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House of Representatives

BIPARTISAN CAMPAIGN REFORM ACT OF 2001

(Continued)

The CHAIRMAN. No amendment to the bill, or to the bill as perfected by an amendment in the nature of a substitute finally adopted, shall be in order except those printed in the portion of the CONGRESSIONAL RECORD designated for that purpose or otherwise specified in House Resolution 344.

Before consideration of any other amendment, it shall be in order to consider each amendment in the nature of a substitute specified in section 2 of the resolution. Each such amendment may be offered only in the order specified, may be offered only by the Member designated or a designee, shall be considered read, shall be debatable for 40 minutes, equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment except as specified in section 3 of the resolution.

If more than one amendment in the nature of a substitute specified in section 2 is adopted, only the one receiving the greater number of affirmative votes shall be considered as finally adopted. In the case of a tie for the greater number of affirmative votes, only the last amendment to receive that number of affirmative votes shall be considered as finally adopted.

After disposition of the amendments in the nature of a substitute specified in section 2, the provisions of the bill, or the provisions of the bill as perfected by an amendment in the nature of a substitute finally adopted, shall be considered as an original bill for the purpose of further amendment under the 5-minute rule and shall be considered read.

No further amendment shall be in order except those specified in section 3 of the resolution. Each such amendment may be offered only by the Member designated or a designee. Each such amendment shall be considered read, shall be debatable for 20 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

Pursuant to the order of the House of Tuesday, February 12, 2002, the Chair shall alternate recognition to offer the amendments specified in section 3 between the majority leader or a designee or the majority leader, and Representative SHAYS or Representative MEEHAN or a designee of either Member, only as follows:

The majority leader for one amendment;

Representative SHAYS or Representative MEEHAN for one amendment;

The majority leader for 2 amendments in sequence;

Representative SHAYS or Representative MEEHAN for one amendment;

The majority leader for two amendments in sequence;

Representative SHAYS or Representative MEEHAN for one amendment;

The majority leader for two amendments in sequence;

Representative SHAYS or Representative MEEHAN for one amendment;

The majority leader for two amendments in sequence;

Representative SHAYS or Representative MEEHAN for one amendment; and

The majority leader for one amendment.

It is now in order to consider the amendment in the nature of a substitute numbered 13 specified in section 2 of House Resolution 344 by the gentleman from Texas (Mr. ARMEY).

AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute No. 13 offered by Mr. ARMEY:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Ban it All, Ban it Now Act''.

TITLE I—SOFT MONEY ACTIVITIES OF PARTIES AND CANDIDATES

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

''SEC. 323. SOFT MONEY OF POLITICAL PARTIES.

''(a) NATIONAL COMMITTEES.—

''(1) IN GENERAL.—A national committee of a political party (including a national congressional or Senatorial campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.— The prohibition established by paragraph (1) applies—

''(A) to any such national committee, any officer or agent acting on behalf of such a national committee, and any entity that is directly or indirectly established, financed, maintained, or controlled by such a national committee; and

''(B) to all activities of such committee and the persons described in subparagraph (A), including the construction or purchase of an office building or facility, the influencing of the reapportionment decisions of a State, and the financing of litigation relating to the reapportionment decisions of a State.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—Any amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(c) FUNDRAISING COSTS.—An amount spent by a person described in subsection (a) or (b) to raise funds that are used, in whole or in part, for expenditures and disbursements for a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional or Senatorial campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to—

''(1) an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section) and that makes expenditures or disbursements in connection with an election for Federal office (including expenditures or disbursements for Federal election activity); or

''(2) an organization described in section 527 of such Code (other than a political committee, a State, district, or local committee of a political party, or the authorized campaign committee of a candidate for State or local office).

''(e) FEDERAL CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or an individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of 1 or more candidates or individuals holding Federal office, shall not—

''(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

''(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

''(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1), (2), and (3) of section 315(a); and

''(ii) are not from sources prohibited by this Act from making contributions in connection with an election for Federal office.

''(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual described in such paragraph who is also a candidate for a State or local office solely in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law and refers only to such State or local candidate, or to any other candidate for the State or local office sought by such candidate, or both.

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

''(4) LIMITATION APPLICABLE FOR PURPOSES OF SOLICITATION OF DONATIONS BY INDIVIDUALS TO CERTAIN ORGANIZATIONS.—In the case of the solicitation of funds by any person described in paragraph (1) on behalf of any entity described in subsection (d) which is made specifically for funds to be used for activities described in clauses (i) and (ii) of section 301(20)(A), or made for any such entity which engages primarily in activities described in such clauses, the limitation applicable for purposes of a donation of funds by an individual shall be the limitation set forth in section 315(a)(1)(D).

''(f) STATE CANDIDATES.—

''(1) IN GENERAL.—A candidate for State or local office, individual holding State or local office, or an agent of such a candidate or individual may not spend any funds for a communication described in section 301(20)(A)(iii) unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) EXCEPTION FOR CERTAIN COMMUNICATIONS.—Paragraph (1) shall not apply to an individual described in such paragraph if the communication involved is in connection with an election for such State or local office and refers only to such individual or to any other candidate for the State or local office held or sought by such individual, or both.''.

SEC. 102. DEFINITIONS.

Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

''(20) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); or

''(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate).

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A); or

''(iii) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

''(21) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means a campaign activity that promotes a political party and does not promote a candidate or non-Federal candidate.

''(22) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing, or telephone bank to the general public, or any other form of general public political advertising or political advertising directed to an audience of 500 or more people.

''(23) MASS MAILING.—The term 'mass mailing' means a mailing by United States mail or facsimile of more than 500 pieces of mail matter of an identical or substantially similar nature within any 1-year period.

''(24) TELEPHONE BANK.—The term 'telephone bank' means more than 500 telephone calls of an identical or substantially similar nature within any 1-year period.''.

TITLE II—SOFT MONEY ACTIVITIES OF CORPORATIONS AND LABOR ORGANIZATIONS

SEC. 201. BAN ON USE OF SOFT MONEY FOR NONPARTISAN VOTER REGISTRATION AND GET-OUT-THE-VOTE ACTIVITIES.

Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by striking ''(B) nonpartisan registration and get-out-the-vote campaigns'' and all that follows through ''and (C)'' and inserting ''and (B)''.

TITLE III—OTHER SOFT MONEY ACTIVITIES

SEC. 301. BAN ON USE OF SOFT MONEY FOR GET-OUT-THE-VOTE ACTIVITIES BY CERTAIN ORGANIZATIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

''BAN ON USE OF NONFEDERAL FUNDS FOR GET-OUT-THE-VOTE ACTIVITIES BY CERTAIN ORGANIZATIONS

''SEC. 324. (a) IN GENERAL.—Any amount expended or disbursed for get-out-the-vote activities by any organization described in subsection (b) shall be made from amounts subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) ORGANIZATIONS DESCRIBED.—An organization described in this subsection is—

''(1) an organization that is described in section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section); or

''(2) an organization described in section 527 of such Code (other than a State, district, or local committee of a political party, a candidate for State or local office, or the authorized campaign committee of a candidate for State or local office).''.

SEC. 302. BAN ON USE OF SOFT MONEY FOR ANY PARTISAN VOTER REGISTRATION ACTIVITIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 301, is further amended by adding at the end the following new section:

''BAN ON USE OF NONFEDERAL FUNDS FOR PARTISAN VOTER REGISTRATION ACTIVITIES

''SEC. 325. No person may expend or disburse any funds for partisan voter registration activity which are not subject to the limitations, prohibitions, and reporting requirements of this Act.''.

The CHAIRMAN. Pursuant to section 2 of House Resolution 344, the gentleman from Texas (Mr. ARMEY) and a Member opposed each will control 20 minutes.

Chair recognizes the gentleman from Texas (Mr. ARMEY), the majority leader.

Mr. HOYER. Mr. Chairman, I claim the time in opposition.

The CHAIRMAN. The gentleman will be recognized.

Mr. ARMEY. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, in light of today's debate, that I anticipate will feature a great deal of self-flagellation and tacit indictment of one another, let me state at the outset that I am not now, never have been, nor ever will be corrupted by contributions to my campaign in soft or hard money, and I do not believe any of my colleagues have now,

ever have been, or ever will be corrupted.

That is a great fiction for demagoguery, but it is not the facts of who we are, and we ought to have the courage to stand up and say, my colleagues, that we are decent, honest, hard-working servants of this country, our respective districts, and the ideas that we embrace. And I, for one, am proud to make that comment about myself and my colleagues.

We have in this debate a great deal of allegiance to Shays-Meehan. There is Shays-Meehan No. 1, the original bill that attracted a lot of cosponsorship, and a lot of people will come to the floor and say, I am for that, and by their commitment to Shays-Meehan will be for the original Shays-Meehan bill, a couple of years old now.

There are those who will say I am committed to what I call Shays-Meehan No. 2; that revision of the original Shays-Meehan that featured 17 amendments that were offered by a rule earlier in this Congress, in 17 separate amendments, which was considered unfair and resulted in the rule being voted down, principally by proponents of Shays-Meehan.

Or there may be those who believe in Shays-Meehan No. 3; that which we discovered in the wee hours of the morning as they were presented last night with some seven or eight new amendments to it, which will be offered later as a substitute by the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN).

What is the common thread that runs through Shays-Meehan No. 1, No. 2, and No. 3? A consistent pattern of the accumulation of loopholes to the soft money ban. It may be that my memory does not serve me well, but it is possible perhaps Shays-Meehan No. 1, the original, did have an immediate, full, complete, comprehensive ban on soft money. That may or may not have been the case, but it is sure not the case now.

We have in the accumulation of loopholes some 20 loopholes to the soft money ban. The one thing for certain we can say about Shays-Meehan, as we will see it on this floor, is there is no full soft money ban now.

My favorite loophole of the soft money ban, and the only one I will talk about because there are so many loopholes, is the one that popped up last night around midnight. That loophole, under the guise of reform, allows people to do with soft money after reform what they cannot do legally today, and that is borrow soft money, spend it as hard money, and then after the election to pay it off as soft money. That one cracks me up.

How in the world could anybody with a straight face say I am here with a heartfelt commitment to get rid of the evils of soft money and vote or even offer such an amendment to Shays-Meehan?

If my colleagues want to end soft money now, now, vote for the Armey substitute. It does not end soft money after the election, it does not end soft money after we have used it to manipulate hard money, it is now. So if, in fact, my colleagues have the courage of their convictions and they want to put their money where their mouth is, their soft money where their soft-spoken mouth is, vote for Armey and get rid of soft money now.

If my colleagues do not want to get rid of soft money now, then quit talking about it. I mean, at least do us the courtesy of giving us the benefit of the doubt with respect to the suspicion that we are not total idiots. We are either for a ban on soft money now or we are not. We are either for tricks and gimmicks, exceptions and loopholes or we are not. If we are for a real ban now, vote for Armey.

Mr. Chairman, I ask unanimous consent that I be allowed to yield the debate time I have remaining on my amendment to the gentleman from Georgia (Mr. LINDER), and I further ask unanimous consent that he be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HOYER. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) may each control 5 minutes of the time allocated to me, and that they may yield such time.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I have in my hand a letter from Mr. Larry Noble, executive director and general counsel of the Center for Responsive Politics, who was the former general counsel of the Federal Election Commission, and I quote from that letter:

''It is clear under Federal election law that only hard money can be used to pay off a loan that was used for hard money expenditures.''

Constantly, the other side has been using as a windmill that they want to have us quixotically focus on, this incorrect claim that we somehow allow soft money to be used to pay off hard money debt. The letter goes on to say, ''I see nothing in section 402(b)(1) of the Shays-Meehan Substitute,'' referred to by so many of the speakers, ''that would supersede current Federal law. Under section 402(b)(1), soft money funds on hand after elections could only be used to pay off debts or obligations used for soft money expenditures.''

Mr. Chairman, I provide for the RECORD the letter I just quoted from.

CENTER FOR RESPONSIVE POLITICS,
Washington, DC, February 13, 2002.

Hon. CHRISTOPHER SHAYS,
Longworth Building, Washington, DC.

DEAR CONGRESSMAN SHAYS: This is in response to your question regarding whether a national committee of a political party can use soft money to pay off a debt or obligation that was used to fund expenditures that must be paid for with hard money. It is clear under federal election law that only hard money can be used to pay off a loan that was used for hard money expenditures. I see nothing in Section 402(b)(1) of the Shays-Meehan Substitute Amendment that would supersede current federal law. Under Section 402(b)(1), soft money funds on hand after the election could only be used to pay off debts or obligations used for soft money expenditures.

If you have any other questions, please do not hesitate to contact me.

Sincerely,

LARRY NOBLE,
Executive Director and General Counsel, (Former General Counsel of the Federal Election Commission).

Mr. HOYER. Mr. Chairman, I reserve the balance of my time.

Mr. LINDER. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DOOLITTLE), who has some time constraints, and then I will make my comments.

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Mr. DOOLITTLE. Mr. Chairman, I thank the gentleman for yielding me this time.

I draw Members' attention to an article in today's Washington Post, not by a Republican or a conservative, by Robert J. Samuelson, entitled ''It Is Not Reform, It Is Deception.'' That is all this Shays-Meehan bill and the McCain-Feingold bill are about. I encourage Members to read it because it is not from a Republican perspective, and yet it makes all the Republican arguments. With all of the demagoguery we are going to hear today, I hope Members will read this because in one little summary, Members will get the essence of what this is all about.

Mr. Chairman, the disastrous present law that we have was given to us by the same liberals who are now bringing to us an updated version in the Shays-Meehan bill. This law was rammed through in 1974 by liberal Democrats in the far left of the think tanks to try and take advantage of Republicans through the law and making it harder for them to campaign. It worked. It took us 20 additional years before we won the House of Representatives as a result of that law.

If this disastrous bill passes today unamended, I suspect we will have another 20 years in the trenches before we ever come back. Why is it right to abuse the law to skew it in favor of one party and against another? It is terribly wrong.

As Samuelson says, it is not reform, it is deception. I support the amendment of the gentleman from Georgia (Mr. LINDER). If we ban soft money, ban it cleanly, not with 85 pages of exceptions like the Shays-Meehan bill does. Ban it cleanly. It does not need to be banned, but I am going to vote for the amendment because I want the bill to go to conference.

This disastrous system the Democrats gave us needs to be fixed. The

only way to fix it and get a level playing field is to send it to conference. I support the gentleman's amendment.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the gentleman from Virginia (Mr. MORAN.)

Mr. MORAN of Virginia. Mr. Chairman, first of all, I take great exception to the majority leader's words that we think that he is a total idiot. Not only is the gentleman very clever, but his amendment is very clever. It is not the words that are the problem, it is the intent. In fact, only 8 cents out of every soft-money dollar spent in the 2000 campaign cycle spent by the parties went to voter education, phone banks, voter registration, get-out-the-vote, traditional party-building activities. The problem is the intent. If this passes, it will go to conference, and it will be killed in conference.

Mr. LINDER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, to begin to address the question of intent, this bill, or the vast majority of this bill, was actually introduced March 15, 2001. It was introduced by me after talking to many people about it because I believe if we want to get rid of soft money, Members ought to do that.

Every year since 1995, this body has been offered a version of Shays-Meehan, and in every Congress we have listened to our colleagues take the floor of the House to vilify soft money and all of its evils and ills; yet in all of the various incantations of the Shays-Meehan language that we have seen over the years, we have never seen a version that bans soft money in Federal elections. Let me say that again. In all of the various incantations of the Shays-Meehan language that we have seen over the years, we have never seen a version that bans soft money in Federal elections.

Further, in nary a rendition of the Shays-Meehan bill, have the authors banned all soft money immediately. That is right. Yet for the rest of this day and into the night, we are going to hear that this proposal bans soft money. It calls to mind the wonderful line from Alice in Wonderland when one of the character says, ''When I use a word, it means exactly what I want it to mean.'' That is what ''ban'' is going to be today.

Mr. Chairman, I am the former chairman of the National Republican Congressional Committee. I ran that committee on the very soft dollars that we seek to ban today. So when I speak about the need to end soft money in Federal politics, I know of what I speak. It is from that background that I came to the floor proudly today to support the ban-it-all, ban-it-now reform legislation of the gentleman from Texas. I support campaign finance reform.

In fact, even as a former NRCC chairman, I introduced my own campaign finance reform legislation in this Congress, legislation that would ban all soft money used by national committees, corporations, and labor unions. I am pleased that much of that bill is incorporated in this substitute today. But the debate here today is not about my language; it is about my principles. And while I support campaign finance reform, principle prevents me from supporting Shays-Meehan.

Mr. Chairman, all Americans deserve a voice in the political process, and we need campaign finance reform to ensure that all voices are heard. Yet Shays-Meehan simply silences some voices altogether while amplifying others. Shays-Meehan creates a playing field, but it is not a level playing field. It is a field where winners are guaranteed. Clever rhetoric and good intentions have never been able to hide this fatal flaw.

While soft money is certainly not the root of all evil in modern politics, all direct contributions to national parties from corporations, labor unions, or individuals should fall under the same regulation as direct contributions to candidates fall under. Ultimately, campaign finance reform must be about fairness. Bringing corporations, labor unions, interest groups, and individuals under the same regulations as everyone else is the only way to achieve honest fairness.

The substitute put forth by the majority leader and I does not play favorites. It does not pick winners and losers. It does not use clever language or fancy phrases. Rather, it identifies a single societal goal, accountability and disclosure in politics; and then it proceeds to be certain that this end is achieved. It identifies a single problem in politics and focuses all of its energy and power on effecting a solution; and that is the bill we have before us today.

In 12 simple pages, this bill bans every dollar of unregulated, unaccountable, and undisclosed money that can be constitutionally eliminated from Federal politics. Again, every cent of unregulated, unaccountable or undisclosed money that can be constitutionally eliminated from Federal politics is eliminated by this language. Why? Because America is asking for accountability from its government, and we answer that call. We answer it not next cycle, not next year, not in 60 to 90 days, but we answer the call today, now. Not in 100 pages, not in 75, not in 50; but in 12 simple pages, this bill addresses completely what the proponents of Shays-Meehan language have been attacking for nearly a decade. Do not let the length fool Members. The language of the substitute is thorough, it is total, and it is complete; and it actually does ban soft money.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield the balance of my time to the gentleman from Florida (Mr. DAVIS) and ask unanimous consent that as a member of the Committee on House Administration, that he may control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Utah (Mr. MATHESON).

Mr. MATHESON. Mr. Chairman, simply stated, campaigns in this country really ought to be a dialogue between candidates and voters. Members all have their own personal experiences. I was just elected in November of 2000. That dialogue that should have been taking place between candidates and voters was diluted and in fact polluted by massive amounts of unaccountable soft money. That is money that funded issue commercials that were sham ads that were deceptive, or they contained out and out lies; and there was no one to hold accountable, including my opponent. And, quite frankly, my opponent took some blame for that, and it was inappropriate. Today is the day we can stand up and try to clean up this process so Members have that appropriate dialogue between candidates and voters. I encourage Members to support the Shays-Meehan bill.

Mr. LINDER. Mr. Chairman, I yield 2½ minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I thank the gentleman for introducing a bill that is relatively clean of the hypocrisy that we seem to have in some of the other bills. It is interesting that we hear over and over again that the Shays-Meehan bill bans soft money; and yet if we look at it, and I advise Members to look at the doggone bill because if Members say it bans soft money, they have not read the bill or they are misrepresenting the bill. It is one or the other.

But what it basically does is it reregulates soft money and tilts the scale more favorably to certain special interest groups. It is analogous to pushing food around on the plate to make momma think the vegetables have been eaten. I hated green peas. I know the game. I did it all of the time. That is what is going on here. Members are patting ourselves on the back and head and acting holier than thou and saying we banned soft money today.

Mr. Chairman, it does not do that. It creates a $60 million soft money loophole for State and local parties. It allows the Democratic National Committee to build a $40 million headquarters building with soft money. It lets candidates solicit unlimited soft money for 501(c) groups; and it allows soft money to buy billboards, direct mail, telephones, and door-to-door political activities. What a ban.

It also is curious to me that the supporters of this bill decry how badly needed it is and how we should have done it yesterday, but postpone it until after this year's election.

Mr. Chairman, I want a show of hands, how many Members think that is a good idea? Members want it, but think it is a good idea to wait until

after the election. I applaud those Members for their honesty. I will make the observation that the majority of the Members did not raise their hands.

Mr. Chairman, let me say this is not a ban on soft money. This is a make-believe bill. It just reregulates things and skews things. I know the New York Times wants it, and a lot of Members worry about The Washington Post and the New York Times. And if I was in the DCCC, I would look at this bill very favorably, but it does not do anything to clean out what is perceived to be the problem with politics.

Mr. Chairman, I believe that the Linder-Armey bill does a much better job in that regard, and I urge my colleagues to support it.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Washington (Mr. BAIRD).

Mr. BAIRD. Mr. Chairman, Members of the House know it, Senator MCCAIN knows it, Granny Dee knows it, and most importantly, our constituents know it. Money and campaign financing are having a corrosive influence on the political process today.

I personally reject the charge that it is corrupting Members of this august body, but Members all know with absolute certainty that the process of raising money is taking precious, precious time away from the matters that are before us. We know with equal certainty that many Members of this body pause at least once to ask themselves how a vote will affect their contributions when they should be asking solely how it will affect this great Nation.

In this debate we have heard the majority party assert that passage of Shays-Meehan and McCain-Feingold will harm their political fund-raising. That is symptomatic of the problem. We should not be asking is this good for one party or another. Members should be asking solely and simply: Is it good for the United States of America and the people we represent? Shays-Meehan is good. Pass this bill. Reject the poison pills and send it to the President.

Mr. MEEHAN. Mr. Chairman, I yield the balance of my time to the gentleman from Michigan (Mr. LEVIN) and ask unanimous consent that he may control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The gentleman from Georgia (Mr. LINDER) has 8½ minutes remaining. The gentleman from Florida (Mr. DAVIS) has 6½ minutes remaining. The gentleman from Connecticut has 5 minutes remaining. The gentleman from Michigan (Mr. LEVIN) has 5 minutes remaining.

Mr. LINDER. Mr. Chairman, I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, part of the legacy of President Teddy Roosevelt was an effort to get rid of corporate contributions to Federal elections, and they have been illegal for almost a century. But what we have seen over time, the evolution of a system that has permitted corporate contributions to move into the political process, be the process of soft money, something that is corrupting on those who have to contribute it, who have to receive it. It is not good for the American public.

Mr. Chairman, what we have here today in this amendment is a ploy to attempt to allow the current system to continue. There is no objective here in terms of reforming campaign finance.

□ 1230

We have heard it from some of our friends in the opposition, they want to simply get it to a conference committee where it will die a lingering, quiet death, and people can continue to manipulate the current system. My hats are off to our colleagues, the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN), for their work throughout the last 6 years to get us to this point where we can actually get something passed that will make a difference.

I urge my colleagues to reject this amendment and approve Shays-Meehan.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee (Mr. FORD).

Mr. FORD. Mr. Chairman, we are addicted to this money, Democrats, Republicans, and I daresay the Independent, but I know the gentleman from Vermont (Mr. SANDERS) is not. We love the golf tournaments, the concerts, the traveling, all the wonderful things that this soft money allows us to do in this Congress. But let us be honest. Some on this side of the aisle have suggested, my dear friend the gentleman from Ohio (Mr. NEY) has suggested that this bill is an incumbent protection bill. Currently for those watching on C–SPAN and those in the gallery, 97 percent of us get reelected each time we run. So how much more of an incumbent protection bill will it actually be?

Your argument would be strengthened if somehow or another you could prove that more money correlated to a bigger voter turnout. But what we have seen over the last three election cycles is that more people are turned off by all of this money, more people are turned off by all of this rhetoric than they are actually activated. This notion that somehow or another this soft money will activate grassroots organizations, the facts do not support it.

Vote down this amendment. I say to my dear friend the gentleman from Texas (Mr. ARMEY), I wish we could have had you when we were negotiating this soft money ban from early on.

Vote ''no'' on Armey. Allow Shays-Meehan to pass.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would remind Members to address remarks to the Chair and not to those in the audience.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Rhode Island (Mr. LANGEVIN).

Mr. LANGEVIN. Mr. Chairman, I rise in strong support of the historic Shays-Meehan Campaign Finance Reform Act today. For too long, our Nation's elections have been tainted by the effects of soft money, and the Shays-Meehan bill is the only measure that will put an end to this corrupting influence.

Public participation is the cornerstone of a healthy democracy. As secretary of state of Rhode Island, I worked to make government more accessible to our citizens. However, despite these advances, my constituents still feel disheartened by our Nation's election system because large sums of money drown out the voice of the average voter.

Reform is never easy. We often forget the immense courage exhibited by our Founding Fathers in challenging the status quo. We must remember this lesson and vote for true campaign finance reform that will take the reins of democracy out of the hands of corporations and interest groups and restore the voice of our citizens. Vote against the Armey substitute and for Shays-Meehan.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. I thank the gentleman for yielding me this time.

Mr. Chairman, current campaign finance laws were written to curb the abuses of another generation. Thirty years later, a new plague has infected our Nation's elections, soft money. This money, these unlimited contributions, are used to run attack ads, and they do distort our public policy choices here. That is why I urge all my colleagues to defeat all of these amendments and substitutes that are being proposed and to pass Shays-Meehan. If this government is to remain a government of the people, by the people and for the people, we must take soft money out of this campaign finance system. We must pass Shays-Meehan and take these unlimited contributions and set them aside. Our democracy will work, and work far better than it does today, if we pass this bill.

Mr. LINDER. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Florida (Mr. KELLER).

Mr. KELLER. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise today in strong support of the gentleman from Texas' campaign finance reform bill to completely ban all soft money.

I support this bill for three reasons: First, this bill completely bans all soft money to national, State and local parties, unlike the Shays-Meehan bill which has a $60 million loophole for soft money to State and local parties.

Second, the Shays-Meehan bill is blatantly unconstitutional, because it attempts to ban outside groups from running any television or radio ads 60 days before an election. The gentleman from Texas' bill contains no such constitutional problems.

Third, it is critical that we pass the Armey campaign finance reform bill in order to send this legislation into the conference committee so that the President of the United States will have some input into the campaign finance reform debate. Specifically, President Bush has repeatedly said that paycheck protection is an important component to any campaign finance reform bill, yet there currently is not a paycheck protection component to the Shays-Meehan bill.

Mr. SHAYS. Mr. Chairman, I yield myself 15 seconds to point out to the gentleman that our bill does not ban outside ads 60 days to an election. It just says you cannot use corporate treasury money, union dues money or unlimited money.

Mr. Chairman, I reserve the balance of my time.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. I thank the gentleman for yielding time.

I applaud the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) for their distinguished and hard work that has brought this bill to the floor today.

Mr. Chairman, many of my colleagues on the other side of the aisle have used the word ''hypocrisy,'' but the biggest hypocrite, the only hypocrite in this body today is anyone who votes against Shays-Meehan and for any of the poison pills or the substitutes that will send it, the bill that they are supporting, to the conference committee where it will certainly die and be killed in conference.

Shays-Meehan has already passed the Senate. It has the fragile flower of consensus that has been worked out carefully, over 10 years. We have the best opportunity now in 10 years to pass meaningful reform, send it to the President, and he says he will sign it.

If Members are serious about campaign finance, then vote for Shays-Meehan and show the American public that our government is not for sale.

Mr. LINDER. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Illinois (Mr. WELLER).

(Mr. WELLER asked and was given permission to revise and extend his remarks.)

Mr. WELLER. Mr. Chairman, I rise in support of the Armey amendment, which frankly is an amendment that really points out what a sham the Shays-Meehan legislation is.

The Shays-Meehan legislation says it bans soft money. No, it does not. It has got a $60 million soft money loophole, and the sponsors know it. The Armey legislation actually is a true soft money ban. So if you want to get rid of soft money, vote for the Armey amendment.

But also I want to urge my colleagues to read the bill, because not only is Shays-Meehan a sham, but also there is a betrayal in this legislation. Many Members were urged to sign the discharge petition saying we needed to rush it to the floor. Of course the effective date now is postponed until after the election, negating that argument. But also last night at midnight, there was a change made to the bill which will allow committees such as the Democratic Congressional Committee to borrow money against their building fund, which has up to $40 million, to borrow hard money and pay it back with soft money; pay a hard money loan with soft money, a total betrayal of the basic principles of Shays-Meehan.

Mr. SHAYS. Mr. Chairman, I yield myself 1 minute to say to the distinguished gentleman, he is just dead wrong. He is dead wrong about what he has said.

First, this bill was not brought in at the midnight hour. That is just simply inaccurate. He is simply inaccurate about somehow that this is a sly thing to have the bill take effect in November. No, the reason why it is taking effect in November is that we have had 16 months already pass. Sixteen months have already passed. And so it becomes extraordinarily difficult to implement a bill in which 16 months have passed.

Mr. LINDER. Mr. Chairman, I continue to reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, it is my distinct pleasure to yield 1 minute to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Chairman, I rise in opposition to the substitute. The moment of truth has arrived. I came to this House 4 years ago in a special election. My very first official act after being sworn into office was to cosponsor the bill by the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN). It is still one of the proudest moments of my career. The gentleman from Connecticut and the gentleman from Massachusetts have kept the torch burning for many years. I salute them. I also salute my 20 friends on the other side of the aisle who have signed the discharge petition, who have acted courageously and stood up to their own leadership.

Mr. Chairman, we have all seen the abuses and excesses of our political system. We also know that these substitute bills do not represent reform. They are cynical attempts to force the bill into conference with the Senate, where it has died many times before.

Before any of us ever heard the word Enron, we knew full well that the voices of our constituents can and are often drowned out by powerful groups with endless resources. In so many of our national debates, from prescription drugs to patients' rights to our energy policy, special interests have held sway over the people's interests. It is time today to pass Shays-Meehan to honor the people we represent, the American people.

Mr. LINDER. Mr. Chairman, I yield myself such time as I may consume.

I would like to point out that there was nothing cynical about my intent to introduce this bill a year ago. There is nothing cynical about supporting it now.

Mr. Chairman, I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Chairman, on September 11 our democracy was tested by foreign terrorists. With unity and resolve, we met that test.

Today our democracy faces a different challenge, a cancer from within, in the form of massive campaign contributions called soft money. The victims of this cancer are the millions of decent, hard-working Americans whose voices are being drowned in a sea of special interest contributions.

Trying to call million-dollar contributions ''free speech'' gives a new meaning to the phrase ''money talks.'' And Americans know that in Washington, D.C., money is talking too loudly.

Free speech is a fundamental right, but in a democracy, the strength of a citizen's voice should depend upon the quality of one's ideas, not the quantity of one's bank account.

Let us unite once again in defense of our democracy. Let us affirm the great American ideal that this should truly be the people's House, where the voice of every citizen is heard, not just a privileged few.

Vote for Shays-Meehan and oppose all Trojan horse substitutes.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from California (Mrs. TAUSCHER).

Mrs. TAUSCHER. I thank my friend and colleague for yielding time.

Mr. Chairman, I have supported Shays-Meehan since being elected to Congress in 1996. I helped pass this bill twice. I hope today we can get a clean bill so we can vote for it again. I urge my colleagues to oppose the Armey substitute so we can get a clean vote today on Shays-Meehan.

Our democracy deserves honest campaigns and honest elections. Voters deserve to know the truth about who is working to affect election outcomes, including the people and interest groups bankrolling ads and campaigns. There is no reason parties need to collect large, unregulated amounts of money that can be used to directly influence elections. Campaign finance reform will help restore the public's faith in elected officials and the legislative process.

Unfortunately, the Republican leadership will stop at nothing to kill this

bill, only further distancing working families from their government.

□ 1245

I hope supporters of reform in previous years will keep working with both parties and support real reform again this year and today when it really matters.

Mr. LINDER. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I rise in support of the amendment because it offers us a straightforward choice: either you ban soft money or you do not.

It was our second President, John Adams, who pointed out that facts are stubborn things. And on pages 78 and 79 of the Shays-Meehan bill, here it is: ''This act and the amendments made by this act shall take effect November 6, 2002.''

It is a fair question to ask: Why would we set up a new loophole to really have a type of legalized money laundering, hard money for soft money, all the little gyrations we can have? Certainly not for partisan advantage from my high-minded friends on the left or my well-meaning friends on the right. Certainly not for that. But yet, at the end of the day, how can you deny it?

Facts are stubborn things. I do not question the intent, although it is provocative. But if it is good enough to ban soft money, why not do it now, and not wait until the day after election day? Do it now.

Mr. SHAYS. Mr. Chairman, I yield myself 15 seconds to point out to the gentleman that there is nothing in this bill that allows soft money to be replacing hard money; nothing in this bill whatsoever.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from South Carolina (Mr. GRAHAM).

Mr. GRAHAM. Mr. Chairman, the hardest thing I think in politics or life is to argue with people you are close to personally and that you share a common philosophy and way of doing business with. That is where I find myself. I find myself in the distinct minority among my party. I find myself hearing the Speaker and others saying this particular piece of legislation would destroy my party. I respectfully disagree, but it is no fun being where we are at today.

In 1996, when we first started talking about reforming this system, it sounded good to me, and it still does. Half the people in this country vote. Of those eligible to vote, half of those do not even register. We are getting down to just a few people having participation feelings about our government.

I am convinced, rightly or wrongly, that the way we conduct campaigns is turning Americans off in droves.

The soft money problem, I am glad this amendment is up. We need to ban soft money. I would say to the gentleman from Arizona (Mr. HAYWORTH), we need to do it now, we really do; and I am going to vote for that. But I am going to vote for Shays-Meehan.

A lot of this is games. But let me tell you what it is like. If you give $25,000 to the Republican Party, the Democratic Party wants $30,000, because it gets out in about 30 seconds. If you are a company out there and they call you up on the phone wanting money, you say no at your own peril. If there is a bill in Congress that affects the average everyday American, somebody can send $10 million up here to either party, and you will never convince me that does not affect the quality of legislation.

I am ready and willing to do something about it, even if I have to argue and disagree with the people that I hold dear personally and professionally. I think America needs to change the way we conduct our campaigns, and I am willing to pay a price by making my friends mad at me.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. Mr. Chairman, who are we kidding? We are not kidding the American people. They get this. They know that if we pass this substitute or any of 10 amendments by the majority, that, for all practical purposes, we will have killed Shays-Meehan and true campaign finance reform for this year.

You talk about cooking something up at the last minute. My understanding is our side of the aisle only got notice of this substitute at 1 a.m. this morning. It is unfortunate, but if the sponsors of this substitute really wanted to be actively engaged in this process, they should have done it earlier, and many of their proposals quite possibly could have been included in the ultimate Shays-Meehan bill. But they failed to do that, and we find ourselves now with this substitute before us.

I say we vote it down, we pass Shays-Meehan, and bring real campaign finance reform to the people of this so-deserving country.

Mr. LINDER. Mr. Chairman, I am pleased to yield 1 minute to the gentlewoman from Pennsylvania (Ms. HART).

Ms. HART. Mr. Chairman, I rise in support of the substitute. I rise in support of the substitute because the base bill is not perfect. Granted, no bill is perfect. This bill does one thing that it should not do, it continues to allow soft money participation in campaigns.

When I speak with people in my district, they want us to clean up campaigns. They ask me to support Shays-Meehan. I discuss with them what they are really concerned about regarding campaigns, and they say they want us to eliminate soft money. That is what this substitute does.

Many of us signed a Common Cause pledge when we ran a couple of years ago that said I will support a complete ban on soft money and will oppose any legislation that does not completely ban soft money.

Now, many of those who are supporting the bill as it is written today, the Shays-Meehan bill, are not banning soft money and are violating the Common Cause pledge.

I am going to stick with the pledge, support the bill that eliminates soft money, and also support the bill that makes sure that these changes take effect now.

Mr. DAVIS of Florida. Mr. Chairman, I ask unanimous consent to return control of the time on this side to the gentleman from Maryland (Mr. HOYER).

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I would like to say this bill does have a purpose: it allows people to honor their pledge, but then kill campaign finance reform. This bill is not a bill that can pass the Senate. It is a bill that is not going to go anywhere. It is a bill that would force a conference committee, and in the conference committee we know what is going to happen.

So this is why this bill has finally come forward. There will be a few people that say I want a pure bill. They can say I lived up to my pledge and helped kill campaign finance reform in the process.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, a Presidential spokesman has just said good things about Shays-Meehan and Ney-Wynn. After Enron I suspect the President to ultimately choose Shays-Meehan, and so should we.

Opponents have now put forward a substitute they have always argued was unconstitutional because it bans all soft money. Shays-Meehan skillfully threads its way through the constitutional thicket to conform with the Buckley Supreme Court decision.

The President sees no way around Enron and campaign finance reform. I think he will shortly see that all roads to reform lead to Shays-Meehan.

Mr. LINDER. Mr. Chairman, can the Chair tell us how much time is remaining?

The CHAIRMAN. The gentleman from Georgia (Mr. LINDER) has 4½ minutes remaining, the gentleman from Maryland (Mr. HOYER) has 2 minutes remaining, the gentleman from Connecticut (Mr. SHAYS) has 30 seconds remaining, and the gentleman from Michigan (Mr. LEVIN) has 1 minute.

Mr. LINDER. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I know it is early in what will be a long day; but in many ways, it is already midnight at the costume party. It is time we remove our

masks and we see who is who. We need to be very clear where we are right now, and I hope the folks who are watching the debate are very clear on where we are right now.

Shays-Meehan, as filed late last night, does not ban soft money. Let me repeat that. Shays-Meehan does not ban soft money. It restricts it, it plays with it, but it does not ban soft money.

I notice that my friends on the other side are avoiding a debate on details. Our side talks details; their side talks generalities. Why? Because the details are not favorable to them.

As my colleague, the gentleman from Arizona (Mr. HAYWORTH), did earlier, I encourage everyone to look at pages 78 and 79 of this bill. Do not take my word for it. Look at the bill yourself. It has a State and local party loophole to soft money that is $60 million nationwide. That is a ban on soft money? It does not ban unlimited contributions from Indian tribes and their general treasury. It contains a special loophole for what we all know is the DNC building fund. On page 78 and 79 you can see it for yourself. Is that a ban on soft money? It even arguably allows soft money to be used as collateral for hard-money loans.

They say this amendment is a poison pill. If it is, it is a poison pill that is worth about $40 million to the other side. This is not a swiss cheese soft-money ban, as one of my colleagues referred to it. It is something full of holes and loopholes, but there is not enough cheese here for it to qualify.

Mr. Chairman, if you want to ban soft money, there is only one vote today that bans soft money. This is it. Nobody, nobody who votes against this substitute amendment, can say they voted to ban soft money.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I just would like to point out to the gentleman that soft money had its introduction to enable people to build buildings. We did not create this. It has been in the bill forever.

We are just simply saying that if a party is, frankly, stupid enough to spend its soft money to build a building instead of campaigning against us, be our guest. If they have committed to it, they cannot raise any soft money after November 6, but they certainly can pay their bills on money they set aside.

I would prefer them building a building rather than running against us, and that is their choice. You cannot use any soft money for any hard-money expenditure, which the gentleman is also incorrect about.

Mr. HOYER. Mr. Chairman, I yield myself 1 minute, and then I will yield the balance of my time to the gentleman from Michigan (Mr. LEVIN) for the purpose of closing.

Mr. Chairman, I rise in opposition to the Armey substitute. The debate here is saying that if you do not vote to ban all soft money, do not vote to ban any soft money. When the proponents of the amendment to ban all soft money know that its inevitable effect will be to ban no soft money, does that sound somewhat Orwellian? It is. Does it sound like giving with the right hand and taken away with the left? It is.

My friends, all of us know, everybody in America knows, there is but one opportunity to ban at least a large portion of soft money, and that is Shays-Meehan. Vote against this Armey substitute.

Mr. LINDER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I would like to point out that for those who think this is cynical, this bill was essentially introduced in March of last year. Both parties raised about the same amount of soft money, about $245 million in the last cycle; and we should ban it all, and those who do not want to ban it all, do not want to ban it.

The Shays-Meehan bill will only reduce soft money for national political parties; admittedly, not to local parties, admittedly not to interest groups. They can still continue to use soft money. Only national political parties will be totally forbidden from using soft money.

Yet, we are going to drive wedges between the national parties and special interest groups. We are going to make our politics narrower and narrower in focus, because interest groups tend to have a single interest. Whether it is pro- or anti-abortion, pro- or anti-gun, pro- or anti-environmental, they are single-issue organizations, and they will be unfettered in their use of soft money, and we will have candidates across this country trying to genuflect between the alter of this group or that group, and not to the people with the broadened philosophy, but with narrow interests. That is bad for our politics; it is bad for our policy.

□ 1300

This substitute was not cynical. For those who say it is a poison pill, let me just say that that is a bad cliche, and, for the most part, cliches are substitutes for rigorous thought. This was put forth a long time ago. It could have been read long before Shays-Meehan was ever even produced at midnight last night. In fact, many of the folks who signed the discharge petition which passed the rule to put this bill on the floor have not read this Shays-Meehan version yet. This is only the most recent iteration.

If we want simply to curb some soft money, but not all, support Shays-Meehan. If we want to simply marginally reduce corporate, union and special interest loopholes, support Shays-Meehan. If we want to nibble around the edges of this debate year after year after year, then the Shays-Meehan is the bill for you. But if we want a complete and total ban on every dollar of soft money involved in Federal election advocacy today, then join me and the gentleman from Texas (Mr. ARMEY), and support this substitute. Join us. Ban it all; ban it now.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Mr. Chairman, I yield myself the remainder of my time, and I thank the gentleman from Maryland (Mr. HOYER) for yielding me the time.

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Chairman, the Speaker has apparently said that it is Armageddon for the Republicans if Shays-Meehan passes. I think the real problem is that it would be Armageddon for them if they defeated it. So what we are seeing here are tactics to obscure the issue.

Shays-Meehan does not nibble around the edges of soft money. It gets at the vice, and that is the unrestricted use of soft money for so-called issue ads. All it allows in a very circumscribed way, very circumscribed, is money for registration and get-out-the-vote. We will go into that later. Mr. Chairman, $40 million. It is absurd to talk that way. What Shays-Meehan tries to do is to preserve the democratic processes of registration and getting out the vote.

What does the Armey amendment do? What it essentially says is no one can use even their own funds to help register people or get them out to vote, whether it is the NAACP or the NRA or anybody else. Nobody can use any of their own treasury monies. It is anti-democratic. What it is is a smokescreen, and we can see through it. The opposition cannot decide whether it wants to open the spigot altogether or shut it down altogether. You are moving from pillar to post when the solid position in the middle of this issue is Shays-Meehan.

Vote down the Armey amendment and let us pass true reform. The day has come for Shays-Meehan, McCain-Feingold, and nothing is going to stop that effort.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. ARMEY).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SHAYS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 179, noes 249, not voting 6, as follows:

[Roll No. 19]

AYES—179

Aderholt	Barton	Brown (SC)
Akin	Biggert	Bryant
Armey	Bilirakis	Burr
Bachus	Blunt	Burton
Baker	Bonilla	Buyer
Ballenger	Bono	Callahan
Barcia	Boozman	Calvert
Bartlett	Brady (TX)	Camp

Cannon
Cantor
Capito
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Duncan
Ehlers
Emerson
English
Everett
Ferguson
Flake
Fletcher
Forbes
Fossella
Gallegly
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thornberry
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Watkins (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Young (AK)
Young (FL)

NOES—249

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barr
Barrett
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Boehner
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Dreier
Dunn
Edwards
Ehrlich
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Foley
Ford
Frank
Frelinghuysen
Frost
Ganske
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kirk
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Petri
Phelps
Platts
Pomeroy
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schaffer
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Simmons
Skelton
Slaughter
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Thomas
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Walsh
Wamp
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Wolf
Woolsey
Wu
Wynn

NOT VOTING—6

Owens
Peterson (PA)
Riley
Traficant
Waters
Watts (OK)

□ 1323

Ms. DEGETTE changed her vote from ''aye'' to ''no.''

Mr. TERRY, Mr. REYNOLDS and Mr. FOSSELLA changed their vote from ''no'' to ''aye.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. PETERSON of Pennsylvania. Mr. Chairman, on rollcall No. 19 I was unavoidably detained. Had I been present, I would have voted ''aye.''

Stated against:

Ms. WATERS. Mr. Chairman, I missed the last vote because of a problem at the elevator. I could not get here. Had I been here I would have voted no.

Mr. OWENS. Mr. Chairman, earlier today I was unavoidably absent and missed rollcall vote No. 19. If present I would have voted ''nay.''

AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 14 OFFERED BY MR. NEY

Mr. NEY. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute No. 14 offered by Mr. NEY.

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Bipartisan Campaign Finance Reform Act of 2002''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

''SOFT MONEY OF POLITICAL PARTIES

''SEC. 323. (a) NATIONAL COMMITTEES.—

''(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) and any officers or agents of such party committees, shall not solicit, receive, or direct to another person a contribution, donation, or transfer of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.—This subsection shall apply to an entity that is directly or indirectly established, financed, maintained, or controlled by a national committee of a political party (including a national congressional campaign committee of a political party), or an entity acting on behalf of a national committee, and an officer or agent acting on behalf of any such committee or entity.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

''(1) IN GENERAL.—An amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity) for Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); and

''(iii) a communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and is made for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, provided the campaign activity is not a Federal election activity described in subparagraph (A);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention;

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office;

''(v) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of an individual who spends more than 20 percent of the individual's time on Federal election activity) as determined by a regulation promulgated by the Commission to determine the non-Federal share of a State, district, or local party committee's administrative and overhead expenses; and

''(vi) the cost of constructing or purchasing an office facility or equipment for a State, district or local committee.

''(c) FUNDRAISING COSTS.—An amount spent by a national, State, district, or local committee of a political party, by an entity that is established, financed, maintained, or controlled by a national, State, district, or local committee of a political party, or by an agent or officer of any such committee or entity, to raise funds that are used, in whole or in part, to pay the costs of a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to, an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application to the Commissioner of the Internal Revenue Service for determination of tax-exemption under such section).

''(e) CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of one or more candidates or individuals holding Federal office, shall not—

''(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

''(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

''(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1) and (2) of section 315(a); and

''(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office.

''(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual who is a candidate for a State or local office in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law for any activity other than a Federal election activity.

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.''.

SEC. 102. INCREASED CONTRIBUTION LIMITS FOR STATE COMMITTEES OF POLITICAL PARTIES AND AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUALS.

(a) CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year that, in the aggregate, exceed $10,000''.

(b) AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUAL.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking ''$25,000'' and inserting ''$30,000''.

SEC. 103. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 204) is amended by inserting after subsection (e) the following:

''(f) POLITICAL COMMITTEES.—

''(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in paragraphs (2)(A) and (2)(B)(v) of section 323(b).

''(3) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person

in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

''(4) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).''.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xv) as clauses (viii) through (xii), respectively.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

SEC. 201. DEFINITIONS.

(a) DEFINITION OF INDEPENDENT EXPENDITURE.—Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

''(17) INDEPENDENT EXPENDITURE.—

''(A) IN GENERAL.—The term 'independent expenditure' means an expenditure by a person—

''(i) for a communication that is express advocacy; and

''(ii) that is not coordinated activity or is not provided in coordination with a candidate or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent.''.

(b) DEFINITION OF EXPRESS ADVOCACY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

''(20) EXPRESS ADVOCACY.—

''(A) IN GENERAL.—The term 'express advocacy' means a communication that advocates the election or defeat of a candidate by—

''(i) containing a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to advocate the election or defeat of one or more clearly identified candidates;

''(ii) referring to one or more clearly identified candidates in a paid advertisement that is transmitted through radio or television within 60 calendar days preceding the date of an election of the candidate and that appears in the State in which the election is occurring, except that with respect to a candidate for the office of Vice President or President, the time period is within 60 calendar days preceding the date of a general election; or

''(iii) expressing unmistakable and unambiguous support for or opposition to one or more clearly identified candidates when taken as a whole and with limited reference to external events, such as proximity to an election.

''(B) VOTING RECORD AND VOTING GUIDE EXCEPTION.—The term 'express advocacy' does not include a communication which is in printed form or posted on the Internet that—

''(i) presents information solely about the voting record or position on a campaign issue of one or more candidates (including any statement by the sponsor of the voting record or voting guide of its agreement or disagreement with the record or position of a candidate), so long as the voting record or voting guide when taken as a whole does not express unmistakable and unambiguous support for or opposition to one or more clearly identified candidates;

''(ii) is not coordinated activity or is not made in coordination with a candidate, political party, or agent of the candidate or party, or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent, except that nothing in this clause may be construed to prevent the sponsor of the voting guide from directing questions in writing to a candidate about the candidate's position on issues for purposes of preparing a voter guide or to prevent the candidate from responding in writing to such questions; and

''(iii) does not contain a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in (year)', 'vote against', 'defeat', or 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of one or more clearly identified candidates.''.

(c) DEFINITION OF EXPENDITURE.—Section 301(9)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)) is amended—

(1) in clause (i), by striking ''and'' at the end;

(2) in clause (ii), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(iii) a payment made by a political committee for a communication that—

''(I) refers to a clearly identified candidate; and

''(II) is for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).''.

SEC. 202. EXPRESS ADVOCACY DETERMINED WITHOUT REGARD TO BACKGROUND MUSIC.

Section 301(20) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(20)), as added by section 201(b), is amended by adding at the end the following new subparagraph:

''(C) BACKGROUND MUSIC.—In determining whether any communication by television or radio broadcast constitutes express advocacy for purposes of this Act, there shall not be taken into account any background music not including lyrics used in such broadcast.''.

SEC. 203. CIVIL PENALTY.

Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(A)—

(i) in clause (i), by striking ''clauses (ii)'' and inserting ''clauses (ii) and (iii)''; and

(ii) by adding at the end the following:

''(iii) If the Commission determines by an affirmative vote of 4 of its members that there is probable cause to believe that a person has made a knowing and willful violation of section 304(c), the Commission shall not enter into a conciliation agreement under this paragraph and may institute a civil action for relief under paragraph (6)(A).''; and

(B) in paragraph (6)(B), by inserting ''(except an action instituted in connection with a knowing and willful violation of section 304(c))'' after ''subparagraph (A)''; and

(2) in subsection (d)(1)—

(A) in subparagraph (A), by striking ''Any person'' and inserting ''Except as provided in subparagraph (D), any person''; and

(B) by adding at the end the following:

''(D) In the case of a knowing and willful violation of section 304(c) that involves the reporting of an independent expenditure, the violation shall not be subject to this subsection.''.

SEC. 204. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) of subsection (c) as subsection (g); and

(3) by inserting after subsection (c)(2) (as amended by paragraph (1)) the following:

''(e) TIME FOR REPORTING CERTAIN EXPENDITURES.—

''(1) EXPENDITURES AGGREGATING $1,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

''(2) EXPENDITURES AGGREGATING $10,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

''(3) PLACE OF FILING; CONTENTS.—A report under this subsection—

''(A) shall be filed with the Commission; and

''(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.''.

(b) CONFORMING AMENDMENT.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)) is amended by striking '', or the second sentence of subsection (c)(2)''.

SEC. 205. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking ''and (3)'' and inserting '', (3), and (4)''; and

(2) by adding at the end the following:

''(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

''(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, a committee of the political party shall not make both expenditures under this subsection and independent expenditures (as defined in section 301(17)) with respect to the candidate during the election cycle.

''(B) CERTIFICATION.—Before making a coordinated expenditure under this subsection with respect to a candidate, a committee of a political party shall file with the Commission a certification, signed by the treasurer of the committee, that the committee has not and shall not make any independent expenditure with respect to the candidate during the same election cycle.

''(C) APPLICATION.—For the purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

''(D) TRANSFERS.—A committee of a political party that submits a certification under subparagraph (B) with respect to a candidate shall not, during an election cycle, transfer

any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.''.

SEC. 206. COORDINATION WITH CANDIDATES.

(a) DEFINITION OF COORDINATION WITH CANDIDATES.—

(1) SECTION 301(8).—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(A) in subparagraph (A)—

(i) by striking ''or'' at the end of clause (i);

(ii) by striking the period at the end of clause (ii) and inserting ''; or''; and

(iii) by adding at the end the following:

''(iii) coordinated activity (as defined in subparagraph (C)).''; and

(B) by adding at the end the following:

''(C) 'Coordinated activity' means anything of value provided by a person in coordination with a candidate, an agent of the candidate, or the political party of the candidate or its agent for the purpose of influencing a Federal election (regardless of whether the value being provided is a communication that is express advocacy) in which such candidate seeks nomination or election to Federal office, and includes any of the following:

''(i) A payment made by a person in cooperation, consultation, or concert with, at the request or suggestion of, or pursuant to any general or particular understanding with a candidate, the candidate's authorized committee, the political party of the candidate, or an agent acting on behalf of a candidate, authorized committee, or the political party of the candidate.

''(ii) A payment made by a person for the production, dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign material prepared by a candidate, a candidate's authorized committee, or an agent of a candidate or authorized committee (not including a communication described in paragraph (9)(B)(i) or a communication that expressly advocates the candidate's defeat).

''(iii) A payment made by a person based on information about a candidate's plans, projects, or needs provided to the person making the payment by the candidate or the candidate's agent who provides the information with the intent that the payment be made.

''(iv) A payment made by a person if, in the same election cycle in which the payment is made, the person making the payment is serving or has served as a member, employee, fundraiser, or agent of the candidate's authorized committee in an executive or policymaking position.

''(v) A payment made by a person if the person making the payment has served in any formal policy making or advisory position with the candidate's campaign or has participated in formal strategic or formal policymaking discussions (other than any discussion treated as a lobbying contact under the Lobbying Disclosure Act of 1995 in the case of a candidate holding Federal office or as a similar lobbying activity in the case of a candidate holding State or other elective office) with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made.

''(vi) A payment made by a person if, in the same election cycle, the person making the payment retains the professional services of any person that has provided or is providing campaign-related services in the same election cycle to a candidate (including services provided through a political committee of the candidate's political party) in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including services relating to the candidate's decision to seek Federal office, and the person retained is retained to work on activities relating to that candidate's campaign.

''(vii) A payment made by a person who has directly participated in fundraising activities with the candidate or in the solicitation or receipt of contributions on behalf of the candidate.

''(viii) A payment made by a person who has communicated with the candidate or an agent of the candidate (including a communication through a political committee of the candidate's political party) after the declaration of candidacy (including a pollster, media consultant, vendor, advisor, or staff member acting on behalf of the candidate), about advertising message, allocation of resources, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics, or strategy.

''(ix) The provision of in-kind professional services or polling data (including services or data provided through a political committee of the candidate's political party) to the candidate or candidate's agent.

''(x) A payment made by a person who has engaged in a coordinated activity with a candidate described in clauses (i) through (ix) for a communication that clearly refers to the candidate or the candidate's opponent and is for the purpose of influencing that candidates's election (regardless of whether the communication is express advocacy).

''(D) For purposes of subparagraph (C), the term 'professional services' means polling, media advice, fundraising, campaign research or direct mail (except for mailhouse services solely for the distribution of voter guides as defined in section 431(20)(B)) services in support of a candidate's pursuit of nomination for election, or election, to Federal office.

''(E) For purposes of subparagraph (C), all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.''.

(2) SECTION 315(a)(7).—Section 315(a)(7) (2 U.S.C. 441a(a)(7)) is amended by striking subparagraph (B) and inserting the following:

''(B) a coordinated activity, as described in section 301(8)(C), shall be considered to be a contribution to the candidate, and in the case of a limitation on expenditures, shall be treated as an expenditure by the candidate.

(b) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by striking ''shall include'' and inserting ''includes a contribution or expenditure, as those terms are defined in section 301, and also includes''.

TITLE III—DISCLOSURE

SEC. 301. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following:

''(11)(A) The Commission shall promulgate a regulation under which a person required to file a designation, statement, or report under this Act—

''(i) is required to maintain and file a designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

''(ii) may maintain and file a designation, statement, or report in electronic form or an alternative form, including the use of a facsimile machine, if not required to do so under the regulation promulgated under clause (i).

''(B) The Commission shall make a designation, statement, report, or notification that is filed electronically with the Commission accessible to the public on the Internet not later than 24 hours after the designation, statement, report, or notification is received by the Commission.

''(C) In promulgating a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulation. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.''.

SEC. 302. PROHIBITION OF DEPOSIT OF CONTRIBUTIONS WITH INCOMPLETE CONTRIBUTOR INFORMATION.

Section 302 of Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following:

''(j) DEPOSIT OF CONTRIBUTIONS.—The treasurer of a candidate's authorized committee shall not deposit, except in an escrow account, or otherwise negotiate a contribution from a person who makes an aggregate amount of contributions in excess of $200 during a calendar year unless the treasurer verifies that the information required by this section with respect to the contributor is complete.''.

SEC. 303. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—

(1) by inserting ''(1) IN GENERAL.—'' before ''The Commission'';

(2) by moving the text 2 ems to the right; and

(3) by adding at the end the following:

''(2) RANDOM AUDITS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act. The selection of any candidate for a random audit or investigation shall be based on criteria adopted by a vote of at least four members of the Commission.

''(B) LIMITATION.—The Commission shall not conduct an audit or investigation of a candidate's authorized committee under subparagraph (A) until the candidate is no longer a candidate for the office sought by the candidate in an election cycle.

''(C) APPLICABILITY.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986.''.

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by striking ''6 months'' and inserting ''12 months''.

SEC. 304. REPORTING REQUIREMENTS FOR CONTRIBUTIONS OF $50 OR MORE.

Section 304(b)(3)(A) of the Federal Election Campaign Act at 1971 (2 U.S.C. 434(b)(3)(A) is amended—

(1) by striking ''$200'' and inserting ''$50''; and

(2) by striking the semicolon and inserting '', except that in the case of a person who makes contributions aggregating at least $50

but not more than $200 during the calendar year, the identification need include only the name and address of the person;''.

SEC. 305. USE OF CANDIDATES' NAMES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by striking paragraph (4) and inserting the following:

''(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

''(B) A political committee that is not an authorized committee shall not—

''(i) include the name of any candidate in its name; or

''(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of the committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.''.

SEC. 306. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting after ''SEC. 322.'' the following: ''(a) IN GENERAL.—''; and

(2) by adding at the end the following:

''(b) SOLICITATION OF CONTRIBUTIONS.—No person shall solicit contributions by falsely representing himself or herself as a candidate or as a representative of a candidate, a political committee, or a political party.''.

SEC. 307. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 103(c) and section 204) is amended by adding at the end the following:

''(h) DISBURSEMENTS OF PERSONS OTHER THAN POLITICAL PARTIES.—

''(1) IN GENERAL.—A person, other than a political committee of a political party or a person described in section 501(d) of the Internal Revenue Code of 1986, that makes an aggregate amount of disbursements in excess of $50,000 during a calendar year for activities described in paragraph (2) shall file a statement with the Commission—

''(A) on a monthly basis as described in subsection (a)(4)(B); or

''(B) in the case of disbursements that are made within 20 days of an election, within 24 hours after the disbursements are made.

''(2) ACTIVITY.—The activity described in this paragraph is—

''(A) Federal election activity;

''(B) an activity described in section 316(b)(2)(A) that expresses support for or opposition to a candidate for Federal office or a political party; and

''(C) an activity described in subparagraph (B) or (C) of section 316(b)(2).

''(3) APPLICABILITY.—This subsection does not apply to—

''(A) a candidate or a candidate's authorized committees; or

''(B) an independent expenditure.

''(4) CONTENTS.—A statement under this section shall contain such information about the disbursements made during the reporting period as the Commission shall prescribe, including—

''(A) the aggregate amount of disbursements made;

''(B) the name and address of the person or entity to whom a disbursement is made in an aggregate amount in excess of $200;

''(C) the date made, amount, and purpose of the disbursement; and

''(D) if applicable, whether the disbursement was in support of, or in opposition to, a candidate or a political party, and the name of the candidate or the political party.''.

(b) DEFINITION OF GENERIC CAMPAIGN ACTIVITY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 201(b)) is further amended by adding at the end the following:

''(21) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means an activity that promotes a political party and does not promote a candidate or non-Federal candidate.''.

SEC. 308. CAMPAIGN ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever'';

(ii) by striking ''an expenditure'' and inserting ''a disbursement''; and

(iii) by striking ''direct''; and

(B) in paragraph (3), by inserting ''and permanent street address'' after ''name''; and

(2) by adding at the end the following:

''(c) Any printed communication described in subsection (a) shall—

''(1) be of sufficient type size to be clearly readable by the recipient of the communication;

''(2) be contained in a printed box set apart from the other contents of the communication; and

''(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

''(d)(1) Any communication described in paragraphs (1) or (2) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

''(2) If a communication described in paragraph (1) is transmitted through television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement that—

''(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

''(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

''(e) Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following statement: '_____ is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''.

TITLE IV—PERSONAL WEALTH OPTION

SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

''VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT

''SEC. 324. (a) ELIGIBLE CONGRESSIONAL CANDIDATE.—

''(1) PRIMARY ELECTION.—

''(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible primary election Congressional candidate if the candidate files with the Commission a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

''(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than the date on which the candidate files with the appropriate State officer as a candidate for the primary election.

''(2) GENERAL ELECTION.—

''(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible general election Congressional candidate if the candidate files with the Commission—

''(i) a declaration under penalty of perjury, with supporting documentation as required by the Commission, that the candidate and the candidate's authorized committees did not exceed the personal funds expenditure limit in connection with the primary election; and

''(ii) a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

''(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than 7 days after the earlier of—

''(i) the date on which the candidate qualifies for the general election ballot under State law; or

''(ii) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

''(b) PERSONAL FUNDS EXPENDITURE LIMIT.—

''(1) IN GENERAL.—The aggregate amount of expenditures that may be made in connection with an election by an eligible Congressional candidate or the candidate's authorized committees from the sources described in paragraph (2) shall not exceed $50,000.

''(2) SOURCES.—A source is described in this paragraph if the source is—

''(A) personal funds of the candidate and members of the candidate's immediate family; or

''(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

''(c) CERTIFICATION BY THE COMMISSION.—

''(1) IN GENERAL.—The Commission shall determine whether a candidate has met the requirements of this section and, based on the determination, issue a certification stating whether the candidate is an eligible Congressional candidate.

''(2) TIME FOR CERTIFICATION.—Not later than 7 business days after a candidate files a declaration under paragraph (1) or (2) of subsection (a), the Commission shall certify whether the candidate is an eligible Congressional candidate.

''(3) REVOCATION.—The Commission shall revoke a certification under paragraph (1), based on information submitted in such form and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate violates the personal funds expenditure limit.

''(4) DETERMINATIONS BY COMMISSION.—A determination made by the Commission

under this subsection shall be final, except to the extent that the determination is subject to examination and audit by the Commission and to judicial review.

''(d) PENALTY.—If the Commission revokes the certification of an eligible Congressional candidate—

''(1) the Commission shall notify the candidate of the revocation; and

''(2) the candidate and a candidate's authorized committees shall pay to the Commission an amount equal to the amount of expenditures made by a national committee of a political party or a State committee of a political party in connection with the general election campaign of the candidate under section 315(d).''.

SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) (as amended by section 204) is amended by adding at the end the following:

''(5) This subsection does not apply to expenditures made in connection with the general election campaign of a candidate for Senator or Representative in or Delegate or Resident Commissioner to the Congress who is not an eligible Congressional candidate (as defined in section 324(a)).''.

TITLE V—MISCELLANEOUS

SEC. 501. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

''USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

''SEC. 313. (a) PERMITTED USES.—A contribution accepted by a candidate, and any other amount received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

''(1) for expenditures in connection with the campaign for Federal office of the candidate or individual;

''(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

''(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

''(4) for transfers to a national, State, or local committee of a political party.

''(b) PROHIBITED USE.—

''(1) IN GENERAL.—A contribution or amount described in subsection (a) shall not be converted by any person to personal use.

''(2) CONVERSION.—For the purposes of paragraph (1), a contribution or amount shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal officeholder, including—

''(A) a home mortgage, rent, or utility payment;

''(B) a clothing purchase;

''(C) a noncampaign-related automobile expense;

''(D) a country club membership;

''(E) a vacation or other noncampaign-related trip;

''(F) a household food item;

''(G) a tuition payment;

''(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

''(I) dues, fees, and other payments to a health club or recreational facility.''.

SEC. 502. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—

''(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value in connection with a Federal, State, or local election while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

''(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both.''; and

(2) in subsection (b), by inserting ''or Executive Office of the President'' after ''Congress''.

SEC. 503. PENALTIES FOR VIOLATIONS.

(a) INCREASED PENALTIES.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraphs (5)(A), (6)(A), and (6)(B), by striking ''$5,000'' and inserting ''$10,000''; and

(2) in paragraphs (5)(B) and (6)(C), by striking ''$10,000 or an amount equal to 200 percent'' and inserting ''$20,000 or an amount equal to 300 percent''.

(b) EQUITABLE REMEDIES.—Section 309(a)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking the period at the end and inserting '', and may include equitable remedies or penalties, including disgorgement of funds to the Treasury or community service requirements (including requirements to participate in public education programs).''.

(c) AUTOMATIC PENALTY FOR LATE FILING.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

''(13) PENALTY FOR LATE FILING.—

''(A) IN GENERAL.—

''(i) MONETARY PENALTIES.—The Commission shall establish a schedule of mandatory monetary penalties that shall be imposed by the Commission for failure to meet a time requirement for filing under section 304.

''(ii) REQUIRED FILING.—In addition to imposing a penalty, the Commission may require a report that has not been filed within the time requirements of section 304 to be filed by a specific date.

''(iii) PROCEDURE.—A penalty or filing requirement imposed under this paragraph shall not be subject to paragraph (1), (2), (3), (4), (5), or (12).

''(B) FILING AN EXCEPTION.—

''(i) TIME TO FILE.—A political committee shall have 30 days after the imposition of a penalty or filing requirement by the Commission under this paragraph in which to file an exception with the Commission.

''(ii) TIME FOR COMMISSION TO RULE.—Within 30 days after receiving an exception, the Commission shall make a determination that is a final agency action subject to exclusive review by the United States Court of Appeals for the District of Columbia Circuit under section 706 of title 5, United States Code, upon petition filed in that court by the political committee or treasurer that is the subject of the agency action, if the petition is filed within 30 days after the date of the Commission action for which review is sought.'';

(2) in paragraph (5)(D)—

(A) by inserting after the first sentence the following: ''In any case in which a penalty or filing requirement imposed on a political committee or treasurer under paragraph (13) has not been satisfied, the Commission may institute a civil action for enforcement under paragraph (6)(A).''; and

(B) by inserting before the period at the end of the last sentence the following: ''or has failed to pay a penalty or meet a filing requirement imposed under paragraph (13)''; and

(3) in paragraph (6)(A), by striking ''paragraph (4)(A)'' and inserting ''paragraph (4)(A) or (13)''.

SEC. 504. STRENGTHENING FOREIGN MONEY BAN.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: ''CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS''; and

(2) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—It shall be unlawful for—

''(1) a foreign national, directly or indirectly, to make—

''(A) a donation of money or other thing of value, or to promise expressly or impliedly to make a donation, in connection with a Federal, State, or local election; or

''(B) a contribution or donation to a committee of a political party; or

''(2) a person to solicit, accept, or receive such a contribution or donation from a foreign national.''.

(b) PROHIBITING USE OF WILLFUL BLINDNESS AS DEFENSE AGAINST CHARGE OF VIOLATING FOREIGN CONTRIBUTION BAN.—

(1) IN GENERAL.—Section 319 of such Act (2 U.S.C. 441e) is amended—

(A) by redesignating subsection (b) as subsection (c); and

(B) by inserting after subsection (a) the following new subsection:

''(b) PROHIBITING USE OF WILLFUL BLINDNESS DEFENSE.—It shall not be a defense to a violation of subsection (a) that the defendant did not know that the contribution originated from a foreign national if the defendant should have known that the contribution originated from a foreign national, except that the trier of fact may not find that the defendant should have known that the contribution originated from a foreign national solely because of the name of the contributor.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to violations occurring on or after the date of the enactment of this Act.

(c) PROHIBITION APPLICABLE TO ALL INDIVIDUALS WHO ARE NOT CITIZENS OR NATIONALS OF THE UNITED STATES.—Section 319(b)(2) of such Act (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: '', or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).''.

SEC. 505. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 401, is further amended by adding at the end the following new section:

''PROHIBITION OF CONTRIBUTIONS BY MINORS

''SEC. 325. An individual who is 17 years old or younger shall not make a contribution to

a candidate or a contribution or donation to a committee of a political party.''.

SEC. 506. EXPEDITED PROCEDURES.

(a) IN GENERAL.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 503(c)) is amended by adding at the end the following:

''(14)(A) If the complaint in a proceeding was filed within 60 days preceding the date of a general election, the Commission may take action described in this subparagraph.

''(B) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur, the Commission may order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties.

''(C) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.''.

(b) REFERRAL TO ATTORNEY GENERAL.—Section 309(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking subparagraph (C) and inserting the following:

''(C) The Commission may at any time, by an affirmative vote of at least 4 of its members, refer a possible violation of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986, to the Attorney General of the United States, without regard to any limitation set forth in this section.''.

SEC. 507. INITIATION OF ENFORCEMENT PROCEEDING.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking ''reason to believe that'' and inserting ''reason to investigate whether''.

SEC. 508. PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 505, is further amended by adding at the end the following new section:

''PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS

''SEC. 326. (a) IN GENERAL.—Nothing in this Act may be construed to prohibit any individual eligible to vote in an election for Federal office from making contributions or expenditures in support of a candidate for such an election (including voluntary contributions or expenditures made through a separate segregated fund established by the individual's employer or labor organization) or otherwise participating in any campaign for such an election in the same manner and to the same extent as any other individual eligible to vote in an election for such office.

''(b) NO EFFECT ON GEOGRAPHIC RESTRICTIONS ON CONTRIBUTIONS.—Subsection (a) may not be construed to affect any restriction under this title regarding the portion of contributions accepted by a candidate from persons residing in a particular geographic area.''.

SEC. 509. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as amended by section 504(b), is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

''(c) PENALTY.—

''(1) IN GENERAL.—Except as provided in paragraph (2), notwithstanding any other provision of this title any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be more than 10 years, fined in an amount not to exceed $1,000,000, or both.

''(2) EXCEPTION.—Paragraph (1) shall not apply with respect to any violation of subsection (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(22) of the Immigration and Nationality Act).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 510. EXPEDITED COURT REVIEW OF CERTAIN ALLEGED VIOLATIONS OF FEDERAL ELECTION CAMPAIGN ACT OF 1971.

(a) IN GENERAL.—Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

''(d) Notwithstanding any other provision of this section, if a candidate (or the candidate's authorized committee) believes that a violation described in paragraph (2) has been committed with respect to an election during the 90-day period preceding the date of the election, the candidate or committee may institute a civil action on behalf of the Commission for relief (including injunctive relief) against the alleged violator in the same manner and under the same terms and conditions as an action instituted by the Commission under subsection (a)(6), except that the court involved shall issue a decision regarding the action as soon as practicable after the action is instituted and to the greatest extent possible issue the decision prior to the date of the election involved.

''(2) A violation described in this paragraph is a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 relating to—

''(A) whether a contribution is in excess of an applicable limit or is otherwise prohibited under this Act; or

''(B) whether an expenditure is an independent expenditure under section 301(17).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after the date of the enactment of this Act.

SEC. 511. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, and 508, is further amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 327. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, 320, or 325 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code, against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to investigate whether that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an

effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved.''.

(c) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.''.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

SEC. 512. ESTABLISHMENT OF A CLEARINGHOUSE OF INFORMATION ON POLITICAL ACTIVITIES WITHIN THE FEDERAL ELECTION COMMISSION.

(a) ESTABLISHMENT.—There shall be established within the Federal Election Commission a clearinghouse of public information regarding the political activities of foreign principals and agents of foreign principals. The information comprising this clearinghouse shall include only the following:

(1) All registrations and reports filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) during the preceding 5-year period.

(2) All registrations and reports filed pursuant to the Foreign Agents Registration Act, as amended (22 U.S.C. 611 et seq.), during the preceding 5-year period.

(3) The listings of public hearings, hearing witnesses, and witness affiliations printed in the Congressional Record during the preceding 5-year period.

(4) Public information disclosed pursuant to the rules of the Senate or the House of Representatives regarding honoraria, the receipt of gifts, travel, and earned and unearned income.

(5) All reports filed pursuant to title I of the Ethics in Government Act of 1978 (5 U.S.C. App.) during the preceding 5-year period.

(6) All public information filed with the Federal Election Commission pursuant to the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) during the preceding 5-year period.

(b) DISCLOSURE OF OTHER INFORMATION PROHIBITED.—The disclosure by the clearinghouse, or any officer or employee thereof, of any information other than that set forth in subsection (a) is prohibited, except as otherwise provided by law.

(c) DIRECTOR OF CLEARINGHOUSE.—

(1) DUTIES.—The clearinghouse shall have a Director, who shall administer and manage the responsibilities and all activities of the clearinghouse. In carrying out such duties, the Director shall—

(A) develop a filing, coding, and cross-indexing system to carry out the purposes of this section (which shall include an index of all persons identified in the reports, registrations, and other information comprising the clearinghouse);

(B) notwithstanding any other provision of law, make copies of registrations, reports, and other information comprising the clearinghouse available for public inspection and copying, beginning not later than 30 days after the information is first available to the public, and permit copying of any such registration, report, or other information by hand or by copying machine or, at the request of any person, furnish a copy of any such registration, report, or other information upon payment of the cost of making and furnishing such copy, except that no information contained in such registration or report and no such other information shall be sold or used by any person for the purpose of soliciting contributions or for any profitmaking purpose; and

(C) not later than 150 days after the date of the enactment of this Act and at any time thereafter, to prescribe, in consultation with the Comptroller General, such rules, regulations, and forms, in conformity with the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this section in the most effective and efficient manner.

(2) APPOINTMENT.—The Director shall be appointed by the Federal Election Commission.

(3) TERM OF SERVICE.—The Director shall serve a single term of a period of time determined by the Commission, but not to exceed 5 years.

(d) PENALTIES FOR DISCLOSURE OF INFORMATION.—Any person who discloses information in violation of subsection (b), and any person who sells or uses information for the purpose of soliciting contributions or for any profitmaking purpose in violation of subsection (c)(1)(B), shall be imprisoned for a period of not more than 1 year, or fined in the amount provided in title 18, United States Code, or both.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to conduct the activities of the clearinghouse.

(f) FOREIGN PRINCIPAL.—In this section, the term ''foreign principal'' shall have the same meaning given the term ''foreign national'' under section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as in effect as of the date of the enactment of this Act.

SEC. 513. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(d)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(d)(2)), as amended by sections 504(b) and 509(a), is further amended by inserting after ''United States'' the following: ''or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)''.

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

SEC. 601. ESTABLISHMENT AND PURPOSE OF COMMISSION.

There is established a commission to be known as the ''Independent Commission on Campaign Finance Reform'' (referred to in this title as the ''Commission''). The purposes of the Commission are to study the laws relating to the financing of political activity and to report and recommend legislation to reform those laws.

SEC. 602. MEMBERSHIP OF COMMISSION.

(a) COMPOSITION.—The Commission shall be composed of 12 members appointed within 15 days after the date of the enactment of this Act by the President from among individuals who are not incumbent Members of Congress and who are specially qualified to serve on the Commission by reason of education, training, or experience.

(b) APPOINTMENT.—

(1) IN GENERAL.—Members shall be appointed as follows:

(A) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the Speaker of the House of Representatives.

(B) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the majority leader of the Senate.

(C) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the House of Representatives.

(D) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(2) FAILURE TO SUBMIT LIST OF NOMINEES.—If an official described in any of the subparagraphs of paragraph (1) fails to submit a list of nominees to the President during the 15-day period which begins on the date of the enactment of this Act—

(A) such subparagraph shall no longer apply; and

(B) the President shall appoint three members (one of whom shall be a political independent) who meet the requirements described in subsection (a) and such other criteria as the President may apply.

(3) POLITICAL INDEPENDENT DEFINED.—In this subsection, the term ''political independent'' means an individual who at no time after January 1992—

(A) has held elective office as a member of the Democratic or Republican party;

(B) has received any wages or salary from the Democratic or Republican party or from a Democratic or Republican party office-holder or candidate; or

(C) has provided substantial volunteer services or made any substantial contribution to the Democratic or Republican party or to a Democratic or Republican party office-holder or candidate.

(c) CHAIRMAN.—At the time of the appointment, the President shall designate one member of the Commission as Chairman of the Commission.

(d) TERMS.—The members of the Commission shall serve for the life of the Commission.

(e) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(f) POLITICAL AFFILIATION.—Not more than four members of the Commission may be of the same political party.

SEC. 603. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. In carrying out the preceding sentence, the Commission shall ensure that a substantial number of its meetings are open meetings, with significant opportunities for testimony from members of the general public.

(b) QUORUM.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings. The approval of at least nine members of the Commission is required when approving all or a portion of the recommended legislation. Any member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this section.

SEC. 604. REPORT AND RECOMMENDED LEGISLATION.

(a) REPORT.—Not later than the expiration of the 180-day period which begins on the date on which the second session of the One Hundred Sixth Congress adjourns sine die, the Commission shall submit to the President, the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate a report of the activities of the Commission.

(b) RECOMMENDATIONS; DRAFT OF LEGISLATION.—The report under subsection (a) shall include any recommendations for changes in the laws (including regulations) governing the financing of political activity (taking into account the provisions of this Act and the amendments made by this Act), including any changes in the rules of the Senate or the House of Representatives, to which nine or more members of the Commission may agree, together with drafts of—

(1) any legislation (including technical and conforming provisions) recommended by the Commission to implement such recommendations; and

(2) any proposed amendment to the Constitution recommended by the Commission as necessary to implement such recommendations, except that if the Commission includes such a proposed amendment in its report, it shall also include recommendations (and drafts) for legislation which may be implemented prior to the adoption of such proposed amendment.

(c) GOALS OF RECOMMENDATIONS AND LEGISLATION.—In making recommendations and preparing drafts of legislation under this section, the Commission shall consider the following to be its primary goals:

(1) Encouraging fair and open Federal elections which provide voters with meaningful information about candidates and issues.

(2) Eliminating the disproportionate influence of special interest financing of Federal elections.

(3) Creating a more equitable electoral system for challengers and incumbents.

SEC. 605. TERMINATION.

The Commission shall cease to exist 90 days after the date of the submission of its report under section 604.

SEC. 606. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as are necessary to carry out its duties under this title.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

SEC. 701. PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING.

(a) IN GENERAL.—Chapter 29 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 612. Prohibiting use of meals and accommodations at White House for political fundraising

''(a) It shall be unlawful for any person to provide or offer to provide any meals or accommodations at the White House in exchange for any money or other thing of value, or as a reward for the provision of any money or other thing of value, in support of any political party or the campaign for electoral office of any candidate.

''(b) Any person who violates this section shall be fined under this title or imprisoned not more than 3 years, or both.

''(c) For purposes of this section, any official residence or retreat of the President (including private residential areas and the grounds of such a residence or retreat) shall be treated as part of the White House.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end the following new item:

''612. Prohibiting use of meals and accommodations at White House for political fundraising.''.

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY

SEC. 801. SENSE OF THE CONGRESS REGARDING APPLICABILITY OF CONTROLLING LEGAL AUTHORITY TO FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY.

It is the sense of the Congress that Federal law clearly demonstrates that ''controlling legal authority'' under title 18, United States Code, prohibits the use of Federal Government property to raise campaign funds.

TITLE IX—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY

SEC. 901. REQUIRING NATIONAL PARTIES TO REIMBURSE AT COST FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, 508, and 511, is further amended by adding at the end the following new section:

''REIMBURSEMENT BY POLITICAL PARTIES FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

''SEC. 328. (a) IN GENERAL.—If the President, Vice President, or the head of any executive department (as defined in section 101 of title 5, United States Code) uses Air Force One for transportation for any travel which includes a fundraising event for the benefit of any political committee of a national political party, such political committee shall reimburse the Federal Government for the fair market value of the transportation of the individual involved, based on the cost of an equivalent commercial chartered flight.

''(b) AIR FORCE ONE DEFINED.—In subsection (a), the term 'Air Force One' means the airplane operated by the Air Force which has been specially configured to carry out the mission of transporting the President.''.

SEC. 902. REIMBURSEMENT FOR USE OF GOVERNMENT EQUIPMENT FOR CAMPAIGN-RELATED TRAVEL.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, 508, 511, and 901, is further amended by adding at the end the following new section:

''REIMBURSEMENT FOR USE OF GOVERNMENT EQUIPMENT FOR CAMPAIGN-RELATED TRAVEL

''SEC. 329. If a candidate for election for Federal office (other than a candidate who holds Federal office) uses Federal government property as a means of transportation for purposes related (in whole or in part) to the campaign for election for such office, the principal campaign committee of the candidate shall reimburse the Federal government for the costs associated with providing the transportation.''.

TITLE X—PROHIBITING USE OF WALKING AROUND MONEY

SEC. 1001. PROHIBITING CAMPAIGNS FROM PROVIDING CURRENCY TO INDIVIDUALS FOR PURPOSES OF ENCOURAGING TURNOUT ON DATE OF ELECTION.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, 508, 511, 901, and 902, is further amended by adding at the end the following new section:

''PROHIBITING USE OF CURRENCY TO PROMOTE ELECTION DAY TURNOUT

''SEC. 330. It shall be unlawful for any political committee to provide currency to any individual (directly or through an agent of the committee) for purposes of encouraging the individual to appear at the polling place for the election.''.

TITLE XI—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

SEC. 1101. ENHANCING ENFORCEMENT OF CAMPAIGN FINANCE LAW.

(a) MANDATORY IMPRISONMENT FOR CRIMINAL CONDUCT.—Section 309(d)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended—

(1) in the first sentence, by striking ''shall be fined, or imprisoned for not more than one year, or both'' and inserting ''shall be imprisoned for not fewer than 1 year and not more than 10 years''; and

(2) by striking the second sentence.

(b) CONCURRENT AUTHORITY OF ATTORNEY GENERAL TO BRING CRIMINAL ACTIONS.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

''(4) In addition to the authority to bring cases referred pursuant to subsection (a)(5), the Attorney General may at any time bring a criminal action for a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to actions brought with respect to elections occurring after January 2002.

TITLE XII—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

SEC. 1201. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 1202. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 1203. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect upon the expiration of the 90-day period which begins on the date of the enactment of this Act.

SEC. 1204. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act and the amendments made by this Act not later than 45 days after the date of the enactment of this Act.

The CHAIRMAN. Pursuant to section 2 of House Resolution 344, the gentleman from Ohio (Mr. NEY) and a Member opposed (Mr. HOYER) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. NEY).

Mr. NEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I hope that this is an historic substitute today because I think we are going to come together; and I am sure the gentleman from Massachusetts (Mr. MEEHAN) and the gentleman from Connecticut (Mr. SHAYS) are going to stand up at this microphone, I am positive, and probably embrace and endorse this substitute. Now,

I could be wrong, but I have a good feeling about this one.

One common refrain we have heard is that the Congress must pass campaign finance reform now because it has previously passed the House by wide margins. Well, the substitute I offer today is the bill that this House passed previously. I offer it not because I think it is really a good bill and not because I particularly want to see it passed; on the contrary, I think this is a bad piece of legislation. I voted against it in the last Congress. I wish it had not passed then, and I really do not again want to see it particularly passed today.

□ 1330

With all sincerity, I offer this today because I want to give Members the opportunity to vote on a bill that they previously supported which never made it to the President's desk, and so Members have indicated they would like to have the chance to have that vote and it is a good, honest vote.

As we all know, in previous Congresses Members here were able to cast a vote for this legislation knowing that it would never become law. They could vote for it here knowing that it would not get past the other body or it would not be signed by the President. We all knew that was the game plan in some cases. Things are a little different this year.

The Senate has already passed a version of campaign finance reform. The President has given no indication that he intends to veto a bill that would reach his desk. So unlike previous votes, today's vote really does matter. We are not playing games anymore. As some have said, we are now shooting with real bullets.

The legislation that passes this House is very likely to reach the President's desk and to become law. Given that, I think it is important to give Members the opportunity to enact legislation that they previously supported on this floor, and so I offer as my substitute the language of H.R. 417, the Shays-Meehan legislation which passed in the 106th Congress by a vote of 252 to 177.

I would like to say that this substitute is exactly the same bill that was passed in the previous Congress. Unfortunately, the bill has changed so much it is no longer germane to the Shays-Meehan bill on the floor today, and that is due to the constantly evolving product that we are dealing with. Let me repeat that because I think Members need to realize this. The Shays-Meehan bill that is on the floor today is so different from the one we passed in the previous Congress that the bill is not even germane to the new Shays-Meehan bill.

Accordingly, some changes have been necessary for this substitute to be in order, some sections had to be stricken. In essence, however, the substitute is the Shays-Meehan bill that passed previously.

Offering this as an amendment, in addition to giving Members an opportunity to be consistent in their voting, provides an opportunity to highlight the evolution in the Shays-Meehan legislation that was introduced last night brought forth. As Members know, the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) introduced a bill very similar to H.R. 417 at the start of this Congress. That bill, H.R. 380, was introduced on January 31, 2001; but that is not the Shays-Meehan bill that they have chosen to bring to the floor today.

Instead, on June 28, 2001, one day before my committee, the Committee on House Administration, was scheduled to mark up campaign finance legislation, they introduced a new bill, H.R. 2356. That is the bill that serves as the base text today. The substitute offered today by the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) that we saw for the first time last night makes even further changes to their bill.

Members need to be aware that the bill they are being asked to vote on today is not the same bill that they supported previously in the 106th Congress. For example, this amendment, the old Shays bill, banned soft money. The new bill simply does not ban all soft money. We have talked about the loophole we can drive a truck through.

In this substitute, which the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) previously supported, soft-money contributions to the political parties for Federal election activities were banned. In the new version, today's version, there is no ban. State and local parties are permitted to receive soft-money contributions from unions and corporations. So if my colleagues want to ban soft money and they voted previously to do so, they should vote for this substitute because the new Shays bill simply will not do it.

In the old Shays bill issue ads were banned 365 days a year. In the new Shays-Meehan bill, they are banned for only 90 days, meaning that under the new Shays bill unions and corporations can use soft money to run attack ads 275 days a year. If my colleagues want to ban issue ads funded with soft money, they should vote for this substitute because the new Shays bill simply will not do it.

In the old Shays bill, soft money could be used for any form of election-related communication, meaning they could not use soft money for television ad and newspaper ad or a pamphlet. In the new Shays bill, the only form of communication that cannot be funded with soft money are broadcast ads run during the 60 days before an election or the 30 days before a primary. Meaning, under the new Shays-Meehan bill, groups can continue to use an unlimited amount of unregulated money on mass mailings, phone banks and push polls. If my colleagues want an issue-ad restriction that would stop all communications funded with soft money, they should vote for this substitute because the new Shays bill simply will not do it.

Those are just some of the biggest examples of the changes that have been made. Here are some others:

The old Shays bill did not treat House and Senate candidates differently. The new one does. The new bill allows candidates for the Senate and for the Presidency to accept $2,000 from an individual per election, but House candidates can only receive $1,000. If my colleagues think House and Senate candidates should have the same contribution limits, they should vote for the substitute because the new Shays bill will not do it.

The old Shays bill did not include a soft-money loophole that would allow a political party to keep any soft money it had as long as it wanted to build a new headquarters. The new Shays-Meehan bill does. So if my colleagues do not think a political party should be able to use money to build a new headquarters, vote for the substitute.

The old Shays bill required publicly funded candidates to certify that no soft money was raised to benefit their candidacies. The new Shays bill simply does not do it.

The old Shays-Meehan bill banned the use of the White House for political fund-raising. The new Shays-Meehan bill simply does not do it.

The list goes on and on and on. It is obvious that the bill on the floor today, though it bears the name Shays-Meehan label, is not the old Shays-Meehan bill. While the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) do not want to give Members the opportunity to vote on the provisions, I think we can give them the opportunity to vote on the substitute.

Some will say that offering this amendment as a substitute is anti-reform now. Was not then, it is now. That argument simply amazes me, frankly, Mr. Chairman. Somebody will make a good case to prove me wrong, I am sure, in a couple of minutes. I have faith in my colleagues.

I am sure that if my colleagues went back and looked at all the newspaper editorials that were urging Members to vote for the substitute at the time it was offered in the last Congress my colleagues will see that Members were told that if they did not vote for H.R. 417 they were against reform. Now with essentially the same bill being offered today through this substitute, we will hear that to vote for it is to be against reform. It is surreal. It is Alice in Wonderland.

I look forward to the vote on this substitute. I plan to vote against it because I think it is a bad bill. New Shays, old Shays, I think they are all kind of a little bit bad, need a little bit of correction, little bit of work, which we an do together if we pass a couple of good amendments, keep it going; but I

look forward to seeing how Members vote on it today.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) may each control 5 minutes of the time allocated to me and that they may yield time.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. CARDIN), the distinguished former speaker of the Maryland House, member of the Committee on Ways and Means and my good friend.

Mr. CARDIN. Mr. Chairman, I was listening to my friend, the gentleman from Ohio (Mr. NEY), explain the reasons why he submitted the amendment or substitute, and I think it is a good reason to vote against it. We are in agreement.

Let me try to simplify it. If my colleagues are for reform, if they want to try to start down the path to restore confidence in our system, where the public will believe that special interest dollars are not going to have more influence but less influence on what we do in this body, if my colleagues want to move down that path, then they have to put some of their own personal views aside. There is only one opportunity in this Congress to get it done and that is to vote against the Ney substitute, to vote for the Shays-Meehan bill and McCain-Feingold. That is going to be the only opportunity we are going to have.

So, yes, each of us could try to craft a bill that we think is best, or we could try to understand the explanation of the gentleman from Ohio (Mr. NEY) as to why he is offering his amendment, which I have a hard time following; or we can vote for the only bill that is going to have a chance of being signed that will reduce special interest dollars, soft money, that will close loopholes in the law. I urge my colleagues to reject Ney and support the Shays-Meehan bill.

Mr. Chairman, I rise today in strong support of H.R. 2356, the Bipartisan Campaign Reform Act, sponsored by Mr. SHAYS and Mr. MEEHAN, and by Senator MCCAIN and Senator FEINGOLD. I am an original co-sponsor of this important legislation, and I urge members of the House to defeat the proposed substitutes to Shays-Meehan, as well as those amendments designed to derail the bill and prevent meaningful campaign finance reform legislation from being enacted into law.

Special interest campaign contributions represent a serious threat to public confidence in our government. The amount of money contributed to candidates for Congress and President calls into question the independence of our elected officials to make judgments in the public interest. As the level of spending in campaigns has continued to rise, those concerns have grown more serious. As members of Congress, we have a responsibility to strengthen our democracy by significantly reducing the influence of money. Recent scandals have proven, beyond the shadow of a doubt, that corporate wrongdoers can buy access and influence in Washington at the expense of regular working men and women.

The bill would close two large loopholes in the law that contribute to the corruption of our political system. One loophole is so-called ''soft money'' contributions, which are unregulated and unlimited contributions from wealthy special interest groups. Another major loophole deals with ''independent'' issue advertisements, which allow special interests to seek to influence the outcome of an election campaign by spending large sums of money on advertising campaigns. Currently, these ads which are clearly aimed at influencing an election can be worded in a way that they are deemed issue advocacy and are not subject to campaign spending limits or disclosure requirements.

Other major changes to our campaign financing system proposed in the bill would require Federal Election Commission (FEC) reports on candidate fund-raising and expenditures to be filed electronically, and provide Internet posting of this and other disclosure data. The FEC would be required to post such information within 48 hours of filing. The bill would also change from quarterly to monthly the filing requirements for candidates in election years, ensuring more timely information for the voting public on their candidates for election. In addition, the bill would provide for expedited and more effective FEC procedures, which would give the FEC greater enforcement authority and ability to crack down on violators of our campaign finance laws. The FEC, under the bill, would also serve as an information clearinghouse that would provide easy access to citizens and the media to lobbying reports, reports filed under the Foreign Agents Registration Act, Congressional witness lists and gift disclosures.

Mr. Chairman, the time has come for us to start to restore the confidence of the American people in our democratic system by reducing the influence of special interest money. We have the opportunity to do just that today by supporting the Bipartisan Campaign Reform Act.

Mr. NEY. Mr. Chairman, I yield 15 seconds to myself.

As I understand it, now it is a bad bill; it is not a reform bill. It was good then; it is not good now. I am still a little puzzled, I guess, Mr. Chairman.

Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. WELLER), my friend.

(Mr. WELLER asked and was given permission to revise and extend his remarks.)

Mr. WELLER. Mr. Chairman, I rise in support of the Ney substitute based on the principles that were articulated by the sponsors of this legislation in the last Congress who claimed at the time that the original version of Shays-Meehan was based on principle. If my colleagues take time to read the latest version of Shays-Meehan, they see that it has abandoned principle. What is the basic premises for Shays-Meehan? Banning that evil thing called soft money.

Shays-Meehan is so full of loopholes today that it allows for $60 million in soft money to continue to be part of the process. It is so full of loopholes that independent advocacy attack ads are prohibited on electronic media, they are prohibited from spending money to advocate a position up until the election on TV or radio; but they can still buy full page ads in the New York Times, The Washington Post, U.S.A Today, and all the other print media. The question is why does the print media get that loophole and not electronic, television, or radio? It is a good question. Something we want to ask.

I also wonder why they changed the effective date. We were urged in this House to move quickly, we have got to act quickly, got to do it now, we need to have a discharge petition, we got to do it now so it affects the next election. The bill comes to the floor and last night they changed the bill so it is not effective until after the election. So what is the hurry, huh? Maybe it could matter.

The other thing that really to me is what is something that really shows the lack of principle in the current Shays-Meehan is if we read the bill on page 78 and 79 which points out that under the current version of Shays-Meehan, which goes into effect the day after the election, that they can borrow hard money which according to the advocates of Shays-Meehan is good money, borrow hard money from a local bank or some form of financial institution, but after the election they can use soft money to pay it back. Hmm. Think about that principle.

Take the Democratic Congressional Committee, $40 million in their building account. They can use that $40 million as collateral to borrow millions in hard money and continue to solicit soft money up until the election. When the election is over with, pay off that hard money loan with soft money. Hmm, so much about principle.

I realize there is a lot of good intentions by those who may want to vote for Shays-Meehan. It is not the same bill. It is no longer based on principle. It has become a sham, and I urge a no vote on Shays-Meehan.

Mr. SHAYS. Mr. Chairman, I yield 1 minute to myself to correct the ''hmm'' of my colleague, who basically said something that simply was not accurate. They cannot use soft money to pay off a hard-money debt. That is simply not true.

This bill is different. Our bill is different than it was because a funny thing happened. The Senate got to look at our bill and they made some changes. They added the Levin amendment, which allows soft money, no more than $10,000 if a State allows it, not for Federal elections, and it cannot be used for any campaigns. That is what they do. So the Levin amendment makes our bill different.

Then we have the Snow-Jeffords amendment in the Senate which says 60 days to an election. So that is why, in fact, the bill is different. The bill is

different because the Senate changed it, and we want a bill similar to what the Senate has done.

Mr. NEY. Mr. Chairman, I yield 15 seconds to myself.

So it is okay for the Senate to make some changes and we can accept that and morph the original bill 252 people voted for and get to the point we are at today, but it is not okay to take some type of an amendment, which there are good amendments, today from the floor of this House and introduce them. So the Senate has the sacred hand or something in this?

Mr. Chairman, I yield 30 seconds to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Chairman, I thank the gentleman from Ohio (Mr. NEY) for yielding me the time.

Let me read the language of the bill, and I urge everyone to take time to read the language of the bill. Page 79, line 12: ''Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002, or any run-off election or recount resulting in such an election.''

If my colleagues read the bill, they can borrow hard money and pay it back with soft money. Lack of principle.

Mr. SHAYS. Mr. Chairman, I yield 30 seconds to myself to just say my colleagues have to read the bill and know the law. The law makes it illegal to use soft money for a hard-money expenditure.

The purpose of this is if they incurred a soft-money expenditure before the election day and the person wants to get paid afterwards, they get paid up to the date of January. A soft-money expense for a soft-money expenditure, a hard-money expense for a hard-money expenditure; but one does not always pay the bill before the expense.

Mr. MEEHAN. Mr. Chairman, I yield 45 seconds to myself.

In addition to that, Larry Noble, the executive director/general counsel of the Center for Responsive Politics, the former general counsel of the Federal Elections Commission, clearly states in this letter that I will again have added to the RECORD: ''It is clear under Federal election law that only hard money can be used to pay off a loan that was used for hard money expenditures.

□ 1345

There is nothing in the Shays-Meehan Substitute that would supersede the current Federal law. Under this section, soft money funds on hand after the election could only be used to pay off debts or obligations used for soft money expenditures. That is the law.

One of the great things I have really enjoyed is working with my colleague, the gentleman from Ohio (Mr. NEY), on campaign finance reform. I was just so disappointed, after debating the Ney bill with him over the last year, that when it came time to put in a substitute, we did not get the Ney bill. I was looking forward to that.

The letter I referred to earlier is hereby inserted for the RECORD.

CENTER FOR RESPONSIVE POLITICS,
Washington, DC, February 13, 2002.

Hon. CHRISTOPHER SHAYS,
Longworth Building,
Washington, DC.

DEAR CONGRESSMAN SHAYS: This is in response to your question regarding whether a national committee of a political party can use soft money to pay off a debt or obligation that was used to fund expenditures that must be paid for with hard money. It is clear under federal election law that only hard money can be used to pay off a loan that was used for hard money expenditures. I see nothing in Section 402(b)(1) of the Shays-Meehan Substitute Amendment that would supersede current federal law. Under Section 402(b)(1), soft money funds on hand after the election could only be used to pay off debts or obligations used for soft money expenditures.

If you have any other questions, please do not hesitate to contact me.

Sincerely,

LARRY NOBLE,
Executive Director and General Counsel.

Mr. MEEHAN. Mr. Chairman, I yield 1½ minutes to the independent gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Chairman, I thank the gentleman for yielding me this time.

The current campaign finance system is a disaster, and it is an embarrassment to American democracy. Shays-Meehan is not going to solve all the problems. It is not going to do away with all of the influence that corporate America and the big money interests have over the political process and the enormous degree to which they can control the agenda that Congress debates.

But, Mr. Chairman, if anyone wants to know why Congress in its wisdom passes a tax law that provides hundreds of billions of dollars in tax breaks to the richest 1 percent, but is somehow unable to raise the minimum wage, look at campaign finance and the huge amounts of money that corporate America spends and the $25,000-a-plate dinners that they hold.

If anyone wants to know why prescription drug costs in this country are by far the highest in the world, and why Congress year after year is unable to pass prescription drug reform to protect the elderly and the sick, understand the tens of millions of dollars that the pharmaceutical industry pours into the United States Congress and into the White House.

If anyone wants to understand why we are the only country in the world without a national health care system and why the cost of health care is twice as much per person in this country than in any other Nation, look at what the insurance industry spends trying to get their way against the will of the American people.

Mr. Chairman, the time is now to end big money influence. Let us pass this bill.

Mr. MEEHAN. Mr. Chairman, I ask unanimous consent to yield the balance of my time to the gentleman from Tennessee (Mr. FORD), and ask further that he be allowed to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. NEY. Mr. Chairman, I yield myself 1 minute.

Before my colleague leaves the floor, I want to rekindle his faith in our system, because there is a Ney-Wynn amendment coming. So the gentleman will have that chance, the whole bill we debated, the gentleman is going to have that chance to vote, and I just wanted to reassure him of that.

Mr. MEEHAN. Mr. Chairman, will the gentleman yield?

Mr. NEY. I yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Chairman, I was just disappointed that it was not a substitute.

Mr. NEY. I just did not want the gentleman to leave without being rekindled.

Mr. MEEHAN. I thank the gentleman.

Mr. NEY. Mr. Chairman, reclaiming my time, I think a lot of issues that do or do not pass here are debated, obviously, on their merits, whether it is prescription drugs or health care or Social Security. And when we start to talk about the money in the system and the influence, this bill is not going to change that.

Wealthy individuals, in my opinion, are still going to be in the system, unregulated, to do as they want with advocacy. But groups that are pushing, for example, for prescription drugs, their voices will be silenced, in the Shays-Meehan approach, in the last 60 days if they want to go to the radio ads or they want to go to the TV ads. I do not think that is a level playing field, letting one or two wealthy individuals in this country push around the advocacy as they please. Maybe they will want to stop prescription drugs, perhaps help prescription drugs, but, on the other hand, a lot of people who will advocate for a lot of good things for Americans, their voices will be silenced.

Mr. FORD. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman has 2¾ minutes.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. KIND).

(Mr. KIND asked and was given permission to revise and extend his remarks.)

Mr. KIND. Mr. Chairman, I rise today in strong support of the Shays-Meehan bill and in opposition to the Ney substitute.

When I entered Congress back in 1997, Mr. Chairman, one of the first things I did was help organize a bipartisan freshman campaign finance reform

task force. Even as political neophytes in this institution, we knew then what is true today, that the political system was awash with money; that there were too many powerful special interest groups dominating the agenda in Washington; and that it was wrong and it needed to change.

The legislation we came up with called for a ban on the unregulated, unlimited, soft money contributions. That is consistent with the Shays-Meehan bill before us today, soft money, by the way, that reached the level of $500 million in the last election alone. Unfortunately, I believe the Ney substitute today is just a cynical ploy to try to get a bill, or any bill, that is different from the Senate, passed so the opponents of reform can kill it in the conference committee.

They are not the only ones who have been very cynical about finance reform. The American people have been cynical, too, and not because they do not believe there is too much money or too much influence of money in the political system, but they do not believe Congress will do anything about it.

The day of reckoning has arrived today, and I urge my colleagues to support real finance reform, the Shays-Meehan bill, and vote ''no'' on the Ney substitute.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. HOEFFEL).

Mr. HOEFFEL. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in opposition to the Ney substitute, because it is clearly designed to send campaign reform to conference where it will die. I rise in full support of the Shays-Meehan underlying bill.

It is time that we get soft money out of Federal elections. It is time that we control the sham issue ads. In fact, Mr. Chairman, it is time for a lot more reform. This is only one good step forward into cleaning up our Federal elections.

We should consider other steps that would limit the corrupting influence of private money on public campaigns. We should consider a measure of public financing for congressional elections, as we do for Presidential elections. We should consider ways to raise the discourse and stop the negative ads, and do other things to clean up our system and restore a sense to the democratic process that it belongs to the people, not the big donors, and restore a sense that it matters what we say in campaigns and what people do in campaigns.

I oppose the substitute and support Shays-Meehan.

Mr. FORD. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Wisconsin (Ms. BALDWIN), my friend.

Ms. BALDWIN. Mr. Chairman, I rise in strong support of the Shays-Meehan substitute and against the Ney substitute before us. Americans in my district and across the Nation are disillusioned and have been calling out for reform for years, only to discover their collective voices have fallen on the deaf ears of the leadership of this House.

Since my constituents sent me here as their representative, as their voice, hundreds upon hundreds have contacted me regarding this very issue: campaign finance reform. They want public servants who are beholden to the voters of their district, not to special interest groups and their soft money contributions. They want policy and laws drafted by those acting in the public interest, not those carrying water for narrow private special interests.

No comments were more compelling than the one young author from Wisconsin who contacted me regarding Shays-Meehan. As a young voter, he said, ''I am encouraged by the possibility that this bill will be one necessary step. People will again trust their government. There is nothing more important to our democracy.''

We must pass this bill.

Mr. NEY. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio (Mr. OXLEY), chairman of the Committee on Financial Services.

(Mr. OXLEY asked and was given permission to revise and extend his remarks.)

Mr. OXLEY. Mr. Chairman, I thank the gentleman for yielding me this time, and let me first pay tribute to my good friend and colleague from the Buckeye State, the gentleman from Ohio (Mr. NEY). He has done this body enormous service in his chairmanship and his leadership on this important issue of campaign finance reform.

Let us make no mistake about where we are today. A vote for the Ney substitute is really a vote about campaign finance reform. It addresses the real issues underlying what we are here for today, and I want to pay particular tribute to him. He has been steadfast and consistent, unlike the sponsors of the original bill that was introduced, which has changed so many times I cannot keep track of it. But I wish to say to the gentleman from Ohio (Mr. NEY) and to the gentleman from Maryland (Mr. WYNN) that they have remained consistent throughout.

I have been concerned that our approach to campaign finance reform, driven by, I think, some well-meaning reformers and also some folks that may have a special interest, that we are punishing the political parties in our attempt to clean up the system. The political parties are really the essence of our system here. Nothing in the Constitution talks about political parties. Political parties developed as part of our democracy, and they have been a critical part of our democracy.

Why would we want to take power, influence, and ability away from a political party and give it to special interests or to the media? I just do not understand that. Why would we want to say to the Republican Party in Ohio that they cannot have the ability to go out and recruit candidates and talk to voters and send out mailings and, yes, give contributions to candidates who proudly wear their party label? I thought that was what political parties were all about.

Under this legislation, under the underlying legislation, the Shays-Meehan bill, we treat political parties like they are another special interest. Just the contrary. Our political parties represent the ideals that we both share as Republicans and Democrats.

If the Republican Party in Ohio thought it was important enough that I get reelected, why should they not be able to contribute any amount of money they want to my campaign? After all, their job is to recruit and find candidates to fill public offices. That is what they do. So we are going to say to them, oh, this is terrible, you cannot take soft money, you cannot be involved in contributing to candidates' races because you would be unduly influencing the donees. I am sorry, but I just do not accept that.

I also do not accept the fact that we are going to give the media total control of the airwaves and the newspapers the ability to influence voters when, in fact, other groups who have maybe the same first amendment rights, I would like to think have the same first amendment rights, are going to be constricted in what they are able to spend and what they are able to say. So the media says to us, you need to clean up the system. Oh, by the way, we want to make sure that we get top dollar for our ads that we run during the political season, but at the same time we want to be able to control the discourse.

So the first amendment applies to the newspapers, it applies to The New York Times, it applies to the networks, but it does not apply to political discourse by organized groups. What a shame that is.

Let us support the Ney substitute and get on with the business.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Washington State (Mr. INSLEE).

(Mr. INSLEE asked and was given permission to revise and extend his remarks.)

Mr. INSLEE. Mr. Chairman, an hour ago a woman named Marilyn Robinson testified over in the Rayburn Building. She told the story about her 18-year-old son Liam Wood, who was killed in the explosion of a gasoline pipeline. Two hundred thousand gallons of gasoline were released and exploded, incinerating two young children and killing her son.

□ 1400

The reason her son died in part was because this institution did not pass any meaningful laws to make sure gasoline pipelines do not explode. The reason this institution failed in that duty is in part because we are shackled by special interest money. I am here to

say for the spirit of Ms. Wood and those who can potentially be victims of this continued slavery to special interest money, that we should bury this cynical amendment that throughout history has stopped any campaign finance reform. We should bury it today so that others may live.

Mr. NEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is not a cynical substitute. This is Shays-Meehan that 252 people voted for and said that this is the only measure. This is what was going to go to the desk of President Bush. This is not something that I created last night. This is the bill.

Mr. Chairman, I yield 3 minutes to the gentleman from Virginia (Mr. TOM DAVIS).

(Mr. TOM DAVIS of Virginia asked and was given permission to revise and extend his remarks.)

Mr. TOM DAVIS of Virginia. Mr. Chairman, I know that feelings are strong on both sides.

I want to shed light on the issue about the soft-money loophole in the Shays-Meehan substitute this afternoon.

We have heard about a letter from Larry Noble, who is no longer associated with the Federal Election Commission. At one point he was general counsel. He is now associated with the Center for Responsive Politics, and I think we understand where that opinion comes from. Mr. Noble has a long history of losing cases at the FEC, the list of cases he has lost being far larger than the cases he has won. In fact, one case he litigated, the Christian Action Network, which is in my home fourth district, he not only lost it, the FEC was faced with fees and sanctions that were imposed against the FEC. We believe his letter is erroneous. It has nothing to do with the current FEC, which is not addressing this.

Mr. Chairman, I have a memorandum that I will include for the RECORD from Patton Boggs that basically says in contrast to current law, the proposed language in the Shays-Meehan substitute would allow a national party committee to pay any debt with soft non-Federal dollars in the period from November 5, 2002 to January 1, 2003. Specifically, it could be used to retire outstanding debts or obligations that were incurred with the 2002 elections.

This is not consistent with the current regulations. This would be illegal under current law, which would not allow us to borrow hard dollars and pay them off with soft dollars. This would allow building-fund dollars which now are limited to building funds to basically repay hard-dollar obligations that were barred; and under the building-fund loophole that we find later in the legislation, that could be replenished later down the road with soft dollars. That is under the language.

I am hard pressed to understand the arguments from the other side unless their committees can come forward and make it clear that they would not try to do this in terms of what the interpretations are.

I have also looked at Trevor Potter's Web site, the Campaign Finance Institute, and although they are saying one thing to Members, their own Web site states that new transition rules in the Shays-Meehan substitute provides that through the end of 2002 the national parties may spend excess soft money to pay off any outstanding debts. Sponsors and opponents of the bill dispute whether the provisions would allow soft money to be used to pay off hard money debts. We seem to have that disagreement today. But he notes on the Web site that the text provides that soft money could be used to retire outstanding debts incurred solely in connection with an election. That means hard dollars. That is what it means under the law. It does not make any reference to contributions or expenditures, i.e. hard money, or non-Federal joint or allocated activities which include soft money.

I do not question the motives of the other side, but when we come up with amendments drafted in the dead of night, submitted the evening before, drafting errors occur. I think that we have that there. I urge support of Ney-Wynn and defeat of the Shays-Meehan substitute.

The memorandum previously referred to is as follows:

PATTON BOGGS LLP,
Washington, DC, February 13, 2002.

Re Shays-Meehan Effective Date.

The proposed Shays-Meehan effective date language (section 402) provides that:

(a) IN GENERAL.—Except as otherwise provided in section 308 and subsection (b), this Act and the amendments made by this Act shall take effect November 6, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a), the following rules shall apply with respect to the spending of such funds by such committee:

(1) Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date, so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002 (or any runoff election or recount resulting from such an election).

(2) At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility.

The Federal Election Campaign Act and current Federal Election Commission regulations require federal expenses (including federal debts) to be paid out of the federal account. See, e.g., 11 C.F.R. §102.5. Moreover, the regulations also require allocations between federal and non-federal activities. 11 C.F.R. §106.5.

In contrast to current law, the proposed language would allow a national party committee to pay any debt with soft, non-federal dollars in the period from November 5, 2002 to January 1, 2003. Specifically, it could be used to ''retire outstanding debts or obligations'' that were incurred in connection with the 2002 elections. It fails to differentiate between federal debt and non-federal debt. This is not consistent with the current regulations that specifically require hard debt to be paid with hard dollars. Moreover, the language explicitly references ''debts or obligations incurred . . . solely in connection with an election''—this appears to mean hard dollar debt.

The lack of specificity in the language means that a portion of hard dollar debt or obligations could be paid for with soft money. Any legal test of this provision would take many years under the FEC enforcement process. (Also note that Title I of H.R. 2356, new language would be added at section 323(b)(2)(A) specifying that state parties must expend funds ''to the extent the amounts expended or disbursed for such activity are allocated (under regulations prescribed by the Commission) among amounts . . . .'')

As a practical matter, the plain wording of the proposed language would allow a national party committee to borrow hard dollars, spend those dollars in the upcoming election, and then use the remaining soft dollars to repay the debt. Moreover, such a hard dollar loan could be secured with non-federal dollars as collateral, particularly the funds in the building fund.

The provision also permits a flood of special interest soft money to the national party committees to finance new elaborate and fancy headquarters. This loophole continues to provide a home for large, unlimited, soft money dollars at the national party committees.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Chairman, America, America, the witching hour is upon campaign finance reform. Please pay close attention to how we Members of Congress vote. Everyone claims to be doing the right thing. Everyone seems to be saying they support reform. But make no mistake about it, there is only one bill here that creates real reform for our Nation's campaign finance laws while passing the Senate, and that is Shays-Meehan.

Our political system has gone bad mad. In the 2000 election, candidates spent more than $4 billion, a 50 percent increase since 1996. That is obscene. Who is giving all of this money to the parties? Is it the little guy? No. Not even the medium guy. Instead, there are big donations from big corporations. Obviously Enron, which has given almost $6 million to Federal candidates, $3.5 million of that $6 million was soft money. Did they know what they were doing? This is not misinformation. If Members want to talk about a Web site, go on their Web site and see their numbers.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. GREENWOOD).

Mr. GREENWOOD. Mr. Chairman, I oppose the Ney substitute because I believe it and the amendment thereto to follow will kill our crusade against soft money, and our crusade against soft money has to win if our democracy is to prevail.

There are those who say that soft money, corporate money, labor money

is really about philosophy. It is not about corruption. It is about how these organizations support the parties of their choice with their dollars.

For the last 2 months I have spent most of my time investigating the Enron scandal. Just to give an example of what Enron did to further its philosophy, in March of 2000 it gave $50,000 to the Democratic National Committee. The next month in April it gave $75,000 to the Republican National Committee. In May it gave $50,000 to the Democratic National Committee. In June it gave $50,000 to the Republican National Committee. And the day before that, it had given $50,000 to the Democratic Senatorial Committee.

Mr. Chairman, this is not about philosophy, this is about access and influence; and it corrupts our process. If a Member of this body went to Enron and called them on the phone and said, I would like a check for $50,000 or cash for $50,000, that Member would go to jail for corruption as he or she should. If Enron Corporation gave $50,000 to one of our congressional campaigns, we would go to jail, as we should, because that is corrupt. But somehow if the same Member of Congress goes over to the Democratic Committee or Republican Committee and picks up the phone and says, I need a check for $50,000 for my party so we can get our people elected, that is not corruption? The American people know that is corruption. It does corrupt the process.

I have listened to my colleagues on both sides of the aisle lament that without these dollars they cannot get reelected. I remember on Take Your Daughter to Work Day a few years ago I brought my 12-year-old daughter down, and at a Republican National Committee function we were talking about the money we had to raise and how costly it was going to be, and she tapped me on the shoulder and whispered into my ear, and she said, ''Everybody should just do what is right, and if you do what is right, the people will elect you.''

Mr. Chairman, Members should do what is really right and vote for Shays-Meehan.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. KUCINICH), a former mayor of Cleveland and an outstanding reformer in our body.

Mr. KUCINICH. Mr. Chairman, it is time for this Congress to rescue and secure democracy from the soft-money slavery of special interests and the clutches of the best-government-money-can-buy. We must stand here on the highest hill in the land and tell corporate interests, which give hundreds of millions in soft-money contributions who hold this government hostage, let my people go.

Finance and credit card companies gave $9 million in corporate campaign cash, and ordinary people ended up with higher rates of foreclosure. Let my people go.

Banking and security interests gave $87 million for banking deregulation, which undermines consumers' economic interests. Let my people go.

Corporate campaign cash buys higher electric rates. Let my people go.

Corporate campaign cash buys a higher rate of prescription drugs. Let my people go.

Corporate campaign cash bought fast track which cost Americans millions of jobs. Let my people go.

Corporate campaign cash wants to buy the privatization of Social Security. Let my people go.

Mr. Chairman, freedom is on the line today. Free this Congress. Free this system. Free democracy from the yoke of corporate control. Let my people go. Pass the Shays-Meehan substitute.

Mr. HOYER. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Missouri (Ms. MCCARTHY).

(Ms. MCCARTHY of Missouri asked and was given permission to revise and extend her remarks.)

Ms. MCCARTHY of Missouri. Mr. Chairman, I commend the gentleman from Ohio (Mr. NEY) with regard to his work on election reform which was very bipartisan and passed this House nearly unanimously. That is why I am troubled today with having him stand up and present a bill for our support that he opposes personally, and opposes the bill we all seek, which has bipartisan support and will genuinely reform our campaign laws.

To reform election laws and campaign laws in the same session would enforce in people's mind that we have indeed our process up here and restored integrity to our election system. The confidence of the American people is at stake, and we deserve to serve them as we have in the past and continue to do so today.

Mr. Chairman, Shays-Meehan legislation will rein in that soft money and the deceptive ads that frustrate and confuse and also undermine the election system; and it will provide the American public with important information on which individuals or organizations are trying to influence their vote. I urge adoption of Shays-Meehan and oppose the Ney substitute.

Mr. FORD. Mr. Chairman, I yield 1¼ minutes to the gentlewoman from Michigan (Ms. RIVERS).

Ms. RIVERS. Mr. Chairman, as I listen to this debate and as I have listened to it over the years, we have been here before on this, I am reminded of the legendary creature, the hydra. The hydra, if one of its heads was cut off, it would grow two more. That is the way the arguments against Shays-Meehan seem to be. How many arguments do we have to hear? How many times do we have to endure this?

Today we hear that the bill that would not be supported 3 months ago is now the bill that should be embraced today. And then after arguing that, they suggest that the people on this side of the aisle are not operating from principle. Well, what is the principle that is driving the argument against reform? It seems to be the desire to protect the status quo at any cost by any argument no matter how specious.

Mr. Chairman, we have a shameful voter-participation record in this country. We have a political system that is not trusted by the people it governs. Enough is enough. It is time to end the cynical games, both political and parliamentary, that perpetuate this system. It is time to defeat the substitute, pass Shays-Meehan and finally, finally, pass campaign finance reform.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Mr. Chairman, hopefully today will be a day where the American public wins. Five years ago as a freshman class president, I joined new Members of the 105th Congress view this institution and the way they view the White House.

We pledged that no matter what or how tough the going got, we would clean up the way elections are run. We knew that massive amounts of unregulated money have a corrosive influence on our political process. In fact, unregulated soft-money giving has increased by 137 percent since we made our pledge.

□ 1415

And so here we are, on the verge of finally doing something about it by passing campaign finance reform. But if we do not pass a clean version of the Shays-Meehan bill, the campaign finance reform obstructionists will once again rest easy, knowing that the will of the public will be subverted by special interests, only this time in conference committee. It is time we kept our promise.

I urge my colleagues to join me in voting ''no'' on the Ney substitute as well as any poison pill amendments that will be considered.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York (Mr. ISRAEL).

Mr. ISRAEL. Mr. Chairman, I rise against this substitute. I am one of those Members who has been working on a bipartisan basis to strengthen Medicare and provide affordable prescription drugs to seniors. I know that this fall as sure as the leaves turn, I will turn on my television and there is going to be some phony ad, backed by soft money, by some innocent-sounding group masking a special interest, drowning out the real voices of real people and real seniors. It is enough.

I have heard the debate on both sides of the aisle on who Shays-Meehan really helps and who it hurts. There are some Democrats who say that Shays-Meehan will really help the Republicans, and there are some Republicans who say that Shays-Meehan will really help the Democrats. Mr. Chairman, how about helping the American people? How about putting them ahead of politics for once in this House? That is what we should be doing. The only way to truly do that is to pass Shays-Meehan and not substitutes designed to defeat it.

Mr. SHAYS. Mr. Chairman, I yield myself the balance of my time.

I would point out that in conversation with Trevor Potter, who had just been recently discussed, he pointed out that he totally disagrees with what was said by the gentleman from Virginia (Mr. TOM DAVIS), and the reference to his Website was, in fact, not even his Website.

And that this $40 million fund that is being described, Democrats have $3.2 million in their building fund and Republicans have $1.8 million in their building fund. So if the Democrats have $40 million, they would have to raise from this point on the difference, basically $36.8 million, and then not spend it against candidates who are running for office.

Again, I just repeat, if the Democrats want to raise $36.8 million and spend it on a building fund instead of campaigns, I think Republicans should probably encourage them to do that.

I would like to also point out that our bill is, in fact, a compromise. It is a compromise.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Texas (MS. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, many of us have been on a very long journey, and we believe that today is the final stop, and the doors of the train will not open until we complete the accounting of all those who have ridden with us. And I think we will find that most of us believe that today is the day to pass the Shays-Meehan campaign finance reform legislation, and we believe that all the debate that you will hear today is procedural, that what the American people want us to do is to act on substance. They want us to restate our commitment to the values of America that democracy rules and that the people's voice speaks louder than special interests.

Thomas Jefferson wrote that individuals who are elected are divided into two parties, those who fear and distrust the people and those who identify themselves with the people, have confidence in them, cherish and consider them as the most honest and safe. I cherish the people. I believe we can win by voting for Shays-Meehan campaign finance reform, and support the people's interest.

Mr. FORD. Mr. Chairman, I yield the balance of my time to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. I thank the gentleman for yielding me this time.

Mr. Chairman, we ought to vote ''no'' on this amendment. The gentleman from Ohio (Mr. NEY) voted ''no'' on this amendment originally. He offers this amendment as a substitute because he says it was offered before. That is correct. It was offered before it was perfected. Shays-Meehan now offer their perfected version, which is the preferred version by supporters of campaign finance reform.

I urge, therefore, every individual in this House who wants to support campaign finance reform and see that bill placed on the President's desk to vote against my distinguished chairman and friend, the gentleman from Ohio, and keep campaign finance reform alive.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. NEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. NEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 53, noes 377, not voting 4, as follows:

[Roll No. 20]

AYES—53

Aderholt
Akin
Bachus
Ballenger
Barton
Bono
Cantor
Capito
Combest
Cubin
Culberson
Davis, Jo Ann
DeMint
Diaz-Balart
Doolittle
Duncan
Emerson
English
Fletcher
Forbes
Frelinghuysen
Gekas
Gillmor
Jenkins
Johnson (CT)
Johnson, Sam
LaTourette
McCrery
McHugh
McInnis
Nussle
Osborne
Otter
Pitts
Pryce (OH)
Radanovich
Regula
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Rush
Saxton
Schrock
Shimkus
Shows
Skeen
Smith (MI)
Souder
Taylor (NC)
Upton
Vitter
Weldon (PA)
Wilson (SC)

NOES—377

Abercrombie
Ackerman
Allen
Andrews
Armey
Baca
Baird
Baker
Baldacci
Baldwin
Barcia
Barr
Barrett
Bartlett
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Tom
Deal
DeFazio
DeGette
DeLauro
DeLay
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Engel
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Foley
Ford
Fossella
Frank
Frost
Gallegly
Ganske
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Platts
Pombo
Pomeroy
Portman
Price (NC)
Putnam
Quinn
Rahall
Ramstad
Rangel
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Ross
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schaffer
Schakowsky
Schiff
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—4

Delahunt
Lipinski
Riley
Traficant

□ 1443

Messrs. GARY G. MILLER of California, ISSA, BARRETT of Wisconsin, ARMEY, SHERWOOD, LEWIS of Kentucky, RANGEL, BONIOR, SMITH of Texas, HANSEN, NORWOOD, SHUSTER, JEFF MILLER of Florida, CANNON, BONILLA, TANCREDO, ISTOOK, LARGENT, CRANE, GOSS, EHRLICH, BRYANT, BURTON of Indiana, EHLERS, WATTS of Oklahoma and

TAUZIN and Mrs. TAUSCHER and Mrs. MYRICK changed their vote from ''aye'' to ''no.''

Mr. GILLMOR and Mr. BACHUS changed their vote from ''no'' to ''aye.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mrs. JOHNSON of Connecticut. Mr. Chairman, on rollcall No. 20 I inadvertently voted ''aye.'' I would like the RECORD to show that I meant to vote ''no.''

Mr. RUSH. Mr. Chairman, on rollcall No. 20, I inadvertently cast an ''aye'' vote when my vote should have been ''no'' in opposition to the Ney substitute to H.R. 2356.

The Ney substitute would undermine the ability of Legal Permanent Residents to participate in the political system. I ask that the RECORD reflect my opposition to the Ney substitute.

The CHAIRMAN. It is now in order to consider the amendment in the nature of a substitute numbered 9 specified in section 2 of House Resolution 344 offered by the gentleman from Connecticut (Mr. SHAYS).

□ 1445

AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 9 OFFERED BY MR. SHAYS

Mr. SHAYS. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute No. 9 offered by Mr. SHAYS:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Bipartisan Campaign Reform Act of 2002''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

''SEC. 323. SOFT MONEY OF POLITICAL PARTIES.

''(a) NATIONAL COMMITTEES.—

''(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.—The prohibition established by paragraph (1) applies to any such national committee, any officer or agent acting on behalf of such a national committee, and any entity that is directly or indirectly established, financed, maintained, or controlled by such a national committee.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), an amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or of individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.—

''(A) IN GENERAL.—Notwithstanding clause (i) or (ii) of section 301(20)(A), and subject to subparagraph (B), paragraph (1) shall not apply to any amount expended or disbursed by a State, district, or local committee of a political party for an activity described in either such clause to the extent the amounts expended or disbursed for such activity are allocated (under regulations prescribed by the Commission) among amounts—

''(i) which consist solely of contributions subject to the limitations, prohibitions, and reporting requirements of this Act (other than amounts described in subparagraph (B)(iii)); and

''(ii) other amounts which are not subject to the limitations, prohibitions, and reporting requirements of this Act (other than any requirements of this subsection).

''(B) CONDITIONS.—Subparagraph (A) shall only apply if—

''(i) the activity does not refer to a clearly identified candidate for Federal office;

''(ii) the amounts expended or disbursed are not for the costs of any broadcasting, cable, or satellite communication, other than a communication which refers solely to a clearly identified candidate for State or local office;

''(iii) the amounts expended or disbursed which are described in subparagraph (A)(ii) are paid from amounts which are donated in accordance with State law and which meet the requirements of subparagraph (C), except that no person (including any person established, financed, maintained, or controlled by such person) may donate more than $10,000 to a State, district, or local committee of a political party in a calendar year for such expenditures or disbursements; and

''(iv) the amounts expended or disbursed are made solely from funds raised by the State, local, or district committee which makes such expenditure or disbursement, and do not include any funds provided to such committee from—

''(I) any other State, local, or district committee of any State party,

''(II) the national committee of a political party (including a national congressional campaign committee of a political party),

''(III) any officer or agent acting on behalf of any committee described in subclause (I) or (II), or

''(IV) any entity directly or indirectly established, financed, maintained, or controlled by any committee described in subclause (I) or (II).

''(C) PROHIBITING INVOLVEMENT OF NATIONAL PARTIES, FEDERAL CANDIDATES AND OFFICEHOLDERS, AND STATE PARTIES ACTING JOINTLY.—Notwithstanding subsection (e) (other than subsection (e)(3)), amounts specifically authorized to be spent under subparagraph (B)(iii) meet the requirements of this subparagraph only if the amounts—

''(i) are not solicited, received, directed, transferred, or spent by or in the name of any person described in subsection (a) or (e); and

''(ii) are not solicited, received, or directed through fundraising activities conducted

jointly by 2 or more State, local, or district committees of any political party or their agents, or by a State, local, or district committee of a political party on behalf of the State, local, or district committee of a political party or its agent in one or more other States.

''(c) FUNDRAISING COSTS.—An amount spent by a person described in subsection (a) or (b) to raise funds that are used, in whole or in part, for expenditures and disbursements for a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to—

''(1) an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section) and that makes expenditures or disbursements in connection with an election for Federal office (including expenditures or disbursements for Federal election activity); or

''(2) an organization described in section 527 of such Code (other than a political committee, a State, district, or local committee of a political party, or the authorized campaign committee of a candidate for State or local office).

''(e) FEDERAL CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or an individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of 1 or more candidates or individuals holding Federal office, shall not—

''(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

''(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

''(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1), (2), and (3) of section 315(a); and

''(ii) are not from sources prohibited by this Act from making contributions in connection with an election for Federal office.

''(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual described in such paragraph who is or was also a candidate for a State or local office solely in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law and refers only to such State or local candidate, or to any other candidate for the State or local office sought by such candidate, or both.

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1) or subsection (b)(2)(C), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

''(4) PERMITTING CERTAIN SOLICITATIONS.—

''(A) GENERAL SOLICITATIONS.—Notwithstanding any other provision of this subsection, an individual described in paragraph (1) may make a general solicitation of funds on behalf of any organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section) (other than an entity whose principal purpose is to conduct activities described in clauses (i) and (ii) of section 301(20)(A)) where such solicitation does not specify how the funds will or should be spent.

''(B) CERTAIN SPECIFIC SOLICITATIONS.—In addition to the general solicitations permitted under subparagraph (A), an individual described in paragraph (1) may make a solicitation explicitly to obtain funds for carrying out the activities described in clauses (i) and (ii) of section 301(20)(A), or for an entity whose principal purpose is to conduct such activities, if—

''(i) the solicitation is made only to individuals; and

''(ii) the amount solicited from any individual during any calendar year does not exceed $20,000.

''(f) STATE CANDIDATES.—

''(1) IN GENERAL.—A candidate for State or local office, individual holding State or local office, or an agent of such a candidate or individual may not spend any funds for a communication described in section 301(20)(A)(iii) unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) EXCEPTION FOR CERTAIN COMMUNICATIONS.—Paragraph (1) shall not apply to an individual described in such paragraph if the communication involved is in connection with an election for such State or local office and refers only to such individual or to any other candidate for the State or local office held or sought by such individual, or both.''.

(b) DEFINITIONS.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end thereof the following:

''(20) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

''(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

''(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention;

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office; and

''(v) the cost of constructing or purchasing an office facility or equipment for a State, district, or local committee.

''(21) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means a campaign activity that promotes a political party and does not promote a candidate or non-Federal candidate.

''(22) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing, or telephone bank to the general public, or any other form of general public political advertising.

''(23) MASS MAILING.—The term 'mass mailing' means a mailing by United States mail or facsimile of more than 500 pieces of mail matter of an identical or substantially similar nature within any 30-day period.

''(24) TELEPHONE BANK.—The term 'telephone bank' means more than 500 telephone calls of an identical or substantially similar nature within any 30-day period.''.

SEC. 102. INCREASED CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.

Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.''.

SEC. 103. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following:

''(e) POLITICAL COMMITTEES.—

''(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—

''(A) IN GENERAL.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in section 301(20)(A), unless the aggregate amount of such receipts and disbursements during the calendar year is less than $5,000.

''(B) SPECIFIC DISCLOSURE BY STATE AND LOCAL PARTIES OF CERTAIN NONFEDERAL AMOUNTS PERMITTED TO BE SPENT ON FEDERAL ELECTION ACTIVITY.—Each report by a political committee under subparagraph (A) of receipts and disbursements made for activities

described in section 301(20)(A) shall include a disclosure of all receipts and disbursements described in section 323(b)(2)(A) and (B).

''(3) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from or to any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

''(4) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a)(4)(B).''.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xv) as clauses (viii) through (xiv), respectively.

TITLE II—NONCANDIDATE CAMPAIGN EXPENDITURES

Subtitle A—Electioneering Communications

SEC. 201. DISCLOSURE OF ELECTIONEERING COMMUNICATIONS.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 103, is amended by adding at the end the following new subsection:

''(f) DISCLOSURE OF ELECTIONEERING COMMUNICATIONS.—

''(1) STATEMENT REQUIRED.—Every person who makes a disbursement for the direct costs of producing and airing electioneering communications in an aggregate amount in excess of $10,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

''(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

''(A) The identification of the person making the disbursement, of any person sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

''(B) The principal place of business of the person making the disbursement, if not an individual.

''(C) The amount of each disbursement of more than $200 during the period covered by the statement and the identification of the person to whom the disbursement was made.

''(D) The elections to which the electioneering communications pertain and the names (if known) of the candidates identified or to be identified.

''(E) If the disbursements were paid out of a segregated bank account which consists of funds contributed solely by individuals who are United States citizens or nationals or lawfully admitted for permanent residence as defined in section 1101(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(2)) directly to this account for electioneering communications, the names and addresses of all contributors who contributed an aggregate amount of $1,000 or more to that account during the period beginning on the first day of the preceding calendar year and ending on the disclosure date. Nothing in this subparagraph is to be construed as a prohibition on the use of funds in such a segregated account for a purpose other than electioneering communications.

''(F) If the disbursements were paid out of funds not described in subparagraph (E), the names and addresses of all contributors who contributed an aggregate amount of $1,000 or more to the person making the disbursement during the period beginning on the first day of the preceding calendar year and ending on the disclosure date.

''(3) ELECTIONEERING COMMUNICATION.—For purposes of this subsection—

''(A) IN GENERAL.—(i) The term 'electioneering communication' means any broadcast, cable, or satellite communication which—

''(I) refers to a clearly identified candidate for Federal office;

''(II) is made within—

''(aa) 60 days before a general, special, or runoff election for the office sought by the candidate; or

''(bb) 30 days before a primary or preference election, or a convention or caucus of a political party that has authority to nominate a candidate, for the office sought by the candidate; and

''(III) in the case of a communication which refers to a candidate for an office other than President or Vice President, is targeted to the relevant electorate.

''(ii) If clause (i) is held to be constitutionally insufficient by final judicial decision to support the regulation provided herein, then the term 'electioneering communication' means any broadcast, cable, or satellite communication which promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate) and which also is suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate. Nothing in this subparagraph shall be construed to affect the interpretation or application of section 100.22(b) of title 11, Code of Federal Regulations.

''(B) EXCEPTIONS.—The term 'electioneering communication' does not include—

''(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate;

''(ii) a communication which constitutes an expenditure or an independent expenditure under this Act;

''(iii) a communication which constitutes a candidate debate or forum conducted pursuant to regulations adopted by the Commission, or which solely promotes such a debate or forum and is made by or on behalf of the person sponsoring the debate or forum; or

''(iv) any other communication exempted under such regulations as the Commission may promulgate (consistent with the requirements of this paragraph) to ensure the appropriate implementation of this paragraph, except that under any such regulation a communication may not be exempted if it meets the requirements of this paragraph and is described in section 301(20)(A)(iii).

''(C) TARGETING TO RELEVANT ELECTORATE.—For purposes of this paragraph, a communication which refers to a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if the communication can be received by 50,000 or more persons—

''(i) in the district the candidate seeks to represent, in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

''(ii) in the State the candidate seeks to represent, in the case of a candidate for Senator.

''(4) DISCLOSURE DATE.—For purposes of this subsection, the term 'disclosure date' means—

''(A) the first date during any calendar year by which a person has made disbursements for the direct costs of producing or airing electioneering communications aggregating in excess of $10,000; and

''(B) any other date during such calendar year by which a person has made disbursements for the direct costs of producing or airing electioneering communications aggregating in excess of $10,000 since the most recent disclosure date for such calendar year.

''(5) CONTRACTS TO DISBURSE.—For purposes of this subsection, a person shall be treated as having made a disbursement if the person has executed a contract to make the disbursement.

''(6) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

''(7) COORDINATION WITH INTERNAL REVENUE CODE.—Nothing in this subsection may be construed to establish, modify, or otherwise affect the definition of political activities or electioneering activities (including the definition of participating in, intervening in, or influencing or attempting to influence a political campaign on behalf of or in opposition to any candidate for public office) for purposes of the Internal Revenue Code of 1986.''.

(b) RESPONSIBILITIES OF FEDERAL COMMUNICATIONS COMMISSION.—The Federal Communications Commission shall compile and maintain any information the Federal Election Commission may require to carry out section 304(f) of the Federal Election Campaign Act of 1971 (as added by subsection (a)), and shall make such information available to the public on the Federal Communication Commission's website.

SEC. 202. COORDINATED COMMUNICATIONS AS CONTRIBUTIONS.

Section 315(a)(7) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)) is amended —

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

''(C) if—

''(i) any person makes, or contracts to make, any disbursement for any electioneering communication (within the meaning of section 304(f)(3)); and

''(ii) such disbursement is coordinated with a candidate or an authorized committee of such candidate, a Federal, State, or local political party or committee thereof, or an agent or official of any such candidate, party, or committee;

such disbursement or contracting shall be treated as a contribution to the candidate supported by the electioneering communication or that candidate's party and as an expenditure by that candidate or that candidate's party; and''.

SEC. 203. PROHIBITION OF CORPORATE AND LABOR DISBURSEMENTS FOR ELECTIONEERING COMMUNICATIONS.

(a) IN GENERAL.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by inserting ''or for any applicable electioneering communication'' before '', but shall not include''.

(b) APPLICABLE ELECTIONEERING COMMUNICATION.—Section 316 of such Act is amended by adding at the end the following:

''(c) RULES RELATING TO ELECTIONEERING COMMUNICATIONS.—

''(1) APPLICABLE ELECTIONEERING COMMUNICATION.—For purposes of this section, the term 'applicable electioneering communication' means an electioneering communication (within the meaning of section 304(f)(3)) which is made by any entity described in subsection (a) of this section or by any other person using funds donated by an entity described in subsection (a) of this section.

''(2) EXCEPTION.—Notwithstanding paragraph (1), the term 'applicable electioneering communication' does not include a communication by a section 501(c)(4) organization or a political organization (as defined in section 527(e)(1) of the Internal Revenue Code of 1986) made under section 304(f)(2)(E) or (F) of this Act if the communication is paid for exclusively by funds provided directly by individuals who are United States citizens or nationals or lawfully admitted for permanent residence as defined in section 1101(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(2)). For purposes of the preceding sentence, the term 'provided directly by individuals' does not include funds the source of which is an entity described in subsection (a) of this section.

''(3) SPECIAL OPERATING RULES.—

''(A) DEFINITION UNDER PARAGRAPH (1).—An electioneering communication shall be treated as made by an entity described in subsection (a) if an entity described in subsection (a) directly or indirectly disburses any amount for any of the costs of the communication.

''(B) EXCEPTION UNDER PARAGRAPH (2).—A section 501(c)(4) organization that derives amounts from business activities or receives funds from any entity described in subsection (a) shall be considered to have paid for any communication out of such amounts unless such organization paid for the communication out of a segregated account to which only individuals can contribute, as described in section 304(f)(2)(E).

''(4) DEFINITIONS AND RULES.—For purposes of this subsection—

''(A) the term 'section 501(c)(4) organization' means—

''(i) an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; or

''(ii) an organization which has submitted an application to the Internal Revenue Service for determination of its status as an organization described in clause (i); and

''(B) a person shall be treated as having made a disbursement if the person has executed a contract to make the disbursement.

''(5) COORDINATION WITH INTERNAL REVENUE CODE.—Nothing in this subsection shall be construed to authorize an organization exempt from taxation under section 501(a) of the Internal Revenue Code of 1986 to carry out any activity which is prohibited under such Code.''.

SEC. 204. RULES RELATING TO CERTAIN TARGETED ELECTIONEERING COMMUNICATIONS.

Section 316(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b), as added by section 203, is amended by adding at the end the following:

''(6) SPECIAL RULES FOR TARGETED COMMUNICATIONS.—

''(A) EXCEPTION DOES NOT APPLY.—Paragraph (2) shall not apply in the case of a targeted communication that is made by an organization described in such paragraph.

''(B) TARGETED COMMUNICATION.—For purposes of subparagraph (A), the term 'targeted communication' means an electioneering communication (as defined in section 304(f)(3)) that is distributed from a television or radio broadcast station or provider of cable or satellite television service and, in the case of a communication which refers to a candidate for an office other than President or Vice President, is targeted to the relevant electorate.

''(C) DEFINITION.—For purposes of this paragraph, a communication is 'targeted to the relevant electorate' if it meets the requirements described in section 304(f)(3)(C).''.

Subtitle B—Independent and Coordinated Expenditures

SEC. 211. DEFINITION OF INDEPENDENT EXPENDITURE.

Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

''(17) INDEPENDENT EXPENDITURE.—The term 'independent expenditure' means an expenditure by a person—

''(A) expressly advocating the election or defeat of a clearly identified candidate; and

''(B) that is not made in concert or cooperation with or at the request or suggestion of such candidate, the candidate's authorized political committee, or their agents, or a political party committee or its agents.''.

SEC. 212. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 201) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C); and

(2) by adding at the end the following:

''(g) TIME FOR REPORTING CERTAIN EXPENDITURES.—

''(1) EXPENDITURES AGGREGATING $1,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

''(2) EXPENDITURES AGGREGATING $10,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

''(3) PLACE OF FILING; CONTENTS.—A report under this subsection—

''(A) shall be filed with the Commission; and

''(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.''.

(b) CONFORMING AMENDMENT.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)) is amended by striking '', or the second sentence of subsection (c)(2)''.

SEC. 213. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking ''and (3)'' and inserting '', (3), and (4)''; and

(2) by adding at the end the following:

''(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

''(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, no committee of the political party may make—

''(i) any coordinated expenditure under this subsection with respect to the candidate during the election cycle at any time after it makes any independent expenditure (as defined in section 301(17)) with respect to the candidate during the election cycle; or

''(ii) any independent expenditure (as defined in section 301(17)) with respect to the candidate during the election cycle at any time after it makes any coordinated expenditure under this subsection with respect to the candidate during the election cycle.

''(B) APPLICATION.—For purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

''(C) TRANSFERS.—A committee of a political party that makes coordinated expenditures under this subsection with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.''.

SEC. 214. COORDINATION WITH CANDIDATES OR POLITICAL PARTIES.

(a) IN GENERAL.—Section 315(a)(7)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)(B)) is amended—

(A) by redesignating clause (ii) as clause (iii); and

(B) by inserting after clause (i) the following new clause:

''(ii) expenditures made by any person (other than a candidate or candidate's authorized committee) in cooperation, consultation, or concert, with, or at the request or suggestion of, a national, State, or local committee of a political party, shall be considered to be contributions made to such party committee; and''.

(b) REPEAL OF CURRENT REGULATIONS.—The regulations on coordinated communications paid for by persons other than candidates, authorized committees of candidates, and party committees adopted by the Federal Election Commission and published in the Federal Register at page 76138 of volume 65, Federal Register, on December 6, 2000, are repealed as of the date by which the Commission is required to promulgate new regulations under subsection (c) (as described in the second sentence of section 402(c)).

(c) REGULATIONS BY THE FEDERAL ELECTION COMMISSION.—The Federal Election Commission shall promulgate new regulations on coordinated communications paid for by persons other than candidates, authorized committees of candidates, and party committees. The regulations shall not require agreement or formal collaboration to establish coordination. In addition to any subject determined by the Commission, the regulations shall address—

(A) payments for the republication of campaign materials;

(B) payments for the use of a common vendor;

(C) payments for communications directed or made by persons who previously served as an employee of a candidate or a political party; and

(D) payments for communications made by a person after substantial discussion about the communication with a candidate or a political party.

(d) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is

amended by striking ''shall include'' and inserting ''includes a contribution or expenditure, as those terms are defined in section 301, and also includes''.

TITLE III—MISCELLANEOUS

SEC. 301. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

''SEC. 313. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

''(a) PERMITTED USES.—A contribution accepted by a candidate, and any other donation received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

''(1) for otherwise authorized expenditures in connection with the campaign for Federal office of the candidate or individual;

''(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

''(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

''(4) for transfers to a national, State, or local committee of a political party.

''(b) PROHIBITED USE.—

''(1) IN GENERAL.—A contribution or donation described in subsection (a) shall not be converted by any person to personal use.

''(2) CONVERSION.—For the purposes of paragraph (1), a contribution or donation shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal office, including—

''(A) a home mortgage, rent, or utility payment;

''(B) a clothing purchase;

''(C) a noncampaign-related automobile expense;

''(D) a country club membership;

''(E) a vacation or other noncampaign-related trip;

''(F) a household food item;

''(G) a tuition payment;

''(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

''(I) dues, fees, and other payments to a health club or recreational facility.''.

SEC. 302. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—

''(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. It shall be unlawful for an individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election, while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

''(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both.''; and

(2) in subsection (b), by inserting ''or Executive Office of the President'' after ''Congress''.

SEC. 303. STRENGTHENING FOREIGN MONEY BAN.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: ''CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS''; and

(2) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—It shall be unlawful for—

''(1) a foreign national, directly or indirectly, to make—

''(A) a contribution or donation of money or other thing of value, or to make an express or implied promise to make a contribution or donation, in connection with a Federal, State, or local election;

''(B) a contribution or donation to a committee of a political party; or

''(C) an expenditure, independent expenditure, or disbursement for an electioneering communication (within the meaning of section 304(f)(3)); or

''(2) a person to solicit, accept, or receive a contribution or donation described in subparagraph (A) or (B) of paragraph (1) from a foreign national.''.

SEC. 304. MODIFICATION OF INDIVIDUAL CONTRIBUTION LIMITS IN RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.

(a) INCREASED LIMITS FOR INDIVIDUALS.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended—

(1) in subsection (a)(1), by striking ''No person'' and inserting ''Except as provided in subsection (i), no person''; and

(2) by adding at the end the following:

''(i) INCREASED LIMIT TO ALLOW RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.—

''(1) INCREASE.—

''(A) IN GENERAL.—Subject to paragraph (2), if the opposition personal funds amount with respect to a candidate for election to the office of Senator exceeds the threshold amount, the limit under subsection (a)(1)(A) (in this subsection referred to as the 'applicable limit') with respect to that candidate shall be the increased limit.

''(B) THRESHOLD AMOUNT.—

''(i) STATE-BY-STATE COMPETITIVE AND FAIR CAMPAIGN FORMULA.—In this subsection, the threshold amount with respect to an election cycle of a candidate described in subparagraph (A) is an amount equal to the sum of—

''(I) $150,000; and

''(II) $0.04 multiplied by the voting age population.

''(ii) VOTING AGE POPULATION.—In this subparagraph, the term 'voting age population' means in the case of a candidate for the office of Senator, the voting age population of the State of the candidate (as certified under section 315(e)).

''(C) INCREASED LIMIT.—Except as provided in clause (ii), for purposes of subparagraph (A), if the opposition personal funds amount is over—

''(i) 2 times the threshold amount, but not over 4 times that amount—

''(I) the increased limit shall be 3 times the applicable limit; and

''(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution;

''(ii) 4 times the threshold amount, but not over 10 times that amount—

''(I) the increased limit shall be 6 times the applicable limit; and

''(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution; and

''(iii) 10 times the threshold amount—

''(I) the increased limit shall be 6 times the applicable limit;

''(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution; and

''(III) the limits under subsection (d) with respect to any expenditure by a State or national committee of a political party shall not apply.

''(D) OPPOSITION PERSONAL FUNDS AMOUNT.—The opposition personal funds amount is an amount equal to the excess (if any) of—

''(i) the greatest aggregate amount of expenditures from personal funds (as defined in section 304(a)(6)(B)) that an opposing candidate in the same election makes; over

''(ii) the aggregate amount of expenditures from personal funds made by the candidate with respect to the election.

''(2) TIME TO ACCEPT CONTRIBUTIONS UNDER INCREASED LIMIT.—

''(A) IN GENERAL.—Subject to subparagraph (B), a candidate and the candidate's authorized committee shall not accept any contribution, and a party committee shall not make any expenditure, under the increased limit under paragraph (1)—

''(i) until the candidate has received notification of the opposition personal funds amount under section 304(a)(6)(B); and

''(ii) to the extent that such contribution, when added to the aggregate amount of contributions previously accepted and party expenditures previously made under the increased limits under this subsection for the election cycle, exceeds 110 percent of the opposition personal funds amount.

''(B) EFFECT OF WITHDRAWAL OF AN OPPOSING CANDIDATE.—A candidate and a candidate's authorized committee shall not accept any contribution and a party shall not make any expenditure under the increased limit after the date on which an opposing candidate ceases to be a candidate to the extent that the amount of such increased limit is attributable to such an opposing candidate.

''(3) DISPOSAL OF EXCESS CONTRIBUTIONS.—

''(A) IN GENERAL.—The aggregate amount of contributions accepted by a candidate or a candidate's authorized committee under the increased limit under paragraph (1) and not otherwise expended in connection with the election with respect to which such contributions relate shall, not later than 50 days after the date of such election, be used in the manner described in subparagraph (B).

''(B) RETURN TO CONTRIBUTORS.—A candidate or a candidate's authorized committee shall return the excess contribution to the person who made the contribution.

''(j) LIMITATION ON REPAYMENT OF PERSONAL LOANS.—Any candidate who incurs personal loans made after the effective date of the Bipartisan Campaign Reform Act of 2002 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) NOTIFICATION OF EXPENDITURES FROM PERSONAL FUNDS.—Section 304(a)(6) of the

Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (E); and

(2) by inserting after subparagraph (A) the following:

''(B) NOTIFICATION OF EXPENDITURE FROM PERSONAL FUNDS.—

''(i) DEFINITION OF EXPENDITURE FROM PERSONAL FUNDS.—In this subparagraph, the term 'expenditure from personal funds' means—

''(I) an expenditure made by a candidate using personal funds; and

''(II) a contribution or loan made by a candidate using personal funds or a loan secured using such funds to the candidate's authorized committee.

''(ii) DECLARATION OF INTENT.—Not later than the date that is 15 days after the date on which an individual becomes a candidate for the office of Senator, the candidate shall file a declaration stating the total amount of expenditures from personal funds that the candidate intends to make, or to obligate to make, with respect to the election that will exceed the State-by-State competitive and fair campaign formula with—

''(I) the Commission; and

''(II) each candidate in the same election.

''(iii) INITIAL NOTIFICATION.—Not later than 24 hours after a candidate described in clause (ii) makes or obligates to make an aggregate amount of expenditures from personal funds in excess of 2 times the threshold amount in connection with any election, the candidate shall file a notification with—

''(I) the Commission; and

''(II) each candidate in the same election.

''(iv) ADDITIONAL NOTIFICATION.—After a candidate files an initial notification under clause (iii), the candidate shall file an additional notification each time expenditures from personal funds are made or obligated to be made in an aggregate amount that exceed $10,000 with—

''(I) the Commission; and

''(II) each candidate in the same election. Such notification shall be filed not later than 24 hours after the expenditure is made.

''(v) CONTENTS.—A notification under clause (iii) or (iv) shall include—

''(I) the name of the candidate and the office sought by the candidate;

''(II) the date and amount of each expenditure; and

''(III) the total amount of expenditures from personal funds that the candidate has made, or obligated to make, with respect to an election as of the date of the expenditure that is the subject of the notification.

''(C) NOTIFICATION OF DISPOSAL OF EXCESS CONTRIBUTIONS.—In the next regularly scheduled report after the date of the election for which a candidate seeks nomination for election to, or election to, Federal office, the candidate or the candidate's authorized committee shall submit to the Commission a report indicating the source and amount of any excess contributions (as determined under paragraph (1) of section 315(i)) and the manner in which the candidate or the candidate's authorized committee used such funds.

''(D) ENFORCEMENT.—For provisions providing for the enforcement of the reporting requirements under this paragraph, see section 309.''.

(c) DEFINITIONS.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431), as amended by section 101(b), is further amended by adding at the end the following:

''(25) ELECTION CYCLE.—The term 'election cycle' means the period beginning on the day after the date of the most recent election for the specific office or seat that a candidate is seeking and ending on the date of the next election for that office or seat. For purposes of the preceding sentence, a primary election and a general election shall be considered to be separate elections.

''(26) PERSONAL FUNDS.—The term 'personal funds' means an amount that is derived from—

''(A) any asset that, under applicable State law, at the time the individual became a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had—

''(i) legal and rightful title; or

''(ii) an equitable interest;

''(B) income received during the current election cycle of the candidate, including—

''(i) a salary and other earned income from bona fide employment;

''(ii) dividends and proceeds from the sale of the candidate's stocks or other investments;

''(iii) bequests to the candidate;

''(iv) income from trusts established before the beginning of the election cycle;

''(v) income from trusts established by bequest after the beginning of the election cycle of which the candidate is the beneficiary;

''(vi) gifts of a personal nature that had been customarily received by the candidate prior to the beginning of the election cycle; and

''(vii) proceeds from lotteries and similar legal games of chance; and

''(C) a portion of assets that are jointly owned by the candidate and the candidate's spouse equal to the candidate's share of the asset under the instrument of conveyance or ownership, but if no specific share is indicated by an instrument of conveyance or ownership, the value of ½ of the property.''.

SEC. 305. TELEVISION MEDIA RATES.

(a) LOWEST UNIT CHARGE.—Subsection (b) of section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by striking ''(b) The charges'' and inserting the following:

''(b) CHARGES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the charges'';

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following:

''(2) TELEVISION.—The charges made for the use of any television broadcast station, or by a provider of cable or satellite television service, to any person who is a legally qualified candidate for any public office in connection with the campaign of such candidate for nomination for election, or election, to such office shall not exceed, during the periods referred to in paragraph (1)(A), the lowest charge of the station (at any time during the 180-day period preceding the date of the use) for the same amount of time for the same period.''.

(b) RATE AVAILABLE FOR NATIONAL PARTIES.—Section 315(b)(2) of such Act (47 U.S.C. 315(b)(2), as added by subsection (a)(3), is amended by inserting '', or to a national committee of a political party making expenditures under section 315(d) of the Federal Election Campaign Act of 1971 on behalf of such candidate in connection with such campaign,'' after ''such office''.

(c) PREEMPTION.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) by redesignating subsections (c) and (d) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (b) the following new subsection:

''(c) PREEMPTION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), a licensee shall not preempt the use of a television broadcast station, or a provider of cable or satellite television service, by an eligible candidate or political committee of a political party who has purchased and paid for such use pursuant to subsection (b)(2).

''(2) CIRCUMSTANCES BEYOND CONTROL OF LICENSEE.—If a program to be broadcast by a television broadcast station, or a provider of cable or satellite television service, is preempted because of circumstances beyond the control of the station, any candidate or party advertising spot scheduled to be broadcast during that program may also be preempted.''.

(d) RANDOM AUDITS.—Section 315 of such Act (47 U.S.C. 315), as amended by subsection (c), is amended by inserting after subsection (c) the following new subsection:

''(d) RANDOM AUDITS.—

''(1) IN GENERAL.—During the 45-day period preceding a primary election and the 60-day period preceding a general election, the Commission shall conduct random audits of designated market areas to ensure that each television broadcast station, and provider of cable or satellite television service, in those markets is allocating television broadcast advertising time in accordance with this section and section 312.

''(2) MARKETS.—The random audits conducted under paragraph (1) shall cover the following markets:

''(A) At least 6 of the top 50 largest designated market areas (as defined in section 122(j)(2)(C) of title 17, United States Code).

''(B) At least 3 of the 51–100 largest designated market areas (as so defined).

''(C) At least 3 of the 101–150 largest designated market areas (as so defined).

''(D) At least 3 of the 151–210 largest designated market areas (as so defined).

''(3) BROADCAST STATIONS.—Each random audit shall include each of the 3 largest television broadcast networks, 1 independent network, and 1 cable network.''.

(e) DEFINITION OF BROADCASTING STATION.—Subsection (e)(1) of section 315 of such Act (47 U.S.C. 315(e)(1)), as redesignated by subsection (c)(1) of this section, is amended by inserting '', a television broadcast station, and a provider of cable or satellite television service'' before the semicolon.

(f) STYLISTIC AMENDMENTS.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) in subsection (a), by inserting ''IN GENERAL.—'' before ''If any'';

(2) in subsection (e), as redesignated by subsection (c)(1) of this section, by inserting ''DEFINITIONS.—'' before ''For purposes''; and

(3) in subsection (f), as so redesignated, by inserting ''REGULATIONS.—'' before ''The Commission''.

SEC. 306. LIMITATION ON AVAILABILITY OF LOWEST UNIT CHARGE FOR FEDERAL CANDIDATES ATTACKING OPPOSITION.

(a) IN GENERAL.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)), as amended by this Act, is amended by adding at the end the following:

''(3) CONTENT OF BROADCASTS.—

''(A) IN GENERAL.—In the case of a candidate for Federal office, such candidate shall not be entitled to receive the rate under paragraph (1)(A) or (2) for the use of any broadcasting station unless the candidate provides written certification to the broadcast station that the candidate (and any authorized committee of the candidate) shall not make any direct reference to another candidate for the same office, in any broadcast using the rights and conditions of access under this Act, unless such reference meets the requirements of subparagraph (C) or (D).

''(B) LIMITATION ON CHARGES.—If a candidate for Federal office (or any authorized committee of such candidate) makes a reference described in subparagraph (A) in any

broadcast that does not meet the requirements of subparagraph (C) or (D), such candidate shall not be entitled to receive the rate under paragraph (1)(A) or (2) for such broadcast or any other broadcast during any portion of the 45-day and 60-day periods described in paragraph (1)(A), that occur on or after the date of such broadcast, for election to such office.

''(C) TELEVISION BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a television broadcast, at the end of such broadcast there appears simultaneously, for a period no less than 4 seconds—

''(i) a clearly identifiable photographic or similar image of the candidate; and

''(ii) a clearly readable printed statement, identifying the candidate and stating that the candidate has approved the broadcast and that the candidate's authorized committee paid for the broadcast.

''(D) RADIO BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a radio broadcast, the broadcast includes a personal audio statement by the candidate that identifies the candidate, the office the candidate is seeking, and indicates that the candidate has approved the broadcast.

''(E) CERTIFICATION.—Certifications under this section shall be provided and certified as accurate by the candidate (or any authorized committee of the candidate) at the time of purchase.

''(F) DEFINITIONS.—For purposes of this paragraph, the terms 'authorized committee' and 'Federal office' have the meanings given such terms by section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).''.

(b) CONFORMING AMENDMENT.—Section 315(b)(1)(A) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)(A)), as amended by this Act, is amended by inserting ''subject to paragraph (3),'' before ''during the forty-five days''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to broadcasts made after the effective date of this Act.

SEC. 307. SOFTWARE FOR FILING REPORTS AND PROMPT DISCLOSURE OF CONTRIBUTIONS.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end the following:

''(12) SOFTWARE FOR FILING OF REPORTS.—

''(A) IN GENERAL.—The Commission shall—

''(i) promulgate standards to be used by vendors to develop software that—

''(I) permits candidates to easily record information concerning receipts and disbursements required to be reported under this Act at the time of the receipt or disbursement;

''(II) allows the information recorded under subclause (I) to be transmitted immediately to the Commission; and

''(III) allows the Commission to post the information on the Internet immediately upon receipt; and

''(ii) make a copy of software that meets the standards promulgated under clause (i) available to each person required to file a designation, statement, or report in electronic form under this Act.

''(B) ADDITIONAL INFORMATION.—To the extent feasible, the Commission shall require vendors to include in the software developed under the standards under subparagraph (A) the ability for any person to file any designation, statement, or report required under this Act in electronic form.

''(C) REQUIRED USE.—Notwithstanding any provision of this Act relating to times for filing reports, each candidate for Federal office (or that candidate's authorized committee) shall use software that meets the standards promulgated under this paragraph once such software is made available to such candidate.

''(D) REQUIRED POSTING.—The Commission shall, as soon as practicable, post on the Internet any information received under this paragraph.''.

SEC. 308. MODIFICATION OF CONTRIBUTION LIMITS.

(a) INCREASE IN INDIVIDUAL LIMITS FOR CERTAIN CONTRIBUTIONS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (A), by striking ''$1,000'' and inserting the following: ''$2,000 (or, in the case of a candidate for Representative in or Delegate or Resident Commissioner to the Congress, $1,000)''; and

(2) in subparagraph (B), by striking ''$20,000'' and inserting ''$25,000''.

(b) INCREASE IN ANNUAL AGGREGATE LIMIT ON INDIVIDUAL CONTRIBUTIONS.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended to read as follows:

''(3) During the period which begins on January 1 of an odd-numbered year and ends on December 31 of the next even-numbered year, no individual may make contributions aggregating more than—

''(A) $37,500, in the case of contributions to candidates and the authorized committees of candidates;

''(B) $57,500, in the case of any other contributions, of which not more than $37,500 may be attributable to contributions to political committees which are not political committees of national political parties.''.

(c) INCREASE IN SENATORIAL CAMPAIGN COMMITTEE LIMIT.—Section 315(h) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(h)) is amended by striking ''$17,500'' and inserting ''$35,000''.

(d) INDEXING OF CONTRIBUTION LIMITS.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting ''(A)'' before ''At the beginning''; and

(C) by adding at the end the following:

''(B) Except as provided in subparagraph (C), in any calendar year after 2002—

''(i) a limitation established by subsections (a)(1)(A), (a)(1)(B), (a)(3), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

''(ii) each amount so increased shall remain in effect for the calendar year; and

''(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

''(C) In the case of limitations under subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.''; and

(2) in paragraph (2)(B), by striking ''means the calendar year 1974'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h), calendar year 2001''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to contributions made on or after January 1, 2003.

SEC. 309. DONATIONS TO PRESIDENTIAL INAUGURAL COMMITTEE.

(a) IN GENERAL.—Chapter 5 of title 36, United States Code, is amended by—

(1) redesignating section 510 as section 511; and

(2) inserting after section 509 the following:

''§ 510. Disclosure of and prohibition on certain donations

''(a) IN GENERAL.—A committee shall not be considered to be the Inaugural Committee for purposes of this chapter unless the committee agrees to, and meets, the requirements of subsections (b) and (c).

''(b) DISCLOSURE.—

''(1) IN GENERAL.—Not later than the date that is 90 days after the date of the Presidential inaugural ceremony, the committee shall file a report with the Federal Election Commission disclosing any donation of money or anything of value made to the committee in an aggregate amount equal to or greater than $200.

''(2) CONTENTS OF REPORT.—A report filed under paragraph (1) shall contain—

''(A) the amount of the donation;

''(B) the date the donation is received; and

''(C) the name and address of the person making the donation.

''(c) LIMITATION.—The committee shall not accept any donation from a foreign national (as defined in section 319(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b))).''.

(b) REPORTS MADE AVAILABLE BY FEC.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by sections 103, 201, and 212 is amended by adding at the end the following:

''(h) REPORTS FROM INAUGURAL COMMITTEES.—The Federal Election Commission shall make any report filed by an Inaugural Committee under section 510 of title 36, United States Code, accessible to the public at the offices of the Commission and on the Internet not later than 48 hours after the report is received by the Commission.''.

SEC. 310. PROHIBITION ON FRAUDULENT SOLICITATION OF FUNDS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''No person''; and

(2) by adding at the end the following:

''(b) FRAUDULENT SOLICITATION OF FUNDS.—No person shall—

''(1) fraudulently misrepresent the person as speaking, writing, or otherwise acting for or on behalf of any candidate or political party or employee or agent thereof for the purpose of soliciting contributions or donations; or

''(2) willfully and knowingly participate in or conspire to participate in any plan, scheme, or design to violate paragraph (1).''.

SEC. 311. STUDY AND REPORT ON CLEAN MONEY CLEAN ELECTIONS LAWS.

(a) CLEAN MONEY CLEAN ELECTIONS DEFINED.—In this section, the term ''clean money clean elections'' means funds received under State laws that provide in whole or in part for the public financing of election campaigns.

(b) STUDY.—

(1) IN GENERAL.—The Comptroller General shall conduct a study of the clean money clean elections of Arizona and Maine.

(2) MATTERS STUDIED.—

(A) STATISTICS ON CLEAN MONEY CLEAN ELECTIONS CANDIDATES.—The Comptroller General shall determine—

(i) the number of candidates who have chosen to run for public office with clean money clean elections including—

(I) the office for which they were candidates;

(II) whether the candidate was an incumbent or a challenger; and

(III) whether the candidate was successful in the candidate's bid for public office; and

(ii) the number of races in which at least one candidate ran an election with clean money clean elections.

(B) EFFECTS OF CLEAN MONEY CLEAN ELECTIONS.—The Comptroller General of the United States shall describe the effects of public financing under the clean money clean elections laws on the 2000 elections in Arizona and Maine.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress detailing the results of the study conducted under subsection (b).

SEC. 312. CLARITY STANDARDS FOR IDENTIFICATION OF SPONSORS OF ELECTION-RELATED ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever'';

(ii) by striking ''an expenditure'' and inserting ''a disbursement''; and

(iii) by striking ''direct''; and

(iv) by inserting ''or makes a disbursement for an electioneering communication (as defined in section 304(f)(3))'' after ''public political advertising''; and

(B) in paragraph (3), by inserting ''and permanent street address, telephone number, or World Wide Web address'' after ''name''; and

(2) by adding at the end the following:

''(c) SPECIFICATION.—Any printed communication described in subsection (a) shall—

''(1) be of sufficient type size to be clearly readable by the recipient of the communication;

''(2) be contained in a printed box set apart from the other contents of the communication; and

''(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

''(d) ADDITIONAL REQUIREMENTS.—

''(1) COMMUNICATIONS BY CANDIDATES OR AUTHORIZED PERSONS.—

''(A) BY RADIO.—Any communication described in paragraph (1) or (2) of subsection (a) which is transmitted through radio shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

''(B) BY TELEVISION.—Any communication described in paragraph (1) or (2) of subsection (a) which is transmitted through television shall include, in addition to the requirements of that paragraph, a statement that identifies the candidate and states that the candidate has approved the communication. Such statement—

''(i) shall be conveyed by—

''(I) an unobscured, full-screen view of the candidate making the statement, or

''(II) the candidate in voice-over, accompanied by a clearly identifiable photographic or similar image of the candidate; and

''(ii) shall also appear in writing at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.

''(2) COMMUNICATIONS BY OTHERS.—Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following audio statement: '_____ is responsible for the content of this advertising.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall be conveyed by an unobscured, full-screen view of a representative of the political committee or other person making the statement, or by a representative of such political committee or other person in voice-over, and shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''.

SEC. 313. INCREASE IN PENALTIES.

(a) IN GENERAL.—Subparagraph (A) of section 309(d)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended to read as follows:

''(A) Any person who knowingly and willfully commits a violation of any provision of this Act which involves the making, receiving, or reporting of any contribution, donation, or expenditure—

''(i) aggregating $25,000 or more during a calendar year shall be fined under title 18, United States Code, or imprisoned for not more than 5 years, or both; or

''(ii) aggregating $2,000 or more (but less than $25,000) during a calendar year shall be fined under such title, or imprisoned for not more than one year, or both.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring on or after the effective date of this Act.

SEC. 314. STATUTE OF LIMITATIONS.

(a) IN GENERAL.—Section 406(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 455(a)) is amended by striking ''3'' and inserting ''5''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring on or after the effective date of this Act.

SEC. 315. SENTENCING GUIDELINES.

(a) IN GENERAL.—The United States Sentencing Commission shall—

(1) promulgate a guideline, or amend an existing guideline under section 994 of title 28, United States Code, in accordance with paragraph (2), for penalties for violations of the Federal Election Campaign Act of 1971 and related election laws; and

(2) submit to Congress an explanation of any guidelines promulgated under paragraph (1) and any legislative or administrative recommendations regarding enforcement of the Federal Election Campaign Act of 1971 and related election laws.

(b) CONSIDERATIONS.—The Commission shall provide guidelines under subsection (a) taking into account the following considerations:

(1) Ensure that the sentencing guidelines and policy statements reflect the serious nature of such violations and the need for aggressive and appropriate law enforcement action to prevent such violations.

(2) Provide a sentencing enhancement for any person convicted of such violation if such violation involves—

(A) a contribution, donation, or expenditure from a foreign source;

(B) a large number of illegal transactions;

(C) a large aggregate amount of illegal contributions, donations, or expenditures;

(D) the receipt or disbursement of governmental funds; and

(E) an intent to achieve a benefit from the Federal Government.

(3) Assure reasonable consistency with other relevant directives and guidelines of the Commission.

(4) Account for aggravating or mitigating circumstances that might justify exceptions, including circumstances for which the sentencing guidelines currently provide sentencing enhancements.

(5) Assure the guidelines adequately meet the purposes of sentencing under section 3553(a)(2) of title 18, United States Code.

(c) EFFECTIVE DATE; EMERGENCY AUTHORITY TO PROMULGATE GUIDELINES.—

(1) EFFECTIVE DATE.—Notwithstanding section 402, the United States Sentencing Commission shall promulgate guidelines under this section not later than the later of—

(A) 90 days after the effective date of this Act; or

(B) 90 days after the date on which at least a majority of the members of the Commission are appointed and holding office.

(2) EMERGENCY AUTHORITY TO PROMULGATE GUIDELINES.—The Commission shall promulgate guidelines under this section in accordance with the procedures set forth in section 21(a) of the Sentencing Reform Act of 1987, as though the authority under such Act has not expired.

SEC. 316. INCREASE IN PENALTIES IMPOSED FOR VIOLATIONS OF CONDUIT CONTRIBUTION BAN.

(a) INCREASE IN CIVIL MONEY PENALTY FOR KNOWING AND WILLFUL VIOLATIONS.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraph (5)(B), by inserting before the period at the end the following: ''(or, in the case of a violation of section 320, which is not less than 300 percent of the amount involved in the violation and is not more than the greater of $50,000 or 1000 percent of the amount involved in the violation)''; and

(2) in paragraph (6)(C), by inserting before the period at the end the following: ''(or, in the case of a violation of section 320, which is not less than 300 percent of the amount involved in the violation and is not more than the greater of $50,000 or 1000 percent of the amount involved in the violation)''.

(b) INCREASE IN CRIMINAL PENALTY.—Section 309(d)(1) of such Act (2 U.S.C. 437g(d)(1)) is amended by adding at the end the following new subparagraph:

''(D) Any person who knowingly and willfully commits a violation of section 320 involving an amount aggregating more than $10,000 during a calendar year shall be—

''(i) imprisoned for not more than 2 years if the amount is less than $25,000 (and subject to imprisonment under subparagraph (A) if the amount is $25,000 or more);

''(ii) fined not less than 300 percent of the amount involved in the violation and not more than the greater of—

''(I) $50,000; or

''(II) 1,000 percent of the amount involved in the violation; or

''(iii) both imprisoned under clause (i) and fined under clause (ii).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the effective date of this Act.

SEC. 317. RESTRICTION ON INCREASED CONTRIBUTION LIMITS BY TAKING INTO ACCOUNT CANDIDATE'S AVAILABLE FUNDS.

Section 315(i)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(i)(1)), as added by this Act, is amended by adding at the end the following:

''(E) SPECIAL RULE FOR CANDIDATE'S CAMPAIGN FUNDS.—

''(i) IN GENERAL.—For purposes of determining the aggregate amount of expenditures from personal funds under subparagraph (D)(ii), such amount shall include the

gross receipts advantage of the candidate's authorized committee.

''(ii) GROSS RECEIPTS ADVANTAGE.—For purposes of clause (i), the term 'gross receipts advantage' means the excess, if any, of—

''(I) the aggregate amount of 50 percent of gross receipts of a candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held, over

''(II) the aggregate amount of 50 percent of gross receipts of the opposing candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held.''.

SEC. 318. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)(2)) is amended by inserting after ''United States'' the following: ''or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)''.

SEC. 319. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

''PROHIBITION OF CONTRIBUTIONS BY MINORS

''SEC. 324. An individual who is 17 years old or younger shall not make a contribution to a candidate or a contribution or donation to a committee of a political party.''.

TITLE IV—SEVERABILITY; EFFECTIVE DATE

SEC. 401. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in section 308 and subsection (b), this Act and the amendments made by this Act shall take effect November 6, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a), the following rules shall apply with respect to the spending of such funds by such committee:

(1) Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date, so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002 (or any runoff election or recount resulting from such an election).

(2) At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility.

(c) REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Federal Election Commission shall promulgate regulations to carry out title I of this Act and the amendments made by such title. Not later than 270 days after the date of the enactment of this Act, the Federal Election Commission shall promulgate regulations to carry out all other titles of this Act and all other amendments made by this Act which are under the Commission's jurisdiction.

SEC. 403. JUDICIAL REVIEW.

(a) SPECIAL RULES FOR ACTIONS BROUGHT ON CONSTITUTIONAL GROUNDS.—If any action is brought for declaratory or injunctive relief to challenge the constitutionality of any provision of this Act or any amendment made by this Act, the following rules shall apply:

(1) The action shall be filed in the United States District Court for the District of Columbia and shall be heard by a 3-judge court convened pursuant to section 2284 of title 28, United States Code.

(2) A copy of the complaint shall be delivered promptly to the Clerk of the House of Representatives and the Secretary of the Senate.

(3) A final decision in the action shall be reviewable only by appeal directly to the Supreme Court of the United States. Such appeal shall be taken by the filing of a notice of appeal within 10 days, and the filing of a jurisdictional statement within 30 days, of the entry of the final decision.

(4) It shall be the duty of the United States District Court for the District of Columbia and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of the action and appeal.

(b) INTERVENTION BY MEMBERS OF CONGRESS.—In any action in which the constitutionality of any provision of this Act or any amendment made by this Act is raised (including but not limited to an action described in subsection (a)), any member of the House of Representatives (including a Delegate or Resident Commissioner to the Congress) or Senate shall have the right to intervene either in support of or opposition to the position of a party to the case regarding the constitutionality of the provision or amendment. To avoid duplication of efforts and reduce the burdens placed on the parties to the action, the court in any such action may make such orders as it considers necessary, including orders to require intervenors taking similar positions to file joint papers or to be represented by a single attorney at oral argument.

TITLE V—ADDITIONAL DISCLOSURE PROVISIONS

SEC. 501. INTERNET ACCESS TO RECORDS.

Section 304(a)(11)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(B)) is amended to read as follows:

''(B) The Commission shall make a designation, statement, report, or notification that is filed with the Commission under this Act available for inspection by the public in the offices of the Commission and accessible to the public on the Internet not later than 48 hours (or not later than 24 hours in the case of a designation, statement, report, or notification filed electronically) after receipt by the Commission.''.

SEC. 502. MAINTENANCE OF WEBSITE OF ELECTION REPORTS.

(a) IN GENERAL.—The Federal Election Commission shall maintain a central site on the Internet to make accessible to the public all publicly available election-related reports and information.

(b) ELECTION-RELATED REPORT.—In this section, the term ''election-related report'' means any report, designation, or statement required to be filed under the Federal Election Campaign Act of 1971.

(c) COORDINATION WITH OTHER AGENCIES.—Any Federal executive agency receiving election-related information which that agency is required by law to publicly disclose shall cooperate and coordinate with the Federal Election Commission to make such report available through, or for posting on, the site of the Federal Election Commission in a timely manner.

SEC. 503. ADDITIONAL DISCLOSURE REPORTS.

(a) PRINCIPAL CAMPAIGN COMMITTEES.—Section 304(a)(2)(B) of the Federal Election Campaign Act of 1971 is amended by striking ''the following reports'' and all that follows through the period and inserting ''the treasurer shall file quarterly reports, which shall be filed not later than the 15th day after the last day of each calendar quarter, and which shall be complete as of the last day of each calendar quarter, except that the report for the quarter ending December 31 shall be filed not later than January 31 of the following calendar year.''.

(b) NATIONAL COMMITTEE OF A POLITICAL PARTY.—Section 304(a)(4) of such Act (2 U.S.C. 434(a)(4)) is amended by adding at the end the following flush sentence: ''Notwithstanding the preceding sentence, a national committee of a political party shall file the reports required under subparagraph (B).''.

SEC. 504. PUBLIC ACCESS TO BROADCASTING RECORDS.

Section 315 of the Communications Act of 1934 (47 U.S.C. 315), as amended by this Act, is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and inserting after subsection (d) the following:

''(e) POLITICAL RECORD.—

''(1) IN GENERAL.—A licensee shall maintain, and make available for public inspection, a complete record of a request to purchase broadcast time that—

''(A) is made by or on behalf of a legally qualified candidate for public office; or

''(B) communicates a message relating to any political matter of national importance, including—

''(i) a legally qualified candidate;

''(ii) any election to Federal office; or

''(iii) a national legislative issue of public importance.

''(2) CONTENTS OF RECORD.—A record maintained under paragraph (1) shall contain information regarding—

''(A) whether the request to purchase broadcast time is accepted or rejected by the licensee;

''(B) the rate charged for the broadcast time;

''(C) the date and time on which the communication is aired;

''(D) the class of time that is purchased;

''(E) the name of the candidate to which the communication refers and the office to which the candidate is seeking election, the election to which the communication refers, or the issue to which the communication refers (as applicable);

''(F) in the case of a request made by, or on behalf of, a candidate, the name of the candidate, the authorized committee of the candidate, and the treasurer of such committee; and

''(G) in the case of any other request, the name of the person purchasing the time, the name, address, and phone number of a contact person for such person, and a list of the chief executive officers or members of the executive committee or of the board of directors of such person.

''(3) TIME TO MAINTAIN FILE.—The information required under this subsection shall be placed in a political file as soon as possible and shall be retained by the licensee for a period of not less than 2 years.''.

The CHAIRMAN. Pursuant to section 2 of House Resolution 344, the gentleman from Connecticut (Mr. SHAYS) and a Member opposed each will control 20 minutes.

Mr. NEY. Mr. Chairman, I claim the time in opposition to the amendment.

Mr. SHAYS. Mr. Chairman, for the purposes of yielding, I yield 5 minutes to the gentleman from Maryland (Mr. HOYER) and 7½ minutes to the gentleman from Massachusetts (Mr. MEEHAN), and I ask unanimous consent that they be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would just say that this is, in fact, the amendment that has worked its way through the House on two occasions, in 1998 and 1999, and on both occasions has been changed slightly. This amendment now has gone to the Senate in which the Senate worked on 21 amendments, and we met with Senators from both sides of the aisle to learn what they needed in that bill in order for them to pass it, and we think we have worked out a bill that is about 85 percent of what we had hoped it would be in 1998 and 1999. This is not the identical bill that passed the Chamber in 1998 and 1999, but it is darn close.

I am asking this House to vote out this substitute and allow this to be the base bill, so that we can then have the 10 amendments from the gentleman from Texas (Mr. ARMEY) and the 3 amendments that will be offered by the gentleman from Massachusetts (Mr. MEEHAN) and myself, and by other individuals.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Michigan (Mr. DINGELL), the dean of the House.

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Chairman, I rise to assert my strong support for the Shays-Meehan substitute and to urge my colleagues to do likewise and to vote down all poison pills and crippling amendments.

Mr. MEEHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill before us represents bipartisan, bicameral campaign finance reform. A lot has been said on the floor of the House relative to changes in this bill over a period of the last several months. This bill has been a bipartisan, bicameral work in progress over a period of the last several years. I want to thank my Republican colleagues, particularly the gentleman from Connecticut (Mr. SHAYS) for his efforts, as well as our colleagues from both sides of the aisle in the other body.

We have crafted a bill that gets at the soft money system that is clearly out of control. All one has to do is go back to one's home district and listen to people talk about unlimited contributions to both political parties, corporate contributions, union treasury dues being used for political campaigns, and wealthy individuals contributing unlimited amounts of money to the parties.

Mr. Chairman, Senator MCCAIN once said that it is going to take a scandal to get this bill passed. That was back two or three scandals ago when we were looking at foreign nationals coming in and contributing millions of dollars. The latest one is Enron, $4 million over the last 10 years in soft money; 70 percent of all of the money that Enron has contributed since 1995, soft money, including nearly $2 million in the last election cycle.

We face an historic vote. It is time for the votes to be counted. The Congress, the House has an opportunity to fundamentally change the soft money system that has been such an abuse over the last decade. The eyes of this entire country are looking at this House to determine whether or not our bipartisanship and bicameral work will pay off and send a bill over to the United States Senate and get it to the President's desk.

I thank all of the Members on both sides of the aisle that have made this moment possible. Now it is time for a gut check. All the Members who have been for reform over the last several years have to look within themselves to show the courage, the independence, the commitment to true reform, to make this reform happen today in the House of Representatives.

Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut (Ms. DELAURO), who has played such a critical role in our efforts to pass campaign finance reform.

Ms. DELAURO. Mr. Chairman, today, at long last, we are on the precipice of cleaning up our electoral system, of standing up to special interests, standing up for democracy.

This is an historic moment. We have the opportunity to end the era of unregulated soft money. We may bring to a close a period when ordinary citizens could not be heard above the clamor of the special interests. Today is the day Congress can say no to special treatment. The people say no more Enrons.

I ask my colleagues, Democrats and Republicans, to stand together to defend this bill against the onslaught. Our opposition will make certain that every vote on every amendment today pits us against one another, but the American people are fed up with business as usual. They stand with us as we bring down the curtain on this era.

We have a responsibility to strengthen our democracy. Vote for the bipartisan Shays-Meehan substitute. Turn aside the poison pill amendments so that in our political process we can empower people over money.

Mr. NEY. Mr. Chairman, I yield 4 minutes to the gentleman from Texas (Mr. DELAY), the majority whip.

Mr. DELAY. Mr. Chairman, I appreciate the gentleman yielding me this time.

Mr. Chairman, I rise in opposition to this substitute, to the substitute to the substitute to the substitute for Shays-Meehan. With this substitute, I say to my colleagues, if we pass this substitute, we can no longer call it campaign finance reform, it is now campaign finance regulation, because with this substitute more loopholes are created, more changes are made, and those changes are made to satisfy people's own special interests, either in the Senate or in the House. This substitute pits the national parties against special interest groups, unions and others, and weakens our national party system.

This substitute, as we found out this morning, when written last night, wanted to protect the good soft money that the Democrat national parties have already raised and the good soft money that they are going to raise between now and the election by changing the effective date. And they changed the effective date until the next election. Now, what is the difference? If it is bad soft money, and if it is corrupting like they say, then what is the difference in doing it now or after the election? The difference is they have a bunch of soft money that they think is good now and they want to use it. Not only that, but this creates a system that allows them to borrow soft money and hard money and then pay it off with soft money, a brand new approach to campaign finance. It is regulation when you pick winners and losers.

Now, they have said that they disagree, that my interpretation of their language is wrong, and they tried it out on a couple of lawyers, a Mr. Larry Noble. Mr. Larry Noble happens to be a lobbyist for the Center of Responsive Politics. He is a former FEC counsel that was a pretty bad one. He lost almost every case that he ever brought before the FEC, and he writes that our interpretation is wrong.

Then, to add cynicism to this whole process, they sent a person by the name of Trevor Potter over to the Republican Tuesday Group. Now, Trevor Potter is a lobbyist for the Campaign Finance Institute. He is on the board of Common Cause, and he was formerly Senator McCain's Presidential counsel. He spoke to the Tuesday Group, told them one thing, and when we pull up his Website, he says something completely different than what he told the Republican Tuesday Group.

Now, when a bunch of lawyers start going around, there is smoke, and where there is smoke, there is fire. The point is that I am no lawyer, so I am not encumbered. When I read this legislation, it is quite clear that they can borrow money, hard or soft, and pay it off with soft money. They can do it.

They are opening loopholes everywhere. This is not reform. This is regulation.

Mr. TOM DAVIS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Virginia, the chairman of the NRCC.

Mr. TOM DAVIS of Virginia. Mr. Chairman, a statement was made earlier that Trevor Potter has now disowned. For clarification, and this is the Website that I would ask be included in the RECORD, the Website makes it very clear that it does not make reference to contributions or expenditures; in other words, that the Federal dollars goes along with what the gentleman just said. Trevor Potter is a trustee of the organization. It may appear that he is now disowning the statement of the organization of which he is on the letterhead.

There is just a lot of double-talk going on around here today. It looks to me like an honest drafting error, but it is a very serious error that changes the rule of the game that allows unlimited amounts of soft money to be spent as Federal dollars in this election cycle, and it is currently illegal.

Mr. DELAY. Mr. Chairman, reclaiming my time, I would just correct the gentleman. It is not an honest drafting error, it is intentional so that they can use their good soft money and pay for it later with other soft money. It is their use of soft money when they stand before the American people saying they are getting rid of this terrible soft money.

Mr. HOYER. Mr. Chairman, I yield myself 35 seconds.

We believe the interpretation of the gentleman from Virginia and the majority whip is absolutely incorrect; wrong. It does not do what they say it does.

However, having said that, for the RECORD, it is clearly the drafters' intent that it not allow, nor do we believe it does allow, the use of soft money to pay hard money bills.

So the interpretation is clear, and the intent is without question. The representations of the chairman of the NRCC are incorrect.

Mr. NEY. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky (Mr. WHITFIELD).

□ 1500

Mr. WHITFIELD. Mr. Chairman, when I think about the Shays-Meehan bill, I think of many people who have described it in the news media as an incumbent protection act. And I think that adequately describes what this bill is all about because we all know that if you are an incumbent Member of Congress, it is very easy to raise hard money through political action committees. But if you are a challenger to an incumbent, it is very difficult to raise hard money, and you get your best support from soft money through issue advocacy ads.

The only thing this legislation does is it does not apply in any way to money spent by politicians for their campaigns, but does seriously restrict money spent by other groups and entities to talk about campaigns, and particularly that is true within the last 60 days of an election.

The Supreme Court has made it very clear that there are two types of money. Hard money; if you expressly advocate the defeat or election of a candidate, you can only use hard money. But if you talk about issues and tell people the way a candidate votes on an issue without expressly advocating his defeat or election, you can use soft money. But Shays-Meehan says that any ad run within 60 days of an election must use hard money. And the Supreme Court and other Federal courts have consistently said that if you create obstacles to participating in the election system in the democracy that we live in, then it is unconstitutional. So I do not think there is any question that trying to deprive people of speaking within the last 60 days of an election unless they meet all of the requirements in meeting the rules and regulations set out by the Federal Election Commission, unless they are able to meet that hard burden, then they are shut out of the political system. I urge a no vote on Shays-Meehan.

Mr. MEEHAN. Mr. Chairman, I yield myself 15 seconds.

The gentleman from Kentucky says this is an incumbent protection bill. Look, under the soft money system in the last election cycle, 98 percent of the Members of Congress who ran for reelection were reelected. The cycle before that under the soft money system, 98 percent of the Members of Congress who ran for reelection were reelected. We could not have a system that is more friendly to incumbents than the system we have right now.

Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. WOOLSEY).

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Chairman, today the people's House can clean up our election system. We have a real chance.

My constituents in Marin and Sonoma Counties just north of San Francisco across the Golden Gate Bridge vote 85 percent every time we have an election. They come out. They want to make sure that the Shays-Meehan bill is passed because they wisely understand the influence of big money on our government. My constituents want fair campaign processes where everyone's involvement counts. They want a government that is trustworthy and responsive to their needs, not the needs of special interests. They want our children to have an election system that they will be proud to participate in.

Without real reform we tell our children that only wealthy contributors have a voice in the political process. I urge my colleagues support the Shays-Meehan bill. Vote for it and show our children that we want them to participate, too.

Mr. NEY. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi (Mr. WICKER).

Mr. WICKER. Mr. Chairman, first of all, I want to say I appreciate my friend, the gentleman from Connecticut (Mr. SHAYS), frankly acknowledging that the bill that is before us today is different from the one that he has been advocating in the past.

I wonder, Mr. Chairman, however, if this has sunk in on the American people, the fact that this is a substantially different bill and it was changed at midnight last night to accommodate certain votes that were needed to enact the legislation. One of the more egregious changes is the creation of a giant loophole in the so-called soft money ban. Under the Shays-Meehan amendment, Members of Congress would be allowed to raise soft money from 501(c) organizations.

Now, these are special interest groups that have a legitimate place in our society. However, if the Shays proposal is enacted as it is now before us, the use of 501(c) organizations will drastically change.

Last year we all remember one ad from a 501(c) coordinated organization in the Presidential campaign. The ad focused on the horrific death of a young man in Texas and criticized then-candidate Bush for not supporting a proposal regarding hate crimes. By creating this loophole regarding special interest groups, sham 501(c) organizations will be popping up all over the country to funnel soft money to campaigns. Members will be able to get their biggest contributors to say, ''I know of a good government group that is involved in voter education. Would you please donate a million dollars to this good government group?'' And then the good government group gets involved in voter education and politics in that Congressman's district, aiding or abetting the Congressman's campaign.

Remember previous finance reforms? They were supposed to fix our campaign system; instead they created new loopholes. Mr. Chairman, this is a brand new loophole created at midnight last night. I urge my colleagues to oppose this Shay substitute for that very reason.

Mr. MEEHAN. Mr. Chairman, I yield 2¾ minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, I want to welcome converts. I do not always get a chance to do that, but for years here I have tried to defend freedom of expression, free speech and the first amendment. We have passed information censoring the Internet that was thrown out unanimously by the Supreme Court. We have passed other restrictions. And, frankly, I have usually found most of my friends on the other side voting for these restrictions, but today is the day of conversion.

The first amendment and freedom of speech have gained today defenders that they have never had before. Unfortunately, I am afraid they will never have them in the future either. But, for instance, I was looking at the amendment that will be offered later by the majority leader in defense of the first amendment. The first four cases he cites are from the Warren Court. Oh, for the days of Warren and Douglas and Black and Brennan. That is the version of the first amendment that they are embracing, and if I thought that was a lasting embrace, I would welcome it. But it is a very temporary use of a particular version of the first amendment that they never had before and they will never have again.

Let us be very clear that if you are, in fact, going to adopt their version of the first amendment, which I think is not a correct one, you are going to encompass a lot more than simply letting yourselves spend money, although maybe that is a distinction.

I thought about it as free speech. You have had a number of people, including the majority whip who just spoke, who had not previously distinguished himself, in my view, as a great defender of free speech. The key is this: They are for free speech as long as it is not free. If you pay for the speech, they are for it. Free free speech they never defend, but paid free speech is something that many of these people find acceptable.

I will tell Members this, that, in fact, if you endorse this version of virtually untrammeled free expression, understand that in no way logically and philosophically can you confine it to this. We have obscenity decisions being quoted here. We have decisions about the right to speak in very radical terms about opposition to the government. It does not fit logically to be someone who has been for severe restrictions on free speech in every other context and suddenly become a first amendment absolutist in this case.

And the doctrine of free speech that is being used to try to discredit this bill, which I think is an inaccurate one, because the notion that speech you pay for is somehow fully endowed and that no restriction can be made and no regulation on that, that does not seem to me to be free speech. But if that is what people hold, let me say the lead Senate opponent of this says to be consistent he is against the flag burning amendment because he says he is against this on free speech grounds, the Senator from Kentucky, and he is against the flag burning constitutional amendment.

So let us be clear, if you want to adopt that version of free speech, adopt it, but you cannot turn it on and off like a water faucet.

Mr. HOYER. Mr. Chairman, I yield 2 minutes to the distinguished vice chairman of the Democratic Caucus, the gentleman from New Jersey (Mr. MENENDEZ).

(Mr. MENENDEZ asked and was given permission to revise and extend his remarks.)

Mr. MENENDEZ. Mr. Chairman, our system of campaign finance is out of control, drowning in money, including the money of corporate polluters and scam artists like the Enron crowd, and in the process drowning out the voices of working Americans and their families.

I ask why do we not have a patients' bill of rights and why do we have a fiasco like Enron? The unlimited, unregulated special interest soft money has got to go. It has got to go now, today, once and for all.

Mr. Chairman, democracy is about the people. It is about every single person who can hear my voice. This is their House, their Congress, their government, and they want it back. But the Republican leadership has done everything it can to kill this bill. In fact, the only way we got this bill to the floor was by getting Members to sign a discharge petition to force the leadership to give this bill a chance. Well, today they may try to defeat campaign finance reform with procedural tactics and poison bill amendments, and we have to defeat those efforts.

Millions of special interest soft money should not undermine the millions of Americans who want their vote to be the powerful tool in this democracy. For the sake of our democracy, we have to defeat these tactics, level the playing fields, get the special interest soft money out of politics once and for all, and return this government to the American people.

Vote for Shays-Meehan. Vote against all of the poison pills, and let us have a new day dawn in our democracy, one that is a democracy in which the individual citizens' right to their vote and the power of their vote will ultimately determine the fate of policy in this country, not hundreds of millions of dollars of special interest monies.

The CHAIRMAN. The gentleman from Connecticut (Mr. SHAYS) has 6½ minutes remaining. The gentleman from Ohio (Mr. NEY) has 12 minutes remaining. The gentleman from Maryland (Mr. HOYER) has 2½ minutes remaining. The gentleman from Ohio (Mr. NEY) has the right to close.

Mr. NEY. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DOOLITTLE).

(Mr. DOOLITTLE asked and was given permission to revise and extend his remarks.)

Mr. DOOLITTLE. Mr. Chairman, it is not reform. It is deception. That is what Mr. Samuelson from the Washington Post says about Shays-Meehan. I want to keep repeating that. It is not reform. It is deception. Because that is exactly what it is. It is deception.

By the way, one part of this deception I really like which is this part about the loan provision is marvelous. That is perfectly consistent with my plan for deregulation, which would eliminate all the limits and would solve this problem once and for all because we would have full disclosure, and you would not have to have this subterfuge of soft money and issue ads and independent expenditures and all these things that are getting worse and worse because of you folks. You gave us the present law, and you are making it worse. But this loan provision is fantastic.

I want to draw everyone's attention to it. If this horrible bill somehow becomes law, we will take full advantage of it, I promise you, because we can do this, too, as Republicans thanks to the provision that you have given us.

Here is the analysis I am reading from. ''In contrast to current law, the proposed language would allow the national party committee to pay any debt with soft non-Federal dollars from the period of November 5, 2002, to January 1, 2003.''

Now, that is not consistent with the current regulations that specifically require hard debt to be paid with hard dollars. As a practical matter, the plain wording of the proposed language would allow a national party committee to borrow hard dollars, spend those dollars in an upcoming election, and then use the remaining soft dollars to pay the debt. This is great. You cannot even do this under current law, but under the change you are making, it is just effective, just for the end of this year we will be able to do this.

Why not just go all the way, defeat your bill and pass deregulation, which really does solve the problem? Because if soft money is evil, why is it good for you to be able to do this and pack it in with all you can with your collateralized loans to get all the advantage you can out of this election? Just like Samuelson said, ''It is not reform. It is deception.''

□ 1515

Mr. HOYER. Mr. Chairman, I reserve the balance of my time.

Mr. NEY. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, let me say just a few months ago we sat in this body and the advocates at that point said that this bill needs to be passed now, that we could not delay it, we wanted to get it ready for the next cycle. Now just a few months later, instead of being ready for the 2002 cycle and because the campaign committee on the other side of the aisle has been unable to raise hard dollars and retire their hard dollar debt and they have looked at the discrepancy between the committees, they want the rules to be delayed in implementation until the next election. Why? So they can spend their soft dollars this year. So they can trade their soft dollars this year for hard dollars under the loophole that has been discovered in the drafting.

It reminds me of the old drunk who swears he is going to quit drinking tomorrow but tonight he is going to get real drunk and tie it down. That is what they are doing.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. TOM DAVIS of Virginia. I yield to the gentleman from Tennessee.

Mr. FORD. Mr. Chairman, I know the gentleman made the point about the Democratic Party, but was not the gentleman quoted in the front page of one of our local newspapers here on the Hill urging us not to consider a telecom bill because it would hurt campaign contributions to the party?

Mr. TOM DAVIS of Virginia. Mr. Chairman, I do not believe I was quoted as saying that.

Tonight this substitute is not fair. It is not bipartisan. It is written to gain the current system. Their leadership on the other side woke up and found they had a huge hard-dollar gap. If my colleagues reject this substitute, remember this, those who signed the petition: if my colleagues reject the substitute, we are down to the base bill. That is the bill my colleagues signed the discharge petition for. They have not lost anything.

This substitute was unveiled for the first time last evening at 10 p.m. That is when the public, that is when the opposition got to see it; and as we can see, drafting errors occur sometimes when people do these things at the last moment, and I think that is the problem that we have here.

The underlying bill would still stand if this substitute is rejected. I oppose this legislation as it is now being amended again. I say to my friends who signed the discharge petition, if my colleagues reject this and beat this they have still the underlying bill. That is what they signed the discharge petition for and we can go on amendments from there.

Mr. SHAYS. Mr. Chairman, I yield myself 15 seconds to just point out, we petitioned out the base bill; but we also knew we were going to come forward with the amendments that we intended to come forward with in July which was divided into 13 parts. So it is all part of a process and this is a substitute, and this is ultimately what we hoped would happen.

Mr. NEY. Mr. Chairman, I yield 15 seconds to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, if I could say to my friend, I understand that was part of the process, but he has to understand that nobody knew when they signed the petition what this amendment would be, what this substitute would be; and so for many members who signed the petition, if they do not like this, they can be consistent with signing this petition and vote against this substitute. That is the only point. I would say my friend and honorable gentleman who has offered this, I think, is most sincere.

Mr. HOYER. Mr. Chairman, can the Chair tell me what the time is remaining?

The CHAIRMAN. The gentleman from Maryland (Mr. HOYER) has 2½ minutes remaining. The gentleman from Ohio (Mr. NEY) has 7¾ minutes remaining. The gentleman from Connecticut (Mr. SHAYS) has 6¼ minutes remaining, and the gentleman from Ohio (Mr. NEY) has the right to close.

Mr. SHAYS. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. BOEHLERT).

(Mr. BOEHLERT asked and was given permission to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Chairman, I rise in strong support of the Shays-Meehan substitute.

The reason we need Shays-Meehan is quite simple. The American people are continuing to lose faith and confidence in our political system because of the unregulated flow of soft money into the campaign coffers. In fact, we need to look no further for proof of America's dissatisfaction than the dismal 51 percent turnout of registered voters in the last election, one of the closest elections in history.

Quite frankly, I am sort of tired of apologizing for a system that I think works quite well. People think money taints every decision that is made in this Congress. This is not so. I do not believe it for a minute, but the fact of the matter is people think it and they are losing confidence. We need to change the system.

Shays-Meehan is not perfect, but it is much better than what we have; and for those who would argue that we should do nothing, I would say they are not listening to the voice and they are not considering the will of the American people. The time for campaign finance reform is long overdue, and the Shays-Meehan substitute is one way to get reform to the President's desk, and I feel confident that he will sign it.

Mr. SHAYS. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from Connecticut (Mr. SHAYS) has 5¼ minutes remaining.

Mr. SHAYS. Mr. Chairman, I yield 4 minutes to the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Chairman, I thank the gentleman from Connecticut (Mr. SHAYS) for the honor of participating here in the closing of the debate on this meaningful legislation.

President Roosevelt, the Democrat, FDR, said we have nothing to fear but fear itself. I say to our friends in leadership, do not be afraid of this legislation. Do not be afraid of giving up soft money. I know that fear drives a lot of their actions, but we should not be afraid to go into a new era and to leave the old behind.

I think a lot of their mentality is that they cannot survive without it. I respect them but I respectfully disagree. I think both parties will do just fine without it. The American people will be encouraged greatly, the process will be cleaned up, and we will take a major step in the right direction.

In a lot of ways this debate is about the leadership versus rank-and-file Members because the truth is there are a lot of rank-and-file Members on both sides, people of goodwill, that know this is a problem and know that something needs to be done about it. My hope is that they will come together later today and along the way for that common purpose.

The people ask how could a bill that has overwhelmingly passed the House twice in recent years, passed the Senate with 59 votes, come up again today and have so much opposition; and I can only tell them that the closer we get to finality the more intense the fight, the higher the temperature.

President Roosevelt, the Republican, Teddy, passionately fought to make sure that large corporations, rich and powerful people, were not treated differently than ordinary citizens, that they did not receive special treatment. I have got to tell my colleagues this soft-money loophole has brought about that result a hundred years later.

My party needs to recommit itself to those TR principles, to make sure that ordinary citizens have just as much protection under our laws and under our rules as rich and powerful people.

Soft money is now being given in a shameful way. It has proliferated beyond measure in recent years, and it is a real corrupting influence. Legislation comes before this body at the same time these large unlimited, unregulated contributions go to the political parties. That is wrong. We must stop it.

Even the opponents of Shays-Meehan earlier today with their amendments acknowledge it is a problem. They even offered an amendment to ban it. We have made a lot of progress in the last 4 years because their amendments prove that we are on a just mission.

This is the people's House. Civility and respect should rule. My colleagues may not want to hear this, but Republicans are not always right and Democrats are not always wrong. Neither party has an exclusive on integrity or ideas. We need to come together as people of goodwill, Democrats and Republicans, who might not agree on any other issues and put the people ahead of our parties, ahead of our own reelection, ahead of all the lobbying and the special interests and do what has not been done in 28 years in the United States of America.

We need to move this process forward today and beat back the amendments because this is the most meaningful reform in a generation, and this is the moment. We have been on this mission for a long time. Today, together, in a civil and respectful way, we will prevail.

Mr. NEY. Mr. Chairman, I yield myself such time as I may consume.

I would note that we are not afraid to give up soft money. If it is bad next year, it is bad now. Let us do it immediately instead of waiting till next year.

Mr. Chairman, I yield 3 minutes to the gentleman from Missouri (Mr. BLUNT).

Mr. BLUNT. Mr. Chairman, I thank the gentleman from Ohio (Mr. NEY) for yielding me the time.

We will have a chance to do what the Shays-Meehan bill did in an earlier time, to ban all soft money. It did that, it had random FEC audits, it had strong penalties for violators. None of those things are there, and one of the things that is there is this huge confusion over what can be done with the money that is in the coffers of the parties after the November 5 election this year.

This is what happens when my colleagues file a bill at 10 or 11 o'clock at night to vote on the next day that did not have committee hearings, that everybody says would just be devastated by going through the regular process and going through conference.

There has been a lot of discussion about that, a lot of letters flying around, lots of things put on the file. I just received from two of the current commissioners of the FEC, David Mason, the chairman, and Bradley Smith, the commissioner, a letter indicating their views, not the official views of the agency, because they have not met yet; but this is the chairman and one of the commissioners.

This says that ''the transition rule allowing national party committees to spend soft money between November 6, 2002, and January 1, 2003, does not prohibit the use of soft money to pay debts related to Federal elections. Because the proposed bill effectively invalidates the Federal Election Commission's soft money allocation regulations,'' which as they apply to national parties, ''as of the effective date of November 6, no rule of the Commission would address how parties could use these funds to retire debts.'' Two current commissioners of the FEC say in the concluding sentence, ''If Congress wishes to prohibit the use of soft money to retire hard money debts during the transition period, the legislation should be amended to specify this restriction.''

That is exactly what we have been saying on the floor all day. It is, in fact, the case. It opens the door fully to use any soft money that can be collected or is in either party's coffers this year to retire hard-money debts this year. That may not be what my friends who drafted this legislation thought it would mean. Maybe they did not even look at this particular provision that was being drafted, but that is what it means. Not only does this bill not close the door on soft money in the future, it knocks down the door on the impact that soft money would have in this election.

We will see the greatest race for soft money, if this bill passes, that we have seen to date. Last cycle, my friends on the Democratic side collected more soft money than we did on the Republican side. I suppose they could do that again. If they do this in a partisan sense, it would make a lot of sense. I cannot believe that would be the result they would want the American people to think was the purpose of campaign finance reform.

That is what this bill says. It should have had a hearing. A conference would be a good thing. We need to do this in the regular order. We are not doing it that way.

Mr. HOYER. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I know the two commissioners and I have a lot of dealings with the FEC, but they must have had a very quick reading. The fact of the matter is section 441(b) of the Federal Election Campaign Act prohibits what they assert the bill allows, and the transition rule to which they refer does not affect this provision. So that I fear what has happened is they have analyzed the transition provision without analyzing existing law which is not changed, which prohibits that which the gentleman from Virginia (Mr. TOM DAVIS) and the gentleman from Missouri (Mr. BLUNT) and others have asserted would happen.

Mr. Chairman, I yield 45 seconds to the gentleman from Wisconsin (Mr. BARRETT) and apologize for not having more time to yield.

Mr. BARRETT of Wisconsin. Mr. Chairman, I stand as a proud supporter of the Shays-Meehan bill and congratulate the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) for the fine work that they have done. It is time. It is time that we start moving this train for reform forward.

What we have heard this afternoon is we have heard people who have long opposed campaign finance reform come down to this well and try to nitpick, try to nitpick at this bill. They are trying to love this bill to death, to death because the last thing they want to do is have campaign finance reform in this country.

This bill is not perfect; but for the first time in a generation, we are trying to clean up this system.

□ 1530

I love having people in this country involved in our democracy. It is the ultimate participatory sport. But fewer and fewer people believe that they can have an impact in our democracy when big money rules the day.

Mr. Chairman, it is time for us to pass this bill.

Mr. HOYER. Mr. Chairman, I yield 45 seconds to the distinguished gentleman from Massachusetts (Mr. NEAL).

Mr. NEAL of Massachusetts. Mr. Chairman, I thank the gentleman for a long 45 seconds.

The gentleman from Virginia (Mr. DAVIS), my friend, raised the question earlier why did somebody sign the discharge petition. It is the first one I have signed in 14 years in this House, and I was number 218, precisely for the purpose of giving the American people a full and fair discussion about campaign finance.

Everybody knows what has happened in this institution. It is no secret that the Republican leadership is opposed to campaign finance. Enron has cast a new day around here.

This debate appears to be complicated. The task ahead of us is really quite simple. The time is now to adopt this legislation. This part of our campaign finance season in this House is known for one thing: It is search and destroy with soft money. It is not to enlighten. It is to eviscerate the public debate.

Mr. Chairman, I would suggest now that we take down the ''For Sale'' sign that hangs over this wonderful old House and pass Shays-Meehan. We need to move forward with this campaign finance bill.

Mr. SHAYS. Mr. Chairman, I yield the balance of my time to the distinguished gentleman from Delaware (Mr. CASTLE).

Mr. CASTLE. Mr. Chairman, I thank the gentleman for yielding me this time, and I, too, rise in strong support of Shays-Meehan.

This has been going on for 3 or 4 years. We hear statements being made such as this bill was drafted at 10 or 11 at night, or there should have been committee hearings and whatever. It has been going on for a long time. We hear about all the substitutes and whatever, but the truth of the matter is that what we have before us is what has been worked out by a lot of people who have worked on this bill.

We cannot revert to the underlying bill here. If we did, it would go to conference and the bill would be dead. Instead, we have to face what we are doing, and basically in this legislation we are doing things that I think need to happen. We are not doing other things which should not happen. We are not banning voter guides.

I disagree entirely with the argument that you can use soft money to pay off hard money debts. That is another section entirely of the Code, and I hope everybody will take the time to read that carefully. And the support for that comes from the Democratic side, I might add.

There is no limit to free speech here. I have heard that. There is no limit whatsoever to free speech. In fact, there are no real changes in what we are limiting here. We are just focusing on the methodology by which money is paid for campaigns, not what is stated, not free speech. That is just an absolutely wrong statement with respect to that.

This bill basically plays no tricks. What you see is what you get. It is taking soft money, the large contributions which have come in from corporations, labor unions, wealthy individuals, into the parties, and then are spent to their benefit out altogether and is providing for a good financial package and good elections.

We should all support the Shays-Meehan substitute.

Mr. HOYER. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

(Ms. MILLENDER-MCDONALD asked and was given permission to revise and extend her remarks.)

Ms. MILLENDER-MCDONALD. Mr. Chairman, I stand in strong support of the Shays-Meehan bill, as it will help us to clean up our campaign financing system.

Mr. Chairman, I rise in opposition to the Ney amendment because it deviates from the original Shays-Meehan bill that we supported in the House. At this juncture, when we are debating the merits of campaign finance reform, it is critical that we send a clear message to the American people that we are not pawns of campaign contributors.

Furthermore, given the cynical attitudes of the American public about the affect of campaign contributions on the actions of Representatives, we must send a deafening message.

Notwithstanding our past history of using soft monies to facilitate traditional and legitimate Get Out The Vote [GOTV] election-day efforts, we are prepared to embrace a clean piece of campaign legislation, Shays-Meehan, which will place us on the footpath of political integrity.

Mr. Chairman, we stand on the brink of challenge and change. The challenge is whether we will support true campaign finance reform and will change the landscape of campaigns; or will we opt to poison the well of potential campaign finance reform by supporting poison pill amendments. I urge my colleagues to vote down all such amendments and support Shays-Meehan. Give full democracy back to the people.

Mr. Chairman, I rise today as an ardent supporter of the Shays-Meehan substitute because it is time for this House to pass true campaign finance reform.

We have a unique opportunity to step up to the plate and hit a homerun for promoting true change in the way we finance campaigns. The American people continue to be cynical about whether their legislators are bought by special interests. The path to true reform is being blocked by poison pill amendments that if agreed to, would have the effect of serving as procedural landmines that will have destroyed well-conceived and crafted reform language.

I urge my colleagues to choose the path of cleaning up our campaign finance and encourage them and vote down all poison pill amendments, and support the Shays-Meehan substitute.

Mr. HOYER. Mr. Chairman, I yield such time as she may consume to the distinguished gentlewoman from New York (Mrs. MALONEY).

(Mrs. MALONEY of New York asked and was given permission to revise and extend her remarks.)

Mrs. MALONEY of New York. Mr. Chairman, I likewise request unanimous consent to revise and extend my remarks, and I congratulate the extraordinary leadership of the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) in bringing this historic, important bill to the floor. I strongly, strongly support it.

Mr. Chairman, I rise today in support of the bipartisan and common sense Shays-Meehan bill.

The time has come to take the money out of politics and return the system to the American people.

We have passed this legislation twice, and it's time to send it to the President.

Shays-Meehan would prohibit officeholders and candidates from soliciting soft money in connection with federal elections and would prevent national and state parties from spending soft money on federal election activities.

The legislation also would allow capped soft money contributions to state and local parties to be used for limited, non-federal voter registration and get-out-the-vote activity.

Shays-Meehan would bring honesty back to political advertising by prohibiting the use of corporate and union treasury money for broadcast communications that mention a federal candidate within 60 days of a general election or 30 days of a primary.

We need only to look at the Enron scandal to see how much access money can buy in Washington. Recent media reports have indicated that Enron established a cleverly calculated system to determine how much money to funnel into the coffers of politicians. If a rule change would cost Enron too much money, it was time to get out their wallets.

Enron donated to many campaigns, and played the lobbying game as well as anyone.

We must accept the hard truth that if there weren't so much money in politics, there might be more money in the 401k accounts of Enron employees.

Shays-Meehan will take big money out of politics by ending soft money contributions to the national political parties and by bringing honesty back to campaign advertising.

Today, we have the opportunity to pass meaningful campaign finance reform.

However, we can accept no substitutes, alternatives, or poison pill amendments, which are all designed to prevent this bill from being passed.

Vote for real reform. Vote for Shays-Meehan.

Mr. HOYER. Mr. Chairman, I yield myself the balance of my time.

We come to the end of the debate on the central amendment. This is the amendment. This is the vote. This is the time when Congress will decide whether or not we will have campaign finance reform.

I ask my colleagues to vote ''yes'' on this amendment. I ask them to take this historic step for the House and for America.

Mr. NEY. Mr. Chairman, I yield myself the balance of my time.

It was mentioned that this bill has changed slightly at the beginning of this debate. This bill is a different species. It has morphed all the way through the system. And the sad part about it is that it has not done it at the desks of the committees, it has done it in the back rooms. We can do communication these days, I guess, in the back rooms and change something, but, oh, if we want to do an amendment on the floor of the House, it is a poison pill, even if it is a good amendment. And that was quoted in the newspapers.

For my colleagues who want to ban soft money, Shays-Meehan does not ban soft money. We can drive an Enron limousine, $60 million worth, across this country through this bill. It does not do what the original Shays-Meehan did, what they said it would do. So if we want to ban soft money, it does not do it.

It does not ban all the issue ads. It only prohibits broadcast ads. It is unconstitutional. An issue ad ban is likely to be struck down. Then what are we really going to be stuck with?

It weakens the national parties, but it makes special interest groups and individuals stronger. We have a great two-party system, and any other party that wants to come onto the scene in this country will be weakened by this bill. They will have to come begging for their approval and money from the incumbents.

It treats House and Senate candidates differently. We have talked about that. The charity money-raising that is going to go on here and the influence-peddling that can come out of that is going to be absolutely amazing. If we truly want to clean the system up, this goes in reverse.

I am asking people to vote ''no,'' because my colleagues are going to have some amendments and alternatives in the Ney-Wynn proposal that is coming up that has disclosure and the good things I think we need to do and which embark upon reform. This does not do it. This is a different animal today that we are dealing with.

Above all, the worst part of this bill, I believe, Mr. Chairman, and I hope the American people understand, that as we stand here and debate this today is the fact that we have the greatest democracy in the world, where people speak out, they say what they want to say, groups push either direction for advocacy, for what they think is right in this country, but this does gag groups, make no bones about it.

Groups can spend all the soft money they want in the newspapers. If they want to speak for the second amendment from an NRA perspective, if they want to speak for gun control, they are going to have a problem. Millions of people involved in the labor movement are going to have a problem. Millions of people that work in small businesses, the people of this country, Mr. Chairman, that go out on the treadmill every day trying to figure out how on Earth they are going to feed their families and keep their communities going, the people that have a right to speak out are going to be gagged.

I ask my colleagues to look into their hearts. They know we are right on these issues. They know this has changed. We can do the right thing. We will have some alternatives coming down the road today. That is what we need to do, vote ''no'' on this. This is not the same bill. This is a sham bill. It has the loopholes; it does not do what we thought it was going to do. It does not do what they said it would do last year.

We need to be able to let the American people speak freely. Do not gag Americans. Vote ''no'' on this measure.

Mr. SHAYS. Mr. Chairman, I rise to discuss an issue in the Shays-Meehan bill that has prompted some questions—what fundraising activities may federal candidates and officeholders engage in.

These are important and legitimate questions, and I intend here to clarify the lines drawn in the bill. It is a key purpose of the bill to stop the use of soft money as a means of buying influence and access with federal officials. As an important part of this goal, we have taken federal officials, including Members of Congress, out of the business of raising soft money for political parties, political committees and candidates. Federal candidates and officeholders, furthermore, cannot establish or control political committees that raise or spend soft money.

We recognize that Federal officeholders and candidates raise money for nonprofit organizations. The bill applies some restrictions to such fundraising activities when the principal purpose of the organization involves get-out-the-vote and voter registration activities, or where the solicitation is specifically for the purpose of the funds being used for GOTV and voter registration activities. In addition, federal officeholders and candidates cannot raise money for nonprofit organizations to use on public communications that mention a federal candidate.

SOLICITATIONS FOR PARTY COMMITTEES

The basic rule in the bill is that federal candidates and officials cannot raise non-federal (or soft) money donations—that is, funds that do not comply with federal contribution limits and source prohibitions.

Thus, the rule for solicitations by federal officeholders or candidates for party committees is simple: federal candidates and officeholders cannot solicit soft money funds for any party committee—national, state or local.

Federal candidates and officeholders also cannot raise funds in connection with a non-Federal election, unless those funds comply with federal contribution limits and source prohibitions. Thus, if a Federal candidate or officeholder raises money for a state candidate, the amounts solicited need to comply with the source and amount limitations in federal law.

This, of course, means that a federal candidate or official can continue to solicit hard money for party committees. So a federal officeholder can, on behalf of his or her national party committees, including their congressional campaign committees, solicit individuals for contributions of up to $25,000 per year, or $50,000 per election cycle, per committee (subject, of course, to a donor's aggregate hard money contribution limit of $57,500 to all party committees in a two-year cycle).

A federal official can also solicit individuals for hard money donations to state party committees—under the bill of up to $10,000 per year, or $20,000 per cycle, from an individual subject again to the donor's aggregate contribution limit, and up to $5,000 per year or $10,000 per cycle from a federal PAC. These funds can be spent by the state party for activities in connection with a federal election, including for federal election activities.

A federal official can, in addition, solicit money for a state party to spend on non-federal elections, as long as the funds comply with federal limits and source prohibitions. This would allow a federal official to solicit up to $10,000 a year from an individual, or up to $5,000 per year from a PAC, to donate to the state party non-federal account, even if that same individual has already given a similar amount to the state party hard money account.

The Levin amendment expressly provides that federal candidates and officeholders can not solicit the funds authorized to be spent under the Levin amendment.

Similarly, a federal official can solicit money for state candidates, but such solicitations would be subject to the federal contribution limits and source prohibitions—$2,000 per election from individuals and $5,000 per election from PACs, and no contributions from corporations or labor unions.

SOLICITATIONS FOR OUTSIDE GROUPS

The bill allows federal officials and candidates to make general solicitations without restriction for outside non-profit groups (those exempt from taxation under the Internal Revenue Code, such as 501(c)(3) and (c)(4) groups), so long as the group is not one with a principal purpose of conducting get-out-the-vote or voter registration activities, and so long as the money is not solicited specifically for the purpose of conducting GOTV and voter registration activities. The general solicitation cannot specify how the funds will or should be spent.

An official can also make a solicitation for non-profit groups that do principally engage in such voter activities, or for funds specifically to be spent for GOTV or voter registration activities, but the solicitation must be made only to individuals, and is no more than $20,000 per year. An official cannot solicit funds from a corporation or labor union for such purposes.

These restrictions apply to the solicitation of funds by a federal candidate or official. A federal official can sit on the board of a non-profit or otherwise participate in the activities of the nonprofit, so long as he or she was not engaged in raising money for the non-profit on election-related activities. A federal candidate or officeholder cannot direct the expenditure of such funds.

Mr. KILDEE. Mr. Chairman, this is a historical day for this House and for this country.

Today we have the opportunity to limit the scandalous infusion of money into the electoral process.

Our Founding Fathers never foresaw this existing system for democratic elections.

Today we can move closer to the principles of those Founding Fathers.

Vote for the substitute offered today by Mr. SHAYS and Mr. MEEHAN.

This may be our last best chance.

Mr. FALEOMAVAEGA. Mr. Chairman, I rise today in support of the Shays-Meehan substitute and want to explain one provision in the bill which will clarify campaign finance law with respect to contributions to federal candidates by U.S. nationals.

American Samoa is the only jurisdiction under U.S. authority in which a person can be born with the status of U.S. national. A national is a person who owes his or her allegiance to the United States, but is not a citizen. U.S. nationals travel with U.S. passports and are eligible for permanent residence in the United States. They are not foreign citizens or foreign nationals. In fact, they have most of the same privileges and immunities as U.S. citizens. However, federal campaign law was enacted before American Samoa had representation in the U.S. Congress and current law fails to address the issue of contributions from U.S. nationals.

Mr. Chairman, federal campaign law currently specifies that U.S. citizens and permanent resident foreign nationals may make contributions to candidates for federal office. Although there is an advisory opinion from the Federal Election Commission which interprets current law to allow U.S. nationals to contribute to federal elections, a federal court could at any time interpret the law to exclude U.S. nationals. Our failure to amend current law could also be interpreted to mean that Congress originally intended to prohibit U.S. nationals from contributing to federal elections.

Mr. Chairman, I do not believe it was or is the intent of Congress, or the law, to exclude U.S. nationals from contributing to federal campaigns. Congress simply enacted a law before American Samoa had representation in the U.S. Congress. Now it is time to amend the law to specifically address the issue of U.S. nationals. Therefore, I urge my colleagues to support this technical change in any bill which moves forward.

Mr. RAMSTAD. Mr. Chairman, today we are casting historic votes on the most important campaign finance reforms since the Watergate reforms of 25 years ago.

Today, we will finally have the opportunity to eradicate the biggest cancer on the federal campaign finance system—soft money.

Shays-Meehan will go a long way in reducing the disproportionate and undue influence of unregulated and unlimited soft money.

We should pass this common-sense reform legislation to restore people's trust in the system and give the American people a bigger voice in their government.

Mr. Chairman, let's get real honest for a minute! The truth is that both political parties are addicted to soft money, and campaign finance reform gives both parties heartburn.

But the political parties will survive and continue to flourish with these reforms, and public faith in the political process will be enhanced.

Let's do the right thing! Let's rid the system of unregulated, unlimited soft money. Let's pass Shays-Meehan.

The American people deserve nothing less!

Mr. SHAYS. Mr. Chairman, I rise to discuss one of the key sections of the Shays-Meehan substitute, the soft money provisions relating to national and state parties. The state party provisions contain a section, commonly referred to as the Levin amendment, that I want to take this opportunity to explain. In addition, some who oppose campaign finance reform characterize the Levin amendment as a major loophole in the Shays-Meehan substitute. They are wrong. This discussion is intended to spell out what the Levin amendment does and does not allow.

SHAYS-MEEHAN'S TREATMENT OF NATIONAL PARTY SOFT MONEY

The soft money provisions of the Shays-Meehan bill regarding the national political parties operate in a straight-forward way. The national parties are prohibited entirely from raising or spending any soft money. At the national party level, the ban on soft money is complete. This ban covers not only the national party committees themselves, but also the congressional campaign committees of the national parties. And it covers any officer or agent acting on behalf of the national party committees, as well as any entity that is established, financed, maintained or controlled by a national party committee.

The purpose of these provisions is simple: to put the national parties entirely out of the soft money business. The provision is intended to be comprehensive at the national party level. Simply put, the national parties, and anyone operating for or on behalf of them,

are not to raise or spend, nor to direct or control, soft money. This ban covers all activities of the national parties, even those that might appear to affect only non-federal elections. Because the national parties operate at the national level, and are inextricably intertwined with federal officeholders and candidates, who raise the money for the national party committees, there is a close connection between the funding of the national parties and the corrupting dangers of soft money on the federal political process. The only effective way to address this problem of corruption is to ban entirely all raising and spending of soft money by the national parties.

SHAYS-MEEHAN'S TREATMENT OF STATE PARTY SOFT MONEY

The treatment of the state parties is different. This is because state parties obviously engage in activities which are purely directed to non-federal elections. The Shays-Meehan bill does not regulate the kind of money that can be raised by the state parties. That is left to state law. What the bill does do is direct the state parties to spend only hard money on those activities which affect, even in part, federal elections. This is necessary to prevent blatant evasion of the federal campaign finance laws.

This approach is in many ways similar to current law. Currently, if a state party engages in activity that directly affects federal elections—such as running an ad that says ''vote for Congressman Smith''—the state party would be required to spend hard money on these activities. Similarly, if the state party engages in activity that purely affects state elections—such as an ad that says ''vote for Governor Smith''—it could spend whatever non-federal money is permitted under state law.

The Shays-Meehan bill does not change either one of these propositions.

But there is a range of activities that state parties engage in that, by their very nature, affect both federal and non-federal elections. These are the familiar ''party building activities,'' such as get-out-the vote drives or voter registration drives. These activities—registering voters to vote in elections that have both federal and non-federal candidates, or engaging in activities designed to bring them to the polls to vote for federal and non-federal candidates—clearly have an impact on both federal and non-federal elections.

Under current law, state parties pay for these ''mixed'' activities using a mixture of both hard and soft money pursuant to allocation formulae set by the Federal Election Commission. But these allocation rules have proven wholly inadequate to guard against the use of soft money to influence federal campaigns. Much state party ''party building activity'' is directed principally to influence federal elections, and all of the party voter activity inevitably does have a substantial impact on federal campaigns. Further, the state parties run TV and radio ads, purportedly as ''issue ads,'' that directly praise or criticize federal candidates by name without using words like ''vote for'' or ''vote against''—and the FEC has taken the unrealistic position that such ads have an impact on both federal and non-federal elections, and should accordingly be funded with an allocated mixture of hard and soft money.

The Shays-Meehan bill addresses these problems by simply applying the principle of current law—that state parties must use solely hard money to pay for activities that affect federal elections—to a category of activities which clearly affect federal elections and which the bill defines as ''federal election activities.'' Section 101(b) of the bill defines these activities as the following:

(i) Voter registration activity in the last four months before a Federal election,

(ii) Voter identification, GOTV, and generic campaign activity (i.e., activity relating to a party not a specific candidate) that is conducted in an election in which a Federal candidate appears on the ballot,

(iii) Public communications (also a defined term that includes communications by radio, TV, newspapers, phone banks and other methods of public political advertising) that refer to a clearly identified Federal candidate and that promotes or supports, or attacks or opposes, a federal candidate for that office.

(iv) Services provided by employees of a state or local party who spend more than 25 percent of their compensated time on Federal elections.

This definition of ''Federal election activities'' is significant because in section 101(a) of the bill (new section 323(b) of the Act), there is a requirement that state parties spend only Federal money (hard money) on ''Federal election activities.'' That is how the Shays-Meehan bill prevents soft money from being injected into federal races through the state parties.

Again, the bill does not restrict fundraising by state parties. That is left as a matter of state law. But it does say to the state parties that when they spend money on activities that affect federal elections, including the defined category of ''Federal election activities,'' they must spend solely hard money for those activities.

The lack of a state party soft money provision is a fundamental shortcoming of the proposal of Mr. NEY and Mr. WYNN. The restrictions on state parties using soft money to influence federal elections is one of the most important features of the Shays-Meehan bill. Much of the soft money being raised today by the national parties is transferred to state parties to be spent on activities that influence federal elections. An effective effort to address state party soft money spending to influence federal elections is absolutely essential to real campaign finance reform and solving the soft money problem.

THE LEVIN AMENDMENT

Critics have contended that the state parties should not be prevented from spending money that is legal in their state on activities that are designed to improve voter turnout and assist state candidates in a state election. When the McCain-Feingold bill was considered in the Senate last year. Senator CARL LEVIN of Michigan, a long-time and strong supporter of the bill, worked with the sponsors of the legislation to craft a provision to allow limited spending of soft money by state parties on a limited subset of state party activities. On the Senate floor, Senator LEVIN explained that his amendment:

> . . . will allow the use of some non-Federal dollars by State parties for voter registration and get out the vote, where the contributions are allowed by State law, where there is no reference to Federal candidates, where limited to $10,000 of the contribution which is allowed by State law, and where the allocation between Federal and non-Federal dollars is set by the Federal Election Commission.

Senator LEVIN also specified: ''These are dollars not raised through any effort on the part of Federal officeholders, Federal candidates, or national parties. These are non-Federal dollars allowed by State law.''

CHANGES TO THE LEVIN AMENDMENT IN SHAYS-MEEHAN

In addressing the Levin amendment in our substitute, the sponsors of the Shays-Meehan bill wanted to accomplish two things. First, we wanted to respect the original intent and purpose of the Levin amendment. Second, we wanted to make sure that it did not create a new loophole for corporations, unions, wealthy individuals to exploit. In our view, those purposes were not in conflict, since Senator LEVIN made it clear it was not his intent to undermine the campaign finance reform effort, but only to support legitimate state party activities that promote voter participation by allowing a limited amount of non-federal money to be used for those purposes.

The changes in the Levin amendment incorporated in our substitute have been agreed on with the sponsors of the Senate bill. They do not change the essential thrust of the Levin amendment, but they do provide additional restrictions to help ensure that the amendment will not become a new loophole in the law.

DESCRIPTION OF REVISED LEVIN AMENDMENT

With that background in mind, let me describe the Levin amendment, as modified in the Shays-Meehan substitute. New section 323(b)(2)(A) of the FECA permits state parties to spend non-federal money (soft money) on certain Federal election activities, as long as the spending is made up of both Federal money (hard money) and soft money in a ratio to be prescribed by the FEC. The activities that state and local parties can pay for under this exception are voter registration in the last 120 days prior to an election, and certain GOTV and other activities specified in new section 301(20(A)(ii).

Under new section 323(b)(2)(B)(i), the exception applies only if the activity paid for does not refer to a clearly identified Federal candidate. In addition, under new section 323(b)(2)(B)(ii), the exception does not apply to any activity that involves a broadcast, cable or satellite communication, unless that communication refers only to state and local candidates. In other words, GOTV efforts paid for in part with so-called ''Levin money'' may mention state or local candidates or contain a generic party message, but they cannot mention Federal candidates. And if these efforts are carried out through radio or TV ads they must mention clearly identified state or local candidates only, or they will be subject to the state party soft money restrictions and no ''Levin money'' can be used. To be clear, ''Levin money'' cannot be used by state parties to pay for broadcast ads that mention federal candidates.

In addition, the soft money or ''Levin money'' portion of the spending is subject to a number of restrictions. Under new section 323(b)(2)(B)(iii), it must be legally raised under state law, and no person can give more than $10,000 per year to a individual state or local committee, even if state law permits greater contributions. So if a state allows direct corporate or labor union contributions to political parties corporations and unions can make contributions of up to $10,000 or the state limit, whichever is lower, to the party committee each year. Obviously, if a state prohibits corporate or labor union contributions to political parties, the Levin amendment does not supersede that prohibition, and corporate

or union contributions of ''Levin money' would be banned.

After the Senate passed the Levin amendment, the question arose whether the amendment was intended to limit a donor to a single $10,000 contribution to all of the non-Federal political committees in a state, or to permit separate contributions to the state committee and local committees. Since the Senate appears to have intended that there is not a single per donor limit on all contributions to party committees in a state, further restrictions on the raising and spending of ''Levin money'' by the committees are imposed in order to prevent the Levin amendment from becoming a new loophole.

Accordingly, under new section 323(b)(2)(B)(iv), the version of the amendment contained in the Shays-Meehan substitute, all of the non-Federal and Federal money spent on the activities authorized by the Levin amendment must be raised solely by the committee doing the spending. Transfers of money between committees are not permitted. Thus, a county committee of a political party may accept a $10,000 contribution, but it must raise and spend that money itself, and it cannot work with any other party committee in raising or spending that money. It cannot transfer that money to the state committee. Furthermore, it must itself raise the hard money allocation required by the FEC, and it may not accept a transfer of hard money from a state or national party committee to satisfy that allocation requirement.

Finally, and very importantly, in new section 323(b)(2)(C), we affirm that federal candidates or officeholders and the national parties may not participate in the raising or spending of the soft money that is permitted to be spent under the Levin amendment. In addition, joint fundraisers between state committees or state and local committees are not permitted. Prohibiting Members of Congress and Executive Branch officials from being involved in soft money fundraising is one of the central purposes of the campaign finance reform effort. Consistent with Senator LEVIN's original intent, this new provision will ensure that that central purpose of the bill is not undermined. The joint fundraising prohibition will prevent a single fundraiser for multiple state and local party committees.

Mr. Chairman, let me address two additional questions that have arisen as to the interpretation of the Levin amendment. First, the $10,000 per year limit applies collectively to a corporation and its subsidiaries, and to a union and its locals, in the same way as contributions from PACS set up by subsidiaries and local unions are treated under current law. See 2 U.S.C. §441a(a)(5). To allow a separate contribution limit to apply to subsidiaries of a corporation or locals of a union would completely undermine the $10,000 limit as a check against the Levin amendment being used to continue the unlimited contributions that the soft money system now permits.

Second, while state and local committees may accept separate contributions of up to $10,000 per year from donors permitted to give that much under state law, state and local committees are not allowed to create their own multiple subsidiary committees to raise separate $10,000 contributions under this provision. The proliferation of new state party committees (e.g., the Northern California Republican Party Committee, the Southern California Party Committee or the New York Democratic Committee A, Committee B, Committee C, etc.) would be in complete contradiction to the provision, which allows only limited amounts of non-federal money to be given to a state or local committee for limited party-building activities that do not refer to federal candidates.

Mr. KLECZKA. Mr. Chairman, today, at long last, the House of Representatives will finally get a fair vote on campaign finance reform legislation. In order to reach this point, 218 Members had to sign a discharge petition to force the anti-reform Republican leadership to bring this measure to the floor for a debate and hopefully passage. H.R. 2356, the Bipartisan Campaign Reform Act of 2001, is necessary if we are to remove the undue influence of soft money on our political process and the unregulated issue advertisements that inundate our airwaves during each election season.

When Congress passed the Federal Election Campaign Act (FECA) of 1971 it included a provision that allowed national political parties to use unregulated contributions, ''soft money,'' for generic party-building activities such as get-out-the-vote drives and voter registration efforts. Initially, the parties adhered to the restrictions on the use of soft money, but soon began shifting soft money contributions to state parties to be used for paid television and radio campaign advertisements. Under FECA, such advertisements were supposed to be paid for by regulated hard money that is raised through limited contributions to political parties and candidates.

We have recently seen an unacceptable increase in the amount of soft money used in campaigns. In the year 2000 elections alone, $495 million in soft money was spent by the parties, an amount that is nearly double the $262 million spent four years earlier. The steadily increasing use of soft money to skirt federal campaign contribution laws has given it a growing role in our system of elections that cannot be allowed to continue.

An equally troubling aspect of today's campaign system is the number of issue advertisements broadcast on the television and radio. Although these ads technically adhere to federal campaign regulations, they violate the spirit of the law. Issue ads are supposed to be used to discuss issues of legislation, not to attack or support candidates, like they often do today. Through this loophole, corporations, unions, and other organizations have avoided federal reporting and disclosure laws by running ads that avoid the magic words ''vote for,'' ''vote against,'' ''support,'' and ''defeat.'' Since the ads are technically campaign ads, the people paying for them do not need to identify themselves or their supporters, which is contrary to the basic tenets of campaign-finance regulations.

H.R. 2356 would fill in the gaps left by FECA. First, it would ban all national party use of soft money. In order to ensure that get-out-the-vote drives and other genuinely generic party activities are not hindered, it would allow state and local parties to spend soft money on these activities. Individuals, corporations, and labor unions can give $10,000 in soft money to party committees organized at the state, county, and local level for these legitimate efforts.

H.R. 2356 would also prevent corporations and organizations from skirting the law with unregulated issue advertisements by requiring that all campaign ads for federal office be paid for with publicly disclosed and regulated campaign funds that are subject to federal contribution limits. This would be achieved by expanding the definition of ''campaign advertisement'' to include any ads that clearly identify a federal candidate made within 60 days of a general election or 30 days of a primary and are targeted to that candidate's electorate.

Some of my colleagues claim that these regulations would violate the freedom of speech guaranteed by the First Amendment. That is simply untrue. Corporations, labor unions, and other organizations would still be permitted to use any funds they have to run ads that discuss issues of legislation, so long as they do not specifically refer to a candidate for federal office. If they do mention a candidate by name, all they have to do is to use hard money, which is regulated, subject to contribution limits and disclosure laws. These groups may also fund advertisements that do attack or support a specific candidate, the only requirement being that they do so through the established regulated process using hard money donations to their political action committees.

This bill would also retain several important hard money contribution limits. Individuals would still be permitted to contribute only $1000 per election to candidates for the House of Representatives and political action committees would be restricted to the current $5000 per election limit.

This day has been a long time coming. We need to reduce the influence of unregulated money which has been flowing at an increasing rate into our political system. H.R. 2356 reigns in soft money and issue advertising that has operated outside the framework of our campaign-finance laws. I urge my colleagues to support the amendments that the reform measure's authors must offer in order to get the complete bill to the floor under the GOP leadership's rule. Similarly, I urge Members to oppose those ''poison pill'' amendments designed to kill the bill, and instead support final passage of this important measure.

Mr. SHAYS. Mr. Chairman, I rise to address the scope of an exception to the definition of ''electioneering communications'' set out in section 201(3)(B), which include (i) news distributed by broadcast stations that are not owned or controlled by a candidate, (ii) independent expenditures, (iii) candidate debates and forums and (iv) ''any other communication exempted under such regulations as the Commission may promulgate . . . to ensure appropriate implementation of this paragraph.'' I wish to discuss the purpose of the fourth exception.

The definition of ''electioneering communication'' is a bright line test covering all broadcast, satellite and cable communications that refer to a clearly identified federal candidate and that are made within the immediate pre-election period of 60 days before a general election or 30 days before a primary. But it is possible that thee could be some communications that will fall within this definition even though they are plainly and unquestionably not related to the election.

Section 201(3)(B)(iv) was added to the bill to provide Commission with some limited discretion in administering the statute so that it can issue regulations to exempt such communications from the definition of ''electioneering

communications'' because they are wholly unrelated to an election.

For instance, if a church that regularly broadcasts its religious services does so in the pre-election period and mentions in passing and as part of its service the name of an elected official who is also a candidate, and the Commission can reasonably conclude that the routine and incidental mention of the official does not promote his candidacy, the Commission could promulgate a rule to exempt that type of communication from the definition of ''electioneering communications.'' There could be other examples where the Commission could conclude that the broadcast communication in the immediate pre-election period does not in any way promote or support any candidate, or oppose his opponent.

Charities exempt from taxation under Section 501(c)(3) of the Internal Revenue Code are prohibited by existing tax law from supporting or opposing candidates for elective office. Notwithstanding this prohibition, some such charities have run ads in the guise of so-called ''issue advocacy'' that clearly have had the effect of promoting or opposing federal candidates. Because of these cases, we do not intend that Section 201(3)(B)(iv) be used by the FEC to create any per se exemption from the definition of ''electioneering communications'' for speech by Section 501(c)(3) charities. Nor do we indent that Section 201(3)(B)(iv) apply only to communications by section 501(c)(3) charities.

But we do urge the FEC to take cognizance of the standards that have been developed by the IRS in administering the law governing Section 501(c)(3) charities, and to determine the standards, if any, that can be applied to exempt specific categories of speech where it is clear that such communications are made in a manner that is neutral in nature, wholly unrelated to an election, and cannot be used to promote or attack any federal candidates.

We urge the Commission to exercise this rulemaking power within 90 days of the effective date of the bill. We also expect the Commission to use its Advisory Opinion process to address these situations both before and after the issuance of regulations.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SHAYS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 240, noes 191, not voting 3, as follows:

[Roll No. 21]

AYES—240

Abercrombie	Becerra	Borski
Ackerman	Bentsen	Boswell
Allen	Bereuter	Boucher
Andrews	Berkley	Boyd
Baca	Berman	Brady (PA)
Baird	Berry	Brown (FL)
Baldacci	Bishop	Brown (OH)
Baldwin	Blagojevich	Capito
Barcia	Blumenauer	Capps
Barrett	Boehlert	Capuano
Bass	Bonior	Cardin
Carson (IN)	Jefferson	Pastor
Carson (OK)	John	Payne
Castle	Johnson (CT)	Pelosi
Clay	Johnson (IL)	Petri
Clayton	Johnson, E. B.	Phelps
Clement	Jones (OH)	Platts
Clyburn	Kanjorski	Pomeroy
Condit	Kaptur	Price (NC)
Conyers	Kennedy (RI)	Quinn
Costello	Kildee	Ramstad
Coyne	Kilpatrick	Rangel
Cramer	Kind (WI)	Reyes
Crowley	Kirk	Rivers
Cummings	Kleczka	Rodriguez
Davis (CA)	Kucinich	Roemer
Davis (FL)	LaFalce	Ross
Davis (IL)	Lampson	Rothman
DeFazio	Langevin	Roukema
DeGette	Lantos	Roybal-Allard
Delahunt	Larsen (WA)	Rush
DeLauro	Larson (CT)	Sabo
Deutsch	LaTourette	Sanchez
Dicks	Leach	Sanders
Dingell	Lee	Sandlin
Doggett	Levin	Sawyer
Dooley	Lewis (GA)	Schakowsky
Doyle	LoBiondo	Schiff
Edwards	Lofgren	Scott
Engel	Lowey	Serrano
Eshoo	Lucas (KY)	Shays
Etheridge	Luther	Sherman
Evans	Lynch	Simmons
Farr	Maloney (CT)	Skelton
Fattah	Maloney (NY)	Slaughter
Filner	Markey	Smith (MI)
Foley	Mascara	Smith (WA)
Ford	Matheson	Snyder
Frank	Matsui	Solis
Frelinghuysen	McCarthy (MO)	Spratt
Frost	McCarthy (NY)	Stark
Ganske	McCollum	Stenholm
Gephardt	McDermott	Strickland
Gilchrest	McGovern	Stupak
Gilman	McHugh	Tanner
Gonzalez	McIntyre	Tauscher
Gordon	McKinney	Taylor (MS)
Graham	McNulty	Thompson (CA)
Green (TX)	Meehan	Thune
Greenwood	Meek (FL)	Thurman
Grucci	Meeks (NY)	Tierney
Gutierrez	Menendez	Towns
Hall (OH)	Millender-McDonald	Turner
Harman	Miller, George	Udall (CO)
Hastings (FL)	Mink	Udall (NM)
Hill	Moore	Upton
Hinchey	Moran (VA)	Velazquez
Hinojosa	Morella	Visclosky
Hoeffel	Nadler	Walsh
Holden	Napolitano	Wamp
Holt	Neal	Waters
Honda	Oberstar	Watson (CA)
Hooley	Obey	Watt (NC)
Horn	Olver	Waxman
Houghton	Ortiz	Weiner
Hoyer	Osborne	Weldon (PA)
Inslee	Ose	Wexler
Israel	Owens	Wolf
Jackson (IL)	Pallone	Woolsey
Jackson-Lee (TX)	Pascrell	Wu

NOES—191

Aderholt	Chabot	Flake
Akin	Chambliss	Fletcher
Armey	Coble	Forbes
Bachus	Collins	Fossella
Baker	Combest	Gallegly
Ballenger	Cooksey	Gekas
Barr	Cox	Gibbons
Bartlett	Crane	Gillmor
Barton	Crenshaw	Goode
Biggert	Culberson	Goodlatte
Bilirakis	Cunningham	Goss
Blunt	Davis, Jo Ann	Granger
Boehner	Davis, Tom	Graves
Bonilla	Deal	Green (WI)
Bono	DeLay	Gutknecht
Boozman	DeMint	Hall (TX)
Brady (TX)	Diaz-Balart	Hansen
Brown (SC)	Doolittle	Hart
Bryant	Dreier	Hastings (WA)
Burr	Duncan	Hayes
Burton	Dunn	Hayworth
Buyer	Ehlers	Hefley
Callahan	Ehrlich	Herger
Calvert	Emerson	Hilleary
Camp	English	Hilliard
Cannon	Everett	Hobson
Cantor	Ferguson	Hoekstra
Hostettler	Myrick	Sherwood
Hulshof	Nethercutt	Shimkus
Hunter	Ney	Shows
Hyde	Northup	Shuster
Isakson	Norwood	Simpson
Issa	Nussle	Skeen
Istook	Otter	Smith (NJ)
Jenkins	Oxley	Smith (TX)
Johnson, Sam	Paul	Souder
Jones (NC)	Pence	Stearns
Keller	Peterson (MN)	Stump
Kelly	Peterson (PA)	Sununu
Kennedy (MN)	Pickering	Sweeney
Kerns	Pitts	Tancredo
King (NY)	Pombo	Tauzin
Kingston	Portman	Taylor (NC)
Knollenberg	Pryce (OH)	Terry
Kolbe	Putnam	Thomas
LaHood	Radanovich	Thompson (MS)
Largent	Rahall	Thornberry
Latham	Regula	Tiahrt
Lewis (CA)	Rehberg	Tiberi
Lewis (KY)	Reynolds	Toomey
Linder	Rogers (KY)	Vitter
Lipinski	Rogers (MI)	Walden
Lucas (OK)	Rohrabacher	Watkins (OK)
Manzullo	Ros-Lehtinen	Watts (OK)
McCrery	Royce	Weldon (FL)
McInnis	Ryan (WI)	Weller
McKeon	Ryun (KS)	Whitfield
Mica	Saxton	Wicker
Miller, Dan	Schaffer	Wilson (NM)
Miller, Gary	Schrock	Wilson (SC)
Miller, Jeff	Sensenbrenner	Wynn
Mollohan	Sessions	Young (AK)
Moran (KS)	Shadegg	Young (FL)
Murtha	Shaw	

NOT VOTING—3

Cubin	Riley	Traficant

□ 1607

Ms. HART and Mr. SKEEN changed their vote from ''aye'' to ''no.''

So the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the rule, the substitute is finally adopted.

(By unanimous consent, Mr. LARGENT was allowed to speak out of order.)

FAREWELL REMARKS

Mr. LARGENT. Mr. Chairman, this being my last week to serve in Congress, I wanted to make just a brief statement to my friends and colleagues.

Last week my youngest son Kramer completed an essay on Mark Twain. I was struck by how many facts about Mark Twain's life reminded me of my 7 years in Congress. Samuel Clemens was born at the appearance of Halley's Comet in 1835 and died the next time it came around in 1910. I thought about that as I prepare to cast my last vote in Congress on campaign finance reform and harken back to the days of 1994 when the first vote I cast was on GATT, the last vote of the 103rd Congress.

In my son's report I also learned something I did not know, that Samuel Clemens' alias, Mark Twain, was actually a nautical term that was used by riverboat crews, and it denoted two fathoms, or 12 feet, the depth necessary for safe passage.

We in Congress often refer to our Nation as our ship of state, and we hear pollsters ask questions to voters, do you think that the ship is headed in the right direction or the wrong direction? I ran for Congress in 1994 because I believed our country was headed in the wrong direction, and I wanted to

make a difference, like most of you, the reason that you ran.

Now, 7 years later, I believe that together we have worked to move our country into safer waters. We worked together to balance the budget, we overhauled welfare, we cut taxes, we strengthened the military together, we deregulated telecommunications and repealed Glass-Steagall.

Yes, much good has been accomplished the last 7 years, but as we all know, there are always potentially treacherous waters around the next bend. The long-term solvency of Social Security and Medicare, the unrestrained growth of government spending and the ongoing war on terrorism are all shoals upon which we could run aground.

As I leave Congress, I wish to thank you all for the gift of your wisdom, your guidance and your friendship that you have given me, and I want to thank you all for your service to our great country. I admire and respect each of you. Early on I have to admit that I sometimes felt frustrated when some of you did not think like I did. Though we will always have different points of view in this body, I have come to appreciate the fact that many of you hold thoughtful and principled positions that differ from my own. I recognize that our divergent views on the left and right, among Democrats and Republicans, southerners and northerners, those representing the east coast and the west coast, are a great strength of this Congress. The right course and safe passage for the Nation is not the exclusive property of either side.

Serving with you all in this esteemed body has been the greatest honor and the greatest privilege that I have ever known. I want to thank the great Oklahomans who entrusted me with this rare privilege, and I thank you, my friends and colleagues, for your efforts to serve our Nation. I will never forget this 7-year journey.

As I return to my home State to seek the office of Governor, I will continue to pray for each of you. I will pray that God would grant you insight as you help our Nation navigate through the challenges ahead. Thank you, and may God bless you and our great Nation.

□ 1615

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment offered by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 32 OFFERED BY MR. HYDE

Mr. HYDE. Mr. Chairman, as the designee of the majority leader, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 32 offered by Mr. HYDE:
Add at the end the following title:

TITLE VI—NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS

SEC. 601. FINDINGS.

Congress finds the following:

(1) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''

(2) The First Amendment affords the broadest protection to such political expression in order ''to assure [the] unfettered interchange of ideas for the bringing about of political and social changes desired by the people. *Roth v. United States*, 354 U.S. 476, 484 (1957).

(3) According to *Mills v. Alabama*, 384 U.S. 214, 218 (1966), there is practically universal agreement that a major purpose of that Amendment was to protect the free discussion of governmental affairs, ''. . . of course including[ing] discussions of candidates . . .''.

(4) According to *New York Times Co. v. Sullivan*, 376 U.S. 254, 270 (1964), the First Amendment reflects our ''profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open''. In a republic where the people are sovereign, the ability of the citizenry to make informed choices among candidates for office is essential, for the identities of those who are elected will inevitably shape the course that we follow as a nation.

(5) The First Amendment protects political association as well as political expression. The constitutional right of association explicated in *NAACP v. Alabama*, 357 U.S. 449, 460 (1958), stemmed from the Court's recognition that ''[e]ffective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association.'' Subsequent decisions have made clear that the First and Fourteenth Amendments guarantee ''freedom to associate with others for the common advancement of political beliefs and ideas,'' a freedom that encompasses '''[t]he right to associate with the political party of one's choice.''' *Kusper v. Pontikes*, 414 U.S. 51, 56, 57, quoted in *Cousins v. Wigoda*, 419 U.S. 477, 487 (1975).

(6) In *Buckley v. Valeo*, the Supreme Court stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(7) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(8) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(9) The courts of the United States have consistently reaffirmed and applied the teachings of *Buckley*, striking down such government overreaching. The courts of the United States have consistently upheld the rights of the citizens of the United States, candidates for public office, political parties, corporations, labor unions, trade associations, non-profit entities, among others. Such decisions provide a very clear line as to what the government can and cannot do with respect to the regulation of campaigns. See *Federal Election Comm'n v. Massachusetts Citizens for Life, Inc.*, 479 U.S. 238 (1986); *Federal Election Comm'n v. National Conservative Political Action Comm.*, 470 U.S. 480 (1985); *California Medical Assn. v. Federal Election Comm'n*, 453 U.S. 182 (1981).

(10) The FEC has lost time and time again in court attempting to move away from the express advocacy bright line test of *Buckley v. Valeo*. In fact, in some cases, the FEC has had to pay fees and costs because the theory is frivolous. *See FEC v. Christian Action Network*, 110 F.3d 1049 (4th Cir. 1997), *aff'g* 894 F. Supp. 946 (W.D.Va. 1995); *Maine Right to Life Comm. v. FEC*, 914 F. Supp. 8 (D.Me. 1996), aff'd 98 F.3d 1 (1st Cir. 1996), *cert. denied*, 118 S. Ct. 52 (1997); *Clifton v. FEC*, 114 F.3d 1309 (1st Cir. 1997); *Faucher v. FEC*, 928 F.2d 468, 472 (1st Cir.), *cert. denied*, 502 U.S. 820 (1991); *FEC v. Colorado Republican Federal Campaign Comm.*, 839 F. Supp. 1448 (D. Co.), *rev'd on other grounds*, 59 F.3d 1015 (10th Cir.), vacated on other grounds, 116 S. Ct. 2309 (1996); *FEC v. Central Long Island Tax Reform Immediately Comm.*, 616 F.2d 45, 53 (2d Cir. 1980); *Minnesota Citizens Concerned for Life, Inc. v. FEC*, 936 F. Supp. 633 (D. Minn. 1996), *aff'd* 113 F.3d 129 (8th Cir. 1997), *reh'g. en banc denied*, 1997 U.S. App. LEXIS 17528; *West Virginians for Life, Inc. v. Smith*, 960 F. Supp. 1036, 1039 (S.D.W.Va. 1996); *FEC v. Survival Education Fund*, 1994 U.S. Dist. Lexis 210 (S.D.N.Y. 1994), *aff'd in part and rev'd in part*, 65 F.3d 285 (2nd Cir. 1995); *FEC v. National Organization for Women*, 713 F. Supp. 428, 433–34 (D.D.C. 1989); *FEC v. American Federation of State, County and Municipal Employees*, 471 F. Supp. 315, 316–17 (D.D.C. 1979). Even the FEC abandoned the ''electioneering communication'' standard soon after the 1996 election due to its vagueness.

(11) The courts have also repeatedly upheld the rights of political party committees. As Justice Kennedy noted: ''The central holding in *Buckley v. Valeo* is that spending money on one's own speech must be permitted, and that this is what political parties do when they make expenditures FECA restricts.'' *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 627 (1996) (J. Kennedy, concurring). Justice Thomas added: ''As applied in the specific context of campaign funding by political parties, the anticorruption rationale loses its force. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 105–106 (1987). What could it mean for a party to 'corrupt' its candidates or to exercise 'coercive' influence over him? The very aim of a political party is to influence its candidate's stance on issues and, if the candidate takes office or is reelected, his votes. When political parties

achieve that aim, that achievement does not, in my view, constitute 'a subversion of the political process.' *Federal Election Comm'n v. NCPAC*, 470 U.S. at 497. For instance, if the Democratic Party spends large sums of money in support of a candidate who wins, takes office, and then implements the Party's platform, that is not corruption; that is successful advocacy of ideas in the political marketplace and representative government in a party system. To borrow a phrase from *Federal Election Comm'n v. NCPAC*, 'the fact that candidates and elected officials may alter or reaffirm their own positions on issues in response to political messages paid for by [political groups] can hardly be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.' *Id.* at 498. Cf. *Federal Election Comm'n v. MCFL*, 479 U.S. at 263 (suggesting that '[v]oluntary political associations do not . . . present the specter of corruption').''. *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 647 (1996) (J. Thomas, concurring). Justice Thomas continued: ''The structure of political parties is such that the theoretical danger of those groups actually engaging in quid pro quos with candidates is significantly less than the threat of individuals or other groups doing so. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 97–98 (1987) (citing F. Sorauf, *Party Politics in America* 15–18 (5th ed. 1984)). American political parties, generally speaking, have numerous members with a wide variety of interests, features necessary for success in majoritarian elections. Consequently, the influence of any one person or the importance of any single issue within a political party is significantly diffused. For this reason, as the Party's amici argue, see Brief for Committee for Party Renewal et al. as Amicus Curiae 16, campaign funds donated by parties are considered to be some of 'the cleanest money in politics.' J. Bibby, *Campaign Finance Reform*, 6 Commonsense 1, 10 (Dec. 1983). And, as long as the Court continues to permit Congress to subject individuals to limits on the amount they can give to parties, and those limits are uniform as to all donors, *see* 2 U.S.C. section 441a(a)(1), there is little risk that an individual donor could use a party as a conduit for bribing candidates. *Id.*''.

(12) As recently as 2000, the Supreme Court reminded us once again of the vital role that political parties play on our democratic life, by serving as the primary vehicles for the political views and voices of millions and millions of Americans. ''Representative democracy in any populous unit of governance is unimaginable without the ability of citizens to band together in promoting the electoral candidates who espouse their political views. The formation of national political parties was almost concurrent with the formation of the Republic itself.'' *California Democratic Party v. Jones*, 530 U.S. 567 (2000). Moreover, just last year, a Federal court struck down a state law that included a so-called ''soft money ban,'' which in reality was a ban on corporate and union contributions to political parties—which as a factual matter is correct. The *Anchorage Daily News* reported:

(13) A Federal judge says corporations and unions have a constitutional right to give unlimited amounts of ''soft money'' to political parties, so long as none of the money is used to get specific candidates elected. In a decision dated June 11, U.S. District Judge James Singleton struck down a section of Alaska's 1997 political contributions law that barred corporations, unions and other businesses from contributing any money to political candidates or parties. The ban against corporate contributions to individual candidates is fine, Singleton said. Public concern about the corrupting influence or corporate contributions on a specific candidate is legitimate and important enough to somewhat limit freedom of speech and political association, the judge concluded. But contributions to the noncandidate work of a political party do not raise undue influence issues and therefore may not be restricted, the judge concluded.

(14) Sheila Toomey, *Anchorage Daily News* (June 14, 2001) (reporting on *Kenneth P. Jacobus, et al. vs. State of Alaska, et al.*, No. A97–0272 (D. Alaska filed June 11, 2001).

(15) Nor is speech any less protected by the First Amendment simply because the one making the speech contacted or communicated with others. For some time, the Federal Election Commission held the view that such ''coordination'' (an undefined term), even of communications that did not contain express advocacy, somehow was problematic, and subject to the limitations and prohibitions of the Act. This view has been rejected by the courts. *Federal Election Commission v. Christian Coalition*, 52 F. Supp. 2d 45 (D.D.C. 1999). In fact, lower Federal courts have held that even political party committee limits on coordinated expenditures are an unconstitutional restriction on speech. *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 213 F.3d 1221 (10th Cir. 2000). Unless a party committee's expenditure is the functional equivalent of a contribution (and thus not ''coordinated''), it cannot be limited. See Federal Election Commission v. Colo. Republican Fed. Campaign Comm., 150 L.Ed.2d 461, nt. 17, nt. 2 (J. Thomas, dissenting) (2001). As a factual matter, many party committee ''coordinated'' expenditures are not the functional equivalent of contributions. *See* Amicus Curie Brief of the National Republican Congressional Committee, *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 150 L.Ed.2d 461 (2001).

(16) Commentators, legal experts and testimony in the record echoes the need to be mindful of the First Amendment. Whether it is the American Civil Liberties Union, see March 10, 2001 ACLU Letter to Senate (and all cases cited therein) & June 14, 2001 ACLU testimony before the House Administration Committee (and cases cited therein), or the counsel to the National Right to Life Committee and the Christian Coalition, see June 14, 2001 testimony of James Bopp before the House Administration Committee (and cases cited therein), experts across the political spectrum have thoughtfully explained the need to ensure the First Amendment rights of citizens of this country.

(17) Citizens who have an interest in issues have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communication in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(18) This Act contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues to their elected officials and the general public.

(19) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 602. NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS.

Notwithstanding any provision of this Act, and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that Amendment, specifically the freedom of speech or of the press, or the right of people to peaceably assemble, and to petition the government for a redress of grievances, consistent with the rulings of the courts of the United States (as provided in section 601).

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Illinois (Mr. HYDE) and a Member opposed each will control 10 minutes.

Does the gentleman from Maryland (Mr. HOYER) seek to control the time in opposition?

Mr. HOYER. Mr. Chairman, I do.

The CHAIRMAN pro tempore. The gentleman from Maryland (Mr. HOYER) will be recognized for 10 minutes.

The Chair recognizes the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Chairman, I yield myself such time as I may consume.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Chairman, with the passage of the Shays-Meehan substitute all the suspense seems to have gone out of this controversy, and all I have to look forward to is the gentleman from Massachusetts (Mr. FRANK) berating me for not being a charter member of the Earl Warren Fan Club, and I await his bashes with mild interest.

Mr. Chairman, since some of us feel that the first amendment is in jeopardy, nonetheless, rereading the first amendment of our Constitution might be therapeutic. ''Congress shall make no law,'' no law, emphasis my own, ''respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''

Now, the amendment I am offering consists of 14 pages. The first 13 are a listing of findings based on Supreme Court decisions explaining the first amendment and/or its relationship to free speech.

For example, on page 2, we cite the New York Times Company versus Sullivan, a 1964 case which said the first amendment reflects our ''profound and national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open.'' The first amendment protects political association as well as political expression, NAACP versus Alabama, and so on. Page 3 of the amendment quotes Buckley v. Valeo.

But the essence of what I am offering is section 602, which is on pages 13 and

14, and if I may read that, you will have the amendment's gravamen in your grasp.

''Section 602: Notwithstanding any provisions of this Act, and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that Amendment, specifically the freedom of speech or of the press, or the right of the people to peaceably assemble, and to petition the government for redress of grievances, consistent with the rulings of the courts of the United States.''

So, that is rather simple. Supporting my amendment gives us a chance to reaffirm our loyalty, our dedication, our devotion to the first amendment.

Now, before going on much farther, I would like to give the House a quotation from an article, January 28, 2002, in the National Journal, and this is by Stewart Taylor, Jr., who is not conservative. I do not think he is liberal. I think he is a true moderate.

But in writing about this issue, he said something that I found extraordinarily interesting. Mr. Taylor says Shays-Meehan's most extreme and least publicized provisions have nothing to do with soft money. One would make it a Federal crime for any association of citizens other than PACs to criticize, praise or even name a candidate for Congress in an ad broadcast in his or her State within 30 days of a primary or 60 days of a general election. Another would define illegal spending/coordination with candidates so broadly as to make it risky for any group to praise or even mention at any time in any public communications a Member of Congress with whom it had met or worked on legislative issues.

I think that is interesting, and that is another reason why I am very disturbed about what we are doing here today.

If ever there was a time where free speech should be unfettered, robust, it is at election time. Instead, this legislation in essence tells democracy to shut up and sit down. We are suffocating uninhibited political advocacy, that rare dynamic earned for us by the blood of our forefathers. And why? Because there is too much money in politics.

No, we are not talking about Major League Baseball, a utility infielder. We are not talking about a professional basketball team or a rock band. We are talking about politics.

In the last Presidential election, so excited by the prospect of picking a President, 51 percent of those eligible to vote, of voting age, bothered to vote. Now, it seems to me a little more interest in a Presidential election in a viable democracy is certainly called for.

In the congressional cycle of 1999 and 2000, I am talking about 2 years now, Congress raised $1.05 billion. Coca-Cola, in one year, 2000, marketing and advertising, spent $1.74 billion. One B–2 Stealth Bomber costs $1.16 billion. So too much money in politics is, I think, a bit of a stretch.

By banning soft money to the political parties from unions, corporations and individuals, money that pays for issue ads, you do real damage to the parties. You emasculate them and you make the voices of the special interests the last and the loudest voices to be heard in the campaign. A vigorous two-party system has been the bedrock of our democracy. You hurt challengers and reinforce incumbency, and political advocacy is strangled, not encouraged.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me start by saying that we all respect the gentleman from Illinois. Those who read this amendment will nod their heads in agreement on much of this amendment. But I am reminded of the words of the great President from the State of Illinois, the State of the gentleman from Illinois (Mr. HYDE), Abraham Lincoln. Abraham Lincoln once observed during the course of the Civil War that if in the end things turned out all right, nothing that was said would matter; but however, if in the end things turned out wrong, that all the angels in Heaven speaking on its behalf would not matter.

In the last page of this amendment, section 602, the language says: ''Notwithstanding any provision of this Act and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that amendment.''

With all due respect, that is not within the power of this Congress. It is not within the power of this Congress to say that this is constitutional or it is not constitutional. And why is that? It is because the Founding Fathers' genius was to separate the powers and to give to an independent judiciary the right to say whether an act of Congress is constitutional or whether it was not.

If that were not the case, then a majority of us could say, ''No, that which we have done is constitutional.'' That clearly would not be consistent with either the separation of powers, or the general purpose for the creation of a Supreme Court, which could protect the minority. And I say to my friend from Illinois, that nothing we say in this bill can abridge the constitutional rights of any American, if the Supreme Court determines by five or more votes, that we have abridged those rights. It is not within our power, except by way of a constitutional amendment, which, of course, this bill is not, to take that step.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I just want to say it is true, we do not have the power to adjudicate constitutionality, but we certainly have the power to recognize it when we see it and assert our opinion that something is unconstitutional. We are sworn to protect that document.

Mr. HOYER. Mr. Chairman, reclaiming my time, I agree with the gentleman; and I say to the gentleman, he and I have voted on different sides of an issue that I think was a very central first amendment right. He and I differed on that issue. But our opinion on that issue, other than that it may have motivated each of us to vote, is irrelevant. In the final analysis what is relevant, what is important to the individual, is what the Supreme Court of the United States says we did, and nothing we say in our legislation, affirming its constitutionality or questioning its constitutionality, will make any difference. It is the opinion of the Supreme Court that will make the difference.

Therefore, I oppose this amendment, not because its sentiment is wrong—because its sentiment is not—but because it is mere surplusage, and not relevant to this legislation. I do not mean to say to the gentleman from Illinois that his opinion as to the constitutionality of one or more provisions of the act is not relevant. Clearly it is, and it may well motivate his vote on this particular piece of legislation. But to add this surplusage does not add to or subtract from the substance of this legislation.

I would hope that this body would reject this amendment because of the process that this amendment will require the legislation to then go through.

Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Michigan (Ms. RIVERS).

Ms. RIVERS. Mr. Chairman, Shays-Meehan does not prohibit speech of any type. It seeks to stop the use of soft money to pay for campaign ads. This is a long-standing authority that Congress has been able to exercise, starting with prohibitions on corporation monies in 1907, unions in 1947, and then 1974 for Buckley v. Valeo.

Soft money is not protected by the Constitution. Soft money was created by the FEC in 1978. It is a creature of the Federal bureaucracy. It has no particular standing under the Constitution. The Supreme Court has never held soft money to be constitutionally inviolate, and to argue that the Congress cannot undo what a Federal agent has wrought is to deliberately ignore who is the master and who is the servant. There is no free-speech violation in Shays-Meehan and no reason to support this amendment.

□ 1630

Mr. HYDE. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Chairman, I thank the distinguished chairman for yielding me this time, and I rise in strong

support of the Hyde amendment to this legislation.

I consider it a privilege to debate men of such eloquence as the gentleman from Maryland in this Chamber, but, if I may say so, I take issue with the assertion that the determination of constitutionality is outside of our purview. I will grant the point to the gentleman from Maryland that it is not our purview under this Constitution to determine what is and is not constitutional, but I would offer that while it is not our power, it is most assuredly our duty expressed in the oath of office that every man and woman who has served in this institution takes, an oath of office to defend and uphold and support the Constitution of the United States of America. It presupposes that we make a judgment in our own hearts, in our own minds, and express it with our own vote about that which we consider to be constitutional and that which we do not.

I must tell my colleagues, Mr. Chairman, that this bill's prohibition of political speech in the last 2 months by individuals or organizations other than political action committees is even to my 10-year-old son a clear violation of those words that ''Congress shall make no law abridging the freedom of speech.'' Only by adopting the Hyde amendment will we as an institution say that whatever the courts may do, and, if I may say so, they have occasionally made some bone-headed decisions, whatever the courts may do at whatever level, that it was never the intention of this institution to trample on that first amendment.

If I may say, Mr. Chairman, I think many of the advocates of this bill suspect the provisions might be unconstitutional. It is perhaps the reason why they oppose the nonseverability provisions that have attempted to be added to this bill. I believe it is the reason why they do not want to stand with those of us that say, if there is a part of this found unconstitutional, then all of it must be rejected. Let us say yes to the blood-bought freedoms of the Bill of Rights and yes to the Hyde amendment.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Illinois (Mr. HYDE) has 1 minute remaining; the gentleman from Maryland (Mr. HOYER) has 4½ minutes remaining.

Mr. HOYER. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, I was struck by reading the findings. Members will be pleased to know that if they vote for this amendment, they will be certifying the American Civil Liberties Union as an expert on the interpretation of the first amendment.

Now, I often agree with the ACLU on the First Amendment, not on some other amendments, but I think this is a new height in freedom of expression. Look at finding 16 on page 12: Whether it is the American Civil Liberties Union or the counsel to National Right to Life, experts have thoughtfully explained this need. I am sure the ACLU appreciates the gentleman from Illinois's very occasional endorsement, because I must say, having served on the Committee on the Judiciary with him for years, I do not remember too many other occasions when he and the ACLU have agreed on constitutionality; not on the antiterrorism bill.

In fact, I agree with the gentleman from Indiana. I do not think we should vote for things that we think are unconstitutional. That is why I have consistently voted against the censorship of the Internet which this House passes every other year, and, in the alternative year, the Supreme Court throws out.

The fact is that there is a pattern here of people who have never found much virtue with the ACLU and the first amendment suddenly becomes believers. Now, it also sanctifies here the case of New York against Sullivan, the libel case that I have heard Members be critical of, but people also talk about draftsmanship. Let me say I was particularly impressed with finding 14.

This is the finding. Finding 14: Sheila Toomey, Anchorage Daily News. It does not say anything else, except that she was reporting on a story. So Ms. Toomey, whoever she is, has now become an official finding of the United States if you pass that amendment. That is a great honor to her. So you have sanctified the expertise of the ACLU, you have officially found Ms. Toomey, who probably did not know heretofore that she was lost, and you have, in fact, added surplus verbiage, at best.

The gentleman from Illinois is well aware nothing we can do could impinge on the First Amendment. So what this amendment comes down to, in addition to certifying the expertise of the ACLU, and they will appreciate every Republican who votes that way, and they will probably cite you in their literature, and you may expect the people in your own districts to be thanked by the ACLU for sending a supporter of their expertise to the Congress of the United States and to officially vote and certify them as experts.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, is the gentleman aware that in this resolution a case is cited by name, Federal Election Commission v. Colorado Republican Federal Campaign Commission, citing a case that has been overruled by the Supreme Court? Was the gentleman aware of that?

Mr. FRANK. Mr. Chairman, I was not, but I hope Sheila Toomey has not been lost in this thing.

Mr. HOYER. Mr. Chairman, I hope not.

The CHAIRMAN pro tempore. The gentleman from Illinois (Mr. HYDE) has 1 minute remaining; the gentleman from Maryland (Mr. HOYER) has 2 minutes remaining.

Mr. HYDE. Mr. Chairman, I had some people who wanted to talk, but they do not seem to be here.

Mr. HOYER. Mr. Chairman, if the gentleman will yield for 1 minute, I have the right to close, and I have 2 minutes, and I will yield to the gentleman from Tennessee (Mr. CLEMENT), and then the gentleman from Illinois can take his minute, and I will take the last minute to close.

Mr. HYDE. Mr. Chairman, I thank the gentleman from Maryland. Just so the gentleman from Massachusetts (Mr. FRANK) does not leave the room.

Mr. HOYER. Mr. Chairman, I cannot guarantee that, I would say to the gentleman.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee (Mr. CLEMENT).

Mr. CLEMENT. Mr. Chairman, I thank the gentleman for yielding me this time.

This is a critical debate, and I am very pleased, number one, that the Shays-Meehan passed by such an overwhelming vote. Now we have various amendments that could very well impact Shays-Meehan. I am not a lawyer, I am not a constitutional scholar, but I know one thing, that this language contains biased findings and attempts to impose a one-sided interpretation of the First Amendment as a matter of statutory law to falsely imply that the Shays-Meehan bill violates the First Amendment.

All of us have to look at all of these amendments very, very closely, particularly these perfecting amendments, and how is it going to affect Shays-Meehan, because we have a good piece of legislation. We have not had any major reform on campaign finance reform since the 1970s. Why? Because of Watergate. And why are we getting the vote on Shays-Meehan and real campaign finance reform today? Because of the Enron scandal. Let us support strongly Shays-Meehan.

Mr. HYDE. Mr. Chairman, I yield myself such time as I may consume just to say to my friend from the upper regions of Massachusetts that Nadine Strossen, the president of the ACLU, has written me several warm letters, and we have worked together on civil asset forfeiture, a concept that the gentleman has supported. So we found common ground on more than one issue with the ACLU.

Lastly, I would hope the gentleman would read section 602. The inaccuracies and errors in the petition itself are the result of midnight draftsmanship which is brought upon us as a gift from the gentleman from Maryland (Mr. HOYER) and his party whose devotion to rapidity sometimes intrudes on coherence.

Mr. HOYER. Mr. Chairman, will the gentleman yield on that point?

Mr. HYDE. Surely.

Mr. HOYER. Mr. Chairman, first of all, the gentleman from Maryland (Mr.

HOYER) was not involved in this, but secondly, let me say to the gentleman that I will remind him of his remarks as we go through legislation in the coming months.

The CHAIRMAN pro tempore. The time of the gentleman from Illinois (Mr. HYDE) has expired.

Mr. HOYER. Mr. Chairman, I yield 10 seconds to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, this is the second time we have heard reference on the other side to the haste, et cetera. These are the people who refused to let the bill out. These are the people who bottled it up and forced it to be forced out by the petition. So I have never seen a case where people guilty of a misdeed freely blamed other people for the consequences of their own action. Yes, it was not done the appropriate way. That is because the other side would not allow it to be done in the appropriate way.

Mr. HOYER. Mr. Chairman, I have 50 seconds remaining; is that correct?

The CHAIRMAN pro tempore. The gentleman from Maryland (Mr. HOYER) is recognized for the remaining time.

Mr. HOYER. Mr. Chairman, first of all, let me respond to the gentleman from Illinois. These issues were raised over 2 years ago, not last night, not the night before, or the night before that. The issues we raise in this legislation were raised 2 years ago, and 4 years ago, and we all know that. They are legitimate issues, and they will be issues that will be fought out in the future in front of the Supreme Court.

But this amendment is not appropriate on this piece of legislation at this time, not because we do not subscribe to the first amendment, not because we do not want to ensure that the Constitution is followed in our legislation, but because we all know that it is time to act, time to adopt this reform, and not the time to pretend that we are doing things that we do not have the power to do. Vote this amendment down.

Mr. ISSA. Mr. Chairman, I rise today in support of this amendment and I want to thank my colleague and friend, Chairman HYDE for bringing it to the floor. Mr. Chairman, this amendment strikes at the very heart of this debate, but, more importantly, it strikes at the heart of our Constitution, which is the bedrock of our great nation and the foundation of our democracy. This afternoon Members of Congress have the opportunity to lay partisan self-interests aside and vote to support the 1st amendment to the Constitution. There are no frills to this amendment, there are no special interests who are serviced in this amendment. Rather, it serves the interests and protects a fundamental right of the American people. It states simply and seeks only to insure that nothing in the act shall violate the 1st amendment to the Constitution of the United States—our right to speak freely, to speak politically without the threat of censorship or retribution from the government. Are we going to turn our backs today on this fundamental right, to sacrifice our freedom of speech on the altar of campaign finance reform?

Let me remind some of my colleagues who will not support this amendment what we believe about free speech in this country. We believe that free speech is an inalienable right. We believe that all people should be allowed to express their political beliefs openly, without arbitrary rules that restrict the means with which they can share and debate ideas. We believe that our constitution should govern Congress' laws, not the other way around. Mr. Chairman, this amendment assures the constitutionality of this proposed law. By supporting our Constitution, and our freedom as Americans to enjoy free speech, it affords the broadest protection to political expression, and it assures the unfettered exchange of ideas.

Mr. Chairman, every type of organized communication takes money. Pamphlets need to be printed, letters need to be written and mailed, and television ads need to be broadcasted. The scam that is being pulled here by my colleagues who support H.R. 2356 is really quite remarkable. In the name of stabilizing our Nation's political system, they want to prevent people from spending the money necessary to share their ideas with each other. Whether this is the result of malicious intent or a totally misguided effort to ''reform'' our campaign finance system, it is not any less outrageous.

Mr. Chairman, I urge my colleagues to take a look at this amendment, search their hearts, and vote to protect our Constitution. Let's have campaign finance reform, but let's live up to our oath of office and protect our Constitution.

Mr. BEREUTER. Mr. Chairman, this Member would like to take this opportunity to explain his ''present'' vote on the Hyde amendment to H.R. 2356, the Campaign Reform Act of 2001. This Member voted ''present'' on the amendment as he believes that there is nothing Congress can do through such an amendment itself to assure that the language of this measure is constitutional. As to the matter of the constitutionality of any such legislation, that determination is within the power and authority given to our judicial branch—not the Congress. The language offered in the Hyde amendment is irrelevant. It is the nature of the language itself which will be judged to be constitutional by the courts and ultimately by the U.S. Supreme Court. That fact is one reason why the ''Severability Clause'' is essential to foster some advancement of campaign finance reform legislation.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Illinois (Mr. HYDE).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. HYDE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 188, noes 237, answered ''present'' 1, not voting 9, as follows:

[Roll No. 22]

AYES—188

Akin	Ballenger	Biggert
Armey	Barr	Bilirakis
Bachus	Bartlett	Blunt
Baker	Barton	Boehner
Bonilla	Hastert	Pombo
Bono	Hastings (WA)	Portman
Boozman	Hayes	Pryce (OH)
Brown (SC)	Hayworth	Putnam
Bryant	Hefley	Radanovich
Burr	Herger	Regula
Burton	Hilleary	Rehberg
Buyer	Hobson	Reynolds
Callahan	Hoekstra	Rogers (KY)
Calvert	Hostettler	Rogers (MI)
Camp	Hulshof	Rohrabacher
Cannon	Hunter	Ros-Lehtinen
Cantor	Hyde	Royce
Capito	Isakson	Ryan (WI)
Chabot	Issa	Ryun (KS)
Chambliss	Istook	Saxton
Coble	Jenkins	Schaffer
Collins	Johnson, Sam	Schrock
Combest	Jones (NC)	Sensenbrenner
Cooksey	Keller	Sessions
Cox	Kelly	Shadegg
Crane	Kennedy (MN)	Shaw
Crenshaw	Kerns	Sherwood
Culberson	King (NY)	Shimkus
Cunningham	Kingston	Shows
Davis, Jo Ann	Knollenberg	Shuster
Davis, Tom	Kolbe	Simpson
Deal	LaHood	Skeen
DeLay	Largent	Smith (MI)
DeMint	Latham	Smith (TX)
Diaz-Balart	LaTourette	Souder
Doolittle	Lewis (CA)	Stearns
Dreier	Lewis (KY)	Stump
Duncan	Linder	Sununu
Dunn	Lucas (OK)	Sweeney
Ehlers	Manzullo	Tancredo
Ehrlich	McCrery	Tauzin
Emerson	McHugh	Taylor (MS)
English	McInnis	Taylor (NC)
Everett	McKeon	Terry
Flake	Mica	Thomas
Fletcher	Miller, Dan	Thornberry
Forbes	Miller, Gary	Tiahrt
Fossella	Miller, Jeff	Tiberi
Gallegly	Moran (KS)	Toomey
Gekas	Myrick	Upton
Gibbons	Nethercutt	Vitter
Gilchrest	Ney	Walden
Gillmor	Northup	Watkins (OK)
Goode	Norwood	Watts (OK)
Goodlatte	Nussle	Weldon (FL)
Goss	Otter	Weller
Granger	Oxley	Wicker
Graves	Paul	Wilson (NM)
Green (WI)	Pence	Wilson (SC)
Gutknecht	Peterson (MN)	Wynn
Hall (TX)	Peterson (PA)	Young (AK)
Hansen	Pickering	Young (FL)
Hart	Pitts	

NOES—237

Abercrombie	Condit	Gordon
Ackerman	Conyers	Graham
Allen	Costello	Green (TX)
Andrews	Coyne	Greenwood
Baca	Cramer	Grucci
Baird	Crowley	Gutierrez
Baldacci	Cummings	Hall (OH)
Baldwin	Davis (CA)	Harman
Barcia	Davis (FL)	Hastings (FL)
Barrett	Davis (IL)	Hill
Bass	DeFazio	Hilliard
Becerra	DeGette	Hinchey
Bentsen	Delahunt	Hinojosa
Berkley	DeLauro	Hoeffel
Berman	Deutsch	Holden
Berry	Dicks	Holt
Bishop	Dingell	Honda
Blagojevich	Doggett	Hooley
Blumenauer	Dooley	Horn
Boehlert	Doyle	Houghton
Bonior	Edwards	Hoyer
Borski	Engel	Inslee
Boswell	Eshoo	Israel
Boucher	Etheridge	Jackson (IL)
Boyd	Evans	Jackson-Lee (TX)
Brady (PA)	Farr	Jefferson
Brown (FL)	Fattah	John
Brown (OH)	Ferguson	Johnson (CT)
Capps	Filner	Johnson (IL)
Capuano	Foley	Johnson, E. B.
Cardin	Ford	Jones (OH)
Carson (IN)	Frank	Kanjorski
Carson (OK)	Frelinghuysen	Kaptur
Castle	Frost	Kennedy (RI)
Clay	Ganske	Kildee
Clayton	Gephardt	Kilpatrick
Clement	Gilman	Kind (WI)
Clyburn	Gonzalez	

Kirk	Mollohan	Schakowsky
Kleczka	Moore	Schiff
Kucinich	Moran (VA)	Scott
LaFalce	Morella	Serrano
Lampson	Murtha	Shays
Langevin	Nadler	Sherman
Lantos	Napolitano	Simmons
Larsen (WA)	Neal	Skelton
Larson (CT)	Oberstar	Slaughter
Leach	Obey	Smith (WA)
Lee	Olver	Snyder
Levin	Ortiz	Solis
Lewis (GA)	Osborne	Spratt
Lipinski	Ose	Stark
LoBiondo	Owens	Stenholm
Lofgren	Pallone	Strickland
Lowey	Pascrell	Stupak
Lucas (KY)	Pastor	Tanner
Luther	Payne	Tauscher
Lynch	Pelosi	Thompson (CA)
Maloney (CT)	Petri	Thompson (MS)
Maloney (NY)	Phelps	Thune
Markey	Platts	Thurman
Mascara	Pomeroy	Tierney
Matheson	Price (NC)	Towns
Matsui	Quinn	Turner
McCarthy (MO)	Rahall	Udall (CO)
McCarthy (NY)	Ramstad	Udall (NM)
McCollum	Reyes	Velazquez
McDermott	Rivers	Visclosky
McGovern	Rodriguez	Walsh
McIntyre	Roemer	Wamp
McKinney	Ross	Waters
McNulty	Rothman	Watson (CA)
Meehan	Roukema	Waxman
Meek (FL)	Roybal-Allard	Weiner
Meeks (NY)	Rush	Weldon (PA)
Menendez	Sabo	Wexler
Millender-McDonald	Sanchez	Wolf
Miller, George	Sanders	Woolsey
Mink	Sandlin	Wu
	Sawyer	

ANSWERED ''PRESENT''—1

Bereuter

NOT VOTING—9

Aderholt	Rangel	Traficant
Brady (TX)	Riley	Watt (NC)
Cubin	Smith (NJ)	Whitfield

□ 1700

Ms. MCCOLLUM and Ms. SANCHEZ changed their vote from ''aye'' to ''no.''

Ms. PRYCE of Ohio and Mr. GILCHREST changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. ADERHOLT. Mr. Chairman, on rollcall No. 22 I was inadvertently detained. Had I been present, I would have voted ''aye.''

Mr. WHITFIELD. Mr. Chairman, on rollcall No. 22 I was unavoidably detained. Had I been present, I would have voted ''aye.''

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Connecticut (Mr. SHAYS) or the gentleman from Massachusetts (Mr. MEEHAN).

AMENDMENT NO. 11 OFFERED BY MR. GREEN OF TEXAS

Mr. GREEN of Texas. Mr. Chairman, I offer an amendment as the designee of the gentleman from Connecticut (Mr. SHAYS).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. GREEN of Texas:

Strike section 305.

In section 306(a), strike the subsection designation and all that follows through ''CONTENT OF BROADCASTS.—'' and insert the following:

(a) IN GENERAL.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) by striking ''(b) The charges'' and inserting the following:

''(b) CHARGES.—

''(1) IN GENERAL.—The charges'';

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following:

''(2) CONTENT OF BROADCASTS.—

In section 306(a), strike ''or (2)'' each place such term appears.

In section 306(b), strike ''(3)'' and insert ''(2)''.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Texas (Mr. GREEN) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Chairman, I ask unanimous consent to split our allowable time with the gentleman from North Carolina (Mr. BURR), my colleague from the Committee on Energy and Commerce.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The gentleman from North Carolina (Mr. BURR) will control 5 minutes and the gentleman from Texas (Mr. GREEN) will control 5 minutes.

The gentleman from Texas is recognized for 5 minutes.

Mr. GREEN of Texas. Mr. Chairman, I yield myself 1 minute.

As a long-time supporter of the Shays-Meehan legislation, including signing the discharge petition, I believe we are on the verge of passing this historic campaign finance legislation. I am offering an amendment that would correct, I think, an oversight that was in the Senate bill that came to the House; and that is what my colleague, the gentleman from North Carolina (Mr. BURR), and I are doing.

The amendment we are offering today is not a poison pill, and if passed would not force the underlying bill into conference with the Senate. Senators MCCAIN and FEINGOLD have already indicated that the passage of this amendment would not be a hindrance in the Senate. It is not a poison pill.

This amendment is designed to remove a provision out of the Shays-Meehan bill that creates a new perk for candidates for Federal offices. We cannot blame the problems associated with the high costs of campaigning on television, and this is an example of Congress overreaching and helping ourselves; and that is why we offer this amendment and encourage my colleagues to support it.

Mr. Chairman, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Chairman, I rise in opposition to the Green amendment.

The CHAIRMAN pro tempore. The gentlewoman from New York (Ms. SLAUGHTER) will control 10 minutes.

Ms. SLAUGHTER. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, it is no wonder that so many of our colleagues have been lobbying heavily to oppose the section 305, despite the fact that the air waves are a public resource. And let me restate that again. Despite the fact that the airwaves belong to the people of the United States, the Broadcasting Industry Association has spent millions of dollars lobbying against legislation to regulate political ads. If we add up the money that was spent lobbying for the broadcasting industry from 1996 to 1999, the total is well over $111 million.

In the past few years, I have personally encountered the power of the broadcasting lobby. Throughout the 1990s I lobbied for a bill called Fairness in Political Advertising which would have required stations to offer modest blocks of free television time to candidates. However, the broadcasting industry spent $11 million to defeat that one bill. The broadcasting industry has successfully blocked reform by spending vast amounts of money to protect its interest. I find it extremely ironic that this body would consider an amendment to protect this special interest group as we work to limit the influence of special interest money in our political process. If we are really serious about campaign finance reform we must preclude this provision.

Please join me in supporting the lowest unit charge provision within Shays-Meehan, which passed the Senate by over two to one and obviously is realized by the Senate to be an integral part of campaign finance reform. This part of this legislation is a simple way to close the loophole in existing law that has never worked, never worked in the way it was designed.

By reducing the greatest single expense of campaigns, we can decrease the need for candidates to raise outrageous amounts of money, and this is an excellent way for us to improve political discourse in the electoral process and to balance the playing field.

Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Chairman, we all know that the major problem we are dealing with in all this campaign finance reform legislation is that the cost of campaigning, of getting a message out to the public, has gotten out of hand; and consequently, Members and challengers feel compelled to spend much of their time in an ever-increasing race of trying to get more and more money from contributors, from special interest groups, et cetera; and that has caused all the problems that we have been dealing with.

TV stations use a public resource. We have given them the license to use the public air waves, a scarce public resource, because they are limited for free. Just a few years ago we gave them for nothing $77 billion to the broadcasters of additional spectrum. Senator Dole was quite outraged, and properly so, at this.

Now they have the nerve to say that we should not enforce the 1971 law that said that when they sell ads to political candidates they must do it at the lowest rate they give it to anyone else. There are two loopholes to this law. One, they will sell a candidate an ad for the lowest cost; but then they will say, oh, we are going to bump the candidate from 6 p.m. the day before the election to 3 a.m. because someone else is willing to pay a higher rate, unless of course the candidate pays the premium rate to guarantee getting the 6 p.m. slot. No candidate can risk that, so everybody pays the premium rate. They have completely undermined the existing law which says they have got to pay the cheapest rate.

All this bill does, and the amendment would negate, is enforce the existing law and say they must give them unpreemptible time so people can take it and it means it at the lowest rate they have sold for the last few months.

Secondly, it is amazing to see that the sponsor of this amendment would say that this is a new perk for candidates. It is not a perk for candidates. It is saying that as a beginning of paying off their obligation to the public, we no longer have the equal-time doctrine, we no longer have the fairness doctrine, we no longer enforce anything that says they have got to really cover political campaigns for the public service requirement for which they get their license. They do not have to cover someone that 45 seconds per campaign or 45 seconds per election per night. We are simply saying sell the ads, but sell it as the Congress has said 30 years ago, for the lowest unit rate they sell it to anybody else.

TV ads cost 80 percent of the cost of all communication to voters. There is no reason why we cannot ask these broadcasters who get, again their entire product is on public air waves, which we give them for free, we license to them for free, the least we can ask is that they enable candidates to try to conduct election campaigns for the cheapest rate they sell to other people to strengthen our democracy.

Mr. BURR of North Carolina. Mr. Chairman, I yield 30 seconds to the gentleman from Louisiana (Mr. TAUZIN), the chairman of the Committee on Energy and Commerce.

Mr. TAUZIN. Mr. Chairman, if ever there was an amendment that provided preferential speech in America it is the Torricelli amendment, and we ought to strike it.

This amendment says that somehow Federal candidates for office in America, Federal politicians are entitled to special privileges, special rates, special time on the broadcast waves of America while other citizens are treated differently. Other citizens do not get those breaks. Other people who want to speak in this country politically do not get those breaks, just Federal candidates. Come on.

This is the sort of thing the Founding Fathers worried about when they wrote the first amendment that said we should protect American citizens against the government dictating free speech.

Mr. BURR of North Carolina. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Chairman, I want to thank the gentleman from North Carolina for yielding me the time.

Every 2 years we as Members raise our right hand and swear to uphold and defend the Constitution of the United States. That means when bills come before this House we have a responsibility to, in our opinion, look to see if we are, in fact, following the Constitution.

One of the unconstitutional provisions in the underlying bill is this provision that would require broadcasters to sell time at the lowest unit cost of any time during the last 180 days. It is clearly unconstitutional. There is no requirement in here that newspapers sell us ad time at the lowest possible rate or radio stations who get their air waves from the public. There is no requirement there that they pay the lowest unit cost.

This is a subsidy to Federal office holders and only Federal office holders. It is blatantly unconstitutional. We should support the amendment offered by our colleagues, the gentleman from Texas (Mr. GREEN) and the gentleman from North Carolina (Mr. BURR), and approve this product.

Mr. GREEN of Texas. Mr. Chairman, I yield 45 seconds to the gentleman from Ohio (Mr. STRICKLAND).

Mr. STRICKLAND. Mr. Chairman, the Torricelli language allows Federal candidates to buy premium air time at a dirt cheap price. Some say that if ad time costs less, campaigns will spend less. To the contrary, they will spend more. If my colleagues think people are sick of 30-second attack ads now, imagine how they will feel if we keep the Torricelli language.

We have got to get back to the basics, the firm handshake, the sincere look in the eye and the sympathetic ear. Not only would this amendment require us to rely on personal connections with the people, it will also prevent us from placing an unfair burden on the broadcast industry. As Federal candidates we do not deserve special treatment. Vote for this amendment.

Ms. SLAUGHTER. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN pro tempore. The gentlewoman from New York (Ms. SLAUGHTER) has 5 minutes remaining. The gentleman from Texas (Mr. GREEN) has 3¼ minutes remaining, and the gentleman from North Carolina (Mr. BURR) has 2½ minutes remaining.

□ 1715

Ms. SLAUGHTER. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN).

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Chairman, I do not understand the argument that this part of Shays-Meehan is unconstitutional. The LUC provision has been in the law for 30 years. The problem is that it is not working.

TV advertising is a major method of communication. It is said by the proponents of this amendment that TV is only 25 percent, but in contested elections it is probably 60 or 70 percent of the cost.

And here is what has been happening with the present law, and I read and I quote from someone who is a time buyer. ''It's become common practice for station ad salesmen to pressure you out of buying LUC into buying nonpreemptible by telling you it's the only way they can be sure the ads will be run when you want.''

And so here is the problem. These TV costs have been skyrocketing. There is a question of corporate responsibility here. The last month of the election of 2000, the TV stations on the average gave 1 minute of time, free media, for candidate discourse. So I think there is a real challenge to the broadcast industry.

The Senate addressed it by a 70-to-30 vote. By a 70-to-30 vote. This amendment would reverse it and essentially leave us back where we were. That is not a responsible approach to the needs of democracy or a responsible approach by the broadcast media of this country.

I urge for that reason that we defeat the Green amendment.

Mr. BURR of North Carolina. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska (Mr. OSBORNE), the greatest football coach in my lifetime.

Mr. OSBORNE. Mr. Chairman, I thank the gentleman for yielding me the time and for that fine endorsement. I appreciate it.

I rise in support of the Green-Burr amendment, which would strike section 305 of the Shays-Meehan bill. While attempting to reform the campaign finance system, section 305 unfairly burdens television stations. Giving political candidates dramatically lower rates for advertising hurts the television industry and interferes with normal commerce. Lowering the amount of money candidates spend on television ads supplants advertisers who pay standard rates, and this is very unfair.

In addition, section 305 will not reduce campaign spending. If candidates are allowed to buy cheaper spots on television, this will only lead to a large influx of political ads during the campaign season.

I urge support for the Green-Burr amendment.

Mr. GREEN of Texas. Mr. Chairman, I yield 45 seconds to the gentleman from New York (Mr. TOWNS).

Mr. TOWNS. Mr. Chairman, I rise to strongly urge my colleagues to vote ''yes'' on the Green-Burr amendment.

Everyone in this Chamber agrees that campaigns are too expensive and that the majority of the money is spent on the airwaves. I can understand how some might think that the solution is to lower the cost of air time, but they are so wrong.

It sounds great, but the only thing lowering the rates of television air time will do is to increase the amount of ads that will be on. It will increase the cost of campaigns.

I would like to commend the gentleman from Texas and the gentleman from North Carolina for offering this cost-saving amendment, and I urge my colleagues to support this amendment. This is the right thing to do.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. OWENS), one of our brightest and most articulate Members and my colleague from New York.

(Mr. OWENS asked and was given permission to revise and extend his remarks.)

Mr. OWENS. Mr. Chairman, the airwaves, the spectrum, is owned by the American people. Most of the American people do not know that we own it and that the representatives of government, including the Members of Congress, are the trustees for the American people. We need to take back our airwaves and use our airwaves and our spectrum and our media for the benefit of the people.

This is not an infringement upon the rights of the broadcasters. This is a fulfillment of the capacity and the possibilities of the broadcast media. Most of the industrialized nations, the civilized nations, are providing greater access to media for candidates, far greater than we are. So we need to take this first step.

The broadcasters are very anxious, upset, because they know if we take one step, it might lead to a greater realization by the public as a whole that the airwaves belong to the people. Freedom of speech has to be guaranteed some way. We cannot do it the way we do with the print media, where anybody can get access to the print. We regulate, we carefully regulate the airwaves and the spectrum.

There is not enough room for everybody, so those who are regulated must bow to the regulation which puts forward the interest of the people. They must bow to certainly making our political campaigns more accessible to people.

Big money will always have an advantage, as long as we leave the broadcasters in charge, to charge what they want to charge. Eventually we must reach the point where the airwaves time is mostly free. That is the point they do not want us to move toward, and any step in that direction is going to hurt. That is why we have such great resistance to this tiny step forward by having them lower the unit cost to allow everybody to be able to afford, or most candidates better afford access to the media.

It belongs to us in the first place. We are not infringing on any God-given right of the broadcasters. We are returning the spectrum to the people and letting the people know it belongs to them.

Mr. BURR of North Carolina. Mr. Chairman, it is a pleasure to yield 1 minute to the gentleman from Florida (Mr. STEARNS), the chairman of the Subcommittee on Commerce, Trade, and Consumer Protection of the Committee on Energy and Commerce.

Mr. STEARNS. Mr. Chairman, I thank my colleague. I rise in strong support of the Green-Burr amendment.

Do my colleagues want to see what happens when we force the networks to subsidize the races for Members of Congress? Go to the June 10, 1998, article in The Hill magazine. They talked about the campaign in California. The campaign was such that the requests for political advertising were so overly demanding, the networks could not even comply. The TV stations in response to such high demands were forced to restrict local and State candidates besides those running for Governor from airing political ads. As a result, some TV stations even refused to take ads from campaigns other than the Governor or Federal candidates, infuriating candidates for other office, squeezing out all candidates for local races.

Without this amendment, this bill will result in further socializing political campaigns. Furthermore, it epitomizes the law of unintended consequences, ultimately doing more harm than good in attempting to level the political playing field.

So I urge the Green-Burr amendment.

Mr. GREEN of Texas. Mr. Chairman, how much time is remaining?

The CHAIRMAN pro tempore. The gentleman from Texas (Mr. GREEN) has 2½ minutes remaining, the gentleman from North Carolina (Mr. BURR) has 1½ minutes remaining, and the gentlewoman from New York (Ms. SLAUGHTER) has 1 minute remaining.

Mr. GREEN of Texas. Mr. Chairman, I yield 45 seconds to my colleague, the gentleman from Hawaii (Mr. ABERCROMBIE).

(Mr. ABERCROMBIE asked and was given permission to revise and extend his remarks.)

Mr. ABERCROMBIE. Mr. Chairman, if we hear one more talk about special interests. This is all special interests. The question is whether it is in the public interest or not.

I can tell my colleagues what is going to happen, and we all better remember it. All politics is local. And out where I am anyway, if anyone thinks they are going to show the football game at one time and another infomercial at another time, and that is going to work out somehow in the number of days that you got where you get the lowest rate, you are dreaming.

What is going to happen is the local advertisers, aside from me or aside from my colleagues, are going to have to make up the difference. And I am not going back in my district and tell people that are trying to make a living, especially after 9/11, in their advertising that they have to pay more so that people can listen to me.

All I am trying to do when I get down there is express all the virtues I have. And at least in my district they already know I am full of virtue.

Mr. Chairman, I rise in support of the Burr-Green amendment.

It obviates Section 305 of underlying bill, a provision that does not address the central issues of the campaign finance debate: soft money and so-called ''issue ads''.

The language in Section 305 is well intentioned. It seeks to lower the costs of campaigns, a goal everyone agrees is worthwhile.

However, the mechanism if flawed. Forcing broadcasters to charge artificially low rates for political ads only invites them to look elsewhere to make up the lost revenue. Section 305 virtually forces them to raise the rates for non-political ads.

Using an example from my home state of Hawaii, is it realistic to expect a station to charge the same rate for the UH-BYU football game as for a late-night infomercial? If we force broadcasters to do that, we shouldn't be surprised when business economics compel them to charge more for the ads in slots with smaller audiences. And who ultimately winds up paying for the added charge? Not the advertisers—they're going to turn around and make it up with higher prices for their goods and services.

So the ultimate subsidizer of forced ad rate reductions is—you guessed it—the consumer. That's you, me and all the people in our districts. We'll pay more for food, prescription drugs, gasoline—everything from Spam musubi to that neighbor island trip for a family reunion.

The bottom line is that Burr-Green is pro-consumer. It has no effect on the thrust of Shays-Meehan. This is an amendment that every Member can support, regardless of which side of this debate you're on.

Ms. SLAUGHTER. Mr. Chairman, I yield myself the balance of my time.

This is a debate that has gone on one way or another here in the House since the early 1970s. It was considered a great reform in 1970 that we would try to do something about controlling television time.

I even remember there was a bill way back in the dark days by Congressman Udall when he was here. Congressman Udall did not believe if you owned a major television station in a media market that you should also own the newspapers and all the radio stations, and Congress agreed with him. It was really quite an astonishing thing.

We will never see the like of that again, because I think we have gotten to the point now where, at least in my media market, there is not a homegrown station there. They are all

bought out by conglomerates back and forth, and several have one room where large machines spill out talk radio all day long, call-in shows. At any rate, that is media in America today.

As my colleague, the gentleman from New York (Mr. OWENS), pointed out, almost every civilized country in the world understands it is an important thing for democracy, not to help candidates out, but for democracy, to hear two sides of an issue. We have not been able to do that in the United States over the media since 1986 when it was taken away.

We are on the cusp of history here, and I want to urge my colleagues not to take a chance on losing this bill by annoying the Senate, who passed this 2 to 1. Please vote ''no.''

Mr. BURR of North Carolina. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina (Mr. GRAHAM), a good friend and a proven reformer.

Mr. GRAHAM. Mr. Chairman, I am not bound by the rule that if it passes in the Senate 2 to 1, it is a good idea. That may come later in my life, but not right now.

This is not reform. When I signed up in 1996, I never envisioned that reform would be that we would require a local TV station to sell some Federal politician an ad at a cheap rate during the Super Bowl almost a year before the election. That is not reform. And that should not kill any effort to reform the way we do our campaigns.

By making the campaigns start a year earlier, or 7 or 8 or 9 months earlier, and giving a Federal politician a better deal than we give somebody living in our own State, that is not reform, that is bad business. Vote for the amendment.

Mr. GREEN of Texas. Mr. Chairman, I yield myself 45 seconds.

Mr. Chairman, there have been studies done, and every campaign is different, but that the average amount spent on TV in a campaign is 25 percent. Now, maybe somebody is spending more than that percent, but maybe they should do like my colleague the gentleman from Ohio (Mr. STRICKLAND) suggested and get out and meet the folks. We may still need to do TV, but there are a lot of other ways to do it.

We already enjoy, since 1971, the lowest unit cost preferences when we buy political ads. No other elected officials can enjoy that. What this would do with the Torricelli amendment is add insult to injury. The lowest unit cost means that we politicians or public servants get the same rates broadcasters provide their best-paying commercial customers. What the Torricelli amendment does is back that up and say we can pick the rates of the dog days of summer. That is what is wrong. That is why we need to vote for this amendment.

Mr. BURR of North Carolina. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, since 1971, an amazing thing has happened. This law has actually worked, with no complaint since 1995, and yet we are here talking about changing it. The result on average is that candidates have received a 30 percent discount.

To my colleagues that are here, I ask that we not shift this to the businesses in communities. They do not need it now. To my colleagues who are here, I suggest we support this legislation because it is the right thing to do.

□ 1730

Mr. GREEN of Texas. Mr. Chairman, I yield the balance of my time to the gentleman from Michigan (Mr. DINGELL).

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Chairman, shame on us. This is an outrage. Current law says that Members of Congress get the lowest unit rate now on radio and television. This amendment says we get the lowest unit rate on the basis of being preemptable. That makes the other users of the broadcast spectrum subsidize us. The mom-and-pop stores, the drugstores, the automobile dealers, are all going to be paying our costs for our political ads, as will the local political candidates.

We are literally putting our hands in the pockets of the local folks to get ourselves a special benefit. I do not have the arrogance to vote for a proposal of this kind, or to say this is in the public interest. This is nothing more or less than dipping into the pockets of the home folks to get Members a subsidy for the campaign. What is the change that it makes? It changes the law so that now, if passed, the bill would give special treatment to us above and beyond these other persons. This is unfair. I urge Members to adopt the amendment which will be approved by the Senate. Read BNA's publication this morning.

The CHAIRMAN pro tempore (Mr. THORNBERRY). All time has expired.

The question is on the amendment offered by the gentleman from Texas (Mr. GREEN).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. GREEN of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 327, noes 101, not voting 6, as follows:

[Roll No. 23]

AYES—327

Abercrombie
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boozman
Borski
Boswell
Boucher
Boyd
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Cramer
Crane
Crenshaw
Culberson
Cummings
Cunningham
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeGette
Delahunt
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
Engel
English
Etheridge
Everett
Fattah
Ferguson
Filner
Flake
Fletcher
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Issa
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kind (WI)
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Manzullo
Mascara
Matheson
Matsui
McCarthy (MO)
McCrery
McHugh
McInnis
McIntyre
McKeon
Meek (FL)
Meeks (NY)
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pastor
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reyes
Reynolds
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Rush
Ryan (WI)
Ryun (KS)
Sanchez
Sandlin
Sawyer
Saxton
Schaffer
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Thurman
Tiahrt
Tiberi
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NOES—101

Ackerman	Kanjorski	Owens
Barrett	Kaptur	Pascrell
Berman	Kildee	Payne
Blagojevich	Kilpatrick	Pelosi
Brady (PA)	Kleczka	Pomeroy
Capuano	LaFalce	Rangel
Conyers	Langevin	Rivers
Coyne	Lantos	Rothman
Crowley	Largent	Roybal-Allard
Davis (CA)	Leach	Sabo
Davis (IL)	Lee	Sanders
DeFazio	Levin	Schakowsky
DeLauro	Lewis (CA)	Schiff
Doggett	Lewis (GA)	Shays
Ehlers	Lofgren	Sherman
Eshoo	Lowey	Sherwood
Evans	Maloney (NY)	Slaughter
Farr	Markey	Smith (WA)
Foley	McCarthy (NY)	Solis
Frank	McCollum	Stark
Gephardt	McDermott	Tauscher
Hall (OH)	McGovern	Thompson (CA)
Harman	McKinney	Thune
Hastings (FL)	McNulty	Tierney
Hinchey	Meehan	Velazquez
Hoeffel	Menendez	Visclosky
Holt	Millender-McDonald	Vitter
Honda	Miller, George	Waters
Horn	Murtha	Watson (CA)
Houghton	Nadler	Waxman
Israel	Napolitano	Weiner
Jackson (IL)	Obey	Wexler
Johnson, E. B.	Olver	Woolsey
Jones (OH)		Wu

NOT VOTING—6

Brady (TX)	Gutierrez	Traficant
Cubin	Riley	Watt (NC)

□ 1750

Ms. MCCOLLUM changed her vote from ''aye'' to ''no.''

Mrs. MORELLA, Mr. PALLONE and Mr. MCHUGH changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 27 OFFERED BY MR. PICKERING

Mr. PICKERING. Mr. Chairman, as the designee of the majority leader, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 27 offered by Mr. PICKERING:

Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to the Second Amendment of the Constitution

SEC. 221. FINDINGS.

Congress finds the following:

(1) The Second Amendment to the United States Constitution protects the right of individual persons to keep and bear arms.

(2) There are more than 60,000,000 gun owners in the United States.

(3) The Second Amendment to the Constitution of the United States protects the right of Americans to carry firearms in defense of themselves and others.

(4) The United States Court of Appeals in *U.S. v. Emerson* reaffirmed the fact that the right to keep and bear arms is an individual right protected by the Constitution.

(5) Americans who are concerned about threats to their ability to keep and bear arms have the right to petition their government.

(6) The Supreme Court, in *U.S. v. Cruikshank* (92 U.S. 542, 1876) recognized that the right to arms preexisted the Constitution. The Court stated that the right to arms ''is not a right granted by the Constitution. Neither is it in any manner dependent upon that instrument for its existence.''.

(7) In *Beard v. United States* (158 U.S. 550, 1895) the Court approved the common-law rule that a person ''may repel force by force'' in self-defense, and concluded that when attacked a person ''was entitled to stand his ground and meet any attack made upon him with a deadly weapon, in such a way and with such force'' as needed to prevent ''great bodily injury or death''. The laws of all 50 states, and the constitutions of most States, recognize the right to use armed force in self-defense.

(8) In order to protect Americans' constitutional rights under the Second Amendment, the First Amendment provides the ability for citizens to address the Government.

(9) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(10) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(11) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(12) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(13) Citizens who have an interest in issues about or related to the Second Amendment of the Constitution have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(14) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning the right to keep and bear arms to their elected officials and the general public.

(15) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO THE SECOND AMENDMENT OF THE CONSTITUTION.

None of the restrictions or requirements contained in this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any person who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to the Second Amendment.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Mississippi (Mr. PICKERING) and the gentleman from Texas (Mr. STENHOLM) each will control 10 minutes.

The Chair recognizes the gentleman from Mississippi (Mr. PICKERING).

Mr. PICKERING. Mr. Chairman, I yield myself such time as I may consume.

My amendment is very compact, simple and precise. My amendment preserves the free speech rights of any constituency or grassroots organization that desires to educate the public as to the voting record, statements or actions of Federal officeholders or candidates for office as they relate to the second amendment. This amendment protects all parties that want to engage in the debate over the second amendment, from Sarah Brady to the NRA.

One of the fundamental problems I have with this legislation is its regulation of free speech by grassroots organizations that engage in issue advocacy and educating the public to the voting record and positions of candidates. The base text of Shays-Meehan regulates the free speech of everyone from the far left to the far right, from the pro-life movement to farmers, from veterans groups to religious organizations.

I regret that I did not have more time to draft an amendment that would have been able to restore more of the free speech rights of some of these other organizations; however, I believe this amendment is a bright line for which Members must make a stand on whether they support the first amendment protections afforded to our citizens and afforded to grassroots organizations, or whether they support

the regulation of these groups' free speech rights.

In short, you are either for the first amendment and the second amendment, or you oppose those free speech first amendment rights and the rights of those who want to defend the second amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to this amendment, which effectively states that the provisions of campaign finance reform shall not apply to any form of communication on any matter pertaining to the second amendment.

Imagine a world in which campaign finance reform applies to everything except the second amendment, and you might ask, how could that possibly be constitutional? And, of course, the answer is, it cannot be. We cannot single out any amendment, no matter how favored it might be, for different treatment under the law. Those regulations that are content-based, as opposed to time, place or manner, are the most suspect under the first amendment, and plainly we cannot constitutionally single out the second amendment, or any other, for different treatment under the campaign finance laws.

But even if we could, is this good policy? And, of course, it is not. Whether you are a strict constructionist of the second amendment or you are not, whether you are pro-gun control or anti-gun control, why would you want to allow unlimited, unaccountable, anonymous expenditures on campaign ads around election time on something as important as the second amendment and be precluded from knowing who is paying for it? Because if this amendment were to pass and somehow be constitutional, that is what we would have. We would have these anonymous, unlimited expenditures on ads about the second amendment, and you would not know who is paying the freight. How can that possibly be good policy? It is not. Whatever your position on the second amendment is, this is bad policy.

So why is it offered when it is plainly unconstitutional and when it is bad policy whether you are for or against a strict construction of the second amendment? It is offered precisely because it is unconstitutional, because it would force the bill into conference committee, because it would effectively kill Shays-Meehan.

Make no bones about it. These amendments are all over the boards. This one goes after the second amendment; another, civil rights. But the design is the same. It is to kill reform. Oppose this amendment.

Mr. PICKERING. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Chairman, again to quote from today's Washington Post, Robert Samuelson, not a conservative, not even a Republican, says of Shays-Meehan, ''It's not reform, it's deception.'' ''It's not reform, it's deception.''

Why are we offering this on the second amendment, the previous speaker asked? We have amendments to exempt everyone, frankly. The point we want to make is that this deception is trying to curb the free speech rights of all Americans. It is unbelievable how, despite the facts, these people continue to pursue this quest to regulate and crimp down as much as you can on the amount of money that can be spent.

Mr. Samuelson, if anybody takes the time to read this, says this about campaign contributions:

''Do restrictions on campaign contributions curb free speech? Yes.

□ 1800

''Because modern communication, TV, mailings, phone banks, Internet sites require money, limits on contributions restrict communication. More restrictions on contributions to political candidates and parties is self-defeating. It simply encourages outside groups, unions, industry associations, environmental groups with their own agendas to increase campaign spending to influence elections.''

Mr. Chairman, the only reason we have all of the soft money is because these so-called reformers with their failed reforms who gave us the present law have so restricted the amounts of money that can be contributed from hard-money sources that all you have left is soft money.

When they get done taking away the soft money, we will move the speech further out into these so-called special interest groups. The previous speaker talked about, well, would this not be terrible, having these unaccountable groups? If he wants the unaccountable groups, vote for Shays-Meehan.

It is not reform, it is deception, to quote once again Mr. Samuelson, because I guarantee you, you are moving speech away from the candidate and out into third parties increasingly as you clamp down on the amount of money that can be spent. You empower some groups at the expense of others.

We think groups that want to discuss the second amendment ought to be able to do so. We think all Americans ought to be able to do so. We will offer amendments to protect the rights of all Americans, and I guess you can vote against all of their rights too.

Mr. STENHOLM. Mr. Chairman, I yield 30 seconds to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Chairman, I am a strong supporter of the second amendment and proud to be a life member of the NRA and the Texas Rifle Association and Houston Gun Collectors; and if I thought this Shays-Meehan would stop those groups from contacting me or any of my constituents, I would vote for the amendment. But that is not true.

They can do the letters, everything they need to do to make sure their members know how we as Members of Congress are voting. That is why I think this is just another one of those poison pill amendments to come up with an issue that is not there. That is why I urge a vote in opposition to this amendment.

Mr. PICKERING. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Chairman, I thank the gentleman for yielding me time, and I rise in strong support of his amendment.

The constitutional rights of many Americans are being trampled upon by this legislation; but I want to address my remarks to a more troubling issue, an issue that arose last night at midnight. It is the language on page 79 of this legislation which does something shocking. It provides that in this election and this election only, you can spend money that you borrow as though it were hard money to expressly advocate the defeat of a candidate, and then you can repay that debt with soft money.

If soft money is so evil, why was this language inserted in the bill late last night? I know that Mr. SHAYS did not write this language; and I know that both sides, Mr. SHAYS and his colleagues on the other side, have said it is not our intent to do that, and I have read the two letters they have produced to address that issue.

But it is our job not to rely on our intent, but on the words we write; and I would urge my colleagues to read the words on page 79. They are very clear. They say: ''The committee may spend such funds to retire outstanding debts.''

It does not say outstanding soft-money debts, CHRIS. It says outstanding debts of every kind. I have read both of the letters that you have produced, and I want to ask you, CHRIS, if you understand that this language means that you can take soft money that you have on hand and spend borrowed money for hard-money purposes, you can advocate the defeat of a candidate with that and then repay it with soft money, something you say you do not intend, are you willing to amend this? Because that is what this language does. It will create a huge loophole through which $40 million of money can be borrowed and then spent on hard-money purposes to advocate the defeat of candidates this year, and then repaid with soft money. The letters do not say to the contrary, CHRIS.

Mr. SHAYS. Mr. Chairman, will the gentleman yield?

Mr. SHADEGG. I yield to the gentleman from Connecticut.

Mr. SHAYS. Mr. Chairman, I would say to the gentleman, we do not agree with the gentleman's analysis, but I want to answer the question.

Mr. SHADEGG. Reclaiming my time, find me one sentence in here, CHRIS, find me one word, you can read

English, do you have page 79 of your bill?

Mr. SHAYS. Yes, I do.

Mr. SHADEGG. Will you please read it, CHRIS?

Mr. SHAYS. I did read it. That is what I gave you.

Mr. SHADEGG. No. Well, read it right now, and read these words, CHRIS. Would you read these words? It says ''retire outstanding debts.''

Mr. SHAYS. I do not disagree with the gentleman's words. I do not disagree. But may I have a chance to respond?

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. THORNBERRY). Members will suspend.

The Chair would request that Members yield time properly, and the Chair further requests Members address their remarks to the Chair, and finally the Chair requests that Members refer to other Members by their proper State designation and not by first names.

The gentleman from Arizona controls the time.

Mr. SHADEGG. CHRIS, I would be happy to yield to you, if you would look at the words and insert, or the gentleman from Connecticut. Will the gentleman from Connecticut read the words of his bill and show me a word in there that says that it cannot be used to repay hard debts?

Mr. SHAYS. If the gentleman will yield further, I would cite to the gentleman the entire law. It is illegal to use soft money for hard money. I would just answer this one question you asked me. Please allow me this opportunity, if I could. If there was a vehicle that we can satisfy your ambiguity, the ambiguity that you thinks exists, I would be eager to settle this and to adopt it. Eager to.

Mr. SHADEGG. Oh, it is not ambiguous, CHRIS.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi (Mr. SHOWS).

Mr. SHOWS. Mr. Chairman, I appreciate my friend yielding me time.

Mr. Chairman, I am pleased to speak in favor of this language protecting the constitutional freedoms guaranteed to Americans by the second amendment. The second amendment does not belong to the Republican Party, and it does not belong to the Democrats either; it belongs to all the people in this great country.

No one in this Chamber is a stronger advocate of second amendment freedoms than I am, and I appreciate having this time to make this clear to my colleagues. I am committed to protecting our second amendment freedoms and to making sure that the language we are debating right now is included in any campaign reform legislation that is advanced by this House.

Let us pass this pro-freedom amendment.

The CHAIRMAN pro tempore. The gentleman from Mississippi (Mr. PICKERING) has 2½ minutes remaining, and the gentleman from Texas (Mr. STENHOLM) has 6½ minutes remaining.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee (Mr. FORD).

Mr. FORD. Mr. Chairman, my dear friend, the gentleman from Arizona (Mr. SHADEGG), there is probably little that can be done to satisfy his concerns, I would say to the gentleman from Connecticut (Mr. SHAYS), because he was opposed to the bill before reading the excerpt from last night.

I am reminded in some ways as I hear my colleagues of the recent Presidential race, when our current President, and congratulations again to him, would say to his opponent, Al Gore, that this guy will say anything to win. In a lot of ways, my friends on this side of the aisle are pulling any and everything out of their hat to try to confuse and distort Members on this side and their own to try to send this bill to conference.

I would say to the gentleman from California (Mr. DOOLITTLE), the same columnist you cite over and over again, Mr. Samuelson, he referred to the Republican tax package as deceptive also. Maybe he is wrong on both fronts.

I say to my friend, the gentleman from Texas (Mr. ARMEY), and to my dear friend, the gentleman from Virginia (Mr. TOM DAVIS), and to my friend, the gentleman from Texas (Mr. DELAY), all the amendments that are being offered, this is the same group that was opposed to campaign finance before we arrived here today.

I close on this: the addiction to soft money, all of us will be okay without it. We can find ways to pay for our golf tournaments, to pay for our resort visits. We can find ways to pay for all of those things we pay for with soft money now. Vote for Shays-Meehan. Vote down these poisoned amendments.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. ANDREWS).

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Chairman, I thank my friend for yielding me time.

Mr. Chairman, we should all oppose this amendment irrespective of our position for or against gun control. We should oppose this amendment because it is unconstitutional. It violates the equal protection clause of the U.S. Constitution. The underlying bill is a proper regulation of free speech. What is wrong with this amendment is that it segregates that regulation of free speech according to what you are saying.

So this body is going to say if you speak about the second amendment, you have one set of rights; but if you speak about anything else, anything else, you do not have that same set of rights.

On its face, on its face, this amendment violates the equal protection clause of the United States Constitution; and whether you are for gun control or against gun control, you should honor your oath to uphold the Constitution and oppose this amendment.

Mr. PICKERING. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. SHIMKUS).

Mr. SHIMKUS. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, you have heard me say many times on this floor that freedom is not free, and it is paid for by the blood of our sons and daughters.

This is a constitutional issue. This is a right of people to protect their right to keep and bear arms. Allowing people to have that discourse is critical in this constitutional Republic.

I am proud that my constituents have called me today overwhelmingly in support of this amendment. I am going to be true to them. This is a pro-gun vote, and I want you to know and my constituents to know that I am standing up for the second amendment with this vote.

Mr. STENHOLM. Mr. Chairman, I yield 30 seconds to the gentleman from Arkansas (Mr. SNYDER).

Mr. SNYDER. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, the Constitution is not a buffet table. We cannot walk in and pick and choose which rights we want to protect. That is what this amendment does.

I have people back home that care greatly about prayer in schools. This amendment will not let them have the same rules as gun owners back home. I have people back home that care about the President's faith-based initiative. This amendment does not protect their rights of speech in the same way.

The Constitution is not a buffet table, that we select one thing we like and one thing we do not. Vote ''no'' on this blatantly unconstitutional amendment.

Mr. STENHOLM. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I rise in strong opposition to this amendment. I have read it. It has nothing to do with the second amendment. It has nothing to do with the first amendment. It has everything to do with creating a little mischief on the bill before us today. That is all that it does.

I am reminded at this time of the infamous words of Will Rogers when he said, ''It ain't people's ignorance that bothers me so much, it is them knowing so much that ain't so that is the problem.''

As you listen to the debate and discussion on this, I would challenge anyone to find anyone in this body more strongly in favor of the second amendment and/or the first amendment, and that is why I rise in strong opposition to this amendment. The amendment before us would create a tremendous loophole that would allow the flood of soft money from wealthy individuals, corporations and union dues to continue to unfairly dominate our electoral system.

There is a lot of misinformation about what the Shays-Meehan bill actually does, and it is circulating all over my district today. The Shays-Meehan bill does not prohibit political advertisement by groups prior to an election. It does not prohibit using the name of any Member of Congress or other candidate in a group's political advertisement. It does not prohibit any group from providing its Members information about the records of elected officials through mailings or other communications.

The bill simply requires that independent organizations who participate in the political process do so in the sunshine so voters know who is trying to influence their decision and make their own judgment about the ads. Under the bill before us, any organization could run ads right up to election day, mentioning names of candidates and their positions as they wish, so long as they comply with the rules that apply to everyone else, including Members of Congress. I have to comply with these rules, and I do not feel they restrict my speech in any way.

I strongly support free speech. I strongly support the right of anyone to say whatever they want to about me or anyone else running for office. But I do not believe that the right to free speech is about the ability of someone to spend $1 million to influence elections without disclosing who they are or where they get their money.

I do not believe that the first amendment offers individuals or groups to spend unlimited amounts of money to influence an election without disclosing who they are and where their money is coming from. This bill should not be a problem for groups such as the National Rifle Association and National Right-to-Life who have a large political action committee, and they can use that to finance whatever ads they want to.

□ 1815

The folks who will be affected by this bill are those who are not willing to be open and aboveboard in their efforts to influence elections. The current campaign finance system gives a loudspeaker to wealthy individuals who can afford to make large political donations and gives the average working man and woman little voice in the political process. Our campaign rules have been abused by smart lawyers and political consultants who have found loopholes to get around the law. We need to put teeth back into laws long on the books preventing corporate treasury money, union dues, and unlimited contributions from wealthy individuals from being used for campaign ads. We need to be closing these loopholes, not creating new loopholes that can be abused to avoid sunshine.

Vote against this amendment. This amendment will create a gigantic loophole that we are trying to close, those of us who support the Shays-Meehan. Oppose this amendment. It has nothing to do with the second amendment or the first amendment. It has everything to do with whether or not we are going to clean up our political system just a little bit.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Mississippi (Mr. PICKERING) has 1½ minutes remaining.

Mr. PICKERING. Mr. Chairman, I yield myself the remaining time.

Let me use the words of those who advocate this reform to tell what this legislation is all about. They are very clear about their purposes.

Scott Harshberger, the president of the Washington D.C.-based Common Cause, says, ''We need to make the connection with every person who cares about gun control that there is a need for campaign finance reform because that is how you are going to break their power.''

He goes on to say, ''The equation,'' he says, ''is a simple one. A vote for campaign finance reform is a vote against the second amendment gun lobby.'' It says, ''This is one of those times when there is a very direct connection.'' They say, ''A vote for campaign finance reform is a vote for policies about guns.''

It is very clear that their intent here is to gut and to defeat those who want to advocate and defend the second amendment. A vote here is to take away the rights of those on the first amendment, the freedom of speech, to help defeat those who want to defend the second amendment.

This is about the second amendment. The whole underlying text of the legislation of this section is unconstitutional. I am convinced it will be struck down. But we need to make sure that people know what is really going on right here. This is an attempt by their own words to defeat those who want to defend and protect the second amendment. If one stands for the second amendment, if one believes in the first amendment, then I urge my colleagues to support this amendment.

Mr. BARR. Mr. Chairman, I rise today in support of the amendment to H.R. 2356, offered by Representative CHIP PICKERING.

This so-called campaign finance reform legislation is a direct attack on every American's fundamental right of free speech. It is the 1st amendment right of free speech that is most necessary to protect and defend the Bill of Rights and the entire Constitution.

Those supporting this legislation have delivered long and flowery orations, telling us how campaign finance ''reform'' is about the wealthy and the corrupt influencing our electoral process. In fact, it is about who controls the information being delivered to the electorate. Should it be the liberal and media elitists who are so removed from the average American? Should it be this same group that at every opportunity attempts to prohibit law-abiding Americans everywhere from owning firearms? Or should it be grassroots organizations; reflecting the views of their millions of members? It should be the latter, and the Pickering amendment will help ensure that.

It is preposterous to place the power of media access into the hands of the elite; and the Pickering Amendment will at least ensure this cabal will not be able to dominate the 2nd Amendment debate that is the lifeblood of our freedoms. If this vital amendment fails, then one of our most fundamental liberties will be diminished. That small group of elitists who disdain the common American, and scorn their right to own firearms, will do everything in their power to influence the gun debate by libeling candidates who stand firm in the protection of the 2nd amendment.

It is our constitutional freedom that is at stake here, and we must not allow it to be jeopardized under the guise of ''reforming the electoral process.'' I urge you to vote ''aye'' on the Pickering amendment.

The CHAIRMAN pro tempore. All time for debate has expired.

The question is on the amendment offered by the gentleman from Mississippi (Mr. PICKERING).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. PICKERING. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 209, noes 219, not voting 7, as follows:

[Roll No. 24]

AYES—209

Aderholt	Ehrlich	Largent
Akin	Emerson	Latham
Armey	English	LaTourette
Bachus	Everett	Lewis (CA)
Baker	Flake	Lewis (KY)
Ballenger	Forbes	Linder
Barcia	Fossella	Lucas (KY)
Barr	Gallegly	Lucas (OK)
Bartlett	Ganske	Manzullo
Barton	Gekas	McCrery
Bereuter	Gibbons	McHugh
Biggert	Gillmor	McInnis
Bilirakis	Goode	McKeon
Bishop	Goodlatte	Mica
Blunt	Gordon	Miller, Dan
Boehner	Goss	Miller, Gary
Bonilla	Graham	Miller, Jeff
Bono	Granger	Mollohan
Boozman	Graves	Moran (KS)
Boswell	Green (WI)	Myrick
Boyd	Gutknecht	Nethercutt
Brown (SC)	Hall (TX)	Ney
Bryant	Hansen	Norwood
Burr	Hart	Nussle
Burton	Hastert	Osborne
Buyer	Hastings (WA)	Otter
Callahan	Hayes	Oxley
Calvert	Hayworth	Paul
Camp	Hefley	Pence
Cannon	Herger	Peterson (MN)
Cantor	Hilleary	Peterson (PA)
Capito	Hilliard	Petri
Carson (OK)	Hobson	Phelps
Chabot	Hoekstra	Pickering
Chambliss	Holden	Pitts
Coble	Hostettler	Pombo
Collins	Hulshof	Portman
Combest	Hunter	Pryce (OH)
Cooksey	Hyde	Putnam
Cox	Isakson	Radanovich
Cramer	Issa	Rahall
Crane	Istook	Regula
Crenshaw	Jenkins	Rehberg
Cubin	John	Reynolds
Culberson	Johnson (IL)	Rogers (KY)
Cunningham	Johnson, Sam	Rogers (MI)
Davis, Jo Ann	Jones (NC)	Rohrabacher
Davis, Tom	Keller	Ros-Lehtinen
Deal	Kelly	Ross
DeLay	Kennedy (MN)	Royce
DeMint	Kerns	Ryan (WI)
Diaz-Balart	King (NY)	Ryun (KS)
Doolittle	Kingston	Schaffer
Dreier	Knollenberg	Schrock
Duncan	Kolbe	Sensenbrenner
Dunn	LaHood	Sessions

Shadegg	Stump	Upton
Shaw	Sununu	Vitter
Sherwood	Sweeney	Walden
Shimkus	Tancredo	Watkins (OK)
Shows	Tanner	Watts (OK)
Shuster	Tauzin	Weldon (FL)
Simmons	Taylor (MS)	Weller
Simpson	Taylor (NC)	Whitfield
Skeen	Terry	Wicker
Smith (NJ)	Thomas	Wilson (NM)
Smith (TX)	Thornberry	Wilson (SC)
Souder	Tiahrt	Young (AK)
Stearns	Tiberi	Young (FL)
Strickland	Toomey	

NOES—219

Abercrombie	Hall (OH)	Neal
Ackerman	Harman	Northup
Allen	Hastings (FL)	Oberstar
Andrews	Hill	Obey
Baca	Hinchey	Olver
Baird	Hinojosa	Ortiz
Baldacci	Hoeffel	Ose
Baldwin	Holt	Owens
Barrett	Honda	Pallone
Bass	Hooley	Pascrell
Becerra	Horn	Pastor
Bentsen	Houghton	Payne
Berkley	Hoyer	Pelosi
Berman	Inslee	Platts
Berry	Israel	Pomeroy
Blagojevich	Jackson (IL)	Price (NC)
Blumenauer	Jackson-Lee (TX)	Quinn
Boehlert	Jefferson	Ramstad
Bonior	Johnson (CT)	Rangel
Borski	Johnson, E. B.	Reyes
Brady (PA)	Jones (OH)	Rivers
Brown (FL)	Kanjorski	Rodriguez
Brown (OH)	Kaptur	Roemer
Capps	Kildee	Rothman
Capuano	Kilpatrick	Roybal-Allard
Cardin	Kind (WI)	Rush
Carson (IN)	Kirk	Sabo
Castle	Kleczka	Sanchez
Clay	Kucinich	Sanders
Clayton	LaFalce	Sandlin
Clement	Lampson	Sawyer
Clyburn	Langevin	Saxton
Condit	Lantos	Schakowsky
Conyers	Larsen (WA)	Schiff
Costello	Larson (CT)	Scott
Coyne	Leach	Serrano
Crowley	Lee	Shays
Cummings	Levin	Sherman
Davis (CA)	Lewis (GA)	Skelton
Davis (FL)	Lipinski	Slaughter
Davis (IL)	LoBiondo	Smith (MI)
DeFazio	Lofgren	Smith (WA)
DeGette	Lowey	Snyder
Delahunt	Luther	Solis
DeLauro	Lynch	Spratt
Deutsch	Maloney (CT)	Stark
Dicks	Maloney (NY)	Stenholm
Dingell	Markey	Strickland
Doggett	Mascara	Stupak
Dooley	Matheson	Tauscher
Doyle	Matsui	Thompson (CA)
Edwards	McCarthy (MO)	Thompson (MS)
Ehlers	McCarthy (NY)	Thune
Engel	McCollum	Thurman
Eshoo	McDermott	Tierney
Etheridge	McGovern	Towns
Evans	McIntyre	Turner
Farr	McKinney	Udall (CO)
Fattah	McNulty	Udall (NM)
Ferguson	Meehan	Velazquez
Filner	Meek (FL)	Visclosky
Foley	Meeks (NY)	Walsh
Ford	Menendez	Wamp
Frank	Millender-McDonald	Waters
Frelinghuysen	Miller, George	Watson (CA)
Frost	Mink	Watt (NC)
Gephardt	Moore	Waxman
Gilchrest	Moran (VA)	Weiner
Gilman	Morella	Weldon (PA)
Gonzalez	Murtha	Wexler
Green (TX)	Nadler	Wolf
Greenwood	Napolitano	Woolsey
Grucci		Wu
Gutierrez		Wynn

NOT VOTING—7

Boucher	Kennedy (RI)	Traficant
Brady (TX)	Riley	
Fletcher	Roukema	

□ 1847

Mr. WAMP and Mr. WATT of North Carolina changed their vote from ''aye'' to ''no.''

Mr. RADANOVICH and Mr. EHRLICH changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. FLETCHER. Mr. Chairman, on rollcall No. 24, I was unavoidably detained. Had I been present, I would have voted ''aye.''

Stated against:

Mr. KENNEDY of Rhode Island. Mr. Chairman, on rollcall No. 24, I was unavoidably detained. Had I been present, I would have voted ''no.''

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 31 OFFERED BY MR. WATTS OF OKLAHOMA

Mr. WATTS of Oklahoma. Mr. Chairman, I offer an amendment as the designee of the gentleman from Texas (Mr. ARMEY).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 31 offered by Mr. WATTS of Oklahoma:

Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Civil Rights and Issues Affecting Minorities

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 70 million people in the United States belong to a minority race.

(2) More than 34 million people in the United States are African American, 35 million are Hispanic or Latino, 10 million are Asian, and 2 million are American Indian or Alaska Native.

(3) Minorities account for around 24 percent of the U.S. workforce.

(4) Minorities, who owned fewer than 7 percent of all U.S. firms in 1982, now own more than 15 percent. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(5) Self-employment as a share of each group's nonagricultural labor force (averaged over the 1991-1999 decade) was White, 9.7 percent; African American, 3.8 percent; American Indian, Eskimo, or Aleut, 6.4 percent; and Asian or Pacific Islander, 10.1 percent.

(6) Of U.S. businesses, 5.8 percent were owned by Hispanic Americans, 4.4 percent by Asian Americans, 4.0 percent by African Americans, and 0.9 percent by American Indians.

(7) Of the 4,514,699 jobs in minority-owned businesses in 1997, 48.8 percent were in Asian-owned firms, 30.8 percent in Hispanic-owned firms, 15.9 percent in African American-owned firms, and 6.6 percent in American Native-owned firms.

(8) Minority-owned firms had about $96 billion in payroll in 1997. The average payroll per employee was roughly $21,000 in the major minority groups and ranged from just under $15,000 to just over $27,000 in various subgroups of the minority population.

(9) African Americans were the only race or ethnic group to show an increase in voter participation in congressional elections, increasing their presence at the polls from 37 percent in 1994 to 40 percent in 1998. Nationwide, overall turnout by the voting-age population was down from 45 percent in 1994 to 42 percent in 1998.

(10) In 2000, there were 8.7 million African American families. The United States had 96,000 African American engineers, 41,000 African American physicians and 47,000 African American lawyers in 1999.

(11) The number of Asians and Pacific Islanders voting in congressional elections increased by 366,000 between 1994 and 1998.

(12) Businesses owned by Asians and Pacific Islanders made up 4 percent of the nation's 20.8 million nonfarm businesses.

(13) Asians tend to have larger families - the average family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(14) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(15) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(16) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(17) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(18) Citizens who have an interest in issues about or related to civil rights have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the

First Amendment of the Constitution of the United States.

(19) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning civil rights to their elected officials and the general public.

(20) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO CIVIL RIGHTS AND ISSUES AFFECTING MINORITIES.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to civil rights and issues affecting minorities.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Oklahoma (Mr. WATTS) and a Member opposed, the gentleman from Maryland (Mr. HOYER), each will control 10 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. WATTS).

Mr. WATTS of Oklahoma. Mr. Chairman, I yield myself such time as I may consume.

I rise to stand up for free speech on civil rights and other issues involving members of minority communities. This bill will create consequences for all constituents that are not good.

The 34 million Americans of African descent, 35 million Hispanics and Latinos, 10 million Asian Americans, and 2 million American Indians deserve the right to free speech as enshrined in the first amendment to the United States Constitution. These important constituencies have interests that are unique and special. They should not be gagged in the name of reform.

Mr. Chairman, this amendment is pretty simple. It states that no restrictions in the Shays-Meehan bill can ban statements, actions or positions of a candidate pertaining to civil rights and other issues affecting minorities.

This amendment is not about soft money. It is not about the RNC, the DNC, the NRCC, the DCCC. It makes clear, regardless of political party, issues concerning civil rights and minorities will not be restricted in any way as a result of some parameters on free speech politicians write today to protect their incumbency.

Let us take education for example, Mr. Chairman. It is a documented fact that Americans in the black communities support giving parents the choice of where to send their kids to school. They support the right to send students to private and religious schools if they think those schools are better suited to their educational needs. Why should an organized group of black parents not be able to communicate on television or radio, at any time, their opinions on a candidate's views about parental choice? I would also ask the question, if it is bad somehow or another to say that they cannot voice their concerns, their opinions in the last 60 days, why should they be able to voice their concerns at all? If it is bad in the last 60 days, it ought to be bad all year round. Under the Shays-Meehan bill, these parents would be silenced. Under my amendment, we protect their first amendment rights.

The voices of African Americans should not be constrained. The thoughts and ideas of those speaking on issues concerning minorities and civil rights must not be muted. The right to free speech is too important to sacrifice at the altar of what I believe is a flawed campaign finance bill.

Winston Churchill, in a speech to the British House of Commons in 1944, said: ''The United States is a land of free speech. Nowhere is speech freer.'' I say we might not like what people say about us, but we ought to protect the right to say it.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield 2½ minutes to the gentleman from North Carolina (Mr. PRICE) at the outset for the purpose of entering a colloquy with the gentleman from Massachusetts (Mr. MEEHAN), and then I will respond.

Mr. PRICE of North Carolina. Mr. Chairman, I thank the gentleman from Maryland (Mr. HOYER) for yielding me the time.

Mr. Chairman, I rise in strong support of the Shays-Meehan bill, which would plug two gaping loopholes that have made a mockery of the law. It would ban unlimited, unaccountable soft-money contributions; and it would place issue-advocacy ads that mention candidates under the same rules that govern other campaign ads.

Campaign reform is not just about money, however. It is also about encouraging truthfulness and a focus on the issues. We cannot and should not regulate the content of ads, but we can and must ensure that candidates take responsibility for the content of their ads and their campaign materials. That is the intent of the provisions in the bill that would strengthen the disclaimers contained in radio and TV ads.

I am grateful to the gentleman from Massachusetts (Mr. MEEHAN) and the gentleman from Connecticut (Mr. SHAYS) for working with me to include most components of my Stand by Your Ad bill, H.R. 156, in this bill. The Shays-Meehan bill improves upon similar Senate-passed language, giving candidates and representatives of political committees the option of appearing full screen in their television ads and delivering the disclaimer directly, or delivering the disclaimer in voice-over with a ''clearly identifiable'' picture on the screen. This tracks the law passed in North Carolina in 1999, which most believe had a positive effect on the 2000 gubernatorial elections.

There is one aspect of the bill's language about which I wish to seek additional clarification, and I would like to yield to the gentleman from Massachusetts (Mr. MEEHAN) to get an answer to the following question.

I would like to clarify for the record the authors' intent with respect to the voice-over option. To my mind, the postage stamp-sized picture that often accompanies disclaimers cannot be considered ''clearly identifiable.'' Is that the gentleman from Massachusetts's view, or could he provide any further sense of the intent of the term ''clearly identifiable'' with respect to the size of the photograph that would appear on screen?

Mr. MEEHAN. Mr. Chairman, will the gentleman yield?

Mr. PRICE of North Carolina. I yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Chairman, I thank the gentleman from North Carolina (Mr. PRICE) not only for his question but his very important support on this most important issue.

I do think the FEC standard should understand that the language reads not identifiable but clearly identifiable. There will be some photographic images that would not meet the clearly identifiable standard.

So I do think that the FEC should understand that the language reads not identifiable but clearly identifiable; and there would be some photographic images, as I said, that would not meet the clearly identifiable standard, and I thank the gentleman from North Carolina (Mr. PRICE) for his question.

Mr. PRICE of North Carolina. Mr. Chairman, I thank the gentleman from Massachusetts (Mr. MEEHAN) for his clarification. The FEC will no doubt issue regulations that carry out the intent of this language.

I urge my colleagues to pass this vitally important legislation, to restore the faith of the American people in the integrity of our election process, an indispensable keystone of democracy.

Mr. HOYER. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I rise in opposition to this amendment. This amendment is no different than the two amendments like it which we previously defeated. In fact, it is in essence exactly like the last amendment.

I tell my friend from Oklahoma that this is not about whether we are for or against civil rights. I take a backseat to no one in this institution in support of civil rights and human rights, here and around the world.

This is about making some speech more protected than other speech. The first amendment does not say that. In

fact, it is the essence of the first amendment that all speech is protected, that no speech is more protected than any other, that there is no State-favored speech. This is about a bill which I suggest to the gentleman from Oklahoma (Mr. WATTS) does not stop any speech, contrary to his representations.

Does it say under the rules that someone has to use hard money that is discloseable to make that speech on television and on radio? Yes, it does, and it treats all speech exactly the same. If it were not so, I suggest to the gentleman it would be unconstitutional.

The gentleman may take the position that, in fact, the bill is unconstitutional, and that will be argued clearly in the Supreme Court; but this is not about undermining civil rights speech, undermining speech about the second amendment, undermining speech, in fact, pursuant to the first amendment.

□ 1900

This is about reforming campaign finances.

And I will say to my friend that this amendment, like the other amendments, clearly is designed, in my opinion, to undermine and defeat campaign finance reform, not to protect civil rights speech, which is, in fact, protected under the first amendment, which is, in fact, protected under the thirteenth, fourteenth and fifteenth amendments.

This amendment, like its predecessors, which were exactly alike, is unnecessary, unneeded, and ought to be opposed.

Mr. WATTS of Oklahoma. Mr. Chairman, I yield myself such time as I may consume to say to my friend from Maryland that he is right, these amendments are offered to show the consequences that this legislation creates is going to be bad for every constituency in America that wants to have a voice the last 60 days of a campaign.

Mr. Chairman, I yield 3 minutes to the gentleman from Mississippi (Mr. PICKERING).

Mr. PICKERING. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oklahoma. The previous amendment dealt with the second amendment. We are trying to make the point, whether it is on civil rights or the second amendment, whether it is a prolife group, religious or secular group, farmers, veterans, those who want to participate in the political process, that we are going to regulate them, restrict their first amendment or free speech rights, their political rights to express themselves.

In my district, the African American community, the Choctaw Tribe, the Mississippi Band of Choctaws, a growing Hispanic community, if they want to engage in a grassroots organization in informing people of the positions and the parties or the candidates, are we going to place the heavy hand of government on them to make it more difficult to participate, to restrict their freedoms?

This is something that should cut across all groups, all parties, in the defense of the very fundamental rights we have as Americans, that we enjoy as Americans, and that is the freedom of speech without government regulating it, restricting it, or making it more difficult for people to participate regardless of their power or their position. This is a long tradition that we have had in American politics. I think in name of reform we are forgetting very foundational, fundamental truths and principles that we want to protect as a country, as a Nation, and as a people.

So I rise in proud support of the amendment. I am disappointed that the previous amendment on the second amendment did not pass, but this is still the fundamental issue before us; the first amendment rights for all groups at any time to participate without the government regulation and restriction upon them.

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds for the purpose of saying that everybody's speech is protected. It is how we fund it that is critical. It is how we fund it so that the American people know who is talking to them, that is the issue here, as well as the freedom to talk. Both are protected under Shays-Meehan.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Georgia (Mr. LEWIS), who, as I have said before, has risked life and health to protect the civil rights of not only African Americans, but all Americans.

Mr. LEWIS of Georgia. Mr. Chairman, I want to thank my friend, the gentleman from Maryland (Mr. HOYER), for yielding me this time.

This amendment is another poison pill. It is a phony issue. It has nothing but nothing to do with free speech or with civil rights. I know something about civil rights. I grew up at a time when I saw those signs that said ''white men,'' ''colored men,'' ''white women,'' ''colored women,'' ''white waiting,'' ''colored waiting.'' As a child, I tasted the bitter fruits of integration and racial discrimination, so I know something about civil rights.

In 1960, when we were sitting in; in 1961, when we went on the freedom rides; in 1963, when we marched on Washington; in 1964, when we went to Mississippi during the Mississippi summer project; in 1965, when we marched from Selma to Montgomery, that was about civil rights. We did not have a Web site, a Web page. We did not have a fax machine. We did not have a cellular telephone. But we had our bodies. We had our feet. And we put our bodies on the line for civil rights. We did not have much money of any kind, hard or soft, but we had a dream that we could create an America, a truly interracial democracy, a beloved community.

I say to my colleagues that we should be real. This is not about civil rights. This is not about free speech. This is about cleaning up our political process, opening it up and letting all the people come in. This is about campaign finance reform. That is what it is about. Do not be fooled tonight.

Mr. WATTS of Oklahoma. Mr. Chairman, I yield myself such time as I may consume, and I would submit to my colleagues that I, too, remember the day that I could not swim in the public swimming pool; that I had to sit in the balcony of the movie theater; that I could not sit down below with my white friends.

Now, to say that in the last 60 days of a campaign that a Member of Congress who had voted to keep J.C. WATTS in the balcony of the movie theater, to make J.C. WATTS go to the swimming pool in somebody's backyard and not the public swimming pool, to say that some Member of Congress is protected, to say that I cannot point out that they voted for that in the last 60 days of a campaign, that is straight from the annals of Fidel Castro.

Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I thank the gentleman for yielding me this time, and I want to say respectfully to my very good friend from Georgia, as well as my very good friend from Oklahoma, that civil rights is not a franchise of any one race. True, some in a race may have felt it stronger than others, but having been a white child to integrate a black high school in Athens, Georgia, and my friend from Georgia may well remember Bernie Harris, I was in the civil rights issues, knew them very personally, very many issues, which we have discussed in the past.

I would say that the gentleman from Oklahoma is right. How do we turn around to people and say they have free speech but not in the last 60 days? Sunday night I had the opportunity to go to the Chinese Benevolent Society in Savannah, Georgia, and welcome in the Year of the Horse, which was yesterday. I have a hard time saying to these Chinese American constituents that they can participate in the system, but here is how your free speech is protected. If you are in a certain group, you can give up to $60 million in soft money.

But I do not think they are going to be able to raise that at the Chinese Benevolent Society because they are a small group.

If I go down to Toombs Central High School, in Toombs County, Georgia, and I say to a very strong, growing Hispanic group of people, listen, we are going to clean it up, but there is going to be about $40 million in the bill that can go to the Democrats to build a new building. That is cleaning up America.

I would say very carefully, very guardedly that what the Watts amendment does is make it unequivocal to all minority groups that civil rights will be protected, because the distinguished gentleman from Georgia and so many

others from so many other States and so many other races have paid such a high price for full participation in our society today.

As we celebrate February and Black History Month, one of the clear messages that comes to me from my African American constituents is that the struggle continues. It is not over. And I believe that what this amendment says is that we need to protect that and make it abundantly clear, and I think that is what this is about.

I can understand people wanting to vote ''no.'' I can understand for partisan reasons voting one way or the other on any bill. But let us not say this bill protects the interests of minorities or anybody else. It just refunnels the money. It reregulates it. Soft money is not banned under this bill, it just says that certain interest groups get the last whack at it. Certain interest groups are protected just a little bit more than others.

So I would urge my colleagues to vote for the Watts amendment.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. MEEKS).

Mr. MEEKS of New York. Mr. Chairman, I stand here in strong opposition to this amendment.

This is a clear case where we must read the label very carefully, look at the small print, because to say that this is about civil rights, if this House and if we wanted to talk about civil rights, we would be really talking about election reform. This bill has nothing to do with civil rights. It is what I would call mislabeling.

What this bill is about is about allowing people who have been locked out of a process to be in the process. What this bill is about is about not misleading people with ads at the end of a campaign that tells them something that is not true. What this bill is about is really about the first amendment rights of people, having the right to petition when they feel aggrieved, and the American people have felt aggrieved with what we are doing here with campaign financing, and it needs reforming.

This is not a civil rights bill.

Mr. WATTS of Oklahoma. Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Civil rights is extremely personal, it has to do with convictions and commitment. I am reminded of the time Rosa Parks sat down on a Montgomery bus and she called Martin King. There were no special interest dollars there, and a civil rights movement began, and it changed the Nation.

That is the basis for what we do today, and that is how we open the doors now for new voices to be heard, like the NAACP, LULAC, the Mexican American Legal Defense Fund, and the NAACP Legal Defense Fund, and others. None of them who have a need to advocate are prevented by Shays-Meehan from doing so. This amendment does not protect civil rights it only protects special interest large soft dollars.

When the civil rights movement marched to Washington the momentum created the opportunity for the Civil Rights Act of 1964 and the Voter Rights Act of 1965 to pass no special interest dollars were there, only the heart and soul of people who believed in a better nation. It was simply the right decision for America and its people.

I have said before, let us stand alongside the voices of the people today and refute all of these poison pills and vote for real campaign finance reform so that the people's voices can be heard for the new civil rights movement of the 21st century, above the disjangled chords of special interest money.

Mr. WATTS of Oklahoma. Mr. Chairman, I yield myself 30 seconds.

We have heard a lot today about people being locked out. What has this Congress worked on the last 7 years? We have given people more of their money to spend. We have paid down the public debt. We have given our soldiers more money to protect America's interests and protect themselves around the country. We have had a successful welfare reform bill passed that Republicans and Democrats both boast about. Those are the things that we have done.

My constituents have a right to vote against me if they do not like what we have done. How has anyone been locked out of the process?

Mr. Chairman, I yield the balance of my time to the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. Mr. Chairman, I would just say that this bill is not about true campaign finance reform. What the amendment of the gentleman from Oklahoma (Mr. WATTS) tries to do is it tries to stop the censorship of free speech having to do with civil rights and protecting and being a proponent of protecting the rights of minorities. Without this amendment, and contrary to what has been said before, there are elevated cases of increased scrutiny on certain classes of speech, on certain attributes of individuals in this country.

What we are trying to do by this amendment is to ensure that free speech having to do with the protection of civil rights will be protected.

□ 1915

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, if an argument lacks substance, Members create a straw man, and make that straw man look exceedingly bad. Then they knock that straw man down, and then say how great that is. The problem here is this straw man is hollow and not true. There is no restriction in this bill for any American to raise an issue on either side of the second amendment, to raise any first amendment issue, or to raise any issue of civil rights. There is no Member of this House on this side, and I do not believe there is any Member on that side, who would stand to limit debate or speech on any of those issues. That is a straw man.

Mr. Chairman, this bill is about campaign finance reform. This bill is about letting Americans know who is paying for elections. This bill is trying to give Americans confidence that they are included in the process.

Mr. Chairman, I reject out of hand the straw man, and let us reject out of hand this amendment.

The CHAIRMAN pro tempore (Mr. THORNBERRY). All time has expired.

The question is on the amendment offered by the gentleman from Oklahoma (Mr. WATTS).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HOYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 185, noes 237, not voting 12, as follows:

[Roll No. 25]

AYES—185

Aderholt	Fletcher	McHugh
Akin	Forbes	McInnis
Armey	Fossella	McKeon
Bachus	Gallegly	Mica
Baker	Gekas	Miller, Dan
Ballenger	Gibbons	Miller, Gary
Barr	Gillmor	Miller, Jeff
Bartlett	Goode	Moran (KS)
Barton	Goodlatte	Myrick
Bereuter	Goss	Nethercutt
Biggert	Granger	Ney
Bilirakis	Graves	Northup
Blunt	Green (WI)	Norwood
Boehner	Gutknecht	Nussle
Bonilla	Hall (TX)	Otter
Bono	Hansen	Paul
Boozman	Hart	Pence
Brown (SC)	Hastings (WA)	Peterson (PA)
Bryant	Hayes	Pickering
Burr	Hayworth	Pitts
Burton	Hefley	Pombo
Buyer	Herger	Portman
Callahan	Hilleary	Pryce (OH)
Calvert	Hobson	Putnam
Camp	Hoekstra	Radanovich
Cannon	Holden	Regula
Cantor	Hostettler	Rehberg
Capito	Hulshof	Reynolds
Chabot	Hunter	Rogers (KY)
Chambliss	Hyde	Rogers (MI)
Coble	Isakson	Rohrabacher
Collins	Issa	Ros-Lehtinen
Combest	Istook	Royce
Cooksey	Jenkins	Ryan (WI)
Cox	Johnson (IL)	Ryun (KS)
Crane	Johnson, Sam	Saxton
Crenshaw	Jones (NC)	Schaffer
Culberson	Keller	Schrock
Cunningham	Kelly	Sensenbrenner
Davis, Jo Ann	Kennedy (MN)	Sessions
Davis, Tom	Kerns	Shadegg
Deal	King (NY)	Shaw
DeLay	Kingston	Sherwood
DeMint	Knollenberg	Shimkus
Diaz-Balart	Kolbe	Shuster
Doolittle	LaHood	Simpson
Dreier	Largent	Skeen
Duncan	Latham	Smith (NJ)
Dunn	LaTourette	Smith (TX)
Ehlers	Lewis (CA)	Souder
Ehrlich	Lewis (KY)	Stearns
Emerson	Linder	Stump
English	Lucas (OK)	Sununu
Everett	Manzullo	Sweeney
Flake	McCrery	Tancredo

Tauzin	Upton	Whitfield
Taylor (NC)	Vitter	Wicker
Terry	Walden	Wilson (NM)
Thomas	Watkins (OK)	Wilson (SC)
Thornberry	Watts (OK)	Young (AK)
Tiberi	Weldon (FL)	Young (FL)
Toomey	Weller	

NOES—237

Abercrombie	Grucci	Neal
Ackerman	Gutierrez	Oberstar
Allen	Hall (OH)	Obey
Andrews	Harman	Olver
Baca	Hastings (FL)	Ortiz
Baird	Hill	Osborne
Baldacci	Hilliard	Ose
Baldwin	Hinchey	Owens
Barcia	Hinojosa	Pallone
Barrett	Hoeffel	Pascrell
Bass	Holt	Pastor
Becerra	Honda	Pelosi
Bentsen	Hooley	Peterson (MN)
Berkley	Horn	Petri
Berman	Houghton	Phelps
Berry	Hoyer	Platts
Bishop	Inslee	Pomeroy
Blagojevich	Israel	Price (NC)
Blumenauer	Jackson (IL)	Quinn
Boehlert	Jackson-Lee (TX)	Rahall
Bonior	Jefferson	Ramstad
Borski	John	Rangel
Boswell	Johnson, E. B.	Reyes
Boucher	Jones (OH)	Rivers
Boyd	Kanjorski	Rodriguez
Brady (PA)	Kaptur	Roemer
Brown (FL)	Kennedy (RI)	Ross
Brown (OH)	Kildee	Rothman
Capps	Kilpatrick	Roybal-Allard
Capuano	Kind (WI)	Sabo
Cardin	Kirk	Sanchez
Carson (IN)	Kleczka	Sanders
Carson (OK)	Kucinich	Sandlin
Castle	LaFalce	Sawyer
Clay	Lampson	Schakowsky
Clayton	Langevin	Schiff
Clement	Lantos	Scott
Clyburn	Larsen (WA)	Serrano
Condit	Larson (CT)	Shays
Conyers	Leach	Sherman
Costello	Lee	Shows
Coyne	Levin	Simmons
Cramer	Lewis (GA)	Skelton
Crowley	Lipinski	Slaughter
Cummings	LoBiondo	Smith (MI)
Davis (CA)	Lofgren	Smith (WA)
Davis (FL)	Lowey	Snyder
Davis (IL)	Lucas (KY)	Solis
DeGette	Luther	Spratt
Delahunt	Lynch	Stenholm
DeLauro	Maloney (CT)	Strickland
Deutsch	Maloney (NY)	Stupak
Dicks	Markey	Tanner
Dingell	Mascara	Tauscher
Doggett	Matheson	Taylor (MS)
Dooley	Matsui	Thompson (CA)
Doyle	McCarthy (MO)	Thompson (MS)
Edwards	McCarthy (NY)	Thune
Engel	McCollum	Thurman
Eshoo	McDermott	Tierney
Etheridge	McGovern	Towns
Evans	McIntyre	Turner
Farr	McKinney	Udall (CO)
Fattah	McNulty	Udall (NM)
Ferguson	Meehan	Velazquez
Filner	Meek (FL)	Visclosky
Foley	Meeks (NY)	Walsh
Ford	Menendez	Wamp
Frank	Millender-McDonald	Waters
Frelinghuysen	Miller, George	Watson (CA)
Frost	Mink	Watt (NC)
Ganske	Mollohan	Waxman
Gephardt	Moore	Weiner
Gilchrest	Moran (VA)	Weldon (PA)
Gilman	Morella	Wexler
Gonzalez	Murtha	Wolf
Gordon	Nadler	Woolsey
Graham	Napolitano	Wu
Green (TX)	Oxley	Wynn
Greenwood	Payne	

NOT VOTING—12

Brady (TX)	Riley	Rush
Cubin	Roukema	Stark
DeFazio	Tiahrt	Traficant
Johnson (CT)		

□ 1936

Ms. HOOLEY of Oregon and Messrs. MALONEY of Connecticut, LARSON of Connecticut and WYNN changed their vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Connecticut (Mr. SHAYS) or the gentleman from Massachusetts (Mr. MEEHAN).

AMENDMENT NO. 10 OFFERED BY MRS. CAPITO

Mrs. CAPITO. Mr. Chairman, I offer an amendment as the designee of the gentleman from Connecticut (Mr. SHAYS).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mrs. CAPITO:

Add at the end of title III the following new section:

SEC. 320. MODIFICATION OF INDIVIDUAL CONTRIBUTION LIMITS FOR HOUSE CANDIDATES IN RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.

(a) INCREASED LIMITS.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by inserting after section 315 the following new section:

''MODIFICATION OF CERTAIN LIMITS FOR HOUSE CANDIDATES IN RESPONSE TO PERSONAL FUND EXPENDITURES OF OPPONENTS

''SEC. 315A. (a) AVAILABILITY OF INCREASED LIMIT.—

''(1) IN GENERAL.—Subject to paragraph (3), if the opposition personal funds amount with respect to a candidate for election to the office of Representative in, or Delegate or Resident Commissioner to, the Congress exceeds $350,000—

''(A) the limit under subsection (a)(1)(A) with respect to the candidate shall be tripled;

''(B) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to the candidate if the contribution is made under the increased limit allowed under subparagraph (A) during a period in which the candidate may accept such a contribution; and

''(C) the limits under subsection (d) with respect to any expenditure by a State or national committee of a political party on behalf of the candidate shall not apply.

''(2) DETERMINATION OF OPPOSITION PERSONAL FUNDS AMOUNT.—

''(A) IN GENERAL.—The opposition personal funds amount is an amount equal to the excess (if any) of—

''(i) the greatest aggregate amount of expenditures from personal funds (as defined in subsection (b)(1)) that an opposing candidate in the same election makes; over

''(ii) the aggregate amount of expenditures from personal funds made by the candidate with respect to the election.

''(B) SPECIAL RULE FOR CANDIDATE'S CAMPAIGN FUNDS.—

''(i) IN GENERAL.—For purposes of determining the aggregate amount of expenditures from personal funds under subparagraph (A), such amount shall include the gross receipts advantage of the candidate's authorized committee.

''(ii) GROSS RECEIPTS ADVANTAGE.—For purposes of clause (i), the term 'gross receipts advantage' means the excess, if any, of—

''(I) the aggregate amount of 50 percent of gross receipts of a candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held, over

''(II) the aggregate amount of 50 percent of gross receipts of the opposing candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held.

''(3) TIME TO ACCEPT CONTRIBUTIONS UNDER INCREASED LIMIT.—

''(A) IN GENERAL.—Subject to subparagraph (B), a candidate and the candidate's authorized committee shall not accept any contribution, and a party committee shall not make any expenditure, under the increased limit under paragraph (1)—

''(i) until the candidate has received notification of the opposition personal funds amount under subsection (b)(1); and

''(ii) to the extent that such contribution, when added to the aggregate amount of contributions previously accepted and party expenditures previously made under the increased limits under this subsection for the election cycle, exceeds 100 percent of the opposition personal funds amount.

''(B) EFFECT OF WITHDRAWAL OF AN OPPOSING CANDIDATE.—A candidate and a candidate's authorized committee shall not accept any contribution and a party shall not make any expenditure under the increased limit after the date on which an opposing candidate ceases to be a candidate to the extent that the amount of such increased limit is attributable to such an opposing candidate.

''(4) DISPOSAL OF EXCESS CONTRIBUTIONS.—

''(A) IN GENERAL.—The aggregate amount of contributions accepted by a candidate or a candidate's authorized committee under the increased limit under paragraph (1) and not otherwise expended in connection with the election with respect to which such contributions relate shall, not later than 50 days after the date of such election, be used in the manner described in subparagraph (B).

''(B) RETURN TO CONTRIBUTORS.—A candidate or a candidate's authorized committee shall return the excess contribution to the person who made the contribution.

''(b) NOTIFICATION OF EXPENDITURES FROM PERSONAL FUNDS.—

''(1) IN GENERAL.—

''(A) DEFINITION OF EXPENDITURE FROM PERSONAL FUNDS.—In this paragraph, the term 'expenditure from personal funds' means—

''(i) an expenditure made by a candidate using personal funds; and

''(ii) a contribution or loan made by a candidate using personal funds or a loan secured using such funds to the candidate's authorized committee.

''(B) DECLARATION OF INTENT.—Not later than the date that is 15 days after the date on which an individual becomes a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, the candidate shall file a declaration stating the total amount of expenditures from personal funds that the candidate intends to make, or to obligate to make, with respect to the election that will exceed $350,000.

''(C) INITIAL NOTIFICATION.—Not later than 24 hours after a candidate described in subparagraph (B) makes or obligates to make an aggregate amount of expenditures from personal funds in excess of $350,000 in connection with any election, the candidate shall file a notification.

''(D) ADDITIONAL NOTIFICATION.—After a candidate files an initial notification under subparagraph (C), the candidate shall file an additional notification each time expenditures from personal funds are made or obligated to be made in an aggregate amount that exceeds $10,000. Such notification shall be filed not later than 24 hours after the expenditure is made.

''(E) CONTENTS.—A notification under subparagraph (C) or (D) shall include—

''(i) the name of the candidate and the office sought by the candidate;

''(ii) the date and amount of each expenditure; and

''(iii) the total amount of expenditures from personal funds that the candidate has made, or obligated to make, with respect to an election as of the date of the expenditure that is the subject of the notification.

''(F) PLACE OF FILING.—Each declaration or notification required to be filed by a candidate under subparagraph (C), (D), or (E) shall be filed with—

''(i) the Commission; and

''(ii) each candidate in the same election and the national party of each such candidate.

''(2) NOTIFICATION OF DISPOSAL OF EXCESS CONTRIBUTIONS.—In the next regularly scheduled report after the date of the election for which a candidate seeks nomination for election to, or election to, Federal office, the candidate or the candidate's authorized committee shall submit to the Commission a report indicating the source and amount of any excess contributions (as determined under subsection (a)) and the manner in which the candidate or the candidate's authorized committee used such funds.

''(3) ENFORCEMENT.—For provisions providing for the enforcement of the reporting requirements under this subsection, see section 309.''.

(b) CONFORMING AMENDMENT.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 304(a), is amended by striking ''subsection (i),'' and inserting ''subsection (i) and section 315A,''.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentlewoman from West Virginia (Mrs. CAPITO) and the gentleman from Pennsylvania (Mr. FATTAH) each will control 10 minutes.

The Chair recognizes the gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Mr. Chairman, I yield myself such time as I may consume.

(Mrs. CAPITO asked and was given permission to revise and extend her remarks.)

Mrs. CAPITO. Mr. Chairman, as a strong supporter of campaign finance reform, I am glad to see us debating this issue on the floor this evening. I want to thank the gentleman from Connecticut (Mr. SHAYS) for allowing me to offer this amendment, and I appreciate his willingness to allow me to stand in to offer the amendment.

Mr. Chairman, this amendment was created in cooperation with the most ardent supporters of campaign finance reform in an attempt to devise a way to correct what I believe is one of the most glaring inequities in the current system, the problem of self-financed candidates giving unlimited personal resources to outspend and defeat their opponents. Unfortunately, the bill that we are currently considering tilts the playing field away from average Americans wishing to run for office. My amendment would help return a sense of balance to congressional elections by allowing candidates who are unfairly disadvantaged by their opponent's personal wealth to raise matching funds through higher contribution limits and additional assistance from the national party.

Quite simply, once a candidate spends $350,000, and I think that is quite a bit, or more of their own money on their own campaign, their opponent is eligible to raise matching funds. These matching funds can come in the form of national party assistance and/or additional individual contribution raised at three times the current limits. Once parity is achieved, the regular contribution limits go back into effect.

I want to stress to my colleagues that my intention in offering this amendment is not to add more money to the system. Rather, I want to encourage all candidates, wealthy or not, to play by the same rules. This amendment is not about throwing more money into campaigns. It is about making money less important by correcting the inequities that are created when wealthy candidates use their own resources to sway elections.

There are many candidates, and I am one, who have attempted to run a successful campaign against an opponent who had an unlimited war chest of personal finances. It is unfortunate that the strength and the seemingly bottomless nature of a candidate's pocketbook can present additional obstacles beyond the basic debate over the merits of ideas. Large personal fortunes were not a prerequisite that our Founding Fathers envisioned for being a public servant. The creators of our government never intended for big bank accounts to be the key to ensuring many years in office. That was to be a decision for the voters.

The American public's cry for campaign finance reform is a testimony to the widespread, accepted truth that money can have the ability to distort government and politics. The uneven playing field that is created when candidates throw millions and millions of their own money into an election must be addressed and remedied here and now if we want true and comprehensive campaign finance reform.

The only way a pure American democracy can work is if people have faith in the system and if they participate. That includes running for office. It is time to recognize that the realities of today's elections prevent many from participating.

I urge my colleagues to accept the amendment so that any American running for office can compete on an even playing field.

Mr. Chairman, I reserve the balance of my time.

Mr. FATTAH. Mr. Chairman, the gentlewoman makes a persuasive case for her amendment. I yield 4 minutes to the gentleman from New York (Mr. OWENS).

(Mr. OWENS asked and was given permission to revise and extend his remarks.)

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Mr. OWENS. Mr. Chairman, the gentlewoman makes a persuasive case, and I would not want to argue with the fairness, logic or commonsense arithmetic of what she has to say. It makes sense.

The important thing is that Shays-Meehan makes sense as it is right now, and if this amendment is being offered as another way of tinkering with it in a way which makes it impossible to get a settlement between the two Houses, then that I would be certainly opposed to.

But I cannot argue with the logic. All of us ought to understand that the American public out there, our constituents, are like the little child in Hans Christian Anderson's tale of ''The Emperor's New Clothes.'' They understand what is happening. They understand what makes sense.

If we are tinkering and posturing in order to prevent anything moving forward, they can understand that. In the long run, we will have to be on the side of logic, and this amendment certainly makes a lot of sense. In fact, the campaign finance reform bill law which is in effect in New York City governing municipal elections is a very good law that I would point to as a good model.

Mr. FATTAH. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Pennsylvania.

Mr. FATTAH. Mr. Chairman, if I could ask the author of the amendment, could they clarify whether this language was considered in the Senate. If we could get some clarification, it might be helpful.

Mr. SHAYS. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Connecticut.

Mr. SHAYS. Mr. Chairman, I appreciate the gentleman yielding.

Mr. Chairman, the Senate has what they refer to as a ''millionaire's amendment'' or a level playing field amendment. They allow for three times the amount of hard money at a certain level, and then at a certain point they allow 10 times the amount. But each Senate district is different. So they did it for each Senate territory. The States have different populations and so on.

So what was done by the gentlewoman from West Virginia is an amendment that allows House Members to have the same kind of amendment. It would be compatible with the Senate amendment. It works in harmony with it.

We have this as what we refer to as a neutral amendment. The Senate does not care whether we pass it or not. We want to make sure that the House does its will. I support this amendment with all my heart. I think the one weakness

in our bill is that when you run against someone wealthy, you cannot get the same resources and you are put at a disadvantage, and especially if we are going to take away soft money.

Mr. OWENS. Mr. Chairman, reclaiming my time, I will say emphatically I support the amendment if it is not part of a process of under the cloak of good government attempting to sabotage the Shays-Meehan bill. I think it makes sense. As I said before, it is in harmony with the New York City municipal election law which has provisions similar to this, and I would certainly support it.

I hope we understand that the people out there understand also when we are posturing. They want to see some real reform. They understand the relationship between Enron's contributions and Global Crossing's contributions and the fact that regulators have not regulated appropriately.

It is just a matter of time before all of this is going to be clearly understood by the whole public, and we might as well move to stay ahead of the people and have real reform here.

I would certainly support this particular amendment in that spirit.

Mrs. CAPITO. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, I think the gentleman from Connecticut has made it clear this is not offered as a gutting amendment. This is in fact harmonious with a similar Senate version, but I think a much better version.

This gets around the Supreme Court decision in Buckley v. Valeo that basically said millionaire candidates can spend as much money as they want on behalf of their own campaigns, while the rest of us are limited in what we can raise by the Federal election law.

This relaxes those laws that will allow parties to come in relaxing their contributory limits to candidates, and also the way we raise money. This evens the playing field for candidates who are challenging millionaires or who are challenged by millionaires; the individual who can go to McDonald's, have breakfast with himself, write himself a $3 million check and have the largest fund-raising breakfast in history. This would allow us the tools to be able to go and compete fairly with them.

So I think I applaud the gentlewoman for her amendment in this case. I think it makes a bad bill better. I think it is a problem that is in existing law. It does not exist because of the Shays-Meehan bill; this is a problem in existing law. And I think this is an appropriate remedy, and I would urge my colleagues to support it.

Mr. FATTAH. Mr. Chairman, I yield such time as he may consume to the gentleman from New Mexico (Mr. UDALL).

(Mr. UDALL of New Mexico asked and was given permission to revise and extend his remarks.)

Mr. UDALL of New Mexico. Mr. Chairman, I rise to support this amendment because I think it brings fairness to this process.

Mr. Chairman, today, as we debate this critical legislation, it is important to remember how we got here. In the aftermath of the Watergate scandal, our nation began looking for a way to address the major problems facing our political system. Congress led the way to reform by amending the 1971 Federal Election Campaign Act (FECA) in the hope that we could clean up our politics and diminish the influence of big money in campaigns and elections.

After Watergate, we heard stories of bags of cash used to corrupt our politics. Those bags of cash were the Soft Money of their day. Then we had soft money in cash—today we have soft money checks. And the amounts are astronomical.

Almost 30 years later, we are faced with a system that, while certainly better than it was in the early 1970's, remains riddled with loopholes that allow wealthy special interests to exert too much influence. In the resulting flood of cash, the average voter isn't heard. The 1970's campaign finance reforms were intended to clean up our system. Yet the well-intentioned efforts failed to imagine how corporations, unions and individuals would exploit loopholes and find ways to inject their money into the political system.

It is legitimate to ask: why ban soft money. What do political parties and interest groups do with their money other than advocate for the election of their candidates? They do very important party building work such as registering voters and encouraging them to vote, but too much of their money is spent buying attack ads paid for with soft money. Shays-Meehan will still allow these real and important party-building activities, but we can take a step in the right direction today to end sham issues ads.

Campaign finance reform goes even deeper than today's debate. All legislation we debate is affected.

If we are to finally achieve what our predecessors sought over a quarter century ago, we much put an end to the soft money that makes a mockery of our current campaign finance laws. What is at stake is nothing less than our democracy. The principle of one man, one vote is consistently undermined by the ability of wealthy individuals and interests to purchase political power.

I am often asked why Congress has not been able to pass legislation such as a patient's bill of rights or a Medicare prescription drug benefit for the nation's seniors. I have to say that we in Congress must fight against a powerful tide of money as we try to protect the public interest against the interests of a privileged few. The ubiquitous and pernicious influence of money in Washington mocks our best efforts to protect the underprivileged. Campaign finance reform is especially important because it will allow us to serve those who need our help the most, the average citizens who can't afford to give hundreds of thousands in soft money.

The time for change is now.

I traveled all across my district in January conducting town hall meetings at every stop. My constituents were outraged by the Enron scandal and what it really means. My constituents detected the corrupting connection between money and politics and so do yours.

In the aftermath of Enron, many in the halls of government and across the country are taking a new look at the role that soft money plays in politics. The true outrage of Enron is not that they broke the rules, it is that they were able to use their money and influence to make the rules in the first place. Enron got the best regulations money can buy, and their workers and shareholders paid the price.

The case of Enron only proved what most people already know about our campaign finance system. Even before Enron, 75 percent of Americans supported campaign finance reform. But, if the American people so overwhelming support it, why has this government failed to enact meaningful reform? It is because for years, opponents of reform have found a way to kill reform proposals quietly, ensuring that they would never have to take a stand against such popular measures.

This year, opponents of reform will yet again attempt to kill reform through dishonesty and subterfuge. We will see amendment after amendment aimed at sending Shays-Meehan, the most comprehensive reform bill currently on the table, to conference committee, where its opponents predict it will die a slow but silent death. These amendments will no doubt seem reform-oriented on the surface, but beneath their shell they are poison pills, designed to kill our efforts for reform. That's what poison does . . . it kills. We must stand together against these poison pills. If we hold our united front on these tough amendments, we will have a final product that we can send to the other body and to President Bush for his signature.

If the American people are to participate in and respect the electoral process, they must see that the influence of the voter is not outweighed by the purchased influence of wealthy special interests. We must restore dignity to the process by putting people ahead of money. Shays-Meehan, although it is not the end of the road, is a real step towards a political system of, by and for the people, without the corrupting influence of enormous amounts of soft money. I hope you will join me in passing Shays-Meehan, free of poison pill amendments, so that we may take yet another step toward a more representative democracy and a more perfect union.

In closing, I want to congratulate and thank my colleagues, Mr. SHAYS and Mr. MEEHAN, for their leadership on this issue. I am proud to associate myself with their hard work on this important legislation and look forward to its passage.

I urge my colleagues to vote no on these sham poison pill amendments and vote yes on final passage. It's the best option for honest campaign reform we have had in a generation.

Mr. FATTAH. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. ANDREWS).

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise in support of this very-well-thought-out amendment. I commend the author for her efforts in crafting what appears to be a very sensible approach to this issue.

I would also say that this amendment rather distinguishes itself in the

long line of amendments we are dealing with tonight, as I think it is a serious amendment to improve the legislation and not an attempt to scuttle it.

Again, I think adjusting the hard-money contributions when one runs against a person with great wealth is fair, reasonable and entirely consistent with the underlying scheme, and I urge my colleagues to vote in favor of the amendment.

Mrs. CAPITO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to thank my colleagues for their support and in verbalizing it this evening. My intent, of course, is to improve the legislation and not to bring it down in any form or fashion. I think I made a good point that I have worked with the most ardent supporters of campaign finance reform to improve this bill.

Mr. Chairman, I yield back the balance of my time.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, on reflection from the debate and persuaded by my worthy colleague, I would recede from my opposition. I urge all Members to support the amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The question is on the amendment offered by the gentlewoman from West Virginia (Mrs. CAPITO).

The amendment was agreed to.

The CHAIRMAN pro tempore. Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment offered by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 28 OFFERED BY MR. SAM JOHNSON OF TEXAS

Mr. SAM JOHNSON of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. Is the gentleman from Texas a designee of the gentleman from Texas (Mr. ARMEY)?

Mr. SAM JOHNSON of Texas. Yes, Mr. Chairman.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 28 offered by Mr. SAM JOHNSON of Texas:

Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Veterans, Military Personnel, or Seniors

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 42,000,000 men and women have served in the United States Armed Forces from the Revolution onward and more than 25 million are still living. Living veterans and their families, plus the living dependents of deceased veterans, constitute a significant part of the present United States population.

(2) American veterans are black and they are white; they are of every race and ethnic heritage. They are men, and they are women. They are Christians, they are Muslims, they are Jews. They are fathers, mothers, sisters, brothers, sons and daughters. They are neighbors, down the street or right next door. They are teachers in our schools, they are factory workers. They are Americans living today who served in the armed services, and they are the more than 1,000,000 who have died in America's wars.

(3) America's veterans are men and women who have fought to protect the United States against foreign aggressors as Soldiers, Sailors, Airmen, Coast Guardsmen and Marines. The members of our elite organization are those who have discharged their very special obligation of citizenship as servicemen and women, and who today continue to expend great time, effort and energy in the service of their fellow veterans and their communities.

(4) There is a bond joining every veteran from every branch of the service. Whether drafted or enlisted, commissioned or non-commissioned, each took an oath, lived by a code, and stood ready to fight and die for their country.

(5) American men and women in uniform risk their lives on a daily basis to defend our freedom and democracy. Americans have always believed that there are values worth fighting for—values and liberties upon which America was founded and which we have carried forward for more than 225 years, that men and women of this great nation gave their lives to preserve.

(6) It is the sacrifice borne by generations of American veterans that has made us strong and has rendered us the beacon of freedom guiding the course of nations throughout the world. American veterans have fought for freedom for Americans, as well as citizens throughout the world. They have helped to defend and preserve the values of freedom of speech, democracy, voting rights, human rights, equal access and the rights of the individual—those values felt and nurtured on every continent in our world.

(7) The freedoms and opportunities we enjoy today were bought and paid for with their devotion to duty and their sacrifices. We can never say it too many times: We are the benefactors of their sacrifice, and we are grateful.

(8) Of the 25,000,000 veterans currently alive, nearly three of every four served during a war or an official period of hostility. About a quarter of the Nation's population—approximately 70,000,000 people—are potentially eligible for Veterans' Administration benefits and services because they are veterans, family members or survivors of veterans.

(9) The present veteran population is estimated at 25,600,000, as of July 1, 1997. Nearly 80 of every 100 living veterans served during defined periods of armed hostilities. Altogether, almost one-third of the nation's population-approximately 70,000,000 persons who are veterans, dependents and survivors of deceased veterans—are potentially eligible for Veterans' Administration benefits and services.

(10) Care for veterans and dependents spans centuries. The last dependent of a Revolutionary War veteran died in 1911; the War of 1812's last dependent died in 1946; the Mexican War's, in 1962.

(11) The Veterans' Administration health care system has grown from 54 hospitals in 1930, to include 171 medical centers; more than 350 outpatient, community, and outreach clinics; 126 nursing home care units; and 35 domiciliaries. Veterans' Administration health care facilities provide a broad spectrum of medical, surgical, and rehabilitative care.

(12) World War II resulted in not only a vast increase in the veteran population, but also in large number of new benefits enacted by the Congress for veterans of the war. The World War II GI Bill, signed into law on June 22, 1944, is said to have had more impact on the American way of life than any law since the Homestead Act more than a century ago.

(13) About 2,700,000 veterans receive disability compensation or pensions from VA. Also receiving Veterans' Administration benefits are 592,713 widows, children and parents of deceased veterans. Among them are 133,881 survivors of Vietnam era veterans and 295,679 survivors of World War II veterans. In fiscal year 2001, Veterans' Administration planned to spend $22,000,000,000 yearly in disability compensation, death compensation and pension to 3,200,000 people.

(14) Veterans' Administration manages the largest medical education and health professions training program in the United States. Veterans' Administration facilities are affiliated with 107 medical schools, 55 dental schools and more than 1,200 other schools across the country. Each year, about 85,000 health professionals are trained in Veterans' Administration medical centers. More than half of the physicians practicing in the United States have had part of their professional education in the Veterans' Administration health care system.

(15) 75 percent of Veterans' Administration researchers are practicing physicians. Because of their dual roles, Veterans' Administration research often immediately benefits patients. Functional electrical stimulation, a technology using controlled electrical current to activate paralyzed muscles, is being developed at Veterans' Administration clinical facilities and laboratories throughout the country. Through this technology, paraplegic patients have been able to stand and, in some instances, walk short distances and climb stairs. Patients with quadriplegia are able to use their hands to grasp objects.

(16) There are more than 35,000,000 persons in the United States aged 65 and over.

(17) Seniors are a diverse population, each member having his or her own political and economic issues.

(18) Seniors and their families have many important issues for which they seek congressional action. Some of these issues include, but are not limited to, health care, Social Security, and taxes.

(19) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(20) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(21) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(22) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ″.

(23) Citizens who have an interest in issues about or related to veterans, military personnel, seniors, and their families have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(24) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning veterans, military personnel, seniors, and their families to their elected officials and the general public.

(25) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO VETERANS, MILITARY PERSONNEL, OR SENIORS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to veterans, military personnel, or senior citizens, or to the immediate family members of veterans, military personnel, or senior citizens.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Texas (Mr. SAM JOHNSON) and a Member opposed each will control 10 minutes.

Does the gentleman from Pennsylvania (Mr. FATTAH) seek to control the time in opposition?

Mr. FATTAH. Yes, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman from Pennsylvania will be recognized for 10 minutes in opposition.

The Chair recognizes the gentleman from Texas (Mr. SAM JOHNSON).

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield myself such time as I may consume.

This amendment, Mr. Chairman, addresses the rights of veterans of this Nation. As a 29-year Air Force veteran and prisoner of war who had my freedom stripped away for many years, nearly 7, I am appalled that anyone would try to take away the rights of any American, especially those who put their lives in harm's way to defend our Constitution and this Nation.

Let us not forget that between 1940 and 1947, over 16 million Americans signed up to stand with their country against the forces of fascism and tyranny. Over 400,000 never returned.

Let us not forget that a decade later, almost 7 million Americans served in the Korean War, and 55,000 ended up giving up their lives.

Throughout the conflicts, from the Revolutionary War to Vietnam, Desert Storm, and now Afghanistan, let us not forget that more than 42 million brave men and women have answered the call to protect our freedom, and today more than 25 million of those brave souls are still alive in this country wanting their freedom.

Veterans understand that freedom is not free, and I think everyone in here knows that. Those men and women fought and defended this Nation for us to be able to stand here on this floor today and talk. It must be defended again. Would anyone disagree with this? I do not think so.

Is there anyone who would deny a veteran's right to be heard or the right to hear what affects them? After all, veterans' issues are not Republican issues. They are not Democrat issues either. Veterans' issues are not liberal; they are not conservative. Veterans' issues are American issues. They have the right to talk about them, and we have an obligation to listen to them.

Veterans' issues are about defending our country, providing quality health care and protecting Social Security. We must not silence the men and women who have fought and died to keep America free. I need a vote for this amendment. We need to vote for veterans.

Let me just tell you that our veterans today are over there in Afghanistan protecting the freedoms of America and the freedom of the world. We are doing everything we can to provide them the sustenance, the equipment, the best training possible; and we have the best-trained men and women in the world. They are going to protect us and our rights, and we need to protect them and their right to free speech.

Mr. Chairman, I reserve the balance of my time.

Mr. FATTAH. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) may control 5 minutes of my time and be permitted to yield said time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Connecticut (Mr. SHAYS) will control 5 minutes, and the gentleman from Pennsylvania (Mr. FATTAH) will control 5 minutes.

Mr. FATTAH. Mr. Chairman, I yield 1½ minutes to the gentleman from the great State of Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Chairman, I cochair the Bipartisan House Army Caucus. I represent the largest Army installation in the United States, Fort Hood. I represent over 65,000 military retirees and veterans. I will match my record in supporting veterans and a strong national defense with any Member of either party in this House.

This amendment is not about fighting for veterans. If we want to fight for veterans, then maybe some Members of this House can vote ''no'' tomorrow on some tax cuts, that because of those tax cuts we will have less money for veterans' health care.

This amendment would actually allow an anti-veteran, anti-defense group to run a sham ad in the last hours of a campaign under the guise of a Texans for Veterans group.

So let no one be deceived. Despite the good intentions perhaps of this amendment that this is all about pro-veteran, pro-military, pro-senior citizen groups wanting to come in and want ads, most veterans I represent in my district do not have $1 million to put into a soft-money account. They are hard-working, decent Americans like most others, trying to struggle to pay their bills.

Mr. Chairman, if we want to fight for veterans, let us fight for funding for veterans' health care and not try to make this amendment look like it is a litmus test vote of whether you are for or against military might or veterans and our servicemen and women.

This is a bad amendment; it is a Trojan horse; it is a poison pill. We should vote against it.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida (Mr. BILIRAKIS).

Mr. BILIRAKIS. Mr. Chairman, I appreciate being yielded the time.

Mr. Chairman, this amendment will do what the gentleman from Texas says it will do. It is a good amendment. Veterans come from all walks of life and represent a true cross-section of this country. They took an oath, lived by a code and stood ready to fight and die for their country. Should those who defended our Nation against tyranny and oppression not have a strong voice in our political process? Should they not be heard above all else?

It is not easy to wear the uniform of one's Nation, and too often the needs of these great men and women are overlooked by the great country they proudly served. This amendment guarantees our veterans will have the right to express their views on issues affecting them.

The Constitution grants Americans the right to criticize or praise their

elected officials, and we should not punish the very individuals who put their lives on the line to protect our freedom and way of life by depriving them, as this bill would probably do, of their voice in our political process.

As a 4-year veteran myself, I urge my colleagues to support this important amendment. We will never be able to properly thank those veterans who gave up so much for our Nation, but we can honor them.

□ 2000

We can honor them by passing this amendment. Vote for the Armey-Johnson amendment.

Mr. SHAYS. Mr. Chairman, I yield myself 2 minutes.

I would like to start by saying I have a number of heroes in this House. One of them is the gentleman from Illinois (Mr. HYDE), right over there, the best reason why we should not ever think of having term limits. Another hero is sitting right there.

When I was elected, I wanted to meet the gentleman from Georgia (Mr. LEWIS) more than almost anyone else, but after I was elected, when I heard that the gentleman from Texas (Mr. SAM JOHNSON) won, I wanted to meet him more than anyone else. I went to him and asked him if I could get his book and pay for it, and he did not make me pay for it, but I read that book, and I figuratively bended my knees in gratitude for his service.

So I say that because I think he believes that his amendment is needed, but his amendment is not needed, and his veterans have all the voice they need.

What we are doing in our substitute is we are saying the 1907 law banning corporate treasury money will be enforced, the 1947 law banning union dues money will be enforced, and the 1974 law that says individual contributions can have limits unless it is just one individual who is spending it.

We allow for people to speak out. Sixty days before an election, soft money can be used. Sixty days to an election, it is hard money contributions. All of the money that individual veterans raise can be spent and can be advertised.

So I know he believes in this amendment, but I can tell my colleagues, we have had a lot of groups that have voiced concern, but the veterans are not one of them. They know in this country they have a voice, and they know in this Congress they have a lot of people who listen.

Mr. Chairman, I reserve the balance of my time.

Mr. FATTAH. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. STRICKLAND).

Mr. STRICKLAND. Mr. Chairman, I think all of us honor our veterans in this Chamber, but what veterans are really interested in is having adequate health care.

Just a few days ago, this administration changed the $2-per-prescription copay or deductible that veterans have been required to pay for their prescription medications to $7 a prescription, a whopping $250 one-time increase. Many veterans in my district get 10 or more prescriptions per month. We take 7 times 10, that is $70 a month on veterans with a fixed income. I think we ought to all join in supporting my legislation to return that deductible to $2 per prescription and keep it there for the next 5 years.

Why are we imposing a $1,500 deductible, annual deductible, for veterans who get health care at many of our VA facilities? That is a new policy.

If we want to help our veterans, we will make sure they get the kind of health care they need rather than putting an additional burden upon them.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I kind of agree with the gentleman, but if we take away their right to speak, we are not ever going to get that fixed.

Mr. Chairman, I yield 1½ minutes to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, make no mistake about it, this is a vote for veterans, if one supports the Johnson amendment, which I do; if we vote against it, it is a vote against veterans.

The gentleman from Ohio made the case very, very strongly. Their voice. Look at the gentleman from Texas. Look at how he walks. Look at his hand. Do we not want veterans to have free speech at the time of an election when decisions are made?

I represent Fort Bragg. My veterans, my soldiers, men and women in uniform appreciate tax cuts as well, because that gives them the freedom and the flexibility and the financial ability to meet the challenges that they face.

So please join me in voting for the Johnson amendment which will allow veterans the voice that they need, particularly at election time.

Mr. FATTAH. Mr. Chairman, can I have an audit of the time, please?

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Pennsylvania (Mr. FATTAH) has 2½ minutes remaining; the gentleman from Connecticut (Mr. SHAYS) has 3¼ minutes remaining; the gentleman from Texas (Mr. SAM JOHNSON) has 4¼ minutes remaining.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. HAYWORTH), a member of the Committee on Ways and Means.

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman from Texas for yielding me this time.

As the former chairman of the Subcommittee on Benefits of the House Committee on Veterans' Affairs, I am pleased and proud to rise in strong support of this amendment offered by the gentleman from Texas (Mr. SAM JOHNSON).

Mr. Chairman, it is a curious process here, because actually, through the amendment process, we are trying to restore first amendment rights. Think about what was done earlier today. It was bad enough that we established a new and, really, the ultimate loophole with this bill, allegedly taking effect or going to take effect the day after Election Day. Curious timing. Congratulations if it helps the fine folks in a partisan manner and allows them to take soft money, use it as collateral, turn it into hard money and presto-chango, the day after the election, pay off the loan. It is very crafty. But the American people see through it.

Now, tonight we are in the ironic position of trying to restore first amendment rights piece by piece, group by group, to American citizens. To the very people who fought to defend the first amendment, we have to say tonight, could we possibly restore those rights?

What should be beyond debate, beyond dispute is now suddenly put in contention. Mr. Chairman, I say to my colleagues, that is the very problem with the legislation, and that leads us to the irony of tonight where we seek to restore the first amendment.

Now, you are going to hear under the misguided label of reform, that oh, no, no, there is no intention to in any way diminish the rights of Americans. Why, this notion of reform, the same misguided notion of reform that leads to a loophole, that is obscene, a loophole that takes something that is illegal today, makes it legal for a certain amount of time. This is what is labeled in this almost Orwellian legislation as reform. And now our friends tell us, oh, no, no, it is not their intent to in any way abridge the first amendment. It is not their intent to in any way stop free debate. Yet here we are tonight trying to thaw the chilling effect of abridging the first amendment, of abridging debate on the part of everyday Americans who, yes, have the right and the franchise to vote, but should not lose their voice in the process.

Curiouser and curiouser, said Alice. It is sad to see this deliberative body put behind the looking glass.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

I have a lot of respect for the gentleman from Arizona, but I totally disagree with his analysis. The reason why we are opposing this amendment is because we do not believe that the amendment is needed because we know that first amendment rights are not threatened. One of the curious things here is that this does not just involve veterans, it involves senior citizens. Senior citizens.

AARP supports and has asked for this amendment, asked for our bill, our substitute, because they think their voice is being drowned out by large corporate interests and large union dues interests, as do some veterans. Some veterans think their voice has been drowned out by the voice of large

corporations. My party for some reason has given the impression that this is doomsday if this bill passes. The thing that they are really saying is that they cannot exist unless they have large corporate contributions. I do not believe it, and I do not think it is true.

Mr. Chairman, I reserve the balance of my time.

Mr. FATTAH. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Chairman, the amendment we have before us is smoke and mirrors. Veterans have every right, and, in fact, today I am going to ask every single veteran to contact the Democrats, contact the Republicans and hold them accountable. Hold them accountable on the fact that today we have had a budget in the Committee on Veterans' Affairs that talks about $3.1 billion. Yes, of that $3.1 billion, there is a $1,500 codeductible that our veterans are going to have to pay. I am going to ask them to call and call, call every single Congressman, including the Democratic side.

That bill also calls for the fact that our veterans are going to have to pay $400 million additional monies on prescriptions. I am going to ask them, and they have the right, to call their Congressman, whether Republican and Democrat.

They are also being asked to cut $600 million from VA. That is part of the budget that is calling for a $3.1 billion increase when in reality it is less than $1 billion, which is not even enough to take care of existing costs.

If we want to help veterans, let us make sure we help veterans by giving them the needs that they have and the health care needs that they need now.

Mr. SAM JOHNSON of Texas. Mr. Chairman, may I inquire of the Chair, who has the right to close?

The CHAIRMAN pro tempore. The gentleman from Pennsylvania (Mr. FATTAH) as a member of the committee has the right to close.

The gentleman from Pennsylvania (Mr. FATTAH) has 1½ minutes remaining; the gentleman from Connecticut (Mr. SHAYS) has 2¼ minutes remaining; the gentleman from Texas (Mr. SAM JOHNSON) has 1¼ minutes remaining.

Mr. FATTAH. Mr. Chairman, I reserve the time for my close, and I have no further speakers.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

We are more than halfway through our legislation. We have worked very hard on it. This is one of the last amendments alleging that somehow people's voices are not going to be able to be heard. There is no truth to that at all, but the allegations are made. This is a bill that enforces the 1907 law banning corporate treasury money, the 1947 law banning union dues money, and enforces the 1974 reform laws.

Now, one of the allegations is that because we cannot use soft money, we cannot use that corporate treasury money and the union dues money, that somehow veterans do not have a voice. That is an absurdity. They have a voice as individuals, and they have a voice to pool their resources and to advertise. They just cannot do it with corporate treasury money and union dues money. Most veterans think that makes sense, because they do not have a lot of corporate treasury money and a lot of union dues money. They do not get it. They do not have a lot of wealthy people allowing them to advertise. What they have is a lot of numbers of small contributions, of hard money, that enables them to have quite a voice.

I would just make the point to my colleagues that this amendment is dearly a threat to our legislation because it suggests something that is not true.

Mr. Chairman, I ask unanimous consent to yield the balance of whatever time I have to the gentleman from Pennsylvania (Mr. FATTAH) so that he can close.

Mr. Chairman, do I have any time remaining?

The CHAIRMAN pro tempore. The gentleman has three-quarters of a minute remaining.

Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. FATTAH. Mr. Chairman, before the gentleman from Texas closes, I would like to yield 30 seconds to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Chairman, I am on the House Committee on Veterans' Affairs and have been on that committee for the entire 10 years I have been here in this Congress. Let me tell my colleagues I am very upset over the fact that we have a budget before this Congress that talked a great talk for veterans, but does not walk the walk. I cannot believe that we are going from $2 to $7 for copayments. We in this Congress ought to be ashamed of ourselves. If we want to help the veterans, help them financially and not with this phony talk.

Vote down this amendment.

I believe that the Bush Administration budget for veterans is an absolute disgrace. Their proposal is particularly disappointing when one considers the fact that the Bush Administration made various public statements describing how they were going to improve and increase the veterans' budget.

The Administration claims that this year's budget requests a record-setting $25.5 billion for medical programs, but in reality, they are asking Congress to appropriate $22.75 billion for veterans' medical care—$2.75 billion less than the reported record-setting reported total. And of the $25.5 billion the Administration claims the budget will provide for veterans medical care, $794 million will simply shift personnel related costs to VA from the Office of Personnel Management (OPM). Moreover, there is another $1.28 billion to offset cost increases like inflation, higher pharmaceutical prices, and federal pay raises. Taken together, this $2 billion increase doesn't provide a single dime more for medical care for veterans. Not only does this budget make it tougher for the veterans to receive the health care that they deserve, but it actually adds costs to the veterans by increasing their prescription drug copayments.

In addition, the proposed increase in the medical care appropriation for fiscal year 2003 is approximately $100 million more than the $1.3 billion Congress appropriated for fiscal year 2002 which the Administration acknowledges is $400 million short of meeting veterans' needs. Five of VA's 22 networks have already projected shortfalls in funding for veterans medical care by the year's end. The Administration already plans to request a $142 million supplement for funding to continue to treat non-service connected, higher income veterans, and they claim they will ''find'' another $300 million in ''management efficiencies''. As proposed by the Administration, the fiscal year 2003 VA medical care budget will require VA to find an additional $316 million in management savings in order to meet veterans' demand for health care.

This is purely shameful. It is preposterous that the Bush Administration, who has requested $48 billion for the military, refuses to request more money to take care of our nation's heroes who have risked their lives to defend our democracy.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 30 seconds to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman from Texas once again.

My good friend from Florida proves the point. She has objections to what has gone on in the Committee on Veterans' Affairs. Why muzzle the veterans 60 days before the election? If they have concerns in a free society, let them bring them forth and make them clear. Do not abridge that. Oh, yes, I guess that is right, that they can advertise on the pages of the New York Times. I know that is of acute interest to at least a few in this Chamber. But why would we abridge their rights to freedom of speech?

This is the essence of the battle of ideas in a free society, and what has gone on here is suppression of that debate, the very thing we should champion.

□ 2015

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think the gentleman is absolutely correct, and I happen to agree with the gentlewoman over there. I think we should do something for our veterans. I think that is atrocious that they have doubled or tripled that cost. I think that is the best reason I can think of why we should not subjugate the veterans of the United States of America, past, present, future, to some unconstitutional law that we are trying to pass tonight. This amendment will fix that for our veterans now and in the future.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from

Pennsylvania (Mr. FATTAH) has 1¾ minutes remaining.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, I rise to speak in opposition to this amendment.

There is not a veteran or person in our armed services who has served this country who desires some special set of rights or some special circumstances. What they desire for themselves is the same that we would provide for any American citizen. And what we are doing here is removing from politics the corruption of unlimited soft-money expenditures.

We will not have the Enrons of this country taking a few of their people and saying this is some kind of veterans committee and dumping millions of dollars into campaigns. What this amendment would do is tear away from the great work of JOHN MCCAIN, who is a well-recognized veteran who has given a great deal of sacrifice to bring our country now to the edge of history in terms of reforming and transforming our politics.

So I would ask the Members not to be swayed and to come to the floor and vote ''no'' on this amendment so that we can move finally at some hour tonight to finally reforming the campaign election laws of our country in terms of moving away the corruption of money in unlimited sums and allowing the voice of our people, veterans and nonveterans, to be heard so that our democracy can prosper.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Texas (Mr. SAM JOHNSON).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SAM JOHNSON of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 200, noes 228, not voting 7, as follows:

[Roll No. 26]

AYES—200

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bereuter
Biggert
Bilirakis
Blunt
Boehner
Bonilla
Bono
Boozman
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Flake
Fletcher
Forbes
Fossella
Gallegly
Gekas
Gibbons
Gillmor
Gilman
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Otter
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wynn
Young (AK)
Young (FL)

NOES—228

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Foley
Ford
Frank
Frelinghuysen
Frost
Ganske
Gephardt
Gilchrest
Gonzalez
Gordon
Graham
Green (TX)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Platts
Pomeroy
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Simmons
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Wolf
Woolsey
Wu

NOT VOTING—7

Boyd
Brady (TX)
Cubin
Oxley
Riley
Roukema
Traficant

□ 2036

Mr. WU changed his vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 30 OFFERED BY MR. COMBEST

Mr. COMBEST. Mr. Chairman, I offer an amendment as the designee of the gentleman from Texas (Mr. ARMEY).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 30 offered by Mr. COMBEST:

Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Workers, Farmers, Families, and Individuals

SEC. 221. FINDINGS.

Congress finds the following:

(1) There are approximately 138 million people employed in the United States.

(2) Thousands of organizations and associations represent these employed persons and their employers in numerous forms and forums, not least of which is by participating in our electoral and political system in a number of ways, including informing citizens of key votes that affect their common interests, criticizing and praising elected officials for their position on issues, contributing to candidates and political parties, registering voters, and conducting get-out-the-vote activities.

(3) The rights of American workers to bargain collectively are protected by their First Amendment to the Constitution and by provisions in the National Labor Relations Act. Federal law guarantees the rights of workers to choose whether to bargain collectively through a union.

(4) Fourteen percent of the American workforce has chosen to affiliate with a labor union. Federal law allows workers and unions the opportunity to combine strength and to work together to seek to improve the lives of America's working families, bring fairness and dignity to the workplace and secure social and economic equity in our nation.

(5) Nearly three quarters of all United States business firms have no payroll. Most

are self-employed persons operating unincorporated businesses, and may or may not be the owner's principal source of income.

(6) Minorities owned fewer than 7 percent of all United States firms, excluding C corporations, in 1982, but this share soared to about 15 percent by 1997. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(7) In 1999, women made up 46 percent of the labor force. The labor force participation rate of American women was the highest in the world.

(8) Labor/Worker unions represent 16 million working women and men of every race and ethnicity and from every walk of life.

(9) In recent years, union members and their families have mobilized in growing numbers. In the 2000 election, 26 percent of the nation's voters came from union households.

(10) According to the 2000 census, total United States families were totaled at over 105 million.

(11) In 2000, there were 8.7 million African American families.

(12) Asians have larger families than other groups. For example, the average Asian family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(13) American farmers, ranchers, and agricultural managers direct the activities of the world's largest and most productive agricultural sectors. They produce enough food and fiber to meet the needs of the United States and produce a surplus for export.

(14) About 17 percent of raw United States agricultural products are exported yearly, including 83 million metric tons of cereal grains, 1.6 billion pounds of poultry, and 1.4 million metric tons of fresh vegetables.

(15) One-fourth of the world's beef and nearly one-fifth of the world's grain, milk, and eggs are produced in the United States.

(16) With 96 percent of the world's population living outside our borders, the world's most productive farmers need access to international markets to compete.

(17) Every State benefits from the income generated from agricultural exports. 19 States have exports of $1 billion or more.

(18) America's total on United States exports is $49.1 billion and the number of imports is $37.5 billion.

(19) By itself, farming-production agriculture-contributed $60.4 billion toward the national GDP (Gross Domestic Product).

(20) Farmers and ranchers provide food and habitat for 75 percent of the Nation's wildlife.

(21) More than 23 million jobs-17 percent of the civilian workforce-are involved in some phase of growing and getting our food and clothing to us. America now has fewer farmers, but they are producing now more than ever before.

(22) Twenty-two million American workers process, sell, and trade the Nation's food and fiber. Farmers and ranchers work with the Department of Agriculture to produce healthy crops while caring for soil and water.

(23) By February 8, the 39th day of 2002, the average American has earned enough to pay for their family's food for the entire year. In 1970 it took 12 more days than it does now to earn a full food pantry for the year. Even in 1980 it took 10 more days—49 total days—of earning to put a year's supply of food on the table.

(24) Farmers are facing the 5th straight year of the lowest real net farm income since the Great Depression. Last October, prices farmers received made their sharpest drop since United States Department of Agriculture began keeping records 91 years ago. During this same period the cost of production has hit record highs.

(25) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(26) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(27) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(28) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ″.

(29) Citizens who have an interest in issues about or related to their lives have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(30) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy.

(31) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO WORKERS, FARMERS, FAMILIES, AND INDIVIDUALS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to any individual.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Texas (Mr. COMBEST) and a Member opposed, the gentleman from Maryland (Mr. HOYER), each will control 10 minutes.

The Chair recognizes the gentleman from Texas (Mr. COMBEST).

Mr. COMBEST. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment which I am offering would ensure that nothing in H.R. 2356 would restrict workers, farmers, or their family members from communicating their views and needs to their elected leaders and the public. I believe that Shays-Meehan contains unfair restrictions on the rights of citizens, either individually or collectively, to communicate with their elected representatives and the general public. Such restrictions would stifle and suppress individual and group activity and advocacy pertaining to the public and government.

My neighbors at home in Texas do not want more restriction on their speech and ability to participate in the political process. They already fear that those in Washington do not hear their wants and needs. I can assure my colleagues that they do not know that this bill would further limit their ability to impact the national debate.

One of the most effective ways for citizens to communicate is to pool their voices and resources with like-minded individuals who many times would not be heard if not for this ability. This is essential for minority populations and those from rural areas. Without these tools to educate those not from rural areas of our unique needs, it would be impossible to positively impact the political debate.

The campaign finance reform debate demonstrates how out of touch Washington, D.C., is with rural America. East Coast editorial writers are the only ones who care about this issue. Before I came over to the floor today, I held a telephone conference with my rural newspaper editors; and not one question was asked about campaign finance reform; and yet if one listened to and read a few Eastern publications, they would think that the world is silently awaiting out there tonight for this House to respond and to act on this bill.

These terrible special interest groups that we hear so much about are made up of workers, farmers and families. These folks are trying to make a living and raise their families, and their personal time is scarce. They rely on their

industry representatives to track important issues and to alert them when action is needed.

Most important to them is when the group reports how a particular candidate views their issue of interest. The problem is not interest groups, but the groups that have somehow been deemed politically incorrect by the political and media elites. To them Washington knows best, and if they are from a less-populated rural area of the country, their view and television ad should not count or be heard.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) may each control 4 minutes of time allocated to me and that they may yield time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. MEEHAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. STUPAK) for the purpose of a colloquy.

□ 2045

Mr. STUPAK. Mr. Chairman, I wish to engage the sponsor of the legislation in a colloquy concerning election-related advertising that is permitted by the Shays-Meehan substitute.

Would the gentleman from Massachusetts please respond to the following question: Does the Shays-Meehan substitute allow political action committees of labor unions and nonprofit organizations, such as the Sierra Club or the National Rifle Association, to pay for broadcast ads that name a candidate for Federal office during the last 60 days of an election cycle?

Mr. MEEHAN. Mr. Chairman, will the gentleman yield?

Mr. STUPAK. I yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Chairman, I am happy to respond to the gentleman's inquiry, and the answer is yes. Political action committees, commonly known as PACs, raise money from individual donors in amounts that are limited by Federal law. They are subject to the Federal Election Campaign Act, thus they are not affected at all by title II of the Shays-Meehan substitute which relates to electioneering communications. Title II provides that corporations, including nonprofit corporations and unions, cannot use their treasury funds to pay for ads that mention a Federal candidate during the last 2 months of the election cycle. However, PACs, because they are not corporations or unions, can run ads that mention a candidate at any time during the election cycle without any restriction.

Mr. STUPAK. Reclaiming my time, just to clarify, Mr. Chairman, am I correct in saying that the Shays-Meehan substitute does not prohibit an organization, any organization, even like farmers, like the amendment before us now, from running any ad; it simply states that ads that mention candidates within the last 60 days of an election must be paid for with federally regulated hard money?

Mr. MEEHAN. If the gentleman will continue to yield, that is absolutely correct. Organizations may run any ad they wish at any time at all if they use hard money.

Federal PACs, such as those in corporations, labor unions, or groups like the Sierra Club or the NRA have set up, are hard-money entities. All their fund-raising and spending is governed by Federal law. So PACs can run ads that mention candidates during the last 60 days of an election cycle.

Mr. STUPAK. I thank the gentleman for that clarification.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Chairman, I thank the gentleman for yielding me this time.

I want to try to put this in layman's terms on what this means. Especially after that last colloquy, I think it is easy for people to get lost in all the detail. I run these focus groups. I go to a civic club, a good government group, and I say, let me just ask all of you: Give me a show of hands if you see an ad run in the final 60 days before an election and the ad mentions a candidate's name, would you consider that a campaign ad? And it does not matter if the group is Republican, Democrat, nonpartisan, just about everybody, everybody will raise their hand. They think that is a campaign ad if it mentions a candidate's name.

Then I say, okay, do not look at the person next to you, just answer the question: Do you think that if that group that runs that ad mentions the candidate's name, that they should come under the same rules and regulations as the candidates themselves, who also mention each other's names? And everybody raises their hands.

And I say it is sad that that is all that this bill does and everybody talks about it being some infringement on your first amendment rights. It treats the groups exactly like it treats the candidates. Now, if that is unconstitutional, then the way they treat us is unconstitutional, and that is not the case. It has been upheld.

That is the layman's description of what we are doing. We can get into all the technical explanations, but it is just that simple. That is what this bill does. And most people out there cannot understand why they would not come under the same rules. They can run the ads. We are not gagging them. We are not telling them they cannot, we are just saying they have to come under the same system.

Now, I am frustrated with this system, but this system has been in place since 1974, and it has been upheld. It is a regulated system, and I do not think the people are going to let us go back to a totally unregulated, unlimited system.

So why can we not all, if we are going to play in the final 60 days before a campaign, why can we not all play by the same rules?

Mr. COMBEST. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Okay, Mr. Chairman, I got everyone's attention. I do not even know how I did that, but there must be a signal out here.

Let me just say this. In terms of not having different rules and saying everybody's going to be treated differently, that is not bad. That is the way they did it in the Soviet Union. Everybody was treated right. They did not have any first amendment rights. Must have been the message. Nobody can speak the last 60 days.

I hate attack ads. I am the father of four kids. Do my colleagues know how humiliating it is to have an attack ad run when you are trying to bond with your 13-year-old going through middle school and all she hears on the radio is what a creep you are? Of course, she has been telling me that for a long time anyhow, but it is embarrassing.

I do not like attack ads, but doggone it, I cannot think of America without that first amendment right to run an attack ad. I think that would be far worse. Even though I have been a victim of one, I have to say it scares me to think of an America where we cannot run an attack ad. I try to turn them around. I say, well, there goes my opponent saying these bad things again. I am not going to do that. But he has the right to call me a scalawag, if that is what makes him feel good. And I have the right to tell the folks I am not a scalawag and vote for me anyhow.

This bill says to my farming population, to my farmers down in Evans County, in Tattnall County, in Vidalia, where we get all those great Vidalia onions, it says that they cannot participate in the system. Oh, the system lets certain people participate. You can give $60 million up to a political party if you are a big union or a company and you want to contribute. Hey, this bill allows the Democratic National Committee to build a building. Hey, this bill is so good, but we do not want to put it in effect until after the election. And my colleagues expect me to go back and tell my farmers that? My farmers are 2 percent of the population and feed 100 percent of the population and a great percentage of the world.

I had the opportunity to go to Afghanistan recently, and I am glad that American farmers are so doggone productive that we averted a lot of starvation in central Asia this year. Our farmers are up against the wall. They have high labor problems, they have environmental problems, they have problems with NAFTA and GATT, and they have to compete against countries that do not have to play by the same

rules that we do. Our farmers' backs are against the wall right now with credit, with import, with falling markets, yet we are going to tell them, hey, just to be on the safe side, you all have to shut up the last 60 days. That is not fair.

It is not fair that all this bill really does in the name of banning soft money is reregulate it and refunnel it into preferred special interest groups. In my little old Georgia farm bureau, and all the 159 counties of Georgia, they are not going to be able to compete against the big boys because they cannot file all these reports. They do not have the big-city lawyers. They do not have the $60 million.

Let us do not say this is banning soft money. Let us say this is banning farmers from full participation. Vote for the Combest amendment.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume to respond to my colleague. He says they do not have the money to respond to all the big guys, and that is the whole point of this amendment.

We do not allow corporate treasury money and union dues money 60 days before an election; we allow individual contributions and PAC contributions to compete. Nobody is shutting up. It is just a level playing field. They can run their ads.

They are not the big guys, but they can do it with a unified effort on the part of a whole number of farmers who are fighting for their cause.

Mr. Chairman, I reserve the balance of my time.

Mr. MEEHAN. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Massachusetts has 1½ minutes remaining.

Mr. MEEHAN. Mr. Chairman, I yield myself ½ minute.

This amendment seeks to protect workers, farmers, and families, because we all know that workers, farmers, and families have these big soft money accounts. They raise millions.

As I sit back and think about it, the workers, the farmers, and the families are the reason why we need to pass this bill. The workers, the farmers, and the families, without these big multinational soft money PACs, soft money operations, are the reason why we have to pass campaign finance reform.

This unlimited soft money is the reason why we do not have a patients' bill of rights, the reason why we do not have Medicare prescription drug coverage for seniors, and the reason why workers are getting the shaft day in and day out because of this soft money system.

Mr. COMBEST. Mr. Chairman, could the Chair give us the time accounting?

The CHAIRMAN pro tempore. The gentleman from Texas (Mr. COMBEST) has 4½ minutes remaining, the gentleman from Maryland (Mr. HOYER) has 2 minutes remaining, the gentleman from Connecticut (Mr. SHAYS) has 1½ minutes remaining, and the gentleman from Massachusetts (Mr. MEEHAN) has 1 minute remaining.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Chairman, I thank the gentleman for yielding me this time.

The supporters of this legislation wonder why the opponents of the legislation seem to be wanting to single out groups for special protection. I would submit that they ought to know why. It is because the legislation actually singles out corporations for special treatment.

If my colleagues wonder why the media, the big media, are so much in favor of this bill, it is because they are the only ones left standing once it passes. The parent company of MSNBC contributed about $2 million in soft money last year to the political process here. The parent company of CNN contributed $2.5 million last year in soft money. Yet they can speak through their media subsidiary. They are treated differently. They are given a media exemption.

Now, if my colleagues are yelling at the other side for offering amendments which single out individual groups and saying they should be able to speak, and saying that that is wrong, why do my colleagues give a media exemption to corporate-owned media? Why do my colleagues treat corporations, some corporations, differently than others?

This is just one example of the blatant inconsistencies of the bill. I would urge a ''yes'' vote on the Combest amendment and a ''no'' vote on Shays-Meehan.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

What our law seeks to do is enforce the 1907 law banning corporate treasury money, the 1947 law that bans union dues money, and enforces the 1974 campaign finance reform law. That is what our bill seeks to do. It allows people to speak out using the hard money 60 days before an election, and, frankly, they can use all that other money 60 days before an election.

That is what your bill seeks to do. We are getting closer and closer to seeing that happen.

Mr. Chairman, I yield the balance of my time to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, how much time did he yield back to me?

The CHAIRMAN pro tempore. One minute.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Chairman, I thank the gentleman for yielding me this time. I oppose the amendment, and I urge all my colleagues to vote against it.

I oppose all these poison pill amendments because they are simply designed to kill the bill. The American people demand campaign finance reform. They will not stand for the killing of this bill. This bill needs to pass as is so the Senate can pass it and we can avoid a conference which will solely be called to kill it.

The American people are outraged at Enron. That is the impetus for many people switching over and supporting the bill. I have been here a good number of years now. It is very rare that we have a discharge petition, with a majority of Members of the House forcing a bill to come to the House floor. I am sorry it had to happen that way, but it happened that way because a majority of Members of this House want to see campaign finance reform and a majority of the American people want to see campaign finance reform.

□ 2100

Mr. Chairman, we know there is too much money involved in these elections, and we know that soft money is probably the most egregious form. We need to pass this bill, and we need to kill all of the poison pill amendments. I urge a ''no'' vote on the amendment.

Mr. MEEHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to this poison pill amendment. It would break apart our coalition. It is an amendment designed to destroy the sham ''issue ad'' provisions of the Shays-Meehan bill by purporting to create a targeted exception, which in fact would exempt any possible advertisement paid for with soft money from these provisions.

It is simply bad public policy offered by opponents of reform, and it would blow a hole in the sham issue advocacy provisions in this bill by allowing unlimited soft money to be spent on any ad that mentions an individual.

Let me be clear. Nothing in the Shays-Meehan bill would ban an outside group or a political party or a wealthy individual from running an advertisement on workers or farmers. Simply put, there is no ban on ads in this bill, and nothing in this bill would apply to written voter guides. This bill simply says if you are a corporation, a 501(c) tax exempt or a union and want to broadcast cable, broadcast satellite ads 60 days before the Federal election, hard money has to be used rather than soft money. That is what this bill does.

This means that if the NRA, the Sierra Club, National Right to Life, NARAL, the AFL–CIO wants to fund these ads mentioning Federal candidates proximate to Federal elections, they can fund them through their PACs.

In fact, the sham-issue ad provisions that are now in the bill are much narrower than ever before. And, previous versions of this bill passed the House with 252 votes.

We narrowed the provision to focus only on broadcast, cable and satellite ads proximate to Federal elections to make sure this provision stood on stronger constitutional grounds, and to ensure that the bill would have no impact on voter guides.

The provision now is not only narrower in scope but more likely to pass constitutional muster—because it supplies the bright-line

test the Court prefers for distinguishing between campaign advertisements and pure issue advocacy. We have found the right balance—as a matter of policy, and as a matter of Constitutional law. Indeed, 9 former ACLU leaders have said that our approach to sham issue advocacy is constitutional.

We need to put teeth back into laws long on the books preventing corporate treasury money or union dues from being used for campaign ads.

It is time for this sham to end. It is time for those who pay for campaign ads to play by the rules—and for the American people to know exactly who is filling the airwaves with ads attacking candidates every second Fall.

Vote ''no'' on this poison pill amendment. It's a cynical ploy designed by opponents of this bill. Don't be fooled by this sham amendment.

Mr. COMBEST. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I am going to have to go with the gentleman from Tennessee someday to one of his town hall meetings. I have yet to have the luxury of a town hall meeting or sitting around with a group of people in a coffee shop in Texas and have them unanimously agree to the fact that we ought to bring them under some new Federal regulations.

It seems to me that the last two opponents of the amendment have pretty much brought about the argument that is being brought about tonight, that anybody who is concerned about their farmers or their workers or their families is bringing a poison pill. I have not quite figured out why it is in the legislative process, if Members are trying to protect the group of people that they represent, it is a poison pill. It may have an impact on a piece of legislation that the proponents would love to see put into place without any changes, but I am hopeful that the legislative process does not work that way; but it blows holes in it, and it is a poison pill. I would say that if there is no concern about, as regulations are being changed in regards to campaign financing and campaign law, that we could assure those people in rural America, to those farmers and workers and families, that in fact they would be protected if we adopt this amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. HOYER. Mr. Chairman, I rise in opposition to this amendment. It is an amendment like the four other amendments. It is an interesting proposition that we have before us. We are talking about campaign finance reform.

The gentleman from Tennessee (Mr. WAMP) said that he went and asked his people about whether or not they thought that everybody ought to be covered by the same rules. The gentleman from Tennessee (Mr. WAMP) said yes, all of them agreed that everybody ought to be covered by the same rules and they ought to know who advertises and tells them things so they can figure out for themselves what people are saying.

I suppose there are some on the other side of the aisle who will go home and say yes, I am for campaign finance reform, but I voted to exempt everybody from its coverage. That would be an interesting campaign finance reform. We have it on the books; but by the way, it does not cover anybody. Everybody is exempt.

Now, this amendment exempts workers and families and farmers and individuals. I am trying to figure out who, therefore, would be included if we adopted this amendment, seeing as how most of us sort of consider ourselves individuals?

So this is an extraordinarily interesting amendment, but it is also an extraordinarily bad amendment; and I do not believe any Member who is at all serious about trying to have some meaningful campaign finance reform could in good conscience, with any intellectual honesty, and with all due respect to the gentleman from Texas whom I have a great relationship with and greatly respect, possibly vote for his amendment. Therefore, I enthusiastically urge Members to vote against it.

The CHAIRMAN pro tempore (Mr. THORNBERRY). All time for debate on this amendment has expired.

The question is on the amendment offered by the gentleman from Texas (Mr. COMBEST).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. COMBEST. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 191, noes 237, not voting 6, as follows:

[Roll No. 27]

AYES—191

Aderholt	Cunningham	Hilleary
Akin	Davis, Jo Ann	Hobson
Armey	Davis, Tom	Hoekstra
Bachus	Deal	Holden
Baker	DeLay	Hostettler
Ballenger	DeMint	Hulshof
Barcia	Diaz-Balart	Hunter
Barr	Doolittle	Hyde
Bartlett	Dreier	Isakson
Barton	Duncan	Issa
Bereuter	Dunn	Istook
Biggert	Ehlers	Jenkins
Bilirakis	Ehrlich	Johnson (IL)
Blunt	Emerson	Johnson, Sam
Boehner	English	Jones (NC)
Bonilla	Everett	Keller
Bono	Flake	Kelly
Boozman	Fletcher	Kennedy (MN)
Brown (SC)	Forbes	Kerns
Bryant	Fossella	King (NY)
Burr	Gallegly	Kingston
Burton	Gekas	Knollenberg
Buyer	Gibbons	Kolbe
Callahan	Goode	LaHood
Calvert	Goodlatte	Largent
Camp	Goss	Latham
Cannon	Graham	LaTourette
Cantor	Granger	Lewis (CA)
Capito	Graves	Lewis (KY)
Chabot	Green (WI)	Linder
Chambliss	Gutknecht	Lucas (OK)
Coble	Hall (TX)	Manzullo
Collins	Hansen	McCrery
Combest	Hart	McHugh
Cooksey	Hastings (WA)	McInnis
Cox	Hayes	McKeon
Crane	Hayworth	Mica
Crenshaw	Hefley	Miller, Dan
Culberson	Herger	Miller, Gary
Miller, Jeff	Rogers (KY)	Sweeney
Moran (KS)	Rogers (MI)	Tancredo
Myrick	Rohrabacher	Tauzin
Nethercutt	Ros-Lehtinen	Taylor (NC)
Ney	Royce	Terry
Northup	Ryan (WI)	Thomas
Norwood	Ryun (KS)	Thornberry
Nussle	Schaffer	Tiahrt
Osborne	Schrock	Tiberi
Otter	Sensenbrenner	Toomey
Paul	Sessions	Upton
Pence	Shadegg	Vitter
Peterson (MN)	Shaw	Walden
Peterson (PA)	Sherwood	Watkins (OK)
Phelps	Shimkus	Watts (OK)
Pickering	Shows	Weldon (FL)
Pitts	Shuster	Weller
Pombo	Simpson	Whitfield
Portman	Skeen	Wicker
Pryce (OH)	Smith (NJ)	Wilson (NM)
Putnam	Smith (TX)	Wilson (SC)
Radanovich	Souder	Wynn
Regula	Stearns	Young (AK)
Rehberg	Stump	Young (FL)
Reynolds	Sununu	

NOES—237

Abercrombie	Gephardt	McKinney
Ackerman	Gilchrest	McNulty
Allen	Gillmor	Meehan
Andrews	Gilman	Meek (FL)
Baca	Gonzalez	Meeks (NY)
Baird	Gordon	Menendez
Baldacci	Green (TX)	Millender-McDonald
Baldwin	Greenwood	Miller, George
Barrett	Grucci	Mink
Bass	Gutierrez	Mollohan
Becerra	Hall (OH)	Moore
Bentsen	Harman	Moran (VA)
Berkley	Hastings (FL)	Morella
Berman	Hill	Murtha
Berry	Hilliard	Nadler
Bishop	Hinchey	Napolitano
Blagojevich	Hinojosa	Neal
Blumenauer	Hoeffel	Oberstar
Boehlert	Holt	Obey
Bonior	Honda	Olver
Borski	Hooley	Ortiz
Boswell	Horn	Ose
Boucher	Houghton	Owens
Boyd	Hoyer	Pallone
Brady (PA)	Inslee	Pascrell
Brown (FL)	Israel	Pastor
Brown (OH)	Jackson (IL)	Payne
Capps	Jackson-Lee (TX)	Pelosi
Capuano	Jefferson	Petri
Cardin	John	Platts
Carson (IN)	Johnson (CT)	Pomeroy
Carson (OK)	Johnson, E. B.	Price (NC)
Castle	Jones (OH)	Quinn
Clay	Kanjorski	Rahall
Clayton	Kaptur	Ramstad
Clement	Kennedy (RI)	Rangel
Clyburn	Kildee	Reyes
Condit	Kilpatrick	Rivers
Conyers	Kind (WI)	Rodriguez
Costello	Kirk	Roemer
Coyne	Kleczka	Ross
Cramer	Kucinich	Rothman
Crowley	LaFalce	Roybal-Allard
Cummings	Lampson	Rush
Davis (CA)	Langevin	Sabo
Davis (FL)	Lantos	Sanchez
Davis (IL)	Larsen (WA)	Sanders
DeFazio	Larson (CT)	Sandlin
DeGette	Leach	Sawyer
Delahunt	Lee	Saxton
DeLauro	Levin	Schakowsky
Deutsch	Lewis (GA)	Schiff
Dicks	Lipinski	Scott
Dingell	LoBiondo	Serrano
Doggett	Lofgren	Shays
Dooley	Lowey	Sherman
Doyle	Lucas (KY)	Simmons
Edwards	Luther	Skelton
Engel	Lynch	Slaughter
Eshoo	Maloney (CT)	Smith (MI)
Etheridge	Maloney (NY)	Smith (WA)
Evans	Markey	Snyder
Farr	Mascara	Solis
Fattah	Matheson	Spratt
Ferguson	Matsui	Stark
Filner	McCarthy (MO)	Stenholm
Foley	McCarthy (NY)	Strickland
Ford	McCollum	Stupak
Frank	McDermott	Tanner
Frelinghuysen	McGovern	Tauscher
Frost	McIntyre	Taylor (MS)
Ganske		

Thompson (CA)	Udall (NM)	Waxman
Thompson (MS)	Velazquez	Weiner
Thune	Visclosky	Weldon (PA)
Thurman	Walsh	Wexler
Tierney	Wamp	Wolf
Towns	Waters	Woolsey
Turner	Watson (CA)	Wu
Udall (CO)	Watt (NC)	

NOT VOTING—6

Brady (TX)	Oxley	Roukema
Cubin	Riley	Traficant

□ 2125

Mr. PASTOR changed his vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Connecticut (Mr. SHAYS) or the gentleman from Massachusetts (Mr. MEEHAN).

AMENDMENT NO. 12 OFFERED BY MR. WAMP

Mr. WAMP. Mr. Chairman, I offer an amendment as the designee of the gentleman from Connecticut (Mr. SHAYS).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. WAMP:

In section 315(a)(1)(A) of the Federal Election Campaign Act of 1971, as proposed to be amended by section 308(a)(1) of the bill, strike ''(or, in the case of a candidate for Representative in or Delegate or Resident Commissioner to the Congress, $1,000)''.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Tennessee (Mr. WAMP) and the gentleman from California (Mr. FARR) each will control 10 minutes.

The Chair recognizes the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Chairman, I yield myself such time as I may consume.

(Mr. WAMP asked and was given permission to revise and extend his remarks.)

Mr. WAMP. Mr. Chairman, this amendment simply raises the $1,000 limit for individual contributions to House candidates to $2,000, which is the same as the Senate-passed bill sets for Senators. The Senate-passed bill raised their $1,000 contribution limit for the first time since 1974 to $2,000.

I believe that all 435 Members of the House should pay close attention to what is happening, because I also believe that this legislation will succeed through the legislative process and ultimately be signed into law, and I do not think it is appropriate for the Senate to have a different level on individual contribution limits than House candidates.

I also think we need to look over the last generation at exactly what has happened in individual contribution limits to House candidates. In 1974, this $1,000 was established, and individuals had that much influence in the process at that time. The fact is that the value of $1,000 in 1974 was a lot greater than the value of $1,000 in 2002. As a matter of fact, if it was indexed to inflation, which we index other factors of money and value, if it was indexed to inflation, it would be well over $3,000. I realize raising it from $1,000 to $3,000 would be too much to swallow at one time.

□ 2130

So this amendment is designed to strike a balance, to raise it to $2,000, which was the balance struck that 59 U.S. Senators voted for when this legislation cleared that body, because it is a reasonable approach. And then it prospectively indexes that level to inflation so that you will not have to come back and adjust it later.

The fact is this: individuals have less influence today in the political process than they had then just because the value of their participation has been reduced.

The Senate-passed bill also sets the limit for White House candidates and Senators, but it leaves the House at $1,000. So we are the only one of the considered that is not raised.

I think from a quality standpoint we need to raise it to $2,000. From a value of individual contributions standpoint we need to raise it to $2,000. I think we need to adopt the underlying premise they should be indexed into the future.

I will just say this before I reserve the balance of my time: through my 10 years of passionate involvement for campaign finance reform, I have never wanted and never desired not only to hurt my party, but to hurt the two-party system. I believe we should support the two-party system, and I certainly do not want to in any way hurt my party. But I never have been able to measure whether reform would help one party or hurt the other party, and at different times I felt maybe one had an advantage or not an advantage. I do not know how this will end up in terms of who gains the advantage, but I truly believe that this measure will strengthen the two-party system, and it will strengthen the parties at a time where we are removing the unlimited, unregulated soft money loophole. And when you remove that from the process, you need to increase the hard-dollar, the individual dollar contribution participation, so the parties can continue to thrive without looking to some new loophole. The parties need individual participation, and this will encourage individual participation.

Mr. Chairman, I reserve the balance of my time.

Mr. FARR of California. Mr. Chairman, I yield myself 1 minute to speak in opposition to this bill.

Mr. Chairman, this is a bad amendment; but let me put it first in perspective. Ten years ago President Bush vetoed a campaign finance reform bill, a tougher bill than any of the votes we have taken tonight. That bill that was on the President's desk banned soft money, it limited PAC contributions, it put a limit on individual contributions, it eliminated the issue-advocacy ads, it tightened the coordinated expenses and independent expenditures, it put stricter lowest-unit rate rules on broadcasters, and it allowed some public financing.

That bill was vetoed. We had campaign finance reform in America, and it was vetoed by the President. We hope that this President will not veto this bill, but he should with this amendment in it. I will tell you why. This is a bad amendment. More than 300 Members in this House twice have voted against this amendment. The last two times that this amendment was on the floor, overwhelmingly they defeated it. I urge those Members to do the same tonight.

Mr. Chairman, I reserve the balance of my time.

Mr. WAMP. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri (Mr. HULSHOF).

(Mr. HULSHOF asked and was given permission to revise and extend his remarks.)

Mr. HULSHOF. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise to ask support for the Wamp amendment.

Mr. Chairman, I think that we have been viewing this entire debate through the eyes of 435 incumbents. I think we need to take a look at what changes are we making to campaign finance laws through the eyes of a challenger.

I have run as a challenger on two occasions, Mr. Chairman, in 1994 and 1996, and then as a sitting office-holder in 1998 and the year 2000. I can make a case that soft money actually benefits a challenger. Nonetheless, I think we should ban soft money at the Federal level.

But what do we do to assist that challenger in the meantime? I think the gentleman's amendment is right on point. We have to make it easier for someone in our respective districts to take us on. Everybody knows that there are inherent advantages to an incumbency, whether it is the power of the frank, whether it is the ability to stand here and talk and be recognized on C–SPAN. There are these built-in advantages to a sitting office-holder.

What do we do for the 435 candidates who may want to seek to serve in this body? Based on that issue, I think that this amendment is timely. I think it is an issue of parity, as far as this body and the other body; and I think with the corresponding ban on soft money, I think we should look to an increase in hard dollars and really give those challengers the ability to stand for public office.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Chairman, in response to the gentleman before me, hard money was outraised by incumbents 3.2 to 1. That is a totally BS argument, to say, hey, this is going to help challengers. It is going to help incumbents.

Lobbyists give 92 percent of their money in hard contributions. They say oh, this limit is too low, $1,000. Yes, less than 1 percent of the people in America contribute $1,000, so for 99 percent of the people, this a moot argument. Yes, but for those fat cats, those people who can afford the $1,000, this is an argument.

Come on, guys, let us get real. You say oh, the Senate, the Senate is doing $2,000; $2,000 every 6 years. You are talking about $2,000 every 2 years. That means every 6-year Senate cycle they raise $2,000, you raise $6,000.

So the arguments that are being drug before us are false arguments. Many reformers back in 1974 argued for $100. Apply the inflation rate to $100. It would be far less than the $1,000 of today. True reform, get the money out, stick with the lower limits.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Chairman, if this important bipartisan Shays-Meehan proposal has any defect, it is that it does too little, not too much, as its detractors have claimed tonight.

With the Shays-Meehan proposal, we take a very important step to reform, but it certainly is not the last step that we need to take. Only one-ninth of 1 percent of Americans gave $1,000 to a federal candidate during the last election cycle. The sole purpose of this amendment is to allow that elite group to give even more.

If we succeed in banning soft money on the one hand, but we increase the amount of hard money on the other hand, we will have simply taken from one and given to another. We have merely traded Tweedle-Dee for Tweedle-Dum.

The purported inequity that this amendment allegedly corrects is that candidates for the Senate can receive $2,000 during a 6 year term. But without this amendment, Members of the House can already receive $1,000 every 2 years or $3,000 during the same 6 year period. There is no inequity to correct.

Mr. Chairman, this amendment should be rejected.

Mr. WAMP. Mr. Chairman, I yield myself 15 seconds to respond.

Mr. Chairman, in response to the gentleman from Oregon who said that hard money in the last election was outraised 3.2 to 1, incumbents to challengers, ask him what the ratio is of PAC money incumbents to challengers. It is a lot higher, because PACs do not give to challengers, and at least they can get individual contributions.

Mr. Chairman, I yield 1½ minutes to the gentleman from California (Mr. HORN).

Mr. HORN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, 3 years ago I was against raising the amount we could have in our coffers for running for Congress. At that time the two Democratic and Republican chairmen came to the Committee on Rules and they said, well, we need $3,500. I thought that was too much.

I have changed my mind. We have had inflation and we need to index it, and we ought to move from $1,000 to $2,000.

Those of us, and there are a number of them here in the Chamber, that do not take political action committee money, who can give $5,000 to a candidate, the way those of the rest of us look to our constituency and our friends and the people that elected us, and those are the ones that want to back us, we do not have to then be with the interests that too often are in Washington and even in our States. So I hope we would move from $1,000 to $2,000.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Chairman, I rise today to oppose this amendment which doubles the amount of money an individual can donate to a candidate, known as hard money, from $1,000 to $2,000. This amendment really is a complete step backwards in trying to get money out of our political system.

As Public Campaign states in its report called ''The Color of Money,'' it is an indisputable fact of our political system that those candidates and laws favored by wealthy contributors usually prevail over those would-be backers who cannot afford to give such large sums of money.

Now, because of wage disparities and lower incomes in minority and poor communities, these constituencies just do not have large amounts of money to contribute to campaigns. We only further disenfranchise them if we raise the amount of hard money that an individual can contribute.

Also this hard-money system makes it much harder for women, people of color, and low-income people to run for office. It is really undemocratic. Allowing that amount to be doubled will only give wealthy people even more influence in our political system.

Mr. Chairman, I urge my colleagues to vote no on this very discriminatory amendment. We should be reducing the hard-money limits, rather than increasing them.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. TIERNEY).

Mr. TIERNEY. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I have great respect for the gentleman from Tennessee and believe that he is not bringing this amendment for any ill purposes and may genuinely believe that he is doing a good thing here. But I think logic, if we can talk for a second, argues otherwise.

The fact of the matter is, as others have mentioned here, the underlying bill is trying to get money out of politics. We take target on the soft money and move that along.

The fact of the matter, it seems incongruous and contradictory to take a look and say now, on the hard money, we are going to increase the amount on that. If you can get access, if you can play in this political game at $1,000, you can certainly play at $2,000. For those in our American system who have not been able to play at the $1,000 level, you will be even further excluded and feel even more remote from the process.

There are already too many people participating in this system, too few people registering and too few a percentage of those registered people voting; and a great part of it is because they think people that have money in the system have access. And that does not matter whether it is soft money or hard money. If you double the hard-money limits, then people that do not have $1,000 to throw in a pie and do not have $2,000 think you are just making it more and more difficult for them to have a voice.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from New Mexico (Mr. UDALL).

Mr. UDALL of New Mexico. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise to oppose the Wamp amendment. Putting more big money into the system is not the solution. We should be trying to encourage candidates to raise dollars in smaller amounts, not increasing the contribution amount to $2,000.

This debate reminds me of the discussion between the candidate and the contributor. The contributor asked the candidate, what do I get if I contribute $500 to your campaign? The candidate says, you get good government.

The contributor says, well, what do I get if I contribute $1,000 to your campaign? The candidate says, you get good government.

Well, how about $2,000? The answer is, you get any kind of government you want.

We do not want to go down that road. Keep the $1,000 maximum contribution limit. Vote no on the Wamp amendment.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentlewoman from Michigan (Ms. RIVERS).

Ms. RIVERS. Mr. Chairman, I rise in opposition to this amendment. To limit the availability of soft money while simultaneously raising individual contribution levels will not be seen as campaign finance reform by our constituents.

□ 2145

It will simply look like the old bait and switch, like the old Washington where one hand washes the other, where lots of dollars flow to officeholders, and where the public interest is not the first priority in lawmaking.

Senator Ev Dirksen once joked, a billion here, a billion there, and pretty soon you are talking about some real money. Well, Mr. Chairman, to many of our constituents, $1,000 might as well be $1 billion, and a thousand here and a

thousand there, and pretty soon we are talking about the flood of money that saturates this place.

Our vote on the broadcasting industry tonight demonstrates the last thing that we need in this town is more money. Please vote against this amendment.

Mr. WAMP. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Texas (Mr. BARTON).

(Mr. BARTON of Texas asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I want to give my colleagues a real world example under today's rules. Now, this is a Republican primary example; it is not Republican versus Democrat. There is a new seat down in Texas that my son is running in. He is running among six other primary Republicans, one of which spent $4 million to run in a primary in Houston 2 years ago, $4 million, and got beat by a gentleman who is sitting on this floor.

Now, under today's campaign finance rules, if my son is able to get somebody on the telephone, I mean that is pretty good, just get them on the phone and talk to them for 15 minutes, he might be able to get them to send him a check for $1,000 in a race that he really needs to raise $1 million, and that is a thousand phone calls that he is just not going to get made.

Now, the gentleman from Tennessee (Mr. WAMP) says, let us at least raise this thing for inflation so that if my son can get somebody on the phone, he may be able to get $2,000. He is still not going to match the $4 million that was spent 2 years ago, but he may be able to double the efficiency.

If we were talking about raising this to $100,000, some of my friends might have an argument against it, but going from $1,000 to $2,000, there is a real-world example, admittedly in a Republican primary, where this, if it were law today, would give a challenger candidate who is not a millionaire an opportunity to have a chance to get enough funding to at least be competitive.

So I rise in strong support of the Wamp amendment, and I ask for its adoption.

Mr. FARR of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have been down this road before. In 1998, the gentleman from Kentucky (Mr. WHITFIELD) had this amendment. It was debated in the same sense it was debated tonight, and it was soundly rejected. Mr. Chairman, 315 Members of this body voted no. We are on the recorded record on that.

In 1999 the gentleman from Kentucky (Mr. WHITFIELD) again offered this amendment, the same debate, and 300 of us voted against it. Why? Because there is no reform in campaign reform if we are doubling the amount of money that we are putting into the bill.

This is not reform. We are trying to do history tonight. We are trying to pass campaign finance reform. We cannot have reform out there with a message that says, well, we did reform, but we just doubled the amount of money that we can get from individual rich contributors. There is only one way to have campaign finance reform, and that is to defeat this amendment with the same 300 votes that voted against it in 1998 and 1999. You are on the record, do not flip flop.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Mr. Chairman, I thank the gentleman for that exciting rendition. The points the gentleman made were very succinct, and I appreciate the gentleman raising those issues, including the number of Members who had voted on this measure the last time, the over 300 Members that voted against this amendment.

I want to thank the gentleman on the other side for the hard work that he has put forward in bringing about true campaign finance reform, but I do disagree with him on this amendment.

I agree with the premise that we do not need to add more money into the process; we should be looking at reducing it. The other thing that we need to remember is nobody is forcing anybody to run for office. People choose to run for office, and they should have that opportunity, and it should not be all about money, and it should be about their ideas.

I think this sends a totally wrong message. I would encourage the body to vote down this amendment, as they did vote down this amendment before, and say no to this kind of politics and yes to campaign finance reform.

Mr. FARR of California. Mr. Chairman, I yield myself the remaining time.

Everybody here has been elected under the law that allows a $1,000 limit. We had no problem getting elected. Many of us have been elected many, many times. There is nothing broke out there that needs fixing. The law is a good law, and let us keep that good law so that we can have good, meaningful campaign finance reform tonight. Do not do it by throwing away the message by doubling the amount of contributions that one can take if this amendment is passed. This is a bad amendment. Defeat it.

Mr. Chairman, I yield back the balance of my time.

Mr. WAMP. Mr. Chairman, in trying to change that law, I yield the balance of our time to the distinguished gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, I thank the gentleman for yielding.

This has been a spirited debate. We did not put it in our substitute so we would, in fact, have this debate. We are going to live with whatever the decision is afterwards, whether this amendment fails or succeeds. I hope this amendment succeeds with all that I can urge. It is not a question of going from the $1,000 to $2,000, it is a question of going from $2 million to $2,000, or a half a million to $2,000, or $200,000 to $2,000.

We have gotten elected in part because of all of this soft money which we are going to see disappear. We are going to return it back to individual Americans.

Mr. Chairman, $2,000 is more than $1,000, but it should be $3,500 if we were looking at 1974. I urge my colleagues as Democrats and Republicans to support this amendment.

This bill may become law. We are going to have to live with it for the next many, many years, and I think my colleagues will agree that $2,000 will be better in the years to come than $1,000 and will make it equal to the Senate.

Ms. LEE. Mr. Chairman, I rise today to oppose the Wamp amendment, which doubles the amount of money an individual can donate to a candidate, known as hard money, from $1000 to $2000. I personally believe that we should decrease this maximum amount by 50% to $500 if we are really serious about campaign finance reform. The Wamp amendment is a complete step backwards in trying to get the money out of our political system.

As Public Campaign states in its report, The Color of Money, ''It is an indisputable fact of our political system that those candidates and laws favored by wealthy contributors usually prevail over those whose backers, or would-be backers, cannot afford to give large sums. As American University law professor Jamin Raskin has stated, this system is 'every bit as exclusionary to poorer candidates and voters as the regime of the high filing fee and the poll tax' was in discriminating against African Americans and poor people in the South.''

Because of wage disparities and lower incomes in minority and poor communities, these constituencies don't have the resources to contribute to campaigns. We only further disenfranchise them if we raise the amount of hard money that an individual can contribute. Additionally, this hard money system makes it much harder for women, people of color, and low-income people to run for office. This is undemocratic. Allowing that amount to be doubled will only give wealthy people even more influence in our political system.

We see that influence every day. For example, wealthy Enron and Arthur Andersen executives gave almost $800,000 in $1000 contributions since the 1990 election cycle according to U.S. Public Interest Research Group. Do we want to give these executives even more influence over Congress?

A 2000 poll by the Mellman group found that 81 percent of voters either support lowering the $1000 hard money limit or keeping it the same. The American people oppose the Wamp amendment and we should, too. I urge my colleagues to vote no on this very discriminatory amendment.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The question is on the amendment offered by the gentleman from Tennessee (Mr. WAMP).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FARR of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 218, noes 211, not voting 6, as follows:

[Roll No. 28]

AYES—218

Abercrombie	Granger	Pence
Aderholt	Graves	Peterson (PA)
Akin	Green (WI)	Petri
Armey	Greenwood	Pickering
Bachus	Grucci	Pitts
Baker	Gutknecht	Pombo
Barr	Hansen	Portman
Bartlett	Hart	Pryce (OH)
Barton	Hastert	Putnam
Bass	Hastings (WA)	Quinn
Biggert	Hayes	Radanovich
Bilirakis	Hayworth	Ramstad
Bishop	Herger	Regula
Blunt	Hill	Rehberg
Boehlert	Hilleary	Reynolds
Boehner	Hobson	Rogers (KY)
Bonilla	Hoeffel	Rogers (MI)
Bono	Hoekstra	Rohrabacher
Boozman	Horn	Ros-Lehtinen
Brown (SC)	Hostettler	Royce
Bryant	Houghton	Ryan (WI)
Burr	Hoyer	Ryun (KS)
Burton	Hulshof	Schaffer
Buyer	Hunter	Schrock
Callahan	Hyde	Sensenbrenner
Calvert	Isakson	Sessions
Camp	Issa	Shadegg
Cannon	Istook	Shaw
Cantor	Johnson (CT)	Shays
Capito	Johnson (IL)	Sherwood
Chabot	Johnson, E. B.	Shimkus
Chambliss	Johnson, Sam	Shuster
Clement	Jones (NC)	Simmons
Collins	Keller	Simpson
Combest	Kelly	Skeen
Cooksey	Kennedy (MN)	Smith (MI)
Cox	Kerns	Smith (NJ)
Cramer	King (NY)	Smith (TX)
Crane	Kingston	Souder
Crenshaw	Kirk	Stearns
Culberson	Knollenberg	Stump
Cunningham	Kolbe	Sununu
Davis, Jo Ann	LaHood	Sweeney
Davis, Tom	Largent	Tancredo
DeLay	Larson (CT)	Tauzin
DeMint	Latham	Taylor (NC)
Diaz-Balart	LaTourette	Terry
Doolittle	Lewis (CA)	Thomas
Dreier	Lewis (KY)	Thornberry
Duncan	Linder	Tiahrt
Dunn	Lipinski	Tiberi
Ehlers	LoBiondo	Toomey
Ehrlich	Lucas (KY)	Towns
Emerson	Lucas (OK)	Upton
English	Manzullo	Visclosky
Everett	McCrery	Vitter
Ferguson	McHugh	Walsh
Flake	McInnis	Wamp
Fletcher	McKeon	Watkins (OK)
Foley	Mica	Watts (OK)
Forbes	Miller, Dan	Weldon (FL)
Ford	Miller, Gary	Weldon (PA)
Fossella	Miller, Jeff	Weller
Frelinghuysen	Moran (KS)	Whitfield
Frost	Morella	Wicker
Ganske	Myrick	Wilson (NM)
Gekas	Nethercutt	Wilson (SC)
Gibbons	Ney	Wolf
Gilchrest	Norwood	Wu
Gillmor	Osborne	Wynn
Gilman	Otter	Young (AK)
Goss	Oxley	Young (FL)
Graham	Paul	

NOES—211

Ackerman	Berkley	Brown (OH)
Allen	Berman	Capps
Andrews	Berry	Capuano
Baca	Blagojevich	Cardin
Baird	Blumenauer	Carson (IN)
Baldacci	Bonior	Carson (OK)
Baldwin	Borski	Castle
Barcia	Boswell	Clay
Barrett	Boucher	Clayton
Becerra	Boyd	Clyburn
Bentsen	Brady (PA)	Coble
Bereuter	Brown (FL)	Condit
Conyers	Kennedy (RI)	Payne
Costello	Kildee	Pelosi
Coyne	Kilpatrick	Peterson (MN)
Crowley	Kind (WI)	Phelps
Cummings	Kleczka	Platts
Davis (CA)	Kucinich	Pomeroy
Davis (FL)	LaFalce	Price (NC)
Davis (IL)	Lampson	Rahall
Deal	Langevin	Rangel
DeFazio	Lantos	Reyes
DeGette	Larsen (WA)	Rivers
Delahunt	Leach	Rodriguez
DeLauro	Lee	Roemer
Deutsch	Levin	Ross
Dicks	Lewis (GA)	Rothman
Dingell	Lofgren	Roybal-Allard
Doggett	Lowey	Rush
Dooley	Luther	Sabo
Doyle	Lynch	Sanchez
Edwards	Maloney (CT)	Sanders
Engel	Maloney (NY)	Sandlin
Eshoo	Markey	Sawyer
Etheridge	Mascara	Saxton
Evans	Matheson	Schakowsky
Farr	Matsui	Schiff
Fattah	McCarthy (MO)	Scott
Filner	McCarthy (NY)	Serrano
Frank	McCollum	Sherman
Gallegly	McDermott	Shows
Gephardt	McGovern	Skelton
Gonzalez	McIntyre	Slaughter
Goode	McKinney	Smith (WA)
Goodlatte	McNulty	Snyder
Gordon	Meehan	Solis
Green (TX)	Meek (FL)	Spratt
Gutierrez	Meeks (NY)	Stark
Hall (OH)	Menendez	Stenholm
Hall (TX)	Millender-McDonald	Strickland
Harman	Miller, George	Stupak
Hastings (FL)	Mink	Tanner
Hefley	Mollohan	Tauscher
Hilliard	Moore	Taylor (MS)
Hinchey	Moran (VA)	Thompson (CA)
Hinojosa	Murtha	Thompson (MS)
Holden	Nadler	Thune
Holt	Napolitano	Thurman
Honda	Neal	Tierney
Hooley	Northup	Turner
Inslee	Nussle	Udall (CO)
Israel	Oberstar	Udall (NM)
Jackson (IL)	Obey	Velazquez
Jackson-Lee (TX)	Olver	Walden
Jefferson	Ortiz	Waters
Jenkins	Ose	Watson (CA)
John	Owens	Watt (NC)
Jones (OH)	Pallone	Waxman
Kanjorski	Pascrell	Weiner
Kaptur	Pastor	Wexler
		Woolsey

NOT VOTING—6

Ballenger	Cubin	Roukema
Brady (TX)	Riley	Traficant

□ 2212

Mrs. KELLY, Mrs. EMERSON, and Messrs. HYDE, LoBIONDO, LUCAS of Kentucky, COLLINS and FORD changed their vote from ''no'' to ''aye''.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 2215

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 33 OFFERED BY MRS. EMERSON

Mrs. EMERSON. Mr. Chairman, I offer an amendment as the designee of the gentleman from Texas (Mr. ARMEY).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 33 offered by Mrs. EMERSON:

Amend section 323(b) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—An amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

Amend section 323(e)(3) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

Amend section 304(e)(2) of the Federal Election Campaign Act of 1971, as proposed to be added by section 103(a) of the bill, to read as follows:

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b) applies shall report all receipts and disbursements made for activities described in section 301(20)(A), unless the aggregate amount of such receipts and disbursements during the calendar year is less than $5,000.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentlewoman from Missouri (Mrs. EMERSON) and a Member opposed, the gentleman from Michigan (Mr. LEVIN), each will control 10 minutes.

The Chair recognizes the gentlewoman from Missouri (Mrs. EMERSON).

Mrs. EMERSON. Mr. Chairman, I yield myself such time as I may consume.

In November of 2000, on the night of my reelection, I told my constituents that I firmly supported meaningful campaign finance reform. That position has not changed and it will not change.

I know how hard the sponsors of this bill have worked, and I want to commend them for it; but if our goal is to reduce the influence of soft money, this bill does not go far enough. This bill is not true campaign finance reform. This bill is campaign finance hide and seek.

The fact of the matter is soft money will seek a place to hide, and there is a place to hide in this bill, dark enough and big enough to provide cover for mountains of soft money. This bill provides that cover for obscene amounts of money without Federal disclosure, without Federal reporting and in total darkness. This is hide and seek at its best or its worst.

In my home State of Missouri, it means for example that 10 corporations and 10 unions could give over $10 million of soft money to each party each year. If creating that loophole were not bad enough, Shays-Meehan creates an even bigger loophole by allowing Members of Congress, us, to raise unlimited

soft money from 501(c) tax-exempt organizations. That is an outrage and even Senator MCCAIN did not support that loophole.

Labor unions worry that corporate soft money is killing our political system, and business interests worry that unions and union soft money is killing our political system. In fact, the fact of the matter is that the flood of soft money from both sides, from both sides drowns out the only voices which are important. Those are the voices of the American people.

The only way to allow the voices of the American people to be heard is to totally ban all soft money. Let us support true campaign finance reform, reform that closes all the loopholes. Let us get rid of the Levin loophole. Let us get rid of the midnight loophole to solicit 501(c) organizations, and let us ban all soft money.

Mr. Chairman, I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield myself 3 minutes.

Anyone who believes in grassroots activities must vote no on this amendment. It has been subject, as it has been true of other provisions, of grotesque mischaracterization.

What this does is not open the flood gates. It is make sure there is no flood gate. Instead, there is a channel for grassroots activity indeed for the people to be heard. The Senate adopted this provision on a bipartisan basis to preserve for the States and for the local parties an important role in traditional grassroots activities: registration, get out the vote, voter identification. Everybody should understand these restrictions.

The non-Federal of the State portion must be raised in accordance with State law, and many States prohibit corporate or labor union money. There is a limit by any entity of $10,000. There can be no mention, and I emphasize this, of a Federal candidate. There can be no expenditure of these moneys for broadcast television or for radio ads; and the State portion, the non-Federal portion, cannot be raised by a Federal office-holder or candidate. They cannot be transferred among committees. They cannot be raised in coordination with other political parties, and there has to be an allocation according to the FEC rules. There has to be a Federal hard-dollar match for these moneys.

There is no way this opens a flood gate. Instead, what this does is create an opportunity for the people to be heard, for grassroots activities to continue, for there to be voter identification, registration without a single reference to any Federal candidate. That is why Senator MCCAIN and Senator FEINGOLD supported this, and it was adopted by voice vote in the Senate.

This amendment is a poison pill, not only for this bill. It is a poison pill if adopted for grassroots activities. I have heard so much on that side of the aisle about the importance of grassroots activities of democratic, with a small D, participation. This amendment runs counter to that rhetoric.

I suggest that in a resounding way we vote no on this terribly misguided amendment.

Mr. Chairman, I reserve the balance of my time.

Mrs. EMERSON. Mr. Chairman, I yield 2½ minutes to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Chairman, I thank the gentlewoman from Missouri (Mrs. EMERSON) for yielding me the time.

Folks have been here a long time. The real moment of truth has arrived. Are my colleagues going to fish or are they going to cut bait? I strongly, enthusiastically, heartily support the gentlewoman's amendment.

This is campaign finance reform. It takes care of the problem on page 79 of the so-called latest and greatest Shays-Meehan bill, that page that allows soft money to borrow hard money and pay it back after the election. This fixes the problem now. In some precincts in Missouri I heard there was over 110 percent turnout. That is the kind of soft-money results that the other bill that is before us provides. Is that campaign finance reform? I do not think so.

Let us be serious. Here is the real thing. Here is our chance, our real chance to reform, to fix; and I submit to my colleagues that it is not money that is the problem. It is people who are the problem; but if we believe that it is money, fix it, take it out, take it now, let us do it. Let us reform campaign finance and support the gentlewoman from Missouri's (Mrs. EMERSON) amendment.

Mr. LEVIN. Mr. Chairman, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE), a very distinguished Member.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman from Michigan (Mr. LEVIN) very much for yielding me the time.

I would ask my colleagues, are we afraid of the committeemen and women, the precinct judges, the party Chairs, the people who are really on the ground exercising their democratic principles, their principles of belief in their parties, be it Republican or Democrat? This language has nothing to do with special interest dollars influencing the votes of Members of the House or Senate.

All it has to do is providing resources so that people who live in our communities, who work every day in political activities can, in fact, exercise the democratic process. These are resources to build party structures. These are resources to enable the grassroots, to get people involved, to do voter registration, to help young people become involved, not in terms of special interest dollars, but providing them the resources, maybe the stamps, maybe the literature, that helps encourage people to be part of this process. The Levin provision only allows what States already do themselves, there is no federal intervention.

I believe this is an asset. This is something that contributes to what we are trying to do, get more people involved, say yes you can be involved and your voice is very important.

This deals with a myriad of groups. It does not isolate groups. It does not distinguish or suggest that people cannot be involved. These are resources that will be given to allow us to organize in our communities. I cannot imagine any of us that go home to any of our respective communities would ever say to the committeemen who work long hard hours, to precinct judges that work with us, to the activists that work with us, that their work in encouraging people to vote is not important.

I would ask my colleagues to look at these resources as it is. These are not dollars that come to any one of us. These are not dollars that, in fact, have direct influence and direct us in any way in making decisions on policy. These are dollars that have to do with bringing in a whole group of individuals who will have the opportunity to exercise their view and viewpoints. This is not a good amendment, and I would ask my colleagues to defeat it.

Mrs. EMERSON. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. NEY), the tremendous chairman of the Committee on House Administration.

Mr. NEY. Mr. Chairman, I thank my colleague for yielding me the time.

This, of course, what my colleague is trying to correct, this is the Enron limousine part of Shays-Meehan, $60 million-some with the Levin amendment. We call it the Enron limousine. They could have spread around $60 million-some.

I think we have heard it all tonight. I do not know if it is because it is getting late or because we have just got to create more on the floor of the House. We have heard it all. Now eliminating soft money, which is what this amendment does, is a poison pill. We have really evolved.

Somebody said this bill has barely changed. It is not the same species. I cannot believe that we are talking about doing something good with the elimination of the soft money, it now becomes a poison pill; but back-room deals can be cut all the time to evolve this bill. We bring up good amendments and all of the sudden they are just not good enough.

In defense, somebody said tonight it can only be used for good purposes. It is still influence-peddling when someone is going to throw that money around. From our point of view, this is what my colleagues have said hundreds of times about this type of soft money. 501(c)(3) too is also in here, the 501(c)(3)s, and there is a building fund. This is so full of soft money, and my colleagues know it.

This is a good amendment, makes a good correction. I urge support of the amendment.

Mr. LEVIN. Mr. Chairman, how much time is there, please?

The CHAIRMAN pro tempore. The gentlewoman from Missouri (Mrs. EMERSON) has 4½ minutes remaining. The gentleman from Michigan (Mr. LEVIN) has 5 minutes remaining.

Mr. LEVIN. Mr. Chairman, I yield myself 15 seconds.

The $50 million figure comes out of thin air, made of whole cloth; and the gentleman who just spoke wants to have unlimited soft money while this is money under State law, carefully, carefully confined to grassroots activity.

No one should vote for the Emerson amendment.

Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut (Mr. SHAYS), one of the chief cosponsors of this bill.

Mr. SHAYS. Mr. Chairman, I thank the gentleman from Michigan (Mr. LEVIN) for yielding me the time.

This is a very interesting debate. We are on different sides. The gentleman from Ohio (Mr. NEY) has a bill that will be coming up that has no limits to soft money on the State level and some limits in soft money on the Federal level; but on the State level he will allow Federal employees to raise that money on the State level.

The gentleman from Michigan (Mr. LEVIN) has an amendment that he is trying to keep in the bill that was put in by the Senate. The Senate wants this amendment. They believe it is fair because they believe it does not involve any Federal employees, any Federal office-holders, any Federal party people.

□ 2230

It is soft money raised by a State, and a State chooses to do it. Any State that does not allow soft money, there is no soft money. We are allowing States to do what they want to do for their elections, for local and State elections.

Now, I confess to my colleagues that there was an amendment that did this before. The gentleman from Arkansas had an amendment where he wanted the States to raise soft money, and I opposed it because I knew we would eventually send it to the Senate. I wish this amendment were not here, as a purest, but I think it is fair. My concern is that it is a good amendment now, that it could be changed over time, but it is fair now. It works now. And it is absolutely essential if we are to pass this bill that this amendment stay in and that the amendment being offered not be allowed to pass. I cannot emphasize it enough.

We have had some easy votes, maybe my colleagues think. They are going to be really, really close now. After all this, we are going to defeat this bill by accepting an amendment that frankly is pretty amazing given that the gentleman from Ohio (Mr. NEY), in a few moments, is going to offer an amendment to allow unlimited soft money at the State level.

So is this a perfect bill? No. It is 85 percent of what I would like it to be. The gentleman from Michigan (Mr. LEVIN) and I have had debates about this, because I think this is something that could be turned into something later on. But as it is constructed, as it is used, it is fair. It makes sense. No Federal employees can raise it, it cannot be used by Federal employees, it has limited use, and it cannot be used for any advertising.

Mrs. EMERSON. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Chairman, I thank the gentlewoman for yielding me this time.

We have come full circle. It is 10:30 on a Wednesday night, and I think we have heard just about everything. We have heard that soft money is evil, yet now it is okay. We have heard from the other side that we have to do without it, but now we cannot do without it. We have heard that we have to get rid of it, but now we need it to collateralize loans for hard money and then to pay off hard money loans through an amendment in the middle of the night that nobody seems to want to own up to.

We have heard it all. Let us call this what it is. It is a blatant attempt to buy the last couple of votes needed for this bill, and it keeps getting worse and worse and worse. I wonder at what point people will stand up and say, enough. This is not the bill we started out with. It keeps getting worse.

We have come full circle. Soft money is bad; now it is not only good, it is necessary to promote grassroots activity. Which is it? Please tell us.

I urge support of the Emerson amendment.

Mr. LEVIN. Mr. Chairman, how much time is remaining?

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentlewoman from Missouri (Mrs. EMERSON) has 3½ minutes remaining, the gentleman from Michigan (Mr. LEVIN) has 2¾ minutes remaining. The gentlewoman from Missouri has the right to close.

Mrs. EMERSON. Mr. Chairman, I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield myself 15 seconds. To the gentleman from Arizona, if he wants to defame the Members of the Senate, Mr. MCCAIN, Mr. FEINGOLD, and all others who voted in favor of this, it was by voice vote, go ahead and do so. Go ahead and do so. The gentleman is making a mistake.

This is to preserve grassroots activity and nothing else.

Mr. Chairman, I reserve the balance of my time.

Mrs. EMERSON. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. OSE).

Mr. OSE. Mr. Chairman, I thank the gentlewoman from Missouri for yielding me this time.

Let me just say that I do not serve in the Senate. I serve in the House. My district goes up and down the center part of California. And while I am very respectful of what the fine Senators in the other body might have to do or say, maybe two of California's Senators might visit my district sometime in the next few months and find out what they are saying, with all due respect to the gentleman. They do not speak for my district, I speak for my district. And if they want to come to my district and visit with my people, I will be happy to have a town hall meeting with them.

Mr. LEVIN. Mr. Chairman, I yield myself such time as I may consume to respond to the gentleman from California that I think his Senators will take up his invitation.

Mr. Chairman, I yield the balance of my time to the gentleman from Massachusetts (Mr. MEEHAN), who has worked so hard on this bill and who very much opposes this poison pill amendment.

The CHAIRMAN pro tempore. The gentleman from Massachusetts is recognized for 2½ minutes.

Mr. MEEHAN. Mr. Chairman, I thank the gentleman from Michigan for yielding me this time.

It is about 10:35 at night, and the amendments continue. This is an amendment, another attempt to destroy the coalition that we have held together over a period of the last several years. There have been negotiations that have taken place that have been bipartisan and bicameral. We have a historic opportunity here in this House to pass a bill that will fundamentally change the way elections are held in this country. A historic opportunity.

The only way we are not going to have this opportunity is if the opponents of reform are able to pass an amendment that is designed to kill the bill. We have faced a series of those amendments, all taken in last night at about 12 o'clock and all designed to break up the coalition. Sometimes they try to break off Democrats, sometimes they try to break off Republicans, sometimes they have amendments that the Senate will never go along with. Sometimes it is Senate Republicans they are trying to offend. Anything and everything that can be proposed to try to defeat McCain-Feingold/Shays-Meehan has been proposed this evening. This is nothing more than the latest attempt.

But I want to tell my colleagues something. The American people get it. The American people are watching this debate tonight waiting to see who is for real reform, who is trying to break up the coalitions, who wants to pass a bill, and who wants to kill a bill, because every person in this House knows that if we pass a bill designed to go to the conference committee, it is going to die in conference, just where a patient's bill of rights is dying. Just where campaign finance reform in the past has died. That is why we have preconferenced this bill with the Senate, to design a bill that is balanced and fair to both political parties.

Now, if my colleagues want to defeat campaign finance reform, they will have yet another possibility to do that. That is this amendment. And after this amendment, we will have other amendments designed to kill this bill. But I believe a majority of the Members of this House are ready to stand in a bipartisan way, whether it takes until 11 o'clock, 12 o'clock, 1 a.m., 2 a.m., 3 a.m., or 4 a.m. we are going to stand tall, opposed to any amendment that will break up our coalition.

I ask all Members on both sides of the aisle to defeat this amendment and pass campaign finance reform.

Mrs. EMERSON. Mr. Chairman, I yield myself such time as I may consume, and I would like to ask my good friend, the gentleman from Massachusetts (Mr. MEEHAN), one question, please.

If soft money is so corrupting, why then does the gentleman allow any soft money to be legal in this bill?

Mr. MEEHAN. Mr. Chairman, will the gentlewoman yield?

Mrs. EMERSON. I yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Chairman, if the gentlewoman thinks soft money is okay, why does she oppose the $10,000 limit?

Mrs. EMERSON. I hate soft money.

Mr. MEEHAN. Can I answer the question?

Mrs. EMERSON. Yes.

Mr. MEEHAN. This is a limited amount, $10,000. It cannot go for television ads, it cannot go for radio ads.

Mrs. EMERSON. Wait, stop, everyone.

Mr. MEEHAN. It cannot go for radio ads.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The CHAIRMAN pro tempore. The gentleman will suspend.

The Chair again requests that Members use the proper procedure in yielding back and forth to each other. The gentlewoman from Missouri (Mrs. EMERSON) controls the time. If the gentlewoman chooses to yield further to the gentleman from Massachusetts, she may do so.

Mrs. EMERSON. Mr. Chairman, I would like to just have a very short answer from the gentleman.

Mr. MEEHAN. If the gentlewoman will continue to yield, my brief answer is we believe that the million-dollar contributions, like the $4 million to Enron over a period of 10 years, the $2 million in the last election cycle, that is what we are fighting; the $2 million ends up in television ads.

This is $10,000 that cannot go on television. It cannot do anything but build both parties.

Mrs. EMERSON. Mr. Chairman, reclaiming my time, how much time do I have remaining?

The CHAIRMAN pro tempore. The gentlewoman has 1½ minutes remaining.

Mrs. EMERSON. Mr. Chairman, I yield 15 seconds to the gentleman from Ohio (Mr. NEY).

Mr. NEY. Mr. Chairman, I just want to point out that Shays-Meehan has been passed around and changed more than a baby at an all-day baptism party in the last 2 weeks and last night.

And the other thing is, my friends from Michigan and Connecticut do not get the point. We have a good bill, the gentleman from Maryland (Mr. WYNN) and I. We did not claim it was from the outset completely pure. My colleagues all claim to ban soft money, but they do not.

Mrs. EMERSON. Mr. Chairman, I yield myself the remaining time.

Back a couple of amendments ago, I heard the gentleman from Massachusetts (Mr. MEEHAN) talk about the corruption of soft money and how we do not have a prescription drug bill for senior citizens because of soft money, and his bill does not ban it. In the gentleman's bill there are big huge loopholes for obscene amounts of money from pharmaceutical companies, from unions, from whomever to keep us from doing good legislation.

If we are really serious about this, we will ban all soft money now and forever.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Missouri (Mrs. EMERSON).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LEVIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 185, noes 244, not voting 6, as follows:

[Roll No. 29]

AYES—185

Aderholt
Akin
Armey
Baker
Bartlett
Barton
Bereuter
Biggert
Bilirakis
Blunt
Boehner
Bonilla
Bono
Boozman
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Chabot
Chambliss
Coble
Collins
Combest
Conyers
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Pence
Peterson (MN)
Peterson (PA)
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Upton
Vitter
Walden
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Young (AK)
Young (FL)

NOES—244

Abercrombie
Ackerman
Allen
Andrews
Baca
Bachus
Baird
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Dunn
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Ganske
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kirk
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Petri
Phelps
Platts
Pomeroy
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schaffer
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Shows
Simmons

Skelton	Tauscher	Walsh
Slaughter	Thompson (CA)	Wamp
Smith (TX)	Thompson (MS)	Waters
Smith (WA)	Thurman	Watson (CA)
Snyder	Tierney	Watt (NC)
Solis	Toomey	Waxman
Spratt	Towns	Weiner
Stark	Turner	Wexler
Stenholm	Udall (CO)	Wolf
Strickland	Udall (NM)	Woolsey
Stupak	Velazquez	Wu
Tanner	Visclosky	Wynn

NOT VOTING—6

Brady (TX)	Pelosi	Roukema
Cubin	Riley	Traficant

□ 2300

Mr. TOOMEY and Mr. KERNS changed their vote from ''aye'' to ''no.''

Mr. BURTON of Indiana changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 34 OFFERED BY MR. WICKER

Mr. WICKER. Mr. Chairman, as the designee of the majority leader, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 34 offered by Mr. WICKER:

Add at the end of title III the following new section:

SEC. 320. BANNING POLITICAL CONTRIBUTIONS IN FEDERAL ELECTIONS BY ALL INDIVIDUALS NOT CITIZENS OR NATIONALS OF THE UNITED STATES.

Section 319(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: '', or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).''.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Mississippi (Mr. WICKER) and the gentleman from Maryland (Mr. HOYER) each will control 10 minutes.

The Chair recognizes the gentleman from Mississippi (Mr. WICKER).

Mr. WICKER. Mr. Chairman, I yield myself 3½ minutes.

Mr. Chairman, this is a simple amendment. It closes a loophole in our current campaign finance system which allows foreign interests to influence United States elections. It requires that contributions to Federal candidates be made by either United States citizens or American nationals.

When discussing this amendment with many of my colleagues, Mr. Chairman, they have asked me, ''Isn't that already the current law?'' Unfortunately, Mr. Chairman, it is not the current law. And so this amendment is being offered and designed to combat foreign influence in our elections and in our Federal Government.

The Shays-Meehan campaign regulations bill permits contributions from permanent resident aliens. The problem is this, Mr. Chairman: The Federal Election Commission has interpreted this exemption to the point where all a foreign citizen, a foreign citizen, needs is an address in the United States to be permitted to make a contribution. This alien loophole makes it easier for foreign interests to funnel money to United States political campaigns.

Hours ago on this floor of the House, my friend the gentleman from Massachusetts (Mr. MEEHAN) mentioned that it might take more than one scandal to bring a bill to the floor. He mentioned several, but one of the scandals he mentioned was the contribution of foreign nationals to our Federal election in 1996. He mentioned that as one of the scandals that we had had in the United States of America, and indeed it was. The American people witnessed in the Clinton-Gore campaign a breathtaking willingness to solicit campaign money from noncitizens. It is this abuse which my amendment is designed to address. The video of Al Gore soliciting money from Buddhist monks who had taken a vow of poverty is an example of the type of campaign finance abuses this amendment addresses.

This is a serious matter. The fact that it is simple in nature does not take away from the seriousness of it. We are talking about protecting our process from campaign contributions from China, Indonesia, Saudi Arabia, wherever, into our system.

This amendment, has already passed this House of Representatives on three occasions: once under suspension as a freestanding bill and twice as amendments to the Shays-Meehan legislation. In the 105th Congress, it received a vote of 282–126; in the 106th Congress, a margin of 242–181.

On both of those occasions, the amendment was adopted, the Shays-Meehan bill came to final passage, and the Shays-Meehan bill was adopted overwhelmingly in the House of Representatives. So I challenge those of my colleagues who have been saying throughout the afternoon that this amendment is a poison pill amendment. We have adopted three amendments already today which I think have improved this legislation.

This amendment is one that has widespread bipartisan support. I urge my colleagues to adopt it as they have the other three amendments.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield myself 5 seconds. This amendment takes away rights that currently exist.

Mr. Chairman, I yield 1 minute to the gentlewoman from Hawaii (Mrs. MINK).

Mrs. MINK of Hawaii. I thank the gentleman for yielding me this time.

Mr. Chairman, I represent well over 100,000 individuals in my State who are legal residents who have come here to make a life for their families.

The Constitution was written by some very, very wonderful people who made no distinction whatsoever in guaranteeing the rights and privileges of this country when they wrote the word ''persons.'' They did not say ''citizens.'' They said ''persons.'' And the courts time and time again have protected the rights of persons within the United States. They have not made any discriminations, neither should we, in terms of dealing with these people who are legally here.

Twenty thousand legal residents currently serve in the military. More than 20 percent of Americans who have received the Congressional Medal of Honor were legal residents. How can we deny legal residents the right to care about what is happening in this country? We need to keep them in the political process. Do not write them off. They are our friends. They are part of our community. We should respect the work that they do.

Mr. WICKER. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I thank my friend from Mississippi for yielding me this time, and I thank my friend from Hawaii for her impassioned statement.

You know, the whole purpose of the amendment process is to offer perfecting amendments, and indeed, if we followed the gentlewoman's logic, then we would allow noncitizens to vote. After all, should they not have a voice? Indeed, we have seen evidence of that in recent election campaigns, just as we saw in 1996, Bernard Schwartz, the leading contributor to the Democratic Party, and his Loral Missile Systems give the Communist Chinese guidance systems, and our Commander in Chief at that time did absolutely nothing. And that was an outrage. But we understand the pop psychology of the left: ''Oh, gee, it's just this horrible system. I didn't really mean it. It's just a horrible system.''

Now, my friends, here is your chance to change the system, to say lawful citizens can contribute. No more financiers of Red Pagoda Communist Chinese cigarettes, no more daughters of the head of the Chinese equivalent of the CIA who showed up in the Oval Office, no more sham corporations, Chinese shell corporations operated by the Red Army of China doing their dirty work through soft money to a Clinton-Gore reelection campaign.

If you are serious about reform, stand up for national security, stand up for this perfecting amendment, but I know the Orwellian phrase will be, somehow this is a poison pill. Yes, I guess it is poisonous to disallow enemies of this state access to our political system. That is so bizarre.

Shame on those who advocate this. Support this amendment. Stand up for America. Improve the system.

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds.

The CHAIRMAN pro tempore. The Committee will be in order.

Mr. HOYER. The House is not in order, and particularly the gentleman from Arizona is not in order.

The CHAIRMAN pro tempore. More than one Member is not in order.

PARLIAMENTARY INQUIRY

Mr. HAYWORTH. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman will state his inquiry.

Mr. HAYWORTH. Mr. Chairman, is it appropriate for a Member of the House to impugn the motives or the conduct of another Member of the House?

The CHAIRMAN pro tempore. The Chair would respond that all Members should refrain from impugning the personal motives of other Members or engaging in personalities.

The Chair would also respond that the Chair is simply attempting to maintain order so that we can work our way through the amendments. If the Members would cooperate, that would be helpful.

The Chair recognizes the gentleman from Maryland (Mr. HOYER).

□ 2315

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, tarring with a broad brush is not worthy of this House. It has happened before, and it has demeaned the Constitution and the generosity of the Statue of Liberty that stands at her door.

Mr. Chairman, I yield 1 minute to the distinguished gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Chairman, it is obvious that xenophobia is alive and well in some quarters of this Chamber.

This is not about foreign influence. Legal permanent residents are the sons and daughters, brothers and sisters, mothers and fathers of United States citizens who obeyed the rules, followed the laws, and now are in this country and live a lawful life. They fight for the country, they die for the country, they contribute to the Nation's economy, and they pay taxes.

Today there are 20,000 legal permanent residents enlisted in the Armed Forces of the United States. They are protecting our airports, our seaports, our borders. They risk their lives daily in Afghanistan and other places around the world to protect us here at home. And they have the right to make contributions to causes and to candidates they support now under the law, a right that should not be taken away from them.

If they can die for this country, sir, they certainly have the right to choose who is going to send them there by the political process. But they can participate by giving contributions, and that should never, ever, be taken away.

Mr. WICKER. Mr. Chairman, I yield myself 25 seconds.

Mr. Chairman, I am a veteran of the United States Air Force. I have worn the uniform of my country, and I still serve in the United States Air Force Reserve. And I would tell my friend from New Jersey that every member of the United States military is prohibited by law from making political contributions.

When I was on active duty, I could not make political contributions. I was just as good a citizen then as I am now; but because of the very nature of my activity, I could not make such contributions, and I was no less of a citizen.

Mr. HOYER. Mr. Chairman, I am proud to yield 1 minute to the gentleman from Texas (Mr. REYES), the chairman of the Hispanic Caucus.

Mr. REYES. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, this evening it is a simple situation that we are facing here in the House. Each one of you is going to get one of these handouts this evening, and let me just read it to you.

It says, ''He saved the lives of our American soldiers under fire in Vietnam. He received the Congressional Medal of Honor. He now heads the United States Selective Service System. Now we want to make him, and others like him, guilty of an unlawful act if they contribute to your campaign.

''Alfred Rascon, now director of the United States Selective Service, was a legal permanent resident when he served our country in Vietnam and earned the Congressional Medal of Honor.''

That is what it gets down to. It gets down to fairness. It gets down to recognizing that legal permanent residents live here, work here, pay taxes; they serve in the military, they earn Medals of Honor, and we should be ashamed of ourselves if we pass this tonight.

Mr. HOYER. Mr. Chairman, I yield 45 seconds to the distinguished gentleman from Texas (Mr. GONZALEZ), whose father was a giant in this institution on the rights of all people.

Mr. GONZALEZ. Mr. Chairman, I rise in strong opposition. We really thought this was going to be the last amendment, because we thought they would save the worst for last; but it is not, and we are here at this moment, and I have about 30 seconds.

Who are you talking about? Who are these legal permanent residents that you refer to? Are they faceless members of a crowd? I will tell you who they are. They are people that are in this country by choice; who have a greater appreciation for the freedoms of our democracy than most people that are here today simply by accident of birth. They contribute the blood, sweat and tears to this country. They have as great a love as anyone that was ever born here.

If you come to San Antonio, Texas, you will know exactly what I am talking about. Do you want to know what we are talking about tonight? I will tell you. Look in the mirror. You will see the faces of your grandparents and your parents, your brothers and your sisters and your neighbors. That is who we are talking about tonight.

Mr. HOYER. Mr. Chairman, I yield 45 seconds to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Chairman, I rise in opposition to this amendment, which would threaten the rights of minorities to participate in our Nation's political process.

Just as citizens do, legal permanent residents are required to register for the draft. Many are veterans. It has already been mentioned there are 20,000 legal immigrants serving voluntarily in the military, and that 20 percent of the Congressional Medal of Honor recipients in U.S. wars have been legal immigrants or naturalized Americans.

Mr. Chairman, in addition to this being a poison pill amendment, it is also clearly unconstitutional. Federal courts have held that immigrants have the same first amendment rights as citizens. Let us not deny them that.

Mr. HOYER. Mr. Chairman, I yield 45 seconds to the distinguished gentleman from California (Mr. BECERRA).

Mr. BECERRA. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, ''Hundreds of thousands of immigrants take the oath of citizenship every year. Each has come not only to take, but to give. They come asking for a chance to work hard, support their families, and rise in the world. And together they make our Nation more, not less, American.''

Those are not my words. Those are the words of George W. Bush, the President of the United States. He said that while he was flanked by two individuals who happened to have been former lawful permanent residents, his Secretary of Labor, Elaine Chao, and his Secretary of Housing and Urban Development, Mel Martinez, who are now U.S. citizens.

You seek to deprive people like Secretary Martinez and Secretary Chao, and my mother, the opportunity to participate in this process. Today we can argue on the floor of this House about the freedoms of this country, while people stand in Afghanistan to secure our freedom and stand at our airports to secure our freedom. Let us stand with them as they stand with us.

Mr. HOYER. Mr. Chairman, I yield 45 seconds to the distinguished gentlewoman from California (Ms. SOLIS).

Ms. SOLIS. Mr. Chairman, I rise also to convey my anger and disgust with what I have seen occur here tonight on this floor. Twenty percent of the constituents in my district are legal residents. Twenty-five percent of them have just become U.S. citizens.

The message that they hear every single day on the news is that the Republican Party, our friends from the other aisle, want them to be a part of America. But tonight you are sending them the wrong signal. You are driving a spear through their hearts, through their families, because they have worked hard, they have worked lawfully.

My parents came here as legal immigrants to see their daughter rise to become a Member of this House. So many

people are waiting for the American dream. They pay taxes, they have given their sons and daughters, they fight our wars. And they will continue to do that because they have a strong belief in our Constitution and the freedom that this country represents.

We cannot allow this amendment to go forward. I hope that Members on the other side of the aisle will agree with me.

Mr. WICKER. Mr. Chairman, I yield 1½ minutes to the gentleman from Georgia (Mr. BARR).

Mr. BARR of Georgia. I thank the gentleman for yielding me time.

Mr. Chairman, what is wrong with the Shays-Meehan picture? If a U.S. citizen wishes to contribute voluntarily money for party building, for grassroots activity, to get out the vote, to educate voters, they are prohibited from seeing their money used for those lawful legitimate laudable purposes by a political party at any time during a campaign and by a grassroots organization during the final stages of a campaign. Yet a noncitizen, somebody not allowed to vote in this country, can, under Shays-Meehan, vote and influence political events in this country by making a contribution.

Something is wrong with this picture, when we are taking rights away from United States citizens in Shays-Meehan and allowing the right to vote to influence the political process to noncitizens. That is what is wrong with the picture.

It is a loophole that must be plugged. Vote for the Wicker amendment. The Wicker amendment simply stands for the proposition, very simply, that if you cannot vote, you should not be able to contribute and influence directly the political process through money, when you do not have the right to vote.

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, The gentleman is wrong on both points. It does not take rights away from American citizens, and this bill neither gives nor takes away from rights of people who legally live in this country. That is the law today. You seek to take it away.

Mr. Chairman, I yield 30 seconds to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Chairman, I just want to give two faces to the people that you would deny this right. I had one woman come into my office from the former Soviet Union. She was in a country, it was a dictatorship at the time, she was Jewish, she could not even exercise her right to go to synagogue. She was so proud of the fact she could come in my office, she could make phone calls, she could do mailings and make a little contribution, I think it was $25.

She was so proud of that fact. She could not vote yet because she was applying to be a citizen, but she wanted to participate in the process.

I had another woman who was a doctor at the local emergency room, an Indian physician. She wanted to do the same thing.

What is wrong with letting these people exercise their rights? Nothing.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the gentlewoman from California (Ms. PELOSI), the Democratic whip.

Ms. PELOSI. Mr. Chairman, I thank the distinguished gentleman for yielding me time and for his leadership on this important issue.

Mr. Chairman, I represent a district that is so beautiful because it is so diverse. Our country is every day invigorated by the arrival of newcomers on our shore. They bring with them their courage, their commitment to family values, a commitment to the academic ethic, the religious ethic, a sense of community, and a strong love of freedom and patriotism, yes, to America.

I urge my colleagues to oppose this unfortunately mean-spirited amendment because it is a poison pill and because it will deprive minorities in our country of a right to participate in the freedom that they have so courageously sought.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Washington State (Mr. INSLEE).

(Mr. INSLEE asked and was given permission to revise and extend his remarks.)

Mr. INSLEE. Mr. Chairman, where are the smartest people in the world going? They are going to America.

□ 2330

Physicists from Ireland, computer specialists from India, folks from all over the world are coming to this country as the mecca of democracy, and they are making our economy stronger. If my colleagues want to know what it means, come to my district to see what it means for Microsoft and real networks to make this economy boom. I will just say one thing: The fellow who said Patrick Buchanan says that this is hurting America, he is dead wrong, and we ought to reject it to put a stake in the heart of that attitude in this country tonight.

Mr. HOYER. Mr. Chairman, I yield 15 seconds to the very distinguished gentleman from the State of Oregon (Mr. WU), the only Member of this House born in Taiwan.

Mr. WU. Mr. Chairman, enemy of the State. Enemy of the State. I have not heard much of this debate since hearing those words. I think that the gentleman from Arizona, by labeling legal permanent residents of America enemies of the State, by so doing has perpetrated a great evil and consigned that perspective, I hope, to the dust heap of history.

Mr. WICKER. Mr. Chairman, I yield 1 minute and 10 seconds to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I thank the gentleman for yielding.

I want to say that I am conflicted by this. I want to say to my friends on the Democrat side, they have made a lot of good points. I think there are a lot of good points that have been made by the Republican side, too. I also want to remind my colleagues, because there are a lot of new people here who have been speaking with lots of righteous indignation about this, and I think their indignation is sincere, but veterans over there and veterans over here may remember September 14, 1999, when we had this exact same vote on a bipartisan basis. It passed 242 to 181. I have the voting list in my hand. I will be glad to share it with anybody. I do not choose to embarrass anybody by reading names, but I can tell my colleagues that every third name on here is a Democrat. I will say this to my Republican colleagues: Plenty of them voted no last time.

This is not a bipartisan issue. This is not a finger-pointing issue, and this is not a racist issue. If it is, we are indicting a lot more than the author of this amendment, because plenty of folks voted yes last time, and plenty of folks voted no last time in each party. I have it right here in my hand.

So I am just saying this: As many of my colleagues know, I can be just as partisan as some of the rest of us, but I am saying in this case, this is not a partisan issue, this is not a mean-spirited amendment. We have been down this path before. I think we had a much better debate last time, but here is a copy of the results of that debate, and I will share it with anybody.

Mr. WICKER. Mr. Chairman, how much time remains on each side?

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Mississippi (Mr. WICKER) has 1½ minutes remaining; the gentleman from Maryland (Mr. HOYER) has 1¾ minutes remaining.

Mr. WICKER. Mr. Chairman, I would inquire of the gentleman from Maryland as to the amount of speakers he has remaining.

Mr. HOYER. Mr. Chairman, I have two, but I will take 15 seconds, and I will yield the balance of the time to the gentleman from Connecticut (Mr. SHAYS).

Mr. WICKER. Mr. Chairman, if the gentleman would go ahead with his one speaker, then I will conclude our portion of the debate.

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds. First of all, let me say that the information we currently have is that military personnel can, in fact, contribute. They cannot solicit, but they can contribute.

Second, I would say that when we say that I left my lamp beside the golden door, it means that you are welcome. And when we say to somebody, you are a legal permanent resident and you can pay taxes and serve in the service, it means not only are you welcome, but you can participate. Let us not shut that golden door tonight.

Mr. Chairman, I retain the balance of my time.

Mr. WICKER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the gentleman from Maryland, who is my friend, for the tone of his remarks, and I would assure him that when I was a member of the United States Air Force, it may have been by statute, it may have been by regulation, but members of the service were prohibited from making contributions, and we were still good citizens.

Mr. Chairman, I regret the tone that this debate has taken tonight. I am looking out at the faces of my colleagues. I know them, they know me. I would hope they would not impugn a racist motive to an amendment that I have offered on several occasions in this body and has been adopted overwhelmingly on a bipartisan basis.

This is an issue of foreign campaign influence, and I regret that tonight there have been attempts to turn it into a minority issue or a racial issue, or an immigration issue, because it most certainly is not. It is about the fact that really and truly, abuses have occurred, and this legislation has been adopted by this body three times already to address those abuses. It simply makes the statement and would make the statement in the form of the Shays-Meehan bill that the election of Federal officials is the duty of United States citizens, and that is all the amendment does.

I urge the adoption of the amendment.

Mr. HOYER. Mr. Chairman, for the purposes of closing debate on this important amendment, I yield the remaining time to the cosponsor of this legislation, the distinguished gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, I thank the gentleman for yielding me this time.

I had fainted unless I believed to see the goodness of the Lord in the land of the living, and I see this goodness in this House, and I see a little anger, and I see little charges. My wife and I got to serve in the Peace Corps. It was the best 2 years of our lives, serving in another country and learning another culture.

George Bush gets it. He would oppose this amendment. He knows we live in a pluralistic society, and he knows our party is not pluralistic. Look at us. We are good people, but we do not look like that, and some day my hope, some day my hope is that we will look like that, but amendments like this make it very difficult for people of other cultures to want to be a part of our party.

This amendment passed in the past because we confused foreign nationals and the soft money they gave to legal permanent residents who were giving legal contributions, and we got caught up in all of that soft money given by foreign nationals. This is not about foreign nationals. It is about legal permanent residents being allowed to participate in our government.

Mr. WU. Mr. Chairman, this amendment is more than a poison pill to campaign finance reform; it is a poison pill to our Constitution—to our civil rights.

There is nothing in this Constitution that says that the protections of the Bill of Rights extend only to United States citizens. Throughout it there is reference to people, not just citizens. There have been court decisions time and time again that have extended the protections of the Constitution to all persons living within the United States.

We have had a great problem in the Congress making a distinction between illegal residents and legal permanent residents. Legal permanent residents have gone through all the processes. They have spent years to even come to the United States. They have come here with the purpose of being lawful, participating people in this great democracy. They play important civic roles and pay federal, state and local taxes. They serve in the military and are deeply affected by political decisions.

Nearly 20,000 legal permanent residents are now serving voluntarily in the military and playing key roles in our nation's defense against terrorism. Moreover, more than 20 percent of the Congressional Medal of Honor recipients in our nation's wars have been legal immigrants, many of whom later became citizens of this country.

Why are we afraid of these legal residents? We should not be. We should be welcoming them as participants in this democracy.

Let us not make a mockery of our Bill of Rights, of our Constitution, and adopt an amendment that says we will let you live in our country, but we will not allow you to participate.

Do not disgrace the Constitution by supporting this kind of amendment.

The CHAIRMAN pro tempore. All time for debate has expired.

The question is on the amendment offered by the gentleman from Mississippi (Mr. WICKER).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. WICKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 160, noes 268, not voting 6, as follows:

[Roll No. 30]

AYES—160

Aderholt	Combest	Green (WI)
Akin	Cooksey	Grucci
Armey	Cox	Gutknecht
Bachus	Crane	Hansen
Baker	Crenshaw	Hart
Ballenger	Culberson	Hastings (WA)
Barr	Cunningham	Hayes
Bartlett	Davis, Jo Ann	Hayworth
Barton	Deal	Hefley
Bereuter	DeLay	Herger
Biggert	DeMint	Hilleary
Bilirakis	Doolittle	Hobson
Blunt	Duncan	Hoekstra
Boehner	Dunn	Holden
Bono	Ehrlich	Hostettler
Boozman	Everett	Hulshof
Brown (SC)	Flake	Hunter
Burr	Forbes	Hyde
Buyer	Fossella	Isakson
Callahan	Gallegly	Istook
Calvert	Gekas	Jenkins
Camp	Gibbons	Johnson, Sam
Cannon	Gillmor	Jones (NC)
Cantor	Goode	Keller
Chabot	Goodlatte	Kelly
Chambliss	Goss	Kennedy (MN)
Coble	Graham	Kerns
Collins	Graves	Kingston
Knollenberg	Peterson (PA)	Smith (MI)
Largent	Petri	Smith (NJ)
Latham	Pickering	Smith (TX)
Lewis (CA)	Pitts	Stearns
Lewis (KY)	Pryce (OH)	Stump
Linder	Putnam	Sununu
Lucas (OK)	Radanovich	Tancredo
Manzullo	Rehberg	Tauzin
McCrery	Reynolds	Taylor (MS)
McHugh	Rogers (KY)	Taylor (NC)
McInnis	Rogers (MI)	Thomas
McKeon	Rohrabacher	Tiahrt
Mica	Royce	Tiberi
Miller, Dan	Ryun (KS)	Toomey
Miller, Gary	Saxton	Upton
Miller, Jeff	Schaffer	Vitter
Myrick	Schrock	Walden
Nethercutt	Sensenbrenner	Watkins (OK)
Ney	Sessions	Watts (OK)
Northup	Shadegg	Weldon (FL)
Norwood	Shaw	Whitfield
Nussle	Sherwood	Wicker
Ose	Shimkus	Wilson (SC)
Otter	Shuster	Young (AK)
Oxley	Simpson	
Pence	Skeen	

NOES—268

Abercrombie	Etheridge	Lewis (GA)
Ackerman	Evans	Lipinski
Allen	Farr	LoBiondo
Andrews	Fattah	Lofgren
Baca	Ferguson	Lowey
Baird	Filner	Lucas (KY)
Baldacci	Fletcher	Luther
Baldwin	Foley	Lynch
Barcia	Ford	Maloney (CT)
Barrett	Frank	Maloney (NY)
Bass	Frelinghuysen	Markey
Becerra	Frost	Mascara
Bentsen	Ganske	Matheson
Berkley	Gephardt	Matsui
Berman	Gilchrest	McCarthy (MO)
Berry	Gilman	McCarthy (NY)
Bishop	Gonzalez	McCollum
Blagojevich	Gordon	McDermott
Blumenauer	Granger	McGovern
Boehlert	Green (TX)	McIntyre
Bonilla	Greenwood	McKinney
Bonior	Gutierrez	McNulty
Borski	Hall (OH)	Meehan
Boswell	Hall (TX)	Meek (FL)
Boucher	Harman	Meeks (NY)
Boyd	Hastings (FL)	Menendez
Brady (PA)	Hill	Millender-McDonald
Brown (FL)	Hilliard	Miller, George
Brown (OH)	Hinchey	Mink
Bryant	Hinojosa	Mollohan
Burton	Hoeffel	Moore
Capito	Holt	Moran (KS)
Capps	Honda	Moran (VA)
Capuano	Hooley	Morella
Cardin	Horn	Murtha
Carson (IN)	Houghton	Nadler
Carson (OK)	Hoyer	Napolitano
Castle	Inslee	Neal
Clay	Israel	Oberstar
Clayton	Issa	Obey
Clement	Jackson (IL)	Olver
Clyburn	Jackson-Lee (TX)	Ortiz
Condit	Jefferson	Osborne
Conyers	John	Owens
Costello	Johnson (CT)	Pallone
Coyne	Johnson (IL)	Pascrell
Cramer	Johnson, E. B.	Pastor
Crowley	Jones (OH)	Paul
Cummings	Kanjorski	Payne
Davis (CA)	Kaptur	Pelosi
Davis (FL)	Kennedy (RI)	Peterson (MN)
Davis (IL)	Kildee	Phelps
Davis, Tom	Kilpatrick	Platts
DeFazio	Kind (WI)	Pombo
DeGette	King (NY)	Pomeroy
Delahunt	Kirk	Portman
DeLauro	Kleczka	Price (NC)
Deutsch	Kolbe	Quinn
Diaz-Balart	Kucinich	Rahall
Dicks	LaFalce	Ramstad
Dingell	LaHood	Rangel
Doggett	Lampson	Regula
Dooley	Langevin	Reyes
Doyle	Lantos	Rivers
Dreier	Larsen (WA)	Rodriguez
Edwards	Larson (CT)	Roemer
Ehlers	LaTourette	Ros-Lehtinen
Emerson	Leach	Ross
Engel	Lee	Rothman
English	Levin	Roybal-Allard
Eshoo		

Rush	Solis	Udall (CO)
Ryan (WI)	Souder	Udall (NM)
Sabo	Spratt	Velazquez
Sanchez	Stark	Visclosky
Sanders	Stenholm	Walsh
Sandlin	Strickland	Wamp
Sawyer	Stupak	Waters
Schakowsky	Sweeney	Watson (CA)
Schiff	Tanner	Watt (NC)
Scott	Tauscher	Waxman
Serrano	Terry	Weiner
Shays	Thompson (CA)	Weldon (PA)
Sherman	Thompson (MS)	Weller
Shows	Thornberry	Wexler
Simmons	Thune	Wilson (NM)
Skelton	Thurman	Wolf
Slaughter	Tierney	Woolsey
Smith (WA)	Towns	Wu
Snyder	Turner	Wynn

NOT VOTING—6

Brady (TX)	Riley	Traficant
Cubin	Roukema	Young (FL)

□ 2355

Mr. BALLENGER and Mr. CUNNINGHAM changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 29 OFFERED BY MR. REYNOLDS

Mr. REYNOLDS. Mr. Chairman, I offer an amendment as the designee of the gentleman from Texas (Mr. ARMEY).

THE CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 29 offered by Mr. REYNOLDS:

Amend section 402 to read as follows:

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect February 14, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a) which remain unexpended as of such date, the committee shall return the funds on a pro rata basis to the persons who provided the funds to the committee.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 334, the gentleman from New York (Mr. REYNOLDS) and the gentleman from Florida (Mr. DAVIS) each will control 10 minutes.

The Chair recognizes the gentleman from New York (Mr. REYNOLDS).

(Mr. REYNOLDS asked and was given permission to revise and extend his remarks.)

Mr. REYNOLDS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, throughout this day I have listened to many of my colleagues rail on the evils of soft money. That is why it is time to ensure the rhetoric matches the reality. And I am doing just that by introducing an amendment that reverses a slick attempt to manipulate existing law and which will end soft money now rather than election day. By enacting this amendment, soft money will be banned tomorrow, Valentine's Day; and that is fitting because it would put an end to sweetheart deals being advanced by many of the supporters of Shays-Meehan.

□ 0000

I can certainly see why my colleagues on the other side of the aisle do not want to end soft money now. They want a grace period that will allow them to spend tens of millions of dollars in soft money this year.

Just take a look at last year, where nearly 54 percent of all contributions to Democrat committees were soft money contributions, compared to only 35 percent for Republican committees; and I can see why they may not want to close the loophole that would allow them to use a $40 million soft money building fund as collateral for hard-money dollars they could use in this year's campaigns.

If we do not approve this amendment, not only will it fail to do what Shays-Meehan originally intended to accomplish, we would allow a perversion of current law restricting the use of soft money.

Without this amendment, we would actually weaken current law, think about that, weaken current law by allowing national political parties to borrow hard money and repay it with soft money.

That is right, according to the commissioners of the Federal Election Commission, and I am reading verbatim, the transition rule allowing national party committees to spend soft money between November 6, 2002, and January 1, 2003, does not prohibit the use of soft money to pay debts related to Federal elections.

It is clear that this Congress would weaken existing law because, and I am again citing FEC officials, the proposed bill effectively invalidates the Federal Election Commission's soft-money allocation regulations.

That is just one opinion. So let us hear another.

According to Common Cause lawyer Trevor Potter, former counsel to Senator JOHN MCCAIN, the national parties may spend excess soft money to pay off any outstanding debts, noting that the tax provides that soft money could be used to retire outstanding debts, incurred solely in an election occurring by November 5, 2002. It does not make reference to contributions or expenditures or non-Federal, joint or allocated activities.

Yet another opinion from election law expert Benjamin Ginsberg of Patton Boggs: The lack of specificity in the language means that a portion of hard dollar debt or obligations could be paid with soft money. As a practical matter, the plain wording of the proposed language would allow national party or committee to borrow hard dollars, spend those dollars in the upcoming election, and then use the remaining soft dollars to repay that debt.

With this kind of creative bookkeeping on the part of the Shays-Meehan supporters, I cannot help but wonder if Arthur Andersen helped draft it.

Mr. Chairman, Webster's defines reform as to amend or improve by change of form or removal of faults or abuses. Without this amendment, there will not be reform because we do not remove faults or abuses. In fact, this bill allows manipulation and subversion and gives preferential treatment and sweetheart deals to many of those who claim today that the system was fraught with those very vices.

Frankly, I do not see how making an exception to allow the Democratic National Committee to manipulate a $40 million soft-money account to help fund campaigns this year is reform by any definition, especially when they would be prevented from doing so under the current law that we stand under today.

I do not see how allowing parties to pay back hard-money campaign expenditures with millions of dollars in soft money represents a ban by any stretch of anyone's imagination.

A few months ago, the chief sponsor of this measure said, and I quote, ''There is no reason to delay the demise of this indefensible soft money system,'' end quote. CHRISTOPHER SHAYS, May 1, 2001.

If soft money donations to national parties are as evil and corrosive as Shays-Meehan proponents proclaim, then they should be stopped immediately. I realize that Shays-Meehan today, in its fourth incarnation, is not the Shays-Meehan that was first introduced. In fact, these two bills have about as much in common as a Ford Escort and a Ford Explorer. It is the same manufacturer, the same brand name, but completely different vehicles. Worse, it weakens existing laws that Shays-Meehan supporters claim are already too lax.

To my colleagues on the other side of the aisle who support Shays-Meehan, I ask only that they demonstrate that they believe in what they told the American people today, by really, truly banning soft money and banning it now.

To my colleagues on this side of the aisle who support Shays-Meehan, I ask only for fairness and that they level the playing field by making this an honest soft-money ban rather than creating special exemptions and special deals for the other party.

Mr. Chairman, if we are going to end soft money, then let us end it once and for all. Let us end it now, not months from now, when it is more politically convenient. If we are going to stop using soft money in campaigns, then let us make sure it is stopped in every campaign.

Without this amendment, the supporters of Shays-Meehan are saying

that while soft money may be bad, it is not bad enough to ban right here, right now. There is a word for that, Mr. Chairman, and it is hypocrisy.

I urge approval of the amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. DAVIS of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. HOYER), the distinguished ranking member.

Mr. HOYER. Mr. Chairman, I was not going to speak on this amendment, but the gentleman from New York (Mr. REYNOLDS), my good friend, mentioned hypocrisy. It is an interesting word.

We stand here with an amendment that says we ought to have a ban on soft money tomorrow, today. Today is tomorrow, my friend from Massachusetts tells me. What a wonderful proposition, from the party whose President George Bush, the first, in 1991 vetoed campaign finance reform, an amendment that says let us do it today from the party that for 10 years has delayed the adoption of campaign finance reform.

My, my, my. Now with the practicality of implementing an entire new program, that cannot possibly be done in the time frame set forth, designed, therefore, to kill this bill, is put forward. My, my, my. I say yes, hypocrisy is an interesting word.

Mr. REYNOLDS. Mr. Chairman, I yield myself such time as I may consume.

It gets down to the bottom line we are not going to hide from this vote anymore. We are going to have a vote tonight. The Democratic majority had 40 years to bring about true campaign reform. It is going to be passed by Republican votes tonight. I only can ask for a level playing field. I ask that we ban it right now, right here, February 14, reform.

Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me the time, and I rise in strong support of this amendment, the reason being that this amendment would simply correct what is probably the most egregious, perhaps even the most cynical flaw in this badly flawed bill. And the flaw is simply this: the Shays-Meehan bill allows a party to go out and borrow money now, spend it in the upcoming election as though it were hard money, and then repay the loan with the soft money that the bill is supposed to ban. The fact is the Shays-Meehan bill has a money laundering provision, a provision that allows them to convert from soft to hard money.

Soft money is supposed to be this egregious evil. The bill allows the parties to go out and raise it and then convert it and use it for a broader purpose, basically enhance its value, spend it as though it were hard money; and how convenient this is that the party that overwhelmingly supports this bill just happens to be the party that is relatively low on hard money these days, has an ample reserve of soft money. This is a very cynical feature of this bill, and I commend the gentleman from New York (Mr. REYNOLDS) for offering the amendment that would correct it.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from New York (Mr. REYNOLDS) has 2½ minutes remaining. The gentleman from Florida (Mr. DAVIS) has 8½ minutes remaining.

Mr. DAVIS of Florida. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) control 3 minutes of the time allocated to me and have the ability to yield time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. DAVIS of Florida. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, first let us talk about the time. Yes, if this bill had come up in a timely fashion last year, it would have been effective for this cycle. The amendment purports to say let us put it into effect right away.

Seventy House seats will be decided in primary in 3 weeks. The States of California and Illinois between them have more than 70 House seats. The primaries are in 3 weeks. Members can differ about a lot of this bill, but it is simply not logically possible to argue that they are for this bill and are going to have it go into effect 3 weeks before primary which have been conducted heretofore under the old rule. That is just not arguable, and to have someone say I am for the bill but I want to make it take effect right away and then call me a hypocrite is like being called silly by the Three Stooges. It simply does not make any sense.

One cannot purport to be for this bill and say that they are now going to put it into effect 3 weeks before 70-some-odd primaries.

The other point that the gentleman raised has some validity. There is some ambiguity in the bill; and as Members know, it will be corrected in a recommit. To the extent that there is an unintentional ambiguity that would allow a hard-money, soft-money transfer, the recommit will ban that. I understand that there is no worse news to give people who have found a flaw in something they hate than to plan to correct a flaw. I apologize. Maybe they should have held that they tortured the language or did not torture the language, they came up with an ambiguity.

The two sponsors of the bill are going to put an end to that ambiguity. I understand why they want to talk about it now. It is about to disappear, and they will miss it, I understand, because it will take away from them that argument. So the fact is very simple. If my colleagues voted for Shays-Meehan, how can they possibly now go to the people and say yes I voted for this and I then voted to make it take effect immediately 3 weeks before the primaries in which the rules have already been under the other way? Then it has got to go to the Senate and be signed by the President.

I hope this amendment is defeated and we will correct that error in the recommit.

Mr. REYNOLDS. Mr. Chairman, I yield myself such time as I may consume.

My colleagues keep getting confused between hard and soft money. Last I knew a primary was won on hard money, not using soft money. I also recollect that basically on some of the ambitions of some of the Members of the other side of the aisle they killed the bill the last time we had it in July, when we did not pass the rule, which I managed on this very floor.

Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Chairman, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me the time.

I spent almost a decade of my life doing campaign finance law before being elected to the United States Congress, and in that tenure I never advised a Republican Secretary of State, but I did advise two different Democrat Secretaries of State, and I want to focus on this language because I think it does matter.

I am glad that the gentleman from Massachusetts (Mr. FRANK), my colleague, has acknowledged that we are going to correct or they claim they are going to correct this flaw, but all day long they have been saying it was not a flaw. Indeed, this morning, the heat of debate, oh no, this language is perfect, we would never do such a thing.

I want to walk us through the language. I began today by calling the lawyer who replaced me as the adviser of the Arizona Secretary of State, and I faxed her the language and said does this language allow soft money to be used to repay a debt for dollars that were spent as hard dollars? She reviewed the language and in a phone conversation said to me, clearly, it does, there is no question about that.

Tonight we hear that in a last minute motion to recommit we are going to correct an error that they denied all day. I guess my question is, how many other errors are there?

It is interesting to me. I guess the gentleman from Massachusetts (Mr. FRANK) now says that the two letters that were produced today saying this defect is not here, in fact, are wrong themselves. I am glad he concedes that. As a matter of fact, the first of those two letters says it is clear that under current Federal election law only hard money can be used to pay off a loan where the money was used as hard money. Well, yes, that is the law now

but we changed the law, and he says under section 402(b), language that I guess the gentleman from Massachusetts (Mr. FRANK) now disagrees with, that soft money can only be used to pay off soft-money expenditures.

Except that is clearly not true, if my colleagues read the language; and interestingly, neither of the letters of those who propose this language offers a single citation to a single case making the point, nor do they point to any sentence in the bill itself; but my colleagues do not have to be a lawyer. All they have to do is read the bill. It is plain language.

□ 0015

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

We have three amendments, and that is it, and I cannot predict the outcome of any of the three. But we have really two issues that are in play right now. One of them is the issue of the delay to the start of the next campaign season, November 6, and the other is soft money.

In regards to the issue of delay, we thought that after 16 months already into this, whether we can blame one side or the other, we are here now and not in July or January of last year. We are 16 months into a 24-month election cycle, and by the time this bill becomes law, if it does become law, it is 2 or 3 or 4 months from now, and then we only have 4 months.

So I was asked, and others, does it make sense to have this bill take effect now, and the answer was it really does not. And I have spoken to some Members here who say the same thing. They know it. People on my own side of the aisle know it does not make sense to have it take effect today unless we want to kill the bill.

Now, on the issue of the soft money, I have been in pain all day, because the one thing that I do not want is there to be any ambiguity for any Member about any question of this bill. And the gentleman from Arizona (Mr. SHADEGG) was the final straw. He was the final straw. I believe he believes so strongly about this, and I believe he has influence over other Members, and so the motion to recommit is going to make it clear that there cannot be any soft money used for hard money expenses.

Now, the question my side of the aisle will have to answer is are they going to vote for a motion on the other side to take care of a problem they want to take care of? And that is going to be real curious. Are my colleagues going to do it, or is it all rhetoric? We are going to solve the problem about this issue in a motion to recommit, and I hope my colleagues will support it because it will take care of the problem of the feeling of ambiguity.

In my sense there is not a problem with it, but we want to make sure there is no doubt. And the other reason we want to make sure there is no doubt is the President has expressed concern about this, and we need to make sure there is no doubt in the mind of the President.

Mr. Chairman, I reserve the balance of my time.

Mr. DAVIS of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. SHERMAN).

(Mr. SHERMAN asked and was given permission to revise and extend his remarks.)

Mr. SHERMAN. Mr. Chairman, last week there was discussion as to what the effective date should be, and the gentleman from Connecticut describes his thought process. It might have been reasonable to have an effective date as early as the date of enactment, the date the President signs the bill. Maybe it would have been reasonable to have it 30 days or 60 days thereafter. The most reasonable outcome is to make it effective for the next election. But all of those alternatives would be reasonable approaches.

What is clearly unreasonable is to make this bill effective today, before the Senate acts, before the President acts. Not only is that impractical, it is clearly unconstitutional. Article 1, section 9, clause 3 tells this House not to pass an ex post facto law. Yet this bill imposes criminal penalties on acts taken tomorrow, which are legal tomorrow, but which would become retroactively illegal when the President signs this bill.

Tomorrow soft money will be used for issue ads naming candidates on the March 5 ballot in the primary in California and other early March primaries around this country. These ads were legal yesterday. They will be legal tomorrow. They will become illegal when the President signs this bill. And if they become retroactively illegal, then people can be put in jail for doing things which were legal at the time they did them. Our Founding Fathers made it clear that this Congress should never pass such a criminal statute. We have passed retroactive tax laws providing benefits, but never have we Constitutionally passed a retroactive bill imposing new criminal penalties. We cannot adopt an ex post facto bill, nor should we.

This amendment is not a good faith effort to insulate the 2002 elections from soft money. It is, instead, an act designed to kill the bill, and in doing so it violates the Constitution. Let us vote ''no'' on this amendment.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from New York (Mr. REYNOLDS) has 15 seconds remaining, the gentleman from Connecticut (Mr. SHAYS) has 30 seconds remaining, and the gentleman from Florida (Mr. DAVIS) has 1½ minutes remaining and the right to close.

Mr. REYNOLDS. Mr. Chairman, I reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, I yield the balance of my time to the gentleman from Florida (Mr. DAVIS).

The CHAIRMAN pro tempore. The gentleman from Florida (Mr. DAVIS) has 2 minutes remaining.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Chairman, I thank the gentleman for yielding me this time.

There has been a steady stream of amendments today intended to kill campaign finance reform. This is the latest one, and I am sure voters will look at how Members vote on final passage to see if they really want this to take effect, those who say they want it to take effect immediately.

I want to make sure that we do not lose perspective, as my colleagues talk about everything that is wrong with this. This is a bill that creates possibilities. This is a first and necessary step to restore a sense of the possibility of self-government to workers, to families, to college students, to farmers.

When I arrived here in Washington, the first day I took the oath of office, I sat down with the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) to enlist in this effort because it was apparent it is necessary to restore trust in government.

If the people of America do not have the trust in their ability to run their government, not special interests, but ordinary people, then America's gift to the world, this idea of self-government, will start to disintegrate.

Mr. REYNOLDS. Mr. Chairman, I yield myself the balance of my time.

I have listened to whether this has constitutional questions. This bill is riddled with constitutional questions. Even the sponsors have said some of it will be thrown out by the courts.

But I do know this: Without this amendment the supporters of Shays-Meehan are saying that while soft money may be bad, it is not bad enough to ban right here right now. There is a word for that, Mr. Chairman. It is hypocrisy.

I urge approval of the amendment, and I will ask for a recorded vote.

Mr. DAVIS of Florida. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, this is a very important amendment. It has the potential to derail the bill. We have seen through that masquerade all night. I think the House deserves a substantive debate on the merits, and we have had it, except we have not even had an attempt by the sponsor of the amendment to respond to two of the most important points made here.

We all understand when we are passing blatant unconstitutional bills. Nobody needs a law degree to recognize that. There was not even an attempt to respond to the argument by the gentleman from California (Mr. SHERMAN) that we are criminalizing behavior that is currently legal. There has been no attempt to respond to the point that it is terribly impractical for us to even be thinking about passing a bill that is supposed to take effect today when we all know rules have to be developed and

that the President has not even weighed in on this bill.

This has been a very good debate. It has exposed this amendment for what it is. It is a thinly veiled attempt to sabotage a bill that is demonstrating a lot of courage on the Republican side of the aisle for true reform, matching the efforts of the Democrats have been leading for years. Let us defeat this amendment and pass this bill tonight.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York (Mr. REYNOLDS).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. REYNOLDS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 190, noes 238, not voting 7, as follows:

[Roll No. 31]

AYES—190

Aderholt	Goode	Pickering
Akin	Goodlatte	Pitts
Armey	Goss	Pombo
Baker	Granger	Portman
Ballenger	Graves	Pryce (OH)
Barr	Green (WI)	Putnam
Bartlett	Grucci	Radanovich
Barton	Gutknecht	Regula
Bereuter	Hansen	Rehberg
Biggert	Hart	Reynolds
Bilirakis	Hastert	Rogers (KY)
Blunt	Hastings (WA)	Rogers (MI)
Boehner	Hayes	Rohrabacher
Bonilla	Hayworth	Ros-Lehtinen
Bono	Herger	Royce
Boozman	Hilleary	Ryan (WI)
Brown (SC)	Hobson	Ryun (KS)
Bryant	Hoekstra	Saxton
Burton	Hostettler	Schaffer
Buyer	Hunter	Schrock
Callahan	Hyde	Sensenbrenner
Calvert	Isakson	Sessions
Camp	Issa	Shadegg
Cannon	Istook	Shaw
Cantor	Jenkins	Sherwood
Capito	Johnson, Sam	Shimkus
Chabot	Jones (NC)	Shuster
Chambliss	Keller	Simpson
Coble	Kelly	Skeen
Collins	Kennedy (MN)	Smith (MI)
Combest	Kerns	Smith (NJ)
Cooksey	King (NY)	Smith (TX)
Cox	Kingston	Souder
Crane	Knollenberg	Stearns
Crenshaw	Kolbe	Stump
Culberson	LaHood	Sununu
Cunningham	Largent	Sweeney
Davis, Jo Ann	Latham	Tancredo
Davis, Tom	LaTourette	Tauzin
Deal	Lewis (CA)	Taylor (MS)
DeLay	Lewis (KY)	Taylor (NC)
DeMint	Linder	Terry
Diaz-Balart	Lucas (OK)	Thomas
Doolittle	Manzullo	Thornberry
Dreier	McCrery	Thune
Duncan	McInnis	Tiahrt
Dunn	McKeon	Tiberi
Ehlers	Mica	Toomey
Ehrlich	Miller, Dan	Vitter
Emerson	Miller, Gary	Walden
English	Miller, Jeff	Wamp
Everett	Moran (KS)	Watkins (OK)
Ferguson	Myrick	Weldon (FL)
Flake	Nethercutt	Weldon (PA)
Fletcher	Ney	Weller
Foley	Northup	Whitfield
Forbes	Norwood	Wicker
Fossella	Nussle	Wilson (NM)
Frelinghuysen	Osborne	Wilson (SC)
Gallegly	Ose	Wolf
Ganske	Otter	Young (AK)
Gekas	Oxley	Young (FL)
Gibbons	Pence	
Gillmor	Peterson (PA)	

NOES—238

Abercrombie	Hall (TX)	Murtha
Ackerman	Harman	Nadler
Allen	Hastings (FL)	Napolitano
Andrews	Hill	Neal
Baca	Hilliard	Oberstar
Bachus	Hinchey	Obey
Baird	Hinojosa	Olver
Baldacci	Hoeffel	Ortiz
Baldwin	Holden	Owens
Barcia	Holt	Pallone
Barrett	Honda	Pascrell
Bass	Hooley	Pastor
Becerra	Horn	Paul
Bentsen	Houghton	Payne
Berkley	Hoyer	Pelosi
Berman	Hulshof	Peterson (MN)
Berry	Inslee	Petri
Bishop	Israel	Phelps
Blagojevich	Jackson (IL)	Platts
Blumenauer	Jackson-Lee (TX)	Pomeroy
Boehlert	Jefferson	Price (NC)
Bonior	John	Quinn
Borski	Johnson (CT)	Rahall
Boswell	Johnson (IL)	Ramstad
Boucher	Johnson, E. B.	Rangel
Boyd	Jones (OH)	Reyes
Brady (PA)	Kanjorski	Rivers
Brown (FL)	Kaptur	Rodriguez
Brown (OH)	Kennedy (RI)	Roemer
Capps	Kildee	Ross
Capuano	Kilpatrick	Rothman
Cardin	Kind (WI)	Roybal-Allard
Carson (IN)	Kirk	Rush
Carson (OK)	Kleczka	Sabo
Castle	Kucinich	Sanchez
Clay	LaFalce	Sanders
Clayton	Lampson	Sandlin
Clement	Langevin	Sawyer
Clyburn	Lantos	Schakowsky
Condit	Larsen (WA)	Schiff
Conyers	Larson (CT)	Scott
Costello	Leach	Serrano
Coyne	Lee	Shays
Cramer	Levin	Sherman
Crowley	Lewis (GA)	Shows
Cummings	Lipinski	Simmons
Davis (CA)	LoBiondo	Skelton
Davis (FL)	Lofgren	Slaughter
Davis (IL)	Lowey	Smith (WA)
DeFazio	Lucas (KY)	Snyder
DeGette	Luther	Solis
Delahunt	Lynch	Spratt
DeLauro	Maloney (CT)	Stark
Deutsch	Maloney (NY)	Stenholm
Dicks	Markey	Strickland
Dingell	Mascara	Stupak
Doggett	Matheson	Tanner
Dooley	Matsui	Tauscher
Doyle	McCarthy (MO)	Thompson (CA)
Edwards	McCarthy (NY)	Thompson (MS)
Engel	McCollum	Thurman
Eshoo	McDermott	Tierney
Etheridge	McGovern	Towns
Evans	McHugh	Turner
Farr	McIntyre	Udall (CO)
Fattah	McKinney	Udall (NM)
Filner	McNulty	Upton
Ford	Meehan	Velazquez
Frank	Meek (FL)	Visclosky
Frost	Meeks (NY)	Walsh
Gephardt	Menendez	Waters
Gilchrest	Millender-McDonald	Watson (CA)
Gilman	Miller, George	Watt (NC)
Gonzalez	Mink	Watts (OK)
Gordon	Mollohan	Waxman
Graham	Moore	Weiner
Green (TX)	Moran (VA)	Wexler
Greenwood	Morella	Woolsey
Gutierrez		Wu
Hall (OH)		Wynn

NOT VOTING—7

Brady (TX)	Hefley	Traficant
Burr	Riley	
Cubin	Roukema	

□ 0042

Ms. WOOLSEY changed her vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 25 OFFERED BY MR. KINGSTON

Mr. KINGSTON. Mr. Chairman, I offer an amendment as the designee of the majority leader.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 25 offered by Mr. KINGSTON:

Amend section 301(20) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(20) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

''(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

''(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention; and

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

In section 402(b), strike ''At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility.'' and insert the following: ''At no time after such effective date may the committee spend any such funds for activities to defray the costs of the construction or purchase of any office building or facility.''.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Georgia (Mr. KINGSTON) and a Member opposed each will control 10 minutes.

Mr. FATTAH. Mr. Chairman, I assert my right to claim the time in opposition.

The CHAIRMAN pro tempore. The gentleman from Pennsylvania will be recognized for 10 minutes.

The Chair recognizes the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a real easy amendment. This is a fun amendment at this time of night. Not much brain power is required on this one. Just a fair amendment.

If you think about it for a minute, if you listen to the rhetorical montage we have had today, you get real confused on who are the good guys and who are the bad guys, a lot of finger pointing. But one thing you conclude is soft money is bad; whether it is effective this election or after it or before, today or tomorrow, soft money is bad.

Therefore, my good friends, I would not want to see anybody build a building with this bad soft money. It would mean the building would be bad. It would mean the building would be corrupted. It would mean from the very beginning all the phone calls that were made from that building would be tainted.

Let me just say this: I want to say there are a lot of folks over there on that side of the aisle that think we do not like Democrats; and I want you to know, I like Democrats. I admire Democrats. I love the audacity of some of the Democrat Party.

There was a story of a young man who graduated from the University of Georgia, went to work for Sun Trust Bank, one of the great Georgia institutions. At the end of the first day of 8 hours, he went to the boss and said, Boss, there is an opening over at the Coca-Cola Company. I would like you to write me a letter of recommendation.

The boss looked at him and said, You are out of your mind. You just started here. This is your first day. You have barely completed 8 hours. You want me to write you a letter of recommendation?

He said, Yes. Coca-Cola doesn't have opportunities that often, and I want to go work for them. Can't you think of something good to say about me?

And the boss got a piece of paper and said, To whom it may concern: I like his nerve.

I want to say this, I like your nerve.

Let me tell my friends what is in this bill. This says you have got to get rid of all your soft money 30 days after the ban is completed or the new regulations are completed, so you have until December, except any time after the effective date the committee may spend such funds for activities which are solely to defray the cost of construction or purchase any office building.

Well, I am sure most of you do not know that is in there. As much nerve as you have, I am sure that would embarrass some of you, so we are going to take that out with this amendment. And that is all it does, Mr. Chairman.

Mr. Chairman, I reserve the balance of my time.

Mr. FATTAH. Mr. Chairman, I ask unanimous consent to yield 3 minutes to the gentleman from Connecticut (Mr. SHAYS) and have him have the ability to yield that time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me rise in opposition to this amendment. For I guess 10 times tonight or today we have been confronted with any manner of amendment seeking to derail the opportunity for this House to join our colleagues in the Senate and to give this President, who committed himself to be a reformer with results, an opportunity to put his signature on a campaign finance reform bill.

□ 0050

We have had people come at this issue from every different conceivable direction. Now we have this final attempt. I am sure my colleague and my friend would not be willing to amend his amendment to have both parties accede ownership of any properties ever built with soft money, any television stations, any other facilities. This notion that somehow during this transition period the majority would prefer that this money be spent on campaigns attacking its members rather than to be put towards refurbishing a party headquarters; this bill allows either party to take the extra soft money, not spend it on campaigns, but to invest it in infrastructure as we move to ban it completely. It is not dissimilar to other transitions and other reform measures that we have dealt with in the past. So, Mr. Chairman, let us enjoy another what will be failed attempt to derail this House from meeting its date with destiny, and that is we will pass Shays-Meehan, and we will do it tonight.

Mr. Chairman, I reserve the balance of my time.

Mr. KINGSTON. Mr. Chairman, I yield 2½ minutes to the gentleman from Missouri (Mr. BLUNT), the distinguished deputy whip.

Mr. BLUNT. Mr. Chairman, of course I rise in support of the amendment. I do not know why this amendment would derail the bill. The Senate I do not think had it in their bill; it was not in the original Shays-Meehan bill. In fact, under the original bill, the parties had to get rid of all soft money in their accounts beginning 30 days after enactment. This was added, I think, at a later time to really put a big loophole in this bill so that the parties could retain soft money.

Now, this does not really affect both parties the same way, because only one party has the money in the account right now to build a building. It has already been pointed out that if this money is, in fact, corrupting, it would seem it would be corrupting for all purposes. Money that was bad to use for voter registration, money that was bad to use for party-building, money that was bad to use to turn out the vote, one would think that same money would be bad to use to build a building for one of the parties.

Now, I hope that the plan, and we have talked about this a lot today, but I hope the plan is not to take this building fund and use it to pay off hard money that might be borrowed during the campaign, the campaign we are in right now. Certainly it would be nice collateral for a loan that then one could turn around and pay off that loan. That is what at least two Commissioners of the FEC say that could be done with this building fund. Why not eliminate this building fund controversy?

This is an area where if the parties are not going to be negatively impacted by soft money, let us be aboveboard on that; let us do the same thing for all party-building, including the parties building an actual building. Let us ban soft money, let us take this out of the bill. It was not in the Senate bill. It was not in the Senate bill, and we have talked so much today about how we need to have things that are compatible. We cannot amend the bill, we cannot go to conference, we cannot do anything with this bill because the Senate needs to accept it. This is a wholly grown idea on this side of the building.

I think it ought to be eliminated from the bill. I encourage my colleagues on both sides of the aisle to vote for this amendment and get rid of this soft money to be used only for this one purpose, only to benefit one party.

Mr. FATTAH. Mr. Chairman, I yield 1 minute to the gentleman from the Commonwealth of Massachusetts (Mr. MEEHAN), one of the prime sponsors.

Mr. MEEHAN. Mr. Chairman, here we have another amendment, it is about 10 minutes of 1:00, another attempt to try to break the fragile coalition, but let us be clear. Soft money has always been available for party-building. It has always been available for physical buildings.

Now, would not the Republicans be so lucky if we are going to enact this bill the day after the next election. Does anyone really think the parties are going to commit soft money not for television ads, but to build parties? The reality is this was put into the bill in July so that either party who had expenses relative to buildings could pay them.

Now, if this bill does not go into effect until after this election, I hardly think that it will be an advantage to either party if one of the parties keeps soft money and, rather than put them into 30-second spots, pays off a building with it.

The reality is the soft money influence has ballooned by 100 percent every 4 years because of television ads. The reason why soft money is an issue is because of television ads, 30-second spots. That is what we attempt to eliminate, and we do.

Mr. FATTAH. Mr. Chairman, I reserve the balance of my time.

Mr. KINGSTON. Mr. Chairman, I yield 30 seconds to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, I think there is a misunderstanding on this side of the aisle over how this money could be used if it were not utilized for building money. The bulk of this money in both parties' campaign funds come from contributions from Freddie Mac and Fannie Mae. These are federally chartered organizations, and the only contributions they give parties has to be used for building funds. It could never be used under existing law for campaign ads.

So when we say it could be or better be used, I do not think we understand the nature of this money and the nature of the limitations that it has under the law. I just wanted to clarify that. This money has to be used for building under current law. Unless we change this on motion to recommit, we would be allowing it to pay off a soft dollar debt.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume.

I am glad that the gentleman seeks to clarify, because much of what has happened by those who are opponents to this bill today has been an attempt to misinform; all the way from the White House press room to the floor of the House, an attempt to misinform people about the intent of this bill.

But a bipartisan majority has found its way through every single one of these amendments, and we are going to continue to do so.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Georgia (Mr. KINGSTON) has 4½ minutes remaining; the gentleman from Connecticut (Mr. SHAYS) has 3 minutes remaining; the gentleman from Pennsylvania (Mr. FATTAH) has 4 minutes remaining.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

I am getting a little concerned because some people are getting a little cocky here, and we have two amendments to go, and I cannot tell my colleagues the outcome. But I can tell my colleagues this: In 1974, the Federal Elections Campaign Act of 1974 provided an exemption to allow political parties to raise soft money to purchase or construct a building. It has existed since 1974. In fact, that was the way soft money kind of entered its way in. It was to build buildings; it was not really for campaigns, it was ultimately to get out the vote. It was not for races.

What this provision does in our bill is say that if a party has any soft money left on November 6, they can only use it to build or purchase a building.

Our bill makes it very clear that they cannot raise any more soft money for this or any purpose after November 6.

Now, my logic was, if Terry McAuliffe and the Democratic side of the aisle wants to use soft money to build a building and not use it to run against candidates, I am happy to have them do it. That was my simple logic. I am curious as to why our side of the aisle wants him to use this money only to run against us.

So that is the way my simple mind is working, I guess, at 1 o'clock in the morning. I am hoping this amendment is defeated. I hope Terry McAuliffe and anybody else he can convince will build buildings instead of running races.

Mr. TOM DAVIS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. SHAYS. I yield to the gentleman from Virginia.

Mr. TOM DAVIS of Virginia. Mr. Chairman, just to understand, building fund dollars are dollars that come for the most part from two organizations. Those monies cannot be used for ads. They can only be used for buildings. If this money does not fail, before November 5, both party committees would have to use that money to buy buildings or equipment. That is the way it would work. But they could not be used in ads; I just wanted to clarify that.

□ 0100

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

I have looked at the latest FEC report and what we have down in the building fund for the RNC is $1.8 million and the DNC is $3.2 million.

Now, I will acknowledge to my colleague, again, the gentleman from Arizona, he has asked, well, there is this talk of $40 million. I am trying to nail down where $40 million comes from, but I look at the FEC report and this is what I see. So then what they would have to be doing is they would have to be raising money right now for soft money for a building instead of spending it on a campaign.

Now, I do not know if there is some $40 million that does not show up in the FEC. I stand ready to comment on it, but that is what we have got.

Mr. Chairman, I reserve the balance of my time.

Mr. FATTAH. Mr. Chairman, I yield 1 minute and 15 seconds to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, when the gentleman from Virginia (Mr. TOM DAVIS), the chairman of the Republican Campaign Committee, raised the issue, I went to find out because I do not know much about this issue.

First of all, let me tell him that most of the funds, at least on our side, I do not know what is in your accounts, are non-Freddie Mac, Fannie Mae funds, soft dollars. The overwhelming majority of them, number one. Number two, clearly what this is is under the present system we have, I presume from time to time my colleagues have, they may not be doing so now, raised money for the purposes of either rehabing or constructing headquarters. My colleagues have a major headquarters. We have a headquarters. What the provision obviously says, if my colleagues have done that, as we have and I presume my colleagues have, and we have that money in the account for the purposes of building a building, we will be allowed to do that. We cannot raise more soft money, but you will be allowed to spend that money for the purposes of completing that project. It seems to me that we do that in almost all legislation that we pass. It is fair for both sides; and while it may seem to be a politically advantageous argument to make, as if it is some special deal, in fact, it is a transition provision that not only applies to our parties when we change the rules, but applies to almost every facet of business, and we do it in Ways and Means tax bills all the time.

So I suggest that we defeat this amendment and move on with the substance of this legislation.

Mr. KINGSTON. Mr. Chairman, how much time is remaining?

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Georgia (Mr. KINGSTON) has 4½ minutes remaining. The gentleman from Pennsylvania (Mr. FATTAH) has 2¾ minutes remaining. The gentleman from Connecticut (Mr. SHAYS) has 15 seconds remaining.

Mr. KINGSTON. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. WELDON).

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank my colleague for yielding me time.

I am confused and I am troubled. I have supported Shays-Meehan, and I have opposed almost all of the amendments because I have been told this is a very carefully crafted compromise. Now I find out late last night we have put this provision in at somebody's request that was not in the Senate bill. Unless somebody can tell me that is wrong, I would ask my colleagues to say. My side says it was added in and it was not in the Senate bill.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I do not know a whole lot about this, but the gentleman from Massachusetts (Mr. MEEHAN) and maybe the gentleman from Connecticut (Mr. SHAYS), this was added in July.

Mr. WELDON of Pennsylvania. The gentleman from Connecticut (Mr. SHAYS) told me last night.

Mr. SHAYS. Mr. Chairman, if the gentleman will yield, this amendment

was part of our July amendment and it is a part of the record.

Mr. WELDON of Pennsylvania. But it was not in the Senate bill?

Mr. SHAYS. It was not in the Senate bill; that is correct.

Mr. WELDON of Pennsylvania. Mr. Chairman, I can tell you what I am going to do, I will vote in favor of it and I encourage other people who have been supportive of Shays-Meehan to do the same thing because this is not what we were led to believe. I am voting ''yes.''

Mr. FATTAH. Mr. Chairman, do I have the right to close?

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. FATTAH. Mr. Chairman, I reserve the balance of my time.

Mr. KINGSTON. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. Mr. Chairman, I thank the gentleman for yielding me time.

Let me point out two factors about this provision that I think require us to pass this amendment. The first is that the provision allows not only the keeping of this soft money for the building of a building, but the keeping of it so long as you never build that building. There is no time limits on how long this money can be kept. So if one decides just not to use it, one can simply put it in a CD and just keep it around.

Now, why would one do that? Well, there are no provisions against using this money as collateral for other loans. So, therefore, this money could be kept in a CD, this soft money, this money that is supposed to be bad and corrupting, in a CD, collateralize loans. And then because the loans are made to the committee, the committee can use that loan money as hard money and spend it on ads or whatever other purposes for campaign money you want in effect. Because soft money like all money is fungible, it can be cleverly, and there are some accountants around to help you, and I assure you from the hearings we conducted, there are accountants around that can help one do it if one wants to do it, keep this soft money indefinitely. Use it as collateral. Every time one runs into trouble, just borrow against it, spend it for campaigns, spend it for ads. Do all the things my colleagues say they want to make outlawed.

If Members believe soft money is so corrupting, why would they want to keep it around and perhaps use it for that purpose, simply not build the building, constantly borrow against it? Pay off the loan when one could, but constantly borrow against it as collateral whenever extra money was needed for a campaign? In effect, converting soft money into hard money through the process of using as collateral.

That is what this bill currently allows to be done. Now, why would either party want to allow that to happen if, in fact, Members want to get rid of soft money as a corrupting feature in future campaigns? This amendment is necessary to correct this defect in the bill that the Senate was clever enough not to include in their legislation, and we ought to adopt the amendment.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume.

First of all, I know at least for myself I would rather be home with my wife on Valentine's Day, but we are here and in order to clean out the creek, we have to get the hogs out of the water first. What we need to focus in on here, we have heard from the gentleman from Connecticut (Mr. SHAYS). He is against this amendment. We have heard from the gentleman from Massachusetts (Mr. MEEHAN). He is against it.

The people who are the promoters of campaign finance here in the House are against this amendment and those people who have spent every amount of energy and intellect on trying to stop and derail this bill, they are for this amendment. So, now we should not need, as the gentleman from Georgia (Mr. KINGSTON) said when he opened this debate, to bring a great deal of intellectual curiosity of this. The cosponsors of the bill are against the amendment. They said it did not show up last night. It was in in July. Either when that information was offered, the gentleman from Pennsylvania (Mr. WELDON) who was arguing that point, still said, well, I am going to vote for it anyway. Do not let the facts get in your way. Let us try nonetheless if we can to honor our two colleagues who have worked so hard to bring us to this moment, and let us take their word for what it is they are trying to accomplish. Those of us who support Shays-Meehan, let us vote against this amendment.

Mr. KINGSTON. Mr. Chairman, how much time remains?

The CHAIRMAN pro tempore. The gentleman from Georgia (Mr. KINGSTON) has 1½ minutes remaining. The gentleman from Pennsylvania (Mr. FATTAH) has 1½ minutes remaining. The gentleman from Connecticut (Mr. SHAYS) has 15 seconds remaining.

Mr. KINGSTON. Mr. Chairman, I yield myself such time as I may consume.

I just want to say if we are going to clean out the water, we cannot just get the hogs out. We have to get the little piglets out as well. I think this amendment helps get one of the piglets out, a defect that may have been overlooked by my good friend from Pennsylvania.

Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania (Mr. WELDON).

Mr. WELDON of Pennsylvania. Mr. Chairman, my colleague and friend mentioned me but mischaracterized what I said. I did not say that this was added in last night. I said this was not in the Senate bill. That is what I said. And that has, in fact, been said by both sides.

I was told that this bill was identical to what the Senate passed and that is in fact not the case. So I have been misled. But I do not like the fact that the gentleman misrepresented what I said. I urge my colleagues who voted for Shays-Meehan to support this amendment because this was stuck in because obviously someone sees a financial advantage that the Senate did not see. It is wrong and it is not in the spirit of what campaign finance reform is all about.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

I just want to say honestly to this Chamber that I believe that the comments made by the gentleman from Virginia (Mr. TOM DAVIS) were correct. I am going to be voting against this amendment, but I do believe his point that my colleagues can raise them from the FHA and others is an accurate point and makes it easier to raise that soft money for those purposes.

□ 0110

Mr. KINGSTON. Mr. Chairman, I yield 30 seconds to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, let me understand the accounting. I know this as chairman of our committee, and my colleague's committee operates separately. We have several different funds that we keep at both committees. There are hard-dollar funds, Federal-dollar funds. Then there are three soft-money accounts. There is a corporate soft-dollar account, a personal soft-dollar account that could be spent differently in different States.

Then there is a building-fund soft-dollar account. Those moneys are, for the most part, I mean, 90-plus percent, moneys that are earmarked from corporations, particularly Freddie Mac and Fanny Mae, who have restrictions on the dollars they can give. They have given millions of dollars through the years, and I think we ought to just get to spend it.

This is not a poison pill amendment. This amendment I think is a free vote for Members, but it is a special carve out; and I just call that to Members' attention.

Mr. KINGSTON. Mr. Chairman, I yield myself the remaining time.

Let me just urge Members to support this amendment. The situation with this entire bill is we hear soft money is bad but not this soft money, not that soft money. It is a confusing bill. That is why it is a long bill, and what this amendment simply says is that the money cannot be used for any time to set in an account to build a building after soft money is banned by it.

Mr. Chairman, I yield back the time remaining.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Pennsylvania (Mr. FATTAH) has 1½ minutes remaining.

Mr. FATTAH. Mr. Chairman, I yield 45 seconds to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. Chairman, I am not sure why we are debating this

amendment in the first place; but the fact that we are, I think there is one flawed argument that has been made. If one cannot use the money for hard purposes in the first place, I do not think one can pledge it as a collateral for hard purposes because if they had a default, the money would be illegal at that point. I think the argument that was made was wrong in the first place, but I think it is sort of a meaningless amendment as it is.

Mr. FATTAH. Mr. Chairman, I yield myself the remainder of my time.

I feel almost in the role of Joshua, but I want to choose to be with SHAYS and MEEHAN this day, and I would hope that my colleagues would follow.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Georgia (Mr. KINGSTON).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FATTAH. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 232, noes 196, not voting 7, as follows:

[Roll No. 32]

AYES—232

Abercrombie	Dunn	Johnson (IL)
Aderholt	Edwards	Johnson, Sam
Akin	Ehlers	Jones (NC)
Armey	Ehrlich	Keller
Bachus	Emerson	Kelly
Baker	English	Kennedy (MN)
Ballenger	Everett	Kerns
Barr	Ferguson	Kind (WI)
Bartlett	Flake	King (NY)
Barton	Fletcher	Kingston
Bass	Foley	Kirk
Bereuter	Forbes	Knollenberg
Berkley	Fossella	Kolbe
Biggert	Frelinghuysen	LaHood
Bilirakis	Gallegly	Largent
Blunt	Ganske	Latham
Boehlert	Gekas	LaTourette
Boehner	Gibbons	Leach
Bonilla	Gilchrest	Lewis (CA)
Bono	Gillmor	Lewis (KY)
Boozman	Gilman	Linder
Brown (SC)	Goode	Lipinski
Bryant	Goodlatte	LoBiondo
Burton	Goss	Lucas (OK)
Buyer	Graham	Manzullo
Callahan	Granger	Matheson
Calvert	Graves	McCrery
Camp	Green (WI)	McHugh
Cannon	Greenwood	McInnis
Cantor	Grucci	McKeon
Capito	Gutknecht	Mica
Carson (OK)	Hall (TX)	Miller, Dan
Castle	Hansen	Miller, Gary
Chabot	Hart	Miller, George
Chambliss	Hastert	Miller, Jeff
Coble	Hastings (WA)	Moore
Collins	Hayes	Moran (KS)
Combest	Hayworth	Morella
Condit	Herger	Myrick
Cooksey	Hilleary	Nethercutt
Cox	Hobson	Ney
Crane	Hoekstra	Northup
Crenshaw	Horn	Norwood
Culberson	Hostettler	Nussle
Cunningham	Houghton	Osborne
Davis, Jo Ann	Hulshof	Ose
Davis, Tom	Hunter	Otter
Deal	Hyde	Oxley
DeFazio	Isakson	Pence
DeLay	Issa	Peterson (PA)
DeMint	Istook	Petri
Diaz-Balart	Jackson-Lee (TX)	Pickering
Doolittle	Jenkins	Pitts
Dreier	Johnson (CT)	Platts
Duncan	Johnson (IL)	Pombo
Portman	Shadegg	Thune
Pryce (OH)	Shaw	Tiahrt
Putnam	Sherwood	Tiberi
Quinn	Shimkus	Tierney
Radanovich	Shuster	Toomey
Ramstad	Simmons	Upton
Regula	Simpson	Vitter
Rehberg	Skeen	Walden
Reynolds	Smith (MI)	Walsh
Roemer	Smith (NJ)	Wamp
Rogers (KY)	Smith (TX)	Watkins (OK)
Rogers (MI)	Snyder	Watts (OK)
Rohrabacher	Souder	Weldon (FL)
Ros-Lehtinen	Stearns	Weldon (PA)
Royce	Stump	Weller
Ryan (WI)	Sununu	Whitfield
Ryun (KS)	Sweeney	Wicker
Sanders	Tancredo	Wilson (NM)
Saxton	Tauzin	Wilson (SC)
Schaffer	Taylor (NC)	Wolf
Schrock	Terry	Young (AK)
Sensenbrenner	Thomas	Young (FL)
Sessions	Thornberry	

NOES—196

Ackerman	Harman	Oberstar
Allen	Hastings (FL)	Obey
Andrews	Hill	Olver
Baca	Hilliard	Ortiz
Baird	Hinchey	Owens
Baldacci	Hinojosa	Pallone
Baldwin	Hoeffel	Pascrell
Barcia	Holden	Pastor
Barrett	Holt	Paul
Becerra	Honda	Payne
Bentsen	Hooley	Pelosi
Berman	Hoyer	Peterson (MN)
Berry	Inslee	Phelps
Bishop	Israel	Pomeroy
Blagojevich	Jackson (IL)	Price (NC)
Blumenauer	Jefferson	Rahall
Bonior	John	Rangel
Borski	Johnson, E. B.	Reyes
Boswell	Jones (OH)	Rivers
Boucher	Kanjorski	Rodriguez
Boyd	Kaptur	Ross
Brady (PA)	Kennedy (RI)	Rothman
Brown (FL)	Kildee	Roybal-Allard
Brown (OH)	Kilpatrick	Rush
Capps	Kleczka	Sabo
Capuano	Kucinich	Sanchez
Cardin	LaFalce	Sandlin
Carson (IN)	Lampson	Sawyer
Clay	Langevin	Schakowsky
Clayton	Lantos	Schiff
Clement	Larsen (WA)	Scott
Clyburn	Larson (CT)	Serrano
Conyers	Lee	Shays
Costello	Levin	Sherman
Coyne	Lewis (GA)	Shows
Cramer	Lofgren	Skelton
Crowley	Lowey	Slaughter
Cummings	Lucas (KY)	Smith (WA)
Davis (CA)	Luther	Solis
Davis (FL)	Lynch	Spratt
Davis (IL)	Maloney (CT)	Stark
DeGette	Maloney (NY)	Stenholm
Delahunt	Markey	Strickland
DeLauro	Mascara	Stupak
Deutsch	Matsui	Tanner
Dicks	McCarthy (MO)	Tauscher
Dingell	McCarthy (NY)	Taylor (MS)
Doggett	McCollum	Thompson (CA)
Dooley	McDermott	Thompson (MS)
Doyle	McGovern	Thurman
Engel	McIntyre	Towns
Eshoo	McKinney	Turner
Etheridge	McNulty	Udall (CO)
Evans	Meehan	Udall (NM)
Farr	Meek (FL)	Velazquez
Fattah	Meeks (NY)	Visclosky
Filner	Menendez	Waters
Ford	Millender-McDonald	Watson (CA)
Frank	Mink	Watt (NC)
Frost	Mollohan	Waxman
Gephardt	Moran (VA)	Weiner
Gonzalez	Murtha	Wexler
Gordon	Nadler	Woolsey
Green (TX)	Napolitano	Wu
Gutierrez	Neal	Wynn
Hall (OH)		

NOT VOTING—7

Brady (TX)	Hefley	Traficant
Burr	Riley	
Cubin	Roukema	

□ 0132

Messrs. MATHESON, MOORE, SANDERS, ABERCROMBIE, GEORGE MILLER of California, DEFAZIO, Mrs. JOHNSON of Connecticut, Messrs. SNYDER, ROEMER, KIND, Ms. JACKSON-LEE of Texas, and Mr. CONDIT changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 26 OFFERED BY MR. NEY

Mr. NEY. Mr. Chairman, as the designee of the gentleman from Texas (Mr. ARMEY), I offer an amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute No. 26 offered by Mr. NEY:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Campaign Reform and Citizen Participation Act of 2002''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE I—SOFT MONEY OF NATIONAL PARTIES

SEC. 101. RESTRICTIONS ON SOFT MONEY OF NATIONAL POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

''SOFT MONEY OF NATIONAL POLITICAL PARTIES

''SEC. 323. (a) PROHIBITING USE OF SOFT MONEY FOR FEDERAL ELECTION ACTIVITY.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value for Federal election activity, or spend any funds for Federal election activity, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) LIMIT ON AMOUNT OF NONFEDERAL FUNDS PROVIDED TO PARTY BY ANY PERSON FOR ANY PURPOSE.—

''(1) LIMIT ON AMOUNT.—No person shall make contributions, donations, or transfers of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party in any calendar year in an aggregate amount equal to or greater than $20,000.

''(2) PROHIBITING PROVISION OF NONFEDERAL FUNDS BY INDIVIDUALS.—No individual may make any contribution, donation, or transfer of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party.

''(c) APPLICABILITY.— This subsection shall apply to any political committee established and maintained by a national political party, any officer or agent of such a committee acting on behalf of the committee, and any entity that is directly or indirectly established, maintained, or controlled by such a national committee.

''(d) DEFINITIONS.—

''(1) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election, unless the activity constitutes generic campaign activity;

''(ii) voter identification or get-out-the-vote activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot), unless the activity constitutes generic campaign activity;

''(iii) any public communication that refers to or depicts a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

''(iv) any public communication made by means of any broadcast, cable, or satellite communication.

''(B) EXCEPTION FOR CERTAIN ADMINISTRATIVE ACTIVITIES.—The term 'Federal election activity' does not include any activity relating to establishment, administration, or solicitation costs of a political committee established and maintained by a national political party, so long as the funds used to carry out the activity are derived from funds or payments made to the committee which are segregated and used exclusively to defray the costs of such activities.

''(2) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means any activity that does not mention, depict, or otherwise promote a clearly identified Federal candidate.

''(3) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, or direct mail.

''(4) DIRECT MAIL.—The term 'direct mail' means a mailing by a commercial vendor or any mailing made from a commercial list.''.

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

SEC. 201. INCREASE IN LIMITS ON CERTAIN CONTRIBUTIONS.

(a) CONTRIBUTIONS BY COMMITTEES TO NATIONAL PARTIES.—Section 315(a)(2)(B) of such Act (2 U.S.C. 441a(a)(2)(B)) is amended by striking ''$15,000'' and inserting ''$30,000''.

(b) AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking ''$25,000'' and inserting ''$37,500''.

SEC. 202. INCREASE IN LIMITS ON CONTRIBUTIONS TO STATE PARTIES.

(a) CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.''.

(b) CONTRIBUTIONS BY COMMITTEES.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.''.

SEC. 203. TREATMENT OF CONTRIBUTIONS TO NATIONAL PARTY UNDER AGGREGATE ANNUAL LIMIT ON INDIVIDUAL CONTRIBUTIONS.

Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441(a)(3)) is amended—

(1) by striking ''(3)'' and inserting ''(3)(A)''; and

(2) by adding at the end the following new subparagraph:

''(B) Subparagraph (A) shall not apply with respect to any contribution made to any political committee established and maintained by a national political party which is not the authorized political committee of any candidate.''.

SEC. 204. EXEMPTION OF COSTS OF VOLUNTEER CAMPAIGN MATERIALS PRODUCED AND DISTRIBUTED BY PARTIES FROM TREATMENT AS CONTRIBUTIONS AND EXPENDITURES.

(a) TREATMENT AS CONTRIBUTIONS.—Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking ''a State or local committee of a political party of the costs of'' and inserting ''a national, State, or local committee of a political party of the costs of producing and distributing''.

(b) TREATMENT AS EXPENDITURES.—Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking ''a State or local committee of a political party of the costs of'' and inserting ''a national, State, or local committee of a political party of the costs of producing and distributing''.

SEC. 205. INDEXING.

Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting ''(A)'' before ''At the beginning''; and

(C) by adding at the end the following:

''(B) Except as provided in subparagraph (C), in any calendar year after 2002—

''(i) a limitation established by subsections (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

''(ii) each amount so increased shall remain in effect for the calendar year; and

''(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

''(C) In the case of limitations under subsections (a) and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.''; and

(2) in paragraph (2)(B), by striking ''means the calendar year 1974'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsections (a) and (h), calendar year 2001''.

SEC. 206. PERMITTING NATIONAL PARTIES TO ESTABLISH ACCOUNTS FOR MAKING EXPENDITURES IN EXCESS OF LIMITS ON BEHALF OF CANDIDATES FACING WEALTHY OPPONENTS.

(a) ESTABLISHMENT OF ACCOUNTS.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following new paragraph:

''(4)(A) Subject to subparagraph (B), the national committee of a political party may make expenditures in connection with the general election campaign of a candidate for Federal office (other than a candidate for President) who is affiliated with such party in an amount in excess of the limit established under paragraph (3) if—

''(i) the candidate's opponent in the general election campaign makes expenditures of personal funds in connection with the campaign in an amount in excess of $100,000 (as provided in the notifications submitted under section 304(a)(6)(B)); and

''(ii) the expenditures are made from a separate account of the party used exclusively for making expenditures pursuant to this paragraph.

''(B) The amount of expenditures made in accordance with subparagraph (A) by the national committee of a political party in connection with the general election campaign of a candidate may not exceed the amount of expenditures of personal funds made by the candidate's opponent in connection with the campaign (as provided in the notifications submitted under section 304(a)(6)(B)).''.

(b) WAIVER OF LIMITS ON CONTRIBUTIONS TO ACCOUNTS.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

''(9) The limitations imposed by paragraphs (1)(B), (2)(B), and (3) shall not apply

with respect to contributions made to the national committee of a political party which are designated by the donor to be deposited solely into the account established by the party under subsection (d)(4).''.

(c) NOTIFICATION OF EXPENDITURES OF PERSONAL FUNDS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following new subparagraph:

''(B)(i) The principal campaign committee of a candidate (other than a candidate for President) shall submit the following notifications relating to expenditures of personal funds by such candidate (including contributions by the candidate or the candidate's spouse to such committee and funds derived from loans made by the candidate or the candidate's spouse to such committee):

''(I) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended (or contributed) with respect to an election exceeds $100,000.

''(II) After the notification is made under subclause (I), a notification of each such subsequent expenditure (or contribution) which, taken together with all such subsequent expenditures (and contributions) in any amount not included in the most recent report under this subparagraph, totals $5,000 or more.

''(ii) Each of the notifications submitted under clause (i)—

''(I) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made;

''(II) shall include the name of the candidate, the office sought by the candidate, and the date of the expenditure or contribution and amount of the expenditure or contribution involved; and

''(III) shall include the total amount of all such expenditures and contributions made with respect to the same election as of the date of expenditure or contribution which is the subject of the notification.''.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

SEC. 301. DISCLOSURE OF INFORMATION ON COMMUNICATIONS BROADCAST PRIOR TO ELECTION.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

''(e) DISCLOSURE OF INFORMATION ON CERTAIN COMMUNICATIONS BROADCAST PRIOR TO ELECTIONS.—

''(1) IN GENERAL.—Any person who makes a disbursement for a communication described in paragraph (3) shall, not later than 24 hours after making the disbursement, file with the Commission a statement containing the information required under paragraph (2).

''(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

''(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

''(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

''(C) The amount of the disbursement.

''(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

''(E) The text of the communication involved.

''(3) COMMUNICATIONS DESCRIBED.—

''(A) IN GENERAL.—A communication described in this paragraph is any communication—

''(i) which is disseminated to the public by means of any broadcast, cable, or satellite communication during the 120-day period ending on the date of a Federal election; and

''(ii) which mentions a clearly identified candidate for such election (by name, image, or likeness).

''(B) EXCEPTION.—A communication is not described in this paragraph if—

''(i) the communication appears in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

''(ii) the communication constitutes an expenditure under this Act.

''(4) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to file a statement under this subsection shall be in addition to any other reporting requirement under this Act.

''(5) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.''.

SEC. 302. DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 301, is further amended by adding at the end the following new subsection:

''(f) DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.—

''(1) IN GENERAL.—Any person who makes a disbursement for targeted mass communications in an aggregate amount in excess of $50,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

''(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

''(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

''(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

''(C) The amount of each such disbursement of more than $200 made by the person during the period covered by the statement and the identification of the person to whom the disbursement was made.

''(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

''(E) The text of the communication involved.

''(3) TARGETED MASS COMMUNICATION DEFINED.—

''(A) IN GENERAL.—In this subsection, the term 'targeted mass communication' means any communication—

''(i) which is disseminated during the 120-day period ending on the date of a Federal election;

''(ii) which refers to or depicts a clearly identified candidate for such election (by name, image, or likeness); and

''(iii) which is targeted to the relevant electorate.

''(B) TARGETING TO RELEVANT ELECTORATE.—

''(i) BROADCAST COMMUNICATIONS.—For purposes of this paragraph, a communication disseminated to the public by means of any broadcast, cable, or satellite communication which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if the communication is disseminated by a broadcaster whose audience includes—

''(I) a substantial number of residents of the district the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

''(II) a substantial number of residents of the State the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Senator.

''(ii) OTHER COMMUNICATIONS.—For purposes of this paragraph, a communication which is not described in clause (i) which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if—

''(I) more than 10 percent of the total number of intended recipients of the communication are members of the electorate involved with respect to such Federal office; or

''(II) more than 10 percent of the total number of members of the electorate involved with respect to such Federal office receive the communication.

''(C) EXCEPTIONS.—The term 'targeted mass communication' does not include—

''(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

''(ii) a communication made by any membership organization (including a labor organization) or corporation solely to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office; or

''(iii) a communication which constitutes an expenditure under this Act.

''(4) DISCLOSURE DATE.—For purposes of this subsection, the term 'disclosure date' means—

''(A) the first date during any calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000; and

''(B) any other date during such calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000 since the most recent disclosure date for such calendar year.

''(5) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

''(6) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.''.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Ohio (Mr. NEY) and the gentleman from Maryland (Mr. HOYER) each will control 10 minutes.

The Chair recognizes the gentleman from Ohio (Mr. NEY).

Mr. NEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is the Ney-Wynn amendment, and this will be the last chance tonight, and this is not a poison pill. This amendment embodies campaign finance reform principles that respect our Constitution. It does not seek to punish or discourage those citizens who exercise their constitutional rights to participate in the political process.

This amendment bans the national parties from raising or using soft money for Federal election activities, including broadcast issue advertising. However, it would permit the national parties to continue to raise and use soft money for generic voter registration, which I believe we all know is important, and get-out-the-vote activities. The parties would also preserve the right to use such funds for fundraising and overhead expenses.

The principal complaint leveled against so-called soft money is that it is unlimited and unregulated. This amendment addresses that complaint by limiting it and regulating it. With the passage of this amendment, no donor could contribute an amount over $20,000 to any political committee. As I previously indicated, the use of the funds would be restricted to certain activities.

Shays-Meehan does absolutely nothing to restrict how unions and corporations spend soft money. Under current law, unions and corporations can spend unlimited amounts of soft money communicating with their members, soliciting those members for contributions and engaging in such political activities as registering voters and getting out the vote. Shays-Meehan would not stop these groups from using their soft dollars in this way. What Shays-Meehan would do is prevent the national parties from using so-called soft dollars in a similar fashion.

I really do not think we should restrict the ability of our parties, the existing parties and any parties that want to rise up and blossom in our country, from registering and getting voters to the polls while leaving unions and corporations free to do so without restriction. Hamstringing our parties, and thereby enhancing the power of unions and corporations, does not accomplish the stated goal of some to reduce the power of the special interests. I think we should be making our parties stronger, not weaker.

There is no rationale for denying our national parties access to funds that we are willing to allow States to receive. The principal difference between this amendment and the bill before us is that this amendment would allow the national parties to raise some soft dollars, while the Shays bill would allow only the State and local parties to do so. The choice is not between one bill that allows soft money and a second bill that bans it. I think that is perfectly clear tonight. Shays-Meehan, as we know, has soft money. Both the Shays bill and this amendment permit limited amounts of soft money. This amendment simply says if we are going to allow the State parties to accept soft dollars, we ought to allow the national parties to do the same.

Members need to be aware that the contribution limits in this amendment have been significantly reduced in comparison to the previous amendment we had in the summer. Inflated claims about the usual amounts of money that could be donated under this amendment do not apply to this amendment as it is drafted.

□ 0140

It has to be pointed out there are thousands of State and local parties, and there are six national parties to which the contributions can be given. So if you support the underlying bill, but oppose this amendment, you are basically saying it is perfectly acceptable for a corporation to give millions of dollars to a multitude of State and local parties, but it is somehow corrupt for them to give a limited amount to six national party interests. There is no logical reason that I can find for this distinction.

This amendment also provides for increased disclosure, which we all want, for targeted mass communications. The person who pays for the communication would have to disclose their identity within 24 hours of the purchase. That I believe is what the American people want. I would note that this disclosure provision is broader than that contained in the underlying bill, which applies only to broadcast communications. Disclosure provisions in this amendment would apply to all forms of communication, including newspaper ads, phone banks, et cetera.

Having described what is in the amendment, I take a moment to describe what is not in it and why. Most importantly, this amendment does not seek to ban issue advocacy. Twenty-five years of court decisions, from the Supreme Court on down, have made it perfectly clear that our Constitution does not permit the Federal Government to regulate issue advertisements.

Our first amendment protects the right of every American to speak out on issues of public concern, and it has been that way since the creation of this Nation. Politicians may want to use the power of government to attempt to silence their critics, which is what Shays-Meehan does, but I do not believe we should participate in that endeavor.

Real campaign finance reform encourages citizen participation. Real campaign finance reform protects our cherished rights to freely speak and associate. Real campaign finance reform preserves the important role our political parties play in our democracy. This amendment accomplishes these goals.

I want to thank the gentleman from Maryland (Mr. WYNN) for drafting this and supporting it. I urge support of the amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) may control 5 minutes of the time allocated to me, and that he may yield such time as he determines.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to this amendment. The chairman of this committee, as I have said in the past, has been, in my opinion, as good a chairman as I could possibly work with on the Committee on House Administration. He is open, he is fair, he is a pleasure to work with. We have worked very closely on election reform.

This House overwhelmingly passed election reform. It is now in the Senate. Hopefully, they will pass it soon, we will have a conference, and we will have a bill that we can all be very proud of. We agreed on that legislation. The gentleman made compromises; I made compromises.

On campaign finance reform, however, we have differed. Essentially it has been his position to oppose the Shays-Meehan alternative. In fact, the Shays-Meehan alternative could not be favorably reported out of committee. In my view, the Ney-Wynn amendment, which was changed last night, as I understand it, to reduce the limits, but, nevertheless, still has soft-money payments to the national committees, is in effect Shays-Meehan extraordinarily light, and in fact does not cover most of what Shays-Meehan covers. Furthermore, notwithstanding the reduction in the $75,000 to $20,000, it still provides for very, very, very substantial payments of soft money to various party committees, substantially more than does Shays-Meehan.

So if you want real campaign finance reform, you need to defeat this amendment, pass a motion to recommit, and pass Shays-Meehan finally and send that bill to the Senate, and then hopefully soon thereafter to the President of the United States for signature.

Mr. Chairman, I would say to my colleagues, we are coming to the end of the evening. We have defeated almost all of the amendments that were designed to undermine and defeat Shays-Meehan. We have one more step to take. I urge my colleagues to take it.

Mr. Chairman, I reserve the balance of my time.

Mr. NEY. Mr. Chairman, I yield 3 minutes to my distinguished colleague, the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Chairman, I thank the gentleman for yielding me time. Let me initially say it has been a pleasure working with him. He has been very responsive to a wide variety of points of view, and he has tried to craft a compromise.

I have to say tonight that I am always very disturbed when I hear people say our way is the only way, whether it comes from some sort of fanatic or whether it comes from a so-called reformer. The fact of the matter is that politics is the art of compromise, and we, in working with the Ney-Wynn amendment, have tried to fashion a serious compromise.

Let us talk first about soft money. Under the current law it is reported in today's paper the top 10 contributors have given between $1.3 million and $3.6 million. Under Ney-Wynn, we first said $75,000 per contributor to the national party. In the spirit of compromise, we reduced that significantly down to $20,000 per contributor to the national party. I do not think anyone can say that this is not a significant reduction in soft money or a legitimate attempt to address the concerns, nor a legitimate attempt at compromise.

In addition to that, we limited the use of the money. People said we are concerned about national party attack ads. We prohibit national party attack ads. But we do say the soft dollars, this limited amount of soft dollars, can be used for legitimate party-building activities, that political parties ought to be able to do voter registration, voter registration and get-out-the-vote activities. Those are the only uses for the limited amount of soft money used in this bill, legitimate party-building.

I note particularly that minorities, African Americans, Hispanics and others, are increasing their voter participation; and as members of the two national parties, we feel it is very important that there be funds available for these get-out-the-vote activities, voter outreach activities. So, again, we believe the Ney-Wynn approach is a better compromise.

On the subject of the first amendment, we do not restrict advocacy groups in terms of broadcast ads during the final 60 days of a election. That is when the voters should be paying the most attention, should be needing the most information. We want people to be able to provide that information. We do not want to infringe upon their first amendment rights.

Now, you will probably hear someone say they can have ads through PAC money. Well, what if you do not have a PAC? What if your PAC does not have any money? The point is, you should not have to have a PAC in order to express your first amendment rights; and we, under Ney-Wynn, do not interfere with those rights.

Finally, we do not interfere with State parties. There has been no hearings, no evidence, to suggest that State parties are not competent to regulate their own campaign financing. Ney-Wynn says let State parties regulate State party activities. There is no reason to federalize campaign fund-raising at the State level.

We believe this is a fair compromise addressing soft money, party building, first amendment rights and protecting the interests of the States. We do not feel we have to be stampeded into voting for my-way-or-the-highway legislation just to avoid a conference committee. Every other piece of legislation that comes through this body goes through a conference committee. This House has the right to work its will and send it through a thoughtful compromise. I believe that is Ney-Wynn, and I urge its adoption.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

Let me first say, Mr. Chairman, you have been an extraordinary person at the helm, and I thank you for the graciousness you have shown to both sides.

I would also like to extend my gratitude to the gentleman from Illinois (Mr. LAHOOD) for the way he did it previous to you. It has been a long, long, long, long day.

Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. HOUGHTON).

Mr. HOUGHTON. Mr. Chairman, I will make this brief. I am opposed to this amendment. I am for the Shays-Meehan approach, and I will tell you for three reasons.

First of all, we have a financial crisis in this country augmented by Enron and Arthur Andersen. Somehow we have got to get the credibility in the system back again. Frankly, I think the Shays-Meehan approach will help us in a political way, not just in an economic way.

Secondly, I remember when I first got interested in Republican politics, when Ronald Reagan came in. There was no soft money. We did not use that then. There was no necessity for it. It worked perfectly under the old rules. I think we ought to go back to those rules.

□ 0150

The third reason is this: When I was in business, we never, never, never used soft money, and I know that a lot of people came to us and said we were unpatriotic, we were not supporting the different parties. Crazy. Wrong.

What we did is we marshaled our plants and our sales offices and our laboratories and got people out, raised the money, got them involved.

I am for Shays-Meehan.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Ohio (Mr. NEY) has 1½ minutes remaining; the gentleman from Maryland (Mr. HOYER) has 2½ minutes remaining; the gentleman from Connecticut (Mr. SHAYS) has 3½ minutes remaining.

Mr. SHAYS. Mr. Chairman, I yield the balance of the time to the gentleman from Tennessee (Mr. WAMP), an extraordinary leader and a very courageous person.

Mr. WAMP. Mr. Chairman, I thank all of the Members of the House for their patience and their tolerance. I think throughout history the House of Representatives is really no better than its Speaker. I think our House today has the highest approval rating in modern history, in large part because of the dignity, the humility, and the genuine leadership of our Speaker, and I thank him for everything he does for the people of the House.

This issue of soft money is central to this entire debate. Fifteen years ago, I was elected as a local Republican Party chairman in Chattanooga, Tennessee. I think that the three best national chairmen that our party has had in the modern era were Lee Atwater, Haley Barbour, and a guy named Bill Brock, who served in the House seat that I serve in now, went on to the United States Senate and serve our party extremely well when Ronald Reagan was elected President.

Here is what he says now about soft money. Quote: ''In truth, parties were stronger and closer to their roots before the advent of the soft money loophole than they are today. Far from invigorating the parties themselves, soft money has simply strengthened certain specific candidates and the few donors who can make huge contributions, while distracting parties from traditional grassroots work.''

Both of our political parties will be better served by weaning ourselves from soft money and returning to the people, returning to the foot power, returning to the grassroots. Writing big checks is actually the easy way out for people that want to participate in this process. The harder way is to involve people. We rarely see ads saying, this is what our party stands for. Join our party. Be a part of our platform. Get involved. We mostly see ads that are degrading and divisive.

Mr. Chairman, I believe our parties will be better off with this most important step, and I believe there are a lot of people of goodwill in this House that agree. We are going to come together tonight. I believe we are going to finish this business. I believe the President will sign this bill, and I think this will be an important step to restoring the public trust. To my friends over here, I may be wrong, but I think we will be better off because we will all be better off and our country will be better off.

The CHAIRMAN pro tempore. The gentleman from Ohio (Mr. NEY) has 1½ minutes remaining; the gentleman from Maryland (Mr. HOYER) has 2½ minutes remaining and the right to close.

Mr. NEY. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, we have heard all day about ''sham issue ads'' that are really just attack ads designed to influence

the election. It is said that these ads have ''undermined the intent'' of the 1974 Federal Election Campaign Act which was supposed to regulate campaign-related expenditures. I will tell my colleagues something. I am not too concerned about what the Democrats who controlled this Congress in 1974 intended when they wrote the Federal Election Campaign Act. I am concerned about what the founders of this country intended when they wrote the Bill of Rights in 1791.

I want my colleagues to consider something. Imagine if King of England had written to James Madison and said, ''James, this whole revolution thing has been a big misunderstanding. I have seen a draft of your proposed Bill of Rights and I think we can resolve our differences. I do not have any problem with freedom of speech, and I am willing to let you criticize me and my policies any way you want. All I ask is that you report to me the names of all people who share your opinions. Also, while I am willing to let you say anything you want about me, I would ask that you not disseminate your criticism too widely. One hundred critical pamphlets is enough; 1,000 is just piling on. If you have to send 1,000 I just ask that you raise the money to finance the printing costs in small chunks from a broad group of donors. I know this may be inconvenient and could hinder your ability to get your message out, but I really do not think it is an unreasonable request. Please, let us be reasonable and work together on this issue.''

We all know what Madison's reaction would have been: No thank you, Your Highness.

That is why the first amendment to our Constitution begins, ''Congress shall make no law abridging the freedom of speech.'' The freedom of our citizens to criticize their elected leaders makes us the greatest democracy in the world, and that is what makes us different from dictators. Yet, now today in the name of ''reform,'' we are asked to turn our back on that great legacy.

Well, I am not going to do it. Like every Member of this body, I took an oath to preserve, protect, and defend the Constitution of the United States of America. I do not intend to break the oath to satisfy the editorial board of the New York Times, and neither should you. Support Ney-Wynn.

Mr. HOYER. Mr. Chairman, I yield myself the balance of the time to close.

Mr. Chairman, this has been a long day, a long night, and an early morning. I think the quality of debate, for the most part, has been very good. I think there has been respect on not only both sides of the aisle, but there has been a bipartisanship of action. On behalf, I think, of all of us, I want to congratulate the gentleman from Massachusetts (Mr. MEEHAN) and the gentleman from Connecticut (Mr. SHAYS). Whether we agree or disagree with either one of them, they have fought a long and good fight. They have kept the faith with their principles and their premises, and I think that they have acted in the highest traditions of legislators seeking to put forward policies to make their country better. I, on behalf of all of us, want to thank both the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) for their work.

We now end this debate. As I said at the beginning, if we adopt this amendment, we essentially start over. At least eight times we have made a determination not to do this. This is the ninth time. Let us once again say that we are prepared to move. We are prepared to act. We are prepared to take a step in reforming campaign finance reform. We are prepared to take a step to raise the confidence of Americans that their representatives, their government, their policies that are adopted by all of us are theirs.

This is an historic night. Rarely do we have the opportunity to vote on such significant historical change. I ask my colleagues to vote ''no'' on Ney-Wynn and to vote ''yes'' for final passage of Shays-Meehan.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. NEY).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HOYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 181, noes 248, not voting 6, as follows:

[Roll No. 33]

AYES—181

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Bartlett
Barton
Biggert
Bilirakis
Blunt
Boehner
Bonilla
Bono
Boozman
Boucher
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Everett
Ferguson
Flake
Fletcher
Forbes
Fossella
Frost
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goss
Granger
Graves
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Herger
Hilleary
Hobson
Hoekstra
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Knollenberg
Kolbe
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Lucas (OK)
Manzullo
McCrery
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Otter
Oxley
Paul
Pence
Peterson (PA)
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Watkins (OK)
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wynn
Young (AK)
Young (FL)

NOES—248

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barr
Barrett
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Emerson
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Foley
Ford
Frank
Frelinghuysen
Gallegly
Ganske
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hart
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kirk
Kleczka
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Petri
Phelps
Platts
Pomeroy
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Simmons
Skelton
Slaughter
Smith (TX)
Smith (WA)
Snyder
Solis

Spratt	Thurman	Watson (CA)
Stark	Tierney	Watt (NC)
Stenholm	Towns	Waxman
Strickland	Turner	Weiner
Stupak	Udall (CO)	Weldon (PA)
Tanner	Udall (NM)	Wexler
Tauscher	Velazquez	Wolf
Taylor (MS)	Visclosky	Woolsey
Thompson (CA)	Walsh	Wu
Thompson (MS)	Wamp	
Thune	Waters	

NOT VOTING—6

Brady (TX)	Hefley	Roukema
Cubin	Riley	Traficant

□ 0218

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). There being no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HASTINGS of Washington) having assumed the chair, Mr. THORNBERRY, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2356) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform, pursuant to House Resolution 344, he reported the bill, as amended by the final adoption of the amendment in the nature of a substitute numbered 9 pursuant to that rule, back to the House with sundry further amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

□ 0220

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MEEHAN

Mr. MEEHAN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. MEEHAN. In its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MEEHAN moves to recommit the bill H.R. 2356 to the Committee on House Administration with instructions to report the same back to the House forthwith with the following amendment:

Amend section 402(b)(1) to read as follows:

(1) Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date, so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002 (or any runoff election or recount resulting from an election in 2002) and so long as such debts or obligations were not incurred for any expenditures (activities required to be paid for with ''hard money'') under such Act. Nothing in this paragraph may allow such funds (commonly known as ''soft money'') to be used to pay for any debts or obligations incurred for any Federal election expenditures under such Act (''hard money'' activities).

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. MEEHAN) is recognized for 5 minutes.

Mr. MEEHAN. Mr. Speaker, I have a motion to recommit the bill to the Committee on House Administration forthwith with instructions to clarify language related to the effective date, specifically how national parties may spend soft money on hand after November 6.

It was clearly our intent that such soft money could not be used to pay off hard money debt. In fact, I continue to believe our language accomplishes that. However, others have argued that the language was ambiguous on this issue. Accordingly, this motion to recommit would make it crystal clear that the national parties could not used any leftover soft money to pay off hard debts. I ask that the Members who so kindly pointed this out to us join me in voting for this motion.

In addition to that, as we end this debate, I want to thank all the Members for their cooperation, including the gentleman from Ohio (Mr. NEY), last night and also this morning. I want to thank all the courageous members of our bipartisan coalition. I want to thank the minority leader and the minority whip. I want to thank all the Members who signed the discharge petition. And, lastly, I want to thank my partner in this effort, the leader of our effort on the Republican side, the gentleman from Connecticut (Mr. SHAYS).

In addition to that, I want to thank the gentleman from Maryland (Mr. HOYER) and the others who were so gracious in giving people time tonight, and thank all the Members for their cooperation in this most difficult but historic occasion.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Who seeks time in opposition?

Mr. NEY. Mr. Speaker, I rise to agree with the gentleman.

The SPEAKER pro tempore. Without objection, the gentleman is recognized for 5 minutes.

There was no objection.

Mr. NEY. Mr. Speaker, again, I stand to advise my side that I agree with this motion to recommit.

Let me just say that this has been an energetic give and take of public debate for quite a long time through the committee process, and we have many people that we can thank for giving of their spirit and their energy and their time, whichever side of the issue they were on. We all will move on, but I just want to thank everybody involved with this on the floor today.

Our democracy works through debate, and that is what makes us great.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was agreed to.

Mr. NEY. Mr. Speaker, pursuant to the instructions of the House on the motion to recommit, and on behalf of the Committee on House Administration, I report the bill, H.R. 2356, back to the House with an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment:

Amend section 402(b)(1) to read as follows:

(1) Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date, so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002 (or any runoff election or recount resulting from an election in 2002) and so long as such debts or obligations were not incurred for any expenditures (activities required to be paid for with ''hard money'') under such Act. Nothing in this paragraph may allow such funds (commonly known as ''soft money'') to be used to pay for any debts or obligations incurred for any Federal election expenditures under such Act (''hard money'' activities).

Mr. HOYER (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HOYER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 240, noes 189, not voting 6, as follows:

[Roll No. 34]

AYES—240

Abercrombie	Bass	Blumenauer
Ackerman	Becerra	Boehlert
Allen	Bentsen	Bonior
Andrews	Bereuter	Bono
Baca	Berkley	Borski
Baird	Berman	Boswell
Baldacci	Berry	Boyd
Baldwin	Bishop	Brady (PA)
Barrett	Blagojevich	Brown (FL)

Brown (OH)	Israel	Pallone
Capito	Jackson (IL)	Pascrell
Capps	Jackson-Lee (TX)	Pastor
Capuano	Jefferson	Payne
Cardin	John	Pelosi
Carson (IN)	Johnson (CT)	Petri
Carson (OK)	Johnson (IL)	Phelps
Castle	Johnson, E. B.	Platts
Clay	Jones (OH)	Pomeroy
Clayton	Kanjorski	Price (NC)
Clement	Kaptur	Quinn
Clyburn	Kennedy (RI)	Ramstad
Condit	Kildee	Rangel
Conyers	Kilpatrick	Reyes
Costello	Kind (WI)	Rivers
Coyne	Kirk	Rodriguez
Cramer	Kleczka	Roemer
Crowley	Kucinich	Ros-Lehtinen
Cummings	LaFalce	Ross
Davis (CA)	Lampson	Rothman
Davis (FL)	Langevin	Roybal-Allard
Davis (IL)	Lantos	Rush
DeFazio	Larsen (WA)	Sabo
DeGette	Larson (CT)	Sanchez
Delahunt	LaTourette	Sanders
DeLauro	Leach	Sandlin
Deutsch	Lee	Sawyer
Dicks	Levin	Schakowsky
Dingell	Lewis (GA)	Schiff
Doggett	LoBiondo	Serrano
Dooley	Lofgren	Shays
Doyle	Lowey	Sherman
Edwards	Lucas (KY)	Simmons
Engel	Luther	Skelton
Eshoo	Lynch	Slaughter
Etheridge	Maloney (CT)	Smith (MI)
Evans	Maloney (NY)	Smith (WA)
Farr	Markey	Snyder
Fattah	Mascara	Solis
Ferguson	Matheson	Spratt
Filner	Matsui	Stark
Foley	McCarthy (MO)	Stenholm
Ford	McCarthy (NY)	Strickland
Frank	McCollum	Stupak
Frelinghuysen	McDermott	Tanner
Frost	McGovern	Tauscher
Ganske	McHugh	Taylor (MS)
Gephardt	McIntyre	Thompson (CA)
Gilchrest	McKinney	Thune
Gilman	McNulty	Thurman
Gonzalez	Meehan	Tierney
Gordon	Meek (FL)	Towns
Graham	Meeks (NY)	Turner
Green (TX)	Menendez	Udall (CO)
Greenwood	Millender-McDonald	Udall (NM)
Grucci	Miller, George	Upton
Gutierrez	Mink	Velazquez
Hall (OH)	Moore	Visclosky
Harman	Moran (VA)	Walsh
Hastings (FL)	Morella	Wamp
Hill	Nadler	Waters
Hinchey	Napolitano	Watson (CA)
Hinojosa	Neal	Watt (NC)
Hoeffel	Oberstar	Waxman
Holden	Obey	Weiner
Holt	Olver	Weldon (PA)
Honda	Ortiz	Wexler
Hooley	Osborne	Wolf
Horn	Ose	Woolsey
Houghton	Owens	Wu
Hoyer		Wynn
Inslee		

NOES—189

Aderholt	Cannon	Emerson
Akin	Cantor	English
Armey	Chabot	Everett
Bachus	Chambliss	Flake
Baker	Coble	Fletcher
Ballenger	Collins	Forbes
Barcia	Combest	Fossella
Barr	Cooksey	Gallegly
Bartlett	Cox	Gekas
Barton	Crane	Gibbons
Biggert	Crenshaw	Gillmor
Bilirakis	Culberson	Goode
Blunt	Cunningham	Goodlatte
Boehner	Davis, Jo Ann	Goss
Bonilla	Davis, Tom	Granger
Boozman	Deal	Graves
Boucher	DeLay	Green (WI)
Brown (SC)	DeMint	Gutknecht
Bryant	Diaz-Balart	Hall (TX)
Burr	Doolittle	Hansen
Burton	Dreier	Hart
Buyer	Duncan	Hastert
Callahan	Dunn	Hastings (WA)
Calvert	Ehlers	Hayes
Camp	Ehrlich	Hayworth
Herger	Miller, Jeff	Sessions
Hilleary	Mollohan	Shadegg
Hilliard	Moran (KS)	Shaw
Hobson	Murtha	Sherwood
Hoekstra	Myrick	Shimkus
Hostettler	Nethercutt	Shows
Hulshof	Ney	Shuster
Hunter	Northup	Simpson
Hyde	Norwood	Skeen
Isakson	Nussle	Smith (NJ)
Issa	Otter	Smith (TX)
Istook	Oxley	Souder
Jenkins	Paul	Stearns
Johnson, Sam	Pence	Stump
Jones (NC)	Peterson (MN)	Sununu
Keller	Peterson (PA)	Sweeney
Kelly	Pickering	Tancredo
Kennedy (MN)	Pitts	Tauzin
Kerns	Pombo	Taylor (NC)
King (NY)	Portman	Terry
Kingston	Pryce (OH)	Thomas
Knollenberg	Putnam	Thompson (MS)
Kolbe	Radanovich	Thornberry
LaHood	Rahall	Tiahrt
Largent	Regula	Tiberi
Latham	Rehberg	Toomey
Lewis (CA)	Reynolds	Vitter
Lewis (KY)	Rogers (KY)	Walden
Linder	Rogers (MI)	Watkins (OK)
Lipinski	Rohrabacher	Watts (OK)
Lucas (OK)	Royce	Weldon (FL)
Manzullo	Ryan (WI)	Weller
McCrery	Ryun (KS)	Whitfield
McInnis	Saxton	Wicker
McKeon	Schaffer	Wilson (NM)
Mica	Schrock	Wilson (SC)
Miller, Dan	Scott	Young (AK)
Miller, Gary	Sensenbrenner	Young (FL)

NOT VOTING—6

Brady (TX)	Hefley	Roukema
Cubin	Riley	Traficant

□ 0242

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2356, BIPARTISAN CAMPAIGN REFORM ACT OF 2001

Mr. REYNOLDS. Mr. Speaker, it is great at 2:45 a.m. to see a Committee on Rules member at the rostrum, because it is usually you and I and the distinguished staff around you; but tonight we are joined by the entire House as I ask unanimous consent that, in the engrossment of the bill, H.R. 2356, the Clerk be authorized to correct section numbers, punctuation, and cross-references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from New York?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF SENATE AMENDMENTS TO H.R. 622, HOPE FOR CHILDREN ACT

Mr. REYNOLDS, from the Committee on Rules, submitted a privileged report (Rept. No. 107–359) on the resolution (H. Res. 347) providing for consideration of the Senate amendments to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes, which was referred to the House Calendar and ordered to be printed.

COMMUNICATION FROM DISTRICT AIDE TO HON. JOHN SHIMKUS, MEMBER OF CONGRESS

The Speaker pro tempore laid before the House the following communication from Angie Merriman, District Aide to the Honorable JOHN SHIMKUS, Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 8, 2002.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a subpoena for testimony issued by the United States District Court for the Central District of Illinois in a criminal case pending there.

After consultation with the Office of General Counsel, I have determined that it is consistent with the precedents and privileges of the House to comply with the subpoena.

Sincerely,

ANGIE MERRIMAN,
District Aide to Congressman John Shimkus.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Member (at the request of Mr. MCNULTY) to revise and extend her remarks and include extraneous material:

Mrs. MINK of Hawaii, for 5 minutes, today.

The following Member (at the request of Mr. REYNOLDS) to revise and extend his remarks and include extraneous material:

Mr. SHIMKUS, for 5 minutes, February 14.

ENROLLED BILL SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which were thereupon signed by the Speaker:

H.R. 2998. An act to authorize the establishment of Radio Free Afghanistan.

BILL PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on February 13, 2002 he presented to the President of the United States, for his approval, the following bill: H.J. Res. 82. Recognizing the 91st birthday of Ronald Reagan.

ADJOURNMENT

Mr. MCNULTY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 45 minutes a.m.), the House adjourned until today, Thursday, February 14, 2002, at 10 a.m.