related policy decisions is perceived to be expanding.

Projected energy consumption in developing countries will begin to exceed that of developed countries, a change that will carry political, economic, and environmental considerations.

The spread of information technology and use of the Internet dramatically change the way business is conducted, and this change carries with it a new set of vulnerabilities.

The prospects of cyberterrorist attacks on energy infrastructure are very real; such attacks may be the greatest threat to supply during the years under review.

Global warming is attracting growing attention, and that attention will likely shape debate on future energy policies; it is hoped that debate will reflect sound science and factual analysis.

Security of Supply

If U.S. military power is committed to a limited but extended protection effort in Northeast Asia, the capacity to respond to a crisis like that of 1990 in the Persian Gulf will be severely limited. The United States will need to rebalance its security relations.

Policy Contradictions

The greater need for oil in the future is at odds with current sanctions on oil exporters Libya, Iraq, and Iran.

The United States deals with energy policy in domestic terms, not international terms; U.S. energy policy is therefore at odds with globalization.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 1 p.m. shall be under the control of the distinguished Senator from Wyoming.

Mr. THOMAS. Mr. President, we have 5 minutes remaining in our time; is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. THOMAS. I thank the chairman of the Energy Committee, the Senator from Alaska, for the work he has done on the energy problem. Clearly, we have one; there is no question. The question is, How do we best resolve it?

We are in desperate need of a national energy policy. We have not had one for a number of years. We need to have some direction with respect to domestic production—how much we want to let ourselves become dependent on OPEC and other such issues. It seems there are a number of issues about which the chairman has talked.

We need to talk about diversity. We have all kinds of things we can go on: We can go on oil, on gas, on coal—which is one of our largest reserves. We need to make it more clean. Of course, we can do that. We can take another look at nuclear, look again at our storage problems. It is one of the cleanest sources we have. Hydro needs to be maintained and perhaps improved. We need to go to renewables, where we can use wind and sunlight and some of the other natural sources.

I will always remember listening to someone back in Casper, WY, a number of years ago, saying we have never run out of a source of fuel; what we have done is found something that worked a little better. So we need to continue research to find ways to do that.

We need to have access to public lands. That doesn't mean for a minute we are not going to take care of those public lands and preserve the resources and the environment. But we can do both. We have done that in Wyoming for a number of years. We have been very active in energy production, and at the same time we have been able to preserve the lands. That is not the choice, either preserve it or ruin it. That is not the choice we have.

We also need to do some more research on clean coal, one of our best energy sources.

I was just in Wyoming talking to some folks who indicated we need to find ways to get easements and move energy. If it is in the form of electricity, it has to be moved by wholesale transmission. We need a nationwide grid to do that, particularly if we are going to deregulate the transmission and the generation side, which we are planning to do.

We have to have gas pipelines. California has become the great example. They wanted to have more power. Their demand increased and production went down. Then they said: We will deregulate. So they deregulated the wholesale cost and put a cap on resale cost. Those things clearly don't work.

We have to have some incentives to produce—tax incentives, probably, for low-production wells.

We need to eliminate the boom-and-bust factor so small towns are not living high one day and in debt the next.

Finally, we need to take a look at conservation, of course. You and I need to decide how we can use less of that energy and still maintain our kind of economy and way of life.

I again thank the chairman of the Energy Committee for all he is doing and urge him to continue so we can set the right direction for this country in order to have the energy we need and save our national resources as well. I am persuaded we can do both.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mrs. LINCOLN). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

BIPARTISAN CAMPAIGN REFORM ACT OF 2001

The PRESIDING OFFICER. Under the previous order, S. 27 is discharged from the Committee on Rules and Administration, and the clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 27) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

The Senate proceeded to consider the bill.

Mr. MCCONNELL. Madam President, I ask unanimous consent the time between 1 and 3:15 p.m. today be equally divided for debate only between the chairman and ranking member. I further ask unanimous consent that at 3:15 today I be recognized to offer an amendment.

Mr. MCCAIN. Madam President, reserving the right to object—I will not object—that would not in any way preclude Members from coming down for opening statements. We want to make sure everyone can make their opening statements. I know there are a lot of Members who would like to make opening statements on the bill.

Mr. MCCONNELL. Madam President, I believe that is what the time is for. I concur with the Senator from Arizona.

Mr. MCCAIN. There may be more than 2 hours, and Members may come down afterwards since some Members are coming back late this afternoon. I would like to make that clear.

Mr. DODD. Madam President, reserving the right to object—I will not object—I urge Members who have opening statements to make on this bill to come to the floor between now and 3:15. Obviously, later in the day during consideration of amendments Members can make whatever statements they wish. But to have some coherency to the remarks, this would be the appropriate time to do so. We urge Members to come to the floor.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Madam President, reserving the right to object, I am wondering if anyone knows that there is going to be a vote this afternoon. That was talked about last week.

Mr. MCCONNELL. Madam President, it is my understanding that there was a plan to have a vote at 6:15.

The PRESIDING OFFICER. Is there objection to any of the requests? Without objection, it is so ordered.

The Senator from Kentucky.

Mr. MCCONNELL. Madam President, we are in business for opening statements, if anyone would like to proceed.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Madam President, I yield 30 minutes to the distinguished Senator from Wisconsin, Mr. FEINGOLD.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Thank you, Madam President.

Mr. MCCAIN. Madam President, may I say to my distinguished colleague, my statement would be 5 minutes long.

Mr. FEINGOLD. As always, I defer to my commander on this, the senior Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. MCCAIN. Madam President, I thank my friend, Senator FEINGOLD, for his partnership and for his friendship.

Today we begin the first open Senate debate in many years on whether or

not we should substantially reform our campaign finance laws. I want to thank Senators LOTT and DASCHLE for their commitment to allowing a fair and open debate, and for their assurance that the Senate will be allowed to exercise its will on this matter and vote on the legislation that emerges at the end of the amendment process.

Mr. REID. Madam President, may I ask my friend to yield?

Mr. MCCAIN. No.

Mr. REID. Parliamentary inquiry.

Mr. MCCAIN. I am into my statement. After 5 minutes, I will be privileged to do so.

Madam President, I want to thank as well, Senator MCCONNELL, our steadfast and all-too-capable opponent, who honestly and bravely defends his beliefs, for agreeing to the terms of this debate, a debate that we hope may settle many of the questions, held by advocates and opponents of reform, that have yet to be resolved by this body.

I, of course, want to thank from the bottom of my heart, all the co-sponsors of this legislation for their steadfast support, and for proving to be far more able and persuasive advocates of our cause than I have had the skill to be.

Most particularly, I want to thank my partner in this long endeavor, Senator RUSS FEINGOLD, a man of rare courage and decency, who has risked his own career and ambitions for the sake of his principles. To me, Madam President, that seem a pretty good definition of patriotism.

I want to thank the President of the United States for engaging in this debate, and for his oft stated willingness to seek a fair resolution of our differences on this issue for the purpose of providing the people we serve greater confidence in the integrity of their public institutions. Too often, as this debate approached, our differences on this issue have been viewed as an extension of our former rivalry. I regret that very much. For he is not my rival. He is my President, and he retains my confidence that the country we love will be a better place because of his leadership.

Lastly, I wish to thank every Member of the Senate—especially Senator HAGEL, my friend yesterday, my friend today, my friend tomorrow—for their cooperation in allowing this debate to occur so early in what will surely be one of the busier congressional sessions in recent memory. I thank all my colleagues for their patience, a patience that has been tried by my own numerous faults far too often, as I beg their indulgence again. Please accept my assurance that no matter our various differences on this issue, and my own failings in arguing those differences, my purpose is limited solely to enacting those reforms that we believe are necessary to defend the government's public trust, and not to seek a personal advantage at any colleague's expense.

I sincerely hope that our debate, contentious though it will be, will also be free of acrimony and rancor, and that the quality of our deliberations will impress the public as evidence of the good faith that sustains our resolve.

The many sponsors of this legislation have but one purpose: to enact fair, bipartisan campaign finance reform that seeks no special advantage for one party or another, but that helps change the public's widespread belief that politicians have no greater purpose than our own reelection. And to that end, we will respond disproportionately to the needs of those interests that can best finance our ambition, even if those interests conflict with the public interest and with the governing philosophy we once sought office to advance.

The sad truth is that most Americans do believe that we conspire to hold onto every single political advantage we have, lest we jeopardize our incumbency by a single lost vote. Most Americans believe that we would let this Nation pay any price, bear any burden for the sake of securing our own ambitions, no matter how injurious the effect might be to the national interest. And who can blame them? As long as the wealthiest Americans and richest organized interests can make the six and seven figure donations to political parties and gain the special access to power that such generosity confers on the donor, most Americans will dismiss the most virtuous politician's claim of patriotism.

The opponents of reform will ask if the public so distrusts us and so dislikes our current campaign finance system why is there no great cry in the country to throw us all out of office? they will contend—and this point is disputable—that no one has ever lost or won an election because of their opposition to or support for campaign finance reform. Yet public opinion polls consistently show that the vast majorities of our constituents want reform, and believe our current system of campaign financing is terribly harmful to the public good. But, the opponents observe, they do not rank reform among the national priorities they expect their Government to urgently address. That is true, but why is it so?

Simply put, they don't believe it will ever be done. They don't expect us to adopt real reforms and they defensively keep their hopes from being raised and their inevitable disappointment from being worse.

The public just doesn't believe that either an incumbent opposing reform or a challenger supporting it will honestly work to repair this system once he or she has been elected under the rules, or lack thereof, that govern it. They distrust both. They believe that whether we publicly advocate or oppose reform, we are all working either openly or deceitfully to prevent even the slightest repair of a system they believe is corrupt.

So they avoid investing too much hope in the possibility that we could surprise them. And they accommodate their disappointment by basing their pride in their country on their own patriotism and that of their neighbors, on the civilization that they have built and defended, and not on the hope that politicians will ever take courage from our convictions and not our campaign treasuries.

Our former colleague, Senator David Boren of Oklahoma, recently reminded me of a poll that Time magazine has conducted over many years. In 1961, 76 percent of Americans said yes to the question, ''Do you trust your government to do the right thing?'' This year, only 19 percent of Americans still believe that. Many events have occurred in the last 30 years to fuel their distrust. Assassinations, Vietnam, Watergate, and many subsequent public scandals have squandered the public's faith in us, and have led more and more Americans from even taking responsibility for our election. But surely frequent campaign finance scandals and their real or assumed connection to misfeasance by public officials are a major part of the problem.

Why should they not be? Any voter with a healthy understanding of the flaws of human nature and who notices the vast amounts of money solicited and received by politicians cannot help but believe that we are unduly influenced by our benefactors' generosity.

Why can't we all agree to this very simple, very obvious truth: that campaign contributions from a single source that run into the hundreds of thousands or millions of dollars are not healthy to a democracy? Is that not self-evident? Is it to the people, Madam President. It is to the people.

Some will argue that there isn't too much money in politics. They will argue there is not enough. They will argue that soft money, the huge, unregulated revenue stream into political party coffers, is necessary to ensure the strength of the two-party system. I find this last point hard to understand considering that in the 15 years or so that soft money has become the dominant force in our elections the parties have grown appreciably weaker as independents become the fast growing voter registration group in the country.

Some will observe that we spend more money to advertise toothpaste and yogurt in this country than to conduct campaigns for public office. I don't care, Madam President. I am not concerned with the costs of toothpaste and yogurt. We aren't selling those commodities to the public. We are offering our integrity and our principles, and the means we use to market them should not cause the consumer to doubt the value of the product.

Some will argue that the first amendment of the Constitution renders unlawful any restrictions on the right of anyone to raise unlimited amounts of money for political campaigns. Which drafter of the Constitution believed or anticipated that the first amendment would be exercised in political campaigns by the relatively few at the expense of the many?

We have restrictions now that have been upheld by the courts; they have simply been circumvented by the rather recent exploitation of the so-called soft money loophole. Teddy Roosevelt signed a law banning corporate contributions. Harry Truman signed a law banning contributions from labor unions. In 1974, we enacted a law to limit contributions from individuals and political action committees directly to the candidates. Those laws were not found unconstitutional and vacated by the courts. They were judged lawful for the purpose of preventing political corruption or the appearance of corruption.

Those laws were rendered ineffectual not unlawful by the ingenuity of politicians determined to get around them who used an allowance in the law that placed no restrictions on what once was intended essentially to be a building fund for the State parties. That fund has run to the billions of dollars, and I haven't noticed the buildings that serve as our local and State party headquarters becoming quite that magnificent.

Ah, say the opponents, if politicians will always find a way of circumventing campaign finance laws, what is the point of passing new laws? Do I believe that any law will prove effective over time? No, I do not. Were we to pass this legislation today, I am sure that at some time in the future, hopefully many years from now, we will need to address some new circumvention. So what. So we have to debate this matter again. Is that such a burden on us or our successors that we should simply be indifferent to the abundant evidence of at least the appearance of corruption and to the public's ever growing alienation from the Government of this great Nation, problems that this system has engendered? I hope not, Madam President. I hope not.

The supporters of this legislation have had differences about what constitutes the ideal reform, but we have subordinated those differences to the common good, in the hope that we might enact those basic reforms that Members of both parties could agree on. It is not perfect reform. There is no perfect reform. It could be improved, and we hope it will be during this debate. We have tried to exclude any provision that could be viewed as placing one party or the other at a disadvantage. Our intention is to pass the best, most balanced, most important reforms we can. All we ask of our colleagues is that they approach this debate with the same purpose in mind.

I beg my colleagues not to propose amendments intended only to kill this legislation or to seize on any change in this legislation that serves our basic goal as an excuse to withdraw your support. The sponsors want to have votes on all relevant issues involved in campaign finance reform and will support amendments that strengthen the bipartisan majority in favor of reform and that do not prevent us from achieving our fundamental goal of substantially reducing the influence of big money on our political system.

If we cannot agree on every aspect of reform; if we have differences about what constitutes genuine and necessary reform, and we hold those differences honestly—so be it. Let us try to come to terms with those differences fairly. That is what the sponsors of this legislation have tried to do, and we welcome anyone's help to improve upon our efforts as long as that help is sincere and intended to reach the common goal of genuine campaign finance reform.

I hope we will, for the moment, forget our partisan imperatives and take a risk for our country. Perhaps that is a hopelessly naïve aspiration. It need not be. I think the good men and women I am privileged to serve with are perfectly capable of surprising a skeptical public, and maybe ourselves, by taking on this challenge to the honor of the profession of which we are willing and proud members.

Real campaign finance reform will not cure all public cynicism about modern politics. Nor will it completely free politics from influence peddling or the appearance of it. But I believe it will cause many Americans who are at present quite disaffected from the machinations of politics to begin to see that their elected officials value their reputations more than their incumbency. And maybe that recognition will cause them to exercise their franchise more faithfully, to identify more closely with political parties, to raise their expectations for the work we do. Maybe it will even encourage more of them to seek public office, not for the privileges bestowed upon election winners, but for the honor of serving a great Nation.

I yield the floor.

Mr. DODD. Madam President, how much time remains of the original request?

The PRESIDING OFFICER. Fifty minutes remain under the original request.

Mr. DODD. My colleague from Wisconsin, I believe, yielded time to the Senator from Arizona. Of the 30 minutes that were yielded to the Senator from Wisconsin, 15 minutes remain.

The PRESIDING OFFICER. That is correct.

Mr. FEINGOLD. I yield my time to the Senator from Connecticut and then ask if I could speak after him.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Madam President, today the Senate begins debate on a defining issue in American politics—the question of whether unlimited, unregulated contributions to political campaigns are forwarding democracy or undermining it.

In this Senator's mind, the answer to that question is quite clear: no democracy can thrive—if indeed survive—if it is awash in massive quantities of money:

Money that threatens to drown out the voice of the average voter of average means; money that creates the appearance that a wealthy few have a disproportionate say over public policy; and money that places extensive demands on the time of candidates—time that they and the voters believe is better spent discussing and debating the issues of the day.

The McCain-Feingold legislation before the Senate today is a good first start toward reform of a campaign system that is broken, plain and simple. I, for one, would like to have public financing of our Federal Campaigns. I would like to see free or reduced-rate TV and radio time for candidates during the peak of the campaign season. I would like for any negative ad to display the face and voice of the candidate on whose behalf that ad is aired.

The McCain-Feingold legislation is not as comprehensive as some of us would prefer. But it does address two of the most pressing deficiencies in our system of campaign finance: Undisclosed soft money contributions, and sham issue ads.

I have consistently supported this legislation. Today I call on my colleagues, and President Bush, to work with us to restore accountability to our system of campaign finance and confidence in our system of representative democracy.

Let me be absolutely clear on one essential point. Unlike previous debates, this time we have an opportunity to pass meaningful campaign finance reform.

We can reclaim our system of financing campaigns by cutting off the flow of unregulated and unlimited soft-money. We must end it, and not just mend it.

Like many of my colleagues on both sides of the aisle, I feel strongly about the need for reform, and I am frustrated at this body's continued inability to move forward with legislation to address this problem.

Time and again we have seen thoughtful, appropriate and, I must emphasize, bipartisan efforts to stop the spiraling money chase that afflicts our political system, only to see a minority of the Senate block further consideration of the issue.

It is almost as if the opponents of reform are heeding the humorous advice of Mark Twain, who once said, ''Do not put off until tomorrow what you can put off until the day after tomorrow.''

It is now long past the day after tomorrow, and we simply cannot afford to wait any longer to do something about the tidal wave of money that is drowning our system of government and eroding the public's confidence in the integrity of our democracy.

With that said, I strongly support S. 27, known as the McCain-Feingold legislation. Why do I support it? Because it is ''real'' reform, not ''sham'' reform. And I congratulate my two colleagues for their persistence and tenacity in pursuing it.

This bill accomplishes critically important goals. It closes the most serious loopholes in our current campaign finance system. The bill shuts down the system of unlimited, unregulated, and undisclosed soft money; bans direct or indirect contributions from foreign nationals; requires disclosure of electioneering communications masquerading as issue ads; and prohibits fund-raising by Federal officials on Federal property.

There are those of my colleagues who would argue that when it comes to political campaigns, money is speech and speech should be unlimited.

Let me be clear—I cannot agree more that political speech should be unlimited. The free flow of information and ideas is the hallmark of a democracy. But to equate speech with money is not only a false equation, it is also a dangerous one to our democracy.

When that speech and those ideas are paid for overwhelmingly by a few wealthy individuals or groups or foreign nationals or anonymous groups or by undisclosed contributors, the speech is neither free nor democratic. It is encumbered by the unknown special interests who have paid for it. And it minimizes or excludes the speech of those who lack substantial resources to counter it.

This special interest speech—paid for with unlimited, undisclosed soft money—creates, at a minimum, the appearance of undue influence, if not an implied quid pro quo by the contributor.

Does anyone seriously believe that corporations and associations contribute millions of dollars in soft money just because they are good citizens and want to encourage free speech? Let us be serious.

It cannot be argued that such special interest soft money contributions were made to promote political speech and better public policy without any expectation of consideration in return.

That expectation of special consideration, or an unspoken quid pro quo, is the very appearance of undue influence that the Supreme Court has repeatedly upheld as a compelling reason for limiting campaign contributions.

Unlimited contributions simply do not equate to free speech. Although the final statistics on the total amount of money contributed in the 2000 election cycle is not yet complete, we do know the overall estimate for expenditures on federal elections in the 1999–2000 election cycle is between $2.4 and $2.5 billion. That is a conservative total.

Let me put that in perspective for my colleagues. The average expenditures necessary for a winning Senate candidate increased from $609,000 in 1976 to over $7 million in the 1999–2000 election cycle. At that amount, the average Senate candidate would have to raise the equivalent of $3,000 per day, seven days a week, for the entire six-year Senate term.

It is past time to restore sanity, and accountability, to our system of financing elections.

I welcome this debate and look forward to amendments offered to both improve the McCain-Feingold legislation and restore the integrity of the manner in which we finance elections.

This debate is one of the most significant and important ones we will have, not only in this session of Congress but at any time in recent memory. I welcome the debate and look forward to the arguments.

How much time have we consumed of that 30 minutes?

The PRESIDING OFFICER. The Senator has consumed 7 minutes.

Mr. DODD. I will withhold my time. Does the Senator want 7 minutes?

The PRESIDING OFFICER. The Senator has consumed 7 minutes.

Mr. FEINGOLD. How much time remains?

The PRESIDING OFFICER. There are 43 minutes of time.

Mr. DODD. I yielded 30 minutes to the Senator from Wisconsin and yielded time to the Senator from Arizona. I am told the Senator from Arizona used about 15 minutes of that. I presumed——

The PRESIDING OFFICER. Six minutes.

Mr. FEINGOLD. Madam President, I will yield back my time to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Madam President, in 1986 I was elected to the Senate. I can remember during the last week or 2, maybe 3 weeks of that campaign, I woke up one morning to learn that all over the State of Nevada there were signs placed by my opponent—4-by-8 signs. I thought, how foolish for him to be spending these dollars on this—money for signs. It had to cost tens of thousands of dollars to put those signs all over Nevada.

Little did I realize this was the beginning, from my perspective, of the loosening of campaign laws, because I learned that if you looked at these signs, they were paid for by the State Republican Party—thousands and thousands of dollars spent by the State Republican Party which benefited my opponent. Had my opponent had to pay for those out of the money he raised, he could not have afforded it.

I filed a complaint with the Federal Election Commission, and many months later they were saying it was OK. That was confirmed sometime later by the U.S. Supreme Court, saying there is, in effect, unlimited money that can be spent by State parties.

As we know, these issue advocacy ads all over the country have become part of the way it is done in America today. That is how campaigns are run.

The State of Nevada then was a very small State, with about a million people. I got up on the Senate floor in 1987 and talked about what happened to me and how this must not take place in the future. I could not believe we would not change the law, and we have not changed the law. It has gotten worse every year. I have been through two reelection cycles, and it has gotten worse. In 1998, Nevada was a State with fewer than 2 million people—about a million and a half people. In that race, my good friend JOHN ENSIGN and I spent over $20 million—$4 million with our campaign money and $6 million issue advocacy ads by the State Republican Party and the Republican Party—a State as small as Nevada, $20 million. And that doesn't count the independent expenditures that were made.

In Nevada, probably $23 million was spent in the race between Senator REID and Senator ENSIGN. Neither spent more money than the other. We both spent a lot of money. The independent expenditures were run against JOHN ENSIGN and were run against me.

I say to my friend from Wisconsin, I am depending on him to try to work through all this. I think I understand the law, what is being done. He has been a master at this. I admire and appreciate very much what he has done. I have said to my staff and to my friends, it can't be any worse than what it is now. We need to change the law. How in the world can you spend in the State of Nevada more than $23 million? People don't like to acknowledge it, but, of course, we are involved in raising the soft money, going to people and asking them for these huge amounts of money.

So I commend and applaud my friend from Wisconsin. I admire his tenacity, his courage, and I admire his ability to persevere through big obstacles. But also he should recognize that we as Democrats have stuck with him through thick and thin. I was here when Senator BYRD—I think we hold the record for attempts to invoke cloture: seven times on campaign finance. When Senator BYRD was leader, he tried to do that. I also say I am glad to see some Republicans coming aboard now. Previously, it was basically Senator MCCAIN alone on campaign finance reform; now there are others.

I know there is a lot of talk about, do we really need campaign finance reform. I want this record to pronounce to everyone within the sound of my voice, things cannot be worse than what they are now. We need to get back to the way it used to be, where you had to raise money from individuals and they would give you money unsolicited. This present system is not working, in my opinion, and it should be changed.

Mr. DODD. How much time remains?

The PRESIDING OFFICER. The Senator from Connecticut has 2 minutes of the original 30.

Mr. DODD. I yield to the Senator from Wisconsin.

Mr. FEINGOLD. Madam President, in the beginning, when nobody jumped for the ball, I was happy to commence my talk. But it is music to my ears to hear leaders such as Senators DODD and REID come out here in the beginning of the debate and talk about the importance of this issue. They have been with us every step of the way.

As Senator REID has indicated, I am extremely grateful for the kind of support we have had. This is when we need it, more than any other time. This is a great way to begin. I will give my longer statement later. It is better to get into the process.

Mr. DODD. Madam President, I commend RUSS FEINGOLD and JOHN MCCAIN. This has been a long battle, going back years now. Nobody is claiming perfection. We are sailing into uncharted waters when we engage in the reform of a campaign financing system, but I underscore what Senator REID of Nevada has said: A system that has over $23 million spent to win the votes of a State with a million and a half people is a system totally out of control.

These two Senators have taken the lead. I think America appreciates what they are trying to do. Our fervent hope is that before this debate concludes, either later this week or at the end of next week, this body, for the first time in more than a quarter century, will have substantially reformed a political process—not made it perfect. We should not hold that out as a possibility, but we can certainly make it better than it presently is.

Mr. MCCONNELL. Madam President, I assure my colleagues on the other side of this debate that we are not going to be too restrictive about time. There are more speakers on the other side, which is often the case in this debate. I want to make sure Senator HAGEL gets the time he needs. I will take the time I need. Unless someone else in our general orbit here on this subject comes, we will try to accommodate people on the other side. I know Senator COCHRAN is looking for an opportunity to speak. I hope we can accommodate him out of my time.

Having said that, Madam President, how much does the Senator from Nebraska desire?

Mr. HAGEL. I would like 15 minutes.

Mr. MCCONNELL. I yield 15 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HAGEL. Madam President, the Senate is about to engage in an open and full debate on campaign finance reform. It is time for this debate.

My friends, JOHN MCCAIN and RUSS FEINGOLD, deserve much credit for getting the Senate to this point. They have been passionate in their efforts to reform the system. If the Senate passes a campaign finance reform bill—and I believe we can—it will be largely due to their efforts and leadership.

We have an opportunity to achieve something relevant and meaningful. My hope, my goal, for the outcome of these 2 weeks is to get a bipartisan bill approved by the Senate that brings reform to the system, is constitutional, and that President Bush will sign.

Whatever we do, we must look to expand, not constrict, opportunities for people to participate in our democratic process.

We must be careful not to abridge the rights of Americans to participate in our political system and have their voices heard. Political parties, individuals, and organizations that represent millions of Americans all have rights guaranteed by the first amendment to the Constitution. These rights guarantee that they can express themselves politically and participate in the electoral process.

Democracy is messy. We are going to hear a number of examples of how messy and unfair democracy is over the next 2 weeks. Our system is imperfect, but our Government works because of the rights of all people to participate in this democracy. We should take steps to encourage greater participation in the process. We should expand the ability of the American people to get involved. We must not weaken political parties or other important political institutions of our system.

Over the next 2 weeks, we will need to guard against taking actions that will have unintended consequences. The answer to reforming our system is not to shut people out or diminish the abilities of our institutions and individuals to participate in the process.

We must also guard against impugning each other's motives on the floor of the Senate. No Senator has the high moral ground over any other Senator. There are and will be differences on campaign finance reform. Let us debate these differences without assigning sinister motives to our opponents. The Nation and the world will be peeking in through their television windows to witness this Senate debate. Will they see dignity, respect for others' opinions, honest discourse, and elevated debate? I believe so. Our country deserves it, and we owe it to our fellow citizens.

This is a historic moment for the Senate to rise above the shrill political rhetoric of our time. How do we best change our campaign finance system? For me, the core of campaign finance reform must begin with accountability, openness, and disclosure. These are the essential components of reform.

I start from a fundamental premise that the problem in the system is not the political party; the problem is not the candidate's campaign; the problem is the unaccountable, unlimited outside moneys and influence that flows into the system where there is either little or no disclosure. That is the core of the issue we will debate beginning today.

The political parties are and have been a vital component for our system, especially for a challenger to take on a well-financed, entrenched incumbent. Who else is there to support that challenger, be that challenger a Democrat or a Republican, unless the challenger is self-financed? It is the party who activates the base and gets out the vote and helps give that challenger a forum to get his or her message out. That is good. That is helpful. That is important to democracy.

Political parties encourage participation. They promote participation. They are about participation. They educate the public. They ensure the viability of all in the system. Their activities are open, accountable, and disclosed.

Have there been abuses? Oh, yes, there have been abuses. By the way, abuses in the political system did not just begin with so-called soft money or non-Federal money. It is instructive for all of America to go back into the mid-1800s and look at some of the Harper's Weekly magazines.

Ask yourself the question: Is our political system cleaner today, is it more open today, is it more honest today than it was in the 1800s, early 1900s? Oh, yes, it is; absolutely it is. So there must be some frame of reference that we come from with an educated debate on campaign finance reform.

Any reform that weakens the parties will weaken the system. It will lead to a less accountable system. It will lead to a system less responsive to and accessible by the American people.

Why do we want to ban soft money to political parties, that funding which is now accountable and reportable? This ban would weaken the parties and put more money and control in the hands of wealthy individuals and independent groups who are accountable to no one.

If any one of us in America wishes to find out who is running a television or a radio spot for a candidate or against a candidate, you cannot now find that information. Why is that? Because it is not disclosable. I know that is difficult for many in this country to believe but that is the case.

When you take power away from one group, it will expand power for another group. I do not believe, as well, that our problems lie with candidates for public office and their campaigns. Their campaigns are fully open to the public. All dollars raised and expended are disclosed. The voters can hold them responsible and should and must hold candidates accountable.

Have we had bad players in the system? Do we have bad players now in the system? The American public will make that judgment.

Recent years have been ripe with accounts of those who dance on the pin head of technicality and who skirt the law because there is no controlling legal authority, but I do not know how you legislate ethical behavior. Of course, if it was just a matter of laws and regulations, then we would have no crime in America. Why? Because we have laws against murder, we have laws against robbery, we have laws against everything. If it was that simple—just pass another law—the world would be just fine.

We cannot allow our outrage at the morally questionable actions of a few lead us to tamp down the system so tightly that we shut out the involvement of the overwhelming majority. What sense does that make?

The more money that is pushed outside the reportable system of candidates and political parties, the less

control candidates will have over their own campaigns. Voters can hold candidates responsible for their conduct. They cannot hold outside groups and wealthy individuals accountable.

I believe the greatest threat to our political system today is those who operate outside the bounds of openness and accountability, not those who operate inside the bounds of accountability and reportability and disclosure.

In recent years, we have seen an explosion of multimillion-dollar advertising buys by outside organizations. These groups and wealthy individuals come into an election, spend unlimited sums of money, and leave without anyone knowing who they are or how much they spent or why. They can have a major impact on the outcome of any election—any election—especially in small States.

Do they have a right to participate? Of course they have a right to participate, but their actions must be disclosed.

In the fall of 1999, I introduced a bipartisan bill to reform our campaign finance system. I reintroduced that legislation this year with several Democratic and Republican colleagues. I am pleased to report that more and more of my colleagues have come on as cosponsors to this legislation in the last couple of days.

The components of our legislation will genuinely improve the way Federal campaigns are financed. We increase disclosure requirements for candidates, parties, independent groups, and individuals. The current system provides no disclosure for the activities of outside groups or individuals. We ensure that the name of the individual, the organization, its officers, addresses, phone numbers, and the amount of money spent are all made public immediately.

Our legislation limits soft money contributions to political parties to $60,000 per year. That is far below the unlimited millions—unlimited millions—that are now pouring into the system with no accountability, no disclosure. This is a significant limit.

The Wall Street Journal reported Friday that two-thirds of all the soft money contributions in the last election cycle came from those who gave more than the $120,000 limit for a 2-year cycle, which is part of our bill. Two-thirds of the soft money contributors in the last cycle would have been subject to this cap. I say to those who question the cap, whether it is relevant, important, or whether it does anything, I think the Wall Street Journal numbers address that issue. We limit soft money but do not ban it so political parties are not disadvantaged by wealthy individuals and independent organizations. This is particularly important because it is at the State level of our politics, State party organizations that have the responsibility of getting out the vote, of organizing the vote, the registration drives, the grassroots participation. In the process, that very vitality is the core of representative government. Why cut that off, that accountable disclosure of money, to make the system more a part of every citizen's opportunity to participate?

As originally provided for in the Federal Election Campaign Act of 1974, soft money, non-Federal money, in fact, can be used by political parties for various activities over the course of an electoral process. I hear some talk that this is a new phenomenon. If this is new, why, since 1974, has the Federal Election Commission had 7 pages of regulations as to how to use soft money? It isn't new. These are legitimate, worthy, and important functions of the political parties and should not be inhibited by a total ban on soft money. I do believe we need to tighten the definition on the uses of soft money. This should be part of any reform bill we pass, and we can do that and should.

Today's hard money contribution limits are worth less than one-third of their value when the 1974 act was passed. This funding goes directly to candidates' campaigns and political parties and is the most accountable method of political financing. Every dollar contributed, every dollar spent, is fully reported to the Federal Election Commission. Everybody knows who is making that contribution. The individual limit of $1,000 in 1974 equates to $3,300 today. Our bill raises this limit to $3,000 and indexes it for inflation. By doing this, we ensure individuals have the same ability to participate as they were granted in the groundbreaking 1974 legislation.

Furthermore, we believe our campaign finance reform proposals would all pass constitutional muster. This is a legitimate concern—whether, in fact, we pass a bill that will withstand appropriate constitutional scrutiny and protect the rights of the first amendment.

I believe the constitutional issues are as critical as any we will debate over the next 2 weeks. The Constitution is the foundational document of our Nation. The rights guaranteed within that document cannot be dismissed because of political expediency, regardless of how noble the motive of the reform effort. Our system is imperfect. Representative government is imperfect, but certainly we can expect a higher standard from our political leaders than we have seen in the past. Personal accountability is the core of political accountability.

Congress has a genuine opportunity to work with President Bush to achieve real reform. The President supports campaign finance reform. I look forward to working with all my colleagues during this debate to get a constitutional, bipartisan campaign finance reform bill passed, one that the President will sign, that will genuinely reform our system. That would be an achievement of which we all would be proud.

Mr. M4CCONNELL. HOW MUCH TIME REMAINS?

The PRESIDING OFFICER (Mr. CORZINE). The Senator from Kentucky controls 43 minutes.

Mr. MCCONNELL. I thank the distinguished Senator from Nebraska for outlining the alternative he will be offering some time during the course of this debate. There is no question this is a constitutional amendment. There is no question the changes it seeks to achieve are constitutional. It is very thoughtful. I congratulate him for his fine statement.

I congratulate the Senator from Arizona. We are all in the business of looking at public opinion. We know the American people are interested in the energy crisis; they are interested in education; they are interested in tax relief. They are not particularly interested in campaign finance reform. I have often said it ranks with static cling as one of the great concerns among the American people. Through the sheer tenacity of the senior Senator from Arizona, we are here today beginning a debate over the next 2 weeks on a subject of very little interest to the American people. I give him credit for his tenacity and aggressiveness in pushing this item forward on the floor of the Senate early in this new administration.

I like the tone of the discussion I have heard so far. I have noticed there hasn't been any discussion about corruption. We had that discussion a year and a half ago and there has not been a single bit of proof offered. I like the restraint I sense in the Chamber today. Hopefully we will not have any unsubstantiated charges of corruption. Hopefully any Senator who makes such a charge will prove it. The absence of unsubstantiated charges of corruption, it seems to me, is also a step in the right direction in having a civil debate, and lowering our voices and pursuing this discussion in the way the President would like for us to pursue it with lower voices and in a civil manner.

The self-styled and media-pronounced reformers are captives of a Catch-22 that is titled ''campaign finance reform.'' By the way, my favorite definition of ''special interest'' is a group against what I am trying to do. I love those groups that are for what I am trying to do. That is a group of outstanding Americans trying to achieve a worthwhile purpose. To truly achieve their professed goals, reduction of special interests means foreclosing all opportunities for participation in politics. Some of our Democratic allies have actually done that. I remember 10 years or so ago when we thought the Japanese had done everything right. We were afraid they were buying up all of the American property and there was a great fear that the Japanese somehow had gotten the better of us in world competition. In Japan, they have been concerned about the influence of money and politics and they have squeezed it all the way out. In Japan,

where they are unimpeded, unfettered by anything such as the First Amendment we have, the Japanese Government limits the number of days you can campaign, the number of speeches you can give, the types of places you can speak, the number of handbills and bumper stickers you can print, and the number of megaphones you can buy—one. Each candidate is entitled to one megaphone.

This was passed in order to deal with money in politics. They wanted to get it all out of politics, and they have. In the desire to get money out of politics, it was designed to improve the image of the politicians and the Parliament, so they squeezed all the money out of politics, got them down to one megaphone per candidate, and ''no confidence'' in the legislators has risen to 70 percent and voter turnout has continued to decline.

That is just one example. There are others of our democratic allies around the world who have been into this issue much further than we have gone, at least so far, and they have all had the same results: Squeeze the money out of politics, quiet all the voices, the cynicism continues to rise, the turnout continues to go down; and the reason for that of course is that cynicism and turnout are not related to this issue at all; they are related to whether or not there is a belief that the legislators are tackling the real challenges confronting the country.

The original recipe of McCain-Feingold, back in 1995 and 1997, tried to do a lot of what I have just described they have done in Japan: It had candidate spending limits; it had a ban on PACs—eliminate them; it had a bundling ban; it had a party soft money ban and an all-encompassing restriction on citizens groups who engaged in issue advocacy and independent expenditures. In other words, the entire universe of political participation—with, of course, the glaring exception of the media, where political activism is conveniently carved out of the existing campaign finance law under which we operate today, as well as on page 15 of the current McCain-Feingold bill. The media we always sort of carve out of these restrictions because the presumption, I guess, is they have a greater right to the First Amendment than any of us.

In 1997, McCain-Feingold sponsors capitulated on the crown jewel of campaign reformers, and that was spending limits on campaigns themselves. Thus, those of us who approached this issue as the Supreme Court does, from a constitutional perspective, considered that a battle won. Candidate spending limits were gone. It was the belief—certainly my belief—that members of my party would be strenuously disadvantaged by spending limits, so we were happy they were gone. But prior to that, we had been told time and time again there could be no reform without spending limits. But candidate spending limits are gone. I am glad about that, and we consider that a victory.

Since that time, those advocating reform have been in retreat in one form or another. Having first waved the white flag on these previously nonnegotiable candidate spending limits, we stand here today with a very different kind of bill and, I must say, a brighter outlook than 8 years ago at the outset of the last big floor engagement, when we had lots and lots of amendments.

Eight years ago, campaign spending limits were on the verge of enactment and would have extinguished any chance of sustained success of my party in congressional elections. We Republicans have to spend millions every election just to get a fair shake and counter the liberal bias so prevalent in the news and entertainment media.

So candidate spending limits mercifully are off the table. That means our direct campaigns are not on the hook, and we rejoice in that.

The PAC and bundling bans were jettisoned from McCain-Feingold as well, and I must say I am happy about that. I don't think there is anything wrong with people banding together in order to pool their resources and support candidates of their choice. That is as constitutional as apple pie and ought not to be restricted.

A few months later, in 1998, the citizens group restrictions were altered and a new—and, I would argue, also unconstitutional—bright line was drawn by the Snowe-Jeffords provision where an unconstitutionally vague line had been in the original McCain-Feingold. But that did not get anywhere either, inviting vehement opposition from citizens groups who would be affected, and disdained and ridiculed by constitutional experts who would litigate if it were ever enacted, such restrictions already having been struck down in Federal court over 20 times.

Let me just take a moment on this. None of us really likes the degree to which outside groups get involved in our campaigns. We don't like it. We would like to control these campaigns. But under the First Amendment, the campaign is not ours to control, and be it ever so irritating when some group who hates us comes in and starts talking about us in proximity to an election, that doesn't mean we can legislate it out of existence through our votes in this Chamber.

It irritates us, but there are a lot of things you have to endure in public life, from media criticism to outside issue groups who irritate us. But just because it irritates us doesn't mean there is any constitutional basis for eliminating it. In fact, the courts over 20 times since Buckley—over 20 times since Buckley—have struck down various efforts by State and local governments to hamper, inhibit, make it more difficult for outside groups to criticize us in proximity to an election. So the chances of that being upheld are slim to none.

In 1999, McCain-Feingold was peeled back even further, and the last vote we had on this issue provided only two features: A party soft money ban and what we would have to charitably call a bogus Beck provision which actually eviscerates current worker protections rather than codifies them as the McCain-Feingold subtitle purports.

So the last time we had a vote on this issue in the Senate, a cloture vote, was on a party soft money ban only, with a bogus Beck provision. What we have before us now is a beefed-up McCain-Feingold, again with the party soft money ban plus various efforts to restrict the voices of outside groups.

One of the issues we are going to be dealing with here in the course of the debate is the so-called nonseverability clause. It is in the President's statement of principles. Why is it there? It is there because we have an obligation not to pass laws that are clearly unconstitutional.

I hear that some of the proponents of this year's version of McCain-Feingold oppose a nonseverability clause, and I really find that mystifying. If they are so confident that the bill is constitutional, what is wrong with a nonseverability clause to guarantee that the bill either rises or falls together? They should have had a nonseverability clause back in 1974. What happened then was legislation passed that had spending limits for campaigns and contribution limits for individuals. The spending limits got struck down, the contribution limits got upheld, were not indexed, and we have today a situation in which we are left with $1,000 contribution limits set at a time when a Mustang cost $2,700 and candidates, particularly in big States, who were not fortunate enough to be wealthy, have to spend—well, there is not enough time. There is not enough time. If you are running in California and you do not have the advantage of being already well known or extraordinarily rich, 2 years is not long enough to pool together enough resources at $1,000 a contributor to be competitive.

One of the single biggest problems we have is the failure to index the hard money contribution limit back in the 1970s. Why do you think parties are relying more on soft money? Because there isn't enough hard money. Nobody capped the cost of the media at the 1974 level. I hear that we may have an amendment to deal with the question of availability of media. I think that is a good idea. I look forward to taking a look at the details of it.

We ought to be dealing with the real problem here. The real problem is not that there is too much money in politics; there is too little money in politics—particularly hard money—all of which is limited and disclosed and it is given directly to parties and candidates to expressly advocate the election or defeat of a candidate. Yet nobody on the so-called ''reform side'' is trying to deal with the single biggest problem that we have. I hope during the course of this debate that problem will be taken care of.

The only way to get at the core of this problem, if Senators believe the influence of money and politics is so pernicious, is to change the First Amendment.

You have to go right to the core of the problem. The junior Senator from South Carolina, Mr. FRITZ HOLLINGS, will offer that amendment at some point as he has periodically over the years. He deserves a lot of credit for understanding the nub of the problem. The nub of the problem is you can't do most of these things as long as the First Amendment remains as it is.

So Senator HOLLINGS, at some point, I think under the consent agreement, will probably at the end of the debate offer a constitutional amendment so the Federal and all 50 State governments can have the unfettered latitude to regulate, restrict, and even prohibit any expenditures ''by, in support of, or in opposition to a candidate for public office.'' It would carve and etch out of the First Amendment, for the first time since the founding of our country and the passage of the Bill of Rights, giving to the government at the Federal and State level the ability to control political speech in this country. It is worth noting that would also apply to the media.

One of the world's largest defense contractors, such as General Electric, could even be prohibited from owning America's No. 1 television station such as NBC, and a news anchor, such as Tom Brokaw, could even be prohibited from mentioning a candidate's name within 60 days of an election. This is a serious proposal. This will be offered once again on the floor of the Senate.

Barring such a wholesale repeal of constitutional freedom, a lot of what we are going to be doing in the next 2 weeks will probably fall well short of the constitutional mark. But I hope that Senators will take their responsibilities seriously and not just vote for anything, hoping the courts will at some point save us from ourselves.

A good deal of this is not in question. Virtually the exact language of the so-called Snowe-Jeffords language designed to make it more difficult for outside groups to criticize any of us in proximity to an election has been struck down within the last year and a half.

That is pretty clear evidence that this particular language is not constitutional.

As we go through these amendments, if they are clearly Federal court cases on point, I hope Members of the Senate will not ignore that. We swore to uphold the Constitution. I know sometimes it is hard to figure out what that means in the context of a given vote. But on some of these issues, it is not that unclear. There will be a decision on point.

I want to make another point about non-Federal money.

Senator HAGEL was talking about his proposal to cap but not completely eliminate non-Federal money. I do not know what I think about that. But I think it is important to get the record straight about non-Federal money.

The average soft money contribution to the Republican Senatorial Committee last cycle was $520. That is less than one-tenth of 1 percent of the money that the Republican Senatorial Committee raised.

If you look at the Republican National Committee and the Republican Senatorial Committee, the largest contribution either of us got during the course of the year was $250,000. Admittedly, that is a very large contribution, but any one of those $250,000 contributions would have represented less than one-half of 1 percent of the total money raised by either the Republican Senatorial Committee or the Republican National Committee.

You can make a case, as Senator HAGEL has made and will make again when he offers his substitute, that it ought to be capped. But I think you can't make a case that it ought to be eliminated. Why should the Republican National Committee or the Democratic National Committee have to finance their efforts on behalf of mayoral candidates in Omaha, NE, with Federal dollars? This is a Federal system. Under McCain-Feingold, the Republican Governors' Association would be obliterated, eliminated, gone; the Democratic Governors' Association, gone. Why? Because they don't operate with Federal money.

We have national political parties. We already have a scarcity of Federal hard dollars even to do the job for our Federal candidates. And under this proposal with that same sort of finite source of Federal hard dollars, the great national party committees would have to operate on behalf of Federal candidates and everybody else out of the same pool of resources. Regretfully, the bill does not take the money out of politics. It takes the parties out of politics. In what way is that a step in the right direction?

Yesterday, the Washington Post had a big article that included soft money contributions to the national political parties. It was pretty significant—the suggestion being that if we pass McCain-Feingold that money wouldn't be spent.

It would be spent all right. It just wouldn't be given to the parties.

Each of those interests who care about what we are doing here, who believe that it may have an impact on their business or their interest, cannot be constitutionally restricted from speaking. Maybe some court somewhere would let us completely federalize the national parties and completely eliminate their ability to operate in State and local races with Federal dollars. Maybe some court would let us do that. But no Federal court in America is going to let us quiet the voices of all these interests that have a perfect right to go out and engage in issue advocacy up to and including the day of the election. There isn't any serious person who knows anything about the First Amendment who believes that we could do that.

The proposal before us is designed to inhibit the ability of the political parties and would have no impact whatsoever on outside groups, nor should it.

They are entitled in this free society to have their say.

Mr. President, I have a series of newspaper editorials and columns from columnist George Will that I want to have printed in the RECORD. He has been particularly active in writing about this subject. I ask unanimous consent to have them all printed seriatim in the RECORD. I will add to the record in the next few days additional articles on this subject.

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

[From Newsweek, Mar. 19, 2001]

JAMES MADISON REMEMBERED

MADISONIAN DOCTRINE TODAY HAS ITS OPPOSITE—CALL IT MC CAINISM, AN ANTIPLURALIST POPULISM

(By George F. Will)

There is no monument to James Madison in Washington, There is a tall, austere monument to the tall (6'2''), austere man for whom the city is named, a man of Roman virtues and eloquent reticence. There is a Greek-revival memorial to Madison's boon companion, the tall (6'2'') elegant, eloquent Jefferson, who is to subsequent generations the most charismatic of the Founders. But there is no monument to the smallest (5'4″) but subtlest of the Founders, without whose mind Jefferson's Declaration and Washington's generalship could not have resulted in this republic.

So this Friday, as an insufficiently grateful nation gives scant notice to the 250th anniversary of Madison's birth, pause to consider what he wrought, such as the Constitution, and the first 10 amendments, called the Bill of Rights. Pretty good work, that, but not more impressive than Madison's thinking that was the Constitution's necessary precursor. He became the Father of the Constitution only because he was the founder of modern democratic thought.

Before Madison produced his revolution in democratic theory, there had been a pessimistic consensus among political philosophers: If democracy were to be possible, it would be only in small societies akin to Pericles' Athens or Rousseau's Geneva—''face to face'' societies sufficiently small and homogeneous to avoid the supposed threats to freedom—''factions.'' In turning this notion upside down—that is what a revolution does—Madison taught the world a new catechism of popular government:

What is the worst result of politics? Tyranny. To what form of tyranny is democracy prey? Tyranny of the majority. How can that be avoided? By preventing the existence of majorities that are homogenous, and therefore stable, durable and potentially tyrannical. How can that be prevented? By cultivating factions, so that majorities will be unstable and short-lived coalitions of minorities. Cultivation of factions is a function of an ''extensive'' republic.

Which brings us to what can be called Madison's sociology of freedom, explained in his contributions to the most penetrating and influential newspaper columns ever penned—the Federalist Papers, to which Alexander Hamilton and John Jay also contributed.

In Federalist 10 Madison wrote that ''the extent'' of the nation would help provide ''a

republican remedy for the diseases most incident to republican government.'' He said: ''Extend the sphere, and you take in a greater variety of parties and interests; you make it less probable that a majority of the whole will have a common motive to invade the rights of other citizens.'' Because ''the most common and durable source of factions'' is ''the various and unequal distribution of property,'' the ''first object of government'' is ''protection of different and unequal faculties of acquiring property.''

The maelstrom of interestedness that is characteristic of Madisonian democracy often is not a pretty spectacle. However, Madison knew better than to judge politics by esthetic standards. He saw reality steadily and saw it whole, and in Federalist 51 he said people could trace ''through the whole system of human affairs'' the ''policy of supplying by opposite and rival interests, the defect of better motives.''

Madison's 250th birthday comes at a melancholy moment. A banal and middle-headed populism—call it McCainism—is fueling an assault this month on Madison's First Amendment freedoms of speech and association. In the name of political hygiene, advocates of ''campaign-finance reform'' are waging war against the Madisonian pluralism of American politics.

Madisonian doctrine considers factions inevitable and potentially healthy and useful. McCainism stigmatizes factions as ''special interests'' whose rights to associate and speak politically for their interests should be strictly limited and closely regulated by government. Madison's First Amendment says, ''Congress shall make no law . . . abridging the freedom of speech . . . or the right of the people . . . to petition the government for a redress of grievances.'' McCainism advocates speech rationing by the multiplication of government-imposed limits on the right of individuals and groups to spend money for the dissemination of political speech.

McCainism says money ''taints'' politics. Madisonian theory asks: What would politics consist of if it were ''untainted'' by the vigorous, unfettered participation of factions on whose interests government impinges? McCainism aims to crimp the activities of political parties by banning contributions of ''soft money'' (used for party building, not for particular candidates' campaigns or for expressly advocating the election of defeat of specific candidates).

The Founders did not anticipate the necessity of political parties. However, Madison quickly came to think that parties could moderate factions by channeling and disciplining them. Campaign-finance reformers are always unpleasantly surprised by the unintended consequences of their reforms. Were they to succeed in banning soft money, they would be startled by an utterly predictable result of the hydraulics of political money: Money banned from the parties would flow instead to other—often wilder—factions.

Then the reformers, who cannot see a freedom without calling it a ''loophole'' that needs closing, would try to extend government regulation of political speech to the speech of those factions. Madison, wise about the untidiness of freedom, would respond by reminding the reformers of his reform—the First Amendment.

Madison undertook the thankless task of explaining the implications for democracy of the unflattering fact that men are not angels, and posterity has not thanked him with the sort of adulation bestowed upon Jefferson. However, in 1981 the Library of Congress, which began with Jefferson's donation of his library, needed a new building and named it after the most supple intellect among the Founders—the James Madison Memorial Building. Perhaps that would suffice as a monument to Madison. Or maybe his monument is our constitutional government, which proves the possibility of liberty under law in an extensive—a continental—republic.

[From the Washington Post, Mar. 4, 2001]

. . . LET US HOPE NOT

(By George F. Will)

Disquieting rumors persist that some of President Bush's advisers are eager to sign a campaign finance ''reform'' bill, or at least to avoid vetoing one. Bush should beware of what Edmund Burke called ''the irresistible operation of feeble councils.''

And he should be aware of the Colorado case argued before the Supreme Court last Wednesday. If the court affirms the judgment of two lower courts in that case, the McCain-Feingold bill is patently unconstitutional.

Although a plain statement of the salient fact seems preposterous, the unvarnished truth is that McCain-Feingold's premise is: There is something inherently corrupt about the relationship between political parties and their candidates. Thus the bill would ban ''soft money'' contributions to parties—unregulated money that can be spent for party-building, voter turnout, issue advocacy and other purposes, but not to ''directly influence'' the election of candidates for federal offices.

Last week, a quarter of a century after the Buckley v. Valeo ruling, which struck down much of the 1974 campaign finance law, the court for the first time heard arguments about whether it is constitutional for the government to limit a party's direct expenditures—''hard dollars''—for its candidates. In Buckley, the court held that limits on political money—contributions and expenditures—implicate ''the most fundamental First Amendment activities,'' and therefore government bears a heavy burden of demonstrating a compelling need to limit those activities. The only such justification the court considers sufficient is the need to prevent corruption or the appearance thereof.

Well. In 1986 the Colorado Republic Party ran ads criticizing a Democratic congressman who was considering running for the Senate. It did this before the Republican Senate candidate had been chosen. Nevertheless, the Federal Election Commission charged that this expenditure violated federal limits on party expenditures for candidates. Ten years later the U.S. Supreme Court ruled against the FEC, saying the ads were ''independent expenditures'' and thus not subject to the ''hard dollar'' limits.

The Supreme Court remanded the case for the lower courts to consider whether those ''hard dollar'' limits themselves are constitutional at all. In response, the district court and the 10th Circuit have both said they are not. Last Wednesday the FEC asked the Supreme Court to say they are. But how can it without saying preposterously, that there is a substantial risk of parties corrupting their own candidates by supporting them?

As the district court said on remand: ''The FEC seeks to broaden the definition of corruption to the point that it intersects with the very framework of representative government.''

The FEC is a bureaucracy. Bureaucracies have a metabolic urge to maximize their missions. The FEC's mission is to regulate political discourse. A president's primary mission, stated in his oath of office, is different—to defend the Constitution. Bush understands the conflict between his duty and the FEC's urge.

Around 7 a.m., Jan. 23, 2000, the day before the Iowa caucuses, candidate Bush was in Des Moines preparing to appear on ABC's ''This Week.'' One of those who was to question him (this columnist), not wanting to ambush him with unfamiliar material, and wanting from him a considered judgment, took the unusual step of telling Bush he would be asked if he agreed with a particular proposition from an opinion written by Justice Clarence Thomas. The proposition, given to Bush on a 3-by-5 card, was:

''There is no constitutionally significant distinction between campaign contributions and expenditures. Both forms of speech are central to the First Amendment.''

Asked if he agreed that there is something ''inherently hostile to the First Amendment'' in limiting participation in politics by means of contributions by individuals (Bush favors banning ''collective speech'' by corporations, or by unions without members' prior written consent), he briskly replied: ''I agree.'' And asked if he thinks a president has a duty to make an independent judgment about the constitutionality of bills and to veto those he considers unconstitutional, he replied: ''I do.''

This puts Bush on a collision course with much of the political class and most of the media. It may become the first disruption of his serene relations with them, but there eventually must be a first, and the stake—the First Amendment—is worth a fight.

Bush has served himself and the country well by his congeniality efforts, but he will serve neither by continuing them until it costs him respect. It will cost him that if he signs McCain-Feingold.

Genius, said Bismarck, involves knowing when to stop. He had in mind waging war, but the same is true of waging niceness.

[From the Washington Post, Mar. 8, 2001]

SECOND THOUGHTS ABOUT SOFT MONEY

(By George F. Will)

In ''Murder in the Cathedral,'' T.S. Eliot, a better poet than moral philosopher, has a character say,

The last temptation is the greatest treason:

To do the right thing for the wrong reason.

Actually, in Washington it is good enough when people do the right thing for any reason. So it is gratifying, if not notably noble, that some Democrats, having recalibrated their self-interest in the light of last year's elections, are rethinking their enthusiasm for eviscerating the First Amendment in the name of campaign finance reform.

Prior to the last election cycle, they favored banning ''soft'' money—the money contributed to political parties for uses other than for particular federal candidates, and not used expressly to advocate the election or defeat of a candidate. However, having done well in the 1999–2000 soft-money sweepstakes, and lagging behind Republicans in hard dollars—conditions to political parties that are limited but can be spent for particular candidates—Democrats are having second thoughts.

Those Democrats whose controlling principle is the pursuit of short-term party advantage will have third thoughts if convinced that their party's success at raising soft money was contingent on control of the presidency. But some Bush advisers may begin favoring a ban on soft money if many Democrats become wary of a ban. Tactical considerations always dominate when the political class writes laws limiting communication about—and competition against—itself.

In 1897 Nebraska, Tennessee, Missouri and Florida banned corporate contributions because, in the 1896 presidential race, such contributions helped William McKinley defeat the man who carried those states, William

Jennings Bryan. In 1974 Congress enacted spending limits (declared unconstitutional by the Supreme Court in 1976) for House races of $75,000 (about $200,000 in today's dollars), far below what challengers must spend to threaten an incumbent. The Senate limits, also declared unconstitutional, would have protected incumbents. The limits started at a base of $250,000 and varied with a state's population, and included not just the candidate's direct spending but any spending ''relative to a clearly identified candidate.''

Arguments for more regulation of political speech are fueled by hyperbole about supposed ''torrents'' of money pouring into politics. Such hyperbole probably has been heard ever since George Washington, at age 25, first ran for the Virginia House of Burgesses in 1757, spending 39 pounds for 160 gallons of rum and other beverages for the 391 eligible voters—more than a quart of drink, at a cost of (in today's currency) $2, per voter.

However, since the Voting Rights Act (1965) and the 26th Amendment (1971) greatly expanded the electorate, spending per eligible voter in congressional races, in today's dollars, has hovered in a range from approximately $2.50 to $3.50 per eligible voter, inching up slightly in the highly competitive elections of 1994 and 1996 and reaching approximately $4 in the competitive elections of 1998—a bit more than the cost of one video rental.

If spending in the two-year 1999–2000 cycle for all candidates for all offices—federal, state and local—reached the ''obscene'' (as critics call it) total of $3 billion, that was $15 per eligible voter, And $3 billion—$2 billion less than Americans spend annually on Halloween snacks—is five-one-hundredths of one percent of GDP.

So writes Bradley Smith in ''Unfree Speech: The Folly of Campaign Finance Reform'' (Princeton University Press), which surely will be this year's most important book on governance, Smith, now serving on the Federal Election Commission, warns that if reformers succeed in getting the First Amendment thought of as a mere ''loophole'' in a comprehensive regime of speech rationing, they will have legitimized perpetual tinkering with the regulation of political speech for partisan advantage after every election cycle has been analyzed.

It is arguable whether, or how much, the First Amendment should protect obscenity, pornography, this or that ''expressive activity'' (e.g., topless dancing, flag burning), ''fighting words'' or commercial speech. However, no serious person disputes that the amendment's core concerns is political speech. And the Supreme Court says, incontrovertibly, that in modern society, political speech depends on political spending.

As to whether limits on political spending abridge freedom of political speech, consider the Supreme Court's analogy: Would the constitutional right to travel be abridged if government limited everyone to spending only enough for one tank of gasoline? Or would the First Amendment right of free exercise of religion be abridged if government limited the right to spend money for church construction or for proselytizing?

The First Amendment—freedom—is the right reason for opposing ''reforms'' designed to regulate, and diminish, political discourse. But if only tactical considerations can cause Democrats to do the right thing, the wrong reason will be welcome.

[From the Washington Post, Mar. 11, 2001]

FENDING OFF THE SPEECH POLICE

[By George F. Will)

The coming debate on campaign fiance ''reforms'' that would vastly expand government regulation of political communication will measure just how much jeopardy the First Amendment, and hence political freedom, faces. Recent evidence is ominous.

In 1997, 38 senators voted to amend the First Amendment to empower government to impose ''reasonable'' restrictions on political speech. Dick Gephardt has said, ''What we have is two important values in direct conflict: freedom of speech and our desire for healthy campaigns in a healthy democracy.'' Bill Bradley has proposed suppressing issue advocacy ads of independent groups by imposing a 100 percent tax on such ads. John McCain has said he wishes he could constitutionally ban negative ads—ads critical of politicians.

The basis of political-speech regulation is the 1971 Federal Election Campaign Act. Bradley Smith, a member of the Federal Election Commission and author of ''Unfree Speech: The Folly of Campaign Finance Reform,'' calls the act ''one of the most radical laws ever passed in the United States.'' Because of it, for the first time Americans were required to register with the government before spending money to disseminate criticism of its officeholders.

Liberals eager for more regulation of political speech should note the pedigree of their project. The act's first enforcement action came in 1972, when some citizens organized as the National Committee for Impeachment paid $17,850 to run a New York Times ad criticizing President Nixon. His Justice Department got a court to enjoin the committee from further spending to disseminate its beliefs. Justice said the committee had not properly registered with the government and the committee's activities might ''affect'' the 1972 election, so it was barred from spending more than $1,000 to communicate its opinions. After the expense of reaching a federal appellate court, the committee defeated the FEC, but only because the committee had not engaged in ''express advocacy'' by explicitly urging people to vote for or against a specific candidate.

In 1976 some citizens formed the Central Long Island Tax Reform Immediately Committee, which spent $135 to distribute the voting record of a congressman who displeased them. Two years later this dissemination of truthful information brought a suit from the Federal Election Commission's speech police, who said the committee's speech was illegal because the committee had not fulfilled all the registering and reporting the campaign act requires of those who engage in independent expenditure supporting or opposing a candidate. The committee won in a federal appellate court, but only because it had not engaged in ''express advocacy.''

In 1998, with impeachment approaching, Leo Smith, a Connecticut voter, designed a Web site urging support for Clinton and defeat of Rep. Nancy Johnson (R-Conn.) When the campaign of Johnson's opponent contacted Smith, worried that his site put him and their campaign in violation of the act, he sought a commission advisory opinion.

Although Smith neither received nor expended money to create this particular Web site, the Commission said the law's definition of a political expenditure includes a gift of ''something of value,'' and the commission noted that his site was ''administered and maintained'' by his personal computer, which cost money. And that the ''domain named Web site'' was registered in 1996 for $100 for two years and for $35 a year thereafter. And ''costs associated with the creation and maintaining'' of the site are considered an expenditure because the site uses the words that bring on the speech police—it ''expressly advocates'' the election of one candidate and the defeat of another.

The commission advised Smith that if his site really was independent, he would be ''required to file reports with the commission if the total value of your expenditures exceeds $250 during 1998.'' If his activity were not truly independent, his ''expenditures'' would have to be reported as an in-kind contribution to Johnson's opponent. Smith ignored the commission, which, perhaps too busy policing speech elsewhere, let him get away with free speech.

Today Internet pornography is protected from regulation, but not Internet political speech. And campaign finance ''reformers' aspire to much, much more regulation because, they say, there is ''too much money in politics.''

Actually, too much money that could fund political discourse is spent on complying with the act's speech regulations. To cover compliance costs, the Bush and Gore campaigns combined raised more than $15 million. And Bradley Smith notes that because of the law's ambiguities and the commission's vast discretion, litigation has become a campaign weapon: Candidates file charges to embarrass opponents and force them to expend resources fending off the speech policy. Consider this legacy of ''reforms'' during this month's debate about adding to them.

[From the Washington Post, Mar. 18, 2001]

SKIRTING WHAT THE FIRST AMENDMENT SAYS

(By George F. Will)

With this week's beginning of Senate debate on campaign finance reform, we will reach the most pivotal moment in the history of American freedom since the civil rights revolution 3½ decades ago. The debate concerns John McCain's plan to broaden government limitations on political spending in order to intensify government supervision of political speech, which depends on that spending.

McCain's attempt to expand government abridgement of the First Amendment's core concern comes in the context of rapidly multiplying rationales for vitiating First Amendment protection of political speech. In recent years law school journals have featured many professors' theories about why the amendment—''Congress shall make no law . . . abridging the freedom of speech''—should not be read as a limit on government. Rather, they argue, the amendment empowers—indeed, in today's world it requires—government to regulate, limit and even ''enhance'' political speech.

Consider a symptomatic new book, ''Republic.com,'' by University of Chicago law professor Cass Sunstein, whose ingenuity deserves better employment. He vigorously attacks a nonexistent problem, to which he proposes a solution that is only, but very, useful as an illustration of the hostility that a portion of the professoriate has toward the plain text of the First Amendment.

The supposed problem that Sunstein wants government to address is a maldistribution of information and opinion. He begins with a truism, that a heterogeneous society needs the glue of a certain level of common experiences. Then he postulates a problem. It is that the very richness of today's information and opinion environment—the Internet, cable, etc.—allows people to design a personalized menu of communications, deciding what they want to encounter and what they want to filter out of ''a communications universe of their own choosing.''

Sunstein says unplanned, unanticipated, even—perhaps especially—unwanted encounters are ''central to democracy.'' They help us understand one another and prevent social fragmentation and the extremism that ferments in closed cohorts of the like-minded hearing only ''louder echoes of their own voices.'' Sunstein worries especially that the Internet, by bestowing on individuals the

power to customize what they encounter, enables people to bypass ''general interest intermediaries'' such as newspapers and magazines.

Not so long ago, intellectuals worried that mass media where homogenizing American culture into uniform blandness. Now Sunstein worries about new technologies allowing people to ''wall themselves off'' from differences of opinion, forming isolated enclaves.

What makes Sunstein's book pertinent to campaign finance reformers' current assaults on the First Amendment is not the plausibility of his diagnosis—who in cacophonous contemporary America feels insufficiently exposed to differences? But note the audacity of his prescription. He would have government use various measures—from ''must carry'' requirements for broadcasters to mandatory links connecting Web sites to others promoting different views—to manage ''the scarce commodity'' of the public's attention. Government, he thinks, should actively ''promote exposure to materials that people would not have chosen in advance.''

Now, never mind the many practical problems implicit in Sunstein's theory, such as how government will decide which views are insufficiently noticed, and how government will ''trigger'' (Sunstein's word) public interest in them. But mind this:

Sunstein is an ardent campaign finance reformer for the same reason he recommends government management of the information system. He thinks the First Amendment mandates this. He does not read the amendments as a ''shall not'' stipulation that proscribes government interference with individual rights. Rather, he reads it as a mandate for active government management of the public's ''attention.''

To Sunstein, and to many similar academic advocates of speech-management through campaign finance reform, what is important about the First Amendment is not its text but the ''values'' they say the amendment represents. They say those values—vigorous debate; deliberative democracy; political heterodoxy—require that the amendment's text be ignored as an anachronism that modern life (the Internet, the costs of campaigning in the age of broadcasting, etc.) has rendered inimical to the amendment's values.

Politicians who, in the name of campaign finance reform, favor increased government supervision of political communication are not motivated by such recondite reasoning. They simply want to tilt the system even more toward the protection of incumbents, or of their ideological interests, or of their ability to control their campaigns by controlling the ability of others to intervene in the political discourse.

However, campaign finance reformers depend on academic theories about why it is acceptable to act as though the First Amendment does not mean what it says.

Mr. MCCONNELL. Let me just wrap it up for the time being by imagining for a moment the world envisioned by this legislation before us. That is a world where political parties are attacked by their own, beaten down, stripped of their constitutional rights, and ultimately left as shells of their former selves.

In his book ''The Party's Just Begun,'' University of Virginia political science professor Larry Sabato writes a section entitled ''A World Without Parties'' where he imagines a world with weak and feeble parties. The national parties today are stronger than they have ever been in my lifetime. They may have been stronger in the previous century—the 19th century—but they are now stronger than they have ever been and more useful for services provided to candidates up and down the Federal scale than ever. What would life be like without a strong two-party system? Surely even the parties' severest critics would agree that our politics would be poorer from any further weakening of the party system. We have only to look at who and what gains as parties decline in influence. The first big gainers: Special interest groups and PACs. Their money, labels, and organizational power can serve as a substitute for parties. Yet instead of fealty to national interest or a broad coalition party platform, the candidate's loyalties would be pledged to narrow special interest agendas.

Bear in mind what he is talking about here.

When a PAC contributes to a party, that money then becomes part of the broad party appeal. But a PAC, operating only on its own, has a very narrow concern. Who else gains? Wealthy candidates and celebrity candidates gain. Their financial resources or their fame can provide name identification or, for that matter, simply replace party affiliation as a voting cue. Already, at least a third of the Senate seats are filled by millionaires. And the number of inexperienced but successful candidates drawn from the entertainment and sports worlds seems to grow each year.

So again, as you reduce the influence of parties, who benefits? Special interests and PACs, wealthy candidates, celebrity candidates.

Who else gains? Why, incumbents, of course. The value of incumbency increases where party labels are absent or less important since the free exposure incumbents receive raises their name identification level. There would also be extra value for candidates endorsed by incumbents or those who ran on slates with incumbents.

Who else benefits as the parties decline in influence? The news media, particularly television news, gains. Party affiliation is one of the most powerful checks on the news media, not only because the voting cue of the party label is in itself a countervailing force but also because the perceptual screen erected by party identification filters media commentary.

Who else gains? Why, political consultants gain. The independent entrepreneurs of the new campaign technologies—such as polling, television advertising, and direct mail—secure more influence in any system when the parties decline. Already they have become, along with some large PACs, the main institutional rivals of the parties, luring candidates away from their party moorings and using the campaign technologies to supplant parties as the intermediary between candidates and volunteers.

I say to my colleagues, that is not a pretty picture. That is not a pretty picture. Remember, as I conclude my remarks here for the moment, that this bill before us at the beginning of this debate targets political parties. It purports to do a few other things, but no serious constitutional scholars believe that that can be done or, if we did, it would be upheld in court.

So make no mistake about it, this targets the political parties. Of what value is it, in our American political system, to weaken the parties, the one entity out there that will always support challengers, no matter what?

Boy, I tell you, there are some advantages to incumbency. PACs tend to like you. Individual contributors tend to like you. You get more coverage. On whom can a challenger depend? Either his own pocketbook, if he is lucky enough to have a lot of money, or the political party, the one entity there to go to bat for a challenger in American political competition.

So I welcome the debate. This is going to be an interesting debate. None of us has any real idea how it is going to end, which makes this a good deal different from the discussions we have had on this issue in recent years. We are going to have a lot of fine amendments. The first amendment will be offered by Senator DOMENICI of New Mexico. It will be laid down at 3:15.

I yield the floor.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I see my colleague from Mississippi here.

How much time does the distinguished Senator need? Five minutes?

Mr. COCHRAN. Mr. President, 5 minutes would be ample.

Mr. DODD. I yield 5 minutes to the distinguished Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, first of all, I commend the principal sponsors of this bill, the distinguished Senator from Arizona, Mr. MCCAIN, and the distinguished Senator from Wisconsin, Mr. FEINGOLD, for their leadership and for their perseverance.

This day has been a long time coming, but the time has finally come for campaign finance reform. I am pleased to be a cosponsor of this bill as it was reintroduced at the beginning of this Congress in January. I am convinced it is time for the Senate to take action to reform the way Federal election campaigns are financed which are, in effect, overwhelmingly dominated by the huge amounts of unregulated and undisclosed money being spent by organizations, unions, corporations, and wealthy individuals to influence the outcome of Federal election campaigns.

It is time to ensure that those who do try to influence the outcome of Federal elections will have to report their expenditures so the general public will know who is trying to influence the

outcome of political campaigns and how they are spending their money to do so.

I also commend the Senate leaders, Mr. LOTT and Mr. DASCHLE, for scheduling the debate on this bill so the Senate has an opportunity to work its will. Amendments can be offered by any Senator, with ample time for debate and consideration of any suggestions for changing or improving this legislation.

This bill, S. 27, in my view, strikes the right balance that we are trying to accomplish. I may support some of the amendments that are offered. As a matter of fact, I am hopeful that I will be able to offer an amendment of my own to strengthen the disclosure requirements. I think it will improve the bill as it now stands. I think the public has a right to know clearly who is spending the money that affects the outcome of Federal elections and how they are spending it.

We all see the ads. We are overwhelmed by the total number of television ads and other mailings that are sent out during a political campaign these days in House races, in Senate races, and even the Presidential election this past year. Voters have to be confused. Who is running the ads? It says ''The Good Government Committee,'' but who is that? Or it says something else that sounds really good, as though they are on the side of right and justice and right thinking. So they put the ad up that suggests or insinuates that one or the other of the candidates isn't on the right track, either on one subject or just generally speaking, it isn't good for the State or the district or the country, or suggests that there may be something in the background of the candidate that is suspicious, that needs to be looked at very carefully. The insinuation, the misleading tone, the negative aspect of political campaigns is fueled by the huge amounts, the juggernaut, an almost imperceptible amount of influence being brought to bear on these campaigns by who knows what source, who knows who is behind the spending.

I am hopeful we will work hard to get a bill reported out and passed by the Senate. We have a wonderful opportunity to do so. The time to act is now. Some of the raising and spending of the money, I am prepared to suggest, looks more like money laundering operations than aboveboard political campaigns that would reflect credit on the political system of our country. That needs to be changed. This is the vehicle to change it.

I am hopeful the Senate will work its will and pass this legislation.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Connecticut has 30 minutes.

Mr. DODD. I yield 25 minutes to the Senator from Wisconsin, coauthor of the bill.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I again thank the Senator from Connecticut. I am extremely pleased to come to the floor today to begin the debate on the McCain-Feingold-Cochran bill. Of course, the Senator from Arizona has been the original inspiration on this issue and the person who was able to make this issue and this bill, in particular, something of national attention and something that actually was important in the discussions in the Presidential debates last year. I have greatly enjoyed these 6 years of working with JOHN MCCAIN on this issue.

Let me also say, if I could have picked one Senator from the other side to sort of put us over the top, to change the dynamic of this, somebody whom I have always respected, although we have rarely agreed on the issues, that person is Senator THAD COCHRAN of Mississippi. His credibility and the respect of the Members of this body for him are so profound that when he became a major sponsor of this bill, it made it possible for us to have this debate. It is because he joined us, and I am grateful.

This debate has been a long time coming. It is our first truly open debate on campaign finance reform in many years. We are no longer limited to a few days of speeches or parliamentary wrangling and a cloture vote or two. Instead, we are going to have an open amending process, a vigorous debate, and, in the end, I think we can pass a bill for which this body and the country can be proud.

We have a rare opportunity before us. We also face a great test. The opportunity is clear. In the next few weeks we can take a major step toward closing the loopholes that have made a mockery of our campaign finance laws. We have the power to close these loopholes, and we have the duty to close them. The American people will be watching this floor over the coming days and weeks. They want to know whether we can finally do what is right. Can we finally close the door on the soft money system that leaves us so vulnerable to the appearance of corruption.

The Senator from Kentucky was happy that so far in the debate the word ''corruption'' had not been mentioned. I am sorry, but the choice of the word ''corruption'' is not my choice. It is the standard that the U.S. Supreme Court has said we have to deal with if we are going to legislate in this area. It is not JOHN MCCAIN'S word. It is not my word. It is the word of the Court. The Court said, in Nixon v. Shrink Missouri Government PAC:

> Buckley demonstrates that the dangers of large, corrupt contributions and the suspicion that large contributions are corrupt are neither novel nor implausible. The opinion noted that the deeply disturbing examples surfacing after the 1972 election demonstrate that the problem of corruption is not an illusory one.

I am sorry the Senator from Kentucky does not want us to talk about it, but the Court says we can't do a bill about it unless we do talk about it. So we are going to talk about it. We are going to talk about corruption, but, more importantly, what is much more obvious and much more relevant is the appearance of corruption. It is what it does to our Government and our system when people think there may be corruption even if it may not exist.

Can we finally say, together, as legislators, as representatives of the people, that soft money isn't worth that risk, that it isn't worth risking the appearance of corruption to keep this big soft money system? That is the test we are about to take. This debate will test whether we can pull back from the soft money status quo to which we have become so accustomed over the past few years. This debate will ask whether we think this is really how our democracy is supposed to be.

The public has already answered that question. The vast majority of Americans are outraged by the soft money system. They look at us and wonder why year after year, Congress after Congress, we let the soft money system chip away at our integrity. Day by day, with every vote we cast, people wonder was it the money. They doubt us, and we all know that. We see it every day. We open up the newspaper and read another story about how a powerful industry pushed through this bill or a union used a contribution to win this provision or a wealthy individual got special treatment on an amendment. It is getting to the point where it is difficult to debate any issue, any issue at all where these questions are not raised.

Our parties raise unlimited money with one hand, and we cast our votes with the other. And we dare the public to doubt us every time we miss an opportunity to fix this system such as the one before us today. We cannot afford to keep taking this risk with the public's trust. The public's patience is not limitless, and it should not be. We have a moment here, a rare moment, to regain the public's trust. I know it won't be easy. Real change never is. But the time is right and the will of the people is behind this reform.

All eyes are on this Senate. Either we rise to the occasion and meet the test before us or we let the American people down again. Either we finally ban soft money in the next few weeks or we let them conclude that we are so addicted to this system, so tainted by corruption or at least the appearance of corruption that, once again, we cannot change.

As my colleagues know, the centerpiece of this bill is the ban on soft money. In this regard, let me especially thank my colleague, the Senator from Maine, Ms. COLLINS, for her tireless effort in working with me to meet with individual Senators to persuade them to join us on the bill and with some significant success. As she and I

know, the rise of soft money has been so recent and so rapid that one has to sort of take a minute and look at how rapid it has been.

When I came to the Senate in 1992, I wasn't even sure what soft money was, or at least I didn't know everything that could be done with it. After a tough race against a very well-financed incumbent who spent twice as much as I did, I was mostly concerned when I came here with the difficulties of people running for office who were not wealthy. I am still concerned about that and still think we need to address it, and we should get on to it after we do this.

My commitment to campaign finance reform was forged from that experience. Since I came to this distinguished institution, soft money has exploded, with far-reaching consequences for our elections and the functioning of the Congress.

As the chart I have shows, soft money first arrived on the scene of our national elections in the 1980 elections after a 1978 FEC ruling opened the door for parties to accept contributions from corporations and unions who are barred from contributing to Federal elections. The ruling intended these donations to be used for what the FEC termed ''party building,'' meaning purposes that are unrelated to influencing Federal elections. The best available estimate is that the parties raised under $20 million in soft money in the 1980 cycle, and it didn't change much in 1984. The loophole remained pretty much dormant.

In 1988, soft money nearly doubled when both parties began raising $100,000 contributions for both the Bush and the Dukakis campaigns, an amount that was unheard of prior to 1988. By the 1992 election, the year I was elected to this body, soft money fundraising by the major parties had doubled yet again, rising to $86 million. Of course, the $86 million raised in 1992 was a lot of money. It was nearly as much as the $110 million that the two Presidential candidates were given in 1992 in public financing from the U.S. Treasury. There was growing concern about how the money was spent.

Despite the FEC's decision that soft money could be used for activities such as ''get out the vote'' and voter registration campaigns without violating the Federal election law's prohibition on corporate and union contributions in connection with Federal elections, the parties sent much of their soft money to be spent in States where the Presidential election between George Bush and Bill Clinton was close or where there were key contested Senate races. Still, even in 1992, soft money was far from the central issue in our debate over campaign finance reform in 1993 and 1994. And then in 1995, when Senator MCCAIN and I first introduced the McCain-Feingold bill, our bill included a ban on soft money, but it wasn't even close to being the most controversial provision of our bill, and actually nobody paid any attention to it in 1995.

Then, as we all know, came the 1996 election and the enormous explosion of soft money fueled by the parties' decision to use the money on phony issue ads supporting their Presidential candidates. As you can see from the chart, the total soft money fundraising skyrocketed as a result of that judgment. When the parties had raised $262 million in soft money in 1996, that was appropriately considered an incredible sum. And it was. There were 219 people who gave $200,000 or more in soft money in that cycle, 1996.

But today, if you can believe it, only 4 years later, 1996 looks like a small-time operation compared to the 2000 cycle. I think they are still counting from the year 2000. But I believe we know now that the parties raised $487.5 million in soft money in the year 2000. That dwarfs the amount raised in 1992, and it comes close to doubling the amount raised in 1996. The Wall Street Journal reported the other day—and I say this in response to the comments of the Senator from Kentucky about the average soft money contribution being $500—that nearly two-thirds of that gigantic total I showed you of nearly $500 million was given by just 800 donors who gave at least $120,000 each. That is a far cry from an average of $500—800 donors, giving an average of $120,000 each. That is what was the core of the last election.

This chart shows the huge growth of the megadonors over time. It is exponential. A select group of wealthy people, unions, and corporations whom the parties have come to depend on for these huge sums of money is who is dominating this fundraising.

That brings us right back to the item we have to talk about—even though some don't want us to talk about it—and that is the perception of corruption. People are uncomfortable with the parties and, by extension, all of us, relying on a concentrated group of wealthy donors for a significant part of our fundraising. The American people are troubled by that, and so are many of us.

Recently, our colleague, Senator MILLER from Georgia, wrote an opinion piece in the Washington Post on his deep misgivings about the current fundraising system. He wrote that he doesn't sleep as easy as he used to when campaigns weren't defined by how money can be raised and spent.

I would like to read a passage from Senator MILLER's op-ed, where he describes what fundraising is like today:

> I locked myself in a room with an aide, a telephone, and a list of potential contributors. The aide would get the ''mark'' on the phone, then hand me a card with the spouse's name, the contributor's main interest, and a reminder to ''appear chatty.'' I'd remind the agribusinessman that I was on the Agriculture Committee; I'd remind the banker I was on the Banking Committee.
>
> And then I'd make a plaintive plea for soft money—that armpit of today's fundraising. I'd always mention some local project I got-ten—or hoped to get—for the person I was talking to. Most large contributors understand only two things: what you can do for them and what you can do to them.
>
> I always left that room feeling like a cheap prostitute who'd had a busy day.

These are Senator MILLER's words. Those are powerful words, and they are hard to stomach. I deeply admire the Senator from Georgia for many reasons, but especially for being willing to write what we all know to be true. Many colleagues have told me privately they are uncomfortable with this system. One Senator told me here on the floor that he felt like taking a shower after he had made a call for a $250,000 contribution.

We have Senators who can't sleep; we have Senators who feel they have to take a shower after doing fundraising calls. We have a pretty bizarre system. This system cheapens all of us. The people in this body are good people; I know that. They care deeply for this country. We have to get rid of this soft money system before it drives the good people away from public service and drives the public even further away from its elected leaders.

Senator MILLER also wrote in his op-ed that while he supports McCain-Feingold, he thinks it is not enough, that it is only a step in the right direction. I agree. After we pass this bill, I hope we will do more, and I look forward to working with the Senator from Georgia and others on broader reform.

Senator MILLER's words are brutally honest. I think when we are honest with ourselves about what our system has become, real change can't be far behind. Money should not define this democracy, and it doesn't have to. We don't have to pick up the paper and read headlines such as ''Influence Market: Industries that Backed Bush Are Now Seeking Return On Investment.'' That headline ran in the March 6 Wall Street Journal. I think we all know what that means, and so does everyone else.

The assumption that we can be bought, or that the President of the United States can be bought, has completely permeated our culture. The lead of this article reads:

> For the businesses that invested more money than ever before in George W. Bush's costly campaign for the Presidency, the returns have already begun.

This is a new administration. It is a new start. And then you have to read that, which is quite an accusation. But it is one that people don't hesitate to make these days. Whether we are Democrat or Republican, we should all be saddened by such an accusation, perhaps angry at it, but we can't ignore it or just blame the media for it.

There is an appearance problem here, Mr. President. No one can deny that. But the newspapers didn't create it; we did. I am reminded what the great Senator Robert La Follette, from my home State of Wisconsin, said in response to those who argued that the press of his day, the early 1900s, was spreading

hysteria about the power of the railroads over the Congress. He said:

It does not lie in the power of any or all of the magazines of the country or of the press, great as it is, to destroy, without justification, the confidence of the people in the American Congress. It rests solely with the United States Senate to fix and maintain its own reputation for fidelity to the public trust. It will be judged by the record. It can not repose in security upon its exalted position and the glorious heritage of its traditions. It is worse than folly to feel, or to profess to feel, indifferent with respect to public judgment. If public confidence is wanting in Congress, it is not of hasty growth, it is not the product of ''jaundiced journalism.'' It is the result of years of disappointment and defeat.

Mr. President, I think Senator La Follette had it right. It is not the media or the public's fault if what goes on here looks corrupt. It is our fault. We have to do something about it. In the next 2 weeks, we have a golden opportunity to do something about it.

Here's another recent example of the public's distrust of our work: ''Tougher Bankruptcy Laws—Compliments of MBNA?'' That headline appeared in Business Week magazine on February 26th. The article goes on to say, ''MBNA is about to hit pay dirt. New bankruptcy legislation is on a fast track. Judiciary panels in the House and Senate have held perfunctory hearings, and a bill could be on the House and Senate floors as early as late February.'' Again, the implication is clear. It is widely assumed that the credit card issuers called the shots on the substance of the bankruptcy bill that we passed last Thursday. Isn't it troubling that people are so quick to assume the worst about the work we do here on this floor? I think it's a real crisis of confidence in our system. And that's why we are taking up this bill—because we have to repair some of that public trust. Our reputation is on the line. We aren't going to get a pass from the American people on this one, and we don't deserve one.

The appearance of corruption is rampant in our system, and it touches virtually every issue that comes before us. that's why I have Called the Bankroll on this floor 30 times in less than two years. Because I think it's important for us to acknowledge that millions of dollars are given in an attempt to influence what we do. Because that's why people give soft money, and I don't think anyone would even try to dispute that. I won't detail every bankroll here—because that would take all day. But let me just review some of the issues they addressed, to show how far reaching this problem really is.

I have Called the Bankroll on mining on public lands, the gun show loophole, the defense industry's support of the Super Hornet and the F–22, the Y2 K Liability Act, the Passengers' Bill of Rights, MFN for China, PNTR for China, and the tobacco industry. I have talked about agriculture interests lobbying on an agriculture appropriations bill, telecommunications interest lobbying on a tower-siting bill, and railroad interests lobbying on a transportation appropriations bill. I have talked about contributions surrounding the Financial Services Modernization Act, nuclear waste policy, the Arctic National Wildlife Refuge, and the ergonomics issue. I have also Called the Bankroll on the Patients' Bill of Rights—twice, the Africa trade bill—twice, the oil royalties amendment to the fiscal year 2000 Interior appropriations bill—twice, and I have Called the Bankroll on three tax bills, and four separate times on the bankruptcy reform legislation that we just passed.

People give soft money to influence the outcome of these issues, plain and simple. And as long as we allow soft money to exist, we risk damaging our credibility when we make the decisions about the issues that the people elected us to make. They sent us here to wrestle with some very tough issues. They have vested us with the power to make decisions that have a profound impact on their lives. That's a responsibility that we take very seriously. But today, when we weigh the pros and cons of legislation, many people think we also weigh the size of the contributions we got from interests on both sides of the issues. And when those contributions can be a million dollars, or even more, it seems obvious to most people that we would reward our biggest donors.

That is the assumption people make, and we let them make it. Every time we have had the chance to close the soft money loophole, this body has faltered. If we can't pass this bill, history will remember that this Senate faced a great test, and we failed. That the people accused us of corruption, and in our failure to pass a real reform bill, we confirmed their worst fear.

The bill before us today offers a different path. If we can support the modest reforms in this bill, we can show the public that we understand that the current system doesn't do our democracy justice. This is just a modest bill. It is not sweeping. It is not comprehensive reform. It only seeks to address the biggest loopholes in our system.

The soft money ban is the centerpiece of this bill. Our legislation shuts down the soft money system, prohibiting all soft money contributions to the national political parties from corporations, labor unions, and wealthy individuals. State parties that are permitted under State law to accept these unregulated contributions would be prohibited from spending them on activities relating to Federal elections. And Federal candidates and officeholders would be prohibited from raising soft money under our bill. That's a very significant provision because the fact that we in the Congress are doing the asking is what gives this system an air of extortion, as well as bribery.

McCain-Feingold-Cochran also addresses the issue ad loophole, which corporations and unions use to skirt the federal election law. This provision, originally crafted by Senator SNOWE and Senator JEFFORDS, treats corporations and unions fairly and equally. I want to be clear here. Snowe-Jeffords does not prohibit any election ad, nor does it place limits on spending by outside organizations. But it will give the public crucial information about the election activities of independent groups and it will prevent corporate and union treasury money from being spent to influence elections.

Under the bill, labor unions and for-profit corporations would be prohibited from spending their treasury funds on radio or TV ads that refer to a clearly identified candidate and appear within 30 days of a primary or 60 days of a general election. 501(c)(4) non-profit corporations can make electioneering communications only as long as they use only individual contributions. Disclosure is significantly increased for these (c)(4) advocacy groups, and across the board for anyone who spends over $10,000 in a calendar year on these kinds of ads.

I'm sure Senators SNOWE and JEFFORDS will describe this provision of the bill in greater detail as we go forward, and we will have a spirited debate about whether it should be strengthened or even removed from the bill altogether. Let me just say that I believe the Snowe-Jeffords provisions is a fair compromise and the right balance. It fairly balances legitimate first amendment concerns with the goal of enforcing the law that prohibits unions and corporations from spending money in connection with Federal elections.

In this bill, we also codify the Beck decision and strengthen the foreign money ban. The bill strengthens current law to make it clear that it is unlawful to raise or solicit campaign contributions on Federal property, including the White House and the United States Congress. We also bar Federal candidates from converting campaign funds for personal use, such as a mortgage payment or country club membership.

I recognize that some of our colleagues are concerned about the coordination provision, which specifies circumstances in which activities by outside groups or parties will be considered coordinated with candidates. I want to let our colleagues know that we are listening, and we are working on a modification of that section of the bill. We will offer an amendment during this debate that I hope will satisfy most of the concerns that have been raised.

Throughout this process, we have welcomed the input and suggestions of our colleagues, and we will continue to do so throughout this debate. Over the next two weeks, every Member of the Senate will have an opportunity to contribute to this debate, and I hope each of us will. There are 100 experts on campaign finance law in this body. We've all lived under this system. We

know how campaigns work. The success of this reform depends on a vigorous and informed debate, and I think we will have it.

Mr. President, I'm sure most of my colleagues are aware of the serious political crisis underway as we speak in the nation of India. Journalists posing as arms dealers shot videos with hidden cameras on which politicians and defense officials were seen accepting cash and favors in return for defense contracts. Those pictures have caused a huge scandal. The Indian Defense Minister has resigned, and we don't know yet now great the repercussions will be.

One thing that struck me as I read the news reports of these events was two of the people caught on tape were party leaders, including the leader of the ruling party, the BJP, Mr. Bangaru Laxman. Let me read from an AP story of March 16:

> Laxman denied that the journalists identified themselves to him as defense contractors or discussed weapons sales. He said they were presented as businessmen and that accepting money for the party is not illegal in India.

I am not going to say that what is happening in India is the same as the system we have in the United States, and I'm certainly not going to comment on the guilt or innocence of any party leader or political official in that sovereign country. But the government of India is hanging by a thread based on possibly corrupt payments of a few thousand dollars by people posing as defense contractors. We have literally hundreds of millions of dollars flowing to our political parties from business and labor interests of all kinds. And our defense, like Mr. Laxman's is, ''it's legal.'' We have a system of legalized bribery, a system of legalized extortion, in this country. But legal or not, like the videotaped payments in India, this system looks awful.

The eyes of the Nation are on this Chamber. This group of 100 Senators can prove to the public that we are the Senate that the people want us to be. But the public's patience is wearing very thin. We cannot pick up the phone to raise soft money with one hand, and cast our votes with the other for much longer. The harm to the reputation of the Congress is simply too great. If we fail to pass real reform, we choose soft money over the public trust. That's a risk we cannot afford to take. We have a rare opportunity before us, and a great test. Let us seize the opportunity for reform, and meet the test before us with a firm commitment to restoring the public's faith in us and the work we do. The public doubts whether we can do it, Mr. President, but I believe that we can, and I believe that we must.

I yield the floor.

Mr. DODD. How much time remains on the Senator from Connecticut.

The PRESIDING OFFICER. There are 13 minutes remaining.

Mr. DODD. Mr. President, the Senator from California requests how much time?

Mrs. BOXER. How much time do you have?

Mr. DODD. There are 13 minutes remaining. Why not take 6 of it.

Mrs. BOXER. That would be great.

Mr. President, I wish to start out by thanking Senators MCCAIN and FEINGOLD for their hard work on this very important piece of legislation. I know it is hard to challenge the status quo. I commend them both for their courage and their commitment to this cause. My own commitment goes back to my early days as a candidate for political office 25 years ago. I have supported such efforts to change our campaign finance system whenever I have gotten the opportunity. I thank my friends for getting us this opportunity. It wasn't easy to do it. They worked hard and they got it.

When I ran for the Senate, I became even more of a rabid supporter of campaign finance reform, as I learned I had to raise $12 million at that time in 1992.

After my second run for the Senate, in which I had to raise $20 million, I became so supportive of campaign finance reform that I am truly ready to clamp down on this obscene situation. Yes, if there are some unforeseen consequences, I am willing to take a look at how to fix it, but today we must support this change regarding soft money.

I want to give my colleagues some figures. For someone from California who does not have independent wealth, in order to raise $12 million—and that is an old number; it is probably going to be up to $30 million the next time—just $12 million, I would have to raise $10,000 a day 7 days a week for 6 years. What a way to be a Senator when you are consistently worried about how you are going to raise this money.

I say to my friends, RUSS FEINGOLD and JOHN MCCAIN, that I liked their other versions better than this one because they went further; they did more. They included an incentive to lower the amount of money we could spend. I liked it better. They allowed you to get lower prices for TV and mailings.

This version is not my favorite one, but it is the only game in town that does something about clamping down on the soft money abuses. Therefore, I will be supporting it.

I want to talk a minute about the broadcast industry. What a situation. When I ran the last time, to get a 30-second spot on prime time, it cost $50,000 to get one ''Barbara Boxer for Senate'' spot on TV. I always thought we owned the airwaves. Isn't there a way we can do better than this? In other words, the people of the country should be able to get our message, but why should it cost these obscene amounts of money?

The fact is, the Court, as my friend, Senator MCCONNELL, has said so often, has equated money and speech. I respectfully disagree. It means someone with wealth has more free speech than I do because they can spend their own money. That is not right. I think our founders would turn in their graves thinking about that one. We are all supposed to be equal. We are all supposed to have free speech. Why should one of us have more free speech than another?

I think the Buckley case ought to be reheard, but that is a debate for another day, and in 6 minutes I could never go into all its nuances.

There are three proposals essentially before us. One is the McCain-Feingold bill which I support, one is the Hagel bill which I do not support, and one out there is a vague proposal by President Bush which, to me, is a total sham, and I will explain why I think that way.

I truly think CHUCK HAGEL is trying hard to come up with an alternative. I do not agree with it because I think it opens the floodgates of hard money and does not do enough to cap soft money. I know he is trying hard to put something forward that he thinks will hold up.

I want to talk a minute about the President's approach. First, he wants to punish working people by making them sign off before a dollar can be used by a union. I always thought this was a free society. People join unions freely, and if they do not like their union leadership, they can vote them out.

The President knows what he is doing. He is after working men and women in this country. Just look at his tax cut. He does not do anything to help them. They are in the dog house, so he is going to hurt working men and women by this so-called Paycheck Protection Act that makes no sense. This idea of having the shareholders check off every time somebody wants to make a contribution is just absolutely unworkable. Then he puts a little caveat in there that puts the entire issue at risk because we think it will be struck down by the courts. It is a cynical ploy.

How much time do I have, Mr. President?

The PRESIDING OFFICER. The Senator has 30 seconds.

Mrs. BOXER. Mr. President, I ask my friend if I can have an additional minute in addition to the 30 seconds.

Mr. DODD. I yield 1 additional minute.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, there is a tie-in between what we do here and the large contributions that come into this arena. Let's look at the President.

The President likes things as they are. He gets these big unregulated contributions. So what has he done? He has only been in office a couple of months: International gag rule, a payback to the far right that gave him a lot of money; repeal of the ergonomics workplace protection rule, a payback against working men and women; bankruptcy reform aimed at helping banks and credit card companies, a payback; plans to open up the Alaska wildlife refuge for drilling, a payback

to the oil companies; reversal of his campaign pledge on CO_2, carbon dioxide emissions, a payback to the coal industry; tax cuts aimed at the richest people—those are the only ones who make out on this one; they walk away and smile all the way to the bank—a payback to his contributors.

His campaign finance position is a payback to all those folks. I hope we will support McCain-Feingold. I think it is worthy of passage.

I thank the Chair, and I thank Senator DODD for the time.

Mr. DODD. Mr. President, I am happy to yield 3 minutes—5 minutes, whatever my colleague from Michigan——

Mr. LEVIN. Mr. President, 5 minutes if the Senator has it.

Mr. DODD. I yield 5 minutes to my colleague from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, first, I commend Senators MCCAIN and FEINGOLD for bringing us to this point, to this moment of truth. I also commend our leadership, both the majority leader and the Democratic leader and the chairman and ranking member of the Rules Committee, for helping to organize a time period which will allow us to have a free-wheeling and open debate.

This is finally the moment of truth on campaign finance reform. The next few weeks will help us determine whether we recapture the faith which is at the heart of our democracy or whether we let it again slip from our grasp.

Decades have transpired since our predecessors enacted the current campaign finance laws. It was not easy. It took a scandal of momentous proportions—the financial irregularities associated with the 1972 Presidential campaign—to bring Congress to action, but act it did.

Now it is our moment of truth, our moment to decide whether we rescue the law which our predecessors had the good sense and courage to enact, or whether the moment is drowned in a sea of excuses.

Let's begin with some basic truths.

Truth No. 1: There are contribution limits embodied in our law, meaningful limits, and if the law were followed and interpreted as originally intended, we would not be here today. Let's look at those limits in the system which we put in place 25 years ago.

Individuals are not supposed to give more than $1,000 to a candidate per election, $5,000 to a political action committee, $20,000 a year to a national party committee, $25,000 total in any 1 year for all contributions combined.

Corporations and unions are prohibited from contributing anything to a candidate except through carefully prescribed political action committees. The limit of a corporate or union PAC contribution is $5,000 per candidate.

Presidential campaigns are supposed to be financed just with public funds.

Those are the laws on the books today.

Truth No. 2: The Supreme Court has upheld the legality and constitutionality of those contribution limits in a number of cases, including Buckley v. Valeo and Nixon v. Missouri Government Shrink PAC. In those cases, the Supreme Court held that limits on contributions do not violate free speech.

Truth No. 3: The soft money loophole has effectively destroyed those contribution limits. The loophole is huge. Since you cannot give more than a limited amount to a candidate, give all you want to his or her party and, of course, the party turns around and spends that money helping the candidate win election. Soft money has blown the lid off the contribution limits of our campaign finance system. As many commentators, colleagues, and constituents have said, practically speaking, there are no limits.

The truth is, the public is offended by this spectacle of huge contributions, and well they should be, and we should be, too.

Just one reason why we should not enjoy the spectacle—and the public certainly does not—is that in order to get these large contributions, access to us is openly and blatantly sold. We sell lunch or dinner with ''the committee chairman of your choice'' for $100,000. This is a bipartisan problem. Both parties do it.

From an RNC, 1997 annual gala: For $100,000, you get a luncheon with the Senate and House leadership and the Republican House and Senate committee chairmen of your choice.

We sell access to insiders meetings, strategy sessions, participation in congressional advisory groups, or trade missions. The open solicitation of campaign contributions in exchange for access to people with the power to affect the life or livelihood of the person being solicited creates an appearance of impropriety and a misuse of power.

From the Democratic National Committee, for $100,000, you get a meeting with the President, you go on a trade mission with leadership as they travel abroad to examine current and developing political and economic issues, and a whole lot of other benefits—large contributions in exchange for access.

The moment of truth is now. We must not let this moment pass without doing what we believe is right and necessary to restore public confidence in ways in which campaigns are financed and run.

I thank both Senators MCCAIN and FEINGOLD for their extraordinary courage, their determination, their grit. I thank also our leadership and the chairman and ranking member of the Rules Committee for helping to schedule this debate in a way in which I think we can resolve this festering problem.

The PRESIDING OFFICER (Ms. SNOWE). The Senator from Kentucky has 13 minutes.

Mr. MCCONNELL. There are other speakers on the other side awaiting the arrival of Senator DOMENICI. I am happy to dole out some of my time.

Mr. DODD. This has been helpful. I commend my colleagues from Arizona and Wisconsin, and my colleague from Michigan, who always gives an eloquent statement, along with HARRY REID and the Senator from Mississippi. I commend Senator HAGEL and Senator MCCONNELL for expressing their points of view on one of the most significant debates we are apt to have in this Congress; that is, over the very issue of how we raise the necessary dollars to campaign for the very offices which we hold and which we seek reelection to not only here but in the other body.

It has been fascinating to note over the last 25 years that we have had public financing for Presidential races; every single candidate, both Democrat and Republican, going back to the late 1970s, has supported and used public financing, along with the limits imposed as a result of accepting public dollars to campaign for the Presidency of the United States. We are not yet debating a public financing mechanism for races in the House and the Senate. Depending on the outcome of this debate, at some future date that may be the case.

I have supported public financing in the past and believe it is the way we can end up without any constitutional question of limiting the amount of dollars that come into campaigns and other restrictions we may believe appropriate on how we conduct our efforts to seek Federal office in this country.

The bottom line is clear. Whether you agree with public financing or not, the point articulated by the Senator from Wisconsin, the Senator from Arizona, and others is that this system is broken. It is a failed system. When you have to spend the hours we do every day for 6 years conducting a Senate campaign—and I don't envy candidates from New York, California, Florida, Texas, Illinois, where the cost of seeking a Senate seat in those States has moved to $15-, $20-, $30 million—when you must raise, as the Senator from California pointed out, $10,000 a day, 7 days a week, 52 weeks a year for 6 years in order to compete for the Senate seat in that State, and if someone turns around and says there is not enough money in politics, I wonder on what planet they are living. If you have to raise $10,000 a day, plus being a Senator to represent your State, go to your committee hearings, meet constituency groups, answer the phone, send out the mail, the system is not broken? The system is not flawed? This is incredible.

It has been said by the authors of the bill, it is not a perfect proposal. I regret it is not the earlier McCain-Feingold proposal. There is some unevenness in the bill in applying provisions where this is applicable to some groups and organizations and not others. I am told that is the political reality. I am not comfortable with that as a reason why we don't have a level playing field for all groups.

This is the one chance we will have to do something about this system. It is the one chance remaining to try to make meaningful changes in the law. If it is not perfect, if there are unintended consequences, we can come back and arrange or correct that. But we shouldn't not do anything and leave the system as it presently is constructed.

It is hard enough to get people to vote today, to participate, to support those who seek public office. I am not going to suggest that automatically we are going to have some great conversion on the road to Damascus where all of a sudden the mass of the American voting public will collectively say, hallelujah, the system has been cleaned up and we can now all engage in the support of our candidates because McCain-Feingold is adopted. That is naive.

But I do believe the American public will respond favorably if this Senate in these next 2 weeks adopts the McCain-Feingold legislation and says: While we haven't dramatically changed the system, we have improved it dramatically. That is my hope.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Senator DOMENICI is here. He will be recognized at 3:15 to lay down the first amendment.

I conclude the opening comments by saying, as I said before, McCain-Feingold will not take money out of politics; it will take the parties out of politics.

Having said that at the beginning of 2 weeks of a wild ride, it will be easier to predict who will win the NCAA tournament than how the bill will come out after 2 weeks of amendments. I think there is one prediction I can make fairly confidently. I think there will be an effort, hopefully not supported by a majority but an effort to water down anything that might offend the AFL–CIO. I predict by the end of this debate there will be no paycheck protection, watered down restriction on coordination and issue advocacy as it applies to the AFL-CIO, and no disclosure of the union ground game. So it is about the only prediction I will confidently make, that before we are finished with this debate, the opposition to the AFL-CIO will have been taken care of by the watering down and massaging of language to the point where they sign off on it.

I hope that will not be the case because last year they spent considerably more on the election than either of the two political parties. I repeat, they spent more on the election last year than either one of the two great political parties.

Mr. MCCAIN. Will the Senator yield?

Mr. MCCONNELL. Let me finish my point and I will be happy to yield.

I hope by the time we get to the end of the debate, they will still think they are impacted. I yield to my friend from Arizona for a question.

Mr. MCCAIN. I will bring it up at another time.

Mr. MCCONNELL. Madam President, I yield the floor.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky controls the time until 3:15.

Mr. MCCONNELL. Senator DOMENICI is here and ready to go forward. I believe everybody on the floor has already spoken at least once.

Mr. FEINGOLD. I point out to the Senator from Kentucky, the Senator from Maine has arrived. I believe she has a brief opening statement for the remainder of the time, if that is acceptable to the Senator from Kentucky.

Mr. MCCONNELL. If the Senator from Maine can do it in 5 minutes. I don't want to delay Senator DOMENICI's amendment. The Senator can do it into his amendment, into the discussion on his amendment. She can also make an opening statement, if she so desires.

Mr. DOMENICI. Why don't colleagues just decide how much time she needs. I am willing for her to do that now. In fact, I have somebody out there who needs me for 5 minutes.

Mr. MCCONNELL. I yield to the Senator from Maine my remaining 5 minutes.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. I thank my colleagues for their cooperation.

Madam President, I am delighted we are beginning the debate on the Bipartisan Campaign Reform Act of 2001, and of the campaign finance reform efforts that have been led for many years by my good friends, Senators MCCAIN and FEINGOLD. I am proud to be an original co-sponsor of their bill, which takes several critical steps toward reform of our campaign finance system.

I have long supported campaign finance reform. When I was running for the Senate in 1996, I promised to advocate reform, and I kept that promise by becoming an early cosponsor of McCain-Feingold during my first year in the Senate.

The Bipartisan Campaign Reform Act of 2001 goes a long way toward fixing a broken system. First and foremost, the bill closes the most glaring loophole in our campaign finance laws by banning the unlimited, unregulated contributions known as ''soft money.'' Second, the bill regulates and limits the campaign advertisements masquerading as issue ads that corporations and labor organizations often run in the weeks leading up to an election. And third, the bill prohibits foreign nationals from contributing soft money in connection with federal, state, or local elections.

My home State of Maine has a deep commitment to preserving the integrity of the electoral system and ensuring that all Mainers have an equal political voice. Mainers have backed their commitment to an open political process in both word and deed. In many regions of Maine, town meetings in which all citizens are invited to debate issues and make decisions are still prevalent. This is unvarnished, direct democracy. It contrasts sharply with the increasing ability of people with more money to speak longer and louder in federal elections. Maine's tradition of town meetings and equal participation rejects the notion that wealth dictates political discourse. Maine citizens feel strongly about reforming our federal campaign laws, as do I.

Soft money has become the conduit through which wealthy individuals, labor unions and corporations have in many ways seized control of our political process. The problem with soft money was evident during the 1997 hearings by the Senate Committee on Governmental Affairs, chaired by my good friend, Senator THOMPSON. During those investigations, we heard from one individual who gave $325,000 to the Democratic National Committee in order to secure a picture with the President of the United States. We also heard from the infamous Roger Tamraz who testified that the $300,000 he spent to gain access to the White House was not enough and that, next time, he would spend $600,000. And we heard of individuals, such as Chinese millionaire Ted Sioeng, who orchestrated nearly $600,000 in political contributions during the 1996 election cycle. Sieong, we later discovered, was a self-described agent of the Chinese government who made his fortune manufacturing a popular brand of cigarettes in China.

According to the Congressional Research Service, soft money donations nearly doubled in the 2000 presidential election cycle, from $262 million in 1996 to $488 million in 2000. Other estimates set the figures even higher. At the same time, regulated, hard money donations increased a little more than 10-percent.

In short, soft money is a growing wave that threatens to swamp our campaign finance system. Each election cycle, the wave gains momentum and size. Just two presidential elections ago, soft money contributions totaled $86 million, or one-sixth of the amount raised in the latest cycle. The Federal Election Campaign Act of 1971 has served our country well. But those seeking ways to influence our elections have found loopholes that have overwhelmed the rule themselves. I therefore applaud the bipartisan efforts of Senators MCCAIN and FEINGOLD and pledge my continued support throughout the long process ahead. I know we are in for a spirited debate and believe that, ultimately, the will of the majority of Americans will prevail. They want reform. It is time we heed their message.

The PRESIDING OFFICER. The Senator from New Mexico.

AMENDMENT NO. 112

Mr. DOMENICI. Madam President, I believe it is in order now for me to send an amendment to the desk, and I do so on behalf of myself and Senator ENSIGN.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] for himself and Mr. ENSIGN, proposes an amendment numbered 112.

Mr. DOMENICI. Madam President, I ask unanimous consent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To increase contribution limits in response to candidate's use of personal wealth and limit time to use contributions to repay personal loans to campaigns)

On page 37, between lines 14 and 15, insert the following:

SEC. 305. USE OF PERSONAL WEALTH FOR CAMPAIGN PURPOSES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following:

''(i) USE OF PERSONAL WEALTH.—

''(1) REQUIRED DECLARATION.—

''(A) IN GENERAL.—Not later than 15 days after the date a candidate for the office of Senator is required to file a declaration of candidacy under Federal law, the candidate shall file with the Commission a declaration stating whether or not the candidate intends to expend personal funds in connection with the candidate's election for office, in an aggregate amount equal to or greater than $500,000.

''(B) PERSONAL FUNDS.—In this subsection, the term 'personal funds' means—

''(i) funds of the candidate (including funds derived from any asset of the candidate) or funds from obligations incurred by the candidate in connection with the candidate's campaign; and

''(ii) funds of the candidate's spouse, a child, stepchild, parent, grandparent, brother, sister, half-brother, or half-sister of the candidate and the spouse of any such person, and a child, stepchild, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate's spouse and the spouse of such person.

''(C) FORM OF STATEMENT.—The statement required by this subsection shall be in such form, and shall contain such information, as the Commission may, by regulation, require.

''(2) INCREASE IN LIMITS.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, in any election in which a candidate for the office of Senator declares an intention to expend more personal funds than the limit described in paragraph (1)(A), expends personal funds in excess of such limit, or fails to file the declaration required by this subsection, the increased contribution limits under subparagraph (B) shall apply to other eligible candidates in the same election.

''(B) LIMIT AMOUNTS.—The increased limits under this subparagraph are the following:

''(i) In the case of an election in which a candidate declares an intention to expend, or expends, personal funds in an amount equal to or greater than $500,000 but not more than $749,999, the limits under paragraphs (1)(A) and (2)(A) of subsection (a) shall be 3 times the applicable limit.

''(ii) In the case of an election in which a candidate declares an intention to expend, or expends, personal funds in an amount equal to or greater than $750,000 but not more than $999,999—

''(I) the limits under paragraphs (1)(A) and (2)(A) of subsection (a) shall be 5 times the applicable limits; and

''(II) the limits under subsection (h) shall not apply.

''(iii) In the case of an election in which a candidate declares an intention to expend, or expends, personal funds in an amount equal to or greater than $1,000,000—

''(I) the limit under subsection (a)(1)(A) shall be 5 times the applicable amount;

''(II) the limits under subsection (a)(2)(A) with respect to a contribution from a State or national committee of a political party, (d), and (h) shall not apply.

''(3) ELIGIBLE CANDIDATE.—In this paragraph, an eligible candidate is a candidate who is not required to file a declaration under paragraph (1) or amended declaration under paragraph (5).

''(4) INAPPLICABILITY OF INCREASED LIMITS.—If the increased limitations under paragraph (2) are in effect for a convention or a primary election, as a result of an individual candidate, and such individual candidate is not a candidate in any subsequent election in such campaign, including the general election, the provisions of paragraph (2) shall no longer apply to eligible candidates in such subsequent elections.

''(5) AMENDED DECLARATION.—

''(A) IN GENERAL.—Any candidate who—

''(i) declares under paragraph (1) that the candidate does not intend to expend personal funds in an aggregate amount in excess of the limit described in paragraph (1)(A); and

''(ii) subsequently does expend personal funds in excess of such limit or intends to expend personal funds in excess of such limits, such candidate shall notify and file an amended declaration with the Commission and shall notify all other candidates for such office within 24 hours after changing such declaration or exceeding such limits, whichever first occurs, by sending such notice by certified mail, return receipt requested.

''(B) ADDITIONAL NOTIFICATION.—After the candidate files a declaration under paragraph (1)(A) or an amended declaration under subparagraph (A), the candidate shall file an additional notification with the Commission and all other candidates for such office each time expenditures from personal funds are made in an aggregate amount in excess of—

''(i) $750,000; and

''(ii) $1,000,000.

''(6) ENFORCEMENT.—The Commission shall take such action as it deems necessary under the enforcement provisions of this Act to assure compliance with the provisions of this subsection.''.

SEC. 306. USE OF CONTRIBUTIONS TO REPAY PERSONAL LOANS.

(a) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 305, is amended by adding at the end the following:

''(j) LIMITATION ON REPAYMENT OF PERSONAL LOANS.—Any candidate who incurs personal loans in connection with the candidate's campaign for election shall not repay (directly or indirectly), to the extent such loans exceed $250,000, such loans from any contributions made to such candidate or any authorized committee of such candidate after the date of such election.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to loans made or incurred after the date of enactment of this Act.

Mr. DOMENICI. Madam President, I ask for the yeas and nays on the Domenici amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays are ordered.

Mr. DOMENICI. Madam President, for those interested in campaign reform, obviously this is a rare opportunity for the United States to see a full debate on this issue. If you will forgive me, those who are involved in the underlying debate, I choose to depart from the subject matter that has been debated for the last 2 hours and concentrate on just one new phenomenon that is occurring in elections in the United States that I think has to be righted, and that has to do with the growing number of men and women who run for the Senate and pay for their own campaigns with large amounts of money.

We have been talking about large amounts of money coming from all different sources. Some think that is changing the election campaigns for the better; some think it is changing them for the worse. But I think one thing we ought to seriously worry about and wonder about is a man or woman who chooses to run for the Senate and says: I want to use my constitutional rights to spend $5 million, $10 million, $20 million, $30 million, $40 million, $50 million of my own money—his or her own money—to get elected.

That is OK, says the Supreme Court. Far be it for the Senator from New Mexico to think I know how to change that. I do not. I am not sure, if I knew how, that I would want to. But what I do know is, whoever chooses to do that has a huge, unfair opportunity over their opponent.

Why do I say that? Because, you understand, and everybody listening should understand, that when you run for the Senate, you cannot go collect $10,000 and $20,000, and $40,000 contributions.

Let's start off looking at a candidate who is going to spend $10 million or $20 million or $30 million of his or her own money, and then look at their opponent. Under current election laws, that opponent can raise money from individuals—rich, or moderately rich, or ordinary citizens who are not very rich—but they are limited to $1,000 per election.

The occupant of the chair just went through an election. She knows what I am talking about—$1,000 per contributor in the primary and the general election. Think of that for a moment. That used to be the primary way to raise money for a Senate candidate to run his or her own campaign. Just think of what a Senator has to do, to raise $5 million that way.

Also, there is no way you can do it with $1,000 or $2,000 contributions. You would have to have a breakfast, a lunch, and a dinner every day with $1,000 contributors, with 10, or 15, or 20 at each event, and do it for about 1 year to be able to raise $5 million.

Is it fair, even though it is constitutionally authorized, for a wealthy American to put up whatever amount they want? We have seen it in large scale go from over $45 million down to $5 million, or $6 million, or $7 million, and we have seen a very large number of successes from those who do that.

I regret to say I am not sure I would do that for a Senate seat if I had a lot

of resources. I have been here a long time. I am not sure it is worth $20 million, in any event. Maybe when I first started, I would have been very excited about it. I still love it, but I just wonder if I would put up $20 million, or $30 million, or $40 million to beat my opponent who couldn't come close to raising the money.

Let's get down to what I am trying to do. What I am trying to do is leave that alone. I can't change that. What I can say is that somebody who intends to do that has to publicly disclose it at various intervals in the campaign. Then we start to raise the caps for the nonmillionaire candidate so that they have more latitude to raise money to compete with the person who is going to contribute millions of their own money.

Essentially, in that context, it is an equalizer amendment; it is a fair play amendment; it is a ''let's be considerate of a candidate who isn't rich'' amendment—whatever you choose to call it.

I want to describe what I choose to do in this amendment.

First of all, the person who intends to spend large amounts of their own money—I want to say it again: Senator DOMENICI from New Mexico is not trying to stop that. I am fully aware that I couldn't even if I wanted to. I do not know if I would if I could. But the U.S. Supreme Court said that is a freedom of speech issue with the person who can either borrow large amounts of money or who wants to spend large amounts of money.

What I say is they must declare the intent to spend more than a half million dollars within 15 days of being required to file a declaration of candidacy.

Over $500,000—let's do that one first. Fifteen days, if you are going to spend $500,000—over $500,000—opponents, individuals and PACs are increased threefold. If it is $500,000 of your own money, then that $1,000 contribution turns to $3,000 for the opponent. The PACs go from 5 to 15.

If you go beyond the $500,000, and you are going to spend $750,000, then everything is increased by five times. Those are the caps that currently operate. Instead of $1,000, it will be $5,000 per election, and the same on the PACs.

If you are going to do $1 million, then direct party contribution limits or party coordinated expenditures limits are eliminated, as well as you eliminate the cap on individual contributions, and the cap stays at five times. It stays at five times at the highest category, but then the party contributions and party coordinated expenditures which have caps on them are eliminated.

It has one other feature. I don't really mean it for anybody in the past; I just want it to apply in the future. But you see, there is another practice that has come into play that I don't think is fair. That is, you use your own money or you lend yourself money. Then, after you are elected, you go have a lot of fundraisers as an elected Senator, and you pay yourself back. Frankly, I don't think you ought to do that. If you are going to spend $5 million and go out there and robustly tell everybody you are spending $5 million of your own money, or $10 million of your own money—I guess we have had somebody spend $40 million of their own money—you shouldn't get elected and go out and have fundraisers to collect the money back once you have won the seat, which you essentially won by putting in such a huge amount of your own money.

This limits candidates who incur personal loans in connection with their campaign in excess of $250,000. They can do $250,000 and then reimburse themselves with fundraisers. But anything more than that, they cannot repay it by going out and having fundraisers once they are elected with their own money.

I don't think the details are very important to this amount. I think if Senators see what I see, they are going to want to adopt this amendment. This whole debate is about what people perceive as too much money being put into campaigns at one level or another.

I am not sure I know what that is in terms of party participation. I am listening to the debate. I am complimenting Senator MCCAIN and others who are working on the bill and those who are coming up with other amendments. But I think the amendment I have also addresses a growing issue that should be of great concern, whether it is a Republican, a Democrat, or a third-party candidate.

If you are going to run for the Senate, and if you are going to put huge amount of your own money into the campaign, it is patently unfair that your opponent would be limited to fundraising levels that are 26 years old without a change, which is $1,000 per primary and $1,000 per general from your friends who want to help you.

Just think for a moment. If you are so fortunate to have somebody run against you with $20 million of their own money, just think of what is ahead of you—to go out and raise the money you need to run a fair campaign against $20 million and raise it $1,000 at a time per election and a $5,000 limitation on PACs. It is patently wrong and unfair.

If it is constitutional to fix it—and I believe this may be constitutional because, as a matter of fact, we are denying no rights to the wealthy if they want to put in their money. But to the person who runs against them, we say we want to give you a chance to stay in the playing field by raising limits on how you can raise money and from whom.

I note my friend from Kentucky wanting to be recognized.

Mr. MCCONNELL. Mr. President, will the Senator yield for a question?

Mr. DOMENICI. I am pleased to yield.

Mr. MCCONNELL. The Senator has raised an extraordinarily important issue with regard to the dilemma that a modestly well-off candidate faces when running against someone of extraordinary wealth. I think he has come up with an amendment to bring some justice to that situation.

I am also curious if the Senator has thought about another value: That there will be one or more amendments dealing with that 26-year-old hard money contribution limit of $2,700.

Imagine the unknown candidate running in a State such as California against somebody who is either well known or well off. The Senator suggested it would be difficult to compete against such a person in New Mexico or Kentucky. I ask my friend whether he thinks there would be any chance in the world of a candidate running against a millionaire in a big State such as California.

Mr. DOMENICI. Frankly, it seems to me we have seen some evidence of that, for there was a race out there—I am not using names of who did this but there was a very huge amount of money spent by a candidate. The candidate didn't happen to win. But essentially the opposition had a terrible time raising money to compete. It just turned out that there was something else happening in that election.

Given the money that people in California have who made these large fortunes, if one of them chooses to go in and put up really a big portion of their own money, an opponent at $1,000 per individual and per election and $5,000 in PAC money—essentially the major ways of raising money—I don't see how they can compete.

Mr. MCCONNELL. Would the Senator from New Mexico agree, then, that failure to index the so-called hard money contribution limit back in the mid 1970s has completely distorted the process across the board?

Mr. DOMENICI. No question about it.

Mr. MCCONNELL. And it is one of the single biggest problems we should try to remedy during this debate?

Mr. DOMENICI. There is no doubt in my mind that we ought to try to fix that. I, as one Senator, saw this issue that I am addressing arising in 1987. So I introduced a bill that we called the wealthy candidate bill. Frankly, we did not have a debate that looked like it was going to bring reform. So I just kept introducing it every 2 years. One time, Senator Dole offered something very much similar. But the underlying bill never did proceed beyond the debate stage.

I want everybody to understand. I want to repeat, just in very simple terms, that I do not know whether a very wealthy candidate will be a great Senator, a good Senator, or not so good Senator. I do not know that. I am not trying to say because you have $10 million or $40 million to spend on your campaign, you should not run and use your own money—not at all. Nor am I suggesting that if you spend a huge

amount—$40 million—and win that you were the better or the lesser candidate.

I am merely saying, we established rules limiting what the opponent can spend. These are statutory rules that are 26 years old, coming out of Watergate, that say what the opponent to that wealthy candidate can spend. It is in that regard that I speak. If, in fact, the wealthy candidate wants to disclose, as prescribed in this statute, that he is going to spend this money—and, of course, there are statute law penalties if they do not comply with the law—if they do that, then it would seem to me you ought to amend the 26-year-old limitations, which are under attack here as being too low anyway. There are a number of amendments in the bill saying that number is too low.

Now, believe it or not, as of right now, those low numbers apply even to an opponent of somebody who will declare under this statute that they are going to spend $1 million of their own money as prescribed in this law.

So with that, I do not know if we have any formal opposition on the floor. If we do, I certainly would be willing to exchange views with them. But from my standpoint, I think we ought to adopt this amendment before the day is out and have done one piece of laudable work on the first day.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Ms. COLLINS). Who yields time?

Mr. WELLSTONE. I need 5 minutes.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Madam President, I yield such time as the Senator from Minnesota needs.

Mr. WELLSTONE. I need no more than 10 minutes.

Mr. FEINGOLD. I yield 10 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Actually, I would love to make a more general presentation about money and politics, but, I say to my good friend from New Mexico, I want to just start out with a few rather jarring statistics.

Do you know how many U.S. citizens contribute more than $200 to a race today? Four out of every 10,000. That is .037 percent. Do you know how many Americans give contributions of $1,000 or more? It is .011 percent. So it seems to me that what we have is a system where people think if you pay, you play; if you don't pay, you don't play.

My colleague comes on the floor with an amendment that says the way to deal with the problem of people being millionaires—by the way, I don't take this amendment personally; it will not damage me at all—but my colleague comes out here with a proposal that says the way to deal with the problem of millionaires financing their own candidates is to basically take the limits off of contributions, so that we now have a contest between millionaires and people who can run by getting support from millionaires or from large financial interests, be it individual contributions to them or contributions to the party.

This is meant to be a proposal where the word for the people in the country is that the Senate, in the first amendment that we are going to consider, has taken a giant step forward in reform by putting more money into politics. I do not think that is what people want to hear. And they are right.

With all due respect, I think what my colleague from New Mexico has done is make an argument for public financing. That is what this is about. If you want to deal with the problem of millionaires or people who have a lot of money using their own money to win elections or, as you see it, to help contribute to their winning, the way to solve the problem is not by taking the limits off of hard money contributions.

By the way, there is going to be more and more of that done. Again, less than 1 percent of the population contributes $200 or more; and even less of the ''less than 1 percent'' contribute $1,000 because people do not have that money. People do not go to $500,000 barbecues and all the rest. They have their own barbecues with their neighbors. People make $100 contributions to charities. They do not make these kinds of contributions.

What this amendment has done is simply added to the problem by saying now what we are going to have, through this amendment, is yet even more money put into politics by the very top of the population, be it wealthy people of financial interests on whom all of us are going to be more dependent. So now what we are going to have—and this is supposed to be the first amendment for reform: The people who have their own resources, millionaires, versus people who have access to millionaires and large financial interests. That is not the only choice.

If we are serious about this, I will tell you how you can get around it. There are some great Senators who are independently wealthy. We all agree that is not the point we are making. And maybe there are some others who are not so great. That isn't the point. The point is, if you want to deal with this problem, then you have a clean money, clean election proposal; you have public financing. People agree on that. And then the public owns the elections.

If someone says they do not want to be bound by spending limits, they do not want to take part in clean money, clean elections, then you know the way it works. The Presiding Officer knows. She is from Maine. Then there is additional money that can go to candidates to make up for the advantage that those who are spending their own resources have to make it a level playing field. But the race still belongs to the public. It still belongs to the people. And then the people who get elected belong to the people. And then the Capitol belongs to the people. And then the Government belongs to the people. And then people have more confidence in the political process. And people think they can be more involved. And little people, who do not have all the money, feel more important. And they are more important.

This amendment is not a great step forward. This is one big, huge, gigantic leap backward.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. MCCONNELL. Madam President, I yield 10 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 10 minutes.

Mr. REID. Madam President, if the Senator will yield for a brief statement?

Mr. BENNETT. Sure.

Mr. REID. On our side, whatever time remains on behalf of Senator DASCHLE, I give that allotment of time to Senator FEINGOLD. He can allot the time on this amendment.

The PRESIDING OFFICER. The Senator from Utah is recognized for 10 minutes.

Mr. BENNETT. Thank you, Madam President.

I appreciate the opportunity to comment on this amendment. I believe I have some personal experience which I will share with the Senate. It has to do not with a general election but with a primary.

That is an issue that sometimes we forget because there are many States where the primary is the ultimate election—States that are overwhelmingly Democratic, such as the State of Massachusetts, and States that are overwhelmingly Republican, quite frankly, such as the State of Utah.

The real contest in 1992, when I ran for the Senate, was the primary, which I won by about 10,000 votes, compared to the general election, which I won by 180,000 votes. Percentage-wise, I won the primary 51.5 to 48.5. I always add the half to make it sound as if it was a better victory than just 51–49. I won the general election by a 16-point gap.

So the primary was the big issue. I had to spend my own money in that primary race. I remember a conversation with the then-chairman of the Senatorial campaign committee, Mr. GRAMM of Texas, who warned me with the following story about the perils of spending your own money. He talked about the two fellows in Texas—I don't remember their names so I will call them Joe and Bill—who both put their own money into the race. At the end, on election night, when Joe had won, Bill said to him: Joe, if I had known you were going to spend $4 million of your own money, I would never have gotten in the race, to which Joe said: Bill, if I had known I was going to spend $4 million of my own money, I would never have gotten into the race.

You get caught up in these things and the money starts coming. And if

you have it, you just keep saying, well, another $100,000, another flight of ads, another mailing, and that will put us over the top. Then you look back and say: I shouldn't have done it. I spent too much money.

In our primary race, my opponent, a man of considerable means, spent, we now know, after all of the tallying up has been done, $6.2 million in the State of Utah in the primary. I know there are some States where $6.2 million does not seem to be a lot. That happened to be more than was spent that same year in the Republican primary in California in total, of all of the candidates. It worked out, in terms of the number of votes—I know the Senator from Kentucky likes to talk about the cost per vote—to about $40 a vote that he spent: 150,000 votes, roughly, $6 million, about $40 a vote. He actually spent 6.2 but he fundraised $200,000. The other $6 million was out of his own pocket.

In order to win that primary, I spent around $2 million. I wasn't as successful as my opponent. I couldn't raise $200,000 because everybody was sure my opponent was going to win. The only amount of money I got was from members of my family, a few very close friends who felt sorry for me, and a couple of others who came across because they decided they believed in me. I spent about $2 million or one-third the amount my opponent spent.

The point of this, with respect to the amendment of the Senator from New Mexico, comes from a conversation I had with the candidate for Governor, as we were talking about that primary race and the way it was beginning to turn. As it started out, as you might imagine, with my opponent spending $6 million of his own money, it was assumed he was going to win. Everybody thought I was wasting my time; everybody thought I was crazy. Then it began to turn. It began to shift. You could feel it.

Those of us who have been in campaigns know how that goes. You are out on the hustings. You just get a feel for the way people are beginning to think. This other candidate who was out on the hustings, too, running for governor, said: It is beginning to shift. It is beginning to turn. It is beginning to come your way, and it looks as if you are going to make a race out of it. Indeed, you might even win. Then he made the key point that is appropriate to the amendment of the Senator from New Mexico. He said: Of course, you are the only candidate who could have done this. You are the only candidate who could have caused this coronation not to happen.

I don't think he was talking about my political skills, although I have a big enough ego to assume that I have some. He was talking about the fact that I could fund my campaign in a style to compete against this self-funded candidate who was funding his campaign.

Assume that I went into that race without having $2 million of my own money. Assume I went into that race having to raise the money $1,000 at a time. Assume I went into that race having to go around and plead with people to help me. It is very clear I would not have raised $100,000. It is very clear I would not have been able to buy a single television ad. All of the money I could have raised would have been eaten up in fundraising costs. The only way I was able to compete against a self-funded candidate and, indeed, win was the fact that I had my own funds so that there was no cap on my spending.

I found that spending $6.2 million in Utah in a primary can become a self-defeating kind of activity. He ran out of places to spend it. He was buying ads on the Saturday morning cartoons because there weren't any other places to buy ads. That caused him, frankly, some problems, as people laughed a little bit at that.

The fundamental point that the Senator from New Mexico has made is that if I were limited to the standard kind of fundraising activity, I would not have been able to compete with that candidate, as he exercised his constitutional right to spend his own money. I would have been denied the right to express myself unless, as it turned out, I had significant personal funds of my own.

I offer a real-life example of how important it is, when you are dealing with a candidate with virtually unlimited funds, for the opposition to have something other than the traditional $1,000-per-head contribution. I repeat: If I had lived under the circumstance with only $1,000 per head, there is no way I could have competed in that primary, and I would not be in the Senate today. There may be many who would applaud that possibility that I not be here.

I think the Senator from New Mexico has come up with the right solution. If you are going to deal with somebody who has unlimited funds out of his own personal pocket, you have to release his opponent from the restrictions of the present circumstance. That is what the amendment of the Senator from New Mexico would do. That is why I intend to support it. I have lived through that experience. I know how difficult it is for the underdog to raise money under the present system when the outcome is assumed to be predetermined and how much a difference can be made if the underdog is released from those requirements and given an opportunity to express himself.

I had an opponent who outspent me three to one, but because I had sufficient money to get my message out, I was able to defeat him. I think we ought to give that same opportunity to every other opponent who has a message, faced with that kind of challenge on the other side.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Madam President, I yield the Senator from Tennessee 12 minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 12 minutes.

Mr. THOMPSON. Madam President, I regret I didn't get to the floor in time to discuss this a bit with the sponsor of the amendment, Senator DOMENICI. He is, as we all know, one of the more thoughtful Members of this body. Anything he offers I take very seriously. He is clearly addressing an issue we have talked about a lot and which concerns a lot of us, concerning a campaign where one individual can put in a tremendous amount of his own personal money and the other candidate does not have that kind of wealth and is bound by the hard money limits we have.

As I understand the amendment, the well-off candidate would still be bound by the hard money limits. If that is the case, my concern is whether or not we are not getting into a constitutional difficulty. The Supreme Court has said, of course, that an individual, if they have a great deal of money, can put as much of that money as they want into their own campaign. It is a matter of free speech. If that is the case, then I wonder whether or not it would be looked upon as disadvantaging that wealthy candidate if we gave some rights to the other candidate that we did not give him.

In other words, if his hard money limits were still restrained, and the hard money limits of the opponent were lifted, that would not be equal treatment under the law, it seems to me. Clearly, the wealthy candidate would still probably wind up with more money; he would have his own. But I don't think that is the issue. If, in fact, the wealthy candidate has a right under the first amendment to do that, that kind of wipes the slate clean. Constitutionally, you can't consider that, it doesn't seem to me. We have to ask ourselves whether or not raising the hard money limits for one candidate and not the other is valid under the 14th amendment equal protection law.

I would also wonder whether or not, from the standpoint of a contributor, if I wanted to contribute to a wealthy candidate under those circumstances, under this amendment, if passed, I would be limited to, let's say $1,000. If I wanted to contribute to his opponent, the limits would go up incrementally, as I understand it, to say $5,000, or whatever. What about my rights as a donor? Should I be restrained from contributing more to one candidate than another because he has exercised his constitutional rights? I certainly have not had an opportunity to study this, and I am not suggesting that I have the answer to my own question. But I do wonder—and I see Senator DOMENICI is on the floor—I say to my friend, if we are keeping the hard money limits on the wealthy candidate, whether or not we have an equal protection problem.

I would think the answer to that problem and a way to avoid the constitutional dilemma would be to raise

the hard money limits for all candidates. The wealthy candidates certainly would still have the advantage, but in terms of the hard money limits they would be equalized.

I think Senator DOMENICI is absolutely correct when he talks about the limits that we placed on candidates in 1974 being very outdated—a $1,000 contribution today is worth about $3,300, with inflation. We have hamstrung our candidates and forced more and more money being spent in outside ads and, in my opinion, become more and more reliant upon soft money. It looks to me as though we could go a long way toward solving the disadvantage, which the Senator from New Mexico has rightfully pointed out, that a candidate without the wealth has by lifting the hard money limits on that candidate. It would not have as much significance if you lifted them on the wealthy candidate, perhaps. But you would have the equality and thereby possibly avoid an equal protection problem that we might have under the amendment.

Mr. DOMENICI. Will the Senator permit me to answer?

Mr. THOMPSON. I am happy to.

Mr. DOMENICI. I know my friend, Senator WELLSTONE, was on the floor, and I didn't get to hear his entire statement. But if you were informed by either his speech or something else you read that I take the limits off, I do not. As a matter of fact, based on a schedule of how much the wealthy candidate is going to spend, we raise the caps for the nonwealthy candidates to 2 times, 3 times, and the highest they get is 5 times, or the most you could raise is $5,000 in individual contributions, and 5 times 5, or $25,000, in PACs.

Frankly, I don't think there is an equal protection problem either because the Senator from New Mexico is not saying in any respect that the wealthy candidate is limited in terms of how much they can spend. They exercise their privilege and their right, which the courts have said they have. I tried to see if there was a way to limit something because we have seen as much as $40 million or more spent in a campaign. Since everybody is worried about excessive money in campaigns, I feel very sorry for a candidate who has to raise from his or her friends $1,000, and we raise it to 2 and then 5—$5,000—while a candidate exercising his rights can spend 5, 10, 20, and still have exactly the same rights in terms of the caps, unless we raise them. If we don't raise them for the nonwealthy candidate, they are going to be stuck at $1,000 and $2,000 per election, while the wealthy candidate can contribute as much as he wants. Where would there be an equal protection clause?

Mr. THOMPSON. Essentially, as a former lawyer—I am not pretending to be a constitutional specialist here. I haven't had a chance to certainly research this. By the time we finish this discussion, perhaps others will have had time to weigh in on it.

I understood the Senator's amendment, I think, correctly. My concern is that even though we do nothing here to diminish the constitutional rights of the wealthy candidate, but keeping the hard money limits on him while raising the hard money limits for his challenger, we are not dealing equally with regard to the hard money limits. Obviously, the dollars are different. The dollars will undoubtedly be outweighed in favor of the wealthy candidate. But in terms of equal treatment, that concerns me.

As I said, it also concerns me from the standpoint of the donor. Does a donor have a right to give as much to one candidate as another? Should they have a right to give as much to the wealthy candidate as they give to the other? Is there an equal protection concern there? That, I must say, concerns me.

I think we would be better served—and I plan to offer, if no one else does, an amendment that would raise the hard dollar limits for everybody. I think the answer to a candidate's problem—any candidate's problem—especially a challenger, is to get to that threshold. Not that he is going to be outspent necessarily because most of the time a challenger is going to be outspent, but to raise the limits so that a challenger can get to the threshold of credibility as a candidate.

Someone mentioned the State of California. There are other big States where nowadays a $1,000 individual limit on a candidate makes it so it is virtually hard not only to run but to recruit a candidate to even try to run under those circumstances.

What we need to do, I think, is to raise the limits for all candidates from $1,000 to $3,000 on the individual limit side. It still would not be keeping up with inflation. My concern has never been the concern the Senator from Minnesota has expressed, when he said what is bad is that we are putting more money in the system—I don't think it is for me to say how much money belongs in the system or how much should be spent in a general sense. What concerns me is large amounts of money going to individual candidates or on behalf of individual candidates.

We should not be nickel and diming these individual contributions—the difference between $1,000 and $3,000—when our real concern ought to be the hundreds of thousands that are coming in in soft money. So I make the suggestion as one who thinks we ought to get rid of soft money. If we would raise the hard money limits so that we would not unnaturally constrain the ability of a candidate to reach the threshold of credibility to run a decent race, he would not need the soft money.

He would not need the benefit of the independent expenditures where all the money seems to be going nowadays. I am certainly in sympathy with the desired results of the Senator from New Mexico. He is pointing out a problem that many of us have faced from time to time. I simply wonder out loud whether or not there might be a better way of addressing this.

Mr. MCCAIN. Who yields time?

Mr. DOMENICI. Will the Senator from Utah yield me time?

The PRESIDING OFFICER. The Senator from New Mexico controls the time.

Mr. DOMENICI. I have time on my own amendment.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Does the Senator want to speak? I want to say a few words to my friend.

Madam President, I believe we can cite some cases which indicate that the concern of the Senator of Tennessee about one candidate having different limitations under public financing, that they have been done differently and they have not been held unconstitutional. I ask the Senator to think one more time with me.

If you look at the effect on individual campaigns for the Senate, and if the Senator from Tennessee is disconcerted about the existing laws, then I ask him whether he would not be a bit disconcerted about the growing number of candidates who spend huge amounts of their own money and the opposition is limited to the meager rationing—that is 26 years old—of $1,000 per person per election and $5,000 for a political action committee.

If that is not something that concerns us in terms of large amounts of money being put into the system and, more specifically, that has a very good chance of electing a Senator—the other things we are not quite sure of—we are worried about some of the abuses of which Senator MCCAIN is speaking having an impact on the public trust and those kinds of generic things.

I am getting concerned that this Senate, which I dearly love—a while ago, I wondered out loud whether it was worth $20 million which somebody wants to pay for a seat, but I did that jokingly.

It seems to me one could conclude that there will be 25 Senators in this place who will have spent their own money to be elected in the next decade, in 15 years, and you would have rendered the opposition to those candidates. They do not have a chance. Maybe I do not have the big-State figures, but they would not have a chance in the State of Tennessee or my State. If somebody comes up with $15 million, you cannot raise the money.

I hope the Senator will look at it. This is at least one way to say we do not like that.

Mr. THOMPSON. Madam President, I say to my friend, if I can interrupt.

Mr. DOMENICI. Sure.

Mr. THOMPSON. Not only do I share the Senator's concern, I will go the Senator one better. I say not only raise the hard money limits for the nonwealthy candidate, but go ahead and raise it for the wealthy candidate, too. He may not use it. That might make it easier constitutionally.

I am in total agreement and sympathy with what the Senator from New

Mexico is saying. I am trying to figure out a way that will get us there that will stand the scrutiny.

Mr. DOMENICI. I thank Senator THOMPSON very much.

Mr. FEINGOLD. I yield the Senator from Arizona 2 minutes.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Madam President, Senator SNOWE, who has been a vital part of this effort with respect to probably the most controversial section of our legislation, is waiting to speak. I will be brief.

I appreciate very much what the Senator from New Mexico is trying to do. All of us are aggravated and sometimes astounded when we hear of $70 million being spent in a Senate race.

The way I read it from the handout it says:

> If the candidate exceeds $1 million in personal expenditures, the direct party contribution limits and party coordinated expenditure limits are eliminated.

It does not say capped; it says ''eliminated.'' If that is incorrect, I suggest the Senator from New Mexico fix that. If that is true, then a millionaire can spend $1 million and immediately the other person can raise $50 million in coordinated and direct party expenditures.

Finally, in all due respect for the Senator from New Mexico, this is a meat-ax approach to a problem that requires a scalpel. The State of Wyoming in the year 2000 had a voting-age population of 358,000. The State of California had a voting-age population of 24,873,000.

Madam President, $1 million in Wyoming, in all due respect to my friends from Wyoming, probably buys every television station in Wyoming; $1 million in California is a drop in the ocean. This does not get at really the different aspects of a small State or a big State. If I had $1 million, I could buy a lot of TV in New Mexico. I cannot buy very much in California.

In all due respect to a very good-intentioned and well- intentioned amendment in an area we need to address, including free television time for candidates, including raising hard money as a part of a total ban on soft money and other ways we can attack this, I think this may be the wrong way to do it. My time has expired.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Madam President, I agree with the Senator from Arizona. This amendment is obviously very well intentioned. It tries to get at a problem in the original McCain-Feingold bill. We tried to address the issue of wealthy candidates being able to spend unlimited amounts while the others are constrained.

The problem is, the Senator from New Mexico does have aspects of this that involve unlimited contributions in response. That is not the same as some of the other techniques we have talked about in the past.

For example, when I first ran for the Wisconsin State Senate, under our State's public financing, if somebody spent too much money either from somebody else or their own, the State would provide some form of public financing benefit for someone who would limit their overall spending.

What Senator MCCAIN and I tried to do in our original bill was say, for example, if a wealthy person agreed not to spend too much of their own money but somebody else did, the people who constrained themselves would get the benefit of free television time or reduced cost for their television time.

Those are very different ways to encourage this kind of activity and this kind of restraint than actually having unlimited contributions in response.

I agree with the Senator from Arizona that this is not the way to go, as well intentioned as it is.

I yield 30 minutes of our time to the distinguished Senator from Maine, Ms. SNOWE.

The PRESIDING OFFICER. The Senator from Maine is recognized for 30 minutes.

Ms. SNOWE. I thank the Chair. I thank Senator FEINGOLD for yielding me this time.

I rise today in support of the McCain-Feingold legislation to reform our system of campaign financing in America.

First, I applaud the sponsors of this legislation, Senators MCCAIN and FEINGOLD, for their courage and their remarkable commitment to the cause of campaign finance reform. Their determination on this issue has been nothing short of extraordinary, if not legendary, and it can truly be said that we would not be here today debating this issue if it were not for their leadership. Both have gone to the mat time and time again for this cause, and I commend them for bringing us to this day.

We have certainly tried to start down the road to reform on a number of occasions during my 6-year tenure in the Senate. Unfortunately, those roads proved to be procedural dead-ends.

I thank the leadership for scheduling this time and for committing to an open process by which we can have real debate and, at the end, I hope real reform.

This could truly be our moment. This could be a tremendous time that people will point to in the future when we turned the corner on this issue and made substantive changes that will make a real and positive difference in the way campaigns in this country are funded.

When one stops and thinks about it, it is remarkable that the last time there were major changes to Federal election law were amendments passed to the existing laws in 1979. In 1979, disco was in the nightclubs, President Carter was in the White House, and some of the staff we have working in our offices were not even born yet. It has been a long time in coming.

There is little question that there is a strong sense that campaigns in this country have spiraled out of control. There is a strong sense that elections are no longer in the hands of individual Americans. As the old saying goes, perception becomes nine-tenths of reality, and the reality is we have a system in need of overhaul.

Soft money totals doubled since the 1998 elections, with a total of over $1 billion in soft money for the 2000 elections. In fact, in 1980, when soft money really came into being, Republicans and Democrats combined raised an estimated $19 million, according to Colby College political science professor Anthony Corrado. Two decades later, that total had ballooned to more than $487 million. This is money that is skirting around the edges of Federal campaign finance law, and I support the soft money ban contained in the McCain-Feingold legislation.

The fact is, this is money that was never intended to help Federal candidates for office. It was intended to help build the strength of parties, which is a goal I support. But what we have seen is a veritable flood of money being given without limits that is very much influencing our Federal elections. What the public sees is a system by which access and influence is gained through the size of a check, not the weight of an argument.

At the same time we address the soft money issue, I also think it is critical that we address the ever burgeoning segment of electioneering popularly known as sham issue advertising. We do so in a way carefully constructed as to pass constitutional muster. I am speaking of advertisements influencing the Federal elections in this country but get off scot-free when it comes to any degree of disclosure or any degree of prohibitions normally associated with campaigning.

Let there be no mistake. The record I intend to outline will show these advertisements constitute campaigning every bit as much as any advertisements run by candidates themselves or any ad currently considered to be express advocacy and therefore subject to Federal election laws.

I thank my colleague from Vermont, Senator JEFFORDS, for his tireless work. It has been a privilege to work with him and champion the cause. I express my appreciation to the sponsors of this bill for including this provision in the McCain-Feingold ban of soft money. This is a critical component and critical element of the overall problems we are confronting in modern-day elections.

I have spoken of the exploding phenomenon of the so-called issue advertising in elections. That phenomenon continues unchecked and will continue unchecked if we turn a blind eye to reality. I am talking about broadcast advertisements that are influencing our Federal election, in the overwhelming number of instances designed to influence our Federal elections, and yet no

disclosure is required and there are none of the funding source prohibitions that for decades have been placed on other forms of campaigning. These are broadcast ads on television and on radio that masquerade as informational or educational but are really stealth advocacy ads for or against candidates.

They must be doing a very good job because there are more and more of them all the time. That is the trend. According to a 2001 report from the Annenberg Public Policy Center, which has been studying this trend almost since its inception—particularly since the 1996 election cycle which is where we saw a dramatic change and transformation toward this trend in elections—in the past three cycles we have seen the spending on these issue ads go from $150 million in 1996 to $340 million in 1998 to $500 million in the year 2000 election. In a very short period of time the spending for these issue ads that go below the radar—in other words, they don't require the kind of disclosure, the kind of restrictions that other forms of expenditures on advertisements require—has gone from $135 million in 1996 upwards of $500 million, half a billion in the election of the year 2000. In a very short period of time we have seen a dramatic growth in the expenditures on these types of ads.

As detailed by a 2001 report entitled ''Dictum Without Data: The Myth of Issue Advocacy and Party Building,'' written by David Magleby at the Center for the Study of Elections and Democracy at Brigham Young University:

> The broadcast advertising, used by labor and then copied by business organizations in 1996, unleashed a new dimension of electioneering . . . Permitting electioneering through issue advocacy to continue is an open invitation to individuals and groups to avoid disclosure requirements and contribution limits.

That is the essence of what we are talking about. We are talking about disclosure. We are talking about sunlight, not censorship. We are talking about the public's right to know. We are talking about citizens making informed decisions about the quality and sources of the information they receive from messages that are influencing their votes.

How does the Snowe-Jeffords provision address this issue? It is simple and straightforward. First, we require disclosures on groups and individuals running broadcast ads within 30 days of a primary, 60 days before a general election that mention the name of a Federal candidate or show a likeness of a Federal candidate. The disclosure threshold is $1,000 for each individual donor for that organization that sponsors such an ad that runs in that window, 60 days before a general election, that mentions a Federal candidate.

That $1,000 trigger is five times the contribution amount that candidates are required to disclose. We create a higher threshold, a $1,000 donation to any organization that engages in this kind of advertising 60 days before a general election and 30 days before primary.

Second, it prohibits the use of union, of corporation treasury money, to pay for these ads, in keeping with longstanding provisions of law. As the next chart shows, corporations have been banned from directly participating in Federal elections since 1907. That is not a dramatic change in law. It has been that way for virtually a century. The same is true when it comes to labor unions' direct participation in making political contributions to elections. They have been prohibited since 1947. Both of these prohibitions have been in law for a very long period of time.

The law said in 1947, when it came to the Taft-Hartley Act, when it came to unions, it is unlawful for any national bank or any corporation organized by the authority of any law of Congress to make contributions or expenditures in connection with any election to political office.

That is what it comes down to. It is clear; it is common sense; it is constitutional; it is not speech rationing but informational, information that the public has the right to know.

Indeed, there is nothing in this provision that bans any form of speech. We are saying if an organization or an individual spends more than $10,000 per year on broadcast ads, you cannot use union or corporation money. That is the only ban on anything in this amendment. If you do decide to engage in that kind of advertising, you have to disclose who is bank rolling the ads if you donate more than $1,000. You have to disclose the identity of the organization and the donor.

We are not requiring every group to disclose entire membership lists, only the major sponsorships of these advertisers because it tells us something about the message being sent. We developed this approach in consultation with noted congressional scholars and reformers such as Norm Ornstein of the American Enterprise Institute; Joshua Rosenkrantz, director of the Brennan Center for Justice at NYU; and Daniel Ortiz, John Allan Love Professor of Law at the University of Virginia School of Law.

This provision is narrowly and carefully crafted and based on the precept that the Supreme Court has made clear that for constitutional purposes, campaigning—make no mistake about what these ads do; these are campaign ads; they are not issue advocacy ads—is different from other speech. It is built upon the bedrock of legal and constitutional principles extending current regulations cautiously and only in the areas in which the first amendment is at its lowest threshold.

We will hear a lot of statements throughout the next 2 weeks about the Supreme Court's landmark decision in Buckley vs. Valeo, arguing if an ad is not what is known as express advocacy, if it does not include the so-called magic words such as ''vote for candidate X'' or ''vote against candidate X'' then we cannot impose disclosure requirements and we cannot place source restrictions on their spending. Period. End of story.

I refute that mistaken notion. I want to say emphatically that such an interpretation of Buckley is not the end of the story—far from it. You do not have to take my word for it. As a Brennan Center report from the year 2000 said:

> We must recognize that, as a legal matter, Congress is not foreclosed from adopting a definition of ''electioneering'' or ''express advocacy'' that goes beyond the ''magic words'' test [for or against] . . . as long as vagueness and overbreadth concerns are met, Congress is presumably free to draft new legislation that is more effective in achieving its constitutionally valid goals.

According to the Center's scholars' letter of this month:

> Congress has the power to enact a statute that defines electioneering in a more nuanced manner, as long as its definition adequately addresses the vagueness and overbreadth concerns expressed by the court.

Certainly, this provision is not vague. We draw a bright line. Anyone will know that running ads more than $10,000 in a given year, mentioning a Federal candidate 30 days before a primary, 60 days before a general election, and seen by that candidate's electorate, being aired in that candidate's district or State, will be covered by this provision. Anyone not meeting any single one of those criteria will not be affected.

As to the issue of broadness or overbreadth, again quoting the Brennan Center letter:

> A restriction that covers regulable speech can be struck if it sweeps too broadly and covers a substantial amount of constitutionally protected speech as well. But under the overbreadth doctrine, the provision will be upheld unless its overbreadth is substantial. A challenger cannot topple a statute simply by conjuring up a handful of applications that would yield unconstitutional results.

The empirical evidence demonstrates that this provision and the criteria included in this amendment are not ''substantially overbroad.'' The fact of the matter is, we have a body of evidence on these kinds of ads that never existed before, that there effectively is no line between the express advocacy and the sham issue ads in terms of voter perception.

In other words, an ad that runs, that says, ''John Doe is dishonest and corrupt and un-American, call John Doe and tell him how you feel,'' is seen every bit as much to be an ad designed to influence a Federal election as an ad using the so-called magic words such as, ''Vote for John Doe.''

As a legislative body, we are allowed to devise a solution to this new problem, and the Court will give it a fresh look. The truth is that 25 years ago the Court issued a decision to try to cure a previous statute that was poorly and vaguely written, at a time that is now over a quarter of a century ago. The

fact is, the Court has not had any new law from Congress to consider on campaign finance reform in the last 25 years in order to review the matters, in order to review the kinds of trends that have taken place that have reinterpreted law that was passed more than 26 years ago.

So it is our prerogative, Madam President, and, I would say, our obligation as a legislature, to try to craft solutions to problems when it is in our public interest. That is why we have three branches of Government. We will hear it may have a constitutional question. We have never hesitated when we have deemed it to be in the public's interest, government's interest, our country's interest, to pass legislation—and in fact in some cases even testing the courts. We did that on the line-item veto. It did not deter Members of the Senate or Members of the House from voting for that legislation because there were some constitutional questions.

The same is true for the flag-burning issue. Many of us are in support of that constitutional amendment. There have been some constitutional questions raised, but again that should not deter the legislative branch of Government from moving forward on what it deems and perceives to be in the Government's interests.

Again, as we look at some of the analyses and interpretations that have been done in recent studies on election trends, let me again go back to how some of the experts are defining it.

In the Magleby v. Brigham Young University study that was done this year, as they said as they defined the uses of political money in campaigns and elections:

. . . neither the Supreme Court (back in their 1976 decision) nor the FEC had substantial data with which to create their rulings. Dictum was created without data. . . . If respondents see election issue advocacy in the same way as candidate or party communication—

Both of which are considered ''express advocacy'' by definition—

then the Buckley distinction is mistaken.

This report, appropriately entitled ''Dictum without Data,'' bills itself as ''the first systemic test of the court's assumption that the magic words are a reasonable standard for what constitutes election-related activity.''

Again, what is most telling about the next chart is the statistics that are represented: The degree to which these ads are intended to influence the voters' vote. We hear issue advocacy. No one is denying that every group should have the right to issue their ads talking about their positions on a particular issue. But in this study—again, it is another interesting phenomenon of the current election trends—respondents were asked the degree to which these ads influenced their votes: On a scale of 1 to 7, with 1 meaning that the ad was not at all intended to influence their vote—in this case it was in the Presidential election—and 7 meaning the ad was clearly intended to influence how they would vote in the Presidential election, how would they rank this ad?

Guess what. The ads that they viewed to be the most influential of all the ads run were the ones that were run by interest groups that mentioned a candidate, that are supposedly issue ads, even more than the ads that were run by the candidates themselves.

In other words, candidates who ran their ads that obviously very clearly were intended to speak for a candidate on behalf of their issues projecting an image, projecting their positions on certain issues—those were seen to be less influential than the ads run by these interest groups that identified a candidate 60 days before election.

Furthermore, a remarkable 70 to 71 percent scored the election issue advocacy ads as a 7; 70 to 71 percent thought they were more influential, and 83 percent gave the ads a 6 or a 7. Remember that 7 was the highest point, meaning they had the greatest impact, reinforcing the fact that these ads are seen as an attempt to influence their vote in the days before a campaign.

What is even more interesting if you look at this chart, the election issues ad, the ones that opponents would have us believe are strictly issue ads and are not influencing elections because they do not contain express advocacy—these election issue ads were seen as more clearly intended to be about the election or defeat of a particular candidate than the candidate's own ads.

I think this is very illustrative of the problem we are now facing with these so-called issue ads but which really are ads intended and designed to influence the outcome of an election, and they come out from under the disclosures and restriction requirements under the Federal election laws. That is why they come beneath the radar, because they are not required to be disclosed.

We do not know who finances these ads. We don't know the identity of these organizations. All we know is that somebody is spending a whole lot of money for these kinds of advertisements.

So if you think about it, the ads that the candidates themselves were running, ads which were automatically classified as express advocacy because candidates were running them—they were obviously ads to run in favor of a candidate or against a candidate and to get one's votes—those ads were perceived as less clearly intended to influence their votes than the so-called issue ads. So it is no wonder then that the candidates themselves have taken to running ads without mentioning the magic words ''vote for or against.''

Again, the Brennan Center, in their report on the 1998 elections, found that only 4 percent of candidate ads used the magic words—4 percent. In other words, 4 percent of the ads that were run by candidates, sponsored by candidates, did not use those magic words ''for'' or ''against.''

Keep in mind that there is a legal benefit for the candidates who run the so-called issue ad. So the only reason they would have chosen this route over ads saying ''vote for me'' or ''vote against'' is that they believed the nonmagic words—not using those words—were more effective in getting their campaign message across, which, of course, is what all these organizations found out themselves.

Furthermore, the report concluded, as our experience demonstrates, that policy distinctions such as those drawn by the Court and the FEC can have no basis in actual experience. Much of what falls under the Buckley definition of issue advocacy is indistinguishable to respondents from party and candidate communication. Yet issue advocacy operates under very different rules, which, of course, is to say no rules, and has negatively affected our electoral process and candidate accountability.

We now have established how effective these ads are in influencing our elections and how irrelevant the ''magic words'' that were mentioned back in the Buckley v. Valeo decision by the Supreme Court in 1996 have become.

Let's see how the Snowe-Jeffords provision dovetails with these ads at the end of an election and further evidence as to what these ads are really doing and the role they are playing in our elections, and ever more so.

The effectiveness of these kinds of ads is not lost on these sponsors. First of all, we know they have gone up from $135 million in the 1996 election to $500 million in the year 2000 election. But let's look at the final months of the election in the year 2000 and TV spots that mentioned candidates—all of the ads we are talking about in the final 2 months of the election. Ninety-five percent of the television spots that aired 2 months before the election mentioned the candidate's name.

Why would you suppose that an average of 95 out of 100 ads were talking about candidates in the final months of an election? Is that just a remarkable coincidence? Obviously.

As you see from this next chart, again, it talks about the final 2 months of the last election and that 94 percent of the televised issue spots made a case for or against a candidate.

Again, there is further proof of the fact that all of those ads that were run 2 months before an election—the 60-day period that we address in this legislation—were ads that were run by issue organizations that mention a candidate—95 percent of them. Ninety-four percent of those ads were seen as making a case for or against the candidate.

So obviously they understand that those ads do and will influence the outcome of an election because they identify candidates 60 days before an election. Ninety-five percent of those ads are mentioning a candidate by name.

Let's get the content of these ads. I guess it won't come as a shock to all of us who are on the election cycle that 84 percent of these televised spots have an

attack component. Eighty-four percent have an attack component. Obviously, they are also designed to influence the outcome of a campaign because they are negative advertisements, and, in fact, the interest groups in this last election cycle ran the most negative ads. They were informational ads; they weren't comparative ads. They weren't comparing records, but they were frontal attack ads.

People have a right to do that. What they shouldn't have a right to do is to run these ads that are clearly campaign ads and yet they do not have to disclose a dime; they don't have to play by any of the campaign finance rules whatsoever. To argue otherwise, frankly, I think flies in the face of logic.

This record clearly shows that the Snowe-Jeffords provision embodied in the McCain-Feingold legislation in fact is not overly broad. But if all of that isn't enough, let me tell you something further about a report that was issued just last week that not only confirmed what the track record already indicates but provided additional proof of the problems we are facing in this election cycle.

The report that was issued last week entitled ''The Facts about Television Advertising and the McCain-Feingold Bill,'' written by Jonathan Krasno and Kenneth Goldstein, studied issue advertising in the 2000 election in the top 75 media markets. In it, they ask the question: ''Would the definition of electioneering created by McCain-Feingold inadvertently capture many of those commercials that might be considered pure issue advocacy?'' Because there is a concern when you look at the Constitution side of the question: What about a group that wants to advocate in behalf of their issue in that election cycle of 60 days?

Guess what. When they ran those ads by various focus groups, and identified those ads, only 1 percent of those ads were true issue advocacy ads; 99 percent were not. Ninety-nine percent of those ads were not issue advocacy; they were electioneering. Just 1 percent of the total number of ads would be captured by the Snowe-Jeffords provision that would have been viewed to be issue advocacy. In other words, just 1 percent of what would be genuine issue ads appeared after Labor Day and mentioned the Federal candidate. The other 99 percent were electioneering ads.

As I mentioned earlier, the Supreme Court would not knock down anything based on a few examples. We are talking about thousands and thousands of ads. We are not discussing a provision in this legislation that is overly broad or vague. We are not talking about ads that are purely designed to convey an issue. But what we are addressing here and what we are saying is we are trying to get at the disclosure of the 99 percent of those ads that have identified a candidate, that run in that 60-day period, that clearly are intended to influence the outcome of an election.

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

Mrs. SNOWE. I ask the Senator from Wisconsin for an additional 10 minutes.

Mr. DODD. Madam President, how much time remains?

The PRESIDING OFFICER. There are 38 minutes remaining.

Mr. DODD. On both sides?

The PRESIDING OFFICER. There are 38 minutes remaining for the Senator from Connecticut and 60 minutes remaining for the Senator from New Mexico.

Mr. DODD. How much more time?

Mrs. SNOWE. Not even 10; probably about 5.

Mr. DODD. I know my colleague from California seeks 15 minutes, and I presume others may follow. Why don't you take 10, and that will leave us plenty of time for the Senator from California. Why don't we make it 7. In that way, we have a little more room.

The PRESIDING OFFICER. The Senator is recognized for an additional 7 minutes.

Mrs. SNOWE. I thank the Senator for yielding.

In this final report that was issued, we now see an evaluation of the relationship between TV ads and the congressional agenda. I have been asked the question: Well, what about a group that wants to run an ad in that 60-day period and we happen to be in session? It could affect their ability to be able to communicate. Again, it wouldn't deny them that ability, but it would require disclosure when they mention a candidate 60 days before an election.

But what is interesting about this chart, and what it illustrates, is it tracks the number of candidate ads that run as we get closer and closer to the election. And it compares to the number of issue ads that were run throughout the year in the top 75 media markets, and then the number of votes going on in Congress.

Guess what. The ads that were run by those so-called issue organizations tracked the ads that were run by candidates. The bottom line shows the votes in Congress. As you can see from the chart, those ads run by those issue organizations were not done to track what was going on in Congress. What they were doing was running ads to track the candidate's ads.

As you can see by these two lines on the chart: The ads of the issue organizations and the ads run by the candidates themselves during that period of time are almost identical. It had nothing to do with what we were doing in Congress.

So, obviously, the intent of these ads, beyond the fact that they mention a candidate in that 60-day window before the general election, is designed to influence the outcome of the election, not concerned about what is taking place in Congress.

So again, I think it is pretty clear in terms of their intent, in terms of what they are attempting to do, and what is the focal point of these ads.

I will get into a lot of this later because I think this is an issue that bears repeating throughout the course of this debate over the next 2 weeks, to remind people we are not talking about those genuine issue ads that Buckley v. Valeo and the Supreme Court thought of 26 years ago. We are talking about a whole new phenomenon in America in modern day politics of which everybody is well aware.

So let's talk about the difference between the two ads. We will call this the electioneering ad. It does not say ''vote for'' or ''vote against''—again, those magic words. Back in the 1976 Supreme Court decision, the Supreme Court said, as an example, you should use those words ''vote for'' or ''vote against'' to determine that these are truly political-type election ads.

But look at new ads that have cropped up, particularly in the last three election cycles, to show you the difference.

First, we have the electioneering ad. This is what would be covered by the Snowe-Jeffords provision in terms of disclosure. The announcer says:

> We try to teach our children that honesty matters. Unfortunately, though, Candidate X just doesn't get it. Candidate X urged her employer to buy politicians and judges with money and jobs for their relatives. Candidate X advertises corruption . . . Call candidate X. Tell her government shouldn't be for sale. Tell her we're better than that. Tell her honesty does matter.

Now, can anyone say with a straight face that this ad isn't a clear attack ad on a candidate? Shouldn't we know who is paying for this ad running 60 days before an election with $1,000 donors, when an organization is spending more than $10,000 in a campaign period?

Now, let's look at the genuine issue ad, which is the difference, if we are talking about a genuine issue ad, which this provision would not apply to. Again, let's read it:

> This time of the year, the average person's thoughts turn to the IRS. Now we all know one person can't fight 'em. But a bunch of average folks like us can eliminate the IRS with the new Fair Tax Plan, the only plan that's fair to everybody . . . Some things are worth a good fight. Call to join us.

You could even say ''call your Senator, call your representative,'' or you could even provide your Representative's phone number in the ad. If you are not identifying the candidate, you will not come under the disclosure provisions in this 60-day period.

That is the true distinction of the type of ad we are attempting to force disclosure on, the ones in which they identify a candidate by name 60 days before an election.

I think the American people are entitled to know who is financing these ads. That is what this amendment gets to the heart of: whether or not we are prepared to do that at this moment in time, in this Congress, and seeing the extraordinary developments in our elections and what has transpired to see some of the monstrosities that

have evolved through our election practices that have reached the point in time when we are seeing $500 million being spent on so-called issue ads, sponsored by organizations or individuals of which we do not know their identity.

I think the time has come to develop the approach that requires disclosure that meets and will withstand constitutional scrutiny, so that all Americans will understand who is trying to influence these elections.

We are not trying to get at those groups that genuinely want to be able to convey their message through television broadcasts or radio advertisements. What we are trying to do is to identify those groups of donors who are trying to influence the outcome of an election shortly before that election occurs.

I think the time has come to pass this sweeping reform. Something along the way has certainly gone wrong. The McCain-Feingold legislation would certainly make that difference.

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

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Madam President, no State has contributed more to the cause of campaign finance reform than the State of the last Speaker and the Presiding Officer. Not only has the State of Maine come up with some of the most innovative State-level initiatives, but it has sent us two Senators who have been the stalwarts in our group throughout our entire process. We are grateful to the State of Maine for these two Senators being here and being such great advocates for this cause.

With that, I yield 15 minutes to the distinguished senior Senator from California, Mrs. FEINSTEIN.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. I thank the Chair and thank the distinguished author of the bill.

Madam President, I want to begin by thanking both Senators FEINGOLD and MCCAIN not only for this bill but also for their many forays out in the countryside where I think they have really brought home the cause of campaign spending reform to the American people.

I have had the privilege, as have you, of voting for this bill a number of times. I will vote for it again. I will vote for it without amendments, and I will probably vote for it with amendments.

This bill addresses a significant problem, and that is soft money. By eliminating soft money from federal campaigns, I think S. 27 cures the most dastardly problem with the way campaigns are currently conducted. I think the amendment that Senator SNOWE and Senator JEFFORDS have added to the campaign reform bill makes it an even better bill. So we have a good bill before us.

Madam President, a while back, when Senator Alan Simpson was a Member of the Senate, and we had just concluded a meeting of the Judiciary Subcommittee on Immigration—it was a Friday—I said to Senator Simpson: Are you going home?

He said: Yes, I'm going home to Wyoming to campaign.

I said: Well, you have no notice to set up an event.

And he said: Well, I just go to Cody, and I go and have lunch at the grill, and I see everyone in Cody. So that is the way I campaign.

It brought home to me how different campaigns are across this great land. In California, a State with more people than 21 other States combined, you cannot just go home and, without making plans, go into the corner drugstore and campaign.

Campaigns are, indeed, very costly. I have been involved in four statewide campaigns in the last decade. I have raised well over $50 million: $23 million in 1990, in a race for Governor; $8 million in 1992, in my first race for the Senate; and 2 years later, $14 million in the 1994 election. My opponent in that election spent $30 million of his personal wealth in his attempt to defeat me. In this past race, just concluded, I raised $9 million.

Now, whereas I support McCain-Feingold as it is, I must also comment that the Domenici amendment we are now considering has a good deal to recommend in it.

Let me talk about my own experience, from the 1994 election I just mentioned. It was February. It was raining outside. I turned on the television to watch the Olympics, and what did I see? I saw a full spot—in February—by my opponent—a minute spot in the middle of the Olympics. My heart dropped into my heels, and I knew at that instant that I was in for a grueling campaign.

In fact, my opponent was able to have what we call a maximum buy on television for all but 2 weeks of the remaining part of the year because he was able, quite simply, to write a check to pay for that advertising.

You don't have to hire a certified public accountant. You don't have to hire fundraisers. You don't have to spend tens of thousands of dollars on computers and so on and so forth. It is a very different campaign if a person has extraordinary private wealth. That is where the Domenici amendment becomes important in all of this because it aims to level the playing field.

In that 1994 campaign, I saw how important trying to level the playing field is. The fundraising demands I faced were extraordinary. I am a pretty good fundraiser. As it turned out, I simply couldn't keep up with my opponent's spending. I couldn't keep up with $30 million of personal wealth. I could raise about $14.5 million. And to do that, I had to put some of my own money into that race.

What Senator DOMENICI is trying to do with his amendment is to say that the person who is going to put his or her own wealth into a race must say so up front. If the amount the candidate intends to spend is going to exceed $500,000, then the opponent of the self-financing candidate can have the hard money contribution caps raised threefold. If the wealthy candidate spends between $500,000 and $1.0 million, then the hard money contribution limits increase fivefold. Over $1.0 million, and the new hard money limits stay in place, and limits are lifted on direct party contributions and coordinated expenditures. The Domenici amendment doesn't prohibit wealthy candidates from spending their own money to run for the House or Senate, but it is an attempt to level the playing field for their opponents if they do.

Increasingly, I see that only wealthy candidates are going to run in some of these big races unless we do something to level that playing field. I understand Senator DEWINE may well put forward an amendment to modify the new caps set forth in the Domenici amendment. I would prefer to see the caps modified. As I understand the procedure, at the end of the 3 hours of debate, there will be a motion to table Domenici amendment. I certainly will vote not to table this amendment. It is important that we try to level the playing field.

I also will mention one other amendment I will either make myself or support, if it is offered by others. That is an amendment to increase the hard money cap per candidate per election. In the early 1970s, nearly 30 years ago, $1,000 was set as the hard money cap per election: $1,000 for the primary and $1,000 for the general. That was really fine in those days. You could have a lot of volunteer help. There was not an in-kind requirement. You could raise money more easily.

Since that time, we have had something called inflation. Senator MCCAIN pointed this out the other day. Thirty years ago, a car cost $2,700. Now it costs $22,000. The cost of campaigning has risen even more dramatically. I can tell the Senate, television spots have increased. The price of stamps has increased. The price of campaign stationery has increased. The price of direct mail has increased. The price of telemarketing has increased. Virtually every aspect of campaigning, from the salaries for consultants to the paper on which you write—all of it is much more expensive today.

Frankly, we should increase the hard money contribution cap, either to $3,000 per election, which would keep pace with inflation, or at least to $2,000. As I said, I can certainly vote for the McCain-Feingold bill as it is. But if candidates are going to have any chance to keep up with these independent campaigns, with these independent interest groups that operate without contribution limits or disclosure requirements, we should look at raising the hard money contribution limit. At the appropriate time, I will offer an amendment to do just that.

For my purposes right now, I indicate my support for the Domenici amendment.

I ask unanimous consent that my time be charged to the sponsor of the amendment, Senator DOMENICI. I also ask unanimous consent that Senator JEFFORDS follow me.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. I didn't hear the request.

Mrs. FEINSTEIN. I asked unanimous consent that the time I have used be charged to the Senator from New Mexico, along with any time I might have remaining so that he might use it in support of the amendment and, if it is agreeable, that Senator Jeffords might follow me.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Madam President, I was going to say the time should be charged to me. I don't object to that. I wonder if Senator JEFFORDS would let me have 3 minutes before he speaks to thank the Senator from California for her support.

The PRESIDING OFFICER. Without objection, it is so ordered. The time will be so charged. The Senator from New Mexico.

Mr. DOMENICI. Madam President, I say to the distinguished Senator from California, I greatly appreciate her comments. The amendment may be negotiable in terms of how we better balance the playing field, but there is no question that she has hit the nail right on the head.

One of the brand new problems of the last decade or so is the growing propensity on the part of men and women—great people—who have decided to pay for their campaigns with their own money and use the privilege, the right that the Supreme Court has said they have, that that money cannot be limited. So we have more and more candidates spending up to $5-, $10-, $20-, $30-, even $40 million-plus of their own money. That is fine with this Senator. I am not here trying to do anything about that. The Supreme Court has spoken.

I have heard from a Senator saying she would support the Domenici amendment based upon having experienced an opponent who contributed in multiples of $10 million for their campaign out of their own coffers, to which she had to respond under ancient laws that limited her to $1,000 per contributor, per primary and per general, and $5,000 per primary and general from a collection of people who call themselves a PAC. That kind of limitation must have had her spending more than half her time raising money while her opponent didn't win but the opponent had all of his time to run and had none of the rigid rules and regulations that engulfed her campaign. Sooner or later, we have to fix that.

As I said, I wanted to fix it in a big way. My first draft of this amendment was to take everything off the opponent, no limits. They could do whatever they would like, just as they used to years ago, so long as they listed it. Others have said, no, leave some limitations. So we are in the process—mine having left some limitations—we are in the process of working with other Senators who would like to refine the Domenici amendment. I am willing to do that.

I thank the Senator from California. I, too, hope if we have a motion to table, we don't table it, so if we want to modify it to get a better product, we can, if that is what Senators would like to do.

I thank the Senator and yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Madam President, I yield 5 minutes to one of our strong supporters and cosponsors, the distinguished Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 5 minutes.

Mr. JEFFORDS. Madam President, I thank the Senator from Wisconsin.

I also thank the Senator from California for her very astute comments, especially relative to the amendment of my good friend, Senator PETE DOMENICI. I think that is an excellent start. We are going to have a better bill. We have a great bill right now.

I thank also Senators MCCAIN and FEINGOLD for the tireless devotion they have shown to this issue, ensuring the Senate would be able to fully consider this very important legislation. I especially thank my colleague, Senator SNOWE, for her work and for her very excellent presentation. I know she has even more to say about the amendment on which she and I have worked so hard for so many years. Hopefully, we will see a good result this year.

I have heard some of my colleagues question the importance the American public places on passing campaign finance reform legislation. Not only do I think the American public believes this issue needs to be addressed by Congress, I believe the desire has only increased following the controversy surrounding the pardoning of Marc Rich.

Our current campaign finance system has left many Americans disillusioned with the political process and feeling disconnected from their elected representatives.

This is an important factor in leading people to opt to stay on the sidelines rather than participate in the electoral process. Passing campaign finance reform will help boost our disturbingly low rate of voter turnout in national elections.

I was first elected to Congress following the Watergate scandal, right around the time Congress last enacted comprehensive reform of our campaign finance system. I have watched with growing dismay during my over twenty-five years in Congress as the number of troubling examples of problems in our current campaign finance system have increased. We were close to enacting comprehensive campaign finance reform in 1994, and I am the most confident now since that time that we will enact this important legislation.

I look forward to a full and open debate on the issue of campaign finance reform in the coming days, and believe at the end that the final bill should have certain characteristics:

It must be comprehensive in nature;

It must increase disclosure requirements on sham issue ads;

It must ban soft money; and

It must help restore the public's confidence in our political system.

In order to accomplish these goals, we must come together to work for passage of meaningful campaign finance reform. I am heartened by the wide bipartisan group supporting our legislation. We have members from the right, left and middle in support of this bill. That does not mean, though, that we will stop working with our colleagues to craft additional ideas to address the problems with the current campaign finance system. My ultimate goal is to create a comprehensive campaign finance bill that will garner the support of at least 60 Senators, and hopefully more.

One of the most important aspects of any bill the Senate may pass, is that it must be comprehensive. If we fail to address the problems facing our campaign finance system with a comprehensive balanced package we will ultimately fail in our mission of reforming the system. Closing one loophole, without addressing the others, will not do enough to correct the current deficiencies, and may in fact create new and unintended consequences.

We have all seen first-hand the problems with the current state of the law as it relates to sham issue advertisements. I have focused much time and effort on developing a legislative solution on this topic with my colleague Senator SNOWE, and was pleased that this solution was adopted by the Senate during the 1998 debate on campaign finance reform. I was also proud to cosponsor the comprehensive campaign finance bill Senators MCCAIN and FEINGOLD introduced last Congress that included this legislative solution.

I feel strongly that the legislation the Senate must ultimately vote on include some kind of changes to the current law concerning sham issue advertisements. We have crafted a reasonable, constitutional approach to this problem. Our provision will require disclosure of certain information if you spend more than $10,000 in a year on electioneering communications which are run 30 days before a primary or 60 days before a general election. It also prohibits the direct or indirect use of union or corporate treasury monies to fund electioneering communications run during these time periods. I will come to the floor at a later time to more fully discuss our provision, including the need for this provision, why it is constitutional, and to address

some of the arguments our opponents continue to raise concerning these provisions.

I look forward to a full and open debate on this important issue, and pledge to continue working with my colleagues to enact comprehensive campaign finance reform into law this year.

I yield the floor.

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

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

Mr. REID. Mr. President, on behalf of Senator DASCHLE, I extend 15 minutes to the Senator from Illinois.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Illinois is recognized for 15 minutes.

Mr. DURBIN. I thank my colleague. Mr. President, I rise in support of the Domenici amendment. I want to salute my colleague from New Mexico. I think he is addressing a very serious concern that all of us—not just Members of the Senate and candidates but every American—should share. When the Supreme Court decided over 25 years ago, in the case of Buckley v. Valeo, that we could not limit the amount of personal wealth that a candidate could spend in a campaign, they said it was a tribute to free speech; that the wealthiest among us should be able to spend as much money as they have or want to spend to become candidates for public office.

Sadly, our system of government, and certainly our system of political campaigns, is geared so that those with the most money can overwhelm candidates of modest means. I think candidates in America are now broken down into two categories. I call them M&Ms or megamillionaires and mere mortals. I happen to be in the second category. If you are a mere mortal running for office nowadays, you spend every waking moment on the telephone trying to figure out ways to raise the literally millions of dollars necessary for your election campaign. This is a reality.

In a State such as mine, Illinois, it will cost you $10 million to $15 million to be elected to the Senate. That is not an uncommon amount or an extraordinarily large amount; that is reality. It reflects the cost, primarily, of radio and television. I will be offering an amendment during the course of the debate with some colleagues that addresses the cost of television in particular because we have this strange anomaly where we say the television stations have to give candidates for office the lowest rate available on the station. Yet, because of a few loopholes in the law, they end up offering us what is known as preemptable time, which means anybody who offers 50 cents more can knock our ad off the air. So it becomes a bidding war.

We find in every 2-year period of time, the cost of television is going up 20 percent. What does it mean? For a candidate for reelection in the Senate, every 6 years the same amount of television that was bought 6 years before will cost 60 percent more. That is the escalation of costs in campaigns.

I am proud to be a cosponsor of McCain-Feingold. I think they are addressing a serious problem in our system, where we have this discrepancy between soft money and hard money. But at the root of the problem in American campaigns is the amendment offered by Senator DOMENICI which goes after the self-funding, the very wealthy candidate, and the cost of media. If we are going to have meaningful campaign finance reform, I think we need to address both. I lament the fact that this has become a bidding war. I think Senator DOMENICI would agree with me on that. What else can we do with a Supreme Court decision that allows individuals to spend literally millions of their own money while mere mortals running for office are trying to keep up.

The Senator waives some of the limitations on the hard money we can raise, but I ask the Senator if he will answer this question: The Senator makes it clear in his amendment that all of the money we raise and spend must be accounted for, dollar for dollar, as to source and how we are raising it, how we expend it. There is no mystery involved in this. Will the Senator agree with that statement?

Mr. DOMENICI. I agree 100 percent. I failed to mention that I have this in the amendment. We take a lot of the caps off so the nonwealthy candidate, the mere mortal, can have a chance at raising significant money to run against a multimillionaire candidate. But we say if that candidate who had the caps raised so they can accommodate—if they have money left over from their campaign, they have to return it to the people from whence they got it. In other words, they cannot raise more than they need and hold it for another campaign. Whatever they use in that campaign, fine; what they don't, they have to return.

The Senator from Illinois has just stated it as well as anyone. I have told some people I had this amendment, and they said, ''Why are you doing that? Senators don't have those caps on them, do they?'' See, they don't know that for 26 years, since post-Watergate, we have been limited—you in your campaign and the New Mexico Senator in his campaign—to $1,000 per each individual from wherever, your State or my State. Then $1,000 in the primary and general. That is all—$2,000. Along comes a wealthy candidate and plunks down $10 million. I should have figured it up and put on a chart how much time it probably took to raise the equivalent of this $1,000 and $2,000 bracket.

Mr. DURBIN. If I may respond, I liken it to building a skyscraper a brick at a time. Here we have a wealthy individual who decides his or her idea of a fundraiser is pouring a nice glass of wine, writing a personal check for millions of dollars to his campaign, and declaring success.

Meanwhile, mere mortals, other candidates trying to be involved have to raise money phone call after phone call, letter after letter, small check after small check, all disclosed, all accounted, trying to build a skyscraper of equal height to the person who has written one check for millions of dollars to their campaign.

I agree with the critics of this amendment who say isn't it sad it has become competition for money. But as long as Buckley v. Valeo says we cannot limit the amount being spent by an individual from their own wealth on a campaign, there is no other way to make certain we have a level playing field and, I guess, fairness in the basic election campaigns.

Senator DOMENICI is a proud Republican. I am a proud Democrat. We both view the system with alarm. If you do not deal with this phenomenon of people who have this much money to put into the campaign, how can you attract candidates from either political party to get interested?

It is bad enough that it is a pretty hectic life. I enjoy it, and I am glad I am in it. I am happy the people of Illinois gave me a chance. It is tough when there are these invasions of your privacy. You give that up. That is one of the first things to go, and people say: To reward you for running for office, we are going to personally let you raise $1 million; won't that be fun?

You can walk along the streets of your hometown and people race to the other side of the street to avoid you because they are afraid you are going to ask for another contribution. That is a sad reality in this business.

Sadder still is a person who is self-funding and has so much money they do not even have to worry about this effort.

Frankly, I am so worried this system cannot survive if only those people serving in the House and Senate are those who are independently wealthy and do not have to go through the process in any way whatsoever.

Also, the Senator makes a good point about loans to the campaign because a lot of people who are very wealthy do not give money to their campaign; they loan it and say they will be repaid later.

Will the Senator be good enough to explain the provision he has on loan repayment?

Mr. DOMENICI. I will be delighted. You cannot have it both ways. You are going to put up your own money and say to the electorate: Don't worry about special interests on this candidate's part; I'm not bothering anybody for any money; it's my own. So you spend $5 million or borrow $5 million.

Isn't it interesting, for the most part, you are not in office 1 month and you are interested in the special interests. Why? Because you want to pay the loan off. So now you are out raising money. You advocated: Nobody will touch me; it is my own money; I am entitled to spend it; I am entitled to borrow it.

That is all well and good, but my amendment says if that is the case, when you get elected, you cannot go asking people to contribute money to pay off your debt. That is a very simple and forthright proposal.

Incidentally, it does not apply retroactively. I am not trying to get anybody. I am saying in the future you put the money up and you know it is not coming back after you get elected. That is what the Senator is talking about.

I think that is very fair. In fact, it should be a condition to your putting up your own money, knowing right up front you are not going to get it back from your constituents under fundraising events that you would hold and then ask them: How would you like me to vote now that I am a Senator?

That is what we are talking about. I think you are absolutely right on that.

Mr. DURBIN. The Senator from New Mexico is right on that point. It is a fiction sometimes. These loans are made to a campaign and perhaps they will be paid back, but perhaps they will not. Your language makes it clear there will not be any effort after the election to raise money to repay those loans; you have made that contribution and have to live with it. I think there is some reality.

The Senator from New Mexico is probably aware of this, but I want to make sure it is on the record.

According to the Federal Election Commission, candidates gave or loaned their campaigns $194.7 million from personal and immediate family funds in the 2000 election cycle. This is up from $107 million in 1998 and $106 million in 1996. The $194.7 million in 2000 included $40 million from Presidential candidates, $102 million from Senate candidates, and $52 million from House candidates.

Think about what we are saying about the men and women who run to serve in the Senate. Think about what this institution will become if that is what one of the rules is to be part of the game: That you have to be loaning or contributing literally millions of dollars in order to be a candidate for public office.

As I have said from the outset, I support McCain-Feingold. They are doing the right thing, but there are two elements that need to be addressed. Senator DOMENICI has one amendment that addresses it, the so-called self-funding wealthy candidate. Senator DEWINE and I are working on an alternative if Senator DOMENICI's amendment is not adopted.

We also have to deal with the cost of media because, unless we deal with that, frankly, all of the restrictions we put on how you raise money will not address the overarching concern about the cost of campaigns.

If we have the cost of television and radio going up as dramatically as we have seen it—20 percent every 2 years—there is no way we can fashion a law to hold down campaign spending that will work. In a State as big and diverse as Illinois with 12 million people, a successful statewide candidate has to be on television. I cannot shake enough hands and I cannot knock on enough doors in a State as large as mine. To raise money to make sure I have a chance to deliver the message is going to be a daunting task unless we deal with how we raise money in campaigns or what television might cost.

I note the Senator from California spoke a few minutes ago about revelations that came to her during the course of her campaign.

There is one other aspect I wish to address before I yield the floor, and that is the independent expenditures, the groups that come on with ads toward the end of the campaign that are not sponsored by candidates or political parties. These are groups that come out of nowhere with high sounding names and spend millions of dollars to defeat candidates or to elect candidates across America.

In my campaign for the Senate a few years ago, in the closing weekend of the campaign, Saturday night I sat down and thought: I am finally going to get to see ''Saturday Night Live'' on the last Saturday before the election. As the NBC news went off, four ads went on the air. All four ads were negative ads blasting me. Not a single one was paid for by my opponent or the Republican Party. They were from groups I never heard of. I heard of a couple of them. Some I never heard of.

I said: Who are these people? I have to disclose every dollar I raise and spend; that is proper; that is legal; that is right. Why should these drive-by shooting artists come in with 30-second ads and never tell you from where the money is coming?

I will give an illustration. One group for term limits wants to limit the time Members of the Senate and House serve. I disagree with them on that position, and I have been open about it. But I disclose all the money I am raising and spending to tell my side of the story. The group that sponsors term limits refuses to disclose from where their money comes. I confronted one of their organizers and said: Why shouldn't you be held to the same rules to which I am held if we are going to have a fair fight? He said: Oh, as soon as I have to disclose my sources, we know there will be retribution against them.

Well, hogwash. In this system, people should be willing to disclose where their money comes from, whether they are on the right or on the left. Let the American people know who is sponsoring the term limit campaigns in their States, who is putting the money behind them, and then if they want to raise legitimate questions about where this money is coming from, what the real motivation is, that gets to the heart of the issue.

Time and again these groups come forward and get involved in campaigns. They spend unlimited sums of money, and we never know who they are or from where they are coming.

If we are going to end these paper transfers and bring real transparency and honesty to this process, not only should we support the McCain-Feingold basic legislation but we should deal with these issues as well. The self-funding wealthy candidates, the cost of media, and these groups that are making the independent expenditures, I think they should be subject to the same form of disclosure. I support this amendment. I hope my colleagues in the Senate will join Senator DOMENICI in adding it to the bill.

I yield the floor.

Mr. REID. Mr. President, my friend from New Mexico, Senator DOMENICI, has agreed the time of Senator DURBIN will be charged to Senator DOMENICI and not to this side, and I ask unanimous consent for that.

The PRESIDING OFFICER. The time will be charged accordingly.

Mr. DOMENICI. I yield 5 minutes to the distinguished Senator from Ohio, Mr. DEWINE.

Mr. DEWINE. I thank my colleague from New Mexico.

I rise this afternoon to congratulate my friend, Senator DOMENICI. He has identified a real problem. Let me notify Members of the Senate, we have received calls asking about our amendment. For the last several weeks, Senator DOMENICI and I have been engaged in discussions and negotiations between the two of us to try to come up with an amendment on which both he and I could agree. Let me notify my colleagues that we are getting closer at this late hour and we hope to have something resolved in the next few minutes. I will withhold any comments about the specifics of that agreement.

The point is, Senator DOMENICI has identified a real problem. He has identified a constitutional loophole. It is a constitutional loophole that needs to be confronted. What am I talking about? I think it would come as a surprise to the average American to know the current state of the law is this: Every citizen in this country is limited to how much money he or she can contribute to a candidate for the Senate—every person in this country, except one. That one person is a candidate himself or herself. Based on the Supreme Court's Buckley case, and based on their interpretation of the first amendment, Congress cannot limit how much money an individual puts into his or her own campaign.

We have what for most people, the average person, would seem to be a crazy situation. Everyone in this country is limited to only giving $1,000 or up to $1,000 to a candidate for the Senate or a candidate for the House of

Representatives. However, an individual candidate, if he or she has the wealth to do it, can put an unlimited amount of money into his or her campaign.

We have seen now in the last several election cycles this phenomenon. Most people find it obscene. Most people find it a ridiculous situation that someone can spend $10 million, $20 million, $30 million, $50 million, or $60 million of their own money. As a practical matter, a person who has that much money spent against them has a very difficult time competing, making it a level playing field or even close to being a level playing field.

I congratulate my colleague for his concern about this problem. The solution, quite candidly, is not to, of course, limit what a person can put into the campaign. We cannot do that. We cannot stop someone from putting an unlimited amount in their campaign. The only way to do that is to change the Constitution. What we can do is give the other person, the person who is faced with doing battle with that person who is putting $10 million, $20 million, or $30 million of their own in the campaign, we can give their opponent some ability to compete.

Senator DOMENICI does this in several different ways. The amendment I have will also do so. The amendment I will be proposing raises the dollar amounts a person can give to an individual candidate. We raise it on a sliding scale based on two factors. One, the size of the State; the other, based upon how much money that individual millionaire puts into his or her own campaign. At one level, we raise the donor limits for the other person to one amount, and we keep racheting it up.

I believe it fits the constitutional requirements of proportionality. We have cases we can supply to any Members of the Senate who want to look at that. We believe it therefore is, in fact, constitutional.

The reality is each Member who has gotten to the Senate knows how much they can raise in their individual State under the current limits. I will take the Chair's home State and my home State of Ohio. In the past election cycles, going back to 1988, no one has raised more than $8 million in the State of Ohio for any of those campaigns for the Senate. It stayed fairly constant over that period of time. Taking our State as an example, if someone was running against a millionaire in the State of Ohio and they wanted to put in $20 million, that person who put in their own $20 million would have a tremendous advantage over another candidate who did not have his or her individual wealth. Based on what we have seen in the last 12 years in Ohio, $8 million is about all you can raise. So you have one candidate with $20 million of their own, another candidate with $8 million maximum that he or she can raise.

The DeWine and Domenici amendments—and we do it in different ways—begin to level the playing field, making it easier for that candidate running against the millionaire to raise money. You still have to get it from individuals, but it makes it easier to do it. It would not level the playing field. I don't think there is anything to do to level the playing field, but it moves it a little closer and makes that race a lot more competitive.

I thank my colleague from New Mexico for yielding me time, and I congratulate him for identifying a real problem. I notify Members of the Senate and those who have asked about the DeWine amendment we have shared with Members, Senator DOMENICI and I, as well as others, are involved in negotiations and we hope to work out those differences.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. MCCONNELL. It is my understanding the Senator from New Mexico and the Senator from Ohio are hoping to work out an amendment that is mutually agreeable.

Mr. DEWINE. That is absolutely correct. We are working on it now. We hope to have something in the next half hour.

Mr. DODD. How much time remains on this amendment?

The PRESIDING OFFICER. The sponsor has 23½ minutes and the minority has 25 minutes.

Mr. MCCONNELL. It is my understanding this vote occurs at 6:15, but if I added up the minutes correctly it carries past that time.

The PRESIDING OFFICER. It goes beyond that time.

Mr. REID. Will the Senator yield?

Mr. MCCONNELL. I am happy to yield.

Mr. REID. Mr. President, there are some who made a request that it would be very helpful if the vote would be at 6 o'clock rather than at 6:15.

Mr. MCCONNELL. I say to the distinguished assistant Democratic leader, we are checking on the 6 o'clock time and should know momentarily whether or not that would be agreeable.

Mr. REID. We have a couple of Members over here who would like to have the vote sooner if at all possible.

Mr. MCCONNELL. I am told there is an objection on this side to moving the vote up to 6.

The PRESIDING OFFICER. There is objection on the majority side to the vote at 6 o'clock.

Who yields time?

Mr. DODD. Mr. President, I am happy to yield 3 minutes to my colleague from Michigan, Senator LEVIN.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, we are facing a real crisis in campaign finance in this country. We have effectively no limits on campaign contributions, even though the law seems to provide that there be a $1,000 contribution limit from an individual, $5,000 from a PAC, and so forth. Because of the soft money expenditures, we in effect have no limits on campaign contributions anymore despite the law. The law has been evaded, avoided, bypassed, mainly now financing television ads, often negative, called issue ads.

I think most of us who have seen these issue ads who have been in this profession long enough recognize that there is no difference between the issue ad which does not name the candidate and says that you should vote against him, and the issue ad which says this candidate is great or his opponent is awful but doesn't use the magic words ''vote for'' or ''vote against'' and the candidate ad which uses the magic words ''vote for'' or ''vote against.''

At hearings we have held at the Governmental Affairs Committee, we put these television ads on the screen right next to each other. There is no reasonable person who could reach the conclusion that the ad which is paid for with soft money is anything different, in 95 percent of the cases, from the ad which is paid for in hard money.

So we have now trashed the limits on contributions that exist in the law. Hopefully, McCain-Feingold is going to restore those limits. But the first amendment which is offered to this, it seems to me, goes in the wrong direction and opens up a number of loopholes, No. 1, but also, it seems to me, is not workable the way it is written.

I can understand the frustration of running against somebody who is either partly self-financed or totally self-financed. It seems to me there is a way in which we ought to try to address that. But we surely should not try to address that by blowing the caps on party contributions, which is what this amendment does.

I do not think we should do that by having a process here which is unworkable because it is not graduated from State to State. Somebody in a State with 30 million people is given the opportunity to raise these funds from all of the contributions from the people who contribute directly to the campaign in multiples, the same as somebody who comes from a small State, giving the person who comes from a larger State a much greater advantage over someone coming from a smaller State, although they are both running against the person who is putting in their own money.

I wonder if the Senator will yield 3 more minutes?

Mr. REID. I yield 3 more minutes.

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

Mr. LEVIN. So the first amendment that comes before the Senate is an amendment which is written in a way to eliminate any limit.

Mr. MCCONNELL. Was consent just asked for something?

Mr. REID. Three more minutes.

Mr. MCCONNELL. Fine.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. So the first amendment that comes before us blows the caps on

party contributions altogether in the case that somebody partly self-finances a campaign. Second, it has a procedure here which doesn't strike me as being either fair or workable. It is unfair because it is not graduated, giving candidates who run against somebody who is partly self-financing very different rights and opportunities, because the person who has a large number of hard money contributors gets a much greater opportunity to raise money than somebody who has a small number of hard money contributors, presumably somebody from a smaller State. Since there is no gradation in terms of the States, all the States are being treated the same, despite the fact that there are some very obvious differences.

Finally, it seems to me this is an impractical approach because of the trigger, the trigger being the candidate has to file a declaration, when the declaration of candidacy is filed, to declare whether or not he or she intends to spend personal funds of a certain amount. That intention can be honestly ''no'' at the beginning of a campaign, but near the end of a campaign the temptation is great. If somebody near the end decides to borrow a half million dollars, then that person has a decided advantage which is not corrected by this amendment. Even though you have to file a notice within 24 hours, it could come far too late for the person who is disadvantaged by this large amount of money to do anything much about it.

So it seems to me, for all these reasons, this amendment is not the right approach to a problem. But it is a problem. I want to acknowledge the Senator from New Mexico has identified, as have a number of people on this floor, a problem which is a real one, which is what happens in the case of somebody who is either partly self-financed or fully self-financed, as to what do you do about the person running against that individual.

We have that problem now. I don't think this amendment solves it in a practical or a fair way or in an even-handed way. But that does not mean the problem does not exist. I hope we will continue to try to work on some practical way, which doesn't blow caps, to address that problem.

Mr. MCCONNELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 22 minutes.

Mr. MCCONNELL. I yield to the distinguished Senator from Alabama 10 minutes.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I thank the Senator from Kentucky for allowing me to speak on this amendment. It is something about which I have felt strongly for a long time. I find absolutely nothing unreasonable or unfair about the Domenici proposal. I think it fits precisely the circumstances in a very realistic way.

I remember when I was running for the Senate in 1995, a prominent leader was on television. He said: People are going out deliberately recruiting millionaires to run for office. In fact, he said, we are creating a millionaires club, particularly in the Senate.

Since I was running in a Republican primary, facing seven different candidates, two of whom were spending over $1 million of their own money, I listened to that. It meant a lot to me at the time. Two others in that race I think spent approximately a half million dollars each in the race. It was a total of $5 million spent by my opponents, and I was able to raise $1 million in that primary and was able to win that primary.

I am not complaining about the Supreme Court ruling that says a millionaire, multimillionaire, or billionaire can spend all he or she wants to spend. What I am saying is we have all these restrictions on people who have to raise money. It limits their ability to raise money. Then a wealthy candidate can waltz in out of left field with hundreds and hundreds of millions of dollars in his account and can just overwhelm their opponent, and it creates, I believe, an unfair situation.

I think it is very difficult for anyone to contend this is not an unfair situation. We can deal with it, in my view. Senator DOMENICI has given a lot of thought to it. He and I have talked for some time about this. I believe he has moved in a direction that can deal with it. We are saying individual candidates in a primary, for example, can only raise $1,000 from a contributor to combat the money that was poured in it by a wealthy opponent. I believe we have an unfair situation. It makes it difficult for candidates to run on a level playing field.

I was a former Federal prosecutor and attorney general of Alabama at the time of my campaign. I had two children in college. I had some public service experience. I wanted to take my record to the people of Alabama. We were able to raise enough money. I didn't have any problem asking people for money. I was able to raise enough money to get my message out and win in a runoff in that primary.

But it really creates an unlevel playing field if I am restricted to these levels of contributions. What if my opponent had not spent $1 million? What if they spent $5 million, $7 million, or $40 million in that primary in a State such as Alabama? Could they have gained enough votes to tilt in their favor while a candidate who is a public servant is subject to limited funds? I think that is quite possible. That could have occurred.

The Supreme Court, in my view, may not have been perfectly brilliant in the Buckley case in suggesting that an individual who has a lot of money has no potential for corruption. If their money is in one sector of the economy—health care, finance, high tech—if that is where their wealth is and maybe they have another billion dollars of investment, they have a lot to lose. Who says they are more or less corrupt than somebody such as the Senator from Alabama who worked as attorney general and took a State salary every day? I don't know. But the Supreme Court has ruled that a wealthy person cannot be limited in the amount of money they can put into a campaign. We are going to live with that. That is what the law is.

Let me mention that there has been a trend in recent years of large amounts of personal wealth going into campaigns. In 1996, 54 Senate candidates and 91 House candidates each put $100,000 or more of their own personal money in the campaign through direct contributions or loans. In the 1998 general election campaign—that is a final election campaign—Senate candidates gave about $28.4 million to their own campaigns while House candidates gave close to $25 million to their own campaigns. This is compared to 1988 when the Senate candidates used only $9.7 million of their own money in Senate campaigns and House candidates gave $12.5 million.

This means that the share of the total Senate donations from personal funds more than doubled—from 5.4 percent to 11.4 percent in 1988. That is pretty significant.

In the Senate races alone, about 1 out of every 5 dollars raised in 1994 came from the bank accounts of the candidates themselves. This is clearly significant, and I think under the present tight financial rules on people raising money it is an unfair advantage to people who have access to unlimited funds.

Can there be any doubt why a candidate or recruitment committee for any party, Republican or Democrat, is going to look out for people who can put in that kind of money? It gives them a clear advantage in the candidate recruitment process if they can write that kind of check.

This amendment, I believe, deals with it quite fairly and justly. First, it talks about disclosure. Within 15 days after a candidate is required to file a declaration of candidacy under the Federal law, he or she must declare whether they intend to spend personal funds in excess of $500,000, $750,000, or even $1 million of their own money. It didn't say they can't do that. They can. They simply have to state an intention. I have to state and have to abide by the rule that I cannot raise more than $1,000. What is wrong with asking them to at least say how much they intend to spend? I think that is reasonable. What could be unfair about that?

Then this triggers the events that occur to give the opponent of the billionaire candidate, or the one-hundred-millionaire candidate, a little advantage. It sort of balances the scales a little bit. It is not a lot. It is still tough to compete against a candidate who will put in $40 million or $7 million. But they don't always win when they go to the American people.

If a wealthy candidate declares his or her intent to spend in excess of $500,000,

the opponent of that candidate can increase individual and PAC contribution limits threefold. In the present circumstance, instead of being able to ask people for only $1,000, it would be $3,000. Instead of a PAC giving $5,000, a PAC could give $15,000, to give you some chance to compete against that wealth.

If the candidate says in his declaration that he or she intends to spend more than $750,000, his or her opponent can increase individual and PAC contribution limits by five times. It would be $5,000 per individual.

If some friends of mine say: JEFF SESSIONS is getting overwhelmed by a multimillionaire candidate, they could all rally and try to go out there and help me have a fair playing field. I think some people would. They would rally under those circumstances. But under current law, they cannot help a candidate any more than the maximum contribution.

If the wealthy candidates exceed $1 million in personal expenditures, under the Domenici amendment the direct party contribution limit and party coordinated expenditure limits are eliminated. Why not? There is a chance to buy an election by pouring $1 million-plus into a campaign, and the opponent can be left helpless. I think that is a good law.

It also has a give-back provision that any excess funds raised by the opponent of a wealthy candidate may be used only in the election cycle for which they were raised. So they couldn't be used in the next election. Excess contributions must be returned to the contributor, if there is any left after that.

It also prohibits wealthy candidates, who incur personal loans in connection with their campaign that exceed $250,000, from repaying those loans from any contributions made to the candidate.

The PRESIDING OFFICER. The Senator from Alabama has used his 10 minutes.

Mr. SESSIONS. I ask unanimous consent to have 1 additional minute.

Mr. MCCONNELL. I yield the Senator an additional minute of my time.

Mr. SESSIONS. I know there were large contributions in this last Senate campaign from candidates of $10 million, $60 million, and other amounts of money that the winning candidates in this body contributed from their own funds. I tell you, I am glad I didn't face a person who could write a check for $60 million, $10 million—or $5 million, for that matter. If so, I would like to be able to have a level playing field so I could stay in the ball game.

This is a fair and reasonable bill. I believe it is the right thing to do. I totally support the Domenici amendment.

I ask that I be allowed to be listed as a cosponsor to the Domenici amendment.

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

Who yields time?

Mr. DODD. Mr. President, I yield myself 5 minutes.

Mr. President, I have great affection for my colleague from New Mexico. He is one of my best friends in the Senate. Even though we are of different political parties, we do a lot of work together. I admire him immensely as a Senator, and, more importantly, I cherish his friendship. But I disagree with him on this amendment.

I understand the arguments being made. In fact, I have been through a campaign where I in fact faced an opponent who was going to spend—at least he threatened to spend—a substantial part of his personal wealth to defeat me. So I am more than familiar with how this can work. It turned out he didn't spend all that money he said he was going to. But at least the threat was there. I know what it means to be sitting there in the campaign wondering whether or not you see a person who endlessly writes personal checks in a campaign.

I understand the motivations behind this and the concerns about it. But I think the amendment as crafted lacks some proportionality and balance. I admire the effort to try to come up with various triggers that kick in if a candidate relies upon his personal wealth for campaign funds. But this amendment doesn't take into consideration the size of various States. A $500,000 commitment of personal funds in Rhode Island, or Delaware, or even Connecticut certainly might cause an opponent to pause.

In Texas, Illinois, Florida, and California, that amount of funding hardly represents a commitment of personal resources. Today, that is nothing more than a second mortgage on a home. And a trigger allowing three times the allowable funds to be used, I think, is unnecessary at that level of personal funds. If you are getting to $750,000 or $1 million, again, in a large State, where a $20 or $30 million race is going to occur, I do not think that amount necessarily is going to pose a great threat.

Remember, we are talking, in many instances, about challengers. We are incumbents. As incumbents, we have a lot of advantages that do not come out of our personal checkbooks. Obviously, if we are e-mailing our constituents, responding to mail, having telephone services, and the like, we have an advantage that obviously gives us the upper hand in many instances when facing a challenger who may have personal wealth or may decide they are going to put at risk their family resources to run for public office.

I do not want to be in a position where we gut the McCain-Feingold bill because of a $500,000, or $750,000, commitment in a race that may cost, on average, today $15 or $20 million. That, it seems to me, is not proportional. It does not rise to that level. And that would be the net effect, if I understand the amendment correctly.

If a candidate commits $1 million of personal resources, then all the limits on coordinated party contributions come off for the challenger. And the challenger is permitted to have five times the allowable individual contribution limits. The result is a million-dollar personal commitment by one candidate being met with a potential $10 million party expenditure by the challenger. It seems to me that would defeat the very purpose of what we are trying to achieve with the underlying McCain-Feingold legislation.

In addition, obviously, PAC contributions rise to $25,000 per election, above the $5,000 limitations right now, once that threshold of $750,000 has been met, as I understand it.

So I think there is a way, maybe, to address this issue, but I think this amendment goes too far. It really does undo, at a very low threshold level, a lot of what is trying to be achieved by the McCain-Feingold proposal.

Again, I understand those who object to the underlying McCain-Feingold legislation, the thrust of it. But if you basically agree with what John McCain and Russ Feingold are trying to achieve with this bill—reducing the amount of money in the system—if you think that is the right track to be on, then adopting or supporting this amendment is a direct contradiction, it seems to me.

I understand if you are opposed to McCain-Feingold, then this is one quick way to sort of gut it, to undercut it.

Mr. President, I ask for one additional minute, if I can.

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

Mr. DODD. So if you want to basically gut the bill, then this is the amendment, it seems to me. The very first amendment we are dealing with here on this bill, the very first effort out of the box, is to undermine what we are trying to achieve.

Again, I respect what my colleagues are trying to do, as someone who has faced opponents in the past who have at least threatened to spend significant personal wealth in a campaign. That can be intimidating. But what you do not want to have happen is the mere expenditure, or the announcement of an expenditure, of equal or greater than $500,000, $750,000 or $1 million triggering off the contribution limits.

In Connecticut that would be a lot of money. But if you are going to get involved in a race that uses the New York media, for instance, a race that in Connecticut would be $5 or $6 million, could quickly mushroom to $10 million. And $1 million of personal wealth, while it is a lot of money, that certainly then could unleash $10 million or $15 million once the party limits are off. And the party limits would come off with that $1 million commitment. I think that would be a mistake.

So I urge my colleagues who are thinking about supporting this amendment, who simultaneously want to see

McCain-Feingold become the law of the land, to think twice about this amendment.

Mr. REID. Will the Senator yield for a question under his time?

Mr. DODD. I am happy to yield.

Mr. REID. I say to my friend, wouldn't it set a bad tone on the first amendment on this very important legislation—no matter how well meaning the proponents of this amendment might be—to, in effect, according to the sponsors of this bill, MCCAIN and FEINGOLD, gut the bill? Wouldn't that set a bad tone?

Mr. DODD. I think it would. There may be some merit we can seek out at some point. We are going to be on this bill for the next 2 weeks. It seems to me, if there is value in trying to do something here, we ought to be willing to talk about it. If we come out of the box and adopt this amendment, it seems to me then it would be a major setback in what we are trying to achieve in the McCain-Feingold legislation. I urge those who would be tempted to support this bill to resist doing so, and those who are sponsoring this amendment, if the amendment is, in fact, defeated or tabled, to go back to the drawing board and take another look at how this might be achieved.

But this particular proposal, I think, eviscerates what Senator MCCAIN and Senator FEINGOLD are trying to achieve and what those of us supporting them would like to see accomplished.

Mr. REID. Will the Senator yield me 2 minutes?

Mr. DODD. I am happy to yield my colleague 2 minutes.

Mr. REID. There is no one I have greater respect for than the Senator from Illinois, Mr. DURBIN, with whom I came to Washington in 1982. I had the same feeling he had, I say to my friend from Illinois. I heard his very eloquent speech. The fact is, I was of the understanding this would help the bill. But I have been told by the proponents of this legislation that it will not help the bill.

Does the Senator understand that?

Mr. DURBIN. I thank the Senator from Nevada for his kind words. In our conversations, I agree with what Senator DOMENICI is setting out to do. I do not believe it is antagonistic to McCain-Feingold. I think it is complementary. It is an important element. But I do believe we need to take the concept Senator DOMENICI has brought to the floor and work on it. We need to spend a little time working on this to bring it to where it ought to be.

I say to my friend from New Mexico, I hope—he, of course, can do what he would like with his amendment. I cannot support it at this moment, but I want to work with him and work with Senator DEWINE of Ohio to try to find a bipartisan alternative that deals with this in a realistic way.

So if Senator DOMENICI wants to go ahead with this amendment, I will have to join those who are attempting to table it, but only with the understanding that once this amendment is completed, we will sit down in a good-faith effort, bipartisan effort, to address this issue. Without his leadership, we might not even be at this point in the debate.

I thank him for that leadership.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. How much time do I have remaining?

The PRESIDING OFFICER. Eleven minutes.

Mr. DOMENICI. Eleven. I am not sure I will use all of it. I am aware that a Senator desires to get out of here quickly, and I will do my very best to accommodate the Senator.

But what I want to say to the Senate is, I have been working with Senator DEWINE and others on a modification to my amendment. Frankly, I cannot modify it unless there is a consent that I be permitted to modify it. If we move to table it, and the tabling motion fails, then I can amend it. So I would hope you would not table the Domenici amendment. Because if it is not tabled, Senator DEWINE and I, and others, will offer an amendment, which we will then be permitted to do, which will, essentially, greatly simplify it.

It will essentially be that if somebody under this new law indicates they are going to spend $500,000 or more of their own money, then only the individual contributions are increased to three times what they are now—$3,000 instead of $1,000—that if you are going to spend more than $1 million, it is 10 times, which is $10,000 contributions.

So if somebody was going to spend $20- or $30 million, then the $1,000 cap would be $10,000. That is the extent of the changes except we have a loan payback provision which we have discussed on the floor that says, if you use your own money, then after you are in office, you cannot pay yourself back by raising money as a sitting Senator.

Mr. President, I think that amendment I am going to offer with Senator DEWINE, which he would speak to at a later date, is a compromise amendment. I wanted to go a little further. But now what we are going to do in a few minutes is vote on whether or not to table the Domenici amendment. If we do not table it, then we will offer this amendment. I am sure everybody is listening and at least these increases in caps would pass in the Senate. Only the individual limits, the individual contributions would be changed if we are permitted to offer the Domenici-DeWine amendment, which would be a substitute after the tabling motion.

So there is no misunderstanding, the Domenici amendment has no soft money in it. The Domenici amendment is all hard money. Essentially, it says, if you are going to spend a half million dollars of your money, then you get to raise money in return for the candidate who was bound by the old laws, the 26-year-old laws. You can raise $3,000 in individual money and PACs are increased threefold. If you are going to spend $750,000 or more, it is five times. And $1 million or more, it is 10 times, as I have just indicated. In addition, we have the loan payback provisions in the bill that I have just described, and we have a provision that the hard money that can come from campaigns is limited as it is under the McCain-Feingold.

Having said that, I would ask Senators who think the time has come to send not a signal but to change the law so that the multimillionaire cannot essentially put the opponent at such odds that the opponent has no chance of raising sufficient money to run a campaign—we have seen many examples of that of late. I think it is as serious a problem as the underlying issues that are before us on McCain-Feingold. I choose to fix them. I ask Senators not to vote to table my amendment, thus giving me a chance to present a modified one that has broader support than the original Domenici amendment.

Mr. MCCAIN. Will the Senator yield?

Mr. DOMENICI. Surely.

Mr. MCCAIN. I don't want to take the floor from the Senator from New Mexico, but I have to tell the Senator from New Mexico, he has made substantial and probably significant and beneficial changes to his amendment. He just articulated them. We haven't had a chance to digest them to see what the impact would be. We have gone a long way from if the candidate exceeds $1 million, the direct party contributions and party coordinated expenditure limits are eliminated. We have to figure out exactly what all this means, I say to the Senator from New Mexico. This is legislating on the fly here.

What we would like to do, if it is agreeable to the Senator from New Mexico and the Senator from Ohio and all of us involved, is to have a chance to sit down and negotiate this with him. I agree with the Senator from New Mexico. I think he has some very good provisions, but at this time we would like to be able to examine those provisions, determine exactly what the impact is, have some negotiations, which have been going on among our staffs. Hopefully, we could get something on which we can all agree.

I am not sure in this very short time period where the Senator's amendment has changed rather drastically, fundamentally, when we are talking about if the candidate exceeds $1 million personal expenditures, the direct party contribution limits and party coordinated expenditure limits are eliminated—I don't frankly understand exactly the ramifications of the amendment of the Senator from New Mexico.

The PRESIDING OFFICER (Mr. ALLEN). The Senator from New Mexico has the floor.

Mr. DOMENICI. I say to my friend, I am not choosing to amend my amendment. My amendment stands as it was understood by the distinguished Senator from Arizona. I am merely stating that I am asking, and I now ask unanimous consent that I be permitted to modify it.

Mr. REID. I object.

Mr. DOMENICI. All I am saying is, if you don't table the Domenici amendment, standing there, I will offer an amendment on behalf of myself, Senator DEWINE, and others which will do what I described a while ago, and you can have all the time you want to look at that amendment, debate it, and even modify it, if you would like. I ask that we leave the amendment standing so I can modify it. Has the motion to table been lodged against the amendment?

The PRESIDING OFFICER. The motion to table can only be made at the expiration of time. The Senator has a little over 4 minutes, and the other side has a little over 9 minutes.

Mr. DODD. Mr. President, I say to my colleague from Kentucky that we are prepared to yield back whatever time we have on this amendment. I ask unanimous consent, if I don't have time, I may yield 1 minute to the distinguished Senator from Arizona.

The PRESIDING OFFICER. The Senator has time. The Senator from Arizona.

Mr. MCCAIN. I want to say again to my friend from New Mexico, we can work this out. We can do that. By the way, it is my understanding if we table your amendment, you can bring up another amendment anyway, whether it is tabled or not. If we don't table the present amendment, then that will signal that the Senate agrees with that amendment. Obviously, I do not, nor do I believe does the majority. I emphasize again to the Senator from New Mexico, I think we have made great progress in these negotiations. We are in agreement in principle. All we need to do is work out the details of it.

Frankly, I haven't been here nearly as long as the Senator from New Mexico, but I haven't heard of a parliamentary procedure where you would not table somebody's amendment that you oppose when there is going to be a follow-up amendment because we have unlimited amendments on this bill, very soon that we hope we will have worked out together.

Again, I am optimistic that we will work out the differences we have and it will give us all a better understanding of the amendment so we can make the best and most efficient use of our time.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I say to my good friend from Arizona, it is not a question of whether there is a procedure like this or not. We have established the procedure by the unanimous consent agreement we had entered into. We entered into a unanimous consent agreement that said that this amendment can't be modified unless we vote on a motion to table it and it is not tabled. We established that rule. I am asking that since that was the rule, we go ahead and not table it and let me offer an amendment with my good friend from Ohio and that will be thoroughly debated and modified.

Mr. DEWINE. Will my colleague yield?

Mr. DOMENICI. I am pleased to yield.

Mr. DEWINE. I thank my colleague from New Mexico. Let me urge the Members of the Senate not to vote in favor of tabling the Domenici amendment. The Senator has outlined very clearly what modification he and I wanted to make. It is a modification that is very logical. It turns this into an amendment that improves the amendment. It deals with the proportionality question.

If Members do look at it—and they have just had the opportunity a moment ago to hear the Senator outline exactly what it is—they will find it is very rational; it is very reasonable. It is going to be held to be constitutional, and it is going to begin to deal with this tremendous problem the Senator and I have been outlining, with others. I urge my colleagues not to vote in favor of tabling. Give us the opportunity to come right back and make the changes and get this amendment passed.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, just as a suggestion to my colleagues, under this unanimous consent agreement, the only way the amendment could be set aside would be, I suppose, a motion asking unanimous consent to set aside or withdraw the amendment. That is something on which the authors of the amendment must make a decision. It seems to me we are fairly close to something that might be agreeable. I don't think it serves the interests of the Senate to have a vote on something where it goes down and then comes back again.

It seems to me, if the authors of the amendment and the authors of the principal legislation feel as though they are fairly close to something they might agree on, it would make some sense, rather than putting the Senate through a vote, to ask unanimous consent that the amendment be withdrawn. We can go on to another matter and then come back to something we may agree on. We may not ultimately.

I don't see the value in having the Senate march down here and cast 100 votes on something that is going to be changed or modified at some later point anyway. I urge the authors to consider that for the minute that we have before the vote must occur. It seems to me that is a more prudent way to proceed.

I yield 2 minutes, if I have them, to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. I thank the Senator from Connecticut. I completely agree with his remarks, as well as the Senator from Arizona. I am pleased that the Senator from New Mexico has recognized that his original amendment just goes too far and there needs to be some modifications. We should try to get together and work this out.

There are a couple of items already in some of the modifications he is talking about that concern me. A tenfold increase seems to be an awfully high number. Perhaps there is another level that could work.

On the question of what the threshold would be, $500,000, many people have said, is too low a trigger for these increases. In New York or California, there is a difference. I agree with the Senator from Connecticut that the way to do this is to table this amendment and then see what kind of agreement or modification or new amendment can be agreed upon by the Senator from New Mexico and the Senator from Ohio, who genuinely care about these issues.

I share the concerns, but we need to do this in a manner that doesn't suddenly put together an act of modification that we don't completely understand. I ask that Members table this amendment.

Mr. MCCONNELL. Mr. President, let me explain to everyone that if this amendment is tabled, the next one comes from the Democratic side of the aisle. The first opportunity to do something about one of the most pervasive problems in American politics today, the purchasing of public office by people of great wealth, will have been lost.

Yes, it is true we may get back to this later, but there are a lot of amendments seeking to be offered on this side of the aisle. I don't know about the other side. I hope Senator Domenici's amendment will not be tabled, giving him an opportunity. Normally the courtesy of the Senate would give an offeror of an amendment an opportunity to modify his own amendment. Here that is being denied.

In the beginning, we got off to a good start, and now people won't even let the offeror of an amendment modify his own amendment. Senator DOMENICI is trying to keep his amendment alive so he can offer a second degree which, under the agreement, would be appropriate if the motion to table is not successful, which is something normally he would have an opportunity to do in the Senate, almost as a matter of right. So what the Senator is asking for is not inappropriate. It is the only way he can modify his amendment under the circumstances.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call——

Mr. DODD. If the Senator will withhold on the quorum call, I would like to be heard.

I hear my colleague from Kentucky. The reason we object to a modification at this point is because of what the Senator from Arizona had to say. This is a complicated amendment, with four different triggers involved. It seems to me the size of States is relevant, where $500,000 in Idaho or Connecticut would provoke one response, whereas in California it is something entirely different.

The modification is being objected to for the reason that it is a complicated amendment and it is only fair that the

authors of the bill spend a little time to look at the implications.

My suggestion of asking unanimous consent to withdraw the amendment at this point—I don't know about the authors of the underlying bill, but I am prepared to concede the next amendment to the Republican side and let them go first again. This is an important enough issue that we ought to try to reach out to one another, and rather than having 100 votes cast on this amendment as some bellwether of where we stand, and if there is an opportunity to reach a compromise, let's do that, and I would concede that the next amendment be offered by the Republican side to avoid any conflict.

Mr. MCCONNELL. Mr. President, if the motion to table is not agreed to, the next amendment will be the modified Domenici amendment because he will be recognized at that point for an opportunity to offer the modification that, normally, Senate comity would allow. So that will be the next amendment if the motion to table is not agreed to.

Senator DOMENICI and Senator DEWINE will offer the modification they have been trying to get consent to offer and that will be the next amendment presumably voted on in the morning, depending upon what the instructions of the majority leader are.

How much time remains?

The PRESIDING OFFICER. A half minute to the sponsor and 4 minutes to the opposition.

Mr. DOMENICI. Mr. President, I ask for 30 seconds.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I ask that Senators not vote to table this amendment. Give me an opportunity tomorrow to work with people to modify it. It will be an opportunity for me, as the principal sponsor, to get a modification that I can offer. It will be recognized as the next order of business. I ask that in fairness. I yield back my time.

Mr. DODD. Mr. President, I am about to make a motion to table. I urge my colleagues to support it. This amendment, if adopted, would gut the McCain-Feingold campaign finance bill, in my opinion.

I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to table the amendment of the Senator from New Mexico.

The clerk will call the roll.

The bill clerk called the roll.

Mr. REID. I announce that the Senator from North Dakota (Mr. DORGAN), is necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota (Mr. DORGAN), would vote ''aye.''

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

The result was announced—yeas 51, nays 48, as follows:

[Rollcall Vote No. 37 Leg.]

YEAS—51

Akaka	Dodd	Lincoln
Baucus	Durbin	McCain
Bayh	Edwards	Mikulski
Biden	Feingold	Miller
Boxer	Fitzgerald	Murray
Breaux	Graham	Nelson (FL)
Byrd	Hagel	Nelson (NE)
Cantwell	Inouye	Reed
Carnahan	Jeffords	Reid
Carper	Johnson	Rockefeller
Cleland	Kennedy	Sarbanes
Clinton	Kerry	Schumer
Cochran	Kohl	Snowe
Collins	Landrieu	Stabenow
Conrad	Leahy	Torricelli
Corzine	Levin	Wellstone
Daschle	Lieberman	Wyden

NAYS—48

Allard	Enzi	McConnell
Allen	Feinstein	Murkowski
Bennett	Frist	Nickles
Bingaman	Gramm	Roberts
Bond	Grassley	Santorum
Brownback	Gregg	Sessions
Bunning	Harkin	Shelby
Burns	Hatch	Smith (NH)
Campbell	Helms	Smith (OR)
Chafee	Hollings	Specter
Craig	Hutchinson	Stevens
Crapo	Hutchison	Thomas
Dayton	Inhofe	Thompson
DeWine	Kyl	Thurmond
Domenici	Lott	Voinovich
Ensign	Lugar	Warner

NOT VOTING—1

Dorgan

The motion was agreed to.

Mr. LEVIN. I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I say to my friend from New Mexico, we are ready now to sit down and negotiate so we can have an agreement on his amendment in the morning.

I believe the Senator from Connecticut has said he could have the next amendment. The only reason we objected to it is because we did not have sufficient time to review the modifications and continue negotiations.

I say to my friend from New Mexico, we are ready to sit down right now and negotiate. I think we are very close to an agreement so we can get this done immediately and move on to other issues.

Mr. President, I also would like to thank the Senator from New Jersey and the Senator from Wisconsin.

Again, before I yield the floor, I believe we are very close to an agreement. We were before the modification. I also believe that with these negotiations, within an hour we can come up with an agreement that will get a very substantial and majority vote.

I thank my colleagues, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank the Senator from Arizona. However, I would just like to reiterate for the Senators present, my amendment was caught in a parliamentary bind where there was no way for me to amend it, other than to not let this table occur. That is rather unfair treatment. Had I figured that out in the unanimous consent agreement, I would have never agreed to it because most Senators can modify their amendments.

I thank those who agreed to grant me that privilege. For those who want to work with us to try to get an amendment, we will do that. I can't do that tonight. We have other things to do around here also. But I thank the distinguished Senator from Arizona for his welcoming a compromise. There will be one, I assure you.

The PRESIDING OFFICER. The Senator from Ohio, Mr. DEWINE.

Mr. DEWINE. Mr. President, let me just follow up on what my colleague and friend from New Mexico has said. I think it was a shame that we were not given the opportunity to modify his amendment. The Senate has spoken. I think it is too bad. I think it is very unfortunate.

Having said that, I do believe we are fairly close in negotiations. The Senator from New Mexico and I had reached an agreement that would deal with this problem. It would have been, I think, very positive. I am confident, from talking to some of my friends on the other side of the aisle, as well as friends on this side, that we still can, within a relatively short period of time, reach agreement and come back to the Senate with an amendment to which we can in fact agree, and we intend to do that.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. The practical effect means the next amendment is to be offered by the Democratic side because Senator DOMENICI was, first, denied the opportunity to modify his amendment; second, the opportunity to modify it after a motion to table failed was denied him by switching a number of Members.

The practical effect of all this, I say to everyone in the Senate, is that the next amendment is on the Democratic side under our agreement. I am curious as to what it might be.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. In light of the events that just unfolded here, we don't have a specific amendment ready to offer at this particular point. As I understand it, there will be no more votes this evening. We encourage Members who have not made opening statements on this bill, who are here on the floor, to do so tonight, and then with some consultation between the two of us and others interested, we will try to come up with an amendment this evening to go tomorrow. I don't know what the timeframe will be tomorrow. The leader is here. I don't know what the agenda will be, what time we will start, but

we will certainly give you ample notice ahead of time what the amendment will be.

Mr. MCCONNELL. I thought the idea behind this agreement we painstakingly entered into over a number of weeks of negotiations with the Senator from Arizona was that there would be an opportunity for lots of amendments. Now here we are on a Monday night, getting ready—the majority leader wants us to have a vote in the morning— I am hearing that the other side doesn't want to lay down an amendment.

Mr. DODD. Mr. President, if my colleague will yield, we went through this discussion on the Domenici proposal. It may very well may be that we will offer something that would accommodate what the Senator from New Mexico is proposing. If that could be worked out, that may be the next amendment. I think we might be able to do that. If we are unable to do that, obviously we will have another amendment to offer right away. I know the leader indicated that on tomorrow he would like to have a vote by 12:30. If we come in at 9:30, we will have an amendment to offer, and we will be right on the schedule that the leader laid out some days ago.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, just to respond to the last comment of Senator DODD, that is the point. We want to make sure, if you are going to take advantage of the opportunity to offer an amendment tonight, fine, or we will have one the first thing in the morning. But we had an agreement that we would do these by regular order of 3 hours. So hopefully you will either have one in the morning or we will be prepared to go with one on this side.

Mr. MCCONNELL. Mr. President, since there seems to be so much interest in accommodating Senator DOMENICI, might it not be possible for everyone to agree that Senator DOMENICI's modified amendment would be the first one up in the morning?

Mr. DODD. I object to that.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I say to the majority leader and to my friend from Kentucky that the Senator from Connecticut has been busy.

I think the amendment—and we will be happy to discuss it in more detail with the Senator from Kentucky—will be offered by Senators CORZINE, KOHL, and TORRICELLI. It will probably deal with the same subject matter that was discussed all day today.

Mr. DODD. Mr. President, I think we have done some good work today. We had some good opening statements and considered an amendment. Obviously, the people involved could do a little work this evening.

We will be prepared. At 9:30 tomorrow, we will have an amendment, and we will be ready to vote on it by 12:30, before the respective conferences meet.

Mr. LOTT. Mr. President, I had prepared to offer a unanimous consent that when we come in, at 9:45 in the morning the pending business would be the modified Domenici amendment.

If they are going to work on this tonight, we will be glad to work with you on that. But we have to keep this process going forward.

Just one thing on the substance. I think it is going to be a sad commentary if we don't address this issue of candidates being able to put unlimited amounts of money in their races without the opponents having some way to at least be competitive.

I hope the Senate will find a way to come together on this issue. I know it has the support of both sides of the aisle. It is going to be a bad start of getting to a proper conclusion to this legislation if we don't address this issue. I would encourage both sides to work on this overnight.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. COLLINS. Mr. President, I voted to table Senator DOMENICI's amendment not because I was not sympathetic with the same. And I give him great credit for bringing up a real problem in our campaign finance system of very wealthy candidates being able to self-finance their races. That discourages a lot of otherwise very qualified people from even running for office in the first place.

I commend the Senator from New Mexico for bringing up an important issue. I did not support his amendment because I disagreed with some of the provisions in it. I believe, however, that the amendment he is likely to propose with Senator DEWINE is a far superior amendment.

I think it was very unfortunate that the Senator from New Mexico was not allowed unanimous consent to modify his amendment. That is very unusual. Members usually are allowed to modify their own amendments. I think it is very unfortunate that did not occur in this case. It does not bode well for the debate on this issue for us to start off like that.

I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I can certainly understand the frustration of some of our colleagues as we have attempted to work through the first day of what is an unusual unanimous consent agreement. We are used to a little more flexibility on amendments. I think when we entered into this unanimous consent agreement, our entire purpose was to ensure that we could move amendments along. That was the whole idea—that we would make sure that in the process of moving amendments along, we would accommodate Senators.

I hope that unanimous consent agreements, to demonstrate a little more practicality, could be agreed to in the future because I think we will actually accommodate rather than impede our ability to take up and address this bill in a meaningful way.

In that regard, I ask unanimous consent that I or my designee be recognized tomorrow morning as debate on the legislation is again convened in order to offer an amendment.

Mr. MCCONNELL. Reserving the right to object.

Mr. LOTT. Mr. President, if the Senator will yield under his reservation, first of all, I appreciate what Senator DASCHLE had to say about allowing Senators to modify their own amendments. We need to continue to honor that practice.

Second, I don't see any problem with his request. If he does not act on his right, then we will be able to reclaim and move forward on our side. I don't see a problem with that under the circumstances.

Mr. DASCHLE. Mr. President, for the information of my colleagues, in consultation with our ranking member, I suggest that our amendment will deal with the millionaires amendment.

The Durbin approach I think is one with which many of us could be comfortable. I understand they are talking now about ways in which to address some of the differences between Senator DURBIN and Senator DOMENICI. But that will be the subject of an amendment we will offer at 9:30 in the morning.

I yield the floor.

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

MORNING BUSINESS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 10 minutes each.

BANKRUPTCY REFORM

Mr. GRASSLEY. Mr. President, I have a few clarifying comments regarding the bankruptcy reform bill which the Senate passed last week, During the debate on the small business provisions in S. 420, Senator KERRY erroneously characterized how the National Bankruptcy Review Commission voted on the small business changes that were contained in the bill. Senator KERRY maintained that the provisions were controversial and passed by a narrow 5–4 vote. This was not true. In fact, the National Bankruptcy Review Commission voted for these provisions by a vote of 8–1.

I also want to clarify another point in the bankruptcy legislation. Senator SCHUMER offered an amendment in committee and then on the floor that changed a provision in the bill that prohibited corporate entities in Chapter 11 from discharging fraud debts in bankruptcy. I opposed this amendment since I think that corporations should not be able to commit fraud and get away with it by filing for bankruptcy.