

I think that is what most Americans think, that with reform we would say that if you do not work then you lose your benefits or that we would try to get at the welfare fraud or curb the cost of the bureaucracy administering the program. That is what is happening here.

What was supposed to be a historic effort to balance the budget has deteriorated into legislation that does relatively little to reduce the long-term deficit, but would substantially increase the depth of poverty and likely cause substantial numbers of poor children and elderly people to fail to secure adequate food and nutrition.

Now, the Castle-Tanner substitute, which I will be supporting tomorrow, basically ensures that States would be able to meet the work requirements in the bill by providing \$3 billion in additional mandatory funds that States can access in order to meet the cost of moving welfare recipients to work.

It costs money to get the States to train people to get them to work. That is why we need the Castle-Tanner substitute. We need a program that is going to get people to work and not hurt the children.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

[Mr. SMITH of Michigan addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. JONES] is recognized for 5 minutes.

[Mr. JONES addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MANZULLO] is recognized for 5 minutes.

[Mr. MANZULLO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 5 minutes.

[Mr. GUTKNECHT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORAN] is recognized for 5 minutes.

[Mr. DORNAN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from California [Mr. RIGGS] is recognized for 5 minutes.

[Mr. RIGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

#### CAMPAIGN FINANCE REFORM POSTPONED

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. FARR] is recognized for 60 minutes as the designee of the minority leader.

Mr. FARR of California. Mr. Speaker, I rise tonight during this hour of special orders to bring to the attention of this country, and particularly to my colleagues in this House, what is going on here in Washington, what is going on here in this Congress at this moment.

We heard earlier speakers talk about this was going to be the week that has been postponed, and it had been postponed that we were going to have Reform Week, where Congress was going to address all of those issues that the constituents of this country, the people, have said are broken and need fixing. This was the week to fix things.

Just hours ago we were told that the issue that we have all been waiting for, one of the biggest issues facing the United States in this election year, campaign reform, has now been taken off the table.

□ 2145

Postponed until next week, and who knows, if not taken up next week, maybe indefinitely. I am here tonight to talk with some of my colleagues about the importance of campaign reform. I am serving in my 21st year of elective office, having been in local government, State government. I do not think there has been a time in those 21 years when people did not ask me what we are going to do about campaign reform.

In California, a big State, we have done a lot. It certainly is not enough because there are two measures on the ballot this November that will radically change campaign law for election to State and local office. Perhaps the one that is most focused on is the Federal law that governs all of us who get elected to the United States Congress.

This is an issue that we have been working on for many years. My colleague, MARTY MEEHAN, from Massachusetts, has been a strong voice from the moment he arrived, talking about the need for Congress to address campaign reform. Indeed, he led a bipartisan effort to put together a bill that he spoke about earlier tonight that had about an even number of Democrats and Republicans cosponsor it.

The Republican leadership will not even allow that bill to come to the floor for a vote. Why? Perhaps Mr. MEEHAN might want to join me here in discussing why his bill cannot even get to the floor, and I yield to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. First of all, Mr. Speaker, I thank the gentleman from California not only for reserving an hour of time but also for his efforts on campaign finance reform.

The Committee on Rules is meeting right now and taking all kinds of testimony, so you never know, maybe they will come up with a rule that will allow a debate on this bill.

I think that one of the things that many on the Committee on Rules are afraid of is that the President will sign the bill. President Clinton has said when he spoke in the State of the Union address that we needed campaign finance reform and he specifically mentioned the bill that I have been working with LINDA SMITH from Washington and CHRIS SHAYS from Connecticut. It is a bicameral and bipartisan bill.

He challenged the Congress to pass that bill. I cannot help but think that part of the reason is, President Clinton has said, I am going to sign campaign finance reform if it limits how much money is spent in congressional elections and begins the process of trying to lessen the influence of special interests.

There are some times, with all respect, I think that the Republican leadership down at the Committee on Rules are afraid the President will actually sign the bill. Would that not be something?

Mr. FARR of California. Well, I think what your bill and my bill, which is very similar to it, very minor differences, frankly, our bills, we are relatively new to Congress, but our bills are based on what this House has been able to produce in the 103d Congress, the 102d Congress, the 101st Congress, going all the way back to 1988 to the 100th Congress.

The Democrats have led in putting our campaign reform bills that are very much similar to the bill that we are trying to get on the floor now and in fact had gotten through this House, and every time they have been blocked by the Republican leadership. In fact, in one case in 1992, President Bush just before the Presidential elections in 1992 vetoed the campaign reform passed by both the House and the Senate.

We are back at it again, and I think what is so shocking about where we are now, because some of the controversies in that bill were that you had vouchers, essentially the process where taxpayers would help pay for the cost of campaigns and that was always very controversial. Took those out. No longer in the bill.

And what do we see come along from the other side? Nothing about reform. There is no reform in the Republican leadership bill. There is no reform in the reform week of the Republican dialog. We are here tonight, three colleagues who are down in the trenches fighting for these issues and I think we are befuddled, we are just amazed that the bill they brought forth this week essentially allows you to auction off seats in the U.S. Congress.

It says, if you have got money, come on down. Buy yourself a campaign seat. Move into a district where there is a poor person living or does not have much wealth. Use your own wealth, because you know to run for Congress, interesting thing that a lot of people do not understand, the first time you run, you do not have to live in the district. You can move in and I would not be surprised if there was not an attempt to sort of organize people around this country to say, hey, you with a lot of money, if you really want to get a seat in the U.S. Congress, go find a district under the Republican campaign reform bill that would allow you to use your own money to get elected.

There is no reform in the Republican bill, and we are here tonight appalled not only at that, and we will go into some of the details, but I think to also express our dismay at the fact that we could not get reform week dealt with, we could not get your bill on the floor, and who knows whether we will ever get our bill, the Democratic majority bill on the floor.

Mr. MEEHAN. Mr. Speaker, another point I wanted to make, we were new to this Congress in the 103d Congress. I was part of the largest freshman class since 1946. We did not get campaign finance reform because the Republicans in the U.S. Senate filibustered so that bill died.

But I cannot help but remember the freshman Democrats running for reelection and nearly half of them lost. That is how the Republicans got control of the House. Half of the freshman class lost. There is a message there for Republican freshmen in this Congress. If this Congress cannot produce a campaign finance reform that, No. 1, limits special interests and, No. 2, caps how much money is spent, there is no question that the American people are going to respond and respond quickly and decisively in November.

We have seen this in the past. We have seen an inability and the public reacts to it. I feel strongly if this Congress or this House does what it looks like it is going to do, which is nothing, then the November elections will be an opportunity for the American people to respond.

Mr. FARR of California. I agree with the gentleman. I want to defer here for a moment to our colleague, FRANK PALLONE, who has been in this well many, many nights. We just heard him on the concern of welfare reform. I really appreciate it. I think he pointed out to us that in that debate we have a lot of people to come down to the well as conservatives who seem to know the price of everything and the value of nothing. Transfer that into campaign reform and that price tag is in their favor. I appreciate you coming tonight to discuss this issue.

Mr. PALLONE. Mr. Speaker, if the gentleman will yield, I just wanted to day to the gentleman from California that I appreciate both your efforts, initiatives, as well as the gentleman from

Massachusetts, in trying to come up with real campaign reform. As the gentleman from Massachusetts says, we have actually had the opportunity when the Democrats were in the majority, and I have been here, I guess this is my eighth year, we have had the opportunity in those prior Congresses when the Democrats were in the majority to vote on real campaign finance reform. I am not as optimistic as the gentleman from Massachusetts is, though, that the Republican freshmen who were voted in overwhelmingly in 1994 are necessarily going to be voted out because they do not campaign finance reform. I think that what they are counting on, at least what the Speaker and the Republican leadership are counting on is just being able to raise so much money, massive amounts of money from both special interests as well as wealthy individuals to just basically have those Republicans who are now incumbent be able to outspend their Democratic rivals, 2, 3, 4, 5 to 1. The sky is the limit.

I think that this effort in the so-called Republican reform bill, which has now been postponed maybe indefinitely, was to accomplish just that, to make it possible for more money to come from wealthy people. We heard some of the speakers earlier say that instead of a campaign limit of \$25,000 per election, you could actually spend, an individual, up to over \$3 million under this Republican proposal.

The reason I believe very strongly why it did not, is not coming to the floor tomorrow is because they could not get the votes. Once people started to realize, both on the Republican side as well as on the Democratic side, that this was going to be possible and that what this really was is to bring more cash from wealthy people into the races, a lot of people balked.

We had, I do not know, I guess about 10 Republicans who initially sent out a letter to their colleagues pointing that out and saying that the bill should not be approved. I would be very surprised if we see it again. I think that they have been embarrassed, essentially because of your work, Mr. MEEHAN's work, pointing out the flaws with this legislation.

I just wanted to say very quickly that a lot of times I think that maybe people do not understand practically what all this means. If I could just give a brief example, some of which reflects upon my own races that I have run for Congress.

I think what we are seeing more and more, and Mr. FARR, you mentioned it, is that you either have to be very wealthy and just spend your own money, unlimited funds to run for Congress, which increasingly more and more people do, or you have to be this person who maybe is not personally that wealthy but is in a position where you can tap very large contributors.

Without mentioning names, I ran against someone in one of my races who had a chain of stores, and he basi-

cally was able to get thousand-dollar contributions from each of the vendors or people who dealt with this business so that when I looked at his FEC report, it was just the maximum thousand-dollar contributions from quite a few individuals.

So what you are leaving out basically is the person who has their own means, their own resources, or who is not in a business or in a position where they can tap those very wealthy individuals for those thousand-dollar contributions.

If you change the law, as the Republican leadership has proposed, so that now instead of \$1,000 that individual can get \$2,500 or some of the other things are in this bill, you are just making the situation more and more that you either have to be spending your own money or you are just tapping these very wealthy individuals. And I think it is unAmerican. I really do. I think a person should be able to run for Congress regardless of their financial means. I think most people think that, but increasingly it is not the case.

The ideal situation that I would like to see, and I have actually voted on it, I am not saying that everyone agrees with me, is to lessen the impact of any particular type of source of funding. In other words, you have a maximum cap, if you will, on total campaign expenditures. You say that only a certain amount can be raised with large individual donors, only a certain amount with political action committees and a certain amount with small individual donors. So you have sort of a diversity and combination of money coming in so there is not a dependence on any one source.

Then you have an overall cap. I would go so far as to say that should be matched with public financing, although I know everyone does not necessarily agree with that. But this effort by the Republican leadership to tip the scale more and more toward very wealthy people contributing is definitely going to wreak havoc on the system and make it impossible for people of average means to run for Congress.

Mr. FARR of California. I would like to follow up on that point because the bill that we designed, I think it is important to point out, the Democratic bill and the bipartisan bill limit the amount of money you can spend in an election. "Limit," you will not find that word in the Republican bill. The word "limit" is not there.

What we have tried to look at in tailoring this bill, and frankly, you know why it has been so difficult, because everybody who got elected to Congress is an expert on how they got here. And everybody has their own way. And they are biased in one way or another. So it is very difficult to put together a bill that can garner enough votes to get off this House, but history has shown that Democrats have been able to do that.

Let me point out quickly what we do here. The Supreme Court has said you

cannot limit free speech and free speech is, essentially, you cannot limit what people want to spend by themselves or others want to spend on you unless you can show that that money is corrupting. And some of us argue that massive amounts of money do corrupt. But that is a debate yet to be held in the court.

We have approached this saying, however, the court has never said, and we think it is constitutional, that if you voluntarily limit yourself and say, I want to run for U.S. Congress and I am going to operate under this proposal that we have here, that we are offering, that says, OK, you cannot spend more than \$600,000. You limit yourself to that. You challenge your opponents to limit themselves to that.

Once you have done that, that triggers the mix that you are talking about. OK, \$600,000 is all you can spend. That is a lot of money. That is over a half a million dollars. That is what was the average to get elected, in 1994, to the U.S. Congress. You have districts like New York and Los Angeles and Chicago where you go out and buy media and radio and television, much more expensive than buying it in very small rural areas. So some campaigns are more expensive and some are less. But that is the average, \$600,000.

You say, all right, of that \$600,000, going back to your mix, only a third of it, \$200,000, can be raised from political action committees. By the way, we limit the amount that any one political action committee can give to you. We lower the current law rate. We say, OK, the other third, up to \$200,000, can be raised from what we call wealthy contributions. We define those as anybody who can contribute \$200 or more.

The final third can be raised or even more can be raised by small contributions, but in no way can the small, large, and PAC contributions in aggregate exceed \$600,000.

□ 2200

So we have the mix there. You cannot be unduly influenced. We have limits there. And that is so important to beginning a step about campaign reform.

And lastly let me say one of the things that really bothers me about the Republican bill.

It sounds like good government, and I think a lot of people listening will say it is. They require that if you are going to run for Congress, you have to raise 50 percent of your money in your district. That sounds good, in your district. But think about it for a minute. What if you live in a really poor district, and because in their bill they put no limits on what an individual can contribute, and by the way in our bill you cannot contribute more than \$50,000 of your own money. So if you are a very wealthy person, you are limited if you want to go by the campaign reform limits. But they do not do that.

So what you are doing is you are saying this is where you get into this de-

bate about the fairness of this in-district stuff, and you will find if you go around in Congress, it is not the people that have the money that are worrying about this. It is the people that come from districts that do not have the money that are very worried. They are worried that they are being penalized.

I have to raise my money from my district, and I can have my opponent spend any kind of money they want and get help from their party on a national level on top of that. The reform bill, the bipartisan bill, was fair about that. They addressed it and say you have to raise the money in your State. They did not limit it just to your district.

So I think, frankly, if we go back and look at the Republican effort and why it is so threatening, so damaging, to representational government is—and you listen to the people who got elected, people of color, women, the things that the kind of people that ought to be in the United States Congress—we ought to be reflective of the people we govern out there, and frankly we know, sitting here tonight, and, you know, three white males; that is the dominant composure of the United States Congress. That is not the dominant composure of the American electorate.

Mr. MEEHAN, If the gentleman will yield, to follow up on that, not only those from poorer districts, but what has also happened with the recent United States Supreme Court decision relative to political parties making contributions in districts, this bill would allow, the Republican bill, would allow hundreds of thousands of dollars of special-interest contributions that a party would raise and go in and basically try to buy that election.

Well, why would they want to do that? Well, they want to do that because they are out-raising Democrats by record numbers. Why are they out-raising Democrats? Because we do not have hearings any more in the House of Representatives. All of the legislation that we are dealing with, somebody decides over here or over there without a hearing, behind closed doors, and then it comes to the floor, and we see that the very interest that we are to be protecting people against have helped write the bills. And those same interests time and time again show up on campaign reports, show up contributing to the parties, and then the parties are going to be able to take this money and influence individual districts all over America. That is taking the power away from individual districts and bringing it into the party bosses in Washington where they will determine whether it is 2 or 3 or \$400,000 in negative ads or whatever they are going to decide.

That is exactly what the American people do not want. They do not want Washington to be determining who wins a congressional election. They want to decide those races at home.

So that is the other point on that, this bill that would, according to the

Republican bill, an individual could conceivably donate \$3.1 million to State and national parties cumulatively.

Think about it.

Mr. FARR of California. That is each year.

Mr. MEEHAN. Each year. Absolutely, each year. Can you imagine how much money that is?

So you have all of these millionaires contributing up to \$3 million to the political parties, and then the parties, taking that money, using the recent Supreme Court decision and funneling millions and millions and millions of dollars into individual districts all across America from Washington to tell them in the form of 30-second ads who they should elect to Congress.

It is exactly the wrong message; it is exactly the opposite of what the American public is demanding.

So this bill is without—this Republican bill is a disaster, and the Democratic bill and the bipartisan bill are very, very similar in that for real campaign finance reform you have to do two things: One is you have to limit, do voluntary limits, the overall amount of money that is spent. Second, what we need to do in America is try to find a way to limit the role the PAC's are playing. Both bills do; there is no question both bills do that. Unfortunately, this Republican bill does nothing but infuse millions and millions and millions of dollars from millionaires.

I mean do millionaires not really have enough influence in America? I think most people in America would say that they already have enough influence in everything we do. For crying out loud, the tobacco lobby has contributed \$10 million in the past 10 years to Members of Congress. If you look at how much money they have contributed to the Republican Party since they have gotten in office, it has grown dramatically.

So that is what this is all about. It is about Republican Party takes control, raises millions and millions of dollars setting all kinds of records and then says, well, we want the person with the most money to win.

Mr. PALLONE. If the gentleman would yield, I think in many ways the most significant thing that both of you mentioned was—and specifically, Mr. FARR mentioned—that none of the Republican bills, and maybe I should not say none, but certainly none that I have seen, actually have a cap on campaign spending, and that is what is really so important. Whatever means I think the Republican leadership can find to try to spend as much money as possible is what their real goal is here, and that is why they are bringing forth this bill or tried unsuccessfully so far to bring forth this bill that allows so much more money to come from large contributors.

I just had this quote, which I looked at before but I just have to read again, where Speaker GINRGICH calls for more money in politics, not less, and it is

from last year where he said one of the greatest myths of modern politics is that campaigns are too expensive, the political process in fact is underfunded. It is not overfunded. I would emphasize far more money in the political system.

Now that says it all. I mean he just wants more money to be available and more money to be spent, and the whole idea, the cap on campaign expenditures, is anathema to him and, I believe, to the Republic leadership, and that is why you are not going to see a cap. Regardless of the mix that is achieved to reach that cap, you are not going to see that cap in something that they support because they just do not think they want to spend more money.

Mr. MEEHAN. If my colleague will yield, that point is right on point and exactly the truth. Since the beginning, Republican leadership has been wedded to the special-interests corporate contributions that drive their agenda. That is what they have been wedded, protecting big tobacco, sheltering corporate subsidies, promoting environmental regulation and rolling back environmental laws. These goals are not driven by the views of the American people, they are not driven by the views of the public. They are on the high-priorities list of the biggest contributors to the Republican Party.

That is what this is about.

Mr. FARR of California. And look what has happened this year and last year. What we have seen here and why we even need to have a reform week is some of the abuses of this institution that have been carried out by this leadership, lobbyists literally sitting and writing the bills, not the paid professional staff of Congress. Lobbyists and former Members who are lobbyists being able to be at the dais during a debate, the fact that the attack has been on sort of the monied interests, the money interests that would rather cut it out for us rather than preserve it, the money interests that would rather pollute our drinking water than clean it up, the money interests that would rather keep minimum wage from being passed and signed into law, the money interests that would like to make sure that welfare reform is all about just making people work, which is fine, but who is going to provide the jobs out there?

So you begin to see that there is a very conservative agenda building in Congress, and that agenda is only thwarted by the fact that this room is made up of a awful lot of diverse people who come here with viewpoints different from just a one standard cookie-cutter financial bottom line "what is in it for me," and that has been able to make the Congress the vibrant place that it is.

If you do not like the product that is coming out of here and the product that the Democratic leadership is adding here, you want to change that, and the best way to change that is to change the Members of Congress, and if

you can make those Members of Congress more reflect just that bottom-line mentality that everything has a price tag on it, there is not a better way to do that than the campaign reform bill, the campaign—no reforming it—the campaign bill that has been introduced by our colleague, Mr. THOMAS.

Mr. MEEHAN. If the gentleman would yield, let me just get into a couple of specifics. These are probably the five worst things about the Republican bill. But the Republican bill vastly increases all of the—nearly all—of the contributions set in current law.

Reforming campaigns, let us face it. It is about limiting the influence of money, not expanding it.

The Republican bill would also allow an individual to contribute \$310,000 to campaigns in political parties in a single election cycle. That is more than 10 times the current legal limit.

Now, we have already mentioned that according to the Republican bill, an individual could conceivably donate \$3.1 million to State and national parties cumulatively. The Republican bill also codifies the soft-money loophole in the current law, which is how millions and millions of these dollars slip in. It is through the soft money.

The Republican bill also vastly increases the role of national parties in local elections. That is a move that would clearly benefit the Republican parties because, as they are in the majority, raising millions and millions of dollars, they are hoping, as we said earlier, that they can buy close elections because of all of the money they are raising.

Those are five of the worst reasons, worst things about this bill, and I think the reason they cancel Reform Week, and let us be clear about this. How long have we been hearing about Reform Week? We are going to straighten everything out in Reform Week, we are going to limit how much money is spent, we are going to change the system, we are going to change the way Congress does business.

Nonsense. Here we are. It is Wednesday night at 10:15 Washington time, and we do not have Reform Week. The Committee on Rules is up considering a bill that goes in the opposite direction.

NEWT GINGRICH is one of the only people in America that thinks you reform the system by putting more money into it. It is absolutely ridiculous, and I cannot imagine the response of people in this country over the next few days when they realize Reform Week was a sham, it never happened. Maybe some day next week, maybe next month, maybe next year.

I think the American people are going to respond very, very angrily to what has happened here tonight.

Mr. PALLONE. If the gentleman will yield, and I have to confess that I am going to have to leave after this remark, but one of the myths that I constantly hear from the Republican leadership is this notion that somehow individual contributions, large individual

contributions, are not exerting influence on Congress or on politicians the way, for example, that political action committees would, and to me it is sort of ironic because I do not really put a tag on any particular kind of contribution. I really think that what we need to do is to create a diversity of contributions and limit the overall amount of money that is spent which is essentially what your bill would do, Mr. FARR.

But this myth that somehow if someone gives a thousand dollars individually, that is clean, or under this Republican proposal that they give \$2,500, that that is clean, but a PAC is not clean or some other method is not clean. And I always think to myself, if there is a large corporation and the individuals in that corporation contribute to the political action committee and then a check was written for \$5,000 to a Congressman from that PAC so to speak, how was that any different from the five individuals or ten individuals each; you know, the chairman of the corporation, the president of the corporation, the various vice presidents of the corporation, each writing an individual check for a thousand dollars, or in this case, you know, as they proposed it would be \$2,500. The ability of people to influence is no different whether they are running an individual check or they are contributing to a political action committee.

I think that the answer is to simply limit the overall amount that can be spent and the amount that can be contributed, if you will, from these individual sources so that if you say, for example, that a PAC can give \$5,000, but you require that a lot of that be small donations, OK, maybe that is some sort of reform, or if you say that, as you propose, that you can only have so many individual large contributions or so many PAC contributions, that is reform. But they keep, the Republican leadership, keeps putting out this notion I call a myth that individual contributions are somehow OK and that they are not going to influence people, and therefore it is OK to increase them and perhaps to almost unlimited amounts, and it is simply not true. There is no difference between the president of the corporation writing me a check and having him contribute to a PAC that writes me a check. I do not see it, and I know for a fact that a lot of times when individuals contribute to your campaign, and particularly if it is a large donation, a lot of times they expect, you know, to have access or to be treated or, you know, to have your ear just as much or if not more than some of the other special interests that contribute through a political action committee.

But we keep hearing this from the Republicans, it is okay to keep coming with those individual large contributors.