MARKUP OF H.R. 4975, LOBBYING ACCOUNTABILITY AND TRANSPARENCY ACT OF 2006
THURSDAY, APRIL 6, 2006

HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOUSE ADMINISTRATION,
Washington, DC.

The committee met, pursuant to call, at 2:04 p.m., in room 1310, Longworth House Office Building, Hon. Vernon J. Ehlers (chairman of the committee) presiding.

Present: Representatives Ehlers, Ney, Mica, Doolittle, Reynolds, Miller, Millender-McDonald, and Brady.

Staff Present: George Shevlin, Minority Staff Director; Charles Howell, Minority Chief Counsel; Thomas Hicks, Minority Professional Staff; Matt Pinkus, Minority Professional Staff; and Janelle Hu, Minority Professional Staff; Jeff Janas, Professional Staff Member; Audrey Perry, Counsel; Paul Vinovich, Director of Legislative Operations.

The CHAIRMAN. I would like to call the Committee to order. The Committee is now in order for the purpose of the consideration of H.R. 4975, the Lobbying Accountability and Transparency Act of 2006.

The Committee has received referrals on the following titles and sections: Section 301, in title III, title IV; section 502 in title V, title VI and title VII. Last evening, the House approved the language of Title VI when it adopted H.R. 513 by a vote of 218 to 209.

As I understand, there will be some amendments offered by the Minority today. I had tentatively planned to submit an amendment of my own as well. I have decided instead not to offer it at this time but offer it for consideration of the Rules Committee at some later time.

So the business before us will be to receive the amendments that will be introduced by the Minority, to discuss and dispose of those amendments, and then refer the bill to the Committee on Rules where we will continue.

So the Chair lays before the Committee the bill, H.R. 4975.

[The information follows:]

A BILL To provide greater transparency with respect to lobbying activities, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assemble,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Lobbying Accountability and Transparency Act of 2006”.

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
TITLE I—ENHANCING LOBBYING DISCLOSURE

Sec. 101. Quarterly filing of lobbying disclosure reports.

Sec. 102. Electronic filing of lobbying registrations and disclosure reports.

Sec. 103. Public database of lobbying disclosure information.

Sec. 104. Disclosure by registered lobbyists of past executive branch and congressional employment.

Sec. 105. Disclosure of lobbyist contributions and gifts.

Sec. 106. Increased penalty for failure to comply with lobbying disclosure requirements.

TITLE II—SLOWING THE REVOLVING DOOR

Sec. 201. Notification of post-employment restrictions.


Sec. 203. Wrongfully influencing, on a partisan basis, an entity’s employment decisions or practices.

TITLE III—SUSPENSION OF PRIVATELY-FUNDED TRAVEL; CURBING LOBBYIST GIFTS

Sec. 301. Suspension of privately-funded travel.

Sec. 302. Recommendations on gifts and travel.

Sec. 303. Prohibiting registered lobbyists on corporate flights.

Sec. 304. Valuation of tickets to sporting and entertainment events.

TITLE IV—OVERSIGHT OF LOBBYING AND ENFORCEMENT

Sec. 401. Audits of lobbying reports by House Inspector General.

Sec. 402. House Inspector General review and annual reports.

TITLE V—INSTITUTIONAL REFORMS

Sec. 501. Earmarking reform.

Sec. 502. Frequent and comprehensive ethics training.

Sec. 503. Biennial publication of ethics manual.

TITLE VI—REFORM OF SECTION 527 ORGANIZATIONS

Sec. 601. Short title.

Sec. 602. Treatment of section 527 organizations.

Sec. 603. Rules for allocation of expenses between Federal and non-Federal activities.

Sec. 604. Repeal of limit on amount of party expenditures on behalf of candidates in general elections.

Sec. 605. Construction.

Sec. 606. Judicial review.

Sec. 607. Severability.

TITLE VII—FORFEITURE OF RETIREMENT BENEFITS

Sec. 701. Loss of pensions accrued during service as a Member of Congress for abusing the public trust.

TITLE I—ENHANCING LOBBYING DISCLOSURE

SEC. 101. QUARTERLY FILING REQUIRED.—Section 5 of the Lobbying Disclosure Act of 1995 (in this title referred to as the “Act”) (2 U.S.C. 1604) is amended—

(1) in subsection (a)—

(A) in the heading, by striking “SEMIANNUAL” and inserting “QUARTERLY”;

(B) by striking “45” and inserting “20”;

(C) by striking “the semiannual period” and all that follows through “July of each year” and insert “the quarterly period beginning on the first day of January, April, July, and October of each year”; and

(D) by striking “such semiannual period” and insert “such quarterly period”; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking “semiannual report” and inserting “quarterly report”;

(B) in paragraph (2), by striking “semiannual filing period” and inserting “quarterly period”;
(C) in paragraph (3), by striking “semiannual period” and inserting “quarterly period”; and
(D) in paragraph (4), by striking “semiannual filing period” and inserting “quarterly period”.

(b) CONFORMING AMENDMENTS.—
(1) DEFINITION.—Section 3(10) of the Act (2 U.S.C. 1602) is amended by striking “six month period” and inserting “3–month period”.

(2) REGISTRATION.—Section 4 of the Act (2 U.S.C. 1603) is amended—
(A) in subsection (a)(3)(A), by striking “semiannual period” and inserting “quarterly period”; and
(B) in subsection (b)(3)(A), by striking “semiannual period” and inserting “quarterly period”.

(3) ENFORCEMENT.—Section 6(6) of the Act (2 U.S.C. 1605(6)) is amended by striking “semiannual period” and inserting “quarterly period”.

(4) ESTIMATES.—Section 15 of the Act (2 U.S.C. 1610) is amended—
(A) in subsection (a)(1), by striking “semiannual period” and inserting “quarterly period”; and
(B) in subsection (b)(1), by striking “semiannual period” and inserting “quarterly period”.

(5) DOLLAR AMOUNTS.—
(A) REGISTRATION.—Section 4 of the Act (2 U.S.C. 1603) is amended—
(i) in subsection (a)(3)(A)(i), by striking “$5,000” and inserting “$2,500”;
(ii) in subsection (a)(3)(A)(ii), by striking “$20,000” and inserting “$10,000”;
(iii) in subsection (b)(3)(A), by striking “$10,000” and inserting “$5,000”;
(iv) in subsection (b)(4), by striking “$10,000” and inserting “$5,000”.

(B) REPORTS.—Section 5 of the Act (2 U.S.C. 1604) is amended—
(i) in subsection (c)(1), by striking “$10,000” and “$20,000” and inserting “$5,000” and “$10,000”, respectively; and
(ii) in subsection (c)(2), by striking “$10,000” both places such term appears and inserting “$5,000”.

SEC. 102. ELECTRONIC FILING OF LOBBYING REGISTRATIONS AND DISCLOSURE REPORTS.

(a) REGISTRATIONS.—Section 4 of the Act (2 U.S.C. 1603) in amended—
(1) by redesignating subsection (d) as subsection (e); and
(2) by inserting after subsection (c) the following:
“(d) ELECTRONIC FILING REQUIRED.—A registration required to be filed under this section on or after the date of enactment of the Lobbying Accountability and Transparency Act of 2006 shall be filed in electronic form, in addition to any other form that may be required by the Secretary of the Senate or the Clerk of the House of Representatives. The due date for a registration filed in electronic form shall be no later than the due date for a registration filed in any other form.”.

(b) REPORTS.—Section 5 of the Act (2 U.S.C. 1604) is amended by adding at the end the following:
“(d) ELECTRONIC FILING REQUIRED.—
“(1) IN GENERAL.—A report required to be filed under this section shall be filed in electronic form, in addition to any other form that may be required by the Secretary of the Senate or the Clerk of the House of Representatives. The due date for a report filed in electronic form shall be no later than the due date for a report filed in any other form, except as provided in paragraph (2).
“(2) EXTENSION OF TIME TO FILE IN ELECTRONIC FORM.—The Secretary of the Senate or the Clerk of the House of Representatives may establish a later due date for the filing of a report in electronic form by a registrant, if and only if—
“(A) on or before the original due date, the registrant—
“(i) timely files the report in every form required, other than electronic form; and
“(ii) makes a request for such a later due date to the Secretary or the Clerk, as the case may be; and
“(B) the request is supported by good cause shown.”.

SEC. 103. PUBLIC DATABASE OF LOBBYING DISCLOSURE INFORMATION.

(a) DATABASE REQUIRED.—Section 6 of the Act (2 U.S.C. 1605) is amended—
(1) in paragraph (7), by striking “and” at the end;
(2) in paragraph (8), by striking the period and inserting “; and”; and
(3) by adding at the end the following:
“(9) maintain, and make available to the public over the Internet, without a fee or other access charge, in a searchable, sortable, and downloadable manner, an electronic database that—
   "(A) includes the information contained in registrations and reports filed under this Act; and
   "(B) is searchable and sortable, at a minimum, by each of the categories of information described in section 4(b) or 5(b)."

(b) AVAILABILITY OF REPORTS.—Section 6(4) of the Act is amended by inserting before the semicolon the following: “and, in the case of a registration filed in electronic form pursuant to section 4(d) or a report filed in electronic form pursuant to section 5(d), shall make such registration or report (as the case may be) available for public inspection over the Internet not more than 48 hours after the registration or report (as the case may be) is approved as received by the Secretary of the Senate or the Clerk of the House of Representatives (as the case may be)”.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out paragraph (9) of section 6 of the Act, as added by subsection (a) of this section.

SEC. 104. DISCLOSURE BY REGISTERED LOBBYISTS OF PAST EXECUTIVE BRANCH AND CONGRESSIONAL EMPLOYMENT.

Section 4(b)(6) of the Act (2 U.S.C. 1603) is amended by striking "2 years" and inserting "7 years".

SEC. 105. DISCLOSURE OF LOBBYIST CONTRIBUTIONS AND GIFTS.

(a) In General.—Section 5(b) of the Act (2 U.S.C. 1604(b)) is amended—
   (1) in paragraph (4), by striking "and" after the semicolon;
   (2) in paragraph (5), by striking the period and inserting a semicolon; and
   (3) by adding at the end the following:
   "(6) for each registrant (and for any political committee, as defined in 301(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(4)), affiliated with such registrant), and for each employee listed as a lobbyist by a registrant under paragraph (2)(C), the name of each Federal candidate or officeholder, and of each leadership PAC, political party committee, or other political committee to whom a contribution was made which is required to be reported to the Federal Election Commission by the recipient, and the date and amount of such contribution; and
   "(7) the date, recipient, and amount of any gift that under the Rules of the House of Representatives counts towards the cumulative annual limit described in such rules and is given by a registrant or employee listed as a lobbyist to a covered legislative branch official."

(b) CONFORMING AMENDMENT.—Section 3 of the Act (2 U.S.C. 1602) is amended by adding at the end the following new paragraphs:
   "(17) GIFT.—The term 'gift' means a gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. The term includes gifts of services, training, and meals whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.
   "(18) LEADERSHIP PAC.—The term 'leadership PAC' means, with respect to an individual holding Federal office, an unauthorized political committee (as defined in the Federal Election Campaign Act of 1971) which is associated with such individual.”.

SEC. 106. INCREASED PENALTY FOR FAILURE TO COMPLY WITH LOBBYING DISCLOSURE REQUIREMENTS.

Section 7 of the Act (2 U.S.C. 1606) is amended by striking "$50,000" and inserting "$100,000".

TITLE II—SLOWING THE REVOLVING DOOR

SEC. 201. NOTIFICATION OF POST-EMPLOYMENT RESTRICTIONS.

Section 207(e) of title 18, United States Code, is amended by adding at the end the following new paragraph:
   "(8) NOTIFICATION OF POST-EMPLOYMENT RESTRICTIONS.—After a Member of the House of Representatives or an elected officer of the House of Representatives leaves office, or after the termination of employment with the House of Representatives of an employee of the House of Representatives covered under paragraph (2), (3), or (4), the Clerk of the House of Representatives, after consultation with the Committee on Standards of Official Conduct, shall inform the Member, officer, or employee of the beginning and ending date of the prohibi-
tions that apply to the Member, officer, or employee under this subsection, and also inform each office of the House of Representatives with respect to which such prohibitions apply of those dates.”.

SEC. 202. DISCLOSURE BY MEMBERS OF THE HOUSE OF REPRESENTATIVES OF EMPLOYMENT NEGOTIATIONS.

The Code of Official Conduct set forth in rule XXIII of the Rules of the House of Representatives is amended by redesignating clause 14 as clause 15 and by inserting after clause 13 the following new clause:

“14. (a) A Member, Delegate, or Resident Commissioner shall file with the Committee on Standards of Official Conduct a statement that he or she is negotiating compensation for prospective employment or has any arrangement concerning prospective employment if a conflict of interest or the appearance of a conflict of interest may exist. Such statement shall be made within 5 days (other than Saturdays, Sundays, or public holidays) after commencing the negotiation for compensation or entering into the arrangement.

“(b) A Member, Delegate, or Resident Commissioner should refrain from voting on any legislative measure pending before the House or any committee thereof if the negotiation described in subparagraph (a) may create a conflict of interest.”.

SEC. 203. WRONGFULLY INFLUENCING, ON A PARTISAN BASIS, AN ENTITY’S EMPLOYMENT DECISIONS OR PRACTICES.

The Code of Official Conduct set forth in rule XXIII of the Rules of the House of Representatives (as amended by section 202) is further amended by redesignating clause 15 as clause 16 and by inserting after clause 14 the following new clause:

“15. A Member, Delegate, Resident Commissioner, officer, or employee of the House may not, with the intent to influence on the basis of political party affiliation an employment decision or employment practice of any private or public entity (except for the Congress)—

“(a) take or withhold, or offer or threaten to take or withhold, an official act; or

“(b) influence, or offer or threaten to influence, the official act of another.”.

TITLE III—SUSPENSION OF PRIVATELY-FUNDED TRAVEL; CURBING LOBBYIST GIFTS

SEC. 301. SUSPENSION OF PRIVATELY-FUNDED TRAVEL.

Notwithstanding clause 5 of rule XXV of the Rules of the House of Representatives, no Member, Delegate, Resident Commissioner, officer, or employee of the House may accept a gift of travel (including any transportation, lodging, and meals during such travel) from any private source.

SEC. 302. RECOMMENDATIONS FROM THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT ON GIFTS AND TRAVEL.

Not later than December 15, 2006, the Committee on Standards of Official Conduct shall report its recommendations on changes to rule XXV of the Rules of the House of Representatives to the Committee on Rules. In developing such recommendations, the Committee on Standards of Official Conduct shall consider the following:

1. The ability of the current provisions of rule XXV to protect the House, its Members, officers, and employees, from the appearance of impropriety.

2. With respect to the allowance for privately-funded travel contained in clause 5(b) of rule XXV—

   A. the degree to which privately-funded travel meets the representational needs of the House, its Members, officers, and employees;
   B. whether certain entities should or should not be permitted to fund the travel of the Members, officers, and employees of the House, what sources of funding may be permissible, and what other individuals may participate in that travel; and
   C. the adequacy of the current system of approval and disclosure of such travel.

3. With respect to the exceptions to the limitation on the acceptance of gifts contained in clause 5(a)—

   A. the degree to which those exceptions meet the representational and personal needs of the House, its Members, officers, and employees;
   B. the clarity of the limitation and its exceptions; and
   C. the suitability of the current dollar limitations contained in clause 5(a)(1)(B) of such rule, including whether such limitations should be lowered.
SEC. 303. PROHIBITING REGISTERED LOBBYISTS ON CORPORATE FLIGHTS.

The Lobbying Disclosure Act of 1995 is amended by inserting after section 5 the following new section:

"SEC. 5A. PROHIBITING REGISTERED LOBBYISTS ON CORPORATE FLIGHTS."

"If a Representative in, or Delegate or Resident Commissioner to, the Congress or an officer or employee of the House of Representatives is a passenger or crew member on a flight of an aircraft not licensed by the Federal Aviation Administration to operate for compensation or hire that is owned or operated by a person who is the client of a lobbyist or a lobbying firm, then such lobbyist may not be a passenger or crew member on that flight."

SEC. 304. VALUATION OF TICKETS TO SPORTING AND ENTERTAINMENT EVENTS.

Clause 5(a)(2)(A) of rule XXV of the Rules of the House of Representatives is amended by—

(1) inserting "(i)" after "(A)"; and
(2) adding at the end the following:

"(ii) A gift of a ticket to a sporting or entertainment event shall be valued at the face value of the ticket, provided that in the case of a ticket without a face value, the ticket shall be valued at the highest cost of a ticket with a face value for the event."

TITLE IV—OVERSIGHT OF LOBBYING AND ENFORCEMENT

SEC. 401. AUDITS OF LOBBYING REPORTS BY HOUSE INSPECTOR GENERAL.

(a) ACCESS TO LOBBYING REPORTS.—The Office of Inspector General of the House of Representatives shall have access to all lobbyists' disclosure information received by the Clerk of the House of Representatives under the Lobbying Disclosure Act of 1995 and shall conduct random audits of lobbyists' disclosure information as necessary to ensure compliance with that Act.

(b) REFERRAL AUTHORITY.—The Office of the Inspector General of the House of Representatives may refer potential violations by lobbyists of the Lobbying Disclosure Act of 1995 to the Department of Justice for disciplinary action.

SEC. 402. HOUSE INSPECTOR GENERAL REVIEW AND ANNUAL REPORTS.

(a) ONGOING REVIEW REQUIRED.—The Inspector General of the House of Representatives shall review on an ongoing basis the activities carried out by the Clerk of the House of Representatives under section 6 of the Lobbying Disclosure Act of 1995 (2 U.S.C. 1605). The review shall emphasize—

(1) the effectiveness of those activities in securing the compliance by lobbyists with the requirements of that Act; and
(2) whether the Clerk has the resources and authorities needed for effective oversight and enforcement of that Act.

(b) ANNUAL REPORTS.—Not later than December 31 of each year, the Inspector General of the House of Representatives shall submit to the House of Representatives a report on the review required by subsection (a). The report shall include the Inspector General's assessment of the matters required to be emphasized by that subsection and any recommendations of the Inspector General to—

(1) improve the compliance by lobbyists with the requirements of the Lobbying Disclosure Act of 1995; and
(2) provide the Clerk of the House of Representatives with the resources and authorities needed for effective oversight and enforcement of that Act.

TITLE V—INSTITUTIONAL REFORMS

SEC. 501. EARMARKING REFORM.

(a) In the House of Representatives, it shall not be in order to consider—

(1) a general appropriation bill reported by the Committee on Appropriations unless the report includes a list of earmarks in the bill or in the report (and the name of any Member who submitted a request to the Committee on Appropriations for an earmark included in such list); or
(2) a conference report to accompany a general appropriation bill unless the joint explanatory statement prepared by the managers on the part of the House and the managers on the part of the Senate includes a list of earmarks in the conference report or joint statement (and the name of any Member who submitted a request to the Committee on Appropriations for an earmark included in such list) that were—

(A) not committed to the conference committee by either House; and
(B) not in the report specified in paragraph (1); and
(C) not in a report of a committee of the Senate on a companion measure.

(b) In the House of Representatives, it shall not be in order to consider a rule or order that waives the application of subsection (a)(2).

(c)(1) A point of order raised under subsection (a) may be based only on the failure of a report of the Committee on Appropriations or joint statement, as the case may be, to include the list required by subsection (a).

(2) As disposition of a point of order under this section, the Chair shall put the question of consideration with respect to the proposition that is the subject of the point of order.

(3) The question of consideration under this subsection shall be debatable for 10 minutes by the Member initiating the point of order and for 10 minutes by an opponent, but shall otherwise be decided without intervening motion except one that the House adjourn.

(d)(1) For purposes of this section, the term “earmark” means a provision in a bill, joint resolution, or conference report, or language in an accompanying committee report or joint statement of managers, providing a specific amount of discretionary budget authority to a non-Federal entity, if such entity is identified by name.

(2) For purposes of paragraph (1), government-sponsored enterprises, Federal facilities, and Federal lands shall be considered Federal entities.

(3) For purposes of subsection (a), to the extent that the non-Federal entity is a unit of State or local government, an Indian tribe, or a foreign government, the provision or language shall not be considered an earmark unless the provision or language also specifies the specific purpose for which the designated budget authority is to be expended.

SEC. 502. FREQUENT AND COMPREHENSIVE ETHICS TRAINING.

(a) ETHICS TRAINING.—

(1) IN GENERAL.—The Committee on Standards of Official Conduct shall provide ethics training once per Congress to each employee of the House of Representatives, including training on the Code of Official Conduct, related rules of the House of Representatives, and applicable provisions of law.

(2) NEW EMPLOYEES.—A new employee of the House of Representatives shall receive training under this section not later than 30 days after beginning service to the House.

(3) MEMBERS.—While the House of Representatives recognizes that adding qualifications to service as a Member may be unconstitutional, it encourages Members to participate in ethics training.

(b) CERTIFICATION.—Within 30 days of completing required ethics training, each employee of the House of Representatives shall file a certification with the Committee on Standards of Official Conduct that the employee has completed such training and is familiar with the contents of any pertinent publications that are so designated by the committee.

SEC. 503. BIENNIAL PUBLICATION OF ETHICS MANUAL.

Within 120 days after the date of enactment of this Act and during each Congress thereafter, the Committee on Standards of Official Conduct shall publish an up-to-date ethics manual for Members, officers, and employees of the House of Representatives and make such manual available to all such individuals. The committee has a duty to keep all Members, Delegates, the Resident Commissioner, officers, and employees of the House of Representatives apprised of current rulings or advisory opinions when potentially constituting changes to or interpretations of existing policies.

TITLE VI—REFORM OF SECTION 527 ORGANIZATIONS

SEC. 601. SHORT TITLE.

This title may be cited as the “527 Reform Act of 2006”.

SEC. 602. TREATMENT OF SECTION 527 ORGANIZATIONS.

(a) DEFINITION OF POLITICAL COMMITTEE.—Section 301(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(4)) is amended—

(1) by striking the period at the end of subparagraph (C) and inserting “; or”;

and

(2) by adding at the end the following:

“(D) any applicable 527 organization.”.

(b) DEFINITION OF APPLICABLE 527 ORGANIZATION.—Section 301 of such Act (2 U.S.C. 431) is amended by adding at the end the following new paragraph:

“(27) APPLICABLE 527 ORGANIZATION.—
(A) IN GENERAL.—For purposes of paragraph (4)(D), the term ‘applicable 527 organization’ means a committee, club, association, or group of persons that—

(i) has given notice to the Secretary of the Treasury under section 527(i) of the Internal Revenue Code of 1986 that it is to be treated as an organization described in section 527 of such Code; and

(ii) is not described in subparagraph (B).

(B) EXCEPTED ORGANIZATIONS.—A committee, club, association, or other group of persons described in this subparagraph is—

(i) an organization described in section 527(i)(5) of the Internal Revenue Code of 1986;

(ii) an organization which is a committee, club, association or other group of persons that is organized, operated, and makes disbursements exclusively for paying expenses described in the last sentence of section 527(e)(2) of the Internal Revenue Code of 1986 or expenses of a newsletter fund described in section 527(g) of such Code;

(iii) an organization which is a committee, club, association, or other group that consists solely of candidates for State or local office, individuals holding State or local office, or any combination of either, but only if the organization refers only to one or more non-Federal candidates or applicable State or local issues in all of its voter drive activities and does not refer to a Federal candidate or a political party in any of its voter drive activities; or

(iv) an organization described in subparagraph (C).

(C) APPLICABLE ORGANIZATION.—For purposes of subparagraph (B)(iv), an organization described in this subparagraph is a committee, club, association, or other group of persons whose election or nomination activities relate exclusively to—

(i) elections where no candidate for Federal office appears on the ballot; or

(ii) one or more of the following purposes:

(I) Influencing the selection, nomination, election, or appointment of one or more candidates to non-Federal offices.

(II) Influencing one or more applicable State or local issues.

(III) Influencing the selection, appointment, nomination, or confirmation of one or more individuals to non-elected offices.

(D) EXCLUSIVITY TEST.—A committee, club, association, or other group of persons shall not be treated as meeting the exclusivity requirement of subparagraph (C) if it makes disbursements aggregating more than $1,000 for any of the following:

(i) A public communication that promotes, supports, attacks, or opposes a clearly identified candidate for Federal office during the 1-year period ending on the date of the general election for the office sought by the clearly identified candidate (or, if a runoff election is held with respect to such general election, on the date of the runoff election).

(ii) Any voter drive activity during a calendar year, except that no disbursements for any voter drive activity shall be taken into account under this subparagraph if the committee, club, association, or other group of persons during such calendar year—

(I) makes disbursements for voter drive activities with respect to elections in only 1 State and complies with all applicable election laws of that State, including laws related to registration and reporting requirements and contribution limitations;

(II) refers to one or more non-Federal candidates or applicable State or local issues in all of its voter drive activities and does not refer to any Federal candidate or any political party in any of its voter drive activities;

(III) does not have a candidate for Federal office, an individual who holds any Federal office, a national political party, or an agent of any of the foregoing, control or materially participate in the direction of the organization, solicit contributions to the organization (other than funds which are described under clauses (i) and (ii) of section 323(e)(1)(B)), or direct disbursements, in whole or in part, by the organization; and

(IV) makes no contributions to Federal candidates.

(E) CERTAIN REFERENCES TO FEDERAL CANDIDATES NOT TAKEN INTO ACCOUNT.—For purposes of subparagraphs (B)(iii) and (D)(ii)(II), a voter drive
activity shall not be treated as referring to a clearly identified Federal candidate if the only reference to the candidate in the activity is—

"(i) a reference in connection with an election for a non-Federal office in which such Federal candidate is also a candidate for such non-Federal office; or

"(ii) a reference to the fact that the candidate has endorsed a non-Federal candidate or has taken a position on an applicable State or local issue, including a reference that constitutes the endorsement or position itself.

"(F) CERTAIN REFERENCES TO POLITICAL PARTIES NOT TAKEN INTO ACCOUNT.—For purposes of subparagraphs (B)(iii) and (D)(ii)(II), a voter drive activity shall not be treated as referring to a political party if the only reference to the party in the activity is—

"(i) a reference for the purpose of identifying a non-Federal candidate;

"(ii) a reference for the purpose of identifying the entity making the public communication or carrying out the voter drive activity; or

"(iii) a reference in a manner or context that does not reflect support for or opposition to a Federal candidate or candidates and does reflect support for or opposition to a State or local candidate or candidates or an applicable State or local issue.

"(G) APPLICABLE STATE OR LOCAL ISSUE.—For purposes of this paragraph, the term ‘applicable State or local issue’ means any State or local ballot initiative, State or local referendum, State or local constitutional amendment, State or local bond issue, or other State or local ballot issue.”

(c) DEFINITION OF VOTER DRIVE ACTIVITY.—Section 301 of such Act (2 U.S.C. 431), as amended by subsection (b), is further amended by adding at the end the following new paragraph:

"(28) VOTER DRIVE ACTIVITY.—The term ‘voter drive activity’ means any of the following activities 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):

"(A) Voter registration activity.

"(B) Voter identification.

"(C) Get-out-the-vote activity.

"(D) Generic campaign activity.

"(E) Any public communication related to activities described in subparagraphs (A) through (D).

Such term shall not include any activity described in subparagraph (A) or (B) of section 316(b)(2).”

(d) REGULATIONS.—The Federal Election Commission shall promulgate regulations to implement this section not later than 60 days after the date of enactment of this Act.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date which is 60 days after the date of enactment of this Act.

SEC. 603. RULES FOR ALLOCATION OF EXPENSES BETWEEN FEDERAL AND NON-FEDERAL ACTIVITIES.

(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. 325. ALLOCATION AND FUNDING RULES FOR CERTAIN EXPENSES RELATING TO FEDERAL AND NON-FEDERAL ACTIVITIES.

“(a) IN GENERAL.—In the case of any disbursements by any political committee that is a separate segregated fund or nonconnected committee for which allocation rules are provided under subsection (b)—

“(1) the disbursements shall be allocated between Federal and non-Federal accounts in accordance with this section and regulations prescribed by the Commission; and

“(2) in the case of disbursements allocated to non-Federal accounts, may be paid only from a qualified non-Federal account.

“(b) COSTS TO BE ALLOCATED AND ALLOCATION RULES.—

“(1) IN GENERAL.—Disbursements by any separate segregated fund or nonconnected committee, other than an organization described in section 323(b)(1), for any of the following categories of activity shall be allocated as follows:

“(A) 100 percent of the expenses for public communications or voter drive activities that refer to one or more clearly identified Federal candidates, but do not refer to any clearly identified non-Federal candidates, shall be paid...
with funds from a Federal account, without regard to whether the communication refers to a political party.

(B) At least 50 percent, or a greater percentage if the Commission so determines by regulation, of the expenses for public communications and voter drive activities that refer to one or more clearly identified candidates for Federal office and one or more clearly identified non-Federal candidates shall be paid with funds from a Federal account, without regard to whether the communication refers to a political party.

(C) At least 50 percent, or a greater percentage if the Commission so determines by regulation, of the expenses for public communications or voter drive activities that refer to a political party, but do not refer to any clearly identified Federal or non-Federal candidate, shall be paid with funds from a Federal account, except that this paragraph shall not apply to communications or activities that relate exclusively to elections where no candidate for Federal office appears on the ballot.

(D) At least 50 percent, or a greater percentage if the Commission so determines by regulation, of the expenses for public communications or voter drive activities that refer to a political party and refer to one or more clearly identified non-Federal candidates, but do not refer to any clearly identified Federal candidates, shall be paid with funds from a Federal account, except that this paragraph shall not apply to communications or activities that relate exclusively to elections where no candidate for Federal office appears on the ballot.

(E) Unless otherwise determined by the Commission in its regulations, at least 50 percent of any administrative expenses, including rent, utilities, office supplies, and salaries not attributable to a clearly identified candidate, shall be paid with funds from a Federal account, except that for a separate segregated fund such expenses may be paid instead by its connected organization.

(F) At least 50 percent, or a greater percentage if the Commission so determines by regulation, of the direct costs of a fundraising program or event, including disbursements for solicitation of funds and for planning and administration of actual fundraising events, where Federal and non-Federal funds are collected through such program or event shall be paid with funds from a Federal account, except that for a separate segregated fund such costs may be paid instead by its connected organization. This paragraph shall not apply to any fundraising solicitations or any other activity that constitutes a public communication.

(2) CERTAIN REFERENCES TO FEDERAL CANDIDATES NOT TAKEN INTO ACCOUNT.—For purposes of paragraph (1), a public communication or voter drive activity shall not be treated as referring to a clearly identified Federal candidate if the only reference to the candidate in the communication or activity is—

(A) a reference in connection with an election for a non-Federal office in which such Federal candidate is also a candidate for such non-Federal office; or

(B) a reference to the fact that the candidate has endorsed a non-Federal candidate or has taken a position on an applicable State or local issue (as defined in section 301(27)(G)), including a reference that constitutes the endorsement or position itself.

(C) CERTAIN REFERENCES TO POLITICAL PARTIES NOT TAKEN INTO ACCOUNT.—For purposes of paragraph (1), a public communication or voter drive activity shall not be treated as referring to a political party if the only reference to the party in the communication or activity is—

(A) a reference for the purpose of identifying a non-Federal candidate; or

(B) a reference for the purpose of identifying the entity making the public communication or carrying out the voter drive activity; or

(C) a reference in a manner or context that does not reflect support for or opposition to a Federal candidate or candidates and does reflect support for or opposition to a State or local candidate or candidates or an applicable State or local issue.

(2) QUALIFIED NON-FEDERAL ACCOUNT.—

(1) IN GENERAL.—For purposes of this section, the term ‘qualified non-Federal account’ means an account which consists solely of amounts—

(A) that, subject to the limitations of paragraphs (2) and (3), are raised by the separate segregated fund or nonconnected committee only from individuals, and
"(B) with respect to which all requirements of Federal, State, or local law (including any law relating to contribution limits) are met.

"(2) LIMITATION ON INDIVIDUAL DONATIONS.—

"(A) IN GENERAL.—A separate segregated fund or nonconnected committee may not accept more than $25,000 in funds for its qualified non-Federal account from any one individual in any calendar year.

"(B) AFFILIATION.—For purposes of this paragraph, all qualified non-Federal accounts of separate segregated funds or nonconnected committees which are directly or indirectly established, financed, maintained, or controlled by the same person or persons shall be treated as one account.

"(3) FUNDRAISING LIMITATION.—

"(A) IN GENERAL.—No donation to a qualified non-Federal account may be solicited, received, directed, transferred, or spent by or in the name of any person described in subsection (a) or (e) of section 323.

"(B) FUNDS NOT TREATED AS SUBJECT TO ACT.—Except as provided in subsection (a)(2) and this subsection, any funds raised for a qualified non-Federal account in accordance with the requirements of this section shall not be considered funds subject to the limitations, prohibitions, and reporting requirements of this Act for any purpose (including for purposes of subsection (a) or (e) of section 323 or subsection (d)(1) of this section).

"(d) DEFINITIONS.—

"(1) FEDERAL ACCOUNT.—The term ‘Federal account’ means an account which consists solely of contributions subject to the limitations, prohibitions, and reporting requirements of this Act. Nothing in this section or in section 323(b)(2)(B)(iii) shall be construed to infer that a limit other than the limit under section 315(a)(1)(C) applies to contributions to the account.

"(2) NONCONNECTED COMMITTEE.—The term ‘nonconnected committee’ shall not include a political committee of a political party.

"(3) VOTER DRIVE ACTIVITY.—The term ‘voter drive activity’ has the meaning given such term in section 301(28)."

(b) REPORTING REQUIREMENTS.—Section 304(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(e)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5); and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) RECEIPTS AND DISBURSEMENTS FROM QUALIFIED NON-FEDERAL ACCOUNTS.—In addition to any other reporting requirement applicable under this Act, a political committee to which section 325(a) applies shall report all receipts and disbursements from a qualified non-Federal account (as defined in section 325(c))."

(c) REGULATIONS.—The Federal Election Commission shall promulgate regulations to implement the amendments made by this section not later than 180 days after the date of enactment of this Act.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date which is 180 days after the date of enactment of this Act.

SEC. 604. REPEAL OF LIMIT ON AMOUNT OF PARTY EXPENDITURES ON BEHALF OF CANDIDATES IN GENERAL ELECTIONS.

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

(1) in paragraph (1)—

(A) by striking “(1) Notwithstanding any other provision of law with respect to limitations on expenditures or limitations on contributions, the national committee” and inserting “Notwithstanding any other provision of law with respect to limitations on amounts of expenditures or contributions, a national committee”,

(B) by striking “the general” and inserting “any”, and

(C) by striking “Federal office, subject to the limitations contained in paragraphs (2), (3), and (4) of this subsection” and inserting “Federal office in any amount”; and

(2) by striking paragraphs (2), (3), and (4).

(b) CONFORMING AMENDMENTS.—

(1) INDEXING.—Section 315(c) of such Act (2 U.S.C. 441a(c)) is amended—

(A) in paragraph (1)(B)(i), by striking “(d),”;

(B) in paragraph (2)(B)(i), by striking “subsections (b) and (d)” and inserting “subsection (b)”; and

(2) INCREASE IN LIMITS FOR SENATE CANDIDATES FACING WEALTHY OPPONENTS.—Section 315(i) of such Act (2 U.S.C. 441a(i)(1)) is amended—

(A) in paragraph (1)(C)(iii)—
(i) by adding “and” at the end of subclause (I),
(ii) in subclause (II), by striking “; and” and inserting a period, and
(iii) by striking subclause (III);
(B) in paragraph (2)(A) in the matter preceding clause (i), by striking “, and a party committee shall not make any expenditure;”;
(C) in paragraph (2)(A)(ii), by striking “and party expenditures previously made”; and
(D) in paragraph (2)(B), by striking “and a party shall not make any expenditure”.
(3) INCREASE IN LIMITS FOR HOUSE CANDIDATES FACING WEALTHY OPPONENTS.—Section 315A(a) of such Act (2 U.S.C. 441a—1(a)) is amended—
(A) in paragraph (1)—
(i) by adding “and” at the end of subparagraph (A),
(ii) in subparagraph (B), by striking “; and” and inserting a period, and
(iii) by striking subparagraph (C);
(B) in paragraph (3)(A) in the matter preceding clause (i), by striking “, and a party committee shall not make any expenditure;”;
(C) in paragraph (3)(A)(ii), by striking “and party expenditures previously made”; and
(D) in paragraph (3)(B), by striking “and a party shall not make any expenditure”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect January 1, 2006.

SEC. 605. CONSTRUCTION.
No provision of this title, or amendment made by this title, shall be construed—
(1) as approving, ratifying, or endorsing a regulation promulgated by the Federal Election Commission;
(2) as establishing, modifying, or otherwise affecting the definition of political organization for purposes of the Internal Revenue Code of 1986; or
(3) as affecting the determination of whether a group organized under section 501(c) of the Internal Revenue Code of 1986 is a political committee under section 301(4) of the Federal Election Campaign Act of 1971.

SEC. 606. JUDICIAL REVIEW.
(a) SPECIAL RULES 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 title or any amendment made by this title, 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 2284 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 10 days, and 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 for 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 and appeal.
(b) INTERVENTION BY MEMBERS OF CONGRESS.—In any action in which the constitutionality of any provision of this title or any amendment made by this title 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 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, the court in any such 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.
(c) CHALLENGE BY MEMBERS OF CONGRESS.—Any Member of Congress may bring an action, subject to the special rules described in subsection (a), for declaratory or injunctive relief to challenge the constitutionality of any provision of this title or any amendment made by this title.
(d) APPLICABILITY.—
(1) INITIAL CLAIMS.—With respect to any action initially filed on or before December 31, 2008, the provisions of subsection (a) shall apply with respect to each action described in such subsection.

(2) SUBSEQUENT ACTIONS.—With respect to any action initially filed after December 31, 2008, the provisions of subsection (a) shall not apply to any action described in such subsection unless the person filing such action elects such provisions to apply to the action.

SEC. 607. SEVERABILITY.

If any provision of this title or any amendment made by this title, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this title and the amendments made by this title, and the application of the provisions and amendments to any person or circumstance, shall not be affected by the holding.

TITLE VII—FORFEITURE OF RETIREMENT BENEFITS

SEC. 701. LOSS OF PENSIONS ACCRUED DURING SERVICE AS A MEMBER OF CONGRESS FOR ABUSING THE PUBLIC TRUST.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8332 of title 5, United States Code, is amended by adding at the end the following:

"(o)(1) Notwithstanding any other provision of this subchapter, the service of an individual finally convicted of an offense described in paragraph (2) shall not be taken into the term 'Member' of this subchapter, except that this sentence applies only to service rendered as a Member (irrespective of when rendered). Any such individual (or other person determined under section 8342(c), if applicable) shall be entitled to be paid so much of such individual's lump-sum credit as is attributable to service to which the preceding sentence applies.

"(2)(A) An offense described in this paragraph is any offense described in subparagraph (B) for which the following apply:

"(i) Every act or omission of the individual (referred to in paragraph (1)) that is needed to satisfy the elements of the offense occurs while the individual is a Member.

"(ii) Every act or omission of the individual that is needed to satisfy the elements of the offense directly relates to the performance of the individual's official duties as a Member.

"(iii) The offense is committed after the date of enactment of this subsection.

"(B) An offense described in this subparagraph is only the following, and only to the extent that the offense is a felony under title 18:

"(i) An offense under section 201 of title 18 (bribery of public officials and witnesses).

"(ii) An offense under section 219 of title 18 (officers and employees acting as agents of foreign principals).

"(iii) An offense under section 371 of title 18 (conspiracy to commit offense or to defraud United States) to the extent of any conspiracy to commit an act which constitutes an offense under clause (i) or (ii).

"(3) An individual convicted of an offense described in paragraph (2) shall not, after the date of the final conviction, be eligible to participate in the retirement system under this subchapter or chapter 84 while serving as a Member.

"(4) The Office of Personnel Management shall prescribe any regulations necessary to carry out this subsection. Such regulations shall include—

"(A) provisions under which interest on any lump-sum payment under the second sentence of paragraph (1) shall be limited in a manner similar to that specified in the last sentence of section 8316(b); and

"(B) provisions under which the Office may provide for—

"(i) the payment, to the spouse or children of any individual referred to in the first sentence of paragraph (1), of any amounts which (but for this clause) would otherwise have been nonpayable by reason of such first sentence, but only to the extent that the application of this clause is considered necessary given the totality of the circumstances; and

"(ii) an appropriate adjustment in the amount of any lump-sum payment under the second sentence of paragraph (1) to reflect the application of clause (i).

"(5) For purposes of this subsection—

"(A) the term 'Member' has the meaning given such term by section 2106, notwithstanding section 8331(2); and

"(B) the term 'child' has the meaning given such term by section 8341."
(b) Federal Employees' Retirement System.—Section 8411 of title 5, United States Code, is amended by adding at the end the following:

“(i)(1) Notwithstanding any other provision of this chapter, the service of an individual finally convicted of an offense described in paragraph (2) shall not be taken into account for purposes of this chapter, except that this sentence applies only to service rendered as a Member (irrespective of when rendered). Any such individual (or other person determined under section 8424(d), if applicable) shall be entitled to be paid so much of such individual's lump-sum credit as is attributable to service to which the preceding sentence applies.

“(2) An offense described in this paragraph is any offense described in section 8332(o)(2)(B) for which the following apply:

“(A) Every act or omission of the individual (referred to in paragraph (1)) that is needed to satisfy the elements of the offense occurs while the individual is a Member.

“(B) Every act or omission of the individual that is needed to satisfy the elements of the offense directly relates to the performance of the individual's official duties as a Member.

“(C) The offense is committed after the date of enactment of this subsection.

“(3) An individual finally convicted of an offense described in paragraph (2) shall not, after the date of the conviction, be eligible to participate in the retirement system under this chapter while serving as a Member.

“(4) The Office of Personnel Management shall prescribe any regulations necessary to carry out this subsection. Such regulations shall include—

“(A) provisions under which interest on any lump-sum payment under the second sentence of paragraph (1) shall be limited in a manner similar to that specified in the last sentence of section 8316(b); and

“(B) provisions under which the Office may provide for—

“(i) the payment, to the spouse or children of any individual referred to in the first sentence of paragraph (1), of any amounts which (but for this clause) would otherwise have been nonpayable by reason of such first sentence, but only to the extent that the application of this clause is considered necessary given the totality of the circumstances; and

“(ii) an appropriate adjustment in the amount of any lump-sum payment under the second sentence of paragraph (1) to reflect the application of clause (i).

“(5) For purposes of this subsection—

“(A) the term ‘Member’ has the meaning given such term by section 2106, notwithstanding section 8401(20); and

“(B) the term ‘child’ has the meaning given such term by section 8341.”.

The CHAIRMAN. And I would like to at this time recognize my Ranking Member, Ms. Millender-McDonald, for her opening statement. Then we will proceed with other members.

Ms. MILLENDER-MCDONALD. Thank you so much, Mr. Chairman, and thank you for scheduling this markup. I think it is important that we bring before the American people a bill that they have been waiting on. And H.R. 4975 is that such bill.

I just want to say, Mr. Chairman, that I have always enjoyed working with you. And while our policy may disagree from time to time, I want to let you know that I have enormous respect for you and for your fairness and even-handedness in dealing with this side of the aisle. And so I appreciate your fairness.

Mr. Chairman, on March 16th, the Republican leadership introduced its Lobbying Accountability and Transparency Act of 2006, which is H.R. 4975.

The bill is being marked up here today, but it is being marked up not only in our committee, but in four other committees which are the Rules Committee, the Judiciary, Government Reform, and Ethics. Thus, no single committee is in a position to address the need for a comprehensive and coordinated solution to this multifaceted lobbying reform issue.
I further understand, Mr. Chairman, that the bill has been scheduled for floor action the first week that we come back from recess. Is that your understanding?

The CHAIRMAN. That is my current understanding, yes.

Ms. MILLENDER-MCDONALD. Thank you Mr. Chairman.

So the bill before us today, as we see it, first contains new lobbyist disclosure requirements similar to those in the H.R. 4682, the Honest Leadership and Open Government Act, which was introduced in January by Leader Pelosi with 162 Democrats. However, the Republican leadership bill, Mr. Chairman, does not require disclosure of the names of Members lobbied, nor does it contain any grassroots disclosure provisions.

The bill further maintains the current 1-year revolving door requirement which, in my opinion, really should be increased by 2 years.

And this bill imposes a moratorium on privately funded travel until the end of the 109th Congress, at which time the Ethics Committee is supposed to report recommendations on how to deal with the travel issue.

Now, this is the same committee, Mr. Chairman, which has been stalled by partisanship disputes over the last year and a quarter, and it has not met nor has it scheduled my hearings. But the bill permits and—prohibits, I should say—registered lobbyists from accompanying Members on corporate flights. However, it fails to require payment of the full charter fare, nor does it require a disclosure of a passenger list, as I perceive it should.

It contains earmark disclosure requirements and prohibits Members convicted of bribery from receiving a congressional pension, while permitting OPM to pay that foregone pension to the spouse and children if circumstances warrant that.

Now, Mr. Chairman, I know many of these concerns fall outside our committee's jurisdiction and purview. However, I believe it is important for everyone to understand how our committee's small and incremental legislative action fits into the larger picture of the Republican leadership reform effort.

Now, in my opinion, Mr. Chairman, this bill is greatly scaled down from efforts for which it really needs to be focused. And I am concerned that when passed by the House, the American public will think that we have actually done something substantial and substantive about the culture in the House.

Perhaps the Republican leadership hopes that this reform effort will diminish the demands for real reform and that, over time, the corruption will be forgotten. The requirements for real reform will go away perhaps is what you are thinking, I suppose. But I am not sure that things will go away, Mr. Chairman. And for that reason, the bill is watered down from its original and initial proposal.

Our constituents and our colleagues are demanding bold action, bold action that strikes at the heart of congressional corruption. A temporary moratorium on travel and a few lobbyist disclosure provisions are incredibly inadequate Republican leadership response to the clear evidence of massive corruption that is among us.

In addition to an immediate and full investigation by the Ethics Committee, any serious reform plan, in my view, Mr. Chairman,
must have a complete ban on gifts and travel provided by lobbyists and organizations that retain or employ them.

It should have a requirement that Members pay the full charter cost of corporate-provided air travel; tough new reporting provisions and criminal penalties to eliminate cronyism and corruption in government employment and contracting; criminal penalties for the kind of misconduct that lies at the heart of these corruptions; a return to fair and open debating and voting procedures on the House floor and in conference committees; radically new lobbyist disclosure requirements, including the names of Members and staff contacted, and a listing of parties and events held to honor Members; a long 2-year revolving-door prohibition; and earmarked transparency provisions that include a prohibition on tying earmarks to votes.

As I said before, the Democratic Leader, along with myself and 62 other Democrats, introduced H.R. 4682 back in January. The Honest Leadership and Open Government Act contains these provisions and other additional provisions which constitute real reform to drain the swamp of corruption we are swimming in today.

As you said, Mr. Chairman, I do plan to offer amendments to the bill before us which, if adopted, would take a small step in moving this bill in the direction of real reform.

But I will not support this inadequate bill, even if my amendments are adopted, unless and until it contains real and substantive reform aimed at the heart of the culture of this House.

Furthermore, the procedure being used to markup this bill in five different committees makes it nearly impossible for us to do much in our committee to address this bill’s serious deficiencies.

Mr. Chairman, I again appreciate your bringing this forth, but I just wanted to lay out what we think is real reform in terms of bringing forth a real transparency and accountability-type piece of legislation on lobbying. And I thank you, Mr. Chairman. [The information follows:]

The CHAIRMAN. Mr. Ney, do you have an opening statement?

Mr. NEY. Thank you, Mr. Chairman. I just wanted to—I will be brief in my opening statement. I want to point out a couple of things that I think the committee embarked on and did, and some of the things that we didn’t get done and I wish we would have.

The House Administration Committee Funding proposal for the 109th Congress gave, I think it was 43 percent increase to the Ethics Committee, the largest in the history, probably, of Congress, and all of you at this dais supported it. I think that was a good thing. And I wish the Ethics Committee would get constituted quicker. And hopefully the money will be used for an increased staff, as they said it would, and will be to help with members and staff for Ethics education. So we did that component, which I think is part of fixing the system here.

I think Marty Meehan introduced a bill, which I know I publicly said I would take a look at and work with Marty Meehan on. Nothing came of that. I wish—actually, I think it was probably well over a year ago—something would have come about on that bill so we could have had a discussion on that end. But I thought Marty Meehan had some good ideas. For example the 2-year revolving door ban, which the Ranking Member has mentioned, I think is a good
idea. It is not in this bill. But I think this bill is a good foundation to start.

So I publicly support the need to strengthen the transparency and the accountability and enforcement of the rules governing dealings of Members of Congress with members of the lobbying communities. And these are issues which are controversial, as well I know.

And they have to be addressed by this House. And we have got to do it in, I think, a bipartisan manner, and to make it clear that nobody is above the law; and, of course, make it clear we have institutions that decide who has done wrong or not. One of these institutions is the Ethics Committee. The other is the Department of Justice.

But I think that a couple programs we started—and other good steps including the lobbyist signature resolution. People howled about it. They didn't want to get the electronic digital signature. But it is an electronic filing, which allows you to know it was filed, instead of the older paper system. Our Clerk, Jeff Trandahl, did that and I want to thank him. At the time I was Chairman, the Ranking Member and staff was supportive of doing that change. That is a good change.

Another thing we embarked on a year ago to avoid the “he said, she said; who asked for the trip, who didn't ask for the trip; who paid for the trip, who didn't pay for the trip” would have been electronic filing—and we had discussions about that change. Requests for trips, for example, for private travel. And that did not get a warm welcome from either side of the aisle in the Ethics Committee. And they have a certain amount of jurisdiction over it.

I still hope they look at that. I don't know if that component is in here. I don't think it is. I think that should be looked at.

So I think some steps have been taken, maybe not major, but some steps have been taken by the committee, and I want to applaud everyone for doing it.

But I also want to commend the Chairman for bringing this bill forward—and the leadership of the House—and have this markup today. And, of course, we know what it does. It increases penalties and reforms congressional travel. I think about 110 Members’ travel is being questioned today. Do I think that some Members that never filed did it on purpose? No. They forget to file these trips. But we have a system that is broken, a system that needs transparency, a system that needs to be fixed so people aren't put into these binds so that everything is laid out on the table.

So I think the provisions you have got in the bill are moving towards strengthening the legislative process, the transparency, and also maybe the faith of the people in our institutions.

So they are sensible reforms. And for that reason I think we will have rigorous debate as the process goes on. But I appreciate you bringing the bill forth.

The CHAIRMAN. Thank you.
Mr. Brady, do you have any opening? No.
Mr. Mica has no statement.
Mr. Doolittle.
Mr. DOOLITTLE. No statement, Mr. Chairman.
The CHAIRMAN. Mr. Reynolds. Ms. Miller.
Mrs. MILLER. No.

The CHAIRMAN. Just a brief statement from me. I appreciate the effort that everyone here has put into this issue. I think it is an extremely important issue. I appreciate the offerings of the Minority. I will discuss those in a minute and point out how they actually weaken the bill. But I do appreciate their interest in and effort on this.

I also want to just take a moment to thank Mr. Ney for his hard work in chairing this committee for a number of years and for the leadership he provided in passing. I think, what is the most comprehensive voting bill that has ever been passed by the Congress. He shepherded that to the House and the Senate, got it passed into law, and has done a number of other innovative things.

And, Mr. Ney, I just want to express my appreciation and the Committee's appreciation for all the good work you do in this post.

Mr. NEY. Well, thank you, Mr. Chairman.

Ms. MILLENDER-MCDONALD. Mr. Chairman, may I please add to what you have just said?

The CHAIRMAN. Yes you may.

Ms. MILLENDER-MCDONALD. In acknowledging the extraordinary leadership of Chairman Ney during my short stint as the Ranking Member, but even beyond that, and before that as a member, I extend the same type of comments that I extended to you. Both of you have been enormously fair and even-handed.

And, Mr. Ney, I told millions of people that this morning on Washington Journal, so it doesn't just stop in this room. It goes beyond this Beltway.

But we thank you so much for your leadership and your great direction in the way you have guided this committee during your stay.

Mr. NEY. Mr. Chairman, not to hold the procedures up, I want to thank you all for your kind comments. And I really appreciate your leadership, Mr. Chairman, in working with you. And as I look around at the dais, I think there are a lot of fine people who did a lot of fine things for this institution to keep it going.

I would say one thing. We will beat Michigan next fall—as an Ohio State grad. The second thing, I sincerely appreciate your comments. If I go before you, could you do my eulogy?

Ms. MILLENDER-MCDONALD. You know what we are going to say.

Mr. NEY. Thank you.

The CHAIRMAN. I am a terrible eulogist, especially if you beat our football team. But we are assuming you won't do that again.

The Chair lays before the Committee the bill H.R. 4975. Is there any discussion or amendment?

Ms. MILLENDER-MCDONALD. Mr. Chairman, I have an amendment. I have several amendments. Do I comment at this point?

The CHAIRMAN. You may proceed.

Ms. MILLENDER-MCDONALD. Thank you, Mr. Chairman. Mr. Chairman, the first amendment is to section 301, title III of the bill at the desk.

[The information follows:]
SEC. 301. RESTRICTING CONGRESSIONAL TRAVEL AND GIFTS.

(a) BAN ON GIFTS FROM LOBBYISTS.—Notwithstanding clause 5 of Rule XXV of the Rules of the House of Representatives, a Member, Delegate, Resident Commissioner, officer, or employee of the House may not knowingly accept a gift from a registered lobbyist or agent of a foreign principal or from a nongovernmental organization that retains or employs registered lobbyists or agents of a foreign principal except as provided in paragraphs (2)(B) or (3) of such clause.

(b) PROHIBITING ACCEPTANCE OF TRAVEL FROM NONGOVERNMENTAL ORGANIZATIONS EMPLOYING LOBBYISTS.—Notwithstanding clause 5(b)(1)(A) of Rule XXV of the Rules of the House of Representatives, a reimbursement (including payment in kind) to a Member, Delegate, Resident Commissioner, officer, or employee of the House from a nongovernmental organization that retains or employs registered lobbyists or agents of a foreign principal shall not be considered as a reimbursement to the House and shall be considered a gift prohibited by such clause.

(c) PROHIBITING LOBBYIST ORGANIZATION AND PARTICIPATION IN CONGRESSIONAL TRAVEL.—Notwithstanding clause 5 of Rule XXV of the Rules of the House of Representatives—

(1) a Member, Delegate, Resident Commissioner, officer, or employee of the House may not accept transportation or lodging on any trip that is planned, organized, requested, arranged, or financed in whole or in part by a lobbyist or agent of a foreign principal, or in which a lobbyist participates; and

(2) before a Member, Delegate, Resident Commissioner, officer, or employee of the House may accept transportation or lodging otherwise permissible under such clause from any person, such individual shall obtain 30 days before such trip a written certification from such person (and provide a copy of such certification to the Committee on Standards of Official Conduct) that—

(A) the trip was not planned, organized, requested, arranged, or financed in whole, or in part by a registered lobbyist or agent of a foreign principal and was not organized at the request of a registered lobbyist or agent of a foreign principal;

(B) registered lobbyists will not participate in or attend the trip; and

(C) the person did not accept, from any source, funds specifically earmarked for the purpose of financing the travel expenses.

(d) DISCLOSURE OF MEETINGS AND EVENTS ATTENDED DURING CONGRESSIONAL TRAVEL.—In addition to the information required to be included in a disclosure made under subparagraph (1)(A) of clause 5(b) of the Rules of the House of Representatives with respect to travel by an employee of the House, the disclosure shall include a description of meetings and events attended during such travel, except when disclosure of such information is deemed by the Member or supervisor under whose direct supervision the employee works to jeopardize the safety of an individual or otherwise interfere with the official duties of the Member, Delegate, Resident Commissioner, officer, or employee.

(e) DEFINITIONS.—In this section, the terms “registered lobbyist” and “agent of a foreign principal” have the meanings given such terms in clause 5(e) of Rule XXV of the Rules of the House of Representatives.

MS. MILLENDER-MCDONALD. It is an amendment that bans travel arrangements that have been arranged for, paid for and provided by lobbyists and organizations that retain or employ lobbyists.

It prohibits lobbyists from funding, arranging, planning or participating in congressional travel.

Thank you, Mr. Chairman.

The CHAIRMAN. Would you wish to describe it any further?

MS. MILLENDER-MCDONALD. I think that is indeed in detail and that is the extent of it.

The CHAIRMAN. Thank you. I will state my opposition to the amendment. We made it very clear in H.R. 4975 that all travel will be banned to the end of this Congress. We gave a specific assign-
ment, or will give a specific assignment through the legislation, to the Committee on Standards of Official Conduct to review all our travel policies and make recommendations on necessary changes. It is well known that the Ethics Committee has not accomplished much this year. But we believe if we give them this task, they will certainly take it seriously and produce a decision by the end of the year.

Lobbyists, I might comment, are already prohibited from paying travel under rule 25, clause 5(b)(1)(a). We don’t need to add any redundant new provisions to prohibit what is already prohibited. It will not accomplish anything and will not address the process problems that we have.

So I would argue that, given the basic nature of H.R. 4975, as well as preexisting legislation, the amendment is actually a weakening amendment because it would continue to allow privately funded travel, which we are promoting to ban until the Ethics Committee comes forward with new recommendations.

Any further discussions? Mr. Reynolds is recognized for 5 minutes.

Mr. REYNOLDS. Mr. Chairman, I wholeheartedly concur this is a weakening amendment to the intent of the legislation that I am a cosponsor to, which calls for the Ethics Committee, no later than December 15, to bring back its recommendations to the Rules Committee.

And my recollection in our body is that we in the past have asked the Ethics Committee to begin to look at the potential of preapproving travel, which would be a great assistance to all of us if there was a structured format.

This amendment, while addressing some things that are already in our House rules, potentially offers maybe a statute change of the same thing we abide by, that we are not to travel with lobbyists.

The CHAIRMAN. Gentleman’s time has expired. Does anyone else wish to comment?

Hearing no further comments, the question is on the amendment. Those in favor of the amendment will say aye. Those opposed will say nay.

The CHAIRMAN. No. The amendment is not adopted.

Ms. MILLENDER-MCDONALD. Mr. Chairman, I ask for a recorded vote on this.

The CLERK. The Clerk will call the tally.

The CLERK. Mr. Ney.

Mr. NEY. No.

The CLERK. Mr. Mica.

[No response.]

The CLERK. Mr. Doolittle.

Mr. DOOLITTLE. No.

The CLERK. Mr. Reynolds.

Mr. REYNOLDS. No.

The CLERK. Mrs. Miller.

Mrs. MILLER. No.

The CLERK. Ms. Millender-McDonald.

Ms. MILLENDER-MCDONALD. Yes.

The CLERK. Mr. Brady.

Mr. BRADY. Yes.
The CLERK. Ms. Lofgren.
[No response.]
The CLERK. Chairman Ehlers.
The CHAIRMAN. No.
The clerk will report.
The CLERK. Five to two.
The CHAIRMAN. The amendment is defeated.
Is there another amendment?
MS. MILLENDER-MCDONALD. Yes, Mr. Chairman, thank you. The amendment that—a second amendment is an amendment to title IV of the bill at the desk.
[The information follows:]

AMENDMENT TO H.R. 4975
OFFERED BY MS. MILLENDER-MCDONALD

Page 17, strike line 3 and all that follows through page 18, line 20 and insert the following:

SEC. 401. OFFICE OF PUBLIC INTEGRITY.
(a) Establishment.—There is established within the Office of Inspector General of the House of Representatives an office to be known as the “Office of Public Integrity” (referred to in this section as the “Office”), which shall be headed by a Director of Public Integrity (hereinafter referred to as the “Director”).

(b) Office.—The Office shall have access to all lobbyists’ disclosure information received by the Clerk under the Lobbying Disclosure Act of 1995 and conduct such audits and investigations as are necessary to ensure compliance with the Act.

(c) Referral Authority.—The Office shall have authority to refer violations of the Lobbying Disclosure Act of 1995 to the Committee on Standards of Official Conduct and the Department of Justice for disciplinary action, as appropriate.

(d) Director.—
(1) In General.—The Director shall be appointed by the Inspector General of the House. Any appointment made under this subsection shall be made without regard to political affiliation and solely on the basis of fitness to perform the duties of the position. Any person appointed as Director shall be learned in the law, a member of the bar of a State or the District of Columbia, and shall not engage in any other business, vocation, or employment during the term of such appointment.

(2) Staff.—The Director shall hire such additional staff as are required to carry out this section, including investigators and accountants.

(e) Audits and Investigations.—
(1) In General.—The Office shall audit lobbying registrations and reports filed pursuant to the Lobbying Disclosure Act of 1995 to determine the extent of compliance or non-compliance with the requirements of such Act by lobbyists and their clients.

(2) Evidence of Non-Compliance.—If in the course of an audit conducted pursuant to the requirements of paragraph (1), the Office obtains information indicating that a person or entity may be in non-compliance with the requirements of the Lobbying Disclosure Act of 1995, the Office shall refer the matter to the United States Attorney for the District of Columbia.

(f) Conforming Amendment.—Section 8 of the Lobbying Disclosure Act of 1995 (2 U.S.C. 1607) is amended by striking subsection (c).

(g) Authorization of Appropriations.—There are authorized to be appropriated in a separate account such sums as are necessary to carry out this section.

MS. MILLENDER-MCDONALD. And this amendment is an amendment to the amendment in the nature of a substitute for all of title IV.

It establishes a new Office of Public Integrity within the Office of Inspector General of the House and charges the Office with auditing and investigating compliance with the lobbying disclosure
rules, and, if necessary, referring matters to the United States attorney.

And that is it, Mr. Chairman.

The CHAIRMAN. Will the gentlewoman yield back the balance of her time?

Ms. MILLER-MCDONALD. I yield back the balance of my time, yes.

The CHAIRMAN. This particular amendment I think also is a weakening amendment. Frankly, it doesn't make a lot of sense because what is written in the base bill H.R. 4975 provides precisely the same thing but uses a House Inspector General, under its current authority and responsibility, to take care of the oversight of the lobbyist disclosures.

Adding a new Office of Public Integrity, even though it would make use of the Inspector General, just adds another layer to the operation. It will increase the cost. There is no substantive difference between the two.

So I urge that we defeat the amendment. Is there any other discussion? Hearing none——

Ms. MILLER-MCDONALD. Mr. Chairman, I just want for the record to reflect that what the Dreier bill does is split the duties of the IG inside and outside of the House and really gives, in my opinion, the authority that should not be with the IG placed in there, in the Office of the IG. And this is why I feel and we feel and Leader Pelosi feels that the Office of an Inspector General is not the place for it. It should be a new Office of Public Integrity. And thank you so much.

The CHAIRMAN. Is there any further discussion on the amendment?

If not, we will call for a vote.

All those in favor say aye.

All those opposed, say nay.

The amendment is defeated.

Ms. MILLER-MCDONALD. Mr. Chairman, again I ask for a recorded vote.

The CHAIRMAN. The clerk will call the roll.

The CLERK. Mr. Ney.

Mr. NEY. No.

The CLERK. Mr. Mica.

[No response.]

The CLERK. Mr. Doolittle.

Mr. DOOLITTLE. No.

The CLERK. Mr. Reynolds.

Mr. REYNOLDS. No.

The CLERK. Mrs. Miller.

Mrs. MILLER. No.

The CLERK. Ms. Millender-McDonald.

Mrs. MILLER-MCDONALD. Aye.

The CLERK. Mr. Brady.

Mr. BRADY. Aye.

The CLERK. Ms. Lofgren.

[No response.]

The CLERK. Chairman Ehlers.

The CHAIRMAN. No.
The Clerk will report.
The CLERK. Favorable, two to five.
The CHAIRMAN. The amendment fails.
Ms. MILLENDER-MCDONALD. Mr. Chairman, one more amend-
ment here.
The CHAIRMAN. Yes.
Ms. MILLENDER-MCDONALD. This amendment is to title VI of the
bill at the desk.
[The information follows:]

AMENDMENT TO H.R. 4975

STRIKE TITLE VI

Ms. MILLENDER-MCDONALD. And this amendment simply strikes
the entire title dealing with 527s because the House did pass the
527 bill out last night.
And I yield back the balance of my time.
The CHAIRMAN. I wonder if you could explain it a little more
completely.
Ms. MILLENDER-MCDONALD. The 527 components or provisions of
the lobbying bill was taken out; was taken out and presented on
the floor as a stand-alone. And for that reason, it seems to me like
we should not have that placed in this bill that we are now mark-
ing up because we have already engaged in and passed out of the
House the provisions of the 527. And, therefore, to me it is redun-
dant to have it here.

The CHAIRMAN. I thank the gentlelady for her comments. I would
simply point out the Rules Committee chairperson introduced this
bill. All of the various activities of the various committees will go
back to the Rules Committee. They will prepare a final version of
the bill that will take this into account. It is simply unnecessary
for us to take any further action.

In view of the passage of this yesterday, the Rules Committee
will automatically eliminate it.
Ms. MILLENDER-MCDONALD. In light of the fact, Mr. Chairman,
that 527s are under our purview? Aren’t they?
The CHAIRMAN. Yes, that is why.
Ms. MILLENDER-MCDONALD. Yet Rules Committee has to do
that?
The CHAIRMAN. No. No. The Rules Committee has the jurisdic-
tion to do that. They will make substantial changes in this bill as
it goes through the Rules Committee.
Ms. MILLENDER-MCDONALD. Including 527s?
The CHAIRMAN. Did you wish to pursue this through a vote
or—

Ms. MILLENDER-MCDONALD. In getting counsel, Mr. Chairman,
again I thought 527s were under our purview. It has nothing to do
with the Rules Committee. And therefore the action should be
taken in this committee. Sir—if I can just finish, Mr. Reynolds.

And therefore we should dispose of this in this committee and
not have it go back to Rules where it is not supposed to be. And
so I will keep the amendment as I have stated it.
The CHAIRMAN. I would simply state we did dispose of the issue yesterday on the floor of the House of Representatives. The Rules Committee automatically will take that into account.

Ms. MILLER-MCDONALD. There is no further need for the bill.

Mr. REYNOLDS. Just for a point of information. Some on the Ways and Means Committee will feel they have jurisdiction as well, so there are a number of multiple jurisdictional questions on 527s. And I think your decision to have this contained and sent back to the Rules Committee is more than appropriate.

The CHAIRMAN. Any further comment? Mr. Doolittle.

Mr. DOOLITTLE. Well, while we passed the bill off the floor of the House yesterday, it is not yet law; and we have no way of knowing if it will become law. So are you saying that—I mean, we have 527s in the law right now, and they are able to do what they are able to do.

So, since the change we made yesterday is just the House’s version of this, wouldn’t we be legislating still on 527s until and unless the law is actually changed?

The CHAIRMAN. The House has acted. It remains in the bill. We will call the vote on this question.

All those in favor of the amendment will vote aye.

Those opposed, no.

The noes have it and the amendment is defeated.

Ms. MILLER-MCDONALD. I would like to have a recorded vote on this, Mr. Chairman.

The CHAIRMAN. The clerk will call the roll.

Mr. NEY. No.

Mr. MICA. [No response.]

Mr. DOOLITTLE. No.

Mr. REYNOLDS. No.

Mrs. MILLER. No.

Ms. MILLER-MCDONALD. Aye.

Mr. BRADY. Aye.

Ms. LOFGREN. [No response.]

Chairman Ehlers. No.

The CHAIRMAN. The amendment fails. Seeing no further amendments, the question is now on the bill.

Those in favor to reporting out the bill will say aye.

Those opposed will say nay.

The bill is reported out favorably.

Ms. MILLER-MCDONALD. I would like to have a recorded vote on this bill, Mr. Chairman.

The CHAIRMAN. Clerk will call the roll.
The CLERK. Mr. Ney.
Mr. Ney. Yes.
The CLERK. Mr. Mica.
[No response.]
The CLERK. Mr. Doolittle.
Mr. DOOLITTLE. Aye.
The CLERK. Mr. Reynolds.
Mr. REYNOLDS. Aye.
The CLERK. Mrs. Miller.
Mrs. MILLER. Yes.
The CLERK. Ms. Millender-McDonald.
Ms. MILLENDER-MCDONALD. No.
The CLERK. Mr. Brady.
Mr. BRADY. No.
The CLERK. Ms. Lofgren.
[No response.]
The CLERK. Chairman Ehlers.
The CHAIRMAN. Yes.
Clerk will report the vote.
The CLERK. Passed five to two.
The CHAIRMAN. The motion is passed. The Chair recognizes Mr. Ney for the purpose of offering a motion.
Mr. Ney. Mr. Chairman, I do now move that the committee favorably report the bill to the House.
The CHAIRMAN. The question is on the motion. Those in favor will say aye.
Those opposed will say nay.
The motion is approved.
Ms. MILLENDER-MCDONALD. Mr. Chairman, I would like to have a recorded vote on this.
The CHAIRMAN. The clerk will call the roll.
Ms. MILLENDER-MCDONALD. Don't you know the routine by now?
The CHAIRMAN. I was hoping we could slip through this.
The CLERK. Mr. Ney.
Mr. Ney. Yes.
The CLERK. Mr. Mica.
[No response.]
The CLERK. Mr. Doolittle.
Mr. DOOLITTLE. Aye.
The CLERK. Mr. Reynolds.
Mr. REYNOLDS. Aye.
The CLERK. Mrs. Miller.
Mrs. MILLER. Aye.
The CLERK. Ms. Millender-McDonald.
Ms. MILLENDER-MCDONALD. No.
The CLERK. Mr. Brady.
Mr. BRADY. No.
The CLERK. Ms. Lofgren.
[No response.]
The CLERK. Chairman Ehlers.
The CHAIRMAN. Aye.
The clerk will give the tally.
The CLERK. Passed, five to two.
The CHAIRMAN. The motion is passed five to two.
The motion is agreed to on H.R. 4975, as amended, as reported favorably to the House. I ask unanimous consent that members have seven legislative days for statements and materials to be entered into the appropriate place in the record. Without objection, the material will be so entered.

Ms. MILLENDER-McDONALD. Mr. Chairman.

The CHAIRMAN. I ask unanimous consent that staff be authorized to make technical and conforming changes on all matters considered by the Committee in today’s meeting. Without objection, so ordered.

Yes, I recognize the gentlelady.

Ms. MILLENDER-McDONALD. One more time with you. Pursuant to clause 2(1) of rule 11, I am requesting not less than 2 additional calendar days, as provided by the rules, to submit Minority view to accompany the committee’s report on this bill.

The CHAIRMAN. Without objection, so ordered.

Having no further business before us today, the Committee is hereby be adjourned.

[Whereupon, at 2:42 p.m., the committee was adjourned.]