). In the nature of a substitute.

Mr. NEY. Mr. Chairman, as the designee of the gentleman from Texas (Mr. ARMED), I offer an amendment in the nature of a substitute.

Mr. FATTAH. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 232, noes 196, not voting 7, as follows:

(ROLL NO. 32)

AYES—232

NOES—196

Portman    Pryce (OH)    Shadegg
Putnam    Quinn    Shaw
Quinones    Radanovich    Shuster
Ramstad    Reiber    Simons
Rehberg    Reynolds    Simpson
Rogers (KY)    Rogers (MI)    Skelton
Robb    Rohrabacher    Smith (MI)
Rose-Libby    Royce    Smith (TX)
Ryan (WI)    Runy (KS)    Snyder
Sanders    Saxton    Souder
 Sessions    Schaffer    Stearns
Sensenbrenner    Sessions    Terry
Simpson (IL)    Sessions    Thomas
Knights (FL)    Slaughter    Thornberry
Ackerman    Allen    Tom
Allen    Baca    Thompson (NH)
Baal    Baldwin    Thompson (TX)
Barrett    Barrett    Tiahrt
Beauprez    Becerra    Tiberi
Bell    Benten    Tilden
Berkley    Berman    Timrod
Berry    Bishop    Timmy
Blumenauer    Birchler    Tomsky
Bonior    Borns    Tonko
Boswell    Boucher    Toomey
Braun    Brady (PA)    Torres
Breitler    Bray (KY)    Traficante
Brown    Brown (CA)    Tran
Buchanan    Bruce    Traver
Buck    Bryan    Treanor
Buchanan    Buck    Tremaine
Budlender    Buckingham    Tubb
Cagle    Canady    Tucker
Carmichael    Capito    Turner
Carroll    Carnahan    Tubb
Carr    Caskey    Turner
Carter    Carter    Turley
Cartwright    Cartwright    Tunney
Cavazos    Catlett    Torres
Cato    Clapp    Tubb
Carter    Cawthorn    Tubb
Chaffetz    Chabot    Tubb
Chestney    Chaffetz    Tubb
Cobb    Chabot    Tubb
Collins    Chaffetz    Tubb
Cole    Chaffetz    Tubb
Coles    Chaffetz    Tubb
Cone    Clapp    Tubb
Coffey    Cole    Tubb
Cooksey    Cole    Tubb
Crowley    Cole    Tubb
Cox    Cole    Tubb
Craige    Cole    Tubb
Crenshaw    Cole    Tubb
Culberson    Cole    Tubb
Cunningham    Cole    Tubb

Duncan    Johnson (CT)    Pombo

Shadegg    Shaw    Sherwood
Shuster    Shuster    Shuster
Skelton    Skelton    Skelton
Skeen    Smith (MI)    Skelton
Slover    Smith (TX)    Smith (TX)
Snyder    Snyder    Snyder
Souder    Souder    Souder
Sterns    Sterns    Sterns
Stump    Stump    Stump
Stuyvesant    Stuyvesant    Stuyvesant
Thier    Thomas    Thomas
Thurman    Thomas    Thomas
Thurman    Thomas    Thomas

H459

MESSRS. MATHESON, MOORE, SANDERS, ABERCROMBIE, GEORGE MILLER of California, DeFazio, Mrs. JOHNSON of Connecticut, Messrs. SNYDER, ROEMER, KIND, Ms. JACKSON-LEE of Texas, and Mr. CONDIT changed their vote from “no” to “aye.” So the amendment was agreed to.

The vote was announced as above recorded.

The CHAIRMAN pro tempore. The amendment in the nature of a SUBSTITUTE, as above recorded.

Mr. NEY, Mr. Chairman, as the designee of the gentleman from Texas (Mr. ARMED), I offer an amendment in the nature of a substitute.

Mr. FATTAH. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 232, noes 196, not voting 7, as follows:

(A) SHORT TITLE.—This Act may be cited as the “Campaign Reform and Citizen Participation Act of 2002.”

(B) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

1. SHORT TITLE; TABLE OF CONTENTS.

2. CONGRESSIONAL RECORD—HOUSE

3. SEC. 401. EFFECTIVE DATE.

4. SEC. 302. DISCLOSURE OF INFORMATION ON TARGETED LIST.

5. SEC. 204. EXEMPTION OF COSTS OF VOLUNTEER ACTIVITY.

6. SEC. 203. TREATMENT OF CONTRIBUTIONS TO NATIONWIDE POLITICAL PARTIES.

7. SEC. 202. INCREASE IN LIMITS ON CONTRIBUTIONS.

8. SEC. 201. INCREASE IN LIMITS ON CERTAIN CONTRIBUTIONS.

9. SEC. 1. SHORT TITLE; TABLE OF CONTENTS.

10. TITLE I—SOFT MONEY OF NATIONAL PARTIES.

11. TITLE II—MODIFICATION OF CONTRIBUTION LIMITS.

12. TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS.

13. TITLE IV—EFFECTIVE DATE.

14. TITLE I—SOFT MONEY OF NATIONAL PARTIES.

15. SEC. 101. RESTRICTIONS ON SOFT MONEY OF NATIONAL POLITICAL PARTIES.

16. Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. sec. 431 et seq.) is amended by adding at the end the following new section:

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“SOFT MONEY OF NATIONAL POLITICAL PARTIES

Sec. 323. (a) Prohibiting Use of Soft Money for Federal Election Activity.—A national committee of a political party (including a national congressional campaign committee or a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value for Federal election activity, or for any funds for Federal election activity, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

(b) Limit on Amount of Nonfederal Funds Provided to Party by Any Person for Any Purpose.—

(1) Limit on Amount.—No person shall make contributions, donations, or transfers of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party in any calendar year in an aggregate amount equal to or greater than $25,000.

(2) Prohibiting Provision of Nonfederal Funds by Individuals.—No individual may make any contribution, donation, or transfer of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party.

(c) Applicability.—This subsection shall apply to any political committee established and maintained by a national political party, any officer of such a committee acting on behalf of the committee, and any entity that is directly or indirectly established, maintained, or controlled by such a national committee.

(d) Definitions.—

(i) Federal Election Activity.—

(A) In General.—The term “Federal election activity” means any activity that does not include any broadcast, cable, or satellite communication.

(B) Exception for Certain Administrative or Media Costs.—The term “Federal election activity” does not include any activity relating to establishment, administration, solicitation costs of a political committee established and maintained by a national political party, so long as the funds used to carry out the activity are derived from funds or payments made to the committee which are separately and exclusively to defray the costs of such activities.

(ii) Generic Campaign Activity.—The term “generic campaign activity” means any activity of a political party that is not the authorized political party of a political candidate.

(3) Public Communication.—The term “public communication” means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, or direct mail.

(d) Direct Mail.—The term “direct mail” means a mailing by a commercial vendor or any mailing service.

(ii) TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

§ 201. INCREASE IN LIMITS ON CERTAIN CONTRIBUTIONS

(a) Contributions by Committees to National Parties.—Section 313(a)(2)(B) of such Act (2 U.S.C. 441a(a)(2)(B)) is amended by striking “$15,000” and inserting “$30,000.”

(b) Contributions by Individuals.—Section 313(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking “$25,000” and inserting “$37,500.”

(ii) SEC. 202. INCREASE IN LIMITS ON CONTRIBUTIONS TO STATE PARTIES

(a) Contributions by Individuals.—Section 313(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking “or” at the end;

(2) in subparagraph (C)—

(A) by inserting “(other than a committee described in subparagraph (D))” after “committee”;

(B) by striking the period at the end and inserting “;”;

and

(C) by striking “or” at the end;

(2) in subparagraph (C), by inserting “(other than a committee described in subparagraph (D))” after “committee”;

(3) by adding at the end the following:

“(D) a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $100,000.”;

(b) Contributions by Committees.—Section 313(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking “or” at the end;

(2) in subparagraph (C)—

(A) by inserting “(other than a committee described in subparagraph (D))” after “committee”;

(B) by striking the period at the end and inserting “;”;

and

(C) by adding at the end the following:

“(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $100,000.”;

(ii) in subparagraph (C)

(A) by striking “or” at the end;

(B) by striking the period at the end and inserting “;”;

and

(C) by adding at the end the following:

“(D) a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $100,000.”;

(SE) SEC. 203. TREATMENT OF CONTRIBUTIONS TO NATIONAL PARTIES UNDER AGGREGATE ANNUAL LIMIT ON INDIVIDUAL CONTRIBUTIONS

Section 313(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended—

(1) by striking “3(1)” and inserting “3(3)(A)” and

(2) by adding at the end the following new subparagraph:

“(B) Subparagraph (A) shall not apply with respect to any contribution made from a political committee established and maintained by a national political party which is not the authorized political committee of any candidate.

(i) SEC. 204. EXEMPTION OF COSTS OF VOLUNTEER CAMPAIGN MATERIALS PRODUCED AND DISTRIBUTED BY PARTIES FROM TREATMENT AS CONTRIBUTIONS AND EXPENDITURES

(a) Treatment as Contributions.—Section 301(b)(8)(B) of such Act (2 U.S.C. 431(b)(8)(B)) is amended by striking “State or local committee of a political party” and inserting “a national, State, or local committee of a political party.”

(b) Treatment as Expenditures.—Section 301(b)(9)(B)(viii) of such Act (2 U.S.C. 431(b)(9)(B)(viii)) is amended by striking “a State or local committee of a political party” and inserting “a national, State, or local committee of a political party.”

(ii) SEC. 205. WAIVER OF LIMITS ON CONTRIBUTIONS TO ACCOUNTS

Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441c(a)) is amended—

(1) in paragraph (1)–

(A) by striking the second and third sentences;

(B) by inserting “(A) before “At the beginning’;”;

and

(C) by adding at the end the following:

“(B) Except as provided in subparagraph (C), in any calendar year after 2002—

(1) a limitation established by subsections (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A); and

(ii) each amount so increased shall remain in effect for the calendar year; and

(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

“(C) In the case of limitations under subsections (a) and (b), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the term preceding the year in which the amount is increased and ending on the date of the next general election;”;

and

(2) in paragraph (2)(B), by striking “means the calendar year 1974” and inserting “means—

(1) for purposes of subsections (b) and (d), calendar year 1974; and

(ii) for purposes of paragraphs (a) and (b), calendar year 2001.”

(iii) SEC. 206. PERMITTING NATIONAL PARTIES TO ESTABLISH ACCOUNTS FOR MAKING EXPENDITURES IN EXCESS OF LIMITS ON BEHALF OF CANDIDATES FACING WEALTHY OPPOSITION

(a) Establishment of Accounts.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding—

“(4)(A) Subject to subparagraph (B), the national committee of a political party may make expenditures in connection with the general election campaign of a candidate for Federal office (other than a candidate for President) who is affiliated with such party in an amount in excess of the limit established under paragraph (3) if—

(i) the candidate’s opponent in the general election campaign makes expenditures of personal funds in connection with the campaign in an amount of $100,000 (as provided in the notifications submitted under section 304(a)(6)(B)); and

(ii) the expenditures are made from a separate account of the party used exclusively for making expenditures pursuant to this paragraph.

(b) The amount of expenditures made in accordance with subparagraph (A) by the national committee of a political party in connection with the general election campaign of a candidate may not exceed the amount of expenditures of personal funds made by the candidate’s opponent in connection with the campaign (as provided in the notifications submitted under section 304(a)(6)(B)).

(2) The amount of expenditures made in accordance with subparagraph (A) by the national committee of a political party in connection with the general election campaign of a candidate may not exceed the amount of expenditures of personal funds made by the candidate’s opponent in connection with the campaign (as provided in the notifications submitted under section 304(a)(6)(B)).

The limitations imposed by paragraphs (1)(B), (2)(B), and (3) shall not apply
with respect to contributions made to the national committee of a political party which are designated by the donor to be deposited solely into the account established by the national committee (subsection (d)(4)).

(c) Notification of Expenditures of Personal Funds.—Section 304(a)(6) of such Act (2 U.S.C. 434) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following new subparagraph:

"(B)(1) The principal campaign committee of a candidate (other than a candidate for President) shall submit the following notification to the Commission of any personal funds by such candidate (including contributions by the candidate or the candidate's spouse or the candidate's parents or other family members) and funds derivable from loans made by the candidate or the candidate's spouse to such committee:

"(i) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended (or contributed) with respect to an election exceeds $100,000.

"(ii) After the notification is made under clause (i), a notification of each such subsequent expenditure (or contribution) which, taken together with all such subsequent expenditures (or contributions) in any amount not included in the most recent report under this subparagraph, totals $5,000 or more.

"(iii) Each of the notifications submitted under clause (i)—

(A) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made;

(B) shall include the name of the candidate, the office sought by the candidate, and the name of the person to whom and the amount of the expenditure or contribution involved; and

(C) shall include the total amount of all such expenditures and contributions made with respect to the same election as of the date of expenditure or contribution which is the subject of the notification.

III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

SEC. 301. DISCLOSURE OF INFORMATION ON COMMUNICATIONS BROADCAST PRIOR TO ELECTION.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

"(e) Disclosure of Information on Certain Communications Broadcast Prior to Election:

"(1) In General.—Any person who makes a disbursement for a communication described in paragraph (3) shall, not later than 24 hours after making the disbursement, file with the Commission a statement containing the information required under paragraph (2).

"(2) Contents of Statement.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

(A) Description of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the political committee, organization, or corporation solely to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office;

(B) The principal place of business and phone number of the person making the disbursement, if not an individual;

(C) The amount of the disbursement;

(D) The clearly identified candidate or candidates to which the communication pertains or to whom the disbursements are made if the candidate(s) is(are) identified or to be identified in the communication;

(E) The text of the communication involved;

(F) Communications Described.—(A) In general.—A communication described in this paragraph is any communication—

(i) which is disseminated to the public by means of any broadcast, cable, or satellite communication service, or other means of communication, to an aggregate audience of more than 1,000 persons in a 24-hour period ending on the date of a Federal election; and

(ii) which mentions a clearly identified candidate for election by name, image, or likeness;

(B) Exception.—A communication is not described in this paragraph if—

(i) the communication is a contribution (as defined in section 310(f) of this Act) to a political party, political committee, or candidate; or

(ii) the communication constitutes an expenditure under this Act.

(G) Coordination with Other Requirements.—Any requirement to file a statement under this subsection shall be in addition to any other reporting requirement under this Act.

(H) Clarification of Targeted Mass Communications.—

(1) In General.—Any person who makes a disbursement for a targeted mass communication in an aggregate amount in excess of $5,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

(2) Contents of Statement.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

(A) Identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement;

(B) The principal place of business and phone number of the person making the disbursement, if not an individual;

(C) The amount of the disbursement;

(D) The clearly identified candidate or candidates to which the communication pertains or the names (if known) of the candidates identified or to be identified in the communication;

(E) The text of the communication involved;

(F) Targeted Mass Communication Defined.—

(A) In general.—In this subsection, the term ‘targeted mass communication’ means any communication—

(i) which is disseminated during the 120-day period ending on the date of a Federal election;

(ii) which refers to or depicts a clearly identified candidate for such election by name, image, or likeness; and

(iii) which is targeted to the relevant electorate.

(B) Targeting to Relevant Electorate.—

(1) Broadcast Communications.—For purposes of this paragraph, a communication disseminated to the public by means of any broadcast, cable, or satellite communication which refers to or depicts a clearly identified candidate for Federal election is ‘targeted to the relevant electorate’ if the communication is disseminated by a broadcaster whose audience includes—

(i) a substantial number of residents of the district to which the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

(ii) a substantial number of residents of the State the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Senator.

(2) Other Communications.—For purposes of this paragraph, a communication which is not described in this paragraph but which refers to or depicts a clearly identified candidate for Federal office is ‘targeted to the relevant electorate’ if—

(i) more than 10 percent of the total number of intended recipients of the communication are members of the electorate involved with respect to such Federal office; or

(ii) more than 10 percent of the total number of members of the electorate involved with respect to such Federal office receive the communication.

(C) Exceptions.—The term ‘targeted mass communication’ does not include—

(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

(ii) a communication made by any membership organization (including a labor organization or corporation solely to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office; or

(iii) a communication which constitutes an expenditure under this Act.

(D) Disclosure Date.—For purposes of this subsection, the term ‘disclosure date’ means—

(A) the first date during any calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000; and

(B) any other date during such calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000 since the most recent disclosure date for such calendar year.

(E) Coordination with Other Requirements.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.
TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Ohio (Mr. NEY) and the gentleman from Maryland (Mr. HOYER) each will control 10 minutes.

The Chair recognizes the gentleman from Ohio (Mr. NEY). Mr. NEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is the Ney-Wynn amendment, and this will be the last chance tonight, and this is not a poison pill. This amendment embodies campaign finance reform principles that respect our Constitution. It does not seek to punish or discourage those citizens who exercise their constitutional rights to participate in the political process.

This amendment bans the national parties from raising or using soft money for Federal election activities, including broadcast issue advertising. However, it would permit the national parties to continue to raise and use soft dollars for targeted mass communications, which I believe we all know is important, and get-out-the-vote activities. The parties would also preserve the right to use such funds for fund-raising and overhead expenses.

The principal complaint leveled against so-called soft money is that it is unlimited and unregulated. This amendment addresses that complaint by limiting it and regulating it. With the passage of this amendment, no donor could contribute an amount over $20,000 to any political committee. As I previously indicated, the use of the funds would be restricted to certain activities.

Shays-Meehan does absolutely nothing to restrict how unions and corporations spend unlimited amounts of soft money communicating with their members, soliciting those members for contributions and engaging in such political activities as registering voters and getting out the vote. Shays-Meehan would not stop these groups from using their soft dollars in this way. What Shays-Meehan does is prevent the national parties from using so-called soft dollars in a similar fashion.

I really do not think we should restrict the ability of our parties, the existing parties and any parties that want to rise up and blossom in our country, from registering and getting voters to the polls while leaving unions and corporations free to do so without restriction. Hamstringing our parties, and thereby enhancing the power of unions and corporations, does not accomplish the stated goal of some to reduce the power of the special interests. I think we are making our parties stronger, not weaker.

There is no rationale for denying our national parties access to funds that we are willing to allow States to receive. The principal difference between this amendment and the bill before us is that this amendment would allow the national parties to raise some soft dollars, while the Shays bill would allow only the State and local parties to do so. There is then a second bill that allows soft money and a second bill that bans it. I think that is perfectly clear tonight. Shays-Meehan, as we know, has soft money. Both the Shays bill and this amendment permit limited soft money. This amendment simply says if we are going to allow the State parties to accept soft dollars, we ought to allow the national parties to do the same.

Members need to be aware that the contribution limits in this amendment have been significantly reduced in comparison to the previous amendment we had in the summer. Inflated claims about the usual amounts of money that could be donated under this amendment do not apply to this amendment as it is drafted.

It has to be pointed out there are thousands of State and local parties, and there are six national parties to which the contributions can be given. So if you support the underlying bill, but oppose this amendment, you are basically saying it is perfectly acceptable for millions of dollars to a multitude of State and local parties, but it is somehow corrupt for them to give a limited amount to six national party interests. There is no logical reason that I can find for this distinction.

This amendment also provides for increased disclosure, which we all want, for targeted mass communications.

Having described what is in the amendment, I take a moment to describe what is not in it and why. Most importantly, this amendment does not seek to ban issue advocacy. Twenty-five years of court decisions, from the Supreme Court on down, have made it perfectly clear that our Constitution does not permit the Federal Government to regulate issue advertisements.

Our first amendment protects the right of every American to speak out on issues of public concern, and it has been that way since the creation of this Nation. Politicians may want to use the power of government to attempt to regulate that speech, which is what Shays-Meehan does, but I do not believe we should participate in that endeavor.

Real campaign finance reform encourages citizen participation. Real campaign finance reform protects our cherished rights to freely speak and associate. Real campaign finance reform preserves the important role our political parties play in our democracy. This amendment accomplishes these goals.

I want to thank the gentleman from Maryland (Mr. WYNN) for drafting this amendment and supporting it. I urge support of the amendment.

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

Mr. HOYER. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. THORNBERRY) be accorded 5 minutes of my time.

Mr. THORNBERRY. It is understood that the gentleman from Connecticut (Mr. THORNBERRY) will make only an opening statement.

There was no objection.

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to this amendment. The chairman of this committee, as I have said in the past, has been, in my opinion, as good a chairman as I could possibly work with on the Committee on House Administration. He is open, he is fair, he is a pleasure to work with. We have worked very closely on election reform.

This House overwhelmingly passed election reform. It is now in the Senate. Hopefully, the Senate, very soon, we will have a conference, and we will have a bill that we can all be very proud of. We agreed on that legislation. The gentleman made compromises; I made compromises.

On campaign finance reform, however, we have differed. Essentially it has been his position to oppose the Shays-Meehan alternative. In fact, the Shays-Meehan alternative could not be approved by his committee. In my view, the Ney-Wynn amendment, which was changed last night, as I understand it, to reduce the limits, but, nevertheless, still has soft-money payments to the national committees, is in effect Shays-Meehan extraordinarily light, and in fact does not cover most of what Shays-Meehan covers. Furthermore, notwithstanding the reduction in the $75,000 to $20,000, it still provides for very, very, very substantial payments of soft money to various party committees, substantially more than does Shays-Meehan.

So if you want real campaign finance reform, you need to defeat this amendment, pass a motion to recommit, and pass Shays-Meehan finally and send it to the Senate, and then hopefully soon thereafter to the President of the United States for signature.

Mr. Chairman, I would say to my colleagues, we are coming to the end of this hearing. We have defeated almost all of the amendments that were designed to undermine and defeat Shays-Meehan. We have one more step to take. I urge my colleagues to take it.
Mr. Chairman, I reserve the balance of my time.

Mr. NEY. Mr. Chairman, I yield 3 minutes to my distinguished colleague, the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Chairman, I thank the gentleman for yielding me time. Let me initially say it has been a pleasure working with him. He has been very responsive to a wide variety of points of view, and he has tried to craft a compromise.

I have to say tonight that I am always very disturbed when I hear people say our way is the only way, whether it comes from a so-called re-free enterprise or from some sort of fanatic or whether it comes from a so-called re-former. The fact of the matter is that politics is the art of compromise, and we, in working with the Ney-Wynn amendment, have tried to fashion a serious compromise.

Let me say a word about soft money. Under the current law it is reported in today's paper the top 10 contributors have given between $1.3 million and $3.6 million. Under Ney-Wynn, we first said $75,000 per contributor to the national party. In the spirit of compromise, we reduced that significantly down to $20,000 per contributor to the national party. I do not think anyone can say that this is not a significant reduction in soft money or a legitimate attempt to address the concerns, nor a legitimate attempt at compromise.

In addition to that, we limited the use of the money. People said we are concerned about national party attack ads. We said national parties can run ads. But we do say the soft dollars, this limited amount of soft dollars, can be used for legitimate party-building activities, that political parties ought to be able to do voter registration, get-out-the-vote activities. Those are the only uses for the limited amount of soft money used in this bill, legitimate party-building.

I note particularly that minorities, African Americans, Hispanics and others, are their voter registration; and as members of the two national parties, we feel it is very important that there be funds available for these get-out-the-vote activities, voter outreach activities. So, again, we believe the Ney-Wynn approach is a better compromise.

On the subject of the first amendment, we do not restrict advocacy groups in terms of broadcast ads during the first 30 days before the election. That is when the voters should be paying the most attention, should be needing the most information. We want people to be able to provide that information. We do not want to infringe upon their first amendment rights; and we, under Ney-Wynn, do not interfere with those rights.

Finally, we do not interfere with State parties. There has been no hearings, no evidence, to suggest that State parties are not competent to regulate their own campaign financing. Ney-Wynn says let State parties regulate State party activities. There is no reason to federalize campaign fund-raising at the State level.

We believe this is a fair compromise addressing soft money, party building, first amendment rights and protecting the interests of the States. We do not feel we have to be stumped into voting for my-way-or-the-highway legislation just to avoid a conference committee. Every other piece of legislation that comes through this body goes to conference and we work it out. This House has the right to work its will and send it through a thoughtful compromise. I believe that is Ney-Wynn, and I urge its adoption.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume. Let me first say, Mr. Chairman, you have been an extraordinary person at the helm, and I thank you for the graciousness you have shown to both sides.

I would also like to extend my gratitude to the gentleman from Illinois (Mr. LAHOOD) for the way he did it previously to you. It has been a long, long, long, long day.

Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. HOUGHTON).

Mr. HOUGHTON. Mr. Chairman, I will make this brief. I am opposed to this amendment. I am for the Shays-Meehan approach, and I will tell you for three reasons.

First of all, we have a financial crisis in this country augmented by Enron and Arthur Andersen. Somehow we have got to get the credibility in the system back again. Frankly, I think the Shays-Meehan approach will help us in a political way, not just in an economic way.

Secondly, I remember when I first got interested in Republican politics, when Ronald Reagan came in. There was no soft money. We did not use that then. There was no necessity for it. It worked perfectly under the old rules. I think we ought to go back to those rules.

The third reason is this: When I was in business, we never, never, never used PACs. I have a lot of people that want to participate in this business. I believe the President will sign this bill, and I think this will be an important step in restoring the public trust. To my friends over here, I may be wrong, but I think we will be better off because we will all be better off and our country will be better off.

The CHAIRMAN pro tempore. The gentleman from Ohio (Mr. NEY) has 1½ minutes remaining; the gentleman from Maryland (Mr. HOYER) has 2½ minutes remaining and the right to close.

Mr. NEY. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, we have heard all day about "sham issue ads" that are really just attack ads designed to influence
the election. It is said that these ads have ‘undermined the intent’ of the 1974 Federal Election Campaign Act which was supposed to regulate campaign-related expenditures. I will tell my colleagues something, I am not too concerned about what the Democrats who went to Congress in 1974 intended when they wrote the Federal Election Campaign Act. I am concerned about what the founders of this country intended when they wrote the Bill of Rights in 1791. I urge my colleagues to consider something. Imagine if King of England concerned about what the founders of this Election Campaign Act. I am con-
tended when they wrote the Federal which was supposed to regulate cam-
tleman from Connecticut (Mr. S HAYS).

Whether we agree or disagree with ei-
thing has been a big misunderstanding.

Mr. HOYER. Mr. Chairman, I yield the bal-
ance of my time to the gentleman from Mas-
sly. As I said at the begin-
ning, if we adopt this amend-
ment, we essentially start over. At
least eight times we have made a de-
termination not to do this. This is the
nth time. Let us once again say that we are
prepared to move. We are prepared to act. We are prepared to take a
step in reforming campaign finance re-
form. We are prepared to take a step to
raise the confidence of Americans that
their representatives, their govern-
ment, their policies that are adopted by
all of us are theirs.

This is an historic night. Rarely do we
have the opportunity to vote on such
significant historical change. I ask my
colleagues to vote “no” on Ney-Wynn and to vote “yes” for final
passage of Shays-Meehan.

Mr. Chairman, I yield back the bal-
ance of my time.

The CHAIRMAN pro tempore. The ques-
tion is on the amendment in the
ature of a substitute offered by
the gentleman from Ohio (Mr. NEY).

The question was taken; and the
ayes appeared to have it.

Mr. HOYER. Mr. Chairman, I demand
for final
ayes 181, noes 248, —

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So the amendment in the nature of a substitute was rejected.
The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. THORNBERY). There being no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HASTINGS of Washington), having assumed the chair, Mr. THORNBERY, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 2356, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform, pursuant to House Resolution 344, he reported the bill, as amended by the final adoption of the amendment in the nature of a substitute numbered 9 pursuant to that rule, back to the House with sundry further amendments adopted by the Committee of the Whole.
The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.
The amendments were agreed to.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the engrossment and third reading of the bill.
The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMEND OFFERED BY MR. MEEHAN

Mr. MEEHAN. Mr. Speaker, I offer a motion to recommit.
The SPEAKER pro tempore. Is the gentleman opposed to the motion?

Mr. MEEHAN. In its current form.
The SPEAKER pro tempore. The Clerk will report the amendment.
The Clerk reads as follows:

Mr. MEEHAN moves to recommit the bill H.R. 2356 to the Committee on House Administration with instructions to report the same back to the House forthwith with the following amendment:

Amend section 402(b)(1) to read as follows:

(1) Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date, so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002 (or any runoff election or recount resulting from an election in 2002) and so long as such debts or obligations were not incurred for any Federal election expenditures under such Act (“hard money” activities).

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. MEEHAN) is recognized for 5 minutes.

Mr. MEEHAN. Mr. Speaker, I have a motion to recommit the bill to the Committee on House Administration forthwith with instructions to clarify language related to the effective date, specifically how national parties may spend soft money on hand after November 6.

It was clearly our intent that such soft money could not be used to pay off hard money debt. In fact, I continue to believe our language accomplishes that. However, others have argued that the language was ambiguous on this issue. Accordingly, this motion to recommit would make it crystal clear that the national parties could not use any leftover soft money to pay off hard debt. I ask that the Members who so kindly pointed this out to us join me in voting for this motion.

In addition to that, as we end this debate, I want to thank all the Members for their cooperation, including the gentleman from Ohio (Mr. NEY), last night and also this morning. I want to thank all the courageous members of our bipartisan coalition. I want to thank the minority leader and the minority whip. I want to thank all the Members who signed the discharge petition. And, lastly, I want to thank my partner in this effort, the leader of our minority whip. I want to thank all the Members for their cooperation in this most difficult but historic occasion.

Mr. Speaker, I yield back the balance of my time.
The SPEAKER pro tempore. Who seeks time in opposition?

Mr. NEY. Mr. Speaker, pursuant to the rule, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.
The motion to recommit was agreed to.

Mr. NEY. Mr. Speaker, pursuant to the instructions of the House on the motion to recommit, and on behalf of the Committee on House Administration, I report the bill, H.R. 2356, back to the House with an amendment.
The SPEAKER pro tempore. The Clerk will report the amendment.
The Clerk reads as follows:

Amend section 402(b)(1) to read as follows:

(1) Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date, so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002 (or any runoff election or recount resulting from an election in 2002) and so long as such debts or obligations were not incurred for any Federal election expenditures under such Act (“hard money”) activities.

Mr. HOYER (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.
The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.
The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.
The bill was ordered to be engrossed and read a third time, and was read the third time.
The SPEAKER pro tempore. The question is on the passage of the bill.
The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HOYER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.
The vote was taken by electronic device, and there were—aye 240, noes 189, not voting 6, as follows:

[Roll No. 34]
CONGRESSIONAL RECORD — HOUSE  

February 13, 2002

COMMUNICATION FROM DISTRICT AIDE TO HON. JOHN SHIMKUS, MEMBER OF CONGRESS

The Speaker pro tempore laid before the House the following communication from Angie Merriman, District Aide to the Honorable John Shimkus, Member of Congress:

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, February 8, 2002.  
Hon. J. DENNIS HASTERT, Speaker, House of Representatives,  
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a subpoena for testimony issued by the United States District Court for the Central District of Illinois in a criminal case pending there.

After consultation with the Office of General Counsel, I have determined that it is consistent with the precedents and privileges of the House to comply with the subpoena.

Sincerely,
ANGIE MERRIMAN,  
District Aide to Congressman John Shimkus.

Special Orders Granted

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

To: The following Member (at the request of Mr. McNulty) to revise and extend her remarks and include extraneous material:

Mrs. Mink of Hawaii, for 5 minutes, today.

The following Member (at the request of Mr. Reynolds) to revise and extend his remarks and include extraneous material:

Mr. Shimkus, for 5 minutes, February 14.

Enrolled Bill Signed

Mr. Trandahl, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which were thereupon signed by the Speaker:

H.R. 2996. An act to authorize the establishment of Radio Free Afghanistan.

Bill Presented to the President

Jeff Trandahl, Clerk of the House reports that on February 13, 2002 he presented to the President of the United States, for his approval, the following bill: H.J. Res. 82. Recognizing the 91st birthday of Ronald Reagan.

Adjournment

Mr. McNulty. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to: accordingly (at 2 o’clock and 45 minutes a.m.), the House adjourned until today, Thursday, February 14, 2002, at 10 a.m.
Wednesday, February 13, 2002

Daily Digest

HIGHLIGHTS

Senate passed H.R. 2646, Farm Aid bill.

The House passed H.R. 2356, Bipartisan Campaign Reform Act.

Senate

Chamber Action

Routine Proceedings, pages S675–S792

Measures Introduced: Eight bills and three resolutions were introduced, as follows: S. 1937–1944, S. Res. 208–209, and S. Con. Res. 97.

Measures Reported:

- S. 1857, to Encourage the Negotiated Settlement of Tribal Claims, with an amendment in the nature of a substitute.
- S.J. Res. 31, suspending certain provisions of law pursuant to section 258(a)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985.

Measures Passed:

Farm Aid: By 58 yeas to 40 nays (Vote No. 30), Senate passed H.R. 2646, to provide for the continuation of agricultural programs through fiscal year 2011, after striking all after the enacting clause and inserting in lieu thereof the text of S. 1731, Senate companion measure, and after taking action on the following amendments proposed thereto:

Adopted:

- By a unanimous vote of 98 yeas (Vote No. 27), Reid (for Conrad) Amendment No. 2857 (to Amendment No. 2471), to express the Sense of the Senate that no Social Security surplus funds should be used to pay to make currently scheduled tax cuts permanent or for wasteful spending.
- By 56 yeas to 42 nays (Vote No. 28), Lugar (for Kyl/Nickles) Amendment No. 2850 (to Amendment No. 2471), to express the Sense of the Senate that the repeal of the estate tax should be made permanent by eliminating the sunset provision's applicability to the estate tax.
- Harkin (for Kerry/Snowe) Amendment No. 2852 (to Amendment No. 2471), to provide emergency disaster assistance for the commercial fishery failure with respect to Northeast multispecies fisheries.
- Harkin/Lugar Amendment No. 2859 (to Amendment No. 2471), to make certain improvements to Farm Aid.

Rejected:

- Daschle (for Harkin) Amendment No. 2471, in the nature of a substitute.
- Lugar (for Domenici) Modified Amendment No. 2851 (to Amendment No. 2471), to require the Secretary of Agriculture to make payments to milk producers. (By 56 yeas to 42 nays (Vote No. 29), Senate tabled the amendment.)

During consideration of this measure today, Senate also took the following action:

- Daschle motion to reconsider the vote (Vote No. 377—107th Congress, 1st Session) by which the second motion to invoke cloture on Daschle (for Harkin) Amendment No. 2471 (listed above) was not agreed to, fell when H.R. 2646, listed above, was passed.
- Pursuant to the order of February 7, 2002, Senate insisted on its amendment and requested a conference with the House thereon.
- Also, pursuant to the order of February 7, 2002, S. 1731 was returned to the Senate calendar.

Capitol Rotunda Holocaust Ceremony: Senate agreed to H. Con. Res. 325, permitting the use of the rotunda of the Capitol for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust.

Adjournment Resolution: Senate agreed to S. Con. Res. 97, providing for a conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives.

Election Reform: Senate began consideration of S. 565, to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, and to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, taking action on the following amendments proposed thereto:
Adopted:
Smith (NH) Amendment No. 2861 (to Amendment No. 2858), of a perfecting nature.  

Allard Amendment No. 2858, to clarify the standard for invalidation of ballots cast by absent uniformed services voters in Federal elections, to maximize the access of recently separated uniformed services voters to the polls, to prohibit the refusal of voter registration and absentee ballot applications on grounds of early submission, and to distribute copies of the Federal military voter laws to the States.  

Dodd/McConnell Amendment No. 2688, in the nature of a substitute.  

Dodd (for Cantwell) Amendment No. 2874, to treat absentee ballots and mail-in ballots in the same manner as other paper ballot voting systems under the voting systems standards and to ensure that voters are informed how to correct voting errors before a ballot is cast and counted.  

Schumer Amendment No. 2871, to specify how lever voting systems may meet the multilingual voting materials requirement.  

Schumer Amendment No. 2873, to require States and localities to mail a voter registration form to individuals who cast provisional ballots that were not counted.  

A unanimous-consent agreement was reached providing for further consideration of the bill at 10:15 a.m., on Thursday, February 14, 2002.  

Reading of Washington’s Farewell Address: A unanimous-consent agreement was reached providing that, notwithstanding the Resolution of the Senate of January 24, 1901, as modified by the order of February 13, 2002, on Monday, February 25, 2002, immediately following the prayer and the disposition of the Journal, the traditional reading of Washington’s Farewell Address take place, and the Chair, on behalf of the Vice President, was authorized to appoint Senator Corzine to perform this task.  

Budget and Deficit Control—Agreement: A unanimous-consent agreement was reached providing that, at a time to be determined by the Majority Leader, following consultation with the Republican Leader, Senate bein considering of S.J. Res. 31, suspending certain provisions of law pursuant to section 258(a)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985, with a vote to occur on passage of the joint resolution.  

Nominations Confirmed: Senate confirmed the following nominations:  
John L. Howard, of Illinois, to be Chairman of the Special Panel on Appeals.  
Dan Gregory Blair, of the District of Columbia, to be Deputy Director of the Office of Personnel Management.  
Linda Morrison Combs, of North Carolina, to be Chief Financial Officer, Environmental Protection Agency. (Prior to this action, Committee on Environment and Public Works was discharged from further consideration.)  
Morris X. Winn, of Texas, to be an Assistant Administrator of the Environmental Protection Agency. (Prior to this action, Committee on Environment and Public Works was discharged from further consideration.)  

Messages From the House:  
Messages From the House:  
Measures Referred:  
Measures Referred:  
Additional Cosponsors:  
Additional Cosponsors:  
Statements on Introduced Bills/Resolutions:  
Statements on Introduced Bills/Resolutions:  
Amendments Submitted:  
Amendments Submitted:  
Authority for Committees to Meet:  
Authority for Committees to Meet:  
Privilege of the Floor:  
Privilege of the Floor:  
Record Votes: Four record votes were taken today.  
Record Votes: Four record votes were taken today.  
Adjournment: Senate met at 9:30 a.m., and adjourned at 7:28 p.m., until 9:30 a.m., on Thursday, February 14, 2002.  

Committee Meetings  
(Committees not listed did not meet)  

DEFENSE AUTHORIZATION  
Committee on Armed Services: Subcommittee on Personnel concluded hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on active and reserve military and civilian personnel programs, after receiving testimony from David S. C. Chu, Under Secretary of Defense for Personnel and Readiness; Reginald J. Brown, Assistant Secretary of the Army for Manpower and Reserve Affairs; William A. Navas, Jr., Assistant Secretary of the Navy for Manpower and Reserve Affairs; Michael L. Dominguez, Assistant Secretary of the Air Force for Manpower and Reserve Affairs; SMA Jack L. Tilley, USA, Sergeant Major of the Army; SM Alford L. McMichael, USMC, Sergeant Major of the Marine Corps; MCPON James L. Herdt, USN, Master Chief Petty Officer of the Navy; CMSGT Frederick J. Finch, USAF, Chief Master Sergeant of the Air Force; Craig W. Duehring, Principal Deputy Assistant Secretary of Defense for Reserve Affairs; Lt. Gen. Russell C. Davis, ANG, Chief, National Guard Bureau; Maj. Gen. Craig Bambrough, USAF, Deputy Commanding General, U.S. Army Reserve Command; VADM John B. Tunstek, USN, Commander, U.S. Naval Reserve Force; Lt. Gen. James E. Sherrard III, USAF, Chief, Air Force Reserve; and Lt. Gen. Dennis M. McCarthy, USMCR, Commander, Marine Forces Reserve.
HOUSING AND URBAN DEVELOPMENT
BUDGET
Committee on Banking, Housing, and Urban Affairs: Committee concluded hearings to examine the President’s proposed budget request for fiscal year 2003 for the Department of Housing and Urban Development, after receiving testimony from Mel Martinez, Secretary of Housing and Urban Development; Sheila Crowley, National Low Income Housing Coalition, Washington, D.C.; Joseph F. Reilly, JP Morgan Chase Community Development Group, New York, New York, on behalf of the National Association of Affordable Housing Lenders; and Thomas L. Jones, Habitat for Humanity International, Americus, Georgia.

BUSINESS MEETING
Committee on the Budget: Committee ordered favorably reported S.J. Res. 31, suspending certain provisions of law pursuant to section 258(a)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985.

2003 BUDGET
Committee on the Budget: Committee resumed hearings on the President’s proposed budget request for fiscal year 2003 and revenue proposals, focusing on the Department of Defense, after receiving testimony from Paul Wolfowitz, Deputy Secretary of Defense.

EPA 2003 BUDGET
Committee on Environment and Public Works: Committee concluded hearings on the President’s proposed budget request for fiscal year 2003 for the Environmental Protection Agency, after receiving testimony from Christine Todd Whitman, Administrator, Environmental Protection Agency.

BUSINESS MEETING
Committee on Finance: Committee ordered favorably reported an original bill establishing Energy Tax Incentives Act of 2002.

SECTORAL TRADE DISPUTES
Committee on Finance: Committee held hearings to examine sectoral trade disputes concerning lumber and steel, focusing on open and fair competition in international markets, receiving testimony from Grant D. Aldonas, Under Secretary of Commerce for International Trade; Peter Allgeier, Deputy United States Trade Representative; Bobby Rayburn, National Association of Home Builders, Rodger Schlickisen, Defenders of Wildlife, and Jon E. Jenson, Consuming Industries Trade Action Coalition, all of Washington, D.C.; W. J. Wood, Tolleson Lumber Company, Perry, Georgia, on behalf of the Coalition for Fair Lumber Imports; Thomas J. Usher, United States Steel Corporation, and Leo W. Gerard, United Steelworkers of America, both of Pittsburgh, Pennsylvania; Daniel R. DiMicco, Nucor Corporation, Charlotte, North Carolina; Gary C. Hill, National Metalwares, Aurora, Illinois, on behalf of the Emergency Committee for American Trade; and Joseph Cannon, Geneva Steel, Vineyard, Utah.

Hearings recessed subject to call.

HIV/AIDS
Committee on Foreign Relations: Committee concluded hearings to examine bilateral and multilateral responses to halt the spread of HIV/AIDS, focusing on new prevention tools including microbicides, treatment and care of people living with HIV/AIDS, and mitigation of current and future social and economic impacts of the epidemic, after receiving testimony from Tommy G. Thompson, Secretary of Health and Human Services; Andrew Natsios, Administrator, U.S. Agency for International Development; Paula J. Dobriansky, Under Secretary of State for Global Affairs; Peter Piot, UNAIDS, Geneva, Switzerland; Princeton Lyman, Aspen Institute, Washington, D.C., on behalf of the Center for Strategic and International Studies Task Force on HIV/AIDS; Sunanda Ray, Southern Africa HIV/AIDS Information Dissemination Service, Harare, Zimbabwe; and Peter Okaalet, Medical Assistance Program International, Nairobi, Kenya.

DIAMOND TRADE
Committee on Governmental Affairs: Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia concluded hearings to examine the implementation and enforcement of the Kimberly Process Agreement (to ban the source of income from illicit diamonds), after receiving testimony from Senators DeWine, Feingold, and Gregg; John E. Leigh, Ambassador of Sierra Leone to the United States; Joseph H. Melrose, Jr., former U.S. Ambassador to Sierra Leone; Loren Yager, Director, International Affairs and Trade, General Accounting Office; Alan W. Eastham, Special Negotiator for Conflict Diamonds, Bureau of Economic and Business Affairs, Department of State; Timothy Skud, Acting Deputy Assistant Secretary of the Treasury for Regulatory, Tariff, and Trade Enforcement; and James Mendenhall, Deputy General Counsel, U.S. Trade Representative.

GENETIC DISCRIMINATION
Committee on Health, Education, Labor, and Pensions: Committee concluded hearings to examine the existing laws and proposed legislation necessary to protect genetic information, in order to prevent genetic discrimination that may lead to loss of health insurance or employment discrimination, including S. 318/S. 382, to prohibit discrimination on the basis of genetic information with respect to health insurance, after receiving testimony from Cari M. Dominguez, Chairman, Equal Employment Opportunity Commission; Bobby P. Jindal, Assistant Secretary of Health and Human Services for Planning and Evaluation; Debra L. Ness, National Partnership for Women and Families, Joanne L. Hustead,

BUSINESS MEETING
Committee on Indian Affairs: Committee ordered favorably reported S. 1857, to Encourage the Negotiated Settlement of Tribal Claims.

NATIVE AMERICAN HOUSING ASSISTANCE AND SELF-DETERMINATION ACT
Committee on Indian Affairs: Committee concluded oversight hearings on the implementation and reauthorization of the Native American Housing Assistance and Self-Determination Act (NAHASDA), after receiving testimony from Michael Liu, Assistant Secretary of Housing and Urban Development for Office of Public and Indian Housing; Kelsey A. Begaye, Navajo Nation, Window Rock, Arizona; Robert Gauthier, Salish and Kootenai Housing Authority, Pablo, Montana; Chester Carl, Coalition for Indian Housing and Development, Washington, D.C.; and Joe Garcia, National Congress of American Indians, San Juan Pueblo, New Mexico.

BASEBALL ANTITRUST EXEMPTION
Committee on the Judiciary: Committee held hearings to examine the application of federal antitrust laws to Major League Baseball, receiving testimony from Senators Wellstone, Nelson, and Dayton; Florida Attorney General Bob Butterworth, Tallahassee; Minnesota Deputy Attorney General Lori R. Swanson, St. Paul; Robert A. DuPuy, Major League Baseball, and Donald M. Fehr, Major League Baseball Players Association, both of New York, New York; and Stanley M. Brand, Minor League Baseball, Washington, D.C.

Hearings recessed subject to call.

CYBER TERROR ATTACK
Committee on the Judiciary: Subcommittee on Administrative Oversight and the Courts met to receive a briefing on issues surrounding potential threats of cyber terror attacks from Richard A. Clarke, Special Advisor to the President for Cyberspace Security, and Chairman of the President’s Infrastructure Board.

BUSINESS MEETING
Select Committee on Intelligence: Committee met in closed session to consider pending intelligence matters, made no announcements, and recessed subject to call.

House of Representatives

Chamber Action


Pages H365–67

Reports Filed: Reports were filed today as follows:

H. Res. 347, providing for consideration of the Senate Amendments to H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit (H. Rept. 107–359).

Page H365

Speaker Pro Tempore: Read a letter from the Speaker wherein he appointed Representative Culberson to act as Speaker pro tempore for today.

Page H337

Journal Vote: Agreed to the Speaker’s approval of the Journal of Tuesday, Feb. 12 by a yea-and-nay vote of 378 yeas to 40 nays, Roll No. 17.

Pages H337–38

Motion to Adjourn: Rejected the Lewis of Georgia motion to adjourn by recorded vote of 13 ayes to 405 noes, Roll No. 18.

Page H338

Bipartisan Campaign Reform Act: The House passed H.R. 2356, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform by a recorded vote of 240 ayes to 189 noes, Roll No. 34.

Pages H339–H466

Agreed to the Meehan motion to recommit the bill to the Committee on House Administration with instructions to report it back forthwith to the House with an amendment that prohibits any soft money to be used to pay to any debts or obligations incurred for any hard money activities. Subsequently, the Committee on House Administration reported the bill back with the amendment, and the amendment was then agreed to.

Page H465

Agreed To:

Shays amendment in the nature of a substitute No. 9, printed in the Congressional Record of Feb. 12 that bans soft money beginning Nov. 6, 2002 and provides a transition rule for spending funds prior to Jan. 1, 2003 by national parties to retire outstanding debts or obligations (agreed to by a recorded vote of 240 ayes to 191 noes, Roll No. 21);

Pages H393–H411

Green of Texas amendment No. 11, printed in the Congressional Record of Feb. 12 that strikes section 305 which had guaranteed special television media rates for candidates (agreed to by a recorded vote of 327 ayes to 101 noes, Roll No. 23);
Capito amendment No. 10, printed in the Congressional Record of Feb. 12, that increases contribution limits for House candidates in response to personal expenditures by wealthy opponents;  

Wamp amendment No. 12, printed in the Congressional Record of Feb. 12, that increases the contribution limits for House candidates from $1,000 to $2,000 and indexes this amount for inflation in future years (agreed to by a recorded vote of 218 ayes to 211 noes, Roll No. 28);  

Kingston amendment No. 25, printed in the Congressional Record of Feb. 12, that prohibits the use of soft money after the effective date of the ban to defray the costs of the construction or purchase of any office building or facility (agreed to by a recorded vote of 232 ayes to 196 noes, Roll No. 32);  

Rejected:  

Armey amendment in the nature of a substitute No. 13, printed in the Congressional Record of Feb. 12 that sought to ban all soft money activities of parties and candidates (rejected by a recorded vote of 179 ayes to 249 noes, Roll No. 19);  

Ney amendment in the nature of a substitute No. 14, printed in the Congressional Record of Feb. 12 that sought to ban soft money by political parties for Federal election activity, increase contribution limits for political parties and individuals, and define and regulate “express advocacy” communications (rejected by a recorded vote of 53 ayes to 377 noes, Roll No. 20);  

Hyde amendment No. 32, printed in the Congressional Record of Feb. 12, that sought to clarify that nothing may be construed to abridge the freedoms found in the First Amendment to the Constitution, specifically the freedom of speech or of the press, or the right of people to peaceably assemble and to petition the government for a redress of grievances (rejected by a recorded vote of 188 ayes to 237 noes with 1 voting “present”, Roll No. 22);  

Pickering amendment No. 27, printed in the Congressional Record of Feb. 12 that sought to exempt non-candidate communications pertaining to the Second Amendment of the Constitution, the right of individuals to keep and bear arms (rejected by a recorded vote of 209 ayes to 219 noes, Roll No. 24);  

Watts of Oklahoma amendment No. 31, printed in the Congressional Record of Feb. 12, that sought to exempt non-candidate communications pertaining to civil rights and issues affecting minorities (rejected by a recorded vote of 185 ayes to 237 noes, Roll No. 25);  

Sam Johnson of Texas amendment No. 28, printed in the Congressional Record of Feb. 12, that sought to exempt non-candidate communications pertaining to Veterans, Military Personnel, or Seniors (rejected by a recorded vote of 200 ayes to 228 noes, Roll No. 26);  

Combest amendment No. 30, printed in the Congressional Record of Feb. 12, that sought to exempt non-candidate communications pertaining to workers, farmers, families, and individuals (rejected by a recorded vote of 191 ayes to 237 noes, Roll No. 27);  

Emerson amendment No. 33, printed in the Congressional Record of Feb. 12, that sought to ban soft money expenditures by a State, district, or local committee of a political party for Federal election activity (rejected by a recorded vote of 185 ayes to 244 noes, Roll No. 29);  

Wicker amendment No. 34, printed in the Congressional Record of Feb. 12, that sought to ban political contributions in Federal elections by all individuals not citizens or nationals of the United States (rejected by a recorded vote of 160 ayes to 268 noes, Roll No. 30);  

Reynolds amendment No. 29, printed in the Congressional Record of Feb. 12, that sought to change the effective date of the soft money ban to February 14, 2002 and require that any soft money funds unexpended on this date be returned on a pro rata basis to the contributors (rejected by a recorded vote of 190 ayes to 238 noes, Roll No. 31); and  

Ney amendment in the nature of a substitute No. 26, printed in the Congressional Record of Feb. 12, that sought to establish the Campaign Reform and Citizen Participation Act, effective on the date of enactment, to place restrictions on the soft money of national political parties, modify contribution limits, and disclose information on targeted mass communications (rejected by a recorded vote of 181 ayes to 248 noes, Roll No. 33).  

The Clerk was authorized to make technical corrections and conforming changes in the engrossment of the bill.  

H. Res. 344, the rule that provided for consideration of the bill was agreed to on Feb. 12.  


Adjournment: The House met at 10 a.m. and adjourned at 2:45 a.m. on Thursday, Feb. 14.  

Committee Meetings  

REVIEW—AGRICULTURAL RISK PROTECTION ACT IMPLEMENTATION  

Committee on Agriculture: Subcommittee on General Farm Commodities and Risk Management held a hearing to review the implementation of the Agricultural Risk Protection Act. Testimony was heard from Representative Pomeroy; and Phyllis Honor,
Acting Administrator, Risk Management Agency, USDA.

AGRICULTURE, RURAL DEVELOPMENT, FDA AND RELATED AGENCIES APPROPRIATIONS
Committee on Appropriations, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies began appropriation hearings. Testimony was heard from Ann M. Veneman, Secretary of Agriculture.

FOREIGN OPERATIONS, EXPORT FINANCING AND RELATED PROGRAMS APPROPRIATIONS
Committee on Appropriations: Subcommittee on Foreign Operations, Export Financing and Related Programs began appropriation hearings. Testimony was heard from Colin L. Powell, Secretary of State.

LABOR, HHS, AND EDUCATION APPROPRIATIONS
Committee on Appropriations: Subcommittee on Labor, Health and Human Services and Education began appropriation hearings. Testimony was heard from Elaine L. Chao, Secretary of Labor.

TRANSPORTATION APPROPRIATIONS
Committee on Appropriations: Subcommittee on Transportation held a hearing on the Federal Motor Carrier Safety Administration and the Office of Inspector General. Testimony was heard from the following officials of the Department of Transportation: Kenneth M. Mead, Inspector General; and Joseph M. Clapp, Administrator, Federal Motor Carrier Safety Administration.

NATIONAL DEFENSE AUTHORIZATION BUDGET REQUEST
Committee on Armed Services: Continued hearings on the fiscal year 2003 National Defense Authorization budget request. Testimony was heard from the following officials of the Department of the Navy: Gordon R. England, Secretary; Adm. Vern Clark, Chief of Naval Operations; and Gen. James L. Jones, Commandant of the Marine Corps.

ENRON AND BEYOND
Committee on Education and the Workforce: Subcommittee on Employer-Employee Relations held a hearing on “Enron and Beyond: Enhancing Worker Retirement Security.” Testimony was heard from public witnesses.

HISTORICALLY BLACK COLLEGES AND UNIVERSITIES—RESPONDING TO NEEDS
Committee on Education and the Workforce: Subcommittee on Select Education and the Subcommittee on 21st Century Competitiveness held a joint hearing on “Responding to the Needs of Historically Black Colleges and Universities in the 21st Century.” Testimony was heard from public witnesses.

CHALLENGES FACING AMATEUR ATHLETICS
Committee on Energy and Commerce: Subcommittee on Commerce, Trade, and Consumer Protection held a hearing entitled “Challenges Facing Amateur Athletics.” Testimony was heard from Representatives Osborne and Berkley; and public witnesses.

ENRON BANKRUPTCY EFFECTS ON ENERGY MARKETS
Committee on Energy and Commerce: Subcommittee on Energy and Air Quality held a hearing entitled “The Effect of the Bankruptcy of Enron on the Functioning of Energy Markets.” Testimony was heard from the following officials of the Department of Energy: Patrick H. Wood III, Chairman, Federal Energy Regulatory Commission; and Mary Hutzler, Acting Director, Office of Integrated Analysis and Forecasting, Energy Information Administration; James E. Newsome, Chairman, Commodity Futures Trading Commission; Isaac Hunt, Commissioner, SEC; Thomas L. Welch, Chairman, Public Utilities Commission, State of Maine; and public witnesses.

HUD PROPOSED BUDGET
Committee on Financial Services: Subcommittee on Housing and Community Opportunity held a hearing on the proposed budget of the Department of Housing and Urban Development for fiscal year 2003. Testimony was heard from Mel Martinez, Secretary of Housing and Urban Development.

JOE BARBOZA MURDER TRIAL
Committee on Government Reform: Held a hearing entitled “The California Murder Trial of Joe ‘The Animal’ Barboza: Did the Federal Government Support the Release of a Dangerous Mafia Assassin?” Testimony was heard from Marteen Miller, former Public Defender, who represented Joseph Barboza; and the following former officials of the State of California: Ed Cameron, Investigator, Office of the District Attorney, Santa Rosa; and Tim Brown, Detective Sergeant, Office of the Sheriff, Sonoma County.

Hearings continue tomorrow.

COMMUNIST ENTRENCHMENT AND RELIGIOUS PERSECUTION
Committee on International Relations: Subcommittee on International Operations and Human Rights held a hearing on Communist Entrenchment and Religious Persecution in China and Vietnam. Testimony was heard from Michael K. Young, Commissioner, U.S. Commission on International Religious Freedom; and public witnesses.

OVERSIGHT—INDIVIDUAL FISHING QUOTAS
Committee on Resources: Subcommittee on Fisheries Conservation, Wildlife and Oceans held a oversight hearing on Individual Fishing Quotas (IFQs). Testimony was heard from William T. Hogarth, Acting Assistant Administrator, Fisheries, National Marine Fisheries Service, NOAA, Department of Commerce;
Rear Adm. Terry M. Cross, USCG, Assistant Commandant, Operations, U.S. Coast Guard, Department of Transportation; and public witnesses.

MOTION TO CONCUR IN THE SENATE AMENDMENTS WITH AN AMENDMENT TO H.R. 622—HOPE FOR CHILDREN ACT

Committee on Rules: Granted by voice vote, a rule providing for a single motion to be offered by the Chairman of the Committee on Ways and Means or his designee that the House concur in each of the Senate amendments to H.R. 622, Hope for Children Act, with the amendment printed in the Rules Committee report accompanying the resolution. The rule provides one hour of debate in the House equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The rule waives all points of order against consideration of the motion to concur in the Senate amendments with an amendment. Finally, the rule provides that the previous question shall be considered as ordered on the motion to final adoption without intervening motion or demand for division of the question. Testimony was heard from Chairman Thomas and Representatives Rangel, Dooley, and Jackson-Lee.

R&D BUDGET—AN EVALUATION

Committee on Science: Held a hearing on the R&D Budget for Fiscal Year 2003: An Evaluation. Testimony was heard from Jack Marburger, Director, Office of Science and Technology Policy; Rita Covell, Director, NSF; Samuel W. Bodman, Deputy Secretary, Department of Commerce; and Bruce Carnes, Chief Financial Officer, Director, Office of Management, Budget and Evaluation, Department of Energy.

SBA PROPOSED BUDGET

Committee on Small Business: Held a hearing on the Administration’s Proposed Budget for the SBA for Fiscal Year 2003. Testimony was heard from Hector V. Barreto, Jr., Administrator, SBA; and public witnesses.

PORT SECURITY

Committee on Transportation and Infrastructure: Subcommittee on Coast Guard and Maritime Transportation held a hearing on Port Security: Credentials for Port Security. Testimony was heard from Adm. James Underwood, USCG, Director, Office of Intelligence and Security, Department of Transportation; and public witnesses.

OFFICE OF PIPELINE SAFETY REAUTHORIZATION

Committee on Transportation and Infrastructure: Subcommittee on Highways and Transit held a hearing on the Reauthorization of the Office of Pipeline Safety. Testimony was heard from the following officials of the Department of Transportation: Ellen Engelman, Administrator, Research and Special Programs Administration; and Mark Dayton, Deputy Assistant Inspector General, Competition, Economic, Rail and Special Programs; Robert J. Chipkevich, Director, Office of Railroad, Pipeline and Hazardous Materials Investigations, National Transportation Safety Board; and public witnesses.

VA BUDGET PROPOSAL

Committee on Veterans’ Affairs: Held a hearing on the Department of Veterans Affairs Fiscal Year 2003 budget. Testimony was heard from Anthony J. Principi, Secretary of Veterans Affairs; Frederico Juarbe, Jr., Assistant Secretary, Veterans’ Training and Employment, Department of Labor; and representatives of veterans organizations.

HEALTH CARE TAX CREDITS

Committee on Ways and Means: Held a hearing on Health Care Tax Credits to Decrease the Number of Uninsured. Testimony was heard from Mark B. McClellan, member, Council of Economic Advisors; Mark Weinberger, Assistant Secretary, Tax Policy, Department of the Treasury; and public witnesses.

MILOSEVIC TRIAL

Permanent Select Committee on Intelligence: Subcommittee on Intelligence Policy and National Security met in executive session to hold a hearing on the Milosevic Trial. Testimony was heard from departmental witnesses.

SPEAKER—MANDATED REPORT

Permanent Select Committee on Intelligence: Subcommittee on Terrorism and Homeland Security met in executive session to discuss Speaker-mandated Report. Testimony was heard from departmental witnesses.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST of February 12, 2002, p. D90)


COMMITTEE MEETINGS FOR THURSDAY, FEBRUARY 14, 2002

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations: Subcommittee on Transportation, to hold hearings on proposed budget estimates for fiscal year 2003 for the U.S. Coast Guard, 10 a.m., SD–124.

Committee on Armed Services: to hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on the results of the Nuclear Post Review; to be followed by closed hearings (in Room SH–219), 9:30 a.m., SH–216.
Committee on Banking, Housing, and Urban Affairs: to resume oversight hearings to examine accounting and investor protection issues raised by Enron and other public companies, 10 a.m., SD–538.

Committee on the Budget: to continue hearings to examine the President's proposed budget request for fiscal year 2003 and revenue proposals, 10 a.m., SD–608.

Committee on Energy and Natural Resources: Subcommittee on National Parks, to hold hearings on S. 202 and H.R. 2440, to rename Wolf Trap Farm Park for the Performing Arts as “Wolf Trap National Park for the Performing Arts”; S. 1051 and H.R. 1456, to expand the boundary of the Booker T. Washington National Monument; S. 1061 and H.R. 2238, to authorize the Secretary of the Interior to acquire Fern Lake and the surrounding watershed in the States of Kentucky and Tennessee for addition to Cumberland Gap National Historic Park; S. 1649, to amend the Omnibus Parks and Public Lands Management Act of 1996 to increase the authorization of appropriations for the Vancouver National Historic Reserve and for the preservation of Vancouver Barracks; S. 1894, to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park; and H.R. 2234, to revise the boundary of the Tumacacori National Historical Park in the State of Arizona, 2:30 p.m., SD–366.

Committee on Finance: Subcommittee on Long-term Growth and Debt Reduction, to hold hearings to examine Administration’s request to increase the federal debt limit, 10 a.m., SD–215.

Committee on Foreign Relations: to hold hearings to examine the prevention and treatment of the HIV/AIDS crisis in Africa, 2:30 p.m., SD–419.

Committee on Health, Education, Labor, and Pensions: to hold hearings to examine needs of the working poor, 10 a.m., SD–430.

Committee on the Judiciary: Subcommittee on Technology, Terrorism, and Government Information, to hold hearings to examine privacy, identity theft, and protection of personal information in the 21st century, 2:30 p.m., SD–226.

Committee on Veterans’ Affairs: to hold hearings to examine the President’s proposed budget request for fiscal year 2003 for veterans’ programs, 10 a.m., SR–418.

House

Committee on Appropriations, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies, on Office of Inspector General, 9:30 a.m., 2362A Rayburn.

Subcommittee on Defense, on Fiscal Year 2002 Department of Defense Budget Overview, 10 a.m., 2359 Rayburn.

Subcommittee on Labor, Health and Human Services and Education, on Department of Labor-Worker Protection Agencies Panel, 9:45 a.m., 2358 Rayburn.

Subcommittee on Military Construction, on European Command, 9 a.m., H–140 Capitol.

Subcommittee on Transportation, on Office of the Secretary, 10 a.m., 2358 Rayburn.

Committee on the Budget, on Members Day, 10 a.m., 210 Cannon.

Committee on Education and the Workforce, Subcommittee on Select Education, hearing on “Equipping Museums and Libraries for the 21st Century,” 9:30 a.m., 2175 Rayburn.


Subcommittee on Oversight and Investigations, to continue hearings on the Financial Collapse of Enron Corp, 11 a.m., 2322 Rayburn.


Committee on International Relations, Subcommittee on East Asia and the Pacific, hearing on U.S. Interests in East Asia and the Pacific: Problems and Prospects in the Year of the Horse, 10 a.m., 2200 Rayburn.

Committee on the Judiciary, Subcommittee on Courts, the Internet, and Intellectual Property, oversight hearing on the “Federal Trademark Dilution Act,” 10 a.m., 2141 Rayburn.


Subcommittee on National Parks, Recreation and Public Lands, hearing on the following bills: H.R. 1712, to authorize the Secretary of the Interior to make minor adjustments to the boundary of the National Park of American Samoa to include certain portions of the islands of Ofu and Olosega within the park; and H.R. 2957, to provide for the conveyance of certain public land in Clark County, Nevada, for use as a shooting range, 2 p.m., 1334 Longworth.


Committee on Transportation and Infrastructure, Subcommittee on Railroads, hearing on the Amtrak Reform Council’s Restructuring Plan, 2 p.m., 2167 Rayburn.

Subcommittee on Water Resources and Environment, hearing on Agency Budgets and Priorities for Fiscal Year 2003, 10 a.m., 2167 Rayburn.

Permanent Select Committee on Intelligence, Subcommittee on Intelligence Policy and National Security, executive, hearing on Ballistic and Cruise Missile Threats, 10 a.m., H–405 Capitol.

Joint Meetings

Joint Economic Committee: to hold hearings to examine reform of the International Monetary Fund and the World Bank, 10 a.m., 2318 Rayburn Building.
Congressional Record

Next Meeting of the SENATE
9:30 a.m., Thursday, February 14

Senate Chamber

Program for Thursday: After the transaction of any morning business (not to extend beyond 10:15 a.m.), Senate will continue consideration of S. 565, Election Reform.

Next Meeting of the HOUSE OF REPRESENTATIVES
10 a.m., Thursday, February 14

House Chamber

Program for Thursday: Consideration of Senate amendments to H.R. 622, Economic Security and Worker Assistance Act of 2002 (closed rule, one hour of debate).