The PRESIDING OFFICER. Is there objection? The Senator from Arizona.

Mr. MCCAIN. Madam President, reserving the right to object, would that preclude me from offering the request for the yeas and nays on the Gregg amendment?

The PRESIDING OFFICER. It would indeed preclude you.

Mr. MCCAIN. I object.

The PRESIDING OFFICER. Objection sustained.

Mr. MCCAIN. Madam President, I withdraw my—reserving the right to object, and I will not object, I will just tell the managers of the bill that I intend to ask for the yeas and nays on the Gregg amendment when we return to the bill tomorrow.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Without objection, it is so ordered.

The Senate from Oklahoma still has the floor. Mr. INHOFE. Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

BIPARTISAN CAMPAIGN REFORM ACT

Mr. MCCAIN. Madam President, I join my friend from Wisconsin on the floor to discuss the entire issue of the Bipartisan Campaign Reform Act and also at a time when the Federal Election Commission is about to make some decisions regarding implementation of this legislation.

I think it is very important that the Federal Election Commission is considering making these rules, that it be made very clear what the intent of the authors of the legislation was. Because as I will go into in my statement, the Federal Election Commission that created the loopholes that caused the explosion of soft money in American politics. It was not court decisions.

It is not accidental that the Senator from Wisconsin and I have proposed legislation to fundamentally restructure the Federal Election Commission. In the meantime, the Federal Election Commission must understand and read the U.S. Supreme Court decision—I quote from the Court’s ruling—stating: "The main goal of the national party soft money ban is modest. In large part, it simply effects a return to the scheme that was approved in Buckley and that was subverted."

Madam President, the words the U.S. Supreme Court used: subverted by the federal electioneering efforts with a combination of hard and soft money. Under that allocation regime—That was a decision by the Federal Election Commission—national parties were able to use vast amounts of soft money in their efforts to elect federal candidates.

Now, I hope the Federal Election Commission gets our message. We do not, and will not, stand for the creation of new loopholes to violate this law.

Senator FEINGOLD and I began, in 1995, with our first effort to reform this system. It took us 8 years until the U.S. Supreme Court, in the Federal Election Commission v. FEC. The Court upheld the constitutionality, in a historically ironic decision entitled McConnell v. FEC. I hope the irony of those words is not lost on my colleagues. We will not stand for the Federal Election Commission—which they alligned their efforts with standing on this law. We will not stand for it. We will use every method available to us to be sure that the law is enforced as it is written and intended and declared constitutional by the U.S. Supreme Court.

It is time for the Federal Election Commission, rather than being an enabler to those who want to subvert the law, to be a true enforcer of the law, a role which they will find strange and intriguing and certainly unusual for that Commission.

I might add, too, we still have two members of the Federal Election Commission who declared their firm conviction that this law was unconstitutional. If they still hold that belief, as far as one of them has stated recently, they should recuse themselves from further involvement in a law they believe is unconstitutional. In fact, resignation would probably be in order so someone who believes in the constitutionality of this law, as affirmed by the U.S. Supreme Court, would be empowered to enforce it.

In 1995, my dear friend Senator FEINGOLD and I first introduced legislation designed to limit the influence of special interests on Federal campaigns. We began our fight because it had become clear to us that our campaign finance system was broken and this breakdown was having a detrimental effect on our democracy. Seven years, four re-elections, interviews with business leaders, countless hours of debate, amendments, and much hard work by dedicated grassroots activists later, the Bipartisan Campaign Reform Act became law on March 27, 2002.

I know my friend from Wisconsin agrees with me. We could not have done it without the thousands of Americans who made our cause their cause. We could never have achieved this goal. They will have our undying gratitude.

Last month, following an illegal challenge, the Supreme Court ended the 7-year-long battle when it upheld the act, or BCRA, in the case of McConnell v. FEC. For me it was one of the Court’s most needed and welcomed opinions. In light of this landmark victory, I want to congratulate those who worked so hard to secure it and to talk about the work that remains to be done to strengthen our democracy and to empower all Americans through civic participation.

We can already see some benefits from these years of hard work. No longer can a Member of Congress call the CEO of a corporation or the head of a labor union or a trial lawyer and ask them for a huge soft money donation in exchange for access to high-level Government officials. That cannot happen today. Just last week, Roll Call reported that for the many years, the two parties did not hold any high-donor fundraisers. The article stated: With soft money banned, the parties have come to the conclusion that the yield at a Super Bowl fundraiser doesn’t justify the expense.

However, let me be clear, this in no way means reform is complete. Our work and the work of thousands of Americans engaged at the grassroots level, the efforts of numerous reform groups, is far from over. While the basis for BCRA, that large, unregulated political contributions cause both the appearance and reality of corruption by the strength of the evidence, is irrefutable, the evidence needed to prove this to the Court was an extraordinary feat. The mountain of evidence that was compiled, however, provided a strong foundation for the Supreme Court’s decision to close loopholes through which were flowing hundreds of millions of dollars in soft money.

The evidence collected included sworn statements from elected officials acknowledging they had been forced to raise large contributions for the political parties, internal memos from political party leaders to elected officials reminding them who gave big contributions prior to key votes, and testimony from business leaders who provided a “menu of access” by party officials showing how $50,000 gets you a meeting with an elected official, $100,000 gets you a 15-minute meeting with another elected official. The strength of the evidence on the extent of corruption and the appearance of corruption as well as the creativity with which the campaign finance laws were being evaded led the Supreme Court to the decision which sought to close the loopholes that had been opened in the Federal Election Campaign Act.

Significantly, the evidence also led the Supreme Court to find that Congress needed and possessed broad authority to enact laws to reduce the corrupting influence of unregulated money in politics. The Court also made a powerful statement about the so-called regulators of the corrupting soft money system, the Federal Election Commission. According to the Court, the soft money system was the result of a series of loopholes opened by the FEC and exploited by the party committees. I also quoted what Justice Stevens and O’Connor wrote. While the Supreme Court in the McConnell case recognized the role the FEC had played over the years in eroding the campaign finance laws, it was clear that to consider the role the commission adopted just last year to implement BCRA—rules that, true to the FEC’s history, undermined the integrity of campaign finance law. The...
Court, however, may soon be asked to do this. Shortly after the FEC took a big bite out of BCRA through its rule-making process, Representatives SHAYS and MEEHAN filed a lawsuit challenging the regulations. This action is on a fast track in Federal District Court.

Since its inception, BCRA has been reviled by the political party establishments that decried the eminently demise of our two-party system. Yet in the midst of a hotly contested Presidential campaign, the suggestion that the original bill was true. Under BCRA, both the Democratic and Republican national parties are reporting a resurgence of grassroots support and significant increases in new hard money donors. In fact, recent figures show there have been 600,000 new hard money donors to the Democratic Party and 1 million new Republican hard money donors. That is what we intended.

The Court was right to uphold the new reform. Implemented correctly, it will do nothing to curtail people’s faith in our democratic system. That said, reform is not a one-time fight. We must continue the work to strengthen our democracy and re- connect the people to the political process. The adoption and Court sanction of BCRA enables Congress to push forward with important reforms that help improve our system of Government and reduce barriers to political participation.

It is critical that we ensure BCRA is not negated by widespread circumvention of the new law by the FEC and by outside political committees. While we are challenging FEC’s implementing regulations, we must also act to restructure the commission so it will not only implement campaign finance laws effectively but actively enforce them.

The American political system needs an agency that will give effect to our campaign laws free from the partisan influence that currently dominates the commission structure. Without this key reform, no campaign finance reform law can work well.

We must fix the ailing Presidential public funding system. For many years, the system gave Americans a viable opportunity to run for our highest office and increased competition in our Presidential elections, but the system is now outdated and bankrupt. Senator FEINGOLD and I have introduced a proposal to fix it, and we are committed to educating the public about the importance of doing this and building the coalition needed to make it happen.

Ongoing reform efforts are needed not only at the Federal level but also at the State level. Working at the State level, we can help to restore faith in the political process by improving contribution disclosure laws, promoting clean election programs, and encouraging independent and non-partisan campaign finance system.

To break down the barriers to political participation, we must improve ballot access, promote open primaries, and fix the redistricting process. This is not a partisan issue. It should not advantage one party over the other. What reform does is create transparency, equality, and participation; rights in those we represent. The strength and real muscle in this fight lies with the American people. During the long battle in the Senate to pass campaign finance reform, we called on the American public to make their voices heard on Capitol Hill. The impact we was astounding. The phone calls, e-mails, and letters that flooded into Members’ offices had a tremendous impact. Constituent communications translated into votes for reform.

Reform is an ongoing process. It didn’t end with Teddy Roosevelt in 1907, and it will not end with John McCAIN and RUSS FEINGOLD in the Senate. I am very much a realist. From the beginning of this fight, I have said that as long as loopholes addressed in BCRA were closed, there would be a very smart people all over Washington trying to find ways around the law. I am sad to report these folks wasted no time in attempting to circumvent it again.

The recent creation of certain new organizations under section 527 of the Internal Revenue Code is the first broad-scale attempt to undermine BCRA.

Let me be clear on one thing. There are many legitimate 527 organizations whose method of operation is not in question here. They are nonpartisan. They work to do the things we want to further the goals of democracy. There are, however, some groups that have recently been set up for the sole purpose of raising or spending tens of millions of dollars in soft money to influence the 2004 Presidential and congressional elections. The Madam President, various groups have been created expressly to spend large sums of soft money on partisan voter mobilization drives and shame “issue advocacy” to influence Federal elections. These groups have as their overriding, if not sole purpose, the influencing of Federal elections.

Federal election law requires such groups to register as political committees. Federal political committees may only accept and spend hard money—that is, money limited in amount and source. I will repeat that if a 527 is nonpartisan in nature, we have no problem. If a 527 is engaged in partisan activity, then they fall under the same restrictions that any other political committee does that is engaged in partisan activity. That should be obvious to the Federal Election Commission.

These new groups, however, which have made clear that their purpose is to influence Federal elections—they have not made any bones about it—have purportedly set up “non-Federal” accounts to accept corporate and labor union funds and large contributions from individuals. They plan to use these moneys, we are told, to finance partisan voter drives and run sham issue ads aimed at influencing the 2004 Federal elections. This blatant end run around the campaign finance laws should not be tolerated.

When a committee has an overriding purpose to influence Federal elections, it cannot be allowed to circumvent campaign finance laws by establishing a “non-Federal account” and claiming that the money being raised and spent to influence Federal elections is not for that purpose. These committees cannot be permitted to transform contributions that are clearly for the purpose of influencing Federal elections into “allowable soft money” simply by depositing those funds into “non-Federal accounts.” These groups are clearly political committees that should be registered as such with the FEC and must operate accordingly within the hard money and source rules.

After the success of McConnell v. FEC, we cannot sit idly by and allow this potentially massive circumvention of campaign finance laws. BCRA finally closed soft money loopholes and, new ones should not and cannot be tolerated. I am pleased to see that the FEC has recognized the immediate need to examine these soft money problems. I hope the Commission will not make the mistakes it has made in the past and will act swiftly and comprehensively to protect the integrity of our campaign finance laws.

Madam President, I also wish to comment on one of the things that happened. We have seen, in the last Presidential campaign, a dramatic reduction in negative campaign ads run by the various candidates. Why is that? It is because of an amendment that was added by the Senator from Maine, Ms. COLLINS, and the Senator from Oregon, Mr. Wyden, which was called “stand by your candidate.” I believe. Guess what? Every time there is a message, the candidate says, I am so and so and I approve of this ad. They would not approve a lot of the trash put in and negative attacks, which has one effect, we all know, and that is drive down voter turnout. It has a very salutary effect.

I have to admit that I never thought of that in the 8 years Senator FEINGOLD and I looked at every aspect of campaign finance reform; we had not thought of that amendment. It has a marvelous positive effect, having the candidate say: I am so and so and I approve of this ad.

I also say there was a marvelous team that argued our case before the U.S. Supreme Court. I ask unanimous consent to have a list of names printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Lawrence H. Norton, Richard B. Blada, Steven E. Hershkopetz, David Kelker, Theodore B. Olson, Peter D. Keisler, Paul D. Clement, Malcolm L. Stewart, Gregory G.
Edsall, Trevor Potter, Glen M. Shor.

Edsall, Trevor Potter, Glen M. Shor.

We are not here to gloat. It is not piti-
le or useful to do. But if I had a
dollar for every time someone said on
this floor or in the media that our bill
would never stand up in court, I would
actually be a wealthy man. Rather, we
were here to support those who
joined with us to pass this historic re-
form, to review the Supreme Court
landmark decision, and briefly take a
look forward, as Senator McCa
has already done. As we often noted
during the past decade, the bipar-
form bill was not intended to be the last word
on the topic of campaign fi-
inance reform.

The Court’s decision will serve as a
guidepost for future reform initia-
tives. First, I thank all of the Members
of this body who worked so hard with us
to pass the bipartisan Campaign
Reform Act.

For many, this was a labor of love.

This is enormously important for the
future of reform. It shows that
the Court understands that under our
Constitution, Congress is not powerless to
address threats to the health of our
democratic or political processes.

In no way, of course, did the Court
give to Congress unbridled power. It
simply upheld a reasonable and meas-
urable response to the soft money
problem that many on both sides of the
aisle had come to believe was extrem-
ely harmful.

One aspect of the Court’s opinion is
worth noting as we look forward to fu-
ture reform efforts. The Court laid re-
ponsibility for the soft money problem
squarely where it belongs, and as Sen-
orator McCain just did again—with the
Federal Election Commission. As Sen-
orator McCain noted, the Court specifi-
cally stated that the FEC “subverted”
the law by allowing soft money to be
used to aid Federal candidates.

The Court said:

The FEC’s allocation regime has invited
widespread circumvention of FECA’s limits
on contributions to parties for the purpose of
influencing Federal elections.

The FEC would not be able to claim
that Congress could legitimately try to
plug, and that the loophole was
improperly created by the FEC. With this
validation of the position taken by re-
formers for many years, the Court un-
derlined a cautionary note that we
have sounded many times before on
this floor. No law in this area can be
self-executing. To be successful, cam-
paign finance reform must be imple-
mente and enforced by an agency that
is dedicated to carrying out the will
of Congress, not to frustrate it.

The new law instructed— instructed—
the FEC to act quickly to develop regu-
lations to explain and implement
BCRA. Time after time, instead the
FEC adopted rules that weakened the
law. Senator McCain and I participated
in those rulemaking proceedings, but
our advice on many important issues
was ignored.

As currently structured, the FEC
seems simply incapable of properly ap-
plying the law that this Congress en-
acted. Virtually every complicated
issue is approached from a political perspective, and the political parties have extraordinary sway over the Commission’s actions.

Senator MCCAIN and I viewed the BCRA rulemaking process as a test, if you will, for the FEC to change its approach and to finally begin to faithfully enforce the law in a nonpartisan fashion. We were very disappointed in the result. We have, therefore, concluded that the FEC, as currently constituted, cannot provide the strong and consistent enforcement of the Federal election laws that this country needs. So together we have proposed to replace the agency with a new body, the Federal Election Administration.

We need to have an agency led by people who are respected by both sides of the aisle and will carry out their responsibilities in a nonpartisan manner rather than simply having representatives from each of the parties canceling each other out with a partisan approach to their jobs. Our bill makes individuals who have worked for or served as counsel to parties or candidates ineligible to serve as administrators.

We have no illusions that this reform will be easy to pass. Those who opposed our bill will undoubtedly oppose replacing the agency that is responsible for the rulings that made our bill necessary and that continue to undermine the reform of the FEC that is essential if the will of Congress and BCRA is to be carried out.

I am also pleased to join Senator MCCAIN in introducing a bill to reform the Presidential public funding system. That system did actually work well for seven consecutive Presidential elections from 1976 to 2000. In those elections, Republicans were elected four times and Democrats three times and challengers actually defeated incumbents in three out of the five races where an incumbent was a candidate.

This year, unfortunately, candidates from both parties have opted out of the public funding system for the primaries. Everyone knows the system needs to be updated to keep it functioning in future elections.

I happen to come from a State that had a very good public funding system for State elections for many years. In fact, I won my first race for the Wisconsin legislature, frankly, only because of that system. But the legislature in my State failed to update and revise that system to keep pace with the changing realities and costs of political campaigns, and now hardly anyone uses it. We can’t let that happen to the Presidential public funding system.

Again, when I look at the Presiding Officer, I know these kinds of systems can work because they have made them work in her State of Maine. The bill we have introduced is a starting point only, much like the first McCain-Feingold bill in 1995. We want to work with our colleagues on both sides of the aisle to come up with a bill that this Senate can support to preserve the public funding system that has served the country so well since the excesses of the Watergate era demonstrated that private financing of Presidential elections is really not a very good thing for the country.

I hope our colleagues will work with us over this year to perfect a bill that can be quickly passed in the next Congress after this Presidential election has been held.

Senator MCCAIN and I have also introduced a bill to provide free air time to congressional candidates. The cost of television advertising has skyrocketed, and we believe the Nation’s broadcasters should make great profits from a public resource—the airwaves—should contribute to improving the democratic process. I look forward to continuing to discuss this bill with our colleagues as well.

We do not expect any one of these three major reform bills will be considered on the Senate floor this year. But there is one bill that can and should be enacted very quickly. That is a bill we introduced to require electronic filing of Senate campaign finance reports. Right now, the Senate lags way behind the House in providing current and complete disclosure of contributions to and expenditures on our campaigns. This is really an embarrassment. It is possible the Rules Committee can quickly correct this problem, but if not, Senator MCCAIN and I have introduced a bill to bring the Senate into the 21st century, and we should enact it promptly.

Again, I thank all my colleagues who supported the McCain-Feingold bill. I hope they are as proud of their accomplishment as I am of them. I am convinced we have begun to change this system for the better. Senator MCCAIN discussed there is already evidence of that. I think as the 2004 campaign heats up, we will see plenty more examples of how the system has improved, but we cannot rest on our laurels. We saw what happened when Congress essentially left the field for 20 years after passing the post-Watergate reforms. We must be vigilant to protect what we did in BCRA, and we must look ahead and continue to fight for a campaign finance system that enhances, rather than suffocates, the power of individual citizens and voters in our democracy.

Finally, I again express my admiration and appreciation for all Senator MCCAIN has done on this issue. For one final time I thank him for calling me in late 1994 and saying he wanted to work with me on this project. Next time tell me it is going to take 8 years. I am more than grateful for this terrific opportunity to not only work with a great American hero, but to have my name associated with him to the point where Senator MCCAIN has said that some people think my first name is MCCAIN.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

CHURCHILL AND THE GREAT REPUBLIC EXHIBIT

Mr. WARNER. Madam President, I was privileged today to go to the Library of Congress where, under the auspices of Mr. Billington, the Librarian of Congress, a very wonderful exhibit is opening entitled—and I hold up the volume, "Churchill and the Great Republic." The exhibit formally opens tonight.

In attendance today were one of Churchill’s daughters, his grandson, and other members of the Churchill family. It was a very moving experience. I encourage my friends to find time in the next week or 10 days to avail themselves of this very historical exhibit put together by Dr. Billington.

The ceremony today, marking the opening, was attended by the President of the United States, and I, together with my good friend Senator LUGAR, Senator BOB BENNETT, and a number of Members of the House of Representatives, were privileged to be in attendance.

I seek unanimous consent that following my remarks, the full text of the President’s speech at this auspicious occasion be printed in the RECORD.

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

Mr. WARNER. Madam President, I think we are at a remarkable crossroads of history. In terms of the survival of republics, this is about the great republic, about freedom, and about all of those things we hold very dear.

I do not intend to make a political speech, but I say without reservation I think President Bush has given remarkable leadership, certainly in the aftermath of 9/11, an unprecedented attack on our sovereignty, the people of the United States of America failed, as we were, in many respects to Pearl Harbor but indeed more awesome than Pearl Harbor in some respects. We are fortunate to have at the helm in the United States a strong President, a man of courage and of wisdom. I try in my modest way to support his leadership and that of those he has selected as his principal team.

I found this speech very memorable today, and I would like to read just a paragraph:

When World War II ended, Winston Churchill immediately understood that the victory was incomplete. Half of Europe was occupied by an aggressive empire. And one of Churchill’s own finest hours came after the war ended in a speech he delivered in Fulton, Missouri. Churchill warned of the new danger facing free peoples. In stark but measured terms, he spoke of the need for free nations to unite against the communist expansion. Marshal Stalin denounced the speech as a “call to war.” A prominent American journalist called the speech an “almost catastrophic blunder.” In fact, Churchill had set a simple truth before the world: that tyranny would not be ignored or appeased with idle words. And he boldly asserted that freedom—freedom was the right of men and women on both sides of the Iron Curtain.