amendments that addressed issues with food and pet food safety.

While I have discussed several key provisions that have been within the scope of our discussions, we must also discuss what should not be within the scope of this legislation. While a sense of the Senate indicated our desire to make generic biologics—or what I like to call biosimilars—available to American consumers to reduce the costs of some medications while preserving quality, the House has so far made it clear that such legislation would not be welcome on this legislation. They prefer to move through regular order. I understand that desire. I prefer regular order, too.

During our discussion on the Senate floor, there was one provision that I believe put the bill in jeopardy—an importation amendment. The House opted not to include this provision so that they could deal with it at a later date. This bill is not the time for this debate, given that we are focusing on key bipartisan proposals.

So, I turn to the majority leader, and I ask him to refrain from politicizing this issue. I ask him to work with me to define the scope of the conference, to develop a plan for getting this legislation done.

Until the House leadership is in agreement with our plan, we should not force the issue today by appointing conferees too early. If we do this too early, we set ourselves up for the blame game, not for getting this key legislation done. This place should not be about ''gotcha'' politics when lives are at stake.

Mr. President, I don't know what the logjam is at the moment. I understand there is some concern on the biologics. There isn't any reason this cannot be completed, but I am afraid the motion, if we are doing this, would appear to put the blame on the House, or on the Republicans—I am not sure which—and I don't think we can do that at this point in time. Maybe later in the day.

Mr. REID. Mr. President, if this is the way the Senator feels, I am happy to have him and Senator KENNEDY see if this can be worked out.

I withdraw my unanimous consent request.

TRAGEDY IN MINNESOTA

Mr. REID. Mr. President, I wish to make a brief comment on the tragedy in Minneapolis, MN. Watching those pictures on television and listening to the accounts on the radio and seeing newspaper accounts and the pictures, this is a real tragedy. My heart and the hearts of all Americans go out to the people of Minnesota—to those who have died, those who have been injured, and certainly the families and friends of all those people.

I am confident we will find out why that disaster occurred. Right now, we don't know. There is every reason to believe it was not an act of terrorism. I feel that is the case, based on hearing the Governor of that State making an announcement this morning.

In passing, I say this. After every storm, the sun shines. I think we should look at this tragedy that occurred and make it a wake-up call for us. All over this country, we have crumbling infrastructure—highways, bridges, and dams. We need to take a hard look at that. We need to look at it as the right thing to do and also not only for the fact that the infrastructure needs repairing or rebuilding, but it is good for America in more ways than that.

For every $1 billion we spend in our crumbling infrastructure, 47,000 high-paying jobs are created. I hope we will take a look at our highways, bridges, dams, water systems, and sewer systems, and see if we can do something about this infrastructure that needs such attention.

We have some things coming up in the Senate in the near future we need to focus on. This tragedy is a wake-up call. We will have the Transportation appropriations bill, and we will have WRDA, which should be coming from the House. We will have Energy and Water appropriations and other matters. We need to work in a bipartisan way and also to work with the White House and have them realize there are things that need to be done with our country's infrastructure.

RECOGNITION OF THE REPUBLICAN LEADER

The PRESIDING OFFICER. The Republican leader is recognized.

TRAGEDY IN MINNEAPOLIS

Mr. MCCONNELL. Mr. President, with regard to the tragedy in Minneapolis, our colleagues, Senators COLEMAN and KLOBUCHAR, are either there or on the way there today to not only extend their condolences to their constituents who have been impacted by this but to be as helpful as possible as they go forward with the rescue mission.

I am reminded of the situation in my State, where the Ohio River goes along the northern border of Kentucky, almost for the entire State, and then when it empties into the Mississippi, it goes southward—the same river over which the Minneapolis bridge collapsed.

We have bridges all along both the Ohio and the Mississippi. Bridge construction and safety has been a big issue in the Commonwealth of Kentucky in recent years.

I share the concerns of the majority leader about reports of the state of our infrastructure in America. We all pray for the victims of the Minneapolis tragedy. It may well serve as a reminder of our need to be ever aware of the dangers that confront our infrastructure in this country.

UNANIMOUS CONSENT AGREEMENT—S. 1

Mr. MCCONNELL. Mr. President, with regard to the time allocation on our side during consideration of the lobbying bill, I ask unanimous consent that the time under the control of the Republicans be allocated as follows: Senator COBURN, 10 minutes; Senator DEMINT, 10 minutes; Senator MCCAIN, 10 minutes; Senator GRASSLEY, 5 minutes; and Senator STEVENS, 10 minutes; with the remaining time for myself or my designee.

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

THE ABSENCE OF THE SENATORS FROM MINNESOTA

Mr. REID. Mr. President, I should have mentioned this. I appreciate very much my distinguished counterpart mentioning Senator KLOBUCHAR and Senator COLEMAN. I listened to them being interviewed last night on television. You could tell from their presentations how much this meant to them.

AMY KLOBUCHAR's house is, I think, a mile from where the bridge collapsed. Today, they are where they should be. We have matters in the Senate, and we will certainly miss them. For example, Senator KLOBUCHAR has been heavily involved in this ethics and lobbying reform measure. If there were ever a situation where they should miss votes, this is it.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, leadership time is reserved.

LEGISLATIVE TRANSPARENCY AND ACCOUNTABILITY ACT OF 2007

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the amendment of the House to S. 1, which the clerk will report.

The legislative clerk read as follows:

Message from the House of Representatives to accompany S. 1, entitled ''An Act To Provide Greater Transparency in the Legislative Process.''

The PRESIDING OFFICER. Under the previous order, there will now be 2 hours of debate prior to the vote on the motion to invoke cloture on the motion to concur, with the time equally divided and controlled between the two leaders or their designees.

The Senator from California is recognized.

TRAGEDY IN MINNESOTA

Mrs. FEINSTEIN. Mr. President, quickly, before I begin, I also wish to send my very deep condolences to those families who will have lost their loved ones in this very tragic bridge collapse. I heard the mayor on the television this morning, and it brought me back to my days as mayor. I know what this

kind of difficulty—whether it is an earthquake or a bridge collapse—brings for a city.

I wish to extend my thanks to the wonderful efforts made by the emergency forces and the medical team of the city of Minneapolis. I think it was very special. I saw many acts of heroism.

I very much agree with what the majority leader said about our deteriorating infrastructure. My thoughts went to the great Golden Gate Bridge. I think we need to pay more attention to our homefront and to those items. But at this point I send my very deep condolences to those who will have lost family members and loved ones.

Mr. President, if I may, I wish to present a unanimous consent agreement regarding speakers on our side directly following my remarks: Senator LIEBERMAN, for 10 minutes; Senator OBAMA, for 10 minutes; Senator FEINGOLD, for 10 minutes; Senator DURBIN, for 10 minutes; and Senator REID, for 10 minutes of leader time, I believe.

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

Mrs. FEINSTEIN. Mr. President, I rise today to urge the Senate to invoke cloture on this bill, S. 1, the Honest Leadership and Open Government Act. In the last election, the message was loud and clear: It is time to change the way business is done in the Nation's Capital. In response, what is before us this morning is the single most sweeping congressional reform bill since Watergate. I support its passage, and I support its passage despite the fact that I do not like everything that is in this bill. It is a strong bill. I am sure it is too strong for some and it is too weak for others, but, like all conference reports, it is, in effect, to some degree a compromise.

On Tuesday, by a 411-to-8 strongly bipartisan vote, the House passed this legislation, and now it is the Senate's turn. It would be a serious mistake if we do not step up to the plate and demonstrate to the American people that we have heard their message.

As I say, the bill is not perfect. There have been some complaints by the minority party about the process used to bring this bill to the floor, and I wish to begin by addressing that issue.

Last January, the Senate passed S. 1 by a 96-to-2 vote. On May 24, the House passed companion legislation by a 386-to-22 margin. Those were strong bipartisan votes. But when the majority leader sought unanimous consent to name conferees, one member of the minority party objected, and he held fast to his objections, preventing the establishment of a conference committee where Members could have sat down in the light of day and negotiated Member to Member the differences between the two bills. Clearly, that wasn't able to take place.

With few other options available, the majority leader and the Speaker of the House sought consensus on a bill that could be taken up by both Houses, and that consensus bill is what we have before us today.

It may not be every person's wish, and as chairman of the Rules Committee, I commit right now to keep these items on the front burner, and should changes be necessitated, I would be very happy to entertain them. Though I cannot speak for my counterpart, the distinguished ranking member, Senator BENNETT, I believe he would also.

But today, let me say this: I believe this is a good bill—not a perfect bill but a good bill. Its passage today is the most direct action we can take to show the American people that, yes, we want to curb the influence of lobbyists and we want to restore the public trust on how we operate as Senators and Members of the House of Representatives.

In recent years, there has been an explosive growth in the number of registered lobbyists in Washington from 16,342 in 2000 to 34,785 in 2005. So in 5 years, the numbers of lobbyists have doubled, and, according to all reports, the numbers keep growing.

One of the most critical provisions of this bill will now shine new light on the role lobbyists play in political campaigns by requiring the disclosure of funds they bundle on behalf of Members, PACs, and party committees. It will also require that lobbyists disclose all their campaign contributions as well as payments to Presidential libraries, inaugural committees, or entities controlled by, named, or honoring Members of Congress, and it requires lobbyists to file electronic reports quarterly on their lobbying activity, with these reports becoming available on a searchable public database. The bill also increases civil penalties from $50,000 to $200,000 and establishes a criminal penalty of up to 5 years for those lobbyists who knowingly and corruptly fail to comply with these new requirements.

There has been increasing concern about former members of the administration, former lawmakers, and their staff gaining undue access as lobbyists because of the relationships they have made while working for the Government. This bill seeks to address those concerns by increasing the length of time, the so-called cooling-off period, for Senators. Currently, Senators are barred from lobbying Congress for 1 year. With passage of this bill, that would be extended to 2 years.

Cabinet Secretaries and other very senior executive personnel would be prohibited from lobbying the department or agency in which they worked for 2 years after they leave their position. In other words, they cannot lobby the department from which they left for 2 years. That is an increase from 1 to 2 years.

Senior Senate staff and Senate officers would be barred from lobbying the entire Senate for 1 year, instead of just their former employing office. That would be the whole Senate, not just their office.

There has been a lot of talk also about the K Street Project in which lobbyist firms, trade associations, and other business groups were told by former House majority leader Tom Delay and others that they would encounter a closed door in Congress unless they hired members of the then majority party. This bill seeks to end that practice by prohibiting Members of Congress and their staff from influencing hiring decisions of any private organization on the sole basis of partisan political gain, and it carries with it a fine and imprisonment of up to 15 years for violations. That is a stiff penalty, but hopefully it sends a stiff and strong signal that such practices will not be tolerated in the future.

Another issue that recently came to light is that Members of Congress convicted of bribery, perjury, conspiracy, and other related crimes can still receive their congressional pensions. I did not know this. Probably you didn't know this, Mr. President. But, fortunately, this bill ends that practice.

S. 1 also contains a number of major reforms to Senate rules, and I will highlight a few of the most important procedural reforms.

Section 511 amends rule XXVIII to subject ''dead of night'' additions to conference reports, when the new matter was not approved by either House, to a 60-vote point of order. This is a very important change in the rules, and it has been the bane of many our existence for a long period of time. You go through the process, and then after the process is concluded, in the dead of night, something is stuck into a conference bill. This practice will end.

Currently, when an out-of-scope provision is added to a conference report, we can object, but the objection brings down the whole bill. The reform in this bill will allow a Member to object to just the added provision.

I first proposed this provision in the last Congress and worked closely with Senator LOTT on its development. I am very happy that it is included in the final bill.

Section 512 ends secret Senate holds by requiring the Senator placing a hold on a legislative matter or nomination to publicly disclose that hold within 6 days. This, too, is an important reform. We all know about anonymous holds. We all know what it takes to discover who actually has the hold. It is time those Members who seek to hold up legislation come forward and disclose who they are and why. We do not prohibit their ability to exercise this senatorial prerogative, but we do require that they be transparent and, therefore, public about it.

Section 513 requires that Senate committees and subcommittees post video recordings, audio recordings, or transcripts of all public meetings on the Internet.

A great deal of attention has been given to the dramatic escalation in the number of earmarks awarded by Congress, and I wish to spend a couple of minutes on the earmark provisions.

According to a survey of the Congressional Research Service, CRS, the number of earmarks has skyrocketed from 6,114 to 13,012 in 2006. So in 6 years, the number of earmarks has more than doubled. Henceforth, earmarks which are in effect congressional additions to spending cannot be made in the dark of night but only in the full light of transparent disclosure. That is a big change.

This bill would require that the sponsor or the requester of each and every earmark be publicly identified, and because there is often disagreement about what does and does not constitute an earmark, the bill provides for the first time in Senate rules a definition that does not restrict the disclosure requirement to only appropriations bills. You and I, Madam President, serve on the Appropriations Committee, but there are also these authorizations that, in effect, are requests for added spending.

This new rule XLIV requires that all congressionally directed spending items, limited tax benefits, and limited tariff benefits in bills, resolutions, conference reports, and managers' statements be identified and posted on the Internet at least 48 hours before Senate action. So 48 hours before a bill comes to the floor, all of these additions must be transparently available to the public. It requires for the first time that Senators certify that they and their immediate family will not have a direct pecuniary benefit from the earmark they request as defined by rule XXXVII.

Separately, rule XLIV also subjects new directed spending added to a conference report when the new spending was not approved by either House to a 60-vote point of order so that you, Madam President, I, Senator GRASSLEY, or anyone else can come to the floor and raise a point of order to that congressional add-on, and then that would be subject to a 60-vote point of order. If a Senator objects to the earmark being dropped into the conference report, it then will most likely be stripped out unless 60 Senators vote to keep it in.

Committees would also be required, to the greatest extent practicable, to disclose in unclassified language the funding level and the name of the sponsor of congressionally directed spending included in classified portions of bills, joint resolutions, and conference reports. The chairman of each committee is responsible for certifying that the list of earmarks is correct and properly identified. So there is also a burden placed on the chair of every committee and subcommittee.

Let me speak for a moment about gift and travel reform. The Senate rules have also been reformed to curb the special access that special interests seek to gain by providing Members with gifts, meals, and tickets to entertainment and sports events. This bill prohibits staff and Senators from accepting gifts from registered lobbyists or entities that employ them. The bill prohibits Senators from attending parties in their honor at national party conventions if they have been sponsored by lobbyists, unless the Senator is the party's Presidential or Vice Presidential nominee.

The bill amends rule XXXV by prohibiting Senators and their staff from accepting private travel from registered lobbyists or entities that hire them, and prohibiting lobbyists from organizing, arranging, requesting, or participating in travel by Senators or their staff. However, Senators and their staff, with preapproval from the Ethics Committee, will still be allowed to accept travel by entities that employ lobbyists if it is necessary to participate in a 1-day meeting, a speaking engagement, a fact-finding trip, or similar event. And Senators and their staff can still accept travel provided by 501(c)(3) organizations if the trip has been preapproved by the Ethics Committee.

Finally, Senators will be required to pay the fair market value—that is, the charter rate—for flights on private jets not operating or paid for by an air carrier that is certified by the FAA. Section 601 separately establishes the same requirement for Senate candidates and Presidential and Vice Presidential candidates. This, in itself, is a consequential reform and somewhat controversial.

Finally, before closing, I would like to thank the majority leader for his unyielding determination to bring this bill forward. Without his dogged determination, and that of the Speaker of the House, I don't believe this bill would be before us today, and both are to be commended.

The 2006 election saw the largest congressional shift since 1994, and even with the war in Iraq on many voters' minds, Americans remain seriously concerned about ethics in government. It is time we listen to their concerns. This bill attempts to do so.

It is not always easy, it is not going to please everybody, and as I said in the beginning, Members are either going to feel that this bill is too strong about this part or that part, or too weak about this part or that part. But let me just reinforce that this is a conference report. It is not subject to amendment. It has been put together in an unusual procedure because of the objection from the other side to us going to conference, which would have been a far preferable method of handling this.

I once again repeat my commitment that as chairman of the Rules Committee, I will be happy to consider any amendments that the operation of this bill might indicate are warranted in the future.

I thank the Chair, and I yield the floor at this time.

The PRESIDING OFFICER (Ms. LANDRIEU). The Senator from Iowa.

Mr. GRASSLEY. Madam President, may I claim my time?

The PRESIDING OFFICER. Actually, under previous order, Senator LIEBERMAN was scheduled to follow Senator FEINSTEIN.

Mr. GRASSLEY. We are not going back and forth?

The PRESIDING OFFICER. The Senator from Iowa may proceed.

Mr. GRASSLEY. Also, on behalf of Senator STEVENS, because he was waiting to claim his time, and he had to go to a markup, he asked if I would have his name taken off the list and reserve the time for our side. But I would ask unanimous consent that I have 5 of that 10 minutes he originally had added to my time.

Mrs. FEINSTEIN. Madam President, reserving the right to object, and I won't object, but I misspoke, and if I may just correct the record.

This is not a conference report. It is a bill. But it is still not subject to amendment because the tree is filled. I wanted to make that clear.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Iowa?

Mr. LIEBERMAN. Reserving the right to object, and I will not object, I wanted to ask my friend from Iowa how long he intends to speak.

Mr. GRASSLEY. That would be 10 minutes.

Mr. LIEBERMAN. I thank the Chair, and I have no objection.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Madam President, I am rising to speak against the compromise that deals with the issue of secret holds. I would agree with the Senator from California, the distinguished chairman of the committee, that what we have in this report is probably better than what we have today because secret holds are secret, and nobody knows who is holding a bill. The public's business ought to be public, and it isn't today. But I do take exception to what is before us in regard to secret holds for the simple reason that there wasn't any necessity whatsoever to compromise.

Secret holds are rules of the Senate, or procedures in the Senate, and this body spoke with 84 votes in favor of what Senator WYDEN and I put before the Senate. Basically, this makes it so liberal that it is practically meaningless what we are doing about secret holds.

Article I, section 5 of the Constitution of the United States reads in part:

> Each House may determine the rules of its proceedings.

That means that the House of Representatives would have no say whatsoever in the Senate rules, but a conference was used for negotiations between the House and Senate. That was used as a rationale for changing what Senator WYDEN and I had previously gotten passed in the Senate. So when the Senate debates and passes changes to its rules, that ought to be the final word. But that wasn't the final word, as we are seeing today. That is what

happened with the House package of rules changes that the body passed in the Congress, and we didn't attempt to tell the House what they ought to do.

However, since the ethics reform bill that the Senate passed in January also contained changes to the Lobbying Disclosure Act and other laws, the entire bill needs to pass both Houses of Congress and be signed by the President. Nevertheless, that does not change the fact that under the Constitution, only the Senate determines its rules and procedures, and the Senate, in an overwhelming majority, spoke. So why shouldn't it be left just the way Senator WYDEN and I had originally introduced it.

What has happened is, the Senate had a full open debate about it and passed the changes that we did in Wyden-Grassley. Now we have a situation where the majority leader of the Senate and the Speaker of the House rewrote major provisions in this package, including rewriting Senate rules that had already passed the full Senate.

In conference, one provision that was changed was a provision that I referred to which Senator WYDEN and I had been working on for years to end the practice of secret holds because the public's business ought to always be public. Any Senator who has guts enough to put a hold on a bill ought to be willing to stand up and say who they are. Only in the Senate can a single Member prevent legislation or nominations from being considered under the so-called procedure of holds. Holds do not exist in the House.

Senator WYDEN and I were successful in passing an amendment in last year's ethics reform bill by a vote of 84 to 13 on public disclosure. That same language was included in the bill without a vote in this Congress. But you know how things go on around the Senate. We had prominent Senators, people who run this body, who told Senator WYDEN and I that ''they get the message,'' after 6 or 7 years, and, finally, we were going to end this secrecy. That bill wasn't enacted, but we included those identical provisions in this bill.

Senator WYDEN and I pushed for that provision because we believed the public's business ought to be done in public. Every Senator has the right to object to a unanimous consent request to proceeding to a matter. Senators have every right to object to a unanimous consent request publicly, but I see no legitimate reason Senators should be able to be secret about what they are doing in the Senate. It has been my policy for years to place a brief statement in the CONGRESSIONAL RECORD each time I place a hold, with a short explanation of why I placed that hold. It has never hurt me one bit, and Senators should have no fear following a requirement of the public's business being public. In other words, nothing secret. If you want to hold up a bill, just have guts enough to say so.

So I say the Senate has spoken in passing our very well thought out provision. And I should add that this provision was written with the help and advice of Senator LOTT and Senator BYRD, both former majority leaders with much valuable insight about how the Senate works. Yet even though the Senate has already spoken as a body on this matter, a single Senator has single-handedly rewritten part of this provision, overriding what I consider overwhelming support in the Senate to end secret holds.

In the version that was Senate passed, we allowed 3 days for Senators to submit a simple public disclosure form for the RECORD, just like adding your name as a cosponsor to a bill. The intent is not that it is somehow legitimate to keep a hold secret for 3 days, but we wanted to give Senators ample time to get their disclosure to the floor to be entered into the RECORD. The rewritten provision, as Senator FEINSTEIN has said, gives Senators 6 legislative days instead of those 3 days. It is absurd to think that Senators need over a week to send an intern down to the floor with this simple form.

Of greater concern is that the rewritten language requires Senators to disclose a hold only after a unanimous consent request is made and objected to anonymously on the Senator's behalf, and then they have 6 days after that. That is too late. By that point, particularly at the end of a session, it is going to make this process meaningless. By that point, a hold could have existed for some time, perhaps without the sponsor of the bill even realizing it.

Furthermore, since the majority leader controls the Senate's schedule, he would hardly object to his own request to bring up a bill or nominee. He would simply not bring up a bill or nominee being held up by a Member of his own party. If a Member of the minority party were to attempt to ask unanimous consent to proceed to a matter, he would object on his own behalf to protect the majority leader's prerogative to set the agenda, and any secret holds by members of a majority party would remain secret.

I am deeply disappointed that this provision that Senator WYDEN and I worked so hard on, over a period of at least 6 years, to finally get a vote of 84 Members of this body supporting it, and then, because it was almost a fait accompli as seen by leaders of this body—powerful Senators in this body—just to put it in, in January, in the bill that is before us because it would be done—so-called ''getting the message,''—well, who has forgotten that they got the message that they had to change this? And that is what is so irritating.

I am going to vote for this bill, but this was something that didn't need to be in a bill. It didn't need to be negotiated. This was decided by the vast majority of the Senate. But you know what it tells me. There are still people around here who don't want the public's business to be public. They want to do things in secret. They do not have guts enough to say they want to hold up a bill. So we end up with this convoluted thing we have of 6 days, but it isn't even kicked in until after there is an attempt by somebody to ask for a unanimous consent request to bring up a bill, and then only at that point, and then there is 6 days after that.

So I have stated my piece. I am not very happy. I hope Senator WYDEN is as unhappy as I am and will try to do something in the future.

Mrs. FEINSTEIN. Mr. President, I yield 10 minutes to the distinguished Senator from Connecticut, Mr. LIEBERMAN.

The PRESIDING OFFICER (Mr. OBAMA). The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I thank my friend from California for her leadership in this very important matter.

We all know, if you read the public opinion polls, Congress is at an all-time low in the estimation of the American people. I am not going to comment about the political impact of that, but more broadly on the fact that this is, in our self-estimation, the greatest democracy in the world, and that means this is a government which depends on the support of those we govern—the consent of the governed. When the level of trust and respect between the people of the United States and the Members of this elected Congress is as low as it is now, our democracy is less than it should be. I don't want to say it is in jeopardy, but I will say that it is weakened by this distrust.

So why does this distrust exist? I am sure everybody has their own favorite explanations. It seems to me that part of it is a pervasive partisanship here that gets in the way of us producing results, producing solutions to problems that people have—the people who are good enough to honor us by sending us here. They are frustrated because they think we too often put partisan interests ahead of public interests, ahead of their interests.

Another reason for the low estimation and opinion the American people have of Congress today is the wave of scandals that has afflicted the Congress and individual Members. When one Member is accused or convicted of an ethical or legal lapse, it affects the attitude of the people toward the entire institution. These seem to have come with increasing frequency.

Ultimately, no law can guarantee that an individual anywhere, including in Congress, will do the right thing and will be ethical. There are always private moments when we will all have to count on our moral compasses and our values center. But we adopt law to try to create a clarity of rules and create incentives for our society overall—and in this case, we ourselves—to guide us, encourage us, hopefully to scare us into doing the right thing. It is in that

context that I rise with real enthusiasm to support the Honest Leadership and Open Government Act which is before the Senate today.

This is not only the right thing to do in every substantive way, but it is the right thing to do in the larger sense that I described, of trying to rebuild the respect the American people have for this institution and for all of us who are Members of it. The focus here is on disclosure, as it ought to be.

The American people will naturally view darkly what is done in the shadows. They want to know that what we do in their names here in Congress is done with their best interests at heart rather than the narrow interests of a special few whose money may appear to the public to buy those special few access. Those suspicions, in the context of public cases of ethical and legal violations, grow in the darkness. The American people must know, through disclosure and sunlight—and this bill will shine light on so much of what we do—that the only special interest being represented here in Congress is the interest of the American people who were good enough to honor us by sending us here to serve them. This sweeping legislation shines much needed light in corners and corridors of this Capitol, too long left in the dark. It should help restore the public's trust now, a trust that is in much need of restoration.

I am proud to say that much of the lobbying part of this legislation came from the Homeland Security and Governmental Affairs Committee, last year under the leadership of Senator COLLINS, this year under my chairmanship. We always have worked together on a bipartisan basis.

With regard to lobbying, I wish to cite a few of the key proposals that increase disclosure.

This bill will bring the Lobbying Disclosure Act into the age of the Internet by requiring electronic filings and by requiring quarterly—rather than semiannual—reports detailing lobbying activities that lobbyists perform for specific clients. The reports are going to be right there for the public to see on the House and Senate Web sites.

Second, the bill amends the Lobbying Disclosure Act to require lobbyists to file reports detailing their activities beyond lobbying directly. That includes campaign contributions, payments for events to honor Members or to entities controlled by Members, and donations to Member charities, Presidential libraries or inaugural committees. None of these contributions are currently disclosed under law. This legislation attempts to build a broader wall between what we do here in serving the public and the lobbying world. Lobbying is a constitutionally protected activity. We are not trying to stop it or curtail it. We are trying to make sure it is done in an honorable and honest way.

This legislation increases from 1 to 2 years the cooling-off period before Senators can come back and lobby their colleagues. The bill also adds a provision to the Lobbying Disclosure Act prohibiting lobbyists from knowingly providing gifts or travel to Members in violation of House or Senate ethics rules, putting lobbyists on the hook for civil or criminal penalties if they violate the rules. Amendments to the Lobbying Disclosure Act will also shine a spotlight on so-called stealth coalitions by requiring greater disclosure of the identity of individual organizations that contribute to collective and focused lobbying efforts.

We back all these provisions with teeth—better enforcement. We increase civil penalties under the Lobbying Disclosure Act and create new criminal penalties for knowing and corrupt failure to comply with the act. We will have annual audits. We require annual audits by the Government Accountability Office, GAO, of lobbyists' filings—that is a second tier of review—and regular reporting by the Department of Justice on actions they take against those who violate the rules.

Those are the most significant parts of this legislation that came out of our committee with regard to lobbying. I do wish to compliment my friend and colleague from California, Senator FEINSTEIN, for her work in putting together an extremely tough ethics package. I think it is a very significant accomplishment for her in the first half year of her chairmanship of the Senate Rules Committee. In particular, I am pleased the final package, for the first time, requires so-called bundled campaign contributions made by lobbyists to Federal candidates to be disclosed to the public and published on the Federal Election Commission Web site. I know Senator FEINSTEIN has mentioned, and others will, other reforms here.

I wish to say just a final word about earmarks. This was an issue that came up in my campaign for reelection last year. I was accused by one of my opponents of bringing earmarks back to Connecticut. I thought that was something good to do. I said, like so much else in life, there are good earmarks and bad earmarks. Bad earmarks can often get through if there is not adequate disclosure. If you support an earmark and it is in legislation, you ought to not only be proud to be identified with that earmark in public but, if necessary, to come to the floor and defend the earmark to make sure it has the support of your colleagues.

This legislation requires that all earmarks included in bills and conference reports and their sponsors be identified on the Internet at least 48 hours before the Senate votes. Senators will be required to certify that they and their immediate family members have no financial interest in these earmarks. Dead-of-night additions to conference reports—that is, new earmarks, business that has too often been done here without public scrutiny or even the scrutiny of most Members of Congress—will now be subject to a 60-vote point of order.

I will say, if a Senator from yesteryear—not so far back yesteryear, 15 years, maybe 10 years—came back and saw that we were doing this here, they would wonder where they were. But where they would be is someplace where the American people justifiably want us to be.

Once the elections are over, the American people expect us to come here and do their business. That is exactly what this legislation will make much more likely. In the end, as I said at the beginning, it all comes down to the moral compass each Member of Congress has and the respect we give to the office in which it is our privilege to serve. But government in the shadows with deals cut behind closed doors invites abuse, breeds distrust, and simply must end. This bill goes a long way toward doing exactly that.

I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, I thank the distinguished chairman of the Homeland Security and Governmental Affairs Committee. The lobbying portion of this bill falls within Senator LIEBERMAN's jurisdiction. I also thank him for a job well done. He has been steadfast in this pursuit for a number of years.

I will exchange places with the Presiding Officer, and Senator OBAMA will be recognized for 10 minutes.

Mr. OBAMA. I thank the Senator.

The ACTING PRESIDENT pro tempore. The Senator from Illinois is recognized.

Mr. OBAMA. Madam President, I come to the floor to speak in strong support of the Honest Leadership and Open Government Act of 2007.

First of all, let me commend the Presiding Officer for the outstanding work she has done in helping to shepherd this process through. It is wonderful work. I think the American people very much appreciate the improvements that are being made to our political process as a consequence. I also commend Senator REID for his outstanding leadership on this bill. I especially thank my good friend, Senator FEINGOLD, with whom I have worked closely on this issue over the past year and a half.

The bill before us today could not be more urgently needed. For too long, the American people have seen lobbyists treat the legislative process like a game, using targeted contributions to maximize their leverage. For too long, people have believed their voice and interests have been drowning in a sea of lobbyist money and influence in Washington.

This is not the first time we have faced a crisis of confidence in government. Around the turn of the last century, wealth was becoming more concentrated in the hands of a few robber barons, railroad tycoons, and oil magnates. It was an era known as the Gilded Age. It was made possible by a government that played along. But when

President Theodore Roosevelt took office, he wouldn't play along. He devoted his Presidency to busting trusts, breaking up monopolies, and doing his best to give the American people a shot at the American dream once more.

America needs this kind of leadership more than ever. It needs leadership that sees government not as a tool to enrich well-connected friends and high-priced lobbyists but as the defender of fairness and opportunity for every American.

We cannot settle for a second Gilded Age in America. Yet we find ourselves once more in the midst of a new economy, where more wealth is in danger of falling into fewer hands, where CEO pay grows from year to year as the average worker's pay remains stagnant, where Americans are struggling like never before to pay their medical bills or kids' tuition or high gas prices, all the while the profits of drug and insurance and oil industries have never been higher.

Once again we are faced with the politics that makes all of this possible. In recent years, the doors to Congress and the White House have been thrown wide open to an army of Washington lobbyists who turned our Government into a game only they can afford to play. Year after year, they stand in the way of our progress as a country. They stop us from addressing the issues that matter most to our people.

Let's take health care, just as one example. The drug and insurance industry spent $1 billion in lobbying over the last decade. They got what they paid for when their friends in Congress broke the rules and twisted arms to push through a prescription drug bill that actually made it illegal for our own Government to negotiate with the pharmaceutical companies for cheaper drug prices. Because reform has been blocked up until now, there are parents and grandparents in this country who are walking into the drugstore and wondering how their Social Security check is going to cover a prescription that is more expensive than it was a month ago, who are being forced to choose between their medicine and groceries because they can no longer afford both.

Let me be clear, I do not begrudge businesses trying to make a profit. I do not begrudge them hiring lobbyists to plead their case before Congress. It is protected political speech, and we appreciate that there are many lobbyists who represent their clients well and fairly. But it is time we had a Congress that tells drug companies or oil companies or the insurance industry that, while they may get a seat at the table in Washington, they don't get to buy every single chair. We need to put an end to the prevailing culture in this town, and that is what we have been trying to do for the past couple of years.

Last year, Congress came up with a somewhat watered-down version of reform.

I, along with others, such as Senator FEINGOLD and the Senator from Arizona, who is about to speak, Mr. MCCAIN, voted against it because we thought we could do better.

In January, I came back with Senator FEINGOLD, and we set a high bar for reform. I am pleased to report that the bill before us today comes very close to what we proposed. By passing this bill, we will ban gifts and meals and end subsidized travel on corporate jets; we will close the revolving door between Pennsylvania Avenue and K Street; and we will make sure the American people can see all the pet projects lawmakers are trying to pass before they are actually voted on.

We will do something more. Over the objections of powerful voices in both parties, we will ensure that our laws shine a bright light on how lobbyists help fill the campaign coffers of Members of Congress by bundling contributions from others. Because an era in which soft money is prohibited, the real measure of a lobbyist's influence is not how much money he has contributed, it is how much money he is raising from others.

For too long, this practice has been hidden from public view. But today we can change that. I am pleased the amendment I have offered on bundling is part of this bill. I wish to thank Representative CHRIS VAN HOLLEN, who fought so hard to get this provision included in the House bill. As the Washington Post described the bundling provision earlier this year:

> No single change would add more public understanding of how money really operates in Washington.

So there is a lot of good in this bill. I truly hope and believe it will change the way we do business in Washington.

Let's not forget, though, there is still some more we need to do. One of the things I have argued is necessary to have on this is an independent entity to enforce ethics rules in Congress. Because no matter how well we police our own conduct, as long as we are our own prosecutor, judge, and jury, the public will never have complete trust in our decisions. So far, that is a fight I have lost. But I will continue to support independent enforcement because I believe it is in our Nation's best interests.

I also believe that if we are serious about change, we need to have a real discussion about public financing for Congressional elections. Because even if we can stop lobbyists from buying us lunch or taking us out on junkets, they will still be able to attend our fundraisers, and that is access the average American does not have.

In our democracy, the price of access and influence should be nothing more than your voice and your vote. That should be enough for health care reform. That should be enough for a real energy policy. That should be enough to ensure our Government is still the defender of fairness and opportunity for every American.

It is time to show the American people we have the courage to change the prevailing culture in this city. It is time to give people confidence in their Government again. We have a chance to start doing it with this bill.

I proudly support this legislation. I once again thank the chair for her outstanding work in moving this forward. I urge all my colleagues to support the legislation.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. MCCAIN. Madam President, over the last 20 years, I have found myself in a lonely fight against earmarks and porkbarrel spending year after year. I have come to the floor and read list after list of the ridiculous items we are spending money on, hoping enough embarrassment might spur some change.

I was encouraged in January, when this body passed by 96 to 2, an ethics and lobbying reform package which contained real, meaningful earmark reform. I thought at last we would finally enact some effective reforms. Unfortunately, the victory was short-lived.

One of my happier days, I will admit, was when Dr. COBURN was elected to the Senate in 2004. There is no better advocate of earmark reform; no one more consistent in standing firm to fight the worthy fight against wasteful spending, and I am proud to call him my friend.

I would like to commend my friend, Senator DEMINT, and Senator GRAHAM, Senator CORNYN, and others for joining our effort. Sadly, I say to my friends, that given the very watered-down earmark provisions contained in the measure brought to us by the majority, our good fight clearly will have to continue.

Not only does this bill do far too little to rein in wasteful spending, it has completely gutted the earmark reform provisions we passed overwhelming in January. It provides little more than lip service, unless, of course, you happen to be a committee chairman of the majority leader.

Under this majority-written bill, with no input from the Republicans, this bill will, unless you hold one of the top positions, you will now wield even more power, even more power with your porkbarrel pen.

Let me be clear. The ethics and lobbying reform bill has some good provisions which I strongly support: A ban on gifts and travel paid for by lobbyists or groups, although, if you want to get a free meal, count it as a campaign contribution. But, anyway, increased disclosure is welcome reform.

But the bill before us fixes only part of the problem and does not go to the heart of the problem. The heart of the problem that has bred the corruption is the earmark process. We all know that as my friend, Dr. COBURN, has said from time to time, it is the gateway drug to corruption—it is the gateway drug to corruption. I do not throw around the word ''corruption'' lightly. But there

are former Members of Congress in jail. There are investigations going on right now, and you can trace it all back to the influence of money which has corrupted a process which then allows money, our tax dollars, to be given to special interests or even accrue to the benefit of the author of the earmarks.

We come to the floor a lot and talk about a lot of the earmarking. Some of them are fun to talk about, but they make you sad: $225,000 for a historic wagon museum in Utah; $1 million for a DNA study of bears in Montana; $200,000 for the Rock and Roll Hall of Fame.

You notice all these earmarks are geographically designated so there will be no mistake that that money might go someplace else other than where it had been intended by the appropriator.

One of my favorites is the $37 million over 4 years to the Alaska Fisheries Marketing Board to promote and develop fishery products and research pertaining to American fisheries. So how does this board spend the money so generously? I have a picture I will not show. Well, they spent $500,000 of your tax dollars to paint a giant salmon on the side of an Alaska Airlines 747, and nicknamed it the ''Salmon Forty Salmon.''

So the fact is, we are not going at the heart of the problem. Let me quote from yesterday's Wall Street Journal that says it even better than I can:

> Our favorite switcheroo: Under the previous Senate reform, the Senate parliamentarian would have determined whether a bill complied with earmark disclosure rules. Under Mr. REID's new version, the current majority leader, that is, Mr. REID himself, will decide if a bill is in compliance. When was the last time a Majority Party Leader declared one of his own bills out of order?

I have only been here 20 years, but I have never seen it. I do not think you are going to see it in the future. So while under this new version of the bill earmarks should be disclosed in theory, the fact remains that only the committee chair or the majority leader or his designee can police it.

If they say all the earmarks are identified, we take it as gospel. Our only option is to appeal the ruling of the chair that a certification was made. Of course, that is business as usual, requiring 60 votes.

The new version does retain the requirement that bills and conference reports be available 48 hours before a vote, but the searchable database is no longer a requirement when it comes to conference reports; conference reports, where we have seen inserted some of the most egregious porkbarrel projects in this system as it exists today.

Of course, conveniently the bill was modified between its release Monday morning and another version Monday afternoon. It was a modification to the benefit of the business-as-usual crowd. It would now require a 60-vote threshold to appeal the ruling of the chair, compared to a mere majority vote under the version released a few hours earlier.

Let's be clear. Sixty Members are not going to overrule the majority leader. Fact. Business as usual. Business as usual.

I am a bit saddened, too, because there was an opportunity here. There is enough outrage and anger out there amongst the American people that they are demanding reform. They are not demanding an increase from 1 year to 2 years for disclosure; they are not demanding about meals, they are demanding we fix the earmark process which has led to corruption. We have taken a pass. I regret it very much.

I predict to you now the earmarking and porkbarrel spending will creep back into the process sooner rather than later, and we will not regain the confidence of the American people.

I wish to thank again my colleagues, both Senators from South Carolina, the Senator from Oklahoma, and others who have fought sometimes a lonely fight to try to clean up this mess.

I yield the remainder of my time to the Senator from Oklahoma and the Senator from South Carolina.

The PRESIDING OFFICER (Mr. OBAMA). The Senator from California.

Mrs. FEINSTEIN. Mr. President, the Senator from Wisconsin is next on our list. However, he had a pressing meeting, so we would be happy to go to a Republican.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Mr. President, I thank Senator MCCAIN for highlighting some of the problems with the bill. The real problem is that we last year spent $434 billion of our grandkids' money that we could not come up with. We did not collect taxes; we lowered their standard of living in the future. How did we get there?

We got there because we use earmarks to buy votes on appropriations bills. So we never look at the appropriations bill, we only look to see if our little thing is in it. Not all earmarks are bad. What is bad is a lack of transparency in our Government.

I know, Mr. President, you have helped me in terms of the Transparency and Accountability Act, but that is all after the fact. What this bill does is create a lie. That is what it is. It is not anything less than that.

We are lying to the American people that we are fixing earmarks, when we are not. The reason is, the vast majority of people in this body do not want their earmarks disclosed because it limits their ability to play the power game with the well connected who get something ahead of everybody else.

The other problem with earmarks is it takes our eye off the priorities for our country. Earmarks cause us not to do what is best for the country as a whole in the long term. It makes us short-term thinkers. It makes us parochial in our interests. I challenge any Member of this body to look at the oath they took and see if it says anything about your State when you swore to uphold the Constitution and serve as a Senator. Your duty is to the country as a whole, not to the well-heeled special interests who are the beneficiaries, whether they are parochial or not, to your earmark.

So there is no question this bill will pass. But the question the Senators have to ask is: Was I intellectually honest when every one of them out there is saying: We will have to fix this later because we do not like it, but we do not have the courage to vote against it—because they know we have not fixed the problem. But they are afraid of the public outrage and the pressure that has been created, in the essence of creating the impression that we fixed the problem.

Now, why do I say we have not fixed the problem? You go through this. What the Senate passed was DICK DURBIN-NANCY PELOSI's bill on transparency and earmarks, brought to the Senate by the Senator from South Carolina.

The first provision prohibits Senators from trading earmarks for votes. In other words, I will give you your earmark if you will vote for my bill. It is gone. It is not there anymore.

Prohibiting Senators and staff from promoting earmarks from which they or their families would receive a direct financial benefit, it is gone. We now say it has to be for that person, even though you may be connected. So we have gutted that. One of the greatest problems we have, we have gutted. So no longer is there a prohibition that your family member cannot benefit from an earmark from Congress. That is the greatest conflict of interest there is. Yet it goes on every day.

Third. Allows the Senate Parliamentarian, not the majority leader, not the chairman of the committee, to determine if a bill complies with earmark disclosure and transparency rules. The American people are never going to be able to hold us accountable until they can see what we are doing.

We have now said that, whoever is the leader, Republican or Democrat, this is not about who is in charge, it is about whether who is in charge will have the courage to go against the whole political power of their own party to certify.

The first appropriations bill we had so far in the Senate, the only one we passed, was certified that it was totally compliant. It missed it by $7 billion. They did not list all the earmarks, and they certainly were not transparent, but they certified they were.

The next provision prohibits consideration of bills, joint resolutions, or conference reports if earmarks are not disclosed. You can't bring it to the floor anymore if they are not disclosed. You still can bring it to the floor under the rules of this new ethics bills.

The next provision requires earmarks attached to a conference report to be publicly available on the Internet in a searchable format 48 hours before consideration. It still says it, but there is an out. The way this place works, we

bring conference reports up such as that all the time. So every time it is going to get waived, and we are not going to know. We are going to be voting on bills where the earmarks aren't disclosed.

Next provision: Requires 67 votes to suspend the earmark disclosure rule. That is what we passed 98 to nothing. Now if you want to fight that, you have to have 61 votes to say it doesn't. We have totally put on it the other side. We have totally made it so that you can in fact not disclose earmarks, and the majority will vote with you. We have made it hard for transparency rather than easy.

The next provision requires a full day's notice prior to attempting to suspend the earmark disclosure rule. Not anymore. No notice. So you could suspend it and don't have to notify anybody that you are suspending it.

Finally, it requires all earmark certifications from Senators to be posted on the Internet within 48 hours. Not anymore, not if the chairman of the Appropriations Committee doesn't think they can get it done. They just waive it.

So where are the problems? Why is it that the country has between 14 and 28 percent confidence in the Congress? It is because we continue to use sleight of hand to tell them we are doing something when we are not. I don't have any problems with the other things in the bill basically, but those are symptoms of the disease. The disease is right here. It is called earmarks. If we don't treat the disease rather than the symptoms, we are never going to fix the problem.

I am adamantly opposed to this bill and what it has done to gut earmark disclosure. I have been around here long enough to know what will happen under the time pressures and the constraints and the way we operate. This will all go away. It may not go away on the first bill or the second bill, but it will go away. So we find ourselves with the Senate getting ready to vote on an ethics and disclosure rule, and every Senator is saying: How do we fix the things we don't like? Well, we will do it later.

Nobody loves this bill, but we are going to vote for it, not because we are fixing the problem, but it looks as if we are fixing it. The confidence in Congress isn't going to go up; it is going to go down.

We started this debate 2½ years ago on an amendment on a bridge to 50 people in Alaska of which 15 Members of this body voted with me. But the American people came to realize that the bridge to nowhere stood for something more than the bridge to nowhere. It stood for the lack of character and integrity in this body in terms of making long-term decisions and putting the country first instead of political careers. We haven't solved anything with this ethics bills in terms of that problem and rebuilding confidence. There is a crisis of confidence in this country. There is a rumble that we don't deserve the positions we hold because we haven't earned them, because we are going to use sleight of hand. We are going to lessen confidence in this country. We talk about money. It is great, except what is going to happen is we are going to bundle $14,900 every 6 months and it is not going to be reported. Over a 6-year career, that is $180,000 that one lobbyist can bundle for you that does not have to be reported. So tell me how we fixed the problem? The bundling is a symptom of the earmarks. It is a symptom. Where is the connection between earmarks and campaign contributions? It is there almost every time. You just have to look for it.

With the President's help we passed the post-transparency bill, Senator OBAMA and I, to where we get a look at it after the fact. But now we don't want to have transparency before the fact. We have failed the American people with this bill. We are also failing the Senate and ultimately we fail ourselves.

I ask the American people to look at the pictures of their children and grandchildren. Do you want them to have the same opportunities, the same benefits, the same freedoms and liberties? This is the thing that is going to take it away—the lack of an honest and open debate about priorities, the continued spending of money we don't have, and most of it on the basis that we have a gateway drug to spending addiction called earmarks.

I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. I yield 10 minutes to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, this is a proud day for the Senate. I certainly thank the Chair of the committee, the Senator from California, for all her guidance and hard work to make sure this legislation got to this point. I certainly thank the Presiding Officer, Mr. OBAMA of Illinois, who has been a wonderful partner in this effort. I enjoyed working with him, and he was tough all the way through when it counted to make sure we would end up with this kind of strong legislation. I thank the Presiding Officer.

Many months of work on legislation to reform our Nation's lobbying disclosure laws and the rules that govern our conduct as Senators are about to come to a close. The result is a bill that by any measure must be considered landmark legislation. I am pleased to support this bill, and I urge my colleagues to vote for cloture and support the bill. I want to speak for a few minutes about what is in this bill and the forces that brought us to this moment.

I introduced the first comprehensive lobbying and ethics reform package in the Senate in July 2005, about 10 years after enactment of the Lobbying Disclosure Act of 1995 and the last significant changes to the Senate's rules on gifts and travel on which I worked with the senior Senator from Arizona. A decade of experience had exposed the weaknesses in those important pieces of legislation. In light of growing concern about the relationships between certain Members of Congress and Washington lobbyists, I thought it was time to undertake further significant reform.

In the months that followed, the Jack Abramoff scandal consumed more and more space on the front pages of the newspaper. When he was indicted in December, lobbying and ethics reform all of a sudden got a big burst of momentum in Congress. In the first few months of 2006, radical reform seemed not only possible but likely. Hearings were held, and a bidding war for who could sound the most sincere about fixing the problems that had led to the Abramoff scandal ensued.

Unfortunately, the congressional leadership at the time talked a good game, but was not really committed to reform. The bill that passed the Senate last May fell well short not only of what was needed, but also of what had been promised only a few months earlier. The House leadership waited even longer to act and tried to add controversial campaign finance legislation to the package, dooming it to defeat. The conventional wisdom was that the voters didn't care, at least that's what the defenders of the status quo assured themselves as they engineered the stalemate that led to no reform at all being enacted. As we found last November, they were wrong.

The voters sent a clear message in November 2006 that they were fed up with the way things were going in Washington. And the leaders of the new Congress responded to that message by making lobbying and ethics reform their very top priority. Speaker PELOSI included major changes to the ethics rules in the House in a package of rules changes adopted on the very first day of the session. And Majority Leader REID introduced an ethics and lobbying reform package as S. 1 and brought it immediately to the Senate floor.

I am pleased that only 7 months later, we are here today to finish the job. The bill before us is a very strong piece of reform legislation. We have a real ban on gifts from lobbyists, strong new rules governing privately funded travel, a requirement that Senators pay the full charter rate to travel on corporate jets for personal, official or campaign purposes, strengthened revolving door restrictions, and improved lobbying disclosure provisions. And for the first time, the public will get a full accounting, through reports filed by lobbyists, and reports filed by campaigns and party committees, of all the ways that lobbyists provide financial support for the Members of Congress who they lobby.

I am very pleased also that the bill includes provisions to provide greater transparency in the process by which

legislation is considered here in the Senate. Finally, after years of failed attempts, secret holds on legislation will be a relic of the past. In addition, out of scope additions to conference reports can be stricken individually rather than bringing down the whole report. All of these items show the seriousness with which this Congress and its new leadership addressed the anger that the American people expressed last November.

Let me say a word about earmarks. I heard my colleagues discussing it, and they know how strong I have been on this issue and how much I opposed the earmark process in my own practices and how many times I supported strong legislation in this regard. I have long been a strong supporter of earmark reform. I have cosponsored legislation on this topic with the Senator from Arizona, Mr. MCCAIN. Back in January, when the Senate first debated this bill, I broke with my leadership and supported the earmark reform amendment authored by the junior Senator from South Carolina, Mr. DEMINT. It is my judgment that the earmark reforms included in the proposal before the Senate today are consistent with the DeMint amendment, much stronger than the original bipartisan leadership proposal that was introduced in January, and an enormous improvement over the way earmarks had been handled by both Democratic and Republican-controlled Congresses in the past. It is simply not accurate to say that the final version of this provision guts the DeMint amendment that the Senate passed early this year. The minor changes that were made certainly do not justify a vote against cloture or against the bill.

The difference between the approach to lobbying and ethics reform this year and last year is this: Last year there was a lot of tough talk, but when it came down to it, the goal was to try to satisfy public outrage but actually do as little as possible. This year, the tough talk was backed up by tough action. This bill includes real reform on things like gifts and earmarks that get a lot of public attention and also on things like secret holds and corporate jets that occur mostly behind the scenes but have a big impact on how things work in Washington.

I especially thank Majority Leader REID for his steadfast insistence on passing strong legislation. This is a great accomplishment for him and for the Senate. I am pleased it is getting done in a timely manner. And I want to thank my colleagues for recognizing that regardless of how reforms might inconvenience us or impact our personal lifestyles, our priority must be to convince our constituents that we are here to advocate their best interests, not those of well-connected lobbyists.

Ethical conduct in government should be more than an aspiration, it should be a requirement. That is what this bill is all about. I am proud to support it, and I urge my colleagues to vote aye on cloture, and on final passage of the bill.

I yield the floor.

The PRESIDING OFFICER (Mr. BROWN). The Senator from California.

Mrs. FEINSTEIN. Mr. President, if the Chair would allow me to thank the Senator from Wisconsin, he has been an energetic, enthusiastic advocate for a very long time. He is not always hard to please. I want to particularly say ''thank you'' to him.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. DEMINT. Mr. President, I see we have 30 minutes before the vote. I was offered 10. I ask unanimous consent that I have up to 15 minutes to complete my remarks.

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

Mr. DEMINT. I thank the Chair.

Mr. President, I rise to voice my opposition to the pretense of earmarks reform that is included in this so-called ethics bill and to urge my colleagues to vote ''no'' on cloture this morning so we can restore the earmark transparency rules we all voted on in January. If, as the majority contends, the differences between that bill and the one we bring to the floor today are minor, there should be no objection to making those rules the same.

Americans know how much Congress loves earmarks. These are the special interest spending items that fill most of our bills. Americans also know that these earmarks are at the center of most of the waste and corruption in Washington. They know money in the form of earmarks is the easiest favor a lawmaker can deliver to a special interest. They know the explosion of earmarks in the last decade has turned Congress into a giant favor factory that turns out favors for special interests, not for the American people.

The Associated Press ran a fascinating article this morning entitled ''Earmarks Prove Popular and Dangerous.'' The article talks about how earmarks have been at the center of corruption in this town, yet Members of Congress continue to embrace earmarks and will do whatever it takes to keep them in the shadows away from public scrutiny.

The article says:

> Even the imprisonment of lobbyists Jack Abramoff and former [Representative] Duke Cunningham . . . on corruption charges that included earmark abuses has not dulled lawmakers' appetite for pet projects. One recent study found that earmarks in House legislation went from 3,000 in 1996 to 15,000 in 2005.

The article highlights that earmark disclosure is at the center of the debate on the so-called ethics bill before us today. It concludes by predicting there will not be enough Senators voting today to restore true earmark reform in this bill. That may be true, but I hope it is not the case.

This bill as it is currently written is a fraud. It is business as usual dressed up like ethics reform. And it is a stunning disappointment and a huge missed opportunity. It completely guts earmark rules we all agreed to back in January and allows us to continue to add secret earmarks to our bills. Even worse, it allows Members of this body to steer millions of tax dollars to themselves and their families. Yet the bill has the title of ''ethics reform,'' so many are going to support it so they can have a sound bite during their election.

This is not really a big surprise. Even though the Democratic leadership campaigned on cleaning up the culture of corruption in Washington, it has never been committed to cleaning up the culture of earmarks. The first version of this bill which came to the floor in January was so inadequate in how it dealt with earmarks, it only covered 5 percent of all the earmarks. The authors of this bill thought they could get away with saying they were providing earmark transparency without actually doing it.

Fortunately, after a lot of public pressure was applied, we were able to come together in a bipartisan way to fix this problem and bring every earmark out into the light of day. The rule we all agreed to not only disclosed all earmarks, but it also gave every Senator the ability to hold the committees accountable if the American people do not get the transparency they deserve.

I thought the Democratic leadership had realized the importance of these reforms, so when the appropriations season began and earmarks started to be added to our bills, I sought consent from my colleagues to formally enact these rules so we could be true to our word and ensure honest, full earmark disclosure. But, as my colleagues know, the Democratic leadership objected to real earmark reform. In fact, they objected on March 29, April 17, June 28, July 9, and July 17—five times in over what has now been 196 days since these earmark rules were passed in January. When it comes to true earmark reform, we have heard nothing but excuses and seen nothing but obstruction.

The majority leader wanted to take this bill to conference with the House back in June so he could kill earmark reform behind closed doors and share the blame with Republicans. I asked him if he would pledge to preserve earmark rules we all agreed to, but he said he could not give me that assurance. He left me no choice but to object to conferencing this bill with the House.

Now the rule is back before us. It has been rewritten in secret by the majority leader and the Speaker of the House, and they did exactly what I was afraid of—they killed earmark reform, only this time they cannot blame this on anyone but themselves.

For some reason, the Democratic leadership does not understand the importance of this issue. They talk a lot about the culture of corruption, but when it comes to reining in the most corrupting practice in Washington,

which is earmarking, they only offer lip service.

My colleagues should remember that it was the practice of trading earmarks for bribes that has been at the heart of the corruption scandals here in Washington. Let me say that again because it is very important. We had and still have a process in place that allows Members of this body to trade the public trust for personal gain.

Former Congressman Duke Cunningham was the master at this. He knew the oversight of his activities was so lax that he kept his own earmark ''bribe menu.'' He knew the House and the Senate were not going to police his colleagues and that the earmark process would give them the ability to steer millions of dollars to his friends who were bribing him. The document that charged Duke Cunningham outlined very clearly what he was doing, and I quote:

Under the very seal of the United States Congress, Cunningham placed this nation's governance up for sale to a defense contractor—detailing the amount of bribes necessary to obtain varying levels of defense appropriations.

Or earmarks.

In this ''broad menu,'' the left column represented the millions in government contracts that could be ''ordered'' from Cunningham. The right column was the amount of the bribes that the Congressman was demanding in exchange for the contracts.

The bill we are considering does nothing to stop the earmark factory. This so-called ethics bill does not actually require the Senate to disclose every earmark. All it requires is the chairman of the relevant committee or the majority leader to tell us they have disclosed every earmark. It does nothing to guarantee that earmarks are actually disclosed, and it is therefore unenforceable.

The rule we all agreed to in January that put the Senate Parliamentarian in charge of enforcing this rule has been changed. The Parliamentarian is a nonpartisan referee who works for all Senators, but this bill puts him on the sidelines. It allows the chairman of the committee and the majority leader—two of the most ardent supporters of earmarks and the two people least likely to object to one of their own bills—in charge of enforcing earmark disclosure. This allows the fox to guard the henhouse, and it makes a joke of ethics reform.

This is clearly a sham, and it is a total shame. It has been confirmed by the Senate Parliamentarian and the Congressional Research Service. A memo prepared by CRS states:

If a point of order is raised under the new rule, it appears that the Chair presumably would base his or her ruling only on whether or not the certification has been made, and not on the contents of the available lists or charts, including the accuracy or completeness of this information.

Mr. President, this has also been confirmed by the Senate Parliamentarian, who says he would not be able to ensure full earmark disclosure.

I hope my colleagues understand what is going on here. The lists of earmarks may only include the ones the Appropriations Committee thinks we should know about. If their certification is inadequate and leaves out 95 percent of the earmarks—like they wanted to do earlier this year—the new rule does not give Senators the ability to raise a point of order to require full earmark disclosure.

But this is not some theory of what could happen. We know without a doubt that secret earmarks will continue because this Democratic leader and Appropriations chairman are already hiding secret earmarks while claiming to be in full compliance with the rule. The nonpartisan Government watchdog group, Taxpayers for Commonsense, has already discovered $7.5 billion in undisclosed earmarks this year, while we are supposedly operating under this rule.

There are several other loopholes in this bill that allow secret earmarks. It allows Senators to trade earmarks for votes. It allows Senators to provide earmarks that financially benefit themselves or their families. It still allows Senators to drop earmarks into bills when they are in conference and cannot be fully debated or voted on. It allows Senators to get around disclosing earmarks on the Internet in a timely way. And it allows Senators to avoid having to put their no-conflict certification letter on the Internet in a timely way.

This so-called ethics bill is a fraud. The majority leader and some of the supporters of this bill want to tell the American people they have fixed the secret earmark problem when they have actually codified the status quo. This bill is actually worse than doing nothing because it preserves business as usual while trying to fool people into thinking everything has been fixed.

I also want to read something that was sent out by nationally syndicated columnist Robert Novak which explains why Republicans are not innocent either. He wrote:

Yet neither the prospect of several Republicans going to prison nor the disastrous loss of the 2006 election has weakened the party's embrace of the earmark model they ran from while holding the majority, in which each congressman provides for his district or state according to the New Deal model of ''Tax, tax! Spend, spend! Elect, elect!''

Mr. President, Democrats wrote this shameful earmark rule, and they will have to take responsibility for that. But Republicans have a responsibility to stop it. Republicans need to learn their lesson from the last election and, at the very least, shine some light on the earmarking process.

I do not know if we will win the vote this morning, but I urge my colleagues to oppose cloture so we can restore the earmark transparency rules we all agreed to in January. This would be an easy fix. It could be done in a matter of minutes. This bill could be quickly sent back to the House for its approval and then on to the President for his signature.

Earmarks are where most of the corruption has come from. It is directing money in return for some favor. If we are not willing to honestly reform this process with this bill, then it will not solve the problem it claims to solve. It will make it worse.

I thank the Chair and reserve the remainder of my time.

The PRESIDING OFFICER. The assistant majority leader is recognized under a previous order for 10 minutes.

Mr. DURBIN. Mr. President, let me first thank the members of the Rules Committee, particularly Chairman DIANNE FEINSTEIN. This is landmark legislation. We have had groups that have been watchdogs over the Congress, that have been the first to complain when there are ethical lapses, that have weighed in and said this bill can make a difference.

It was not easy, trust me. Members of the Senate and Members of the House—many of them—resisted the changes that are included in this bill. But Senator FEINSTEIN was given the authority and the responsibility to come up with a bill that is going to literally change the climate and the way we do business here on Capitol Hill, and she did it. I thank her for her leadership.

New transparency for lobbying activities; a strong lobbyist gift ban; limits on privately funded travel; restrictions on corporate flights; strong revolving-door restrictions; expanding public disclosure of lobbyist activities; ending the infamous K Street Project, which, unfortunately, for a long time was just acceptable conduct under the previous party's control of Congress; and congressional pension accountability—all of these are dramatic changes.

The Senator from South Carolina has focused on the issue of earmarks. I have been fortunate, in the House and the Senate, to have served on appropriations committees. I chair one of those subcommittees now. I want to tell you that the Senator from South Carolina has, unfortunately, misrepresented what this bill does. The Senator from South Carolina can, undoubtedly, remember when I offered an amendment on the floor, which he supported, which said we could not even proceed to an appropriations spending bill until we had posted on the Internet, for the world to see, every single congressional earmark in the bill 48 hours in advance. That is the type of disclosure which has never occurred on Capitol Hill, and it means that not only will the members of the committee and those who bring the bill to the floor be held accountable, but every person requesting an earmark—every Senator—will have to put their name next to the earmark request. I have just gone through this again. I think it is the right thing to do—full disclosure, full transparency, nothing to hide.

The situations that led to the imprisonment of Members of the House and lobbyists were these secret earmarks that popped up in the dead of night and people did not know what they meant. Change a comma here or put a semicolon there, and all of a sudden millions of dollars were flowing to favored clients of some lobbyist. Well, there is a Congressman from California who is now in jail for that, and there is a lobbyist in jail for it as well. Let me tell you, that era of secrecy in earmarks is over. It is over. Forty-eight hours before the bill comes to the floor, the whole world can take a look at it. And if you failed to put the earmarks in that disclosure, you are subject to a point of order.

Now, who rules on a point of order here? It is the gentleman sitting in front of the Presiding Officer. He is the Parliamentarian. We turn to him and say: All right, was there full disclosure of the earmarks in the bill? And he rules one way or the other. He doesn't have a dog in this fight. He works for both political parties. That is the way it should be. This is going to be an independent judgment as to these earmarks and whether there is full disclosure.

What about conflicts of interest between Senators and those who are requesting these disclosures? We have to file—each Senator, asking for an earmark for a project at home, has to file a statement on the record that we have no personal or pecuniary interest in this earmark we are requesting. That didn't occur before. That didn't occur before this Congressman went to jail and before this lobbyist went to jail. This is a dramatic change, and that disclosure—that denial of any kind of conflict of interest, or I should say acceptance that we won't have any conflict of interest, is public record. It is there to be seen. If someone violates it, they have made this statement to the committee, it has been disclosed to the public, and the whole earmark is there for the world to see. It is a level of transparency and disclosure which we have never had before.

What troubles me the most about the criticism of the Senator from South Carolina is that he is arguing that the writing of this bill was done ''behind closed doors, in secret.'' Well, there was an opportunity to take this bill to a conference committee. That is when House and Senate Members sit in a room at a table, work out their differences, in public, so that the press and the world can hear the deliberations and see the changes that are made. When we came to the floor and asked for that conference committee so the world could see the whole process, one Senator got up and objected. Does anyone want to guess which one? The Senator from South Carolina who just gave the speech this morning about the secrecy of this process. He can't have it both ways. He cannot object to a conference committee which is open and public, and then when the conference committee doesn't occur, object to what follows. We had no choice but to work out this bill and bring it to be considered by the House and the Senate.

So how did this bill fare on the floor of the House of Representatives that was hit so hard by this culture of corruption and ethical scandals? The final vote was 411 to 8, a bipartisan vote on the floor of the House of Representatives for this ethical reform, and now we hear from the Senator from South Carolina that somehow we have stacked the deck on the Democratic side. That wasn't reflected in the House vote.

Many of his Republican colleagues realize, as we do, that as painful as this is, it is necessary. If we don't have the trust of the American people when it comes to the business we do, then, frankly, many of us who have dedicated our lives to public service are going to be the lesser for it. For all this hard work and all the time we put in, people will always be suspicious: Is that Senator voting for that project because his brother-in-law works there or something? Well, that is going to end with this reform.

The Senator from South Carolina may have wanted more. He may have wanted to do it differently. That is his right. He is a Senator from a State, and he has that right, but he has to be honest and acknowledge that what we have done here is significant change. In the 5 years he was serving over in the House of Representatives, he didn't suggest that the Republican majority change their earmark process, ever. We can't find one single instance when he went to the floor of the House and argued for earmark reform when his party was in the majority. Now that the Democrats are in the majority, he has become outspoken on this issue. That, again, is his right to do so. I welcome it. I will say, conceding to the Senator from South Carolina, you have forced some valuable change in this process. You should take credit for that. But to stand here now and tell us this work product is not real reform flies in the face of comments made by people who have been working for reform in Congress for decades.

They believe this is landmark legislation. To put a 48-hour disclosure—48-hour disclosure—before we can even take up a bill, to put it on the Internet for everyone to see is a level of transparency never before seen in the Halls of Congress in our entire history. It never took place. That is a significant change. It is a change which I think moves us in the right direction.

Let me say a word about earmarks because there is a lot of comment about Members of Congress earmarking money on special projects. The bill I just completed, the financial services bill, we took a look at earmarks. Do you know what it turned out? It turned out the earmarks by the President of the United States were two or three times larger than any requested earmarks by Members of Congress. And there are no requirements under our rules that the administration say there is no pecuniary conflict of interest, no disclosure of 48 hours in advance. They put them in the bill.

But when it comes to Members of Congress, we have changed those rules, in my subcommittee and in other appropriations committees, and it will also apply to tax bills as well. Give me the power to change the punctuation in the Tax Code, and I can make a lot of people happy in a hurry.

So we want to get down to the real business and make sure that whether the earmark is in an appropriations bill or a tax bill, the American people see it from the start, and then they decide. When I run for reelection, my opponent—and I am certain the press—will scour through things I have asked for to see if they can be justified. If they find something they question, I am going to have to answer that question. We make that much easier for the public and for the press to get to the bottom of it.

I would say to my colleague from the State of South Carolina, by ending the K Street Project, by restricting lobbyist activities, by adding dramatic transparency to the Senate rules, we are seeing more reform in this bill than at any time in the history of the Senate or the House. How did we reach this point? Out of embarrassment—embarrassment over a culture of corruption that overtook many of the activities of Congress over the last few years. People have gone to jail. They have paid a heavy price. There have been embarrassments, and I am sure a lot of sadness in many families. But the bottom line is, we have kept our word that this bill, through real reform, and that will make a difference in the way we do business, is going to be passed.

I sincerely hope that an overwhelming, bipartisan majority will support this reform, this rules change when it comes before us today.

If one Senator or any group of Senators is successful in stopping this reform of the rules, this reform of ethics, then they better go home and answer to their constituents. When you pick up the morning paper, you know America is counting on us to do the right thing, and I encourage my colleagues to vote for this legislation.

The PRESIDING OFFICER. The time of the majority whip has expired.

The Senator from South Carolina is recognized.

Mr. DEMINT. Mr. President, I thank the Senator from Illinois, but I do have to clarify the facts because his representation of this bill has actually been an obvious misrepresentation. He has said if they certify that all the earmarks have been reported 48 hours in advance, and we have verified that family members have no interest in it, that we can challenge that if we don't believe it is true—but we can't challenge those facts.

I would like to ask the Parliamentarian at this point to confirm that because the way the sleight of hand is worked in this bill is, I can no longer object to the accuracy of the certification. I will just have to object to whether or not it has been certified.

I ask the Parliamentarian this specific question: If a point of order is raised under the earmark disclosure rule in this bill, would the Chair—through the Parliamentarian—be permitted to verify the completeness and accuracy of the disclosure, or would the Chair be required to only recognize whether a certification has been made by the chairman or majority leader?

The PRESIDING OFFICER. The Chair is required to only recognize whether a certification has been made by the chairman or the majority leader.

Mr. DEMINT. Mr. President, I just want to explain to my colleagues that is the crux of this issue. If the accuracy makes no difference—as it hasn't this year when we have gotten certification of disclosure or verification there has been no conflict of interest—if all that has to happen to comply with this rule is the majority leader or the chairman of the committee to say it has been complied with, and if I contest it, that I have no standing because it has been certified, that the Parliamentarian has been sidelined on this issue and can no longer verify whether it is true or accurate, what we have done is created this sham of disclosure that can be covered up by one Member of the Senate. That is why I call it a fraud. That is why I call it a sham. We have put all the language in here, except we have allowed it all to be waived by one Member of the Senate. This is not ethics reform at all.

Mr. President, I ask unanimous consent to set the pending amendment aside.

Mrs. FEINSTEIN. Objection.

The PRESIDING OFFICER. Objection is heard.

The Senator from South Carolina has the floor.

Mr. DEMINT. Mr. President, I call up amendment No. 2506 and ask that it be adopted.

Mrs. FEINSTEIN. Objection.

The PRESIDING OFFICER. Is there objection?

Mrs. FEINSTEIN. Yes, there is.

The PRESIDING OFFICER. Objection is heard.

Mr. DEMINT. Mr. President, I would just like to advise my colleagues that the majority has just objected to adopting the DeMint amendment for earmark reform that has been gutted in this rule. This is all we have been asking for throughout the process, that we put in this ethics bill the exact same language we all voted on that was written by Speaker PELOSI, rewritten by Senator DURBIN, and has been gutted in this process, and it is still being called earmark reform. The Parliamentarian has just confirmed for us and the world that the certification is a complete sham.

I thank the President, and I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from Texas is recognized.

Mr. CORNYN. Mr. President, I applaud the good work of the Senator from South Carolina in pointing out the defects in this bill. I know he has been criticized for exercising his rights as a U.S. Senator to object to a unanimous consent request that the bill go to conference committee where, as we all know, Republicans and Democrats would ordinarily sit down together and work out a compromise and would then come back to the floor for a vote. But as a result of the process employed by the majority leader, the Democratic leader, and the Speaker of the House, Speaker PELOSI, Republicans have had no opportunity to have any impact whatsoever on the final language of this bill. The only time we will have a chance to voice our views on this bill will be the vote that is coming up now.

So make no mistake about it, the bill we will be voting on is not the product of bipartisan negotiations; it is exclusively the act of the Democratic majority. I think only time will tell whether this bill operates as advertised or whether, as the Senator from South Carolina points out, it is a complete sham, perhaps presenting a patina or a thin veneer of reform, when, in fact, it really is rotten to the core because of the fact that business as usual will continue to be carried on here when it comes to the nondisclosure of the appropriation of Federal tax dollars for special purposes.

REPORTING OF BUNDLED CONTRIBUTIONS

Mr. FEINGOLD. Mr. President, one of the most important provisions contained in S. 1 when it first passed the Senate in January was an amendment offered by the junior Senator from Illinois, Mr. OBAMA, to require lobbyists to report on a quarterly basis the campaign contributions that they collected or arranged for Members of Congress. I was the primary cosponsor of that amendment. The activity the amendment covered is often called ''bundling.'' S. 1, as passed by the Senate, also required lobbyists to report on fundraisers that they host or cohost.

I am very pleased that the final bill maintains the requirement that this information be disclosed. It is important to note, however, that an agreement was reached to move the duty to report this information from the lobbyists to campaigns, in part to protect Members from unfounded allegations that lobbyists had raised political contributions for them when they actually had not. I would like to ask the Senator from Illinois, who worked hard to make sure that a bundling provision was included in the final bill, if section 204 of the bill is designed to capture the same kind of activity that the Obama amendment covered—lobbyists' bundling of contributions and hosting of fundraisers for Federal candidates?

Mr. OBAMA. Mr. President, I respond to my friend from Wisconsin that that is, indeed, the case. The bill requires candidate committees, political party committees, and leadership PACs to report contributions bundled by lobbyists if those contributions total more than $15,000 in a 6-month period. Persons whose bundling has to be reported include individuals, lobbying firms, or lobbying organizations registered or listed on registrations filed under the Lobbying Disclosure Act and political committees established or administered by each registrant or individual listed lobbyist. These persons also include any agent acting on behalf of a registered lobbyist, lobbying firm, or lobbying organization. Thus, if the CEO of a lobbying organization is raising money as an agent of the organization, his activities are covered by the legislation and must be reported. But employees of a lobbying organization, including a CEO, who are not lobbyists listed on the organization's lobbying disclosure reports are not covered, unless they are acting as agents for the organization.

The definition of bundled contributions includes contributions (i) ''forwarded from the contributor or contributors to the committee'' and (ii) contributions ''received by the committee from a contributor or contributors, but credited by the committee or candidate involved . . . to the [lobbyist] through records, designations, or other means of recognizing that a certain amount of money has been raised by the [lobbyist].''

Part (i) of the definition means that any contributions that are physically handled by the lobbyist and are transferred, delivered, or sent to a campaign are considered to be bundled. But in addition, under part (ii), if contributions sent directly to a campaign by the contributors are ''credited'' to the lobbyist, they are also bundled. The ''credit'' doesn't have to be written or recorded because the definition includes ''other means of recognizing that a certain amount of money has been raised.'' So if a lobbyist tells a candidate that he has raised a certain amount of money for the campaign, the lobbyist should be credited with that amount of fundraising, and the bundling must be reported, assuming, of course, that the threshold amount of contributions is met within the 6-month period. This was what we were trying to get at in the amendment that passed the Senate in January—to cover contributions that were physically collected by a lobbyist and transferred to a campaign, contributions that were formally recorded by a campaign as having been raised by a lobbyist, and contributions that a candidate or a campaign was aware had been raised by a lobbyist.

Mr. FEINGOLD. I agree with that. With respect specifically to fundraisers hosted or cohosted by lobbyists, my view is that virtually all such events would be covered by this provision. Is

that how the Senator from Illinois sees it as well?

Mr. OBAMA. Yes, I agree with that view. At many fundraisers, the host of the event collects the checks and gives them to a representative of the campaign. So that would be covered because the contributions have been ''forwarded'' to the campaign. But at some events, a representative of the campaign, or even the candidate, physically receives checks directly from contributors as they arrive or leave, and of course, some checks may be sent in afterward. In that case, the campaign knows the total amount raised, and knows the lobbyist who hosted the fundraiser is responsible for those contributions. Even if no formal records are kept about the money raised at the event, although most campaigns obviously do keep such records, the campaign has credited the lobbyist with that fundraising and it must be reported, as long as the threshold amount is met.

Mr. FEINGOLD. That is my understanding as well of section 204. It requires, however, that a candidate or campaign know that a lobbyist has raised a certain amount of money, not that they are just generally aware that the lobbyist has been fundraising for the campaign.

And it should be understood as well that the term ''raised'' in section 204 includes but is broader than the term ''solicited,'' which is defined in the FEC regulations issued to implement the campaign finance laws. For example, even if a lobbyist does not make a solicitation for a contribution, as the term ''solicit'' has been defined in FEC regulations, the lobbyist will still have ''raised'' a contribution if the lobbyist facilitated the contribution by hosting or cohosting a fundraising event that brought in the contribution.

Mr. OBAMA. That brings up a question that I wanted to clarify. In a situation when a fundraising event is cohosted by a number of different lobbyists, I am concerned that some might want to avoid reporting bundled contributions by dividing up the total receipts of a fundraising event among many sponsors or cohosts of the event. Certainly, that was not our intention. Does my friend from Wisconsin agree with me?

Mr. FEINGOLD. Yes, the purpose of the bundling reporting provision is to get as much disclosure as possible of bundling by lobbyists. In the provision, we have specifically asked the FEC to keep that purpose in mind as it promulgates regulations. The bill requires a committee to report ''each person'' who ''provided 2 or more bundled contributions'' in excess of the ''applicable threshold,'' which is an aggregate amount of $15,000 in a 6-month period. When two or more lobbyists are jointly involved in providing the same bundled contributions—as, for instance, in the case of a fundraising event co-hosted by two or more lobbyists—then each lobbyist is responsible for and should be treated as providing the total amount raised at the event, for purposes of applying the applicable threshold to the funds raised by that lobbyist, and for purposes of reporting by the committee of ''the aggregate amount'' of bundled contributions ''provided by each'' registered lobbyist ''during the covered period.''

It would be acceptable, of course, to report that certain funds were raised jointly in a single event so that by crediting each of the lobbyists involved with the total amount and reporting each lobbyist on the new schedule, the campaign does not suggest that the total amount of contributions bundled is far greater than the amount actually raised. But a campaign should not be able to avoid disclosing, for example, that three lobbyists raised $30,000 in a single fundraiser by claiming that each lobbyist has been credited with only one-third of the total amount. If this evasion were allowed, reporting for any fundraising event could be avoided simply by adding enough lobbyist cohosts for the event so that all of the lobbyists fall below the threshold. We certainly did not intend that result.

Mr. OBAMA. Mr. President, I appreciate the explanations and clarifications offered by the Senator from Wisconsin. The provision in the bill is aimed at requiring the disclosure of bundling, not prohibiting bundling. It must be broadly interpreted by the Federal Election Commission, consistent with its purpose. Indeed, section 204 specifically directs the FEC ''to provide for the broadest possible disclosure'' of bundling activities.

Mr. FEINGOLD. I agree. The Commission should not allow evasion or game playing of any kind, by campaigns, candidates, or lobbyists, to avoid reporting the activities of lobbyists. Section 204, the bundled contributions reporting section, along with section 203, which requires reports of campaign contributions and other payments by lobbyists themselves, is about giving information to the American people about how lobbyists provide financial assistance to Members of Congress and candidates. This information will allow the public to understand much better how Washington works. I congratulate the Senator from Illinois for successfully seeing his amendment through the process and into the final bill.

Mr. OBAMA. I commend my good friend from Wisconsin for his leadership on this issue. He has championed ethics and lobbying reform for many years, and he deserves much of the credit for the crafting of this important bill.

LIMITED TAX AND TARIFF BENEFITS

Mr. DURBIN. Mr. President, I would like to ask the chairman of the Finance Committee a question regarding the implementation of the provisions of the ethics reform bill as they apply to limited tax and tariff benefits. This legislation establishes the principle that the Members of this body and the American people at large should have full disclosure of the source and beneficiaries of legislative provisions that are directed to benefit a limited number of people or entities. The disclosure requirement would apply to limited tax and tariff benefits as well as to congressionally directed appropriations.

Specifically, the new rule states that it shall not be in order to vote on a motion to proceed to consider a bill or joint resolution unless the chairman of the committee of jurisdiction or the majority leader or his or her designee certifies that each limited tax or tariff benefit, if any, has been identified; that the Senator who submitted the request for such item has been identified; and that this information has been available on a publicly accessible congressional Web site in a searchable format at least 48 hours before such vote.

For the purpose of implementing this requirement, a ''limited tax benefit'' is defined as a revenue provision that ''(A) provides a Federal tax deduction, credit, exclusion, or preference to a particular beneficiary or limited group of beneficiaries under the Internal Revenue Code of 1986; and (B) contains eligibility criteria that are not uniform in application with respect to potential beneficiaries of such provision.'' A ''limited tariff benefit'' is defined as ''a provision modifying the Harmonized Tariff Schedule of the United States in a manner that benefits 10 or fewer entities.''

Under the rule, a Senator who requests a limited tax or tariff benefit is required to provide a written statement to the chairman and ranking member of the committee of jurisdiction, including, among other things, the name of the Senator and ''in the case of a limited tax or tariff benefit, identification of the individual or entities reasonably anticipated to benefit, to the extent known to the Senator.'' It is the responsibility of the requesting Senator to provide such information to the chairman and ranking member of the committee of jurisdiction. The chairman will expect this information to be provided by the requesting Senator and will disclose this information to the public if a requested provision is included in a bill in the chairman's jurisdiction.

The intent of this new rule is to ensure that any Senator who requests a limited tax or tariff benefit discloses to the chairman and ranking member of the Finance Committee the identity of any individual or entities reasonably anticipated to benefit from the provision and that the identity of the Senator who requested the provision and the identity of the individual or entities reasonably anticipated to benefit are made available on a publicly accessible congressional Web site at least 48 hours before a vote on a motion to proceed to the measure that contains the provision. This disclosure applies when a limited number of taxpayers receive a benefit from a provision and the benefit is not uniformly available to other

similarly situated taxpayers solely because the provision does not encompass those other similarly situated taxpayers. Does the chairman agree with this understanding of the proposed rule?

Mr. BAUCUS. Yes, the Senator from Illinois has accurately described the proposed rule and its intent.

Mr. DURBIN. If I may inquire further, I would like to have a clear understanding of how the chairman will implement this rule. Once this rule is adopted, I expect that, as bills and joint resolutions that contain tax or tariff provisions are brought to the Senate floor, the chairman will, before a vote on a motion to proceed to such a measure, publish a list of all limited tax or tariff benefits therein, identifying each of these provisions, the Senator or Senators requesting the provision, and the entities reasonably anticipated to benefit, to the extent known to the requesting Senator.

Am I correct in my understanding that the chairman will make such information public for each tax or tariff provision in the measure that provides a benefit to a limited group of beneficiaries where the provision results in those beneficiaries being treated more advantageously than entities that, in the absence of such a provision, would be considered similarly situated with regard to the portion of the Tax Code affected by the provision?

Mr. BAUCUS. Yes, I plan to provide such a list with regard to legislation in my committee's jurisdiction.

DISCLOSURE OF LIMITED TAX BENEFITS

Mr. BAUCUS. Mr. President, I would like to engage in a colloquy with the ranking Republican member of the Finance Committee about language in this bill regarding the disclosure of limited tax benefits. The ranking member and I have each been chairman of the committee in recent years. And we try whenever possible to work together. And nowhere is that more true than with regard to tax policy.

We have worked together to try to join in a policy about how to interpret the provisions in this bill on limited tax benefits. We hope that by explaining this joint policy now, we can help observers of the tax process to know how we intend to apply this new rule. I believe that the policy that I am about to tribe reflects our jointly held views.

Mr. GRASSLEY. I thank the distinguished chairman, my friend from Montana, for initiating this important discussion. I would like to put this discussion into a broader historical context. For over 20 years, chairmen of the Finance Committee have employed a practice of opposing narrow tax provisions, commonly known as ''rifleshots.'' The legislative change we will discuss in some detail is really a formalization of the practice the Finance Committee has maintained over the past two decades.

Mr. BAUCUS. I thank the Senator from Iowa. And I agree.

So here is our view. We wish to clarify the operation of the proposed rule change related to limited tax benefits. We know that it is impossible to foresee every possible application of the proposed disclosure rule for limited tax benefits. But we hope that this discussion will provide a more complete explanation of how the rule will operate.

For more guidance, we also recommend the interpretative guidelines developed by the staff of the Joint Committee on Taxation in response to the prior-law line item veto. These guidelines may also be applicable to the interpretation of the proposed earmark disclosure rules for limited tax benefits in this bill. The Joint Committee on Taxation documents are called, first, the ''Draft Analysis of Issues and Procedures for Implementation of Provisions Contained in the Line Item Veto Act, Public Law 104–130, relating to Limited Tax Benefits,'' that's Joint Committee on Taxation document number JCX–48–96, and second, the ''Analysis of Provisions Contained in the Line Item Veto Act, Public Law 104–130, relating to Limited Tax Benefits,'' that's Joint Committee on Taxation document number JCS–1–97.

The proposed rule in this bill would require the disclosure of limited tax benefits. It would define a limited tax benefit to mean any revenue provision that, first, provides a Federal tax deduction, credit exclusion, or preference to a particular beneficiary or limited group of beneficiaries under the Internal Revenue Code of 1986; and second, contains eligibility criteria that are not uniform in application with respect to potential beneficiaries of such provision.

The proposed rule would apply in most cases where the number of beneficiaries is 10 or fewer for a particular tax benefit. But the Finance Committee will not be bound by an arbitrary numerical limit such as ''10 or fewer.'' Rather, we will apply the standard appropriately within the unique circumstances of each proposal. For example, if a proposal gave a tax benefit directed only to each of the 11 head football coaches in the Big Ten Conference, we may conclude that the rule would nonetheless require disclosure of this benefit, even though the number of beneficiaries would be more than 10.

We will not limit the application of the proposed rule to proposals that result in a reduction in Federal receipts relative to the applicable present-law baseline. We believe that the proposed rule would have application to limited tax benefits that provide a tax cut relative to present law for certain beneficiaries, like, for example, a tax rate reduction for certain beneficiaries. But we also believe that the rule would apply to limited tax benefits that provide a temporary or permanent tax benefit relative to a tax increase provided in the proposal, like, for example, exempting a limited group of beneficiaries from an otherwise applicable across-the board tax rate increase.

For example, a new tax credit for any National Basketball Association players who scored 100 points or more in a single game would be covered by the rule. And the rule would also cover a new income tax surtax on players in the National Hockey League that exempted from the new income surtax any players who were exempted from the league's requirement that players wear helmets when on the ice.

The rule defines a beneficiary as a taxpayer; that is, a person liable for the payment of tax, who is entitled to the deduction, credit, exclusion, or preference. Beneficiaries include entities that are liable for payroll tax, excise tax, and the tax on unrelated business income on certain activities.

The rule does not define a beneficiary as the person bearing the economic incidence of the tax. For example, in some instances, a taxpayer may pass the economic incidence of a tax liability or tax benefit to that taxpayer's customers or shareholders. The proposed rule would look to the number of taxpayers. That number is easier to identify than the number of persons who might bear the incidence of the tax.

In determining the number of beneficiaries of a tax benefit, we will use rules similar to those used in the prior-law line item veto legislation. For example, we will treat a related group of corporations as one beneficiary for these purposes. Without such a rule, a parent corporation could avoid application of the disclosure rule by simply creating a sufficient number of subsidiary corporations to avoid classification as a limited tax benefit under the proposed rule.

For example, if a related group of corporations—like parent-subsidiary corporations or brother-sister corporations—owns a football team, then the related group will be considered one beneficiary. That treatment is analogous to the team being one entity, not separate entities, like the coaching staff, offensive unit, defensive unit, specialty unit, and practice squad.

The time period that we will use for measuring the existence of a limited tax benefit will be the same time period that is used for Budget Act purposes. That is the current fiscal year and 10 succeeding fiscal years. Those are also all the fiscal years for which the Joint Committee on Taxation staff regularly provide a revenue estimate.

For purposes of determining whether eligibility criteria are uniform in application with respect to potential beneficiaries of such a proposal, we will need to determine the class of potential beneficiaries. In the case of a closed class of beneficiaries—for example, all individuals who hit at least 755 career home-runs before July 2007—that class is not subject to interpretation, since only Henry Aaron satisfies this criteria. If, instead, the defined class of beneficiaries is all individuals who hit at least 755 career home-runs, then we will determine the class of potential beneficiaries by assessing the

likelihood that others will join that class over the time period for measuring the existence of a limited tax benefit.

Whether the eligibility criteria are not uniform in application with respect to potential beneficiaries will be a factual determination. To continue with the previous hypothetical, a proposal that provides a tax benefit to all individuals who hit at least 755 career home-runs may still not require disclosure if it is uniform in application. If the same proposal is altered so as to exclude otherwise eligible career home-run hitters who played for the Pittsburgh Pirates at some point in their career, then that kind of a limited tax benefit would require disclosure under the proposed rule.

Some of the guidelines in the Joint Taxation Committee's reports numbered JCX–48–96 and JCS–1–97 would not be directly applicable, but may be helpful in determining the class of potential beneficiaries. For example, the same industry, same activity, and same property rules might provide useful analysis.

So that is how we propose to apply the new rule.

Mr. GRASSLEY. I thank Senator Baucus for taking the time today to shed some light on implementing the limited tax benefits standard. I look forward to working with the chairman as we proceed.

Mr. STEVENS. Mr. President, while I support S. 1, I strongly oppose the provision within it which will require members to fully reimburse private plane flights at so-called fair market value. This requirement is unnecessarily excessive for intrastate travel, it places an undue burden on Members from rural States, and its enactment will come at great expense to American taxpayers.

The Senate's current rule requires members to pay the cost of a first-class ticket any time we travel by private plane. In areas with no regularly scheduled air service, Members pay their proportionate cost of chartering the same or similar aircraft. This rule ensures that Members pay the fair market value of traveling on such aircraft, while at the same time recognizing that private air travel is, at times, a necessity. Because these flights often represent the only way to access rural areas, most Members who travel by private plane do so to complete official business.

While I understand the desire to stem the perception and practice of members traveling in lush private jets, in reality, traveling on these types of aircraft is the exception rather than the rule. In my home state, my staff and I routinely travel in propeller and float planes. These are not luxurious jets. If any Member believes differently, I welcome them to travel with me as I traverse the State from Tuntatooliak to Savoonga.

Alaska does not have the transportation infrastructure found in more densely populated areas of the country. More than 70 percent of our State's towns and villages are not accessible by road year-round. We need to fly in order to reach these remote communities. If a private plane with others aboard is going to the same village I am, I should be able to get on that plane at a reasonable price.

During initial consideration of S. 1 in January, Members of the Senate raised concerns regarding the impact that the revised travel rules had on their ability to meet with their constituents. That measure, as drafted, would not have affected lobbyists—it impacted real people and prevented their elected representatives from responding to the issues they face. As such, I offered an amendment designed to address the concerns of rural State Senators in ensuring their ability to continue to travel around their States. I declined to pursue the amendment on the Senate floor when leadership on both sides of the aisle agreed to consider this matter during conference.

Unfortunately, this matter was not addressed because of the Senate's inability to conference the legislation.

While other travel matters were addressed, such as permitting Members to travel on their own planes or on the planes of their family members, the issue of rural transportation costs was not. Given this unfortunate circumstance, I have again introduced an amendment to address this situation. My amendment would require travel on private planes to be precleared by each Chamber's Ethics Committee to avoid even the appearance of a conflict of interest. It would also allow the committee to set and publicly disclose the rate we pay for each trip.

The private plane provision in S. 1 will not produce meaningful reform and will only increase the amount of money Members need from the Treasury to pay for these flights. Ultimately, it will be the taxpayer who foots this bill, and the only real change will be more money in the pockets of those who own and operate private planes.

A perfect example will come later this month, when a Cabinet Secretary and staff travel to Alaska. We plan to visit several western Alaska communities, and private plane is the only way to reach them in a single day.

Under the Senate's current rule, each individual would pay their share of the charter rate or an equivalent first-class fare. This rule is equitable: The operator of the flight would be paid a reasonable expense for our travel.

Under S. 1, my staff and I would pay fair market value—the entire price of the private plane. The Cabinet Secretary and their staff, according to their department's rules, would also reimburse the company for the costs associated with their travel. Any State and local officials who travel with us will likewise be required to pay for their seats.

The end result of this legislation will be a windfall for companies and a travesty for taxpayers—the very opposite of intended effects. Our system needs transparency, not additional financial burdens for hard-working Americans.

I am told that another provision of this legislation may be of interest to many Members of this Chamber—in fact, I may be the only one it will not affect.

Section 601 of S. 1 will require a sitting President, or a President's campaign, to pay for Members who travel on Air Force One. This provision will make campaigns even more expensive than they are today, and again do very little to increase transparency.

Lobbying reform is necessary, but it cannot harm our ability to do our jobs. Members should disclose flights on private planes, provide the reasons for their travel, and receive approval from the Ethics Committee prior to any travel. However, there is absolutely no reason why each seat should be paid for more than once. By requiring the reimbursement of private flights at fair market value, S. 1 will prevent many Members from serving their constituents effectively. While the majority leader's interest in passing this legislation is understandable, the Senate should ensure it does not adversely impact taxpayers. I urge my colleagues to consider these consequences and adopt my amendment.

Mr. CARDIN. Mr. President, I strongly support S. 1, the Legislative Transparency and Accountability Act of 2007. I urge my colleagues to support this measure, which is the most sweeping reform of ethics and lobbying laws and rules in many years.

I am pleased that we have worked in a bipartisan fashion on ethics and lobbying reform. The American people made their views clear in last year's election, and sent a strong message to Congress to clean up our act.

In January the Senate passed this legislation as our first order of business by a vote of 96 to 2, and the House followed suit by a vote of 411 to 8 earlier this week. I hope that the Senate will once again give overwhelming, bipartisan approval of this legislation, and send it to the President for his signature into law.

I have been privileged to serve as a legislator—first in the Maryland House of Delegates, then in the United States House of Representatives, and now in the United States Senate. I appreciate the trust that the people of Maryland placed in me. And I appreciate how important it is that we adhere to the strictest ethical standards. The American people need to believe their Government is on the up and up.

The legislation represents a significant change in the way elected officials, senior staff, and lobbyists would do business.

When it comes to how we treat ourselves, this legislation provides much greater transparency in earmarking. It requires that the sponsors of all earmarks, including limited tax and tariff benefits, that are inserted into bills

and conference reports be identified on the Internet at least 48 hours before a Senate vote. The bill requires Senators to certify that they and their immediate family members have no financial interest in the earmark. The bill also creates a point of order against new earmarks added in conference reports for the first time.

When it comes to making how Congress works more transparent, the bill requires conference reports to be available for public review on the Internet 48 hours before a Senate vote. It ends the practice of secret Senate holds which can kill legislation or nominations. It requires all Senate committees and subcommittees to post video recordings, audio recordings, or transcripts of all public meetings on the Internet.

This legislation makes needed reforms to the lobbying industry as well. The bill prohibits lobbyists and their clients from giving gifts, including free meals and tickets, to Senators and their staffs. It requires Senators to pay charter rates for trips on private planes. The bill prohibits Senators and their staff from accepting multiday private travel from registered lobbyists. It requires much greater transparency for lobbyist bundling and political campaign fund activity. The bill requires lobbyists' disclosure filings to be filed quarterly instead of semiannually, and requires these disclosures to be filed electronically and in a publicly searchable Internet database. It increases civil and criminal penalties for lobbyists who break the law.

The bill also takes major stops in slowing the revolving door between Members of Congress, staff, and the private sector. It stops partisan attempts like the K Street Project to influence private-sector hiring. It strengthens the revolving door restrictions by increasing the cooling off period for Senators from 1 to 2 years before they can lobby Congress, and prohibits senior Senate staff from lobbying contacts within the entire Senate for 1 year. It eliminates floor, parking, and gym privileges for former Members who become lobbyists.

Finally, the bill holds Members of Congress and staff accountable by making ongoing ethics training mandatory for Members and staff. It increases civil and criminal penalties for Members of Congress and senior staff who falsify or fail to report items on their financial disclosure forms. It denies congressional retirement benefits to Members of Congress who are convicted of serious crimes related to their official duties, such as bribery.

Former Supreme Court Justice Louis Brandeis' famous dictum still holds true today: ''Sunlight is said to be the best of disinfectants.'' The leadership and Members of Congress will have delivered on their promise to the American people by passing this bill. That is what the American people have asked us to do, and that is what we need to do to regain their trust.

Ms. COLLINS. Mr. President, I rise today to discuss the Honest Leadership and Open Government Act of 2007. This bill has taken on many names and many forms over the last year. While I am pleased to see this Congress at last addressing ethics issues, I am disappointed that the bill is being brought to the floor in this manner and in this form.

Last year, when I was chairman of the Homeland Security and Governmental Affairs Committee, the committee produced a bipartisan bill that the Senate passed in March 2006 by a vote of 90 to 8. That bill never became law, and as a result those issues were never addressed. But when Congress failed to take action, the American people stood up and sent a powerful message. The last election took place in the shadow of far too many revelations of questionable—or downright illegal—conduct by Members of Congress. When we returned to Washington in January, the first priority of this Senate was to take steps to restore the confidence of the American people in their Government.

It is unfortunate that we now find ourselves nearly 7 months later—taking up yet another version of this bill with several provisions that are far weaker than they should be. In particular, I am disappointed that in spite of a 98–0 Senate vote in favor of strong earmark disclosure rules, the provision now before us is weak and riddled with loopholes. I cannot understand why the majority leadership has chosen to ignore the clearly expressed will of the Senate in this way.

I draw my colleagues' attention to the first page of this new bill, in which its purpose is stated as, ''To provide greater transparency in the legislative process.'' This declaration—made without a trace of irony—belies the fact that this version of the bill was developed in closed-door discussions between the majority leader of the Senate and the Speaker of the House. Ethics is not an issue of the right or the left, so why has the process of drafting ethics legislation suddenly become so partisan?

In spite of these reservations, I will support this bill because I believe that it does contain positive provisions that are long overdue. Justice Oliver Wendell Holmes is said to have once noted, ''Sunlight is the best disinfectant,'' and this bill does bring sunlight into some of the dark corners of the legislative process.

The bill requires more frequent filings under the Lobbying Disclosure Act, and more detailed disclosure of lobbyist activities in those reports. In addition, it makes that information readily available to the public via the Internet.

The bill also contains a change to the Senate rules to eliminate, at long last, the undemocratic practice of anonymous holds in the Senate. The hallmark of this body should be free and open debate, and a process that allows a secret hold to kill a bill without a word of debate on the floor is antithetical to that principle.

The bill contains important provisions to slow the so-called revolving door problem where Members of Congress and their senior staffs leave Government jobs and then turn around to lobby the institution they once served.

These provisions—which I note, are substantially the same as those that the Senate passed earlier this year—are a step forward in restoring the American people's confidence in the integrity of their leadership.

In November 2006, the American people sent Congress a message that they had lost faith in the integrity this institution. I will support this bill because it takes a step forward in restoring the people's faith in the work we do here, but unfortunately I am left to conclude that had there been a better process, there would have been a better bill.

Mr. LEVIN. Mr. President, I support the Honest Leadership and Open Government Act.

I have worked for many years to enact meaningful lobbying and ethics reform. In 1995, I helped lead the effort to pass the Lobbying Disclosure Act which helped to open up the world of lobbying, and the billions of dollars spent in it, to the light of day. By requiring paid lobbyists to register and disclose whom they represent, how much they are paid, and the issues on which they are lobbying, this act was a real step forward. A number of scandals over the past few years have illustrated the importance of taking these reforms a step further and this bill does just that.

This bill includes much needed lobbying and ethics reforms, some of which I sought to include in the Lobbying Disclosure Act 12 years ago. It includes provisions to ensure greater transparency and disclosure of lobbyist activities by requiring lobbyists to file their reports quarterly and electronically in an online, public, searchable database. This bill requires lobbyists to disclose to the Federal Election Commission when they bundle or gather over $15,000 in campaign contributions for any Federal elected official, candidate or political action committee. Additionally, lobbyists will be required to disclose their own campaign contributions as well as payments they make to Presidential libraries, inaugural committees or other organization controlled by or named for Members of Congress.

This bill also includes an important provision I authored to require reporting by foreign lobbyists. Foreign lobbyists file their disclosures under the Foreign Agents Registry Act. The forms are difficult to find and hard to understand. This bill will require a publicly accessible, electronic database containing FARA disclosures in the same format that will be in place for registrants under the Lobbying Disclosure Act.

Also included is a strict ban on gifts from lobbyists or their clients to Members of Congress and congressional staff. These perks have no place in Government and I am glad that this legislation will eliminate them.

Strong travel restrictions are also an essential component of this bill. The new rules will ensure that Members traveling on corporate jets would have to pay for them at the charter rate, not at the current level of a first class commercial ticket, which is but a fraction of the cost.

This bill strengthens restrictions on lobbying for former Senators and former senior Senate staff by prohibiting Senators from lobbying Congress for 2 years after they leave office and prohibiting senior Senate staff from lobbying any Senate office for 1 year after leaving Senate employment. Also included is a provision that prohibits Members and their staff from influencing the hiring decision of private organizations in exchange for political access.

This bill strengthens penalties for Members of Congress who are convicted of crimes that involve violations of the public trust by revoking Federal retirement benefits. It also increases the penalties for Members of Congress, senior staff and senior executive officials who falsify or fail to file financial disclosure forms.

I am also pleased that this bill includes earmark reforms to ensure transparency in the legislative process. Requiring that earmarks included in bills and conference reports are available to the public on line will allow the average American the opportunity to know where their tax dollars are going and it is my hope that it will help ensure the quality of the projects which are funded.

I commend my colleagues in both the House of Representatives and the Senate for working in a bipartisan way to pass this important legislation. Though this bill is not perfect, it is a significant improvement over current law. Some will continue to find ways to circumvent it and undermine the safeguards we put in place. Standing for honesty, openness and accountability in Government will forever be an unfinished task. We must continue to be aware of abuses and understand that further legislation may be necessary in the coming years to ensure the integrity of the legislative process.

Mr. KERRY. Mr. President, as elected representatives, I believe we must hold ourselves to the highest ethical standards. The principle is a simple one. I want to take this opportunity to express my appreciation to Majority Leader REID, Chairman LIEBERMAN and Chairman FEINSTEIN for their work to keep that faith by increasing the ethical standards of the Congress in the legislation that the Senate is considering today.

While not perfect, the Honest Leadership and Open Government Act of 2007 will expand public disclosure of lobbyist activities, increase the transparency of the congressional earmarking process, strengthen the existing gift bans and ''cooling-off periods'' for Members of Congress and their staff, and prohibit Congress from attempting to influence employment decisions in exchange for political access.

I very much appreciate the assistance of Majority Leader REID, Chairman LIEBERMAN, and Senator SALAZAR in including a provision in this legislation that will prohibit Members of Congress who are convicted of serious ethics crimes such as bribery and fraud from receiving Federal pensions. This provision, based on my amendment to the Senate Ethics bill in January, which in turn was based on the Congressional Pension Accountability Act which I introduced with Senator SALAZAR, will go a long way toward rebuilding the trust of the American people. Those who abuse the public trust shouldn't be allowed to exploit the Federal retirement system at taxpayer expense. That is simply unacceptable and this legislation will finally change that inequity in the law.

We all remember just last year, when former Representative Randy ''Duke'' Cunningham received the longest prison sentence ever imposed on a former Member of Congress. His crime? He collected approximately $2.4 million in homes, yachts, antique furnishings and other bribes including a Rolls Royce from defense contractors. This disgraceful conduct a crime which lies beyond comprehension for honest, hard-working American taxpayers has earned him 8 years and 4 months in a Federal prison and has required him to pay the Government $1.8 million in penalties and $1.85 million in ill-gotten gains.

Unfortunately, the American taxpayer will continue to pay his Federal pension—a pension worth approximately $40,000 per year. Thanks to this legislation, no longer will taxpayers' hard-earned dollars be used to pay for the pensions of Members of Congress who are convicted of serious ethics abuses in the future.

I believe this legislation will significantly improve our Government by changing the way business is done and helping to ensure that Congress once again responds to the needs of our people, not special interests.

Mrs. FEINSTEIN. Mr. President, I rise to support the reauthorization of the State Children's Health Insurance Program. It is critically important that we continue and improve upon this successful effort that has made a difference in the lives of so many children.

I would like to thank my colleagues, Senator BAUCUS, Senator ROCKEFELLER, Senator GRASSLEY and Senator HATCH, as well as their staffs, for the countless hours they have spent in order to bring this bipartisan compromise before us today.

Like all compromises, the bill is not perfect. I, along with several of my colleagues, voted for a budget resolution that included an additional $50 billion for the reauthorization of the Children's Health Insurance Program. I understand that fiscal constraints make it difficult to fund a sum of that magnitude. But at the same time, no dollar spent to insure a child is wasted.

HISTORY OF THE PROGRAM

I am proud to have supported this program since its inception in 1997. At that time, there were too many working families who played by the rules and could not afford health insurance for their children. They had just a little too much to qualify for Medicaid or other Government programs, but not enough income to be able to afford the premiums that private insurance requires.

So a Republican Congress and a Democratic President came together to create the Children's Health Insurance Program, which has enjoyed a decade of broad bipartisan support.

The success has been clear. Twenty-one percent of the children in California were uninsured when the Children's Health Insurance Program launched. Six years later, in 2005, that rate had fallen to 14 percent, despite economic downturns, which commonly lead to increases in the number of uninsured.

It is now time for a Republican President and a Democratic Congress to come to together to allow this program to continue to fulfill its promise.

SUMMARY OF LEGISLATION

The bill we are considering today will allow this program's success to continue and make significant improvements. This legislation would:

Invest $35 billion to provide health insurance coverage to 3.2 million children who are currently uninsured. This will keep the 6.6 million children already enrolled in the program from losing coverage.

Give States the tools they need to find and enroll these uninsured children. Six million of the nine million uninsured children in the United States today are eligible for Medicaid, or they are eligible for the Children's Health Insurance Program. These families deserve to know they are eligible for coverage, and they ought to receive it without unnecessary bureaucracy and additional paperwork.

TOBACCO TAX INCREASE

These improvements are funded with an increase in the Federal tobacco tax, to $1 per package of cigarettes. Not only will this increase fund needed health insurance for children, it will create significant health improvements.

We must be very clear about the serious implications of tobacco use. It has to be understood that:

Tobacco is linked to at least 10 different kinds of cancer.

Tobacco use accounts for about 30 percent of all cancer deaths.

Tobacco use remains the top cause of preventable death in the United States.

According to the Campaign for Tobacco Free Kids, this tax will prevent an additional 1,873,000 children alive

today from ever becoming smokers. And this prevents them from becoming cancer victims later in life. Of this I am certain.

During my time in the Senate, I have worked to make the eradication of cancer a top priority. I strongly believe that we can eliminate the death and suffering caused by cancer in my lifetime. I have worked with the American Cancer Society, and the National Cancer Institute. I have spoken to leading cancer researchers, and patients and their families.

And over and over again, I have heard that tobacco is a leading cause of cancer.

There is much about cancer that we still do not understand and that we cannot control. But the relationship between tobacco and cancer could not be clearer.

The one thing we can do, immediately, to stop cancer deaths, is to reduce tobacco use. This legislation takes a step in that direction, while providing health coverage for children in the process.

IMPORTANCE OF HEALTH INSURANCE FOR CHILDREN

We know that when it comes to children, health insurance matters. It can determine whether a child receives appropriate treatment, and even if he lives or dies. According to a Families USA study conducted this year,

An uninsured child admitted to the hospital as the result of an injury is twice as likely to die during his or her hospital stay than a child with insurance.

Uninsured children admitted to the hospital with middle ear infections are less than half as likely to get ear tubes inserted than children with insurance.

These are not rare occurrences. As any parent will attest, children get into plenty of accidents, and children get lots of ear infections. No child should suffer a worse outcome because her parents could not afford health insurance.

CHIP IS NOT GOVERNMENT HEALTH CARE

Frankly, I am quite surprised that the Senate is not unanimously endorsing the compromise we have before us today. I was stunned when President Bush indicated he would veto it.

Unfortunately, some are attempting to use this debate to score political points, and in the process, are portraying the Children's Health Insurance Program in an unfair light.

Let us be clear. The Children's Health Insurance Program is not Government-run health care. Doctors, nurses and parents still make medical decisions. And in California, our Healthy Families program relies on commercial managed care plans.

California offers 24 health plans, 6 dental plans, and 3 vision plans.

In fact, 99.72 percent of Californians in Healthy Families have a choice between two health plans.

In four of our largest counties, families can choose between as many as seven plans.

Twenty-four different health plans in one State. That is certainly not a form of ''socialized medicine.'' Many employers providing private insurance cannot afford to give their workers more than one choice.

This legislation remains targeted at the children and families most in need of assistance. I am from San Francisco, one of the most expensive cities in one of the most expensive States in the Nation. No one will deny that it costs more to live in San Francisco than just about any other place in the country. You spend more on groceries, more on housing, more on transportation, and not surprisingly, more on health care. The California Association of Realtors estimates that in order to purchase the average entry level home in California, a family must have a household income of over $96,000 per year.

Yet, with the exception of Alaska and Hawaii, we have a uniform Federal poverty level, which is $20,650 for a family of four. President Bush insists that no family above twice this poverty level, or $41,300, could possibly need additional help to afford health insurance. I strongly disagree.

I would like to challenge anyone to support two children on $41,300 annual income in California, and find the $11,480 necessary to purchase the average family insurance policy. It is nearly impossible. This is precisely why we created the Children's Health Insurance Program 10 years ago, to prevent hard-working families from falling through the cracks.

This legislation maintains the State flexibility necessary to do just that.

CALIFORNIA STORIES

As a mother and grandmother, I know that there are few things worse than having a sick child. I cannot imagine the dilemma of a mother or father who knows that their child needs medical attention, but must also consider whether that treatment will have a catastrophic impact on their family's finances.

The Herman family from Sonoma County, CA, found themselves in this situation, twice in 1 month. Daughter Amber Herman fell and hurt her arm. Three-year-old Jacob shoved a rock in his ear during a family camping trip. Parents Penny and Peter Herman are self-employed small business owners, unable to afford private insurance.

The Hermans faced a $5000 out-of-pocket medical bill for their care. And Penny was pregnant with the couple's third child, Abraham. The family learned they were eligible for Healthy Families, and enrolled in the program. Penny received coverage for her pregnancy from Medi-Cal. All three children now have comprehensive health care coverage.

The Nunez family in Solano County, California never worried about health insurance; they were always covered under their father Pablo's union health plan. Pablo started his own business and he, wife Sandra, and their four children lost their coverage. Through outreach efforts, the family learned a few months later that their kids might qualify for coverage. They did, and all four Nunez children were enrolled in Healthy Families before they had a health care emergency.

These stories show that a robust Children's Health Insurance Program, coupled with good information and a straightforward enrollment process, makes a real difference in the lives of countless families.

CONCLUSION

Without action, these children and many others will risk losing this insurance coverage. It is my hope that the President will reconsider his ill-advised veto threat and sign this bipartisan legislation into law. While the President may want to advance his own health care reform ideas, it is not fair to hold millions of uninsured children hostage in the process. I welcome a wide-ranging debate on how to reform our health care system, after this bill is signed and the State Children's Health Insurance Program is protected.

This is a successful bipartisan program. It must be reauthorized, and the American people must make it clear to President Bush that they will accept no less.

I urge my colleagues to join me in supporting this important legislation.

Mr. CRAIG. Mr. President, the legislation before us today is labeled as an ethics and lobbying reform measure. Unfortunately, legislative labels don't guarantee performance. Just calling a bill ''reform'' doesn't guarantee it will improve the transparency of legislative operations so that the American people can better see what Congress is doing and hold its representatives accountable for their actions.

In this case, I am troubled by the bill we are being asked to support today—a bill prepared without input from Republicans and outside the normal bipartisan, consensus-building legislative procedures of the Congress.

While it contains a number of worthwhile provisions, I cannot agree that it makes the kind of fundamental improvements that its label promises in a number of critical areas.

For example, there has been significant focus on how this bill would change Senate rules concerning ''earmarks''—that is, congressionally directed funding. As a member of the Appropriations Committee, I have been asked about earmarks and have talked frankly with my Idaho constituents and others about this practice. I don't believe in secret earmarks and, in fact, on my Web site I have published a list of all the earmarks I have secured in appropriations legislation since I have been a member of the committee, so that anybody can review them.

In my opinion, the so-called ''earmark reforms'' in this bill are more likely to result in misleading people and gaming the process, rather than opening it up to public scrutiny.

There is more to the bill than its earmark provisions—there are other

flawed provisions as well as worthwhile provisions. It is not unusual for us to be asked to vote on a package including both provisions we agree with and those we don't. Sometimes we overlook the bad, if the package on balance does more good than harm.

But it would be perverse indeed for me to sanction, with my vote, a measure that I believe will frustrate the very goal of ethics reform that it is supposed to accomplish. I cannot pretend that the earmark provisions or other flaws in this bill are unimportant. I cannot ignore the real harm that some provisions of this bill will likely do. For these reasons, I cannot support this legislation.

Mr. FEINGOLD. Mr. President, the bill before us contains, in section 542, a provision to prohibit Senators from attending parties to honor them at the national party conventions if those parties are paid for by lobbyists or organizations that employ or retain lobbyists. The provision originated with an amendment that I offered to S. 1 when the Senate considered S. 1 at the beginning of the year. My amendment passed the Senate on January 17, 2007, by a vote of 89 to 5. I am pleased that the final bill retains this provision and also contains in section 305 a similar provision that will apply to Members of the House of Representatives. I wanted to take a minute to explain the purpose and operation of the provision and why I believe it was an important addition to the bill.

When the Senate adopted the Reid amendment in January to strengthen the lobbyist gift ban, we took a huge step toward eliminating gifts to Members of Congress from lobbyists and groups that lobby. The final bill retained that language, and it is one of the most significant provisions in the bill. But it is important to remember that the lobbyist gift ban is subject to the same exceptions in the gift rule that now apply. Some of these exceptions, like the personal friendship exception and the informational materials exception, are sensible and limited. Others, particularly the widely attended event exception, sometimes allow items of great value to be given to Members. Over the next few years, the Senate should look closely at whether lobbyists will now flock to these exceptions in order to continue to give us gifts. We may need to revisit some of the exceptions in the future.

One application of the widely attended event exception needed to be addressed immediately. At the political party conventions, which many of us attend, lobbyists and groups that lobby have fine-tuned the widely attended event exception and turned it into almost a competition over who can throw the most lavish, the most over-the-top, the most excessive party in honor of a powerful Member of Congress. These parties have become huge gifts to the honored Members. Essentially they allow a Member to host a gigantic party, with an unlimited expense account granted by the generous lobbyist sponsor.

Mr. President, I will ask to have a USA Today story about these parties at the Republican convention in 2004 printed in the RECORD at the conclusion of my remarks.

Here is how that story begins:

On Tuesday night, a few fortunate Republicans attending the party's convention will have a chance to try on ''the most exclusive and prestigious jewels in the world'' at the Cartier Mansion on the edge of New York's Diamond District.

The point is not only to ''indulge yourself,'' as an invitation says. It's also to honor a Republican congressman from Texas, Henry Bonilla, at a cocktail reception under chandeliers that sparkle almost as brightly as the diamonds and emeralds beneath them.

The event is hosted by a group of Washington lobbyists who hope to reinforce their ties with Bonilla, a powerful chairman of a House appropriations subcommittee. It's but one among more than 200 lavish parties being thrown this week by corporations, lobbyists, trade groups and other interests whose fortunes rise and fall on the actions of government policymakers.

The article continues:

Bonilla is just one of many committee chairmen and members of the House and Senate leadership who will be feted at what may be the most expensive round of receptions, dinners, concerts, golf outings and cruises ever at a political convention.

The USA Today story lists some of the other parties. Let me quote again from the article:

House Speaker Dennis Hastert of Illinois was the honoree at a reception Sunday afternoon sponsored by General Motors at Tavern on the Green, a glittering Victorian gothic restaurant on the edge of Central Park. The Distilled Spirits Council of the United States threw a reception at the New York Yacht Club for Rep. Thomas Reynolds of New York, chairman of the party's House campaign committee. And AT&T, Chevron Texaco, Target and Time Warner were among the sponsors of a martinis-and-bowling night for House Rules Committee Chairman David Dreier of California.

AT&T also is among the sponsors of a Tuesday ''Texas Honky Tonk for Joe Barton,'' the Texas congressman who chairs the House Energy and Commerce Committee. Barton's panel has wide jurisdiction over telecommunications, health and energy. And members of the House Financial Services and Senate Banking committees will be toasted at Madame Tussaud's Tuesday night, sponsored by JPMorgan Chase and Goldman Sachs.

The conventions have thus become giant lobbying festivals. Everyone who wants to get close to powerful Members of Congress is there, or at least everyone with the money to spend on a lavish party honoring a Member.

Here is what one lobbyist said about these parties at the 2004 Republican convention, according to USA Today:

''The Republicans are the majority party. They run the administration, they run the House, they run the Senate. So anyone who wants to talk to them is there,'' says David Hoppe, a lobbyist at the Washington firm Quinn Gillespie & Associates. ''It is a good time to see people and establish personal relationships.''

Another lobbyist commented about the importance of these types of events as follows:

''You go (to the convention) with a targeted plan of who you need to see, and you can get a lot of work done,'' says Scott Reed, a Republican lobbyist and political strategist. Approaching policymakers in a social setting puts them more at ease, he says, ''unlike in Washington, where you are normally coming to ask a favor or to help get somebody out of trouble.''

I don't know about my colleagues, but my stomach turns when I read an article like this. And we all know that similar events take place at the Democratic convention. The brazenness of these events as places where monied interests have special access to lawmakers is just shocking. We simply could not go back to our constituents and claim credit for getting rid of gifts from lobbyists if we allowed these kinds of events to continue at the conventions. And so I offered my amendment, and I am pleased that it was adopted in January and included as section 542 in the final bill.

Section 542 does not prohibit parties at the convention, but it does prohibit Senators from accepting free attendance at parties thrown in their honor at the conventions. If an industry group wants to throw a party, fine, but they won't have a congressional guest of honor to use as a lure to get other lobbyists to pitch in and fund the party. And a Senator won't be able to accept a gift of hosting a huge party at the expense of lobbyists and groups that lobby.

According to USA Today, these huge parties honoring Members date back to 1996, just a year after the gift ban was passed. They have increased in recent years, especially since the soft money ban we passed in 2002 prevents corporations from making huge contributions to the political parties. These convention events are one of the few ways that corporations and the lobbyists they employ can show their loyalty to a Member of Congress in a big way. It is time that we close this brazen evasion of the spirit of the gift rules. I am pleased that section 305 and section 542 will do just that.

Mr. President, I ask unanimous consent that the USA Today article to which I referred be printed in the RECORD.

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

LOBBYISTS' LURE TO GOP: 'INDULGE YOURSELF'

(By Jim Drinkard)

NEW YORK.—On Tuesday night, a few fortunate Republicans attending the party's convention will have a chance to try on ''the most exclusive and prestigious jewels in the world'' at the Cartier Mansion on the edge of New York's Diamond District.

The point is not only to ''indulge yourself,'' as an invitation says. It's also to honor a Republican congressman from Texas, Henry Bonilla, at a cocktail reception under chandeliers that sparkle almost as brightly as the diamonds and emeralds beneath them.

The event is hosted by a group of Washington lobbyists who hope to reinforce their ties with Bonilla, a powerful chairman of a House appropriations subcommittee. It's but

one among more than 200 lavish parties being thrown this week by corporations, lobbyists, trade groups and other interests whose fortunes rise and fall on the actions of government policymakers. They are taking advantage of New York's bounty of interesting event sites, from the aircraft carrier USS Intrepid to the 56th floor panorama of the Sky Club on Fifth Avenue.

While similar events were held at the Democratic convention in Boston last month, the New York partying will be more purposeful for one reason: ''The Republicans are the majority party. They run the administration, they run the House, they run the Senate. So anyone who wants to talk to them is there,'' says David Hoppe, a lobbyist at the Washington firm Quinn Gillespie & Associates. ''It is a good time to see people and establish personal relationships.''

Among the hosts for Bonilla's bash are the Wine Institute, which represents California vintners; Christine Pellerin, a former Bonilla aide who lobbies on appropriations matters; and UST, whose tobacco and wine interests fall under the jurisdiction of Bonilla's agriculture subcommittee. Bonilla is just one of many committee chairmen and members of the House and Senate leadership who will be feted at what may be the most expensive round of receptions, dinners, concerts, golf outings and cruises ever at a political convention.

''The entry fee for participation has gone up dramatically,'' says David Rehr, president of the National Beer Wholesalers Association, who is contributing either beer or money to help sponsor nine parties this week. To get top billing as a sponsor for an elaborate event can cost $100,000 or more; lower-level sponsorships are available for $50,000 or $25,000.

Rehr attributes that at least in part to a new campaign-finance law that bars corporations, unions and trade groups from giving big checks known as ''soft money'' to the political parties. Staging lavish parties ''is now the only legitimate outlet for soft money,'' he says. ''People have this pool of money and want visibility, or to show their commitment or loyalty, and to advance the reputation of a particular member (of Congress) or cause. So the parties are more lavish, the venues are bigger, the bands are bigger names than ever before.''

Top sponsorship for a Wednesday night benefit concert at Rockefeller Center costs $250,000. The event is being organized by Senate Majority Leader Bill Frist of Tennessee for his World of Hope foundation, which seeks to alleviate AIDS and other health problems in Africa. Frist's aides declined to name top sponsors.

The longest-running convention party is the one being thrown all four nights of the convention to honor Rep. John Boehner, R-Ohio, chairman of the House Committee on Education and the Workforce. It's at the Tunnel, a former nightclub on Manhattan's West Side.

The party-every-night tradition goes back to the GOP's San Diego convention in 1996, where nightly bashes for Boehner—then a member of the House leadership—got a reputation as the best events in town. Boehner's lobbyist friends replicated it at a Philadelphia warehouse in 2000 and are doing it again this year. The effort is led by Bruce Gates, a lobbyist for Washington Council Ernst & Young, a firm whose client list includes employers such as General Electric, Ford, AT&T and Verizon.

House Speaker Dennis Hastert of Illinois was the honoree at a reception Sunday afternoon sponsored by General Motors at Tavern on the Green, a glittering Victorian gothic restaurant on the edge of Central Park. The Distilled Spirits Council of the United States threw a reception at the New York Yacht Club for Rep. Thomas Reynolds of New York, chairman of the party's House campaign committee. And AT&T, Chevron Texaco, Target and Time Warner were among the sponsors of a martinis-and-bowling night for House Rules Committee Chairman David Dreier of California.

AT&T also is among the sponsors of a Tuesday ''Texas Honky Tonk for Joe Barton,'' the Texas congressman who chairs the House Energy and Commerce Committee. Barton's panel has wide jurisdiction over telecommunications, health and energy. And members of the House Financial Services and Senate Banking committees will be toasted at Madame Tussaud's Tuesday night, sponsored by JPMorgan Chase and Goldman Sachs.

Koch Industries, a Kansas-based oil company, is putting on a reception Thursday for Sen. George Allen of Virginia at the Rainbow Room at Rockefeller Center. BellSouth, Coca-Cola, Home Depot, UST and the Southern Co. are throwing a late-night party on Wednesday for Sens. Lindsey Graham of South Carolina and Saxby Chambliss of Georgia at the Supper Club in midtown Manhattan.

Among the busiest sponsors this week will be the American Gas Association, a trade group that represents 192 local natural gas utilities. They're putting on at least nine shindigs, from a ''Wildcatter's Ball'' honoring Sen. James Inhofe of Oklahoma, chairman of the Senate Environment and Public Works Committee, to a ''Wild West Saloon'' with the Charlie Daniels Band for Rep. Richard Pombo of California, chairman of the House panel that oversees natural resources.

All of it provides lobbyists with an efficient way to do their work. ''You go (to the convention) with a targeted plan of who you need to see, and you can get a lot of work done,'' says Scott Reed, a Republican lobbyist and political strategist. Approaching policymakers in a social setting puts them more at ease, he says, ''unlike in Washington, where you are normally coming to ask a favor or to help get somebody out of trouble.''

GOP'S WEEK EVENT-PACKED

Some of this week's events at the Republican convention:

Welcome reception for party donors aboard the aircraft carrier USS Intrepid, now a museum in the Hudson River with a view of the Manhattan skyline from its flight deck.

Golf tournament for donors at the Trump National Golf Club in Westchester County.

Brunch for Senate candidate John Thune of South Dakota aboard the Enterprise V, Amway Corp.'s gleaming, 165–foot, blue-and-white yacht.

''Space Jam 2004'' party for House Majority Leader Tom DeLay of Texas at Studio 450.

Dinner for the staff of the House and Senate commerce committees at Blue Water Grill, one of Manhattan's most popular restaurants with a ''sultry downstairs jazz room.''

A Metropolitan Museum of Art reception for Senate Majority Leader Bill Frist of Tennessee at the ''Temple of Dendur,'' an Egyptian temple dating to 15 B.C.

A Yankee Stadium fundraiser at the Yankees-Indians baseball game for Rep. Jerry Weller of Illinois. Tickets: $1,500, or two for $2,500.

''Breakfast at Tiffany's'' with Libby Pataki, wife of the New York governor.

The Republican Governors Association ''Rocks the Planet'' at Planet Hollywood in Times Square.

Martina McBride concert for Georgia's congressional delegation at the Roseland Ballroom.

Mr. DODD. Mr. President, earlier this week the House and Senate Democratic Leadership—forced to forgo a formal conference by one Republican Senator's insistence on blocking this bill—made public their comprehensive new ethics reform legislation. This legislation is historic, an important next step in the process of restoring the confidence of Americans in the legislative process. Designed to bolster congressional accountability, make the legislative process fairer and more transparent, and regulate more tightly the relationships between Members of Congress, executive branch officials, and lobbyists, it deserves our full support.

After being stymied by serious procedural hurdles in the last Congress, earlier this year in the Senate we passed a tough, comprehensive, bipartisan bill of which this body can be very proud. Regrettably, this week we had to overcome a filibuster by my Republican colleagues to get this bill to this point—a filibuster on a bill very similar to the earlier Senate-passed bill for which many of them voted. I congratulate my colleagues on voting earlier today to overcome objections from those who attempted to block its progress.

We should adopt this bill today without changes and send it to the President for his signature. It is important that Congress act quickly on this bill to help restore the confidence of all Americans in the legislative process and in the laws we write. That confidence, already low, has been further shaken by recent lobbying scandals and investigations, some involving funding earmarks. Bringing this bill to the floor as the first piece of legislation in this Congress was an indication of the depth of our commitment to restore the confidence of Americans in that process; I commend the majority leader for making this measure a priority and for pressing forward relentlessly, through many obstacles, to get this final version to the floor.

This bill, which passed the House by an overwhelming vote of 411 to 8 earlier this week, reflects the approach we took last year in developing reform legislation. I commend our Rules Committee chair Senator FEINSTEIN, along with Chairman LIEBERMAN of the Homeland Security and Governmental Affairs Committee, for working with our leaders to develop this strong bill. It is the final step in a lobbying reform process which has taken several years to come to fruition.

Let's remember why we are here: because of a need to respond to the crisis in confidence of the American people following the Jack Abramoff scandal in the House, a matter involving the bribery conviction of a Member of that body, and legal proceedings against certain other congressional and administration officials involving allegations of lobbying-related improprieties. The serious violations that have lead to last year's guilty pleas by former House Members and staff and the activities of Abramoff and his cronies in

which they violated lobbying, gift, and ethics rules have helped to create a climate of disillusionment and distrust of Congress. Americans made very clear in the last elections that cleaning up this process was a priority for them; it must also be a priority for us.

This comprehensive reform bill will help reduce the risk of future wrongdoing by lobbyists and officeholders. It is important to strengthen our current rules and procedures, where we can, to avoid future problems. But enforcing current rules is not enough; that is why we should adopt these tough new reforms today. And let me say that by making these changes we impugn no one in this body—I know my colleagues, many of whom I have worked with for decades, to be men and women of integrity, their behavior above reproach.

Regulating the relationships between lawmakers and lobbyists is not new. In 1876, the House tried to require lobbyists to register with its clerk, but enforcement was weak and not much came of these efforts. In the early 1930s, Congress held hearings on lobbying abuses, with little result. In 1938, the Foreign Agents Registration Act was enacted, followed by the 1946 Federal Regulation of Lobbying Act, the scope of which the Supreme Court soon narrowed. Additional minor reforms were implemented in the sixties, and then the Lobbying Disclosure Act of 1995 and new Senate gift and travel rules followed. And now this reform measure, the most sweeping of its kind since Watergate, will help shed further sunlight on the legislative process and illuminate how special interests influence that process.

It is clear that real, enforceable ethics reforms do work. Such reforms have over the years worked to improve the way Congress operates. Conflict of interest rules, earned-income limits, lobbying disclosure laws, the McCain-Feingold law and the honoraria ban, both of which I was privileged to play a role in, and other key reforms have helped ensure greater transparency and accountability to those whom we represent. But we must do more, and that is what this effort is about.

When we initially considered this legislation many months ago, Members from both sides of the aisle offered their ideas to improve the bill on the floor, which were incorporated into the final bill. That measure then passed 96 to 2. While some may quibble with the way one or another provision was finalized, virtually all of the bill's major elements have been retained in some form, and that is why this is a very strong product. Our leader rightly called it the strongest reform bill since the Watergate era; we should be proud to support it.

Since others have detailed what is in this bill—including provisions to slow the revolving door between Congress and the lobbying industry; tough new conflict of interest and postemployment rules; expanded disclosure of lobbyists' activities, including campaign-related activities; tightening of gift and travel rules; increased enforcement; requiring Members to pay charter rates to fly on private aircraft, and the like—I will not spend time doing that here. Suffice it to say this is a very strong bill, worthy of our support.

Finally, let me say a word about what I think is the elephant in the room on congressional reform efforts, and that is the need to enact comprehensive reforms of the way we organize and finance campaigns in this country.

As I have said, gift and lobby reforms do matter and are important. But while it is clear serious reform of the way some in Congress and their lobbying allies do business is needed, these changes alone won't address the core problem: the need for campaign finance reform which breaks once and for all the link between legislative favor-seekers and the free flow of inadequately regulated, special interest private money. Ultimately, this is more significant than lobbying, gift and travel rules, or procedural reforms on earmarks and conference procedures and reports.

My preferred reform approach would include a combination of public funding, free or reduced media time, spending limits, and other key reforms. Others will have different views and approaches. But I hope this will be just the first step in a process that will include comprehensive campaign finance reform. It took us years to enact the McCain-Feingold law, and it will likely take at least as long to enact a more comprehensive bill; we should get started on that effort as soon as possible. Real campaign finance reform must address not just congressional campaigns but also the urgent need to renew and repair our Presidential public funding system, which has served Democratic and Republican candidates—and all Americans—for 25 years.

The American public is way ahead of us on this issue. Too many believe the interests of average voters are usurped by the money and influence of lobbyists, powerful individuals, corporations, and interest groups. Too many believe their voices go unheard, drowned out by the din of special interest favor-seekers.

Our system derives its legitimacy from the consent of the governed. That is put at risk if the governed lose faith in the system's fundamental fairness and in its capacity to respond to the most basic needs of our society because narrow special interests hold sway over the public interest. Nowhere is the need for reform more urgent than on campaign finance. In the Rules Committee we held a recent hearing on the issue; I hope we will keep moving forward on it, and I intend to contribute to that debate as I have before.

I end where I began, with a concern about the confidence of Americans in Congress. Our credibility, and the credibility of the legislative process, is at stake. Let's not fool ourselves that these issues will ultimately be resolved without a fundamental overhaul of our campaign finance system. But in the wake of overwhelming approval by the House, let's adopt this measure and get it signed by the President, recognizing that it is an important next step in the reform process.

I again congratulate the majority leader for bringing this legislation back to the Senate floor and look forward to seeing it enacted into law so that we can help to begin to restore the confidence of the American people in the legislative process. I urge my colleagues to join me in voting aye.

Mr. KOHL. Mr. President, in the past few years, the newspapers were consistently laden with stories of scandal at every level of government. In November, the American people told us that they were tired of Congressional corruption. And today, the Senate finally acted. Despite countless hurdles and setbacks, today Congress will pass the most significant overhaul of lobbying and ethics rules in decades, and in doing so will fundamentally change the way we do business here.

Just as I did last year when I spoke on similar legislation, I want to make it clear to my constituents that I take no contributions from special interest PACS or lobbyists. I am beholden to no one except the people of Wisconsin, and I hold myself and my office to the highest standard of conduct regardless of any legislation.

But the growing number of scandals—and the strengthened voice of the American people against that corruption—made clear the need for this legislation. I have heard some of my colleagues on the other side of the aisle argue that this bill does not constitute true change. While these individuals focus on what they see as shortcomings, I choose to focus on the monumental reforms contained in the bill. The bill includes important restrictions on gifts and travel from lobbyists. It prevents a ''revolving door'' scenario, one in which Senators and senior staff are given complete access to lobby their former colleagues. Finally, the legislation restores common sense in its treatment of convicted Members of Congress by denying them Congressional retirement benefits.

I also support the earmark provisions contained in the bill. These bring an unprecedented amount of transparency to the earmarking process. It requires earmarks included in bills and conference reports to be identified on the Internet at least 48 hours before the Senate votes. Last minute additions to conference reports are subject to a 60-vote point of order under this bill. Every American deserves to know how their tax dollars are being spent, and I believe this bill helps our constituents do just that.

I will continue to represent the people of Wisconsin without regard to special interests. And I will continue to

hold myself and my office to the highest levels of accountability. It is my hope that this legislation will restore the trust of the American people, a trust eroded by so many Congressional scandals. It has been a long time coming, but the passage of this legislation today marks a new way of doing business in Washington, one that the voters have demanded and the people deserve.

Mr. SCHUMER. Mr. President, I rise today in support of S. 1, the Honest Leadership and Open Government Act. I would first like to extend my condolences to all those affected by the tragedy in Minneapolis. I watched the dramatic footage with horror and I can only hope we can quickly find the cause of this disaster and do all we can to prevent something like this from happening again.

This ethics bill is the product of many hours of hard work, and I commend Leader REID and Senators FEINSTEIN and LIEBERMAN for their leadership and determination in getting this done. Make no mistake. Today, this body is considering the greatest overhaul of legislative rules and procedure in generations. This ethics bill has passed the House overwhelmingly, and we should do the same without any further delay.

Last November, the American people sent a strong message to its leaders and that message read, ''Enough is enough!'' The people said, ''No more scandals! No more shady dealings!'' The people saw that Congress had needed to fix gaping holes in its ethics rules, and they voted for people they believed would make those changes.

So keeping with our promise to the American people, we developed comprehensive ethics and lobbying reform with an eye towards a quick passage. Back in January, this reform passed with a vote of 96–2. Unfortunately, the will of the people and the efforts of the Senate were stymied and we had to return to square one.

With this bill, however, we have overcome this obstruction and have a chance to pass what is being called ''landmark'' legislation by the reform community. And not a moment too soon. The American people expect their elected leaders to abide by the highest moral and ethical standards. We need to do everything we can to not disappoint them. The conversation at the dinner table should not be about how we let them down. It should not be about how the American people have lost trust in us. And that is why this legislation—and the corresponding message—is so important. It seeks to restore that trust that eroded over the past decade.

With this reform, we are closing loopholes, enacting restrictions, and creating transparency. These new rules are substantively the same as those passed by this body back in January; any statements to the contrary are simply false.

First and foremost, this bill will improve the culture in Washington by substantively changing the way that lobbyists interact with elected officials. The American public neither wants nor deserves another Abramoff scandal. With this bill, they can now be assured of clean and transparent interactions between K Street and the Hill. Rules will be placed on the travel and gifts that legislators can accept from lobbyists, and the revolving door between public and private employment will be slowed.

Additionally, lobbyists now face additional disclosure requirements. They must now file their disclosure forms twice as often, and certify that they have not given gifts of travel in violation of Senate or House rules. Lobbyists' participation in the campaign process must also be disclosed. Lobbyists must list their campaign contributions, and campaign committees must disclose the names of lobbyists that ''bundle'' contributions to the candidate.

These sweeping changes do not just apply to the lobbyists interactions but also to us and our conduct in the legislative process. This bill will change Senate procedure in various ways and seeks to end ''anonymous holds'' that hamper and disrupt the business of this body.

Additionally, this bill will shine new light onto the sometimes murky earmark process with new levels of transparency. For the first time, all earmarked appropriations and their sponsors must be disclosed to the public on the Internet at least 48 hours prior to Senate action. Not only will this provide the American people with a greater understanding of how their tax dollars are being spent, but it allows for a more comprehensive debate on the Senate floor to help ensure we are spending those same tax dollars wisely. Furthermore, each Senator must now certify that neither they nor their immediate family members will profit from any earmark they are requesting. This lends legitimacy to the projects that we fund, reassuring Americans that they are indeed necessary, and not just enriching politicians and their friends.

When we were all voted into office, the public enlisted their trust in us to act appropriately. We must not take that responsibility lightly. We must always strive for the high ground—where the process is clean and clear, and where the behavior is exemplary.

America expects nothing less from us.

So, Mr. President, I urge all my colleagues to support this monumental bill, and I hope that the Senate sends a message to the American public that we too are sick of corruption, shady dealings, and lies. This bill will take a giant leap forward to end that behavior. We cannot—and should not—wait any longer.

Mrs. FEINSTEIN. I ask unanimous consent to have printed in the RECORD a section-by-section analysis of the bill we are about to vote on, including legislative history endorsed by the three principal Senate authors of the legislation: myself, Chairman LIEBERMAN and Majority Leader REID.

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

HONEST LEADERSHIP AND OPEN GOVERNMENT ACT OF 2007 SECTION BY SECTION ANALYSIS AND LEGISLATIVE HISTORY

TITLE I CLOSING THE REVOLVING DOOR

Section 101. Amendments to restrictions on former officers, employees and elected officials of the executive and legislative branches

This section prohibits very senior executive personnel from lobbying the department or agency in which they worked for 2 years after they leave their position. It bans Senators from lobbying Congress for 2 years after they leave office and bans senior Senate staff and officers from lobbying the Senate for 1 year after they leave Senate employment. Senior employees of the Senate are those who, for at least 60 days, during the 1-year period before they leave Senate employment, are paid a rate of basic pay equal to or greater than 75 percent of the basic rate of pay payable to a Senator. Section 101 also makes technical and conforming changes to 18 U.S.C. §207(e).

Section 102. Wrongfully influencing a private entity's employment decisions or practices

Section 102 prohibits members from influencing hiring decisions of private organizations on the sole basis of partisan political gain. It subjects those who violate this provision to a fine and imprisonment for up to 15 years. This section is not intended to preclude Senators from providing references or writing letters of recommendation that speak to the credentials of an individual.

Section 103. Notification of post-employment restrictions

This provision directs the Clerk of the House and the Secretary of the Senate to inform Members, officers, and employees of the beginning and end dates of their post-employment lobbying restrictions under 18 U.S.C. §207. It also requires the Clerk and Secretary to post such notifications on their Internet sites.

Section 104. Exception to restrictions on former officers, employees, and elected officials of the executive and legislative branch

This section removes any confusion as to whether lobbying rules apply to former federal legislative and executive senior staffers who go to work for Indian tribes, tribal organizations and inter-tribal consortia immediately after their federal employment.

The amended tribal provision applies lobbying restrictions to those former federal employees who do not work directly for tribes or the exempted tribal entities or who represent an entity in an unofficial capacity or on non-governmental matters.

Section 104 removes any ambiguity that federal employees who are assigned to Indian tribes, tribal organizations or inter-tribal consortia may represent the Indian entity before a federal agency, department or court without violating lobbying laws. Further, this section removes any ambiguity that only those former federal executive and legislative branch employees who go to work for tribes, tribal organizations and inter-tribal consortia and who perform official governmental duties associated with tribal governmental activities or Indian programs and services are exempt from lobbying laws.

Under the provision, only ''tribal organizations'' (for example, a tribal or village governing body) or ''inter-tribal consortia'' (defined as, a coalition of tribes who join to undertake self-governance activities) may employ former officials, who may be exempted. And, only employees of these entities who act on behalf of these entities and who participate in matters related to a tribal governmental activity or federal Indian program or service may be exempted.

Importantly, the amendment preserves federal policy that encourages former federal employees to go to work directly for Indian tribes and tribal organizations that provide governmental services.

Section 105. Effective date

The effective date for section 101 is for individuals that leave federal office or employment on or after the date of adjournment of the first session of the 110th Congress sine die, or December 31, 2007, whichever is earlier. Section 102 will become effective upon enactment. Section 103 requires the Secretary to begin issuing notifications after 60 days, and all notifications must be published on the Internet as of January 1, 2008. Section 104 goes into effect upon enactment; however the post-employment restrictions go into effect for individuals that leave federal employment on or after 60 days after enactment.

The new ''revolving door'' restrictions are effective only for officials or employees that terminate office or employment on or after the relevant effective date. A delayed effective date was deemed more reasonable and practical than an immediate effective date.

TITLE II FULL PUBLIC DISCLOSURE OF LOBBYING

Section 201. Quarterly filing of lobbying disclosure reports

Section 201 increases the frequency of lobbying disclosure reports from semiannually to quarterly filings, with required adjustments to dates, thresholds, etc. A number of practical consequences result from the changes in section 201. For instance, exempted from filing are those whose total income from lobbying activities does not exceed $2,500 or for whom total expenses in connection with lobbying activities do not exceed $10,000. The changes in the section decrease the threshold amounts that trigger required disclosures of earned income or expenses from clients on lobbyist disclosure reports from $10,000 to $5,000, and require registrants to round income and expenses to the nearest $10,000.

Section 202. Additional disclosure

This provision requires that lobbyists disclose whether their client is a State or local government or a department, agency, or other instrumentality of a state or local government on their reports filed under the Lobbying Disclosure Act.

Section 203. Semiannual reports on certain contributions

This section requires lobbyists to disclose semiannually their name, their employer, the names of all political committees that they established or control, the name of each Federal candidate, officeholder, leadership PAC or political party committee to whom they have contributed more than $200 in that semiannual period, payments for events honoring or recognizing federal officials, payments to an entity named in honor of a covered federal official or to a person or entity in recognition of such official, payments made to organizations controlled by such official, or payments made to pay the costs of retreats, conferences or similar events held by or in the name of one or more covered federal officials, and contributions to Presidential library foundations and Presidential inaugural committees in that semiannual period. To avoid duplicative reporting, the bill provides an exception for payments made to committees regulated by the Federal Election Commission with respect to the provisions relating to disclosure of payments made to events honoring or recognizing federal officials, to entities named in honor or recognition of federal officials, to organizations controlled by such officials, and to pay the costs of meetings, etc. held by officials. All of this information would already be reported elsewhere under provisions in this bill or under reporting required by the Federal Election Commission Act.

Section 203 also requires a certification by the lobbyist filing the disclosure report that the person is familiar with House and Senate gift and travel rules, and has not provided, requested, or directed a gift, including a gift of travel, to a Member, officer, or employee of Congress with knowledge that receipt of the gift would violate the relevant rules.

The bill directs the Clerk of the House and the Secretary of the Senate to submit a report to Congress on the feasibility of requiring such reports to be made on a quarterly rather than semiannual basis and expresses the sense of Congress in favor of moving to quarterly reporting in the future if it is practically feasible to do so. After the report is filed by the Clerk and the Secretary, an affirmative vote of Congress will be required to alter the frequency of the filing period.

Section 204. Disclosure of bundled contributions

This section requires certain political committees to disclose to the Federal Election Commission (FEC) the name, address and employer of each current registered lobbyist who has provided the committee with bundled contributions in excess of $15,000 in each six month period defined in statute. The aggregate amount of contributions is measured on a non-cumulative basis in each six month period.

The definition of ''bundled contribution'' in this section contains two prongs. Subparagraph 204(a)(8)(A)(i) covers the situation where a lobbyist physically forwards contributions to the campaign. Subparagraph 204(a)(8)(A)(ii) covers the situation where contributions are sent directly by contributors to the committee, but where the committee or candidate credits a registered lobbyist for generating the contributions and where such credit is reflected in some form of record, designation or recognition. An example of such designations would include honorary titles within the committee; examples of such recognition include access to certain events reserved exclusively for those who generate a certain level of contributions or similar benefits provided by the committee as a reward for successful fundraising.

The disclosure requirement is not triggered by general solicitations of contributions, or where a registered lobbyist attends an event or an event is held on the premises of a registrant. An event hosted by a registered lobbyist may trigger the disclosure requirement if the committee credits the lobbyist with the proceeds of the fundraiser through record, designation or other form of recognition, as described in the preceding paragraph.

This provision covers only contributions credited to registered lobbyists, as defined in subsection 204(a)(7). Contributions credited to others, including others who may share a common employer with, or work for a lobbyist, are not covered by this section so long as any credit is genuinely received by the non-lobbyist and not the lobbyist.

Subparagraph 204(a)(8)(A)(ii) requires that the contribution be credited by the committee or ''candidate involved.'' The candidate ''involved'' in the case of a principal campaign committee is the candidate for whom the committee is the principal campaign committee; the candidate ''involved'' in the case of a Leadership PAC is the candidate who directly or indirectly establishes, finances, maintains or controls the Leadership PAC; and the candidate ''involved'' in the case of a political party committee is the chairman of the committee.

The definition of ''Leadership PAC'' in 204(a)(8)(B) is intended to recognize the FEC rule on a related topic at 68 Fed. Reg. 67013 (December 1, 2003)—a Leadership PAC associated with a given Member of Congress is not deemed to be ''affiliated'' with that office holder's principal campaign committee for purpose of contribution or expenditure limits under the Federal Election Campaign Act.

Section 205. Electronic filing of lobbying disclosure reports

Section 205 requires lobbying disclosure reports to be filed in electronic form, and directs the Clerk of the House and Secretary of the Senate to use the same electronic software for receipt and recording of the filings.

Section 206. Prohibition on provision of gifts or travel by lobbyists that are registered or required to register under the LDA, to Members of Congress and to congressional employees

This provision prohibits registrants and lobbyists from providing gifts or travel to covered legislative branch officials with knowledge that the gift or travel is in violation of House or Senate rules.

Section 207. Disclosure of lobbying activities by certain coalitions and associations

This section amends existing rules in section 4(b)(3) of the Lobbying Disclosure Act requiring reporting of ''affiliated organizations.'' The bill closes a loophole that has allowed so-called ''stealth coalitions,'' often with innocuous-sounding names, to operate without identifying the interests engaged in the lobbying activities. Section 207 requires registrants to disclose the identity of any organization, other than the client, that contributes more than $5,000 toward the registrant's lobbying activities (either directly to the registrant or indirectly through the client) in a quarterly period and actively participates in the planning, supervision, or control of such lobbying activities.

The new provision includes several exceptions to narrow the rule. First, it does not require disclosure of an organization or entity that would otherwise be identified if the client already lists the organization or entity as a member or contributor on its publicly-accessible website. In such cases, the registrant must report the specific web page that includes the relevant information. If the entity would have been disclosed under the existing rule 4(b)(3) language (as adjusted, i.e., the entity contributes $5,000 per quarter to the lobbying activities and in whole or in major part plans, supervises, or controls the lobbying activities), however, that entity must still be disclosed. Second, the new rule makes clear that it does not require disclosure of individuals that are members of or donors to a client or an entity identified as an affiliated entity.

The provision requires disclosure only of organizations or entities that ''actively participate'' in the planning, supervision, or control of the lobbying activities described in the report. Entities or organizations that have only a passive role—e.g., mere donors, mere recipients of information and reports, etc.—would not be considered to be ''actively participating'' in the lobbying activities.

Section 208. Disclosure by registered lobbyists of past executive branch and congressional employment

This provision amends the requirement under the Lobbying Disclosure Act that lobbyists disclose their executive or legislative employment in the preceding two years. Specifically, section 208 extends the disclosure to include executive and legislative branch employment in the preceding 20 years.

Section 209. Public availability of lobbying disclosure information; maintenance of information

Section 209 directs the Secretary of the Senate and the Clerk of the House to maintain and provide online access to an electronic database in a searchable, sortable, and downloadable manner, that includes the information contained in registrations and reports filed under this Act for a period of 6 years after they are filed and provides an electronic link to relevant information in the database of the Federal Election Commission.

Section 210. Disclosure of enforcement for noncompliance

This section requires the Secretary of the Senate and the Clerk of the House to publicly disclose on a semi annual basis the aggregate number of lobbyists and lobbying firms referred to the U.S. Attorney for the District of Columbia for noncompliance with the Lobbying Disclosure Act. It also requires the Attorney General to report semiannually to Congress on the aggregate number of enforcement actions taken by the Department of Justice under the Lobbying Disclosure Act and the amount of fines and prison sentences imposed.

Section 211. Increased civil and criminal penalties for failure to comply with lobbying disclosure requirements

Section 211 increases the civil penalty for violations of the Lobby Disclosure Act from $50,000 to $200,000. It imposes a criminal penalty of up to five years for knowing and corrupt failure to comply with the Act.

Section 212. Electronic filing and public database for lobbyists for foreign governments

This provision amends the Foreign Agents Registration Act (FARA) to require that mandatory registration statements or updates be filed electronically, in addition to any other form that may be required by the Attorney General. It requires the Attorney General to maintain a searchable and sortable electronic database, made publicly available on the Internet, that includes the information contained in registration statements and updates filed under FARA.

Section 213. Comptroller general audit and annual report

Under Section 213, the Comptroller General will annually review random samples of publicly-available registrations and reports filed by lobbyists, lobbying firms, and registrants and evaluate compliance by those individuals and entities with the Lobbying Disclosure Act—i.e., it will review the same registrations and reports that are available to the public. The GAO is required to report annually to Congress on its findings. The report will include recommendations to Congress on improving compliance and providing the Department of Justice with the resources and authorities necessary for effective enforcement. Under this provision, it is intended that the GAO audit lobbyist compliance with the Lobbying Disclosure Act; the provision does not give the GAO authority to audit the Secretary of the Senate or the Clerk of the House's activities under the LDA, including receipt, compilation, dissemination and/or review of information filed under the LDA.

Section 213(c) authorizes the Comptroller General to request and receive information from lobbyists, lobbying firms and registrants. This section provides the Comptroller General with the tools necessary to evaluate whether the information included by lobbyists, lobbying firms and registrants in the reports filed under this Act is accurate and complete, and thus whether these individuals and entities are complying with the Act. Nothing in this section provides authority for the GAO to obtain information protected by the attorney-client privilege.

Section 214. Sense of Congress regarding lobbying by immediate family members

Section 214 expresses the Sense of Congress that the use of family relationships by a lobbyist who is an immediate family member of a Member of Congress to gain special advantage over another lobbyist is inappropriate.

Section 215. Effective date

Sections 201, 202, 205, 207, 208, 209 and 210 apply to information in periods on or after January 1, 2008, and for subsequent registrations and reports. Section 203 goes into effect on the first semi-annual reporting period that begins after enactment. Section 204 goes into effect 90 days after the FEC has promulgated final regulations. Sections 206 and 211 go into effect upon enactment. Section 212 goes into effect 90 days after enactment. Section 213 requires the first audit to be done with respect to filings in the first calendar quarter of 2008 and the report to Congress be completed within 6 months after that quarter, with annual reports thereafter.

TITLE III STANDING RULES OF THE HOUSE

Title III includes changes to the Rules of the House. Information provided with respect to Title III simply summarizes the provisions of the Act and is not meant to be authoritative legislative history with respect to the provisions in that Title.

Section 301. Disclosure by Members and staff of employment negotiations

This provision prohibits House Members from engaging in any agreements or negotiations with regard to future employment or salary until his or her successor has been selected unless he or she, within three business days after the commencement of such negotiations or agreements, files a signed statement disclosing the nature of such negotiations or agreements, the name of the private entity or entities involved, and the date such negotiations commenced with the Committee on Standards of Official Conduct. It requires that Members recuse themselves from any matter in which there is a conflict of interest or an appearance of a conflict, and that Members submit a statement of disclosure to the Clerk for public release in the event that such a recusal is made. It requires senior staff to notify the Committee on Standards of Official Conduct within three days if they engage in negotiations or agreements for future employment or compensation.

Section 302. Prohibition on lobbying contacts with spouse of Member who is a registered lobbyist

Section 302 amends House Rules to require that Members prohibit their staff from having any lobbying contact with the Member's spouse if such individual is a registered lobbyist or is employed or retained by a registered lobbyist to influence legislation.

Section 303. Treatment of firms and other businesses whose members serve as House committee consultants

This section clarifies that when a person is serving as a House committee consultant, other members and employees of that person's employing firm, partnership, or other business organization, shall be subject to the same lobbying restrictions that apply to that individual under the Rules.

Section 304. Posting of travel and financial disclosure reports on public website of Clerk of the House of Representatives

Section 304 directs the Clerk of the House of Representatives to develop a publicly available, searchable, sortable and downloadable website by August 1, 2008 to post Members' travel information that is required to be disclosed under rule XXV of the Rules of the House of Representatives.

It directs the Clerk of the House of Representatives to post on a publicly available website by August 1, 2008 Members' financial disclosure reports required to be filed under section 103(h)(1) of the Ethics in Government Act. Allows Members to omit personally identifiable information from these forms.

Section 305. Participation in lobbyist sponsored events during political conventions

This section prohibits Members from attending parties held in their honor at national party conventions if they have been directly paid for by lobbyists, unless the Member is the party's presidential or vice presidential nominee.

Section 306. Exercise of rulemaking authority

This provision acknowledges that the House adopts the provisions in this title as an exercise of its rule making power with full recognition of the constitutional right of the House to change those rules at any time.

TITLE IV CONGRESSIONAL PENSION ACCOUNTABILITY

Section 401. Loss of pensions accrued during service as a Member of Congress for abusing the public trust

Section 401 prohibits Members from receiving their pension earned while serving in Congress if convicted of bribery, perjury, conspiracy or other related crimes in the course of carrying out their official duties as a Member of Congress.

TITLE V SENATE LEGISLATIVE TRANSPARENCY AND ACCOUNTABILITY

Section 511. Amendments to Rule XXVIII

Section 511 amends certain provisions of Rule XXVIII of the Standing Rules of the Senate, and adds a new provision to the Rule. Rule XXVIII currently provides for a point of order to be made against a conference report if the conferees add ''new matter'' ''not committed to them by either House.'' (The current rule also includes language purporting to prevent conferees from ''strik[ing] from the bill matter agreed to by both Houses.'' The bill authors, in consultation with the Parliamentarian, could not identify a situation in which this language could ever have effect. When there are amendments in disagreement, the conferees have no authority over matter not in disagreement, and thus could not strike such material. When a disagreement to any amendment, including an amendment in the nature of a substitute, has been referred to conferees, nothing has been ''agreed to by both Houses.'') As Rule XXVIII notes, conferees may include in their report matter which is a germane modification of subjects in disagreement, and the amendments made in this section do not change that rule.

Section 511 does, however, change the parliamentary consequences if conferees violate the rule by adding new matter. Rule XXVIII currently provides a very blunt instrument—if a point of order is sustained, the conference report is rejected or recommitted to the conference if the House has not already acted. Because many times the House will have already acted, successful invocation of Rule XXVIII would often spell the death knell for legislation. This result has two negative consequences. When successfully invoked, Rule XXVIII may derail legislation

that otherwise has strong bipartisan support. At the same time, because of the dramatic consequences from making a point of order under Rule XXVIII, it is rarely invoked. In fact, some Senators believe that the very blunt nature of Rule XXVIII has provided conferees more leeway to add new matter on ''must pass'' bills.

Section 511 amends the current Rule XXVIII point of order in two ways. First, it changes Rule XXVIII from a blunt instrument to a ''surgical'' one—if new matter is added by conferees, then a point of order may be made and, if successful, the new matter shall be struck, and the Senate will then proceed to consider whether to concur in the bill as so amended by the removal of the material stricken on the point(s) of order, and send it back to the House. Second, Section 511 adds the possibility of 60-vote waivers for points of order under the rule. The language in Section 511 is similar to that used in the so-called ''Byrd'' rule and is intended to be interpreted similarly—waivers may be as to one, multiple, or all points of order under the rule; waivers may be made after a point of order has been raised or prospectively. Section 511 also ensures that appeals from rulings of the Chair may be sustained only by an affirmative vote of three-fifths of all Senators (generally, 60 votes).

Separately, Section 511 adds a new paragraph 9 to Rule XXVIII, which requires that all conference reports be posted on a publicly accessible website controlled by Congress 48 hours prior to the vote on adoption of the conference report, as reported to the Presiding Officer by the Secretary of the Senate. This new rule is enforceable via a point of order, which may be waived by an affirmative vote of three-fifths of all Senators. The requirements of the rule may be fulfilled by posting the conference report on any publicly accessible website controlled by a Member of Congress, committee of either the House or Senate, the Library of Congress, another office of the House, the Senate, or Congress, or the Government Printing Office. Section 511 directs the Committee on Rules and Administration, in consultation with the Secretary of the Senate and the Clerk of the House, and the GPO to issue regulations to help harmonize practice among conference committees for the convenience of Senators and the public. Paragraph 9 may be waived by an affirmative vote of three-fifths of all Senators. Waivers may be made after a point of order is made or prospectively.

Under well-established Senate precedent, a new directed spending provision added in conference does not constitute ''new matter'' if it relates to the matter in conference. The modifications to rule XXVIII do not change the well-established rule. The new rule XLIV includes a separate provision relating to the addition of ''new directed spending provisions'' in conference.

Section 512. Notice of objecting to proceeding

Section 512 relates to the concept of so-called ''secret holds.'' Section 512 provides that the Majority Leader or Minority Leader or their designees shall recognize another Senator's notice of intent to object to proceeding to a measure or matter subsequent to the six-day period described below only if that other Senator complies with the provisions of this section. Under the procedure described in section 512, after an objection has been made to a unanimous consent request to proceeding to or passage of a measure on behalf of a Senator, that Senator must submit the notice of intent to object in writing to his or her respective leader, and within 6 session days after that submit a notice of intent to object, to be published in the Congressional Record and on a special calendar entitled ''Notice of Intent to Object to Proceeding.'' The Senator may specify the reasons for the objection if the Senator wishes.

If the Senator notifies the Majority Leader or Minority Leader (as the case may be) that he or she has withdrawn the notice of intent to object prior to the passage of 6 session days, then no notification need be submitted. A notice once filed may be removed after the objecting Senator submits to the Congressional Record a statement that he or she no longer objects to proceeding.

Section 513. Public availability of Senate committee and subcommittee meetings

Section 513 requires that, 90 days after enactment, Senate committees and subcommittees shall make available through the Internet a video recording, an audio recording or a transcript of all public meetings of the committee not later than 21 business days after the meeting occurs. This requirement may be waived by the Rules Committee upon request should the committee or subcommittee be unable to comply due to technical or logistical issues. To be issued a waiver, a committee will be expected to prove that none of the three means of recording a committee meeting are technically or logistically feasible in the space that the meeting is being held.

Section 514. Amendments and motions to recommit

Section 514 amends Rule XV of the Senate to require that an amendment and any instruction accompanying a motion to recommit be reduced to writing and read, and that identical copies be provided to the desks and the Majority and Minority Leaders before being debated. Section 514 further amends Rule XV to require motions to be reduced to writing if desired by the Presiding Officer or any Senator, and be read before being debated.

Section 515. Sense of the Senate on conference committee protocols

Section 515 expresses the Sense of the Senate that conference committees should hold regular, formal meetings of all conferees that are open to the public, that conferees should be given adequate notice of the time and place of such meetings, and be allowed to participate in full and complete debate on the matter before the committee, and that the text of the report of a conference committee should not be changed after the signature sheets have been signed by a majority of the Senate conferees.

Section 521. Congressionally directed spending

Section 521 establishes a new Senate Rule XLIV, which provides sweeping reforms to the treatment of so-called ''earmarks,'' limited tax benefits, and limited tariff benefits in legislation before the Senate. With respect to ''earmarks,'' the Rule provides a more accurate term—congressionally directed spending items—because congressional ''earmarks'' merely reflect the spending priorities of Congress, just as Presidential ''earmarks'' reflect the spending priorities of the President. The Constitution provides Congress control over the appropriations of the federal government, and congressionally directed spending constitutes a legitimate and important exercise of that authority. Rule XLIV also creates rules for ''limited tax benefits'' and limited tariff benefits in legislation—essentially, tax provisions and tariff suspensions that assist only a small number of beneficiaries. The provisions of Rule XLIV fall into three main categories—transparency, accountability, and discipline.

Paragraphs 1 and 2 of the new rule require the Chairman of the committee of jurisdiction (or the Majority Leader or his or designee) to certify that all congressionally directed spending items, limited tax benefits, and limited tariff benefits in bills and joint resolutions (and accompanying reports), have been identified through lists charts, or other similar means, including the name of each Senate sponsor, on a publicly accessible congressional website, in a searchable format, at least 48 hours before the vote on the motion to proceed to consider the bill or joint resolution. If a point of order is sustained, then the motion to proceed shall be suspended until the sponsor of the motion (or his or her designee) has requested resumption and compliance with the requirements of the relevant paragraph has been achieved. In light of the possibility that it may take a day or more for compliance to be achieved and/or for a request for resumption, suspended motions under these paragraphs shall not terminate when Congress adjourns.

Paragraph 3 establishes a similar rule for conference reports the Chairman of the committee of jurisdiction (or the Majority Leader or his or her designee) must certify that all congressionally directed spending items, limited tax benefits, and limited tariff benefits in bills and joint resolutions (and the accompanying joint statement of managers), have been identified through lists, charts, or other similar means, including the name of each Senate sponsor, on a publicly accessible congressional website at least 48 hours before the vote on adoption of the conference report. If a point of order is sustained under paragraph 3, then the conference report shall be set aside.

The bill follows the basic approach taken by the House, which has ensured broad transparency throughout the appropriations process for the FY08 bills. In each case under paragraphs 1, 2, and 3, the point of order lies as to the existence or not of the certification. Especially given that the definition of ''congressionally directed spending'' requires that the item be included in the bill ''primarily at the request of a Senator,'' the Parliamentarian has no capacity to determine whether a given item is or is not a ''congressionally directed spending'' item and thus is not in a position to determine the accuracy of the list. Requiring the Parliamentarian to make such a determination independently is not only unworkable in practice (e.g., even if the Parliamentarian could make a determination, it would take a tremendous amount of time and resources to compile the lists that are already compiled by numerous committees, each with their own staff), it is impossible—the Parliamentarian has no choice but to defer to the Committee Chair in determining why a particular item was included in a bill. Similarly, the Parliamentarian is not in a position to know the number of individuals or entities impacted by a tax or tariff provision, and so must defer to the relevant Committee Chair on that information.

The authors fully expect that Committee Chairs (and in the unusual case that the Majority Leader or his or her designee must provide the certification, the Majority Leader or designee) will fully, honestly, and in good faith, comply with the requirements of the new Rule. Given the role of the Ranking Member in compiling the bill and the list of congressionally directed spending items, a Chairman may request that the Ranking Member (and the Chair and Ranking Member of a relevant subcommittee) join him or her in making the certification. In addition, it is consistent with the spirit of the rule if a Committee Chair chooses to identify Presidential earmark requests.

Rule XLIV provides rules on waivers and appeals from paragraphs 1, 2, and 3. Waivers may be made after a point of order has been raised or prospectively. The rule also places limits on appeals, because a successful appeal would eviscerate the paragraph under

which the appealed ruling had been made, eliminating the new transparency to which the Senate has committed itself. Rule XLIV places limits on debate for appeals and waivers, so that these are not used as dilatory measures.

Paragraph 4 of new Rule XLIV requires Senators that propose amendments containing congressionally directed spending items, limited tax benefits, or limited tariff benefits to identify each such item, and the Senate sponsor, in the Congressional Record as soon as practicable. Paragraph 4 also directs Committees to make publicly available on the Internet as soon as practicable after reporting a bill or joint resolution, the list of congressionally directed spending items, limited tax benefits, or limited tariff benefits included in the bill, joint resolution or accompanying report. Finally, paragraph 4 states that, to the extent technically feasible, information provided under paragraphs 3 and 4 shall be provided in a searchable format. The electronic version of the Congressional Record constitutes one option for a ''searchable'' publication.

Paragraph 7 provides that, for congressionally directed spending items in classified portions of a report accompanying a bill, joint resolution, or conference report, the committee of jurisdiction shall, to the greatest extent practicable consistent with the need to protect national security, provide a general program description, funding level, and name of Senate sponsor.

In addition to the requirement that Senate sponsors of congressionally directed spending items, limited tax benefits, and limited tariff benefits be identified, Rule XLIV requires accountability through paragraphs 6 and 9. Paragraph 6 requires Senators who request congressionally directed spending items, limited tax benefits, and limited tariff benefits to provide a written statement to the relevant Chairman and Ranking Member that identifies the name and location of the intended recipient or activity, the purpose of the item, and a certification that neither the Senator nor the Senator's immediate family has a pecuniary interest in the item, consistent with the requirements of paragraph 9. Paragraph 9 makes the requirements of Rule XXXVII(4)—the longstanding Senate Rule against financial interest by Senators and Senate employees relating to any legislative action—specific to actions relating to congressionally directed spending items, limited tax benefits, and limited tariff benefits. It is anticipated that the Select Committee on Ethics will apply the requirements of paragraph 9 (including as incorporated by reference into paragraph 6) identical to the way in which it has applied Rule XXXVII(4).

Finally, Rule XLIV provides an important tool for disciplining the conference process to ensure that new directed spending provisions—i.e., directed spending provisions not included in either the House or the Senate bill committed to conference—are not added in conference. Specifically, paragraph 8 allows any Senator to raise a point of order against one or more new directed spending provisions added in conference. (It is important to note that the term ''new directed spending provision'' is defined differently than the term ''congressionally directed spending item.'') The term ''measure'' as used in paragraph 8 refers only to the bill or amendment committed to the conferees by either House. If the point of order is sustained, then the provision is struck from the bill and the Senate will then proceed to consider whether to concur in the bill as so amended by the removal of the material stricken on the point(s) of order, and send it back to the House. The rule includes the possibility of 60-vote waivers for points of order under the rule. The language is similar to that used in the so-called ''Byrd'' rule and is intended to be interpreted similarly—waivers may be as to one, multiple, or all points of order under the rule; waivers may be made after a point of order has been raised or prospectively.

Rule XLIV provides for a number of points of orders, and sets out rules for accompanying waivers and appeals. If Rule XLIV does not expressly provide for a point of order with respect to a provision, then no point of order shall lie under that provision. Rule XLIV also includes in paragraph 11, a waiver of all points of order under the rule with respect to a pending measure. As with other waivers in the rule, it may be made after a point of order has been made or prospectively.

Section 531. Post employment restrictions

Section 531 amends the current ''revolving door'' restrictions in Rule XXXVII of the Senate Rules. Specifically, Section 531 amends the rule to prohibit Senators from lobbying Congress for two years after they leave office and prohibits officers and senior employees from lobbying the Senate for one year after they leave Senate employment. Senior employees of the Senate are those who, for at least 60 days, during the 1-year period before they leave Senate employment are paid a rate of basic pay equal to or greater than 75 percent of the basic rate of pay payable to a Senator.

The new ''revolving door'' restrictions are effective only for Senate staff that terminate Senate employment on or after the date that the 1st session of the 110th Congress adjourns sine die or December 31, 2007, whichever is earlier. A delayed effective date was deemed more reasonable and practical than an immediate effective date.

Section 532. Disclosure by Members of Congress and staff of employment negotiations

Section 532 amends Senate Rule XXVIII to add new disclosure requirements for employment negotiations. This provision requires Senators to disclose within 3 business days any negotiations they engage in to secure future employment before their successor is elected. The new addition to Rule XXXVII also prohibits Senators from seeking employment at all as a registered lobbyist until his or her successor has been elected. It requires senior staff to notify the Ethics Committee within 3 days of beginning negotiations for future employment, and to recuse themselves from involvement in a matter should employment negotiations create a conflict of interest or the appearance of a conflict.

Section 533. Elimination of floor privileges for former Members, Senate officers, and Speakers of the House who are lobbyists or seek financial gain

This section amends Senate Rule XXIII to revoke floor privileges and the use of the Members' athletic facilities and parking for former Senators, former Secretaries of the Senate, former Sergeants at Arms of the Senate and former Speakers of the House who are registered lobbyists. The Rules Committee will issue guidelines to allow those affected by this provision to participate in ceremonial functions and events on the Senate floor.

Section 534. Influencing hiring decisions

Section 534 amends Senate Rule XLIII to specifically prohibit members from taking official action or threatening to take official action in an effort to influence hiring decisions of private organizations on the sole basis of partisan political affiliation. This section is not intended to preclude Senators from providing references or writing letters of recommendation that speak to the credentials of an individual.

Section 535. Notification of post-employment restrictions

Section 535 requires the Secretary of the Senate to notify Members, officers or employees of the Senate of the beginning and end dates of their post-employment lobbying restrictions under the Senate Rules. It is expected that the Secretary of the Senate will encourage Senators and staff to contact the Ethics Committee for a full explanation of the terms of their post-employment lobbying restrictions. This provision goes into effect 60 days after the date of enactment.

Section 541. Ban on gifts from lobbyists and entities that hire lobbyists

Section 541 amends the gift rules in Rule XXXV of the Standing Rules of the Senate. This provision prohibits Senators and their staff from accepting gifts from registered lobbyists or entities that hire or employ them. The provision does not alter the exceptions under Rule XXXV(1)(c).

Section 542. National party conventions

This provision prohibits Senators from attending parties held in their honor at national party conventions if they have been directly paid for by lobbyists, unless the Senator is the party's presidential or vice presidential nominee.

Section 543. Proper valuation of tickets to entertainment and sporting events

Section 543 specifies that the market value of a ticket to an entertainment or sporting event shall be the face value of the ticket, or in the case of a ticket without a face value, the value of the highest priced ticket to the event. It allows the ticket holder to establish that a ticket without a face value is equivalent to a ticket priced less than the highest priced ticket by providing information related to the primary features of the ticket to the Ethics Committee. In order for a ticket holder to have the option to establish ''equivalency,'' he or she must provide information to the Ethics Committee prior to attending the event. The Committee may accept information obtained on the Internet from venues and third-party ticket vendors.

Section 544. Restrictions on lobbyist participation in travel and disclosure

Section 544 makes significant changes to the provisions in paragraph 2 of Rule XXXV of the Standing Rules of the Senate relating to reimbursement for travel for Senators and staff from third parties. Section 544 prohibits certain types of travel altogether, restricts other travel, and imposes new requirements applicable to all privately funded travel.

Section 544 generally prohibits privately funded travel paid for by entities that hire lobbyists or foreign agents. It creates two exceptions from this general rule. First, section 544 allows trips paid for by entities that hire lobbyists or foreign agents if they are for one-day's attendance/participation at an appropriate event (exclusive of travel time and an overnight stay). The Select Committee on Ethics is given authority to issue guidelines that would allow a two-night stay when practically required to participate in an event (e.g., an event requiring travel across the country). With respect to these ''one day trips,'' in addition to the other restrictions described below, the new rule prohibits lobbyists from accompanying the Member, officer, or employee on any ''segment of the trip'' in other than a de minimis way, and requires a trip sponsor to provide a certification to that effect. It is intended that this language be interpreted identically to the interpretation given similar language by the House Committee on Standards of Official Conduct in its memorandum dated March 14, 2007.

Second, section 544 allows trips paid for by 501(c)(3) organizations, regardless of whether

the organization hires a lobbyist or foreign agent. The Senate made the judgment that 501(c)(3)s, due to their non-profit and often educational or public-interest nature were not likely to be a source of abuse. In this respect, 501(c)(3)s are treated similar to entities that do not hire lobbyists or foreign agents.

Section 544 also establishes new rules across the board for all trips. It requires preapproval from the Select Committee on Ethics for all trips. The Select Committee on Ethics must issue guidelines on the factors it will use to pre-approve a trip.

Additionally, regardless of trip sponsor, section 544 prohibits Senators, officers, or staff from participating in trips planned, organized, or arranged by or at the request of a lobbyist or foreign agent in other than a de minimis way, and a trip sponsor must provide a certification to that effect. As a general matter, the term ''de minimis'' means negligible or inconsequential. It would be ''negligible or inconsequential'' for a lobbyist to respond to a trip sponsor's request that the lobbyist identify Members or staff with a possible interest in a particular issue relevant to a planned trip or to suggest particular aspects of a Member or staffer's interest known to the lobbyist. For instance, if a trip sponsor that was a 501(c)(3) asked a lobbyist which staffers might be most interested in joining a trip to the U.S.-Mexican border and the lobbyist knew that a potential trip participant had a particular interest in the DEA's activities at the border, or in a particular border facility, then the conveyance and receipt of that information (in light of the trip sponsor's request), in and of itself, would not exceed a de minimis level of participation. Additionally, the mere presence of one or more lobbyists on the board of an organization does not exceed a de minimis involvement. If a lobbyist solicits or initiates an exchange of information with a trip sponsor, however, that would go beyond de minimis. Additionally, if the lobbyist has ultimate control over which Members or staff are actually invited on the trip, or determines the trip itinerary, each of these would go beyond de minimis. Certainly, if a lobbyist actually extends or forwards an invitation to a participant, or if an invitation mentions a referral or suggestion of a lobbyist, each of these would go beyond de minimis.

For all trips other than one day trips paid for by entities that hire lobbyists, the new rule prohibits a lobbyist from accompanying the Member, officer, or employee ''at any point throughout the trip'' in other than a de minimis way. This language should be interpreted in a manner different—and more broadly—than the concept of ''any segment of the trip.''

Both lobbyist ''accompaniment'' standards include a de minimis exception. The Act directs the Select Committee on Ethics to issue guidance on what constitutes ''de minimis.'' If the trip includes attendance at an event that meets the definition of a ''widely attended event'' under Rule XXXV(1)(c)(18), the trip sponsor is unlikely to know all attendees at the event. Accordingly, a lobbyist's attendance at a ''widely attended event'' also attended on the trip would be a type of de minimis ''accompaniment.'' Similarly, an organization cannot possibly know the other passengers that might be on a common carrier used during a trip if the organization has had no contact or coordination with these other passengers. Accordingly, the new rule does not require a sponsor to certify that it knows for certain that no lobbyist will be on such a common carrier.

Section 544 also improves disclosure of privately funded travel. It requires Members, officers and Senate employees to disclose the expenses reimbursed by a private entity not later than 30 days after the travel is completed and requires disclosure of greater detail on the types of meetings and events attended on the trip.

Section 544 includes a separate provision relating to flights on private jets. This provision requires Senators to pay full market value—defined as charter rates—for flights on private jets, with an exception for jets owned by immediate family members (or non-public corporations in which the Senator or an immediate family member has an ownership interest).

In general, the changes made by section 544 go into effect 60 days after enactment, or the date that the Select Committee on Ethics issues the required guidelines under the rule, whichever is later. Until the new rules take effect, the existing rules for travel will remain in place. In light of the transition to the new rule relating to reimbursement for flights on private jets and the lack of experience in many offices in determining ''charter rates,'' the Select Committee on Ethics may treat reimbursement at current rates as reimbursement at charter rates for a transition period not to exceed 60 days.

Section 544 includes an important caveat—nothing in section 544 or section 541 is meant to alter law or treatment under Senate rules, of gifts and travel that fall under the Foreign Gifts and Decorations Act or the Mutual Educational and Cultural Exchange Act. Gifts and travel under those provisions are governed by a separate regulatory regime.

Section 544 directs the Legislative Branch Appropriations subcommittee, and the Committee on Rules to examine within 90 days whether congressional travel allowances will need to be adjusted in light of the new restrictions on privately funded travel.

Section 545. Free attendance at a constituent event

Section 545 creates a new, narrow exception, to the gift rule for small constituent events. Specifically, section 545 allows Senators, officers or employees to accept free attendance at a conference, convention, symposium, forum, panel discussion, dinner event, site visit, viewing, reception or similar event in their home state if it is sponsored by constituents or a group of constituents, and attended primarily by at least 5 constituents, provided that there are no registered lobbyists in attendance, and that the cost of any meal served is less than $50.

Section 546. Senate privately paid travel public website

This provision directs the Secretary of the Senate to develop a publicly available, searchable website by January 1, 2008 to post Senators' travel information that is required to be disclosed under rule XXXV of the Standing Rules of the Senate.

Section 551. Compliance with Lobbying Disclosure

Section 551 makes clear that former members and staff who are registered lobbyists may contact the staff of the Secretary of the Senate regarding compliance with the lobbying disclosure requirements of the Lobbying Disclosure Act of 1995 despite post-employment lobbying restrictions.

Section 552. Prohibit official contact with spouse or immediate family member who is a registered lobbyist

This provision prohibits Senate spouses who are registered lobbyists from engaging in lobbying contacts with any Senate office, but exempts Senate spouses who were serving as registered lobbyists at least one year prior to the most recent election of their spouse to office, or at least one year prior to their marriage to that Member.

The provision also prohibits a Senator's immediate family members (including a spouse) who are registered lobbyists, from engaging in lobbying contacts with the Senator's staff.

Section 553. Mandatory Senate ethics training for Members and staff

This section requires the Ethics Committee to conduct ongoing ethics training and awareness programs for Senators and Senate staff.

Section 554. Annual report by Select Committee on Ethics

Section 554 directs the Ethics Committee to issue an annual report that describes the number of alleged violations of Senate rules received from any source, a list of the number of alleged violations that were dismissed, the number of alleged violations in which the committee conducted a preliminary inquiry, the number of alleged violations that resulted in an adjudicatory review, the number of alleged violations that the committee dismissed, the number of letters of admonition issued and the number of matters resulting in disciplinary sanction. Nothing in this section requires or allows the Ethics Committee to violate the confidential nature of its proceedings.

Section 555. Exercise of rule making power

This section acknowledges that the Senate adopts the provisions in this title as an exercise of its rule making power with full recognition of the constitutional right of the Senate to change those rules at any time.

Section 556. Effective dates and general provisions

All sections in this title go into effect upon enactment except for section 513, which goes into effect 90 days after enactment; section 531: This title shall take effect on the date of enactment unless otherwise noted.

TITLE VI—PROHIBITED USE OF PRIVATE AIRCRAFT

Section 601. Restrictions on Use of Campaign Funds for Flights on Non Commercial Aircraft

Section 601 amends the Federal Election Campaign Act to require that candidates, other than those running for a seat in the House of Representatives, pay the fair market value of airfare when using non-commercial jets to travel. Fair market value is to be determined by dividing the fair market value of the charter fare of the aircraft, by the number of candidates on the flight. This provision exempts aircraft owned or leased by candidates or candidates' immediate family members (or non-public corporations in which the Senator or his or her immediate family member has an ownership interest). The bill prohibits candidates for the House of Representatives from any campaign use of privately-owned, non-chartered jets.

Many candidates are not accustomed to determining charter rates. The FEC may, during a transition period of no more than 60 days, deem reimbursement at current rates to be charter rates while committees determine how to calculate charter rates.

TITLE VII MISCELLANEOUS PROVISIONS

Section 701. Sense of the Congress that any applicable restrictions on Congressional branch employees should apply to the Executive and Judicial branches

This section expresses the Sense of Congress that any applicable restrictions on Congressional branch employees in this title should apply to the executive and judicial branches.

Section 702. Knowing and willful falsification or failure to report

This provision increases from $10,000 to $50,000 the penalty for knowingly and willfully falsifying or knowingly and willfully failing to report financial disclosure forms

required by the Ethics in Government Act. It imposes a criminal penalty of up to one year of imprisonment and/or a fine for knowingly and willfully falsifying such report and imposes a fine for knowingly and willfully failing to file such report.

Section 703. Rule of construction

Section 703 provides that nothing in this Act shall be construed to prohibit any conduct or activities protected by the free speech, free exercise, or free association clauses of the First Amendment.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mrs. FEINSTEIN. Mr. President, how much time does our side have?

The PRESIDING OFFICER. The Senator from California has 3 minutes 19 seconds.

Mrs. FEINSTEIN. Thank you very much, Mr. President. I would like to say something in response.

Basically, the earmark language is formed on the DeMint language that was in the Senate bill. What happened was that staff sat down with all of the Parliamentarians for several hours to determine the workability under Senate rules and procedures of the language. Amendments were made that would make the language workable.

Now the Senator from South Carolina contends that the Parliamentarians should review the entire bill and rule on whether each and every earmark is listed by the Chair and vet that earmark.

When our offices spoke with the Parliamentarian's office, we realized that this was not a workable situation and could lead to gridlock in the Senate. Now, maybe that is what the junior Senator from South Carolina wants, but I, for one, believe the American people want us to carry out their business.

There is full disclosure. There is full transparency. The committee chairs must certify that the earmark list is complete. It must be published on the Internet 48 hours before it comes before the Senate. Disclosure and transparency is what earmark reform is all about. No more dark of night additions to bills, even when the conference committee is often closed.

Once again, if the junior Senator from South Carolina had allowed a conference, Members would have been able to sit down in the full light of day and, Member to Member, House to Senate, discuss this. But instead, he alone—he alone—despite importation after importation to allow the conference to go ahead, would not allow it to go ahead. One Member. That effectively would have stopped the bill—stopped the bill. Instead, the majority leader and the Speaker of the House, after the bill passed the House by a wide margin, believed this was too important to let one Member—one Member—stop it. So they figured a way to bring a bill from the House, which is what is now before us.

To me, this is all sour milk, spoiled milk. He would have stopped the bill dead if he could have his way. But it didn't happen that way. And you know, there is more than one Member of the Senate. There are more than 2, 3, 4 or 5; there are 100 Members. Members' views have to be taken into consideration.

Yes, there was some change in the language, but there is nothing in the change of language that in any way, shape or form stops full disclosure or the certification of the committee chair or stops putting it on the Internet 48 hours before it comes to the board. It is real reform.

I hope there will be the votes here for cloture. I urge the Senate of the United States to vote for cloture on what is the most significant ethics and lobbying reform bill since Watergate.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

The Senator from South Carolina is recognized.

Mr. DEMINT. Mr. President, I thank my colleagues for this good and open debate. I remind them that I supported this bill in the beginning and have asked unanimous consent a number of times that it go to conference. As many of us have pointed out, the earmark provision is a Senate rule that doesn't need to be conferenced with the House. The only reason to make it part of a conference bill is so it can be changed.

I offered all along that if there were changes the majority wanted to make, we were very open to that. We wanted to end up with some real earmark transparency that all of us have voted on. As we have pointed out this morning, it is not disclosed, and it is not transparent if the majority can simply say it is, without having to prove its accuracy. That has been the cause of so much corruption. I think it is certainly worth stopping and looking at what we have done.

This language is hardly minor, as far as the change that has taken place. If it were, the majority would not insist that their version rule today. I urge all my colleagues to vote against cloture—not to vote against ethics reform, which we all support, but to vote against this process that will not allow us to reinsert something we all voted for and we all said in public is the right way to handle earmark reform.

I thank the majority leader for all his work. I yield back the remainder of my time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. MCCONNELL. Mr. President, more than 6 months after the Senate passed its own lobby reform bill, we are now being asked to vote on a Democrat-written alternative that promises to be less effective but in some ways stronger than current law.

I was a cosponsor of the original version, and its passage by an overwhelming vote of 96 to 2 in January marked an early high point of bipartisanship in this session and it was an unmistakable sign of the strength of that original bill.

Americans were right to be outraged by the scandals that surfaced last year. They were right to hold their lawmakers to the highest standards of conduct, and passing this bill will send a strong and necessary signal that the Senate has recommitted itself to that trust.

As I said, in some key areas, this bill is an improvement over the status quo. But this isn't the bill I would have written, and it would have benefited from a lot of Republican input.

The earmarks provision was passed unanimously in January and was supported by every single Democrat in the Senate, and it was strong; the earmarks provision in this bill is not.

Several new provisions make hardly any sense at all. My largest concern is what we are doing to our own staff. It is unclear to me why in this bill we treat House staff more leniently than our most trusted advisers in the Senate or even those in the executive branch, for that matter. I find this provision particularly offensive.

The gift ban and the new travel restrictions are tricky and vague by extending the ban to not just lobbyists but also to any entities that employ or retain them. Does that mean I have to refuse the key to a city, since cities have their own lobbyists and mayors belong to associations that employ and retain them?

How about a 22-year-old staff assistant who has to wait tables to make ends meet? What happens when they wait on a lobbyist or someone who works for an organization that retains one? Do they have to refuse their tips? You get the drift.

This provision is bound to create problems for well-intentioned Members and staff. I look to the Ethics Committee to provide some clarity to what, at the very least, can be described as a rather murky and unworkable provision.

The new rule on charter flights is seriously deficient. Members who are rich enough, or have family members rich enough, to own their own planes have nothing, of course, to worry about. Everybody else does.

For example, all Presidents, who are required by the Secret Service to travel on Air Force One, will have to reimburse the Government at the full charter rate—which is roughly $400,000 per hour—if they use it for campaign travel. That not only means the end of Presidential fundraisers outside Washington for Democrats and Republicans, it means the end of Presidents doing fundraisers for Members outside the District of Columbia. You would have to have a $5 million fundraiser to pay

for the trip. I assume this was not the intent of the authors of the bill, but it will be the effect of what they have written. I know some Members, in particular, who might be surprised to learn about this. We have many of them in this body running for President on both sides.

Every one of these weaknesses would have been improved with Republican input, but we were unable to do so because there was not a conference.

I assure you we will return to the earmarks provision. It will be back. This bill isn't nearly as tough as it would have been on earmarks if Republicans had been involved in writing it. But weighing the good and the bad, many provisions are stronger than current law. I will support its passage.

I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Mr. President, it is my understanding that all time has been used.

The PRESIDING OFFICER. That is correct.

Mr. REID. Mr. President, last November, there was a call across this country that culminated in the November election. It was a call for a change in the way Congress does its business. We had nine new Democratic Senators. During the campaign, they called for change—and they will achieve change today.

The legislation before us shows Congress heard this call for change. The change we have in this legislation, in fact, is big-time change. It is the most significant change in lobbying and ethics rules in the history of our country—some have said since Watergate, but I say in the history of our country.

This is S. 1, which was the first bill introduced in this body this year—our first and most important bill of the new Congress. Why was it No. 1? The American people—Democrats, Republicans, and Independents—knew our progress would depend on renewing the people's faith in the integrity of Congress. What does this legislation do?

Among other things, it requires Senators to pay fair market prices for charter flights, putting an end to abuses of corporate travel.

This legislation slows the revolving door by extending the ban on lobbying by former Members of Congress and senior staffers, and it prevents Senators from even negotiating for a job as a lobbyist until their successor has been elected.

It puts an end to pay-to-play schemes such as the notorious K Street Project. It shines the light of day on lobbying activities by vastly increasing disclosure requirements, including disclosure of bundled campaign contributions.

It requires the Senate to disclose all earmarks for the first time ever.

We originally passed it by an overwhelming bipartisan vote of 96 to 2.

In June, I tried to send the bill to conference. I tried and I tried, but we were unable to go to conference because of objections by the minority. Some Republican colleagues expressed concern that this bill might lead to legislation that doesn't achieve the goals of the original bipartisan bill. I assured them then, and I assure them now, this bill has teeth. I asked them to withhold judgment until the final bill was complete.

I have heard a number of statements today about this bill from some of my friends on the other side of the aisle. They say we gutted earmark disclosure, that we have tried to hide earmarks, keep them in the shadows. This claim is just absurd.

For the first time ever, Senate Democrats have required all committees to disclose their earmarks and earmark sponsors. We didn't have to. It wasn't the law. But we did it. Last year, when the Republicans controlled this institution, not one earmark was disclosed. I don't recall a single speech about that failure last year by any of the Republicans who have spoken today.

Now, for the first time ever, we are already being transparent—fully transparent—about earmarks, and we are here to talk about that. But we hear these breathless claims made today that earmarks are being hidden. How can you describe how ridiculous that is? That is what it is.

Thirty-four pages of this legislation deal with earmarks. I might boast a little bit. Other staffs have worked on this, but I had two of the finest legal minds in this community working on it: Ron Weich, a graduate of Yale Law School, who worked on Capitol Hill for many years with Senator KENNEDY, went downtown and became a very successful lawyer. He decided he wanted to engage in more public service, so he came back to Congress to work with me. He is an experienced attorney, and he worked on this. He also worked with a Harvard law graduate, Mike Castellano, a wonderful young man who has spent months—not weeks, not days, not hours but months—working on this. So for anyone to castigate this legislation, they are castigating these two fine men, who have worked with numerous people throughout this body.

For each of the 11 appropriations bills reported so far this year, similar earmark disclosure is available on the Internet. It is already searchable. Those talking about earmarks, my Republican friends, are either ignorant of what is already happening or they are living in a parallel universe.

This legislation puts into the Senate rules the revolution in earmark disclosure and accountability we began this year. It requires all earmarks in bills, joint resolutions, and conference reports be disclosed on the Internet 48 hours prior to action on the floor. We don't intend to have to wait until 48 hours, so the bill directs committees to issue earmark lists as soon as possible after the bill is reported.

The bill requires that earmarks and amendments be posted on the Internet as soon as possible after being introduced. The language originating in S. 1 did not have any rules on amendments. We put them in there. If we were trying to hide amendments and hide earmarks, why would we add that to the bill?

This legislation, for the first time ever, allows a point of order to be raised against new earmarks added in conference.

One of the main arguments used by the opponents of reform is that the certification required by the committee chair or the majority leader would be a sham. We deal all the time with budget points of order. Do my colleagues think the Parliamentarians will say: Let's see, does this amendment exceed scoring levels? No, they have to depend on the chairman of the Budget Committee. The Budget Committee reports to them. They depend on the Budget Committee. The Parliamentarians—that is what they do, they are referees but they get their information from the committee chairman.

The argument of my opponents is beyond the pale. If effect, these Senators are arguing that the committee chairs and the leaders would cheat and lie. Who other than the chairman of the committee, similar to the Budget Committee, can tell the Parliamentarian where there are earmarks? It is impossible for the Parliamentarian to know if a Senator has requested an item. Someone has to tell him. I'm sure these Senators are not saying that Senator BYRD or Senator COCHRAN would lie. That is not a very good argument to use in this body. To say that would be an affront to what we do around here.

Further, the opponents have ignored a simple and unavoidable fact. The definition of ''earmark'' requires that the provision be added primarily at the request of a Senator. The Parliamentarian can't know that. The only person who could ever know for sure how a provision got added to the bill is the author of the legislation, the committee chair. The Parliamentarian has no capacity to figure out that a provision was added primarily at the request of a Senator, or was added because the President wanted it, or because everyone agreed it was a good policy. Under any circumstances, the Parliamentarian would have no choice but to defer to the committee chair.

I ask my friend, the junior Senator from South Carolina, as an example, to understand the hard work put into this legislation—hard work, really hard work. If there is something that is wrong with the legislation, talk to us about it. We will try to change it in subsequent legislation if this doesn't work. If there is a problem, I am happy to work with him, but don't denigrate this bill. We worked hard on it.

I so appreciate the work of Chairman FEINSTEIN. I so appreciate the work of Chairman LIEBERMAN. They both have reputations that are impeccable. One may not always agree with their policy, but their ability for honesty and integrity is above reproach.

I must also talk about RUSS FEINGOLD. When this session started, I asked RUSS FEINGOLD to draw up legislation, and he did that, and we have worked around that. Does anyone question the integrity of RUSS FEINGOLD? You cannot question his integrity, DIANNE FEINSTEIN's, or JOE LIEBERMAN's integrity. That is what this legislation is all about.

Anyone saying this bill is an obscenity—that is what one Senator said in the press, that this legislation is obscene—is impugning the integrity of three of the finest public servants we have in this country.

Another important leader on this issue is Senator OBAMA. He was in many ways the face of this bill last year. He has played an important role last year and this year, and I appreciate his input into this legislation.

This bill is not just a little bit of reform. Just listen to the outside reformers. Fred Wertheimer, a man who has been in this town since I have been here, talking about how we can improve this body in many different ways, Fred Wertheimer said this is ''landmark legislation.'' Those are his words, not mine.

The effort by opponents to try to denigrate this legislation is shameful. I don't care if they disagree with this legislation, but don't impugn the integrity of the people who are trying to do something that is positive and good.

This is good legislation. We have succeeded, the Democratic majority has succeeded. I appreciate the support of the minority, but the Democrats have succeeded in what Republicans couldn't do last year or the year before, and they have seized on one issue, earmarks, and blown it way out of all proportionality or rationality and have ignored reality to create doubts in people's minds.

The fact is, we have sweeping reform legislation in a whole host of areas—gifts, travel, lobbyist disclosure, stealth coalitions, reporting of lobbyist contributions, the revolving door. It is sweeping. The bill will change the way we do business.

Our work on this issue is done for now. I am confident the judgment of Democrats and Republicans alike will be favorable. The vote was 411 to 8 in the House of Representatives. Let us do the same. Let us send a message from coast to coast that this Congress is serious about delivering to the American people a government as good and as honest as the people it serves.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to concur in the House amendment on S. 1, the Ethics Reform bill.

JOE LIEBERMAN, HARRY REID, BYRON L. DORGAN, PATTY MURRAY, MARK PRYOR, JEFF BINGAMAN, JACK REED, DICK DURBIN, JON TESTER, TOM CARPER, PAT LEAHY, BENJAMIN L. CARDIN, DEBBIE STABENOW, JOHN KERRY, BARBARA BOXER, TED KENNEDY, KEN SALAZAR.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to concur in the House amendment to S. 1, an act to provide greater transparency in the legislative process, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from South Dakota (Mr. JOHNSON) and the Senator from Minnesota (Ms. KLOBUCHAR) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Ms. KLOBUCHAR) would vote ''yea.''

Mr. LOTT. The following Senator is necessarily absent: the Senator from Minnesota (Mr. COLEMAN).

Further, if present and voting, the Senator from Minnesota (Mr. COLEMAN) would have voted ''yea.''

The PRESIDING OFFICER (Mr. TESTER). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 80, nays 17, as follows:

[Rollcall Vote No. 293 Leg.]

YEAS—80

Akaka	Feinstein	Nelson (NE)
Alexander	Grassley	Obama
Barrasso	Gregg	Pryor
Baucus	Hagel	Reed
Bayh	Harkin	Reid
Biden	Hatch	Roberts
Bingaman	Hutchison	Rockefeller
Bond	Inouye	Salazar
Boxer	Isakson	Sanders
Brown	Kennedy	Schumer
Byrd	Kerry	Sessions
Cantwell	Kohl	Shelby
Cardin	Landrieu	Smith
Carper	Lautenberg	Snowe
Casey	Leahy	Specter
Chambliss	Levin	Stabenow
Clinton	Lieberman	Stevens
Collins	Lincoln	Sununu
Conrad	Lugar	Tester
Corker	Martinez	Thune
Dodd	McCaskill	Vitter
Dole	McConnell	Voinovich
Domenici	Menendez	Warner
Dorgan	Mikulski	Webb
Durbin	Murkowski	Whitehouse
Enzi	Murray	Wyden
Feingold	Nelson (FL)	

NAYS—17

Allard	Cochran	Graham
Bennett	Cornyn	Inhofe
Brownback	Craig	Kyl
Bunning	Crapo	Lott
Burr	DeMint	McCain
Coburn	Ensign	

NOT VOTING—3

Coleman	Johnson	Klobuchar

The PRESIDING OFFICER. On this vote, the yeas are 80, nays are 17. Two-thirds of the Senators voting, a quorum being present, having voted in the affirmative, the motion is agreed to.

The majority leader.

Mr. REID. Mr. President, we have two Senators who have requested to speak on this matter. Senator BYRD wishes 20 minutes, Senator MCCASKILL, 10 minutes. Following that, we would return to SCHIP and the vote on this bill—cloture was just invoked—will occur at 1:50 this afternoon. The time between 1:30 and—the time after Senators BYRD and MCCASKILL speak will be controlled by Senators BAUCUS and GRASSLEY.

I ask unanimous consent that be the case.

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

Mr. REID. Mr. President, I ask the motion to concur with the amendments be withdrawn.

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

The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, at the beginning of this Congress, I committed to adding transparency and accountability to the process of earmarking funds for specific projects.

I see my friend from Mississippi here, the ranking member, on the Senate floor. I will say that again. Hear me.

At the beginning of this Congress, I committed to adding transparency and accountability to the process of earmarking funds for specific projects. While awaiting action by the Congress on ethics reform legislation, Senator COCHRAN, the able and very highly respected Senator from Mississippi who is on the Appropriations Committee, Senator COCHRAN and I—Senator COCHRAN is on the Senate floor at this point, I say for the record—Senator COCHRAN and I established rigorous standards for increasing such transparency. Based on those standards, the Appropriations Committee has reported, on a bipartisan basis, 11 appropriations bills that have identified the earmarks, and who—in other words, what Senator—requested them, meaning the earmarks.

We have required and we have received certification letters from every Senator who has an earmark that he or she and/or their spouses—meaning he or she and/or his or her spouse—that they have no financial interest in their earmarks. We are talking about Senators, 100 of them, who sit in this Chamber.

I want to say that once again. We, meaning the Senate Appropriations Committee, have required and received certification letters from every Senator who has any earmark—that Senator and his or her spouse—that they have no financial interest in their earmarks. Is that clear?

I have always maintained the highest standards. I will say that again. I have always maintained the highest standards for myself, ROBERT C. BYRD, myself, and for my staff, on ensuring that there are no conflicts of interest for

earmarks that I include in any legislation. Consistent with the standards that we established for the appropriations process, S. 1 now establishes a new Senate rule that will impose requirements for transparency and accountability for all bills.

In establishing these rules, the public should not conclude that the rules are somehow a sanction on the Congress for wasteful spending. In recent months there has been considerable attention to the issue of the earmarking of funds by Congress for specific projects. Some Members have asserted that all earmarked funding is wasteful spending or an abuse of power. All Senators endeavor—they had better. All Senators endeavor to weed out wasteful spending. But this notion that earmarked spending is inherently wasteful spending is flat-out wrong.

I am going to say that again. Hear me.

Some Members have asserted that all earmarked funding is wasteful spending or an abuse of power. Hogwash. All Senators endeavor to weed out wasteful spending. But this notion that earmarked spending is inherently wasteful spending is flat-out wrong. This notion that earmarked spending is inherently wasteful spending is flatout wrong.

Congress has the power of the purse and has had the power of the purse. That is the only real power that we Senators and Members of the other body and the President have. Congress has the power of the purse.

Since the beginning of the Republic, Congress has allocated money to specific projects and purposes. Did you get that? Listen.

Since the beginning of the Republic, Congress has allocated money to specific projects and purposes. For example, in 1798, $3,500 was appropriated for firewood and candles for the Treasury Department, and $454.41 was appropriated for rent of a house near Grays Ferry on the Schuylkill River.

Earmarks are arguably the most criticized and the least understood of congressional practices. There is nothing inherently wrong with an earmark. There is nothing inherently wrong with an earmark. An earmark is an explicit direction from the Congress about how the Federal Government should spend the people's money. It is absolutely consistent with the intentions of the Framers, codified in article I of the Constitution of the United States, giving the power of the purse, the power of the purse to the elected representatives of the people.

I shall quote:

All legislative powers herein granted—

That is the Constitution, the Framers speaking, the words of the Constitution—

legislative powers herein granted shall—

not may but shall—

be vested in a Congress of the United States which shall consist of a Senate and House of Representatives.

Those are the words, the immortal words of the Constitution written by the Framers, the Framers of the Constitution. I quote it again:

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

In using this power, Congress has an obligation to be good stewards of the Public Treasury and to prevent imprudent expenditures. Congress has an obligation to guard against the corruption of any—I say any—public officials who would sell their soul and the trust of their constituency in order to profit from an official act.

But Congress does not err in using an earmark to designate how the people's money should be spent. This is a power. This is a power that does not belong to the President of the United States or to any of the unelected bureaucrats in the executive branch. It belongs where and to whom? It belongs to the people, the people out there on the hills and in the valleys, across this great land. It belongs to the people through their elected representatives in Congress. That is here. Their elected representatives. I am one of them, the elected representatives.

Earmarks are not specific to appropriations bills. Earmarks can be found in revenue bills. Hear me now. Earmarks can be found in revenue bills. You get that? Hear me now. Earmarks can be found in revenue bills as tax benefits for narrowly defined constituencies. Earmarks can be found in authorization bills. Did you get that? On authorization bills. Those are not bills that come out of the Appropriations Committees in the House and Senate; they are authorization bills. They may come out of the Committee on Ways and Means in the other body or out of the Senate Finance Committee. They can be found in authorization bills.

Earmarks can be found in the President's budget request. Hear that now. Listen. Are you listening? Earmarks can be found in the President's budget request. I want to say that again. I want to hear that again. Earmarks can be found in the President's budget request.

Well-intentioned though they may be, the civil servants making budget decisions in the executive, in agencies and offices of the Federal Government, do not understand the communities Senators represent. They do not meet with the constituencies of Senators. They do not know Members' States and their people. They can be a poor judge of what is necessary and what is frivolous from the perspective of the States and the people. These bureaucrats are not elected; therefore, they are not accountable to the people. I will say that once more. These bureaucrats are not elected; therefore, they are not accountable to the people.

If the Congress does not specify how funds are to be spent, then the decision falls to the executive branch—the executive branch—and the so-called experts at agencies to determine the priorities of this Nation. In such cases, the American people may never know who is responsible for a spending decision. The American people may never know how a spending decision is made. The American people may never hear anything about it. And with the executive bureaucrats, there is far less accountability to the people.

Critics of congressional earmarks—hear me—critics of congressional earmarks often overlook the success stories from earmark spending directed by Congress. Now, listen. Listen, all you skeptics, all you cynics, wherever you are. Do you hear me, the skeptics and the cynics? Congressional earmarks often overlook the success stories from earmark spending directed by Congress.

Let me give an example of earmark spending. Hear me. In the 1969 Agriculture appropriations bill, Congress earmarked funds for a new program to provide critical nutrition to low-income women, infants, and children. This program—are you listening? This program, which is now known as the WIC Program, has since provided nutritional assistance to over 150 million women, infants, and children, a critical contribution to the health of the Nation. That, I say, that is not—n-o-t—wasteful spending.

In 1969 and 1970, Congress earmarked $25 million for a children's hospital in Washington, DC—that is here in Washington, DC, a children's hospital—even overcoming a Presidential veto. In 1969 and 1970, Congress earmarked $25 million for a children's hospital in Washington, DC, even overcoming a Presidential veto. That funding resulted in the construction of what is now known as the Children's National Medical Center. That started out with an earmark, the Children's National Medical Center. The hospital has become a national and international leader in neonatal and pediatric care. Since the hospital opened, over 5 million children have received health care. Last year, Children's Hospital treated over 340,000 young patients and performed over 10,000 surgeries, saving and improving the lives of young children. That is not wasteful spending.

Let me go on. In 1983, Congress earmarked funds for a new emergency food and shelter program. In 2005 alone, the program served 35 million meals and provided 1.3 million nights of lodging to the homeless. The homeless. Have you ever been homeless? That is not wasteful spending.

I ask unanimous consent that I may proceed for an additional 20 minutes.

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

Mr. BYRD. I thank the Chair, and I thank all Senators.

In 1987, Congress earmarked—hear me—funds for the mapping of the human gene. This project became known as the human genome project. This research has led to completely new strategies for disease prevention and treatment. The human genome project has led to discoveries of dramatic new methods of identifying and

treating breast cancer, ovarian cancer, and colon cancer. I will say that once more: The human genome project has led to discoveries of dramatic new methods of identifying and treating breast, ovarian, and colon cancer, saving many, many lives. Senators, hear me: This is not wasteful spending.

In 1988 and 1995, Congress earmarked funds for the development of unmanned aerial vehicles. I have to say that once more. In 1988 and 1995, Congress—that is us, your representatives, out there in the land, in the hills and valleys of this country—earmarked funds for the development of unmanned aerial vehicles. These efforts produced the Predator and the Global Hawk, two of the most effective assets that have been used in the global war on terror. This is not wasteful spending. I am talking about earmarks, the word ''earmarks.'' A lot of things have been said about the word ''earmarks.''

Each of these earmarks was initiated by Congress and produced lasting gains for the American people—not for me, not for you, but for all of us, the American people. In the rush to label earmarks as the source of our budgetary woes and amid calls to expand the budgetary authorities of the President, Members should remember why deficits have soared to unprecedented levels. Senators will recall that the President has not exercised his current constitutional authority. The President has not submitted a single rescission proposal under the Budget Act. The President has signed every regular appropriations bill that has produced the unprecedented growth in earmarks. What has wrought these ominous budget deficits is the administration's grossly flawed and impossible budget assumptions.

The war in Iraq has required the Congress—that is us—to appropriate $450 billion—billion, I say, billion dollars; there have been approximately 1 billion minutes since Jesus Christ was born; so the war in Iraq has required the Congress to appropriate $450 for every minute since Jesus Christ was born. I am talking about the war in Iraq. I didn't get us into that war. I was against going into Iraq. The war in Iraq has required the Congress to appropriate $450 billion of the people's money. Only 2 to 3 percent of discretionary funds is earmarked. Earmarking is hardly the fiscal wedge driving the deficit. Rather than dealing with these fiscal failures, too many would rather propagate specious argument that enlarging the President's role in the budget process and doing away with congressional earmarks will somehow magically reduce these foreboding and menacing deficits. It will not.

There is no question that the earmarking process has grown to excessive levels in recent years. From 1994 to 2006, the number of earmarks nearly tripled. Between 1956 and 2002—I was here during all of those years—Congress passed 20 highway bills that contained a total of 739 earmarks. In 2005, the Republican Congress passed and the President signed a single highway bill that contained 5,000 earmarks. Talk about earmarks. There is no question that the earmarking process has run amok. There was a single highway bill that contained 5,000 earmarks. This kind of excess in earmarking must end. It must go. That is why the Appropriations Committee took the lead to add transparency and accountability to the process.

In the joint funding resolution for fiscal year 2007, enacted in February, we implemented a 1-year moratorium on earmarks for fiscal year 2007. In that joint resolution, we eliminated over 9,300 earmarks from the fiscal year 2006 bills and reports. No new earmarks were contained in the bill for fiscal year 2007. While awaiting final action on S. 1, the Appropriations Committee took the lead by establishing guidelines for approving earmarks in the fiscal year 2008 bill. The Appropriations Committee has reported 11 of the 12 appropriations bills. For earmarks contained in the fiscal year 2008 bills and reports, the committee reports identify the names of any Member making a request or, where appropriate, the President, and the name and location of the intended recipient of such earmark.

Let me say that once again. The Appropriations Committee has reported 11 of the 12 appropriations bills. For earmarks contained in the fiscal year 2008 bills and reports, the committee reports identify the name of the Member—maybe it is ROBERT C. BYRD; perhaps it could be the distinguished ARLEN SPECTER from Pennsylvania, a great Senator—making the request or, where appropriate, the President, Mr. Bush, and the name and location of the intended recipient of such earmark.

For each earmark contained in the fiscal year 2008 bills and reports, a Member is required to certify in writing that he or she has no pecuniary interest in such earmark, consistent with Senate rule XXXVII, paragraph 4. Such certifications are available to the people, the public. All committee bills and reports, including all of the above information, are available to the people, available to the public, on the Internet and in printed form prior to floor action, meaning action here on this Senate floor.

Through the 11 committee reports, we have identified over 5,700 earmarks, totaling about $28 billion. Of the $28 billion in earmarks, over $23 billion, or over 80 percent of the earmarks, was requested by the President. Now, let me say that once again, please. Through the 11 committee reports, we have identified over 5,700 earmarks, totaling about $28 billion. Of the $28 billion in earmarks, over $23 billion, or over 80 percent of the earmarks, was requested by the President—the President of the United States, President Bush.

The level of nonproject-based earmarks is a substantial reduction below the level approved for 2006. We are not hiding these earmarks. We are highlighting them for the scrutiny of the American people. We are accountable for the decisions in these bills and reports.

The status quo is not satisfactory, and the Appropriations Committee has taken the lead in adding transparency and accountability to the process. Eliminating waste and abuse in the Federal budget process is important. Protecting the character and design of the Constitution is essential. Get it, get it, now. Let us not lose our heads—but keep our heads on our shoulders—let us not lose our heads, and subsequently the safeguards of our rights and liberties as American citizens.

S. 1 strikes the right balance. I urge its adoption.

Madam President, I have a parliamentary inquiry: Section 511 of S. 1 amends rule XXVIII concerning out-of-scope matter in conference reports, and section 521 establishes a new rule XLIV concerning congressionally directed spending in all legislation pending before the Senate. Specifically, section 521 contains rules concerning new congressionally directed spending that might be included in a conference report.

Madam President, am I correct that points of order concerning new directed spending will be considered pursuant to the new rule XLIV, rather than the amended rule XXVIII?

The PRESIDING OFFICER (Mrs. MCCASKILL). The Senator is correct.

Mr. BYRD. Excuse me, Madam President.

I will repeat that. Am I correct that points of order concerning new directed spending will be considered pursuant to the new rule XLIV, rather than the amended rule XXVIII?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. I thank the Chair.

Inquiring further, Madam President, am I correct that in paragraph 8(e) of the new rule XLIV—the new rule XLIV—the term ''measure'' refers to the bill or amendment committed to the conferees by either House, and not to the statement of managers?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. I thank the Chair.

Inquiring further, Madam President, the new rule XLIV requires the chairman—this is the new rule XLIV—requires the chairman of the committee of jurisdiction to certify that mandated information on congressionally directed spending, limited tax benefits, and limited tariff benefits is available on a publicly accessible congressional Web site at least 48 hours before a vote?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. I thank the Chair.

Am I correct, Madam President, that the Parliamentarian will rely on that certification for determining compliance with paragraphs 1, 2, and 3 of rule XLIV?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. I thank the Chair.

Madam President, I yield the floor.

SMALL BUSINESS TAX RELIEF ACT OF 2007

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 976, which the clerk will report by title.

The assistant legislative clerk read as follows:

A bill (H.R. 976) to amend the Internal Revenue Code of 1986 to provide tax relief for small businesses, and for other purposes.

Pending:

Baucus amendment No. 2530, in the nature of a substitute.

Dorgan amendment No. 2534 (to amendment No. 2530), to revise and extend the Indian Health Care Improvement Act.

McConnell/Specter amendment No. 2599 (to amendment No. 2530), to express the sense of the Senate that Judge Leslie Southwick should receive a vote by the full Senate.

Thune amendment No. 2579 (to amendment No. 2530), to exclude individuals with alternative minimum tax liability from eligibility from SCHIP coverage.

Grassley (for Ensign) amendment No. 2541 (to amendment No. 2530), to prohibit a State from providing child health assistance or health benefits coverage to individuals whose family income exceeds 200 percent of the Federal Poverty Level unless the State demonstrates that it has enrolled 95 percent of the targeted low-income children who reside in the State.

Grassley (for Ensign) amendment No. 2540 (to amendment No. 2530), to prohibit a State from using SCHIP funds to provide coverage for nonpregnant adults until the State first demonstrates that it has adequately covered targeted low-income children who reside in the State.

Grassley (for Graham) amendment No. 2558 (to amendment No. 2530), to sunset the increase in the tax on tobacco products on September 30, 2012.

Grassley (for Kyl) amendment No. 2537 (to amendment No. 2530), to minimize the erosion of private health coverage.

Grassley (for Kyl) amendment No. 2562 (to amendment No. 2530), to amend the Internal Revenue Code of 1986 to extend and modify the 15-year straight-line cost recovery for qualified leasehold improvements and qualified restaurant improvements and to provide a 15-year straight-line cost recovery for certain improvements to retail space.

Baucus (for Specter) amendment No. 2557 (to amendment No. 2530), to amend the Internal Revenue Code of 1986 to reset the rate of tax under the alternative minimum tax at 24 percent.

Webb amendment No. 2618 (to amendment No. 2530), to eliminate the deferral of taxation on certain income of United States shareholders attributable to controlled foreign corporations.

The PRESIDING OFFICER. The time until 1:40 will be equally divided between the Senator from Montana, Mr. BAUCUS, and the Senator from Iowa, Mr. GRASSLEY.

The Senator from Pennsylvania.

AMENDMENT NO. 2557

Mr. SPECTER. Madam President, I have consulted with both of the managers about bringing up amendment No. 2557. I consulted with Senator GRASSLEY, who advised that we would be going back on the bill at 12:45, but the distinguished Senator from West Virginia had extended his time. But I have been waiting here now for more than an hour. It would be my hope we could proceed with the consideration of this amendment. I am advised the managers want to see the amendment.

I am advised, Madam President, that the Democrats are fine with my calling it up. I just want to be sure—

Mr. SANDERS. Madam President, my understanding is that the Senator from Pennsylvania is correct. He can proceed.

Mr. SPECTER. In that event, Madam President, I ask unanimous consent that the pending amendment be set aside so we may consider amendment No. 2557.

The PRESIDING OFFICER. The amendment has already been offered.

Mr. SPECTER. Yes. Fine.

This amendment would eliminate the 1993 alternative minimum tax rate increase, a remedial step which I suggest to my colleagues is long overdue. The alternative minimum tax was created in 1969 in response to a small number of high-income individuals who had paid little or no Federal income taxes.

Today, because of a lack of indexing for inflation, and the higher AMT tax rates relative to the regular income tax system, we have a parallel tax system which has grown far beyond its intended result.

If there is no legislative action, the number of taxpayers subject to the alternative minimum tax will rise sharply from approximately 3.5 million filers in 2006 to some 23 million in 2007.

This issue has been before the Senate four times this year already. It will hit taxpayers in the moderate range excessively hard. The alternative minimum tax was increased in 1993 from 24 percent to 26 percent for taxable income under $175,000, and from 24 to 28 percent for taxable income in excess of $175,000.

There has been some question as to what is the offset and there is no offset, and none should be looked for where you have a tax which essentially was not expected to be imposed. There was no anticipation, no intention that this alternative minimum tax was going to produce additional revenue. So when the tax law is corrected so the additional taxes will not be imposed because of bracket creep—and this is designed to avoid that, and to redirect the alternative minimum tax to its original intent—that is exactly what tax fairness requires.

Madam President, I ask unanimous consent that the full text of my statement be printed in the RECORD.

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

STATEMENT OF SENATOR ARLEN SPECTER

SPECTER AMENDMENT #2557

Mr. President, I have sought recognition to discuss an amendment to H.R. 976, the Small Business Tax Relief bill. H.R. 976 will serve as a vehicle for legislation to reauthorize the State Children's Health Insurance Program (SCHIP) in the Senate. My amendment is identical to legislation (S. 734) I offered on March 1, 2007, to bring the Alternative Minimum Tax (AMT) back ''in line'' with the regular individual income tax by reducing its rate back to 24 percent. The 1993 AMT rate increase has contributed greatly to the problem of unintended taxpayers seeing increased tax liability.

The AMT is a flawed income tax system and there are many arguments for full repeal. It is important to keep in mind that the first version of the AMT was created in 1969 in response to a small number of high-income individuals who had paid little or no federal income taxes. Today, between a lack of indexing for inflation and higher AMT tax rates relative to the regular income tax system, we have a tax system which has grown far beyond its intended result. Absent legislative action, the number of taxpayers subject to AMT liability will rise sharply from 3.5 million filers in 2006 to 23 million in 2007. According to the Congressional Research Service (CRS), 874,000 taxpayers in Pennsylvania will pay the AMT in 2007 if no action is taken.

The Senate has had ample opportunity to address AMT in 2007. The Senate has already rejected four efforts to provide taxpayers with meaningful relief from the AMT in this first session of the 110th Congress. However, all attempts have been rejected: on July 20, 2007, I voted in support of a Kyl amendment to the Education Reconciliation Bill, which would have fully repealed the AMT; on March 23, 2007, I voted in support of a Lott amendment to the Budget Resolution, which would have allowed for repeal the 1993 AMT rate increase; on March 23, 2007, I voted in support of a Grassley Amendment to the Budget Resolution, which would have allowed a full repeal of the AMT; and On March 23, 2007, I voted in support of a Sessions Amendment to the Budget Resolution, which would have allowed families to deduct personal exemptions when calculating their AMT liability.

This onerous tax is slapped on average American families largely because the AMT is not indexed for inflation (while the regular income tax is indexed) and taxpayers are ''pushed'' into the AMT through so-called ''bracket creep.'' Temporary increases in the AMT exemption amounts expired at the end of 2006. The Economic Growth and Tax Relief Reconciliation Act of2001 increased the AMT exemption amount effective for tax years between 2001 and 2004; the Working Families Tax Relief Act of 2004 extended the previous increase in the AMT exemption amounts through 2005; and the Tax Increase Prevention and Reconciliation Act of 2005 increased the AMT exemption amount for 2006.

In addition to the well-known issue of the need to index the AMT exemption amount for inflation, the AMT tax rate relative to the regular income tax must also be addressed to keep additional taxpayers who were never intended to pay the AMT from being subject to its burdensome grasp. In 1993, President Clinton and a Democrat-controlled Congress imposed a significant tax hike on Americans through the regular income tax. At the same time, the AMT tax rate was also increased from 24 percent to 26 percent for taxable income under $175,000 and from 24 percent to 28 percent for taxable income that exceeds $175,000. These changes are now slamming the middle-class and have only been made worse by the tax relief enacted in 2001 and 2003. Ironically, by reducing regular income tax liabilities without substantially changing the AMT, many new taxpayers were pushed into these higher AMT