When the relationship soured, the case ended up in small claims court. Nick had retired on disability and wanted his money back. The judge became alarmed that Nick testified proudly he had used his government-issued credit card to pay the doctor. Nick whipped out the card in the courtroom and showed it to the judge. The judge examined the card and read the inscription that says, ''for official government travel only.''

The judge stated in total disbelief, ''You paid for this breast enlargement with a government credit card?''

After the revelation, the judge simply said, ''Let's not go there.''

That case is unique. It is unique because the cardholder paid his bill, though not always on time. So I have two problems with all of that.

The point is, we have to get this stopped. We have to make sure all of the resources of the Defense Department are not used for playing games with government credit cards but are used to make sure we win the war on terrorism.

I yield the floor.

The PRESIDING OFFICER (Mr. JEFFORDS). The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I ask unanimous consent that I be allowed to speak for 25 minutes.

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

The Senator from Indiana is recognized.

Mr. LUGAR. I thank the Chair.

(The remarks of Mr. LUGAR pertaining to the introduction of S. 2026 are located in today's RECORD under ''Statements on Introduced bills and Joint Resolutions.'')

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. REID. Mr. President, if morning business is closed, what would be the order before the Senate?

The PRESIDING OFFICER. Under the previous order, the Senate would proceed to H.R. 2356.

CONCLUSION OF MORNING BUSINESS

Mr. REID. Is there any more time for morning business?

The PRESIDING OFFICER. There is not.

Mr. REID. Mr. President, I ask for the regular order.

BIPARTISAN CAMPAIGN REFORM ACT OF 2002

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2356) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, today with the opening of this debate, we take the first step toward passing the McCain-Feingold/Shays-Meehan bill in the Senate and take one of the final steps toward banning soft money.

I am grateful for all the hard work that has brought us to this moment—of course, the work done by the reform community, the work done by the outstanding leaders in the other body to pass this bill last month, and, most of all, the work done by my colleagues here in the Senate, under the leadership of Senator MCCAIN of Arizona.

A year ago, we had an excellent debate about campaign finance reform here on this floor. In fact, it began almost exactly a year ago, on March 19. We had an outstanding exchange of ideas, we held numerous votes, and we worked hard on both sides of the issue. I believe that that debate enriched this body, and that it enriched the McCain-Feingold bill.

In the end, the will of the Senate was done, and we passed the bill in a strong bipartisan vote of 59–41. A year later, we are here again on the floor working to pass reform. But this time it is different. This time, we already know where the Senate stands. And we know that all that stands between this bill and the President's desk is the Senate's final consideration of the bill this week.

With the strong vote for McCain-Feingold last year, the Senate recognized the importance of our responsibility as representatives of the people and as stewards of democracy. As long as we allow soft money to exist, we risk damaging our credibility when we make the decisions about the issues that the people elected us to make.

The people sent us here to wrestle with some very tough issues. They have vested us with the power to make decisions that have a profound impact on their lives. That is a responsibility that we take very seriously. But today, when we weigh the pros and cons of legislation, many people think we also weigh the size of the contributions we got from interests on both sides of the issue. And when those contributions can be a million dollars, or even more, it seems obvious to most people that we would reward, or at least listen especially carefully to, our biggest donors.

So a year ago we voted to change the system. And now, both bodies have fully and fairly debated the issues and discussed the merits of this bill. We have given this important issue the time and consideration it deserves. Now, very simply, it is time to get the job done. It is time to get this bill to the President.

I believe the Senate is ready to repair a broken system. And make no mistake about it, the way the soft money and issue ad loopholes are being abused today has devastated the campaign finance system. More than that, these loopholes have weakened the effectiveness of this body and cast doubt on the work we do. They have weakened the public's trust in government; in a very real sense, they have weakened our democracy.

I know many of us here are tired of seeing headlines that imply that legislative outcomes here are not a result of our own will or good judgment, but a result of our desire to please wealthy donors. We are tired of those headlines, and so are the American people. The people know that the system can function better when soft money doesn't render our hard money limits meaningless, and when phony issue ads don't make a joke of our election laws. And they also know that this is our best chance in years to do something to effect real change.

This week we can show them, just as we did a year ago in this Senate, that we are ready for change, and that we are going to make that change happen.

As we embark on this discussion about campaign finance reform on the floor today, it is remarkable how much has changed since the Senator from Arizona and I introduced this bill in September of 1995, and even since we stood here a year ago. Both sides of Capitol Hill have finally acknowledged the demand of the American people that we ban soft money contributions, after years of soft money scandals and embarrassments that have chipped away at the integrity of this body.

As many commentators have noted, the collapse of Enron gave the campaign finance reform issue momentum prior to the House vote in February. But I would note that our effort has been given momentum by many other campaign finance scandals that have occurred just in the last few years. I think they are actually more than we care to remember.

Soft money has had an increasingly prominent role in party fundraising over the last 12 years. In 1988 the parties began raising $100,000 contributions for the Bush and Dukakis campaigns—an amount unheard of before the 1988 race. By the 1992 election, the year I was elected to this body, soft money fundraising by the major parties had doubled, rising to $86 million. In successive election cycles the amount of soft money raised by the parties has simply skyrocketed. In 2000 soft money totals were more than five times what they were in 1992. It was already a lot in 1992. In 2000, it was five times already what it had been 8 years earlier.

And along with the money, came the scandals—soft money and scandals have gone hand in hand for more than a decade now. First, the mere fact that soft money was being raised in such enormous amounts was a scandal in the early 1990s. But then we had the Lincoln Bedroom, and the White House

Coffees, and Charlie Trie and John Huang and Johnny Chung. And then, of course, the Presidential pardons coming under suspicion at the conclusion of the Clinton administration. We faced questions in this body as we considered bills regulating tobacco and telecommunications and the Patients' Bill of Rights, while at the same time we raised soft money from the industries and interest groups that had a huge stake in those bills. The public watched with increasing skepticism as we appeared to act—or fail to act—on legislation based on the demands of wealthy soft money donors. With the enormous influx of soft money being raised by both parties, with every vote we cast the public wondered, and had reason to wonder, was it the money?

Of course of late we have seen yet another scandal take shape—the Enron debacle. As the Enron story unfolded, I think many of us were reminded why the Supreme Court, in its famous 1976 Buckley versus Valeo decision, said that the appearance of corruption, not just corruption itself, justifies congressional action to place some limits on our campaign finance system.

In the Buckley case, the Supreme Court understood that public mistrust of government is destructive to democracy. From a constitutional point of view, it hardly matters whether that mistrust is based on actual misconduct or simply its appearance.

In the case of Enron's collapse, the need to address public mistrust has been paramount for Congress and the administration as they have investigated the company's alleged wrongdoing. When a corporation such as Enron leaves devastated employees and fleeced shareholders in its wake, the public depends on us—on Congress and the administration—to determine what went wrong and defend the public interest. But the potential for a conflict of interest in a case such as this is clear: Many of the elected officials who were asked to sit in judgment of Enron, including Members of Congress, the Attorney General, and the President of the United States, have been accepting, and even asking for, campaign contributions from Enron for years. And the political parties have pocketed more than $3.5 million in unregulated, unlimited soft money from Enron since 1991.

Congress has moved forward with the investigations into Enron's conduct, despite the potential conflict of interest the political contributions might pose. The reality is that this is all too familiar territory for Congress. Every day Members of Congress accept huge campaign contributions with one hand and vote on issues affecting their contributors with the other. And, every day the public naturally questions whether their Representatives are giving special treatment to the wealthy interests that fund their campaigns and bankroll their political parties.

The Enron scandal, and all the soft money scandals that have come before, illustrate the permanent conflict of interest—the permanent conflict of interest—that unlimited soft money contributions to the parties have created for elected officials in the Capitol and at the White House. Both parties have gladly accepted Enron's soft money contributions over the years, and now those contributions are compromising our ability to address the Enron collapse, and countless other issues that come before the Congress. More than that—more than that—they compromise the public's confidence in our ability, and our will, to do anything about it.

While eliminating soft money will not cure the campaign finance system of every ill, it will, in fact, end a system of unlimited donations that has blatantly put political access and influence up for sale. Enron is just one in a long line of corporations, unions, and wealthy individuals that has exploited the soft money loophole to buy influence with Congress and the executive branch at the very highest levels. So banning soft money will help to untangle the web of money and influence that has made Congress and the White House so vulnerable to the appearance of corruption for far too long.

In the coming days we will face the final test of this long legislative battle and take our final steps toward enacting these hard-fought reforms into law. Passing campaign finance reform is within our grasp, and so, finally, is a renewed integrity for our democratic process.

Of course, while the soft money ban is central to the bill, and is the most important feature of the bill, this bill contains reforms on a variety of other issues.

I say to the Presiding Officer, of course, you were one of the principal authors of very important provisions relating to so-called phony issue ads that make the bill even stronger.

A number of amendments were added on the Senate floor last year that improved and strengthened the bill. Almost all of them are in the bill now before us that we hope, by the end of the week, will be sent to the President.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD immediately following my statement.

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

(See exhibit 1.)

Mr. FEINGOLD. Thank you, Mr. President.

Mr. President, the debate is finally here. Our bipartisan coalition is strong and resolute. And the moment for reform has arrived.

After 6½ years of work on this bill, and more than a decade of scandals that have threatened the integrity of our legislative process, I do believe this body is ready to get the job done for the American people. I believe the American people have waited long enough.

Mr. President, I yield the floor.

EXHIBIT NO. 1

THE BIPARTISAN CAMPAIGN REFORM ACT OF 2002—SECTION BY SECTION ANALYSIS

TITLE I: REDUCTION OF SPECIAL INTEREST INFLUENCE

Sec. 101(a). Soft Money of Political Parties. Creates new Section 323 of the Federal Election Campaign Act (FECA) to prohibit soft money in federal elections.

Sec. 323(a). National Committees. Prohibits national party committees and entities controlled by the parties from raising, spending, or transferring money that is not subject to the limitations, prohibitions, and reporting requirements of the FECA (i.e., soft money).

Sec. 323(b). State, District and Local Committees. Subject to the Levin amendment, requires any money spent on ''Federal election activities'' by state or local parties, and entities controlled or acting on behalf of those parties or an association of state or local candidates to be subject to the limitations, prohibitions, and reporting requirements of the FECA (i.e., hard money.) This will close the state party loophole. ''Federal election activities'' are defined in Section 101(b) of the bill.

Under the Levin amendment, the section permits state or local parties to spend soft money on voter registration and get out the vote activity that does not mention a federal candidate as long as no single soft money donor gives more than $10,000 per year to any state or local party organization for such purposes, the money is not spent on broadcast advertising other than ads that solely mention state or local candidates, the money is not raised by federal candidates, national parties, or party committees acting jointly. The spending of this money will require an allocation of hard money to soft money. The state or local party organization must raise the hard and soft money for this allocation on its own, and money to be spent under this provision may not be transferred between party organizations.

Sec. 323(c). Fundraising Costs. Requires national, state, and local parties to use hard money to raise money that will be used on Federal election activities, as defined by the bill.

Sec. 323(d). Tax-Exempt Organizations. Prohibits national, state, and local parties or entities controlled by such parties from making contributions to or soliciting donations for 501(c) organizations which spend money in connection with federal elections or 527 organizations (other than entities that are political committees under the FECA, state/district/local party committees, or state or local candidates' campaign committees). This provision will prevent the parties from collecting soft money and laundering it through other organizations engaged in federal electioneering.

Sec. 323(e). Federal Candidates. Prohibits federal candidates or individuals holding federal office and any entities established, financed, controlled, or acting on behalf of such candidates or officeholders from raising or spending soft money in connection with federal elections. The restrictions of this section do not apply to federal officeholders who are running for state office and spending non-Federal money on their own elections, so long as they do not mention other federal candidates who are on the ballot in the same election and are not their opponents for state office. The restrictions also do not prevent a federal candidate or officeholder from attending, speaking at, or appearing as a featured guest at a fundraising event for a state or local political party.

Candidates are permitted to solicit up to $20,000 from an individual per year specifically for voter registration and get out of

the vote activities carried out by 501(c) organizations. The provision also clarifies that candidates may solicit unlimited funds for 501(c) organizations where the solicitation does not specify the use of the money, and the organization's principal purpose is not voter registration or get out the vote activities.

Sec. 323(f). State Candidates. Prohibits candidates for state or local office from spending soft money on public communications that promote or attack a clearly identified candidate for Federal office. Exempts communications which refer to a federal candidate who is also a candidate for state or local office.

Taken together, these soft money provisions are designed to shut down the soft money loophole as comprehensively as possible. By including entities established, maintained, controlled, or acting on behalf of federal and state officeholders and candidates, they also prohibit so-called ''leadership PACs'' or ''candidate PACs'' from raising or spending soft money in connection with Federal elections and are designed to prevent the evasion of the law by federal or state candidates or officeholders using 501(c)(4) or 527 organizations.

Sec. 101(b). Definitions. Provides definitions for certain terms used in the soft money ban.

Federal election activity means voter registration activities within 120 days before a federal election, get out the vote activity and generic campaign activity in connection with an election in which federal candidates are on the ballot (even if state candidates are also on the ballot), and public communications that refer to a clearly identified federal candidate and support or oppose a candidate for that office (regardless of whether those communications expressly advocate the election or defeat of a candidate.) These are the activities that state parties must pay for with hard money (except as specifically provided under the bill).

Generic campaign activity means campaign activities like general party advertising that promote a political party but not a candidate.

Public communication means a communication to the general public by means of broadcast, cable, satellite, newspaper, magazine, outdoor advertising, mass mailing, telephone bank, or any other general public political advertising.

Mass mailing is a mailing of more than 500 identical or substantially similar pieces within any 30 day period.

Telephone bank means more than 500 calls of an identical or substantially similar nature within a 30 day period.

Sec. 102. Increased contribution limits for state committees of political parties. Increases the amount that individuals can give to state parties from $5,000 to $10,000. See Section 307 for additional increases in contribution limits.

Sec. 103. Reporting requirements. Requires national political party committees, including congressional campaign committees to report all receipts and disbursements and state party committees to report all receipts and disbursements and state party committees to report all receipts and disbursements for Federal election activities and receipts and disbursements for activities permitted by the Levin amendment (i.e., spending of capped soft money donations on certain forms of voter registration and get-out-the-vote). Requires itemized reporting of receipts or disbursements of over $200. Eliminates the building fund exception to the FECA's definition of contribution. Accounts to raise money for office buildings were one of the original soft money accounts before the loopholes exploded in the 1996 election with the use of soft money for political advertising.

TITLE II: NON-CANDIDATE CAMPAIGN EXPENDITURES

SUBTITLE A—ELECTIONEERING COMMUNICATIONS

Section 201–203 have come to be known as the ''Snowe-Jeffords amendment.''

Sec. 201. Disclosure of Electioneering Communications. Requires anyone who spends over $10,000 in a calendar year on electioneering communications to file a disclosure statement within 24 hours after reaching that amount of spending and again within 24 hours of each additional $10,000 of spending. Electioneering communications are defined as broadcast, cable or satellite communications that mention the name or show the likeness of a clearly identified candidate for Federal office within 60 days of a general election or 30 days of a primary election, convention, or caucus, and which is targeted to the candidate's state/district. Electioneering communications do not include news broadcasts, communications that constitute independent expenditures because they contain express advocacy, or candidate debates and advertisements for candidate debates. The FEC may promulgate additional exceptions for advertisements that do not attack, oppose, promote or support a clearly identified Federal candidate.

The disclosure statement must identify the person or entity making the disbursement, the principal place of business of that person if it is not an individual, the amount of each disbursement of over $200 and the identify of the person receiving the disbursement, and the election to which the communication pertains and the candidate or candidates who are identified. If the disbursement is made from a segregated account to which only individuals can contribute, the disclosure statement must also reveal the names and addresses of the contributors of $1,000 or more to that account. If the disbursement is not made from such a segregated account then all donors of $1,000 to the organization making the expenditure must be disclosed. Money in the segregated account can be used for purposes other than electioneering communications, and the spending on other activities need not be disclosed, but all contributors to the account must be informed that their money might be used for electioneering communications.

Sec. 202. Coordinated Communications As Contributions. Makes clear that electioneering communications that are coordinated with candidates or with political parties are deemed to be contributions to the candidate supported by the communication. Because contributions to candidates are limited in the case of individuals, or prohibited in the case of groups (other than through a PAC), this provision essentially prohibits electioneering communications from being coordinated with candidates or parties.

Sec. 203. Prohibition of Corporate and Labor Disbursements for Electioneering Communications. Bars the use of corporate and union treasury money for electioneering communications. Corporations and unions are prohibited from spending their treasury money on electioneering communications, and groups and individuals may not use corporate or union treasury money for such ads (corporations and unions could finance such advertisements through their political action committees). The provision includes a number of special operating rules designed to prevent evasion of this prohibition through pass-throughs, laundering, or contribution swaps. 501(c)(4) and 527 organizations, which are technically corporations, are permitted to make electioneering communications as long as they use individual money contributed by U.S. citizens, U.S. nationals, or permanent legal residents and make the disclosures required by Section 201 (but see Section 204). If they derive income from business activities or accept contributions from corporations or unions, they must pay for electioneering communications from a separate account to which only individuals can contribute.

Sec. 204. Rules Relating to Certain Targeted Electioneering Communications. Withdraws Section 203's exemption for 501(c)(4) or 527 organizations that run electioneering communications targeted to the electorate of the candidate mentioned in the communications. The net effect of this provision is to apply the Snowe-Jeffords prohibition on running sham issue ads paid for with corporate or union treasury funds to non profit advocacy groups (501(c)(4)'s) and political organizations (527's). Should this provision be struck down as unconstitutional, the prohibition on the use of union or for-profit corporation treasury money for electioneering communications would remain intact, as would the disclosure requirements.

SUBTITLE B—INDEPENDENT AND COORDINATED EXPENDITURES

Sec. 211. Definition of Independent Expenditure. Clarifies the statutory definition of independent expenditure to mean an expenditure expressly advocating the election or defeat of a clearly defined candidate that is not made in coordination with a candidate.

Sec. 212. Reporting Requirements for Certain Independent Expenditures. Requires any person, including a political committee, who makes independent expenditures totaling $10,000 or more until the 20th day before the election to file a report with the FEC within 48 hours. An additional report must be filed within 48 hours of any additional independent expenditures of $10,000 or more. In the last 20 days before the election, a report must be filed within 24 hours of each independent expenditure totaling more than $1,000.

Sec. 213. Independent Versus Coordinated Expenditures by Party. Requires political parties to choose in each election between making the limited expenditures permitted to be coordinated with a candidate under 2 U.S.C. §441a(d) and making unlimited independent expenditures. Parties would make that choice with their first expenditure with respect to a particular election after their nominee has been chosen. If a party makes an independent expenditure, it may not make a coordinated expenditure with respect to that election. If it makes a coordinated expenditure, it may not make an independent expenditure. For purposes of this section, all national and state party committees are considered to be one entity so a national party cannot make an independent expenditure if a state party has made a coordinated expenditure with respect to a particular candidate.

Sec. 214. Coordination with Candidates or Political Parties. Provides that an expenditure made by a person, other than a candidate, in coordination with a political party will be treated as a contribution to the party. In addition, the FEC's current regulations on coordinated communications paid for by persons other than candidates are repealed nine months after enactment. The provision instructs the FEC to promulgate new regulations on coordination between candidates or parties and outside groups, addressing a number of different situations where coordination might be found. It provides that the new regulations shall not require formal collaboration or agreement to establish coordination.

TITLE III: MISCELLANEOUS

Sec. 301. Use of Contributed Amounts for Certain Purposes. Codifies FEC regulations

relating to the personal use of campaign funds by candidates. Contributions will be considered converted to personal use if they are used for an expense that would exist irrespective of the campaign or duties as an officeholder, including home mortgage or rent, clothing, vacation expenses, tuition payments, noncampaign-related automobile expenses, and a variety of other items.

Sec. 302. Prohibition of Fundraising on Federal Property. Amends 18 U.S.C. §607 to provide controlling legal authority that it is unlawful to solicit or receive a campaign contribution from a person who is located in a federal room or building. It is also unlawful to solicit or receive a campaign contribution while located in federal room or building.

Sec. 303. Strengthening Foreign Money Ban. Prohibits foreign nationals from making any contribution to a committee of a political party or any contribution in connection with federal, state or local elections, including any electioneering communications. This clarifies that the ban on contributions to foreign nationals applies to soft money donations.

Section 304. Modification of Individual Contribution Limits in Response to Expenditures From Personal Funds. Allows Senate candidates who face opponents who spend large amounts of their personal wealth to raise larger contributions from individual donors. The provision sets up three different ''triggers'' that vary according to the size of the candidate's state. When a wealthy candidate's personal spending passes the first trigger amount, the individual contribution limits are tripled. At the second trigger, the opposing candidate can raise six times the limits from individual donors. And at the third trigger, party coordinated spending limits are lifted. The amount of additional fundraising or spending at all trigger levels is limited to 110% of the amount of personal wealth spent. The provision also prohibits all candidates from raising contributions to repay loans they make to their own campaigns of over $250,000. Section 316 further limits the amount of additional fundraising that can be done by Senate candidates under this provision: See section 319 for a similar provision applicable to House candidates.

Sec. 305. Limitation on Availability of Lowest Unit Charge for Federal Candidates Attacking Opposition. Requires candidates seeking to avail themselves of the lowest unit charge for advertising available under Section 315(b) of the Communications Act of 1934 to provide written certification that if they refer to another candidate in the advertisement they will include in the advertisement a photo of themselves and a clearly legible statement that they have approved and paid for the ad. Both items must appear in the ad for no less than four seconds.

Sec. 306. Software for Filing Reports and Prompt Disclosure of Contributions. Requires the FEC to promulgate standards for software vendors to develop software that will allow political committees to report receipts and disbursements to the FEC immediately, and allow the FEC to immediately post the information on the Internet immediately. Once such software is available, the FEC is required to make it available to all persons required to file reports. Once software provided to a person required to report, it shall be used notwithstanding the current time periods for filing reports.

Sec. 307. Modification of Contribution Limits. Provides for increases in certain contribution limits. The maximum amount that an individual can give to a federal candidate is increased from $1,000 to $2,000 per election. These limits will be indexed for inflation. The maximum amount that an individual can give to a national committee of a political party each year is increased from $20,000 to $25,000. The maximum aggregate amount that an individual can give to parties, PACs, and candidates combined per year is increased from $25,000 per year (current law) to $95,000 per cycle, including not more than $37,500 per cycle to candidates, and reserving $20,000 per cycle for the national party committees. The amount that a senatorial campaign committee can contribute to a Senate candidate is increased from $17,500 to $35,000. All of the limits increased in this section are indexed for inflation beginning with a base year of 2001, and the increased limits apply to contributions made on or after January 1, 2003.

Sec. 308. Donations to Presidential Inaugural Committee. Requires a Presidential Inaugural Committee to file a report with FEC within 90 days of the inauguration disclosing all donations of $200 or more. Foreign nationals (as defined in 2 U.S.C. §441e(2) are prohibited from making any donation to an Inaugural Committee. The FEC is required to make public and post on the Internet any Report filed under this section within 48 hours of its receipt.

Sec. 309. Prohibition no Fraudulent Solicitation of Funds. Prohibits a person from fraudulently misrepresenting that he or she is speaking, writing, or otherwise acting on behalf of a candidate or political party for the purpose of soliciting campaign contributions.

Sec. 310. Study and Report on Clean Money Election Laws. Requires the GAO to conduct a study of the clean money, clean election systems in Arizona and Maine. The study shall include a number of statistical determinations with respect to the recent elections in those states and describe the effect of public financing on the elections in those states. The GAO shall report its findings to Congress within a year of enactment.

Sec. 311. Clarity Standards for Identification of Sponsors of Election-Related Advertising. Amends and supplements the FECA's current requirements that the sponsors of political advertising identify themselves in their ads. Additional provisions include: (1) applies the requirements to any disbursement for public political advertising, including electioneering communications; (2) requires the address, telephone number, and Internet address of persons other than candidates who purchase public political advertising to appear in the ad; (3) requires candidate radio ads to include a statement by the candidate that he or she has approved the communication; (4) requires a television ad to include the same audio statement along with a picture of the candidate or a full screen view of the candidate making the statement, and a written version of that statement that appears for at least 4 seconds; and (5) requires persons other than candidates to run ads to include a statement that that person ''is responsible for the content of this advertising.''

Sec. 312. Increase in Penalties. Increases from one year to five years the maximum term of imprisonment for knowing and willful violations of the FECA involving the making, receiving, or reporting of any contribution, donation, or expenditure aggregating $25,000 or more during a calendar year. Provides that criminal fines of up to $250,000 may also be assessed for prohibited contributions or expenditures of that amount, or of up to $100,000 for violations totaling less than $25,000 in a year.

Sec. 313. Statute of Limitations. Extends the statute of limitations for violations of the FECA from three to five years.

Sec. 314. Sentencing Guidelines. Directs the U.S. Sentencing Commission to: (1) within 90 days of the effective date promulgate a guideline, or amend an existing guideline, for penalties under FECA and related election laws; and (2) submit to Congress an explanation of any such guidelines and any legislative or administrative recommendations regarding enforcement. Specifies considerations for such guidelines, including that they reflect the serious nature of violations of the FECA and the need to aggressive and appropriate law enforcement action to prevent violations.

Sec. 315. Increase in Penalties Imposed for Violation of Conduit Contribution Ban. Increases the maximum civil penalty that can be assessed by the FEC for a violation of the conduit contribution prohibition in 2 U.S.C. §441f from the greater of $10,000 or 200 percent of the contribution involved to $50,000 or 1,000 percent of the amount involved. Increases the maximum term of imprisonment for a criminal violation of the conduit contribution ban involving amounts of between $10,000 and $25,000 from one to two years, and increases the maximum criminal penalty to the greater of $50,000 or 1,000 percent of amount involved. The minimum criminal penalty shall be 300 percent of the amount involved.

Sec. 316. Restriction on Increased Contribution Limits by Taking into Account Candidate's Available Funds. Modifies the amount of additional fundraising that a candidate who faces a wealthy opponent can do under the increased contribution limits set out in Section 304. If the non-wealthy candidate has raised more money than the wealthy candidate, the amount of fundraising under the increased contribution limits is decreased by one half of the difference between the two candidates fundraising (excluding the amount of personal wealth that the wealthy candidate has contributed) as of June 30 and December 31 of the year before the election.

Sec. 317. Clarification of Right of Nationals of the United States to Make Political Contributions. Clarifies U.S. Nationals are allowed to make political contributions.

Sec. 318. Prohibition of Contributions by Minors. Prohibits anyone 17 years of age or younger from making political contributions.

Sec. 319. Modification of Individual Contribution Limits for House Candidates in Response to Expenditures from Personal Funds. Allows House candidates who face opponents who spend large amounts of their personal wealth to raise larger contributions from individual donors. When a wealthy candidate's personal spending exceeds $350,000, the individual contribution limits are tripled. In addition, party coordinated spending limits are lifted. The total amount of permitted additional fundraising and party expenditures is limited to the ''opposition personal funds amount.'' That amount is determined by taking the opponent's personal wealth spending and subtracting the amount the candidate spends of his or her own personal wealth and one-half of the fundraising advantage, if any, that the candidate may have over the opponent. Thus, the amount of additional fundraising and party expenditures can never exceed the amount of personal wealth devoted by the opponent.

TITLE IV: SEVERABILITY; EFFECTIVE DATE

Sec. 401. Severability. Provides that if any provision of the bill is held unconstitutional, the remainder of the bill will not be affected.

Sec. 402. Effective Date. Provides that the Act will take effect on November 6, 2002 (the day after the 2002 election), except for the increased contributions limits contained in section 307. After November 6, 2002, the parties may spend any remaining soft money only for debts or obligations incurred in connection with the 2002 election (including any

runoff or recount) or any previous election, but only for expenses for which it would otherwise be permissible to spend soft money. No soft money may be spent on office buildings or facilities after the effective date.

Sec. 403. Judicial Review. Provides that any action for declaratory or injunctive relief to challenge the constitutionality of any provision of the Act or any amendment made by it must be filed in the United States District Court for the District of Columbia where the complaint will be heard by a three judge court. Appeal of an order or judgment in such an action shall be reviewable only by appeal directly to the Supreme Court of the United States. Such appeal must be taken by notice of appeal filed within 10 days of the judgment and a jurisdictional statement must be filed within 30 days of the entry of a final decision. The District Court and the Supreme Court must expedite the case. Allows a Member of Congress to intervene in support of or in opposition to a party to the case. The Court may make orders that similar positions be filed jointly or be represented by a single attorney at oral arguments.

TITLE V: ADDITIONAL DISCLOSURE PROVISIONS

Sec. 501. Internet Access to Records. Requires the FEC to make all designations, reports, statements, and notifications available on the Internet within 48 hours of receipt.

Sec. 502. Maintenance of Website of Election Reports. Requires the FEC to maintain an Internet site to make all publicly available election reports accessible to the public and to coordinate with other agencies that receive election-reports to allow such reports to be posted on the FEC's site in a timely manner.

Sec. 503. Additional Monthly and Quarterly Disclosure Reports. Requires candidates to file quarterly reports instead of semi-annual reports in non-election years. National parties are required to file monthly reports rather than having a choice between monthly and quarterly reports.

Sec. 504. Public Access to Broadcasting Records. Requires radio and television broadcasting stations to maintain records of requests to purchase political advertising time, including requests by candidates or by advertisers intending to communicate a message relating to a political matter of national importance. The records must be made available for public inspection and must include the name and contact information of person requesting to purchase the time, the date and time that the advertisement was aired, and the rates charged for the time.

Mr. DODD. Mr. President, first, I want to acknowledge my good friend, colleague and ranking member on the Rules Committee, Senator MITCH MCCONNELL of Kentucky.

While he and I may be on opposite sides of this issue, we are on the same side of another issue—the election reform legislation which is now pending before the Senate. I would much prefer to be with him on an issue rather than against him.

I think all my colleagues agree that he is a formidable advocate for his position. Even if a resolution is clear on this legislation at the end of the day, I suspect this will not be the end of Senator MCCONNELL's advocacy with regard to campaign finance reform issues.

I turn now to the matter at hand. I rise today to express my optimism that Congress will enact real campaign finance reform this week.

We must not use this week to merely re-debate legislation already fully debated and adopted by both chambers of Congress.

Only final passage is the proper tribute to the culmination of years of extraordinary bicameral and bipartisan leadership provided by my good friends and colleagues.

In the Senate, the leaders of campaign finance reform are Senator JOHN MCCAIN of Arizona and Senator RUSS FEINGOLD of Wisconsin. In the House, the leaders are Congressman CHRISTOPHER SHAYS of Connecticut and Congressman MARTIN MEEHAN of Massachusetts.

On February 14, 2002, the Shays-Meehan Bipartisan Campaign Finance Reform Bill, H.R. 2356, was adopted by a vote of 240–189 in the House. On April 2, 2001, the McCain-Feingold Bipartisan Campaign Finance Reform bill, S. 27, was adopted by a vote of 59–41 in the Senate.

Interestingly, today is only one day short of being a full year from when the Senate started debate on the McCain-Feingold measure—March 19, 2001.

Last year, I was honored to serve as floor manager for the Senate debate on campaign finance reform legislation. I was equally as honored to be counted as one of the 59 votes to adopt the McCain-Feingold bill.

I stand in the same shoes today. It is a high honor to serve as floor manager of the Senate debate on the Shays-Meehan measure. I will be equally as honored to be counted among the many Members who will vote in a bipartisan manner to adopt this reform bill.

I congratulate my colleagues in both chambers for the hard-fought success that this legislation reflects.

I especially wish to take this time to extend my sincere congratulations to my good friend, Congressman CHRIS SHAYS.

It is with a sense of parochial pride in this House action that the major cosponsor of the legislation, who is a longstanding friend of mine and a Member of the Connecticut delegation, has been a principled advocate of campaign finance reform for years.

I want to express the tremendous sense of pride of all the people of Connecticut to CHRIS SHAYS for his outstanding efforts to achieve real campaign finance reform on behalf of all Americans.

Our Senate debate will only confirm that the House merely adopted virtually the same bill as the Senate approved after a robust debate on April 2, 2001.

In general, both bills would change the way political parties raise and spend money, regulate issue advertising, increase contribution limits, improve disclosure requirements, and make other changes to campaign finance law.

Specifically, both bills would ban unrestricted ''soft money'' contributions to political parties by corporations, unions, and individuals;

Both bills would restrict end-of-campaign advertising funded by organizations that name a Federal candidate;

Both bills would increase the aggregate limits on contributions by individuals to candidates, PACs, and parties; and

Both bills would improve disclosure of campaign finance activity.

Thee are a few minor differences between the House and Senate passed bills. For example, there is a difference in the contribution limits for an individual.

Under the House bill, an individual may contribute a total of $95,000 in 2 years to candidates, PACs, and parties. under the Senate bill, an individual may contribute a total of $37,500 in 1 year to candidates, PACs, and parties. Under both bills, an individual is nevertheless limited to an annual maximum contribution of $37,500 to candidates.

Another difference between the two bills is that the House bill eliminates Senator TORRICELLI's amendment requiring the lowest unit rate for the purchase of broadcast advertisements.

Finally, the House bill extends to House candidates the ''millionaires amendment.''

These are all very minor differences that serve to make the two bills substantially the same. As a result, the Senate would not benefit from an extended debate on re-hashing the same issues in this version of the Shays-Meehan legislation. Last year's open and full Senate debate on these same issues in McCain-Feingold remains sufficient for our purposes today, which is to pass comprehensive campaign finance reform.

It is my fervent hope that we pass this legislation with a minimum amount of debate. This is not a ''mission impossible,'' given the fact that the House bill is virtually a mirror image of the Senate-passed bill.

The Senate already participated in weeks of full, open and unrestricted debate on campaign finance reform. And the Senate already voted on both the substance of the bill and all relevant amendments to the bill.

Now the question becomes whether yet another extended Senate debate will serve to ensure certain improvements in the bill or, to the contrary, only serve to ensure further delay of the bill?

On balance, I believe the risk of delay far outweighs the potential for legislative improvements. There is no perfect legislation. Attempting to craft perfect legislation only serves to jeopardize the Senate's ability to send this measure to the President for signature.

Instead of becoming law, the Shays-Meehan bill would be on yet another journey. It would be a candidate for a Senate-House conference or additional House debate. Either of these scenarios would kill any real chance to enact campaign finance reform in the 107th Congress.

I urge my colleagues to consider this road well traveled for decades. It is time to resist exploring new and substantive forks in the road.

As do many of my colleagues on both sides of the aisle, I feel strongly about the need for comprehensive campaign reform. Time and again we have seen thoughtful, appropriate—and, I must emphasize, bipartisan—efforts to stop the spiraling money chase that afflicts our political system, only to see a minority of the Senate block further consideration of the issue.

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

It is now long past the day-after-tomorrow. We simply cannot afford to wait any longer to do something about the tidal wave of special-interest money that is drowning our system of government.

Oscar Wilde once observed that ''A cynic is a person who knows the price of everything and the value of nothing.'' I fear that the exploding dominance of money in politics has created a similar atmosphere of cynicism in our political system—an environment where the value of ideas, of debate, of people in general, is overwhelmed by the price tag of free speech and political success.

The worst aspect of the current financing system is its affect on eroding public confidence in the integrity of our political process.

The real concern is that the escalating amounts of money pouring into our elections is having a corrupting influence on our political system. The public perception of the problems of corruption and the appearance of corruption is that large political contributions to candidates and political parties provide those donors with preferred access and influence over American public policy—and the average American has neither the access nor influence in Washington.

The more money that is required to run for office, the more influence that the donors—wealthy individuals, corporations, labor unions, and special interest groups—have over elected officials and public policy.

The real harm to avoid is having the concerns of the average voters completely usurped by the money and influence of these powerful individuals, corporations, and interest groups.

It is this concern—the relationship of money to power—that is casting a vote of ''no confidence'' in the integrity of our electoral process. It is this devastating harm of corruption and the appearance of corruption that campaign finance reform seeks to avoid. To date, Congress has an unacceptable record since we have only sought to avoid the remedy for the harm.

Unfortunately, not only does historical data tend to support this pessimistic view—the current data sustains this view.

Take a cursory look at raising and spending soft money in the November 2000 Presidential and congressional elections. It sends one message—our financing system is in urgent need of repair.

According to the center for responsive politics, the total amount spent on the 2000 Presidential and congressional campaigns was approximately $3 billion. This price tag is up from $2.2 billion in 1996 and $1.8 billion in 1992.

According to the Federal Election Commission, the Democratic and Republican parties raised $1.2 billion in 2000—a 36 percent increase over the $881 million raised by the parties in 1996.

In that same period, democrats raised over $245 million in soft money, while Republicans raised over $249 million in soft million. the parties use soft money funds for so-called issue ads and other so-called party building activities.

In that same period, Democrats raised over $275 million ion ''hard money,'' while Republicans almost doubled that amount in fundraising with over $465 million in hard money. The parties use hard money funds for direct contributions to candidates and other activities to advocate the election or defeat of candidates for Federal office.

The Brennan Center for Justice at New York University School of Law conducted a study on television advertising in the 2000 Federal elections. The Brennan Center found that the Presidential election was the first election in history where the major national political parties spent more on television ads than the candidates themselves spent—the Democratic and Republican national committees together spent over $80 million on TV ads, a lot more than the $67 million spent by Vice-President Gore and Governor Bush.

The Brennan Center found that the vast amount of money spent by the parties on TV ads was ''soft money,'' the unregulated and unlimited party donations from corporations, labor unions, and wealthy individuals.

The Brennan Center found that spending by groups in congressional campaigns on so-called issue ads increased from $10 million in 1998 to $32 million in 2000.

Finally, the Brennan Center also found that only a small percentage of party soft money is spent for get-out-the-vote and voter mobilization activities. Only 8.5 cents of every dollar goes to GOTV and voter registration activities while 40 cents of every dollar goes to purchase ads to support or defeat candidates for Federal office.

In contrast to all this financial participation in elections, according to the Federal Election Commission report on the 2000 Federal elections, just under 105.4 million Americans voted in the Presidential election. That is 51 percent of the Census Bureau's estimated voting age population of over 205.8 million Americans.

The voter turnout figure of 51 percent in 2000 was somewhat higher than the 49 percent turnout for the 1996 Federal elections—the first time in modern political history when less than half of the eligible electorate turned out to vote for President.

This means that the voter turnout has declined sharply—from over 63 percent of the voting age population in 1952 to slightly over 51 percent of the voting age population in 2000.

Arguably, while there are no accurate national statistics, it is sufficient to project that there is only a small percentage of individual donors with average income who actually contribute to political campaigns.

These statistics tell the story of a system in which a small percentage of individual donors are making ever larger contributions, while at the same time more and more voters have lost such confidence in our elections that they do not even feel it is worthwhile to vote.

Do any of us really believe this is acceptable? Do any of us believe that this is not a system in need of comprehensive reform?

If we are to break the grip that money currently holds on our campaigns, we must enact legislation that will stop the flow of unregulated money in the political system and limit the flow of regulated money into Federal campaigns.

We must restore common sense by eliminating the opportunities for legalisms and loopholes that mock the spirit of our campaign finance laws. We must give those who enforce the law the resources they need to ensure that the campaign financing system is lawful and fair.

I look forward to participating in the process of winding-down the campaign finance debate. I also look forward to working with my colleagues—on both sides of the aisle—and to adopting this moderate legislation that restores the proper balance of money to politics and restores the American people's confidence in our current financing system.

I urge each of my colleagues to put aside any and all partisanship and personal ambitions to join me in de-emphasizing the importance of money in politics.

This is not a complicated task. We desperately need to ensure that the average American is heard in Washington over the din of special interest voices. We must ensure that the exercising of Americans' free speech in the political process is not governed by the price tagon contribution amounts that can be raised and spent on Federal elections. As Supreme Court Justice Stevens wrote in the Nixon v. Shrink Missouri Government PAC case, ''Money is property, money is not speech.''

This is why Congress has an obligation to enact comprehensive, meaningful, and real campaign finance law and pass the law now.

The action we take today will signal to all Americans that exercising their first amendment right to free speech

and association outside the beltway has now been heard inside the beltway.

Americans have waited long enough. Congress has the first opportunity in a generation to clean up a political system that most Americans believe is polluted by campaign contributions, or the appearance of such pollution. There is no room for wavering or using a philosophical, legal or factual excuse for killing this legislation. This is a real chance to curb the role of money in politics.

It has been decades since Congress took similar comprehensive action with the enactment of the Federal Election Campaign Act of 1971. The one thing we cannot afford to do is wait any longer—now is the time to enact the Shays-Meehan/McCain-Feingold legislation. The American people have waited long enough!

I fully support this legislation as the best effort that Congress can make to enact real campaign finance reform. I stand ready to do what I can to make reform a reality in the 107th Congress.

I yield the floor.

Mr. FEINGOLD. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. DODD. Mr. President, I ask unanimous consent that I may be allowed to speak for 10 minutes as in morning business.

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

COMMENDING THE COURAGE OF INGRID BETANCOURT, CLARA ROJAS, MARTHA DANIELS, AND THE COLOMBIAN PEOPLE

Mr. DODD. Mr. President, just an hour or so ago, I made a call to Colombia, South America, and spoke with the husband of Ingrid Betancourt, who, as many may know, is the woman candidate for President of Colombia who was recently kidnaped.

I expressed to Ingrid Betancourt's husband the sincere hopes of all of us here that his wife be returned to safety soon, that she be allowed to continue in her efforts as a candidate in that country in the upcoming presidential election, and I told Mrs. Betancourt's family that the hopes and prayers of all of us in the United States are with them in these very difficult hours.

Colombia is a nation under tremendous stress and pressure, and the level of violence there has tremendously escalated since the collapse of the Pastrana-FARC peace talks. President Pastrana has tried his entire Presidency to come up with a peaceful resolution of the 40-year-old conflict in that country, and he deserves great credit for the efforts he has made from the very first days of his Presidency up until just a few days ago, when those talks finally broke down completely.

Currently, rebel forces are doing everything in their power to compromise the fragile democracy of that country. Guerrillas have bombed electrical towers, bridges, and waterworks while mining highways and increasing the number of roadblocks on Colombia's streets. As a result, more than 110 towns, representing 10 percent of Colombia's urban centers, have been left in darkness, and 76 municipalities in 6 provinces have had their phone service cut out completely.

Colombian citizens are living each day in fear while enduring tremendous domestic hardship. President Pastrana has warned his people more attacks are likely, and the citizens of Colombia are frightened, to put it mildly.

Even worse, FARC rebels have undertaken a violent offensive against public figures, stepping up the frequency of political attacks that were already too common in the months before the collapse of the peace talks on February 20. For years, the FARC—the organization I described—and other rebel forces in Colombia, have financed their violent siege of terror by kidnaping Colombian citizens and demanding ransom. When the ransom is not paid, the hostages are killed, and new hostages are taken. It is a vicious cycle that repeats over and over again, taking a toll on the spirit of this beleaguered nation. Indeed, at this point close to 4,000 people have died in Colombia since the beginning of hostilities; kidnappings are about 3,000 a year. At the same time, rebel groups have executed several political figures, including mayors, judges, members of the legislature, and candidates. As elected officials ourselves, this is a development that we should be particularly enraged by, and one that should draw the attention and concern of all people in democratic countries around the globe.

On March 3, Martha Catalina Daniels, a Colombian Senator, was tortured and killed near Bogota by guerrilla fighters while attempting to negotiate the release of hostages kidnaped by leftist rebels. After her torture, she was shot at close range with two bullets to the head, and then dumped in a ravine off a country road. A staffer and a friend of Senator Daniels were also killed in this vicious attack against decency and democracy, not to mention the value of human life.

Senator Daniels was the fourth member of the Colombian Congress to be killed since the middle of last year while working in her elected capacity as a representative of the Colombian people. Could you imagine similar events happening in our Capitol? There would be tremendous public outcry, and the Government would respond swiftly and decisively. Just because this crime happened in conflict-torn Colombia does not mean that we should allow this execution to pass by without public comment or outcry in this, the greatest Congress on the planet. We must stand with our democracy-loving colleagues around the world in condemning these attacks. This crime was a vicious and merciless murder of a dedicated and courageous public servant and her staff who were simply doing their jobs—jobs that we and our staffs do everyday. In recognition of this commitment, Senator Daniels' sacrifice will not be forgotten by the Colombian people or her friends in America. Her death will not be in vain.

Yet the assault on democracy in Colombia is not only targeted at those who hold office. Rebels also have targeted national candidates for public office as Colombia prepares for an upcoming presidential election. On February 23, Colombia presidential candidate Ingrid Betancourt, and her chief of staff, Clara Rojas, were seized while driving toward the southern war zone of San Vicente del Caguan. Mrs. Betancourt's driver and two journalists accompanying her were held and released, but Mrs. Betancourt and Ms. Rojas were kept in custody—a clear sign that this kidnaping was intended to send a signal to the political class in Colombia. The FARC, who are believed to have perpetrated this crime, currently hold five other politicians hostage and are attempting to cripple democracy in this Nation by force. However, the Colombian Government rightly refuses to negotiate with these terrorists for fear that concessions would encourage even more kidnapings in the future, and the situation is presently at a standoff.

Mrs. Betancourt has been allowed to fax her family to assure them of her well-being, and she has expressed her concern for her family, friends, and country. Even now, as a prisoner, she stands by her democratic principles. As she suffers, she seeks to bring international attention to the problem of violence in Colombia through her plight. Mrs. Betancourt's daughter has stated that her mother has indicated her desire that people be conscious of what is happening in Colombia and recognize that a war is going on in that country every day. She seeks to use her own situation as a rallying point for the international community against violence in Colombia.

I spoke to Mrs. Betancourt's husband this afternoon, and expressed my sympathy to him and his family, and my admiration for his courageous wife, and expressed as well those same sentiments on behalf of all of us in this Chamber. I pray for her safe and quick return.

Attention in America is rightly focused on Afghanistan and the war against terrorism. However, we cannot allow the brave sacrifices of people like Ingrid Betancourt to go unnoticed. We have to reserve some of our attention to expend on the festering problems of Colombia. If we turn our backs on this corner of the world, I fear that we may see another situation arise like that