

early. Now there is a period of time between the last reporting and the election in which donations and contributions are not reported until after the election is over. That is wrong. We ought to change that. Candidates' reports are often late and partial and voters are kept from knowing what they should know about contributions prior to the time of voting. People need to be better informed. We can do that and we should.

Soft money—I am concerned about the increased amount of soft money being spent on a national level. I say again, I was very involved in my party prior to being elected, and I saw us use money of that kind to do things that I thought were useful, and continue to think are useful—party building, voter identification, voter registration, getting people to vote and participate in government. That is what soft money is for.

Unfortunately, the receipts for campaigns have increased some 200 percent from the 1992 Presidential election to the 1996 cycle. That is a little scary. That is a lot. This money is not subject to the kind of disclosure requirements and restrictions in the kind of things that so-called hard money is. Voters have the right to be suspect of this kind of dough, it seems to me, since there are really not stringent accountability standards. We must develop, I think, a contribution limit on soft money. It doesn't need to be small. It can be healthy, but it should not be unlimited, and it should be for party building.

We talk sometimes disdainfully about politics. Politics is how we govern ourselves. That is how you and I who live in our precincts are able to make an impact. I feel very strongly about that.

Fundraising in the district—pretty evident that is the important thing. I support the idea of having at least 50 percent of the money that goes into the campaign come from the district from which the candidate runs.

Now, I am the first to admit—and that is one of the difficulties with all kinds of election controls and election restrictions—there are ways to go around that. In my State there are large companies that run mines, for example, that contribute to campaigns from out-of-state headquarters. They will simply contribute from instate headquarters, and it will be the same money. But, nevertheless it is important. I think there is a great shift of money from one place to another outside of the eligible voters, simply because of interests that are somewhere else, that go to this campaign. I suggest that at least 50 percent come from the area in which the candidates come.

Compulsory dues being used for campaigns I think is a real mistake. Labor unions are the only ones that really are able to do that. I think it certainly ought to be voluntary on the part of the member whether or not those dues are used for that purpose. There are

some polls recently that say that is greatly supported, 4 to 1, by members of unions. I think that is right. They should not be restricted from using their money for that purpose if they choose to, but they need to choose.

Mr. President, in summary, voting is one of the highest privileges of being a citizen. Not only is it a privilege, it is an obligation and a responsibility if we are to have a government of the people, by the people and for the people, then the people must participate, must be given an opportunity to participate.

It is ironic to me, it seems to me we are in a time where we have the technical ability to have more information available to more people than ever in history. Can you imagine what it was like to vote 100 years ago? How much do you think people knew about national elections? Very little, I suspect. Now we know anything that happens in the world, and we know it in 10 minutes. Yet we seem not to have the kind of participation that we really ought to have in a citizen government. That is what we ought to be striving to have as we deal with election finance—voters being responsible, voters fulfilling their obligation, voters being knowledgeable, and voters being able to choose.

One of the real meaningful ways, of course, is that individuals can contribute to that point of view that they support. We should work hard to ensure that campaign system is free of some of its current laws and yet open and free and not governed in every detail by some bureau somewhere that decides what you can say in an ad. Those kind of things are not useful and, indeed in my opinion, move us in the wrong direction.

I hope we continue to work on this issue. I hope we do some things. I hope we stay away from the convoluted notion that we ought to have somebody in some bureaucracy, somewhere, manage all of the election activities. Here again, these kind of things belong in our communities, they belong in our States, they belong in our towns, they belong in our school boards. That is where they ought to be.

I yield the floor.

#### SETTING GOVERNMENT LIMITS

Mr. BROWNBACK. Mr. President, I rise today to speak on two bills that I have introduced aimed at limiting the size of Government and restricting its growth. One reduces the Federal Government by restricting the ability of Congress to spend money, and the other limits Government by sunseting the Internal Revenue Code.

First, I will discuss the Economic Growth and Debt Burden Reduction Act. Although I have only been in Congress a short time, I have reached an inescapable conclusion, and that is that Congress is much better at exercising fiscal recklessness than fiscal restraint. Accordingly, I have authored legislation that specifically restricts

Congress' ability to embark on spending sprees by making it illegal to use excess Government revenues for anything other than debt reduction or tax cuts.

Congress has historically been wholly unable to exercise fiscal restraints when given resources in excess of the current demands of the Government. I believe we need to limit the size of the Government, and this bill forces it to do so.

Mr. President, we are going to soon approach a historic opportunity. For the first time since 1969 we are going to balance the budget. It was the last time we actually had revenues and expenditures equivalent. Now is the time for us to begin this great national debate as to, once you go into balance and you start moving into surplus, how should those surpluses be spent. In other words, whenever revenues exceed expenditures, what should they be spent upon.

We can say go on another spending spree and spend more money, or we can pay the debt down, or we can say we will cut taxes further on an American public that is taxed too heavily.

The bill that I put forward puts it this way: If revenues are projected to exceed the agreement levels, those excess revenues are immediately captured and reserved for tax cuts. If tax cutting legislation is not enacted, the additional revenues revert to deficit or debt reduction. This prevents any unanticipated revenues from being plowed back into higher expenditures and higher spending. And it seems to me that is what the American public wants us to be. They want us to pay down this massive \$5.4 trillion debt—and we get from deficit into debt, start paying the debt down—and if we can't agree on cutting taxes further, then we can apply that immediately and require that it go toward the debt reduction. So we can reduce the mortgage on America, which is on our children. They are going to have to reduce the overall tax burden in this country today, which is about 38 percent of the average two-wage earner, two-child family—a 38-percent tax rate. That is at all levels of government, including Federal, State, and local.

#### SUNSETTING THE INTERNAL REVENUE CODE

Mr. President, the other bill I introduced would sunset the Internal Revenue Code, except for the section relating to Social Security and Medicare. As my colleagues know, last week, the Senate Finance Committee held hearings on the Internal Revenue Service, and during those hearings, the Congress and the American people heard detailed accounts of endless cases of the IRS's abuse of power.

I believe the IRS needs to be reformed and, more fundamentally, I believe our Tax Code needs to be changed. The current Tax Code, along with the regulations, consists of more than 10 million words. It is impressive in size and oppressive in operation. It is antigrowth, antifamily, and it is not

the sort of environment that we can put forward economically and hope to have the next century be another American century. That is why I have joined with Congressman PAXON on the House side in sponsoring a bill that would sunset the current Internal Revenue code by the end of the year 2000.

What we hope to do with this is start the great national debate about what sort of tax system should be in place. Should we go to a flat tax or a consumption-based tax, or truly do tax simplification? But let's set the time-frame and a goal and work toward it like we have done on balancing the budget, when we said that, in 7 years, we would balance the budget and then we will figure out how we are going to get that. That is how we have done and that is why we are going to get it balanced. Let's do the same on fundamental tax reform. Let's set a time certain in which to accomplish it and let's begin the great national debate.

I hope a number of my colleagues will join me in sponsoring this effort to sunset this Tax Code and start the next millennium in this Nation with a taxation system that is pro-family, pro-growth and pro-American. We can do that and start this great debate now. I hope my colleagues will join in sponsoring both of those bills.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. BROWNBACK). Without objection, it is so ordered.

#### CAMPAIGN FINANCE REFORM

Mr. KENNEDY. Mr. President, few if any issues before the Senate this year are more important than campaign finance reform.

Americans from all walks of life are fed up with the current campaign financing system and its excessive reliance on unlimited contributions that make conflict of interest a way of life. They are fed up with a campaign process driven by the high cost of television commercials. They are fed up with candidates who spend more time raising money from special interests instead of serving the public interest.

And who can blame them?

In recent years, the amount of money spent in Presidential campaigns has doubled every 4 years. Senate and House races now cost millions of dollars. Election campaigns have become more and more negative, with misleading TV spots that traffic in half-truths or outright falsehoods. And corrupting and corroding it all are the massive abusers of the current loophole-ridden campaign financing laws.

The constant hunt for campaign dollars demeans our electoral process and

undermines the very foundation of our country. We have the best political system that money can buy, and it's a disgrace to everything our democracy stands for.

The time for change is now. We must take elections off the auction block. We must limit campaign spending. We must return the election process to the people, in which every voter is equal, no matter what their income, or what job they hold, or where they live.

Democrats understand this. Democrats in the Senate are unanimously committed to campaign finance reform that limits campaign spending. All 45 Democrats in the U.S. Senate have pledged their support for the bipartisan McCain-Feingold bill. President Clinton, too, has clearly stated his unequivocal support for this important legislation. He has taken the extraordinary step of announcing his intention to use his authority under the U.S. Constitution to require Congress to meet in special session if it fails to take up this urgently needed reform.

But where are the Republicans?

Have they united behind a proposal—any proposal?

Are they willing to join with Democrats to clean up the cesspool, and limit the amount of money and the power of money in American elections?

Sadly, the answer is "no."

The Republican prescription for these flagrant abuses is more money in politics, not less. They prescribe an even larger overdose of money for elections, in which their friends in big businesses and their lobbyists and special interests can write more checks and fatter checks to the Republican Party.

Their recipe for campaign finance reform is to tilt the balance even more unfairly against American workers. They want to increase the power of large corporations, and squash even the limited power that American workers have today. Republicans want to handcuff labor unions in the battle for a living wage, for decent health care for working families, and a secure retirement for the elderly. They want to silence union support for candidates who stand up and speak out on those basic issues.

In short, Republicans want to impose a gag rule on American workers.

The Republican antiworker scheme is a poison pill for campaign finance reform, and the Republicans admit it. The majority leader, Senator LOTT, told the Washington Times that his amendment would kill the bill because Democrats would mount a filibuster. He said, "I've set it up where they're going to be doing the filibustering."

Columnist Robert Novak agrees. Writing about the Republican amendment to impose a gag rule on workers, he says its "primary purpose in Congress is not to win Republican supporters for campaign reform but to lose Democratic supporters . . . . Republicans are divided between the many who bash labor to kill reform and the few who appease labor to save reform."

The Lott amendment is a killer amendment, because it unfairly punishes working Americans and their unions for participating in the elections. The Lott amendment bars unions from collecting dues from any workers—even members who voluntarily join the union and participate in setting its goals—unless those workers sign an authorization form to allow part of their union dues to be spent for political purposes.

This isn't reform—it's revenge. It's a blatant attempt to punish working Americans for their role in the 1996 elections—and an equally blatant attempt to silence working Americans in future elections.

Republicans intend this procedure to cripple any union's ability to participate in elections. They know that imposing such a requirement on any organization would have the same result. Yet, they don't propose it for the National Rifle Association or the big tobacco companies or the American Farm Bureau or the Chamber of Commerce. They don't ask corporations to get permission slips from their shareholders before the corporation can spend funds for political purposes. The Lott amendment should be called The Rampant Republican Hypocrisy Act of 1997. How hypocritical can they get?

The real measure of whether Republicans are serious about campaign finance reform is whether they will support honest limits on campaign spending.

The McCain-Feingold bill that all 45 Senate Democrats support will ban so-called soft money—the millions of dollars in campaign funds that today are virtually unregulated. This immense loophole in our current campaign laws allows contributions worth hundreds of thousands of dollars to be made to political parties. The parties then spend the money to help elect candidates for Federal office. While the amount of money that an individual voter can give to a candidate is limited to \$1,000 per campaign, candidates for Federal office can receive millions through the back door using this soft money loophole.

Clearly, any legislation worth the name reform must ban this shameful practice.

In addition, the McCain-Feingold bill limits the ability of outside groups to run ads supporting specific candidates. This practice has become another source of soft money for Federal candidates. If you don't have enough money in your own campaign to pay for your ads, then get a friendly outside group to support them.

The McCain-Feingold bill says that organizations are free to run ads on genuine issues. That's free speech, and it's protected under the Constitution. But if an outside group runs an ad supporting a specific candidate, then the cost of that ad should be counted as part of the candidate's campaign, and should be subject to the Federal election laws.