

Legislative Bulletin......April 27, 2006

Contents:

Amendments to H.R. 4975—Lobbying Accountability and Transparency Act

H.R. 4975, the Lobbying Accountability and Transparency Act (sponsored by Rep. Dreier, R-CA), is scheduled to be considered on the House floor today, Thursday, April 27th, subject to a structured rule (H.Res. 783). The five key components of the rule (explained further throughout this document) are:

- 1. Self-execution of the amendment in Part A.
- 2. Structured consideration of nine other amendments in Part B.
- 3. Provision for one motion to recommit, with or without instructions.
- 4. The attachment of H.R. 513 (the Shays-Meehan campaign finance regulation bill regarding 527s) to H.R. 4975 <u>AFTER</u> final passage of H.R. 4975.
- 5. The insertion of H.R. 4975, as passed the House and with H.R. 513 attached, into S. 2349, the Senate's lobbying reform bill, as a complete substitute for the Senate bill.

All amendments in Part B are debatable for 10 minutes each. <u>Note</u>: the summaries below, while based on what is provided on the Rules Committee website, are perfected by RSC staff's review of <u>actual amendment text</u>. For a summary of the underlying bill (H.R. 4975), see a separate RSC document circulated earlier in the week.

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Self-execution of the amendment in Part A

Upon passage of the rule (H.Res. 783), the following amendment will <u>automatically</u> be passed without further consideration or vote:

Strikes Section 107 of the bill, which is as follows:

SEC. 107. GAO STUDY OF EMPLOYMENT CONTRACTS OF LOBBYISTS. The Comptroller General of the United States shall conduct a study of employment contracts of lobbyists in order to determine the extent of contingent fee agreements, and shall report the findings of the study to the Committee on the Judiciary of the House of Representatives.

Structured consideration of nine perfecting amendments in Part B

The following amendments will each be debatable for 10 minutes and can only be offered in the following sequence.

1.) Gohmert (R-TX)

Strikes the criminal penalties in the underlying bill and transforms the civil penalties in the bill to a tiered civil penalty structure. The first offense would bring a civil penalty of up to \$100,000; second offense: up to \$250,000; third offense: up to \$500,000; fourth offense and beyond: up to \$1 million each. The amendment also adds "corruptly and with intent to evade the law" to the intent element of the civil penalty.

2.) Castle (R-DE)/Gerlach (R-PA)

Requires that lobbyists be held liable for <u>offering</u> gifts that violate the gift rule. A lobbyist who knowingly <u>offers</u> a gift to a qualified Legislative Branch official (Members, officers, and employees) that is in violation of the gift rule would be subject to a civil fine of up to \$50,000.

3.) Lungren (R-CA)/Miller, George (D-CA)/Hastings (R-WA)/ Berman (D-CA)/Cole (R-OK)

Strikes the comprehensive, <u>permanent</u> ban on accepting gifts of travel from private sources and replaces it with a <u>qualified</u> ban. That is, no Member, officer, or employee of the House could accept a gift of travel related to his or her official duties UNLESS the private source first obtains a written certification from the Committee on Standards of Official that the gift of travel complies with all House rules and standards of conduct. The Committee is not permitted to issue any such certification until it reports its recommendations on changes to rule XXV to the Committee on Rules, which must occur not later than June 15, 2006. However, the Committee could issue a certification before June 15th if two-thirds of the Committee vote to do so. In making its recommendations, the Standards Committee would have to review public reports on privately funded travel and consider the same factors as outlined in the underlying bill (section 302).

4.) Sodrel (R-IN)/*McGovern (D-MA)*/Davis (R-KY)

Directs the Standards Committee to keep and publicly report a list of House Members who have and have not completed the voluntary ethics training program provided for in the underlying bill.

5.) Jackson-Lee (D-TX)

Makes it easier for a congressional pension lump-sum payment to be made to the spouse or children of any Member denied a portion of his or her pension under the base bill by striking: "but only to the extent that the application of this clause is considered necessary given the totality of the circumstances" from the section about determining whether the lump-sum is justified.

6.) Gingrey (R-GA)

Prohibits the conversion of leadership PAC funds, beginning in 2007, to personal use (such as a home mortgage, country club membership, tuition payment, or other such uses listed in current law: 2 U.S.C. 439a). Expressly permits leadership PAC funds to be used for authorized federal campaign activities, certain charitable contributions, and transfers to a national, state, or local political party committee. Defines "Leadership PAC" as a political committee that is directly or indirectly established, maintained, or controlled by a federal candidate or officeholder (and excludes any political party committee and any authorized campaign committee of the candidate or officeholder).

7.) Wolf (R-VA)

Prohibits former U.S. ambassadors and heads of U.S. intelligence elements abroad from acting as

an agent of the foreign nation where they were stationed for five years after their service as ambassador or station chief is completed. Provides for the Attorney General to apply for injunctions against any behavior or potential behavior in violation of this prohibition.

8.) Castle (R-DE)

Requires that all registered lobbyists complete a mandatory eight hours of ethics training each Congress, as directed by the Committee on Standards of Official Conduct. Ethics training would include the code of conduct and disclosure requirements applicable to Members, officers, and employees of the House, including rules relating to acceptance of gifts (including travel and meals), and financial disclosure requirements under the Ethics in Government Act of 1978. Any registered lobbyist failing to complete ethics training, an unfunded mandate, each Congress would be subject to penalties mirroring those in current aw for failing to disclose lobbying activities.

9.) Flake (R-AZ)

Clarifies the application of criminal bribery and illegal gratuities statutes with regard to earmarks. Specifically, it prohibits a person from directly or indirectly, corruptly giving, offering, or promising anything of value to any public official with the intent to influence any official act relating to an earmark. Also it prohibits a public official from corruptly demanding, seeking, receiving, accepting, or agreeing to receive or accept anything of value in return for influence in the performance of an official act relating to an earmark.

The provision of a motion to recommit

The rule (H.Res. 783) provides for one motion to recommit, with or without instructions. Although it is unknown what the Democrats will offer as a motion to recommit, it is likely that they will offer their amendment in the nature of a substitute, the text of which was not available to RSC staff at press time. Here is a summary of the Democrat substitute, as submitted by Rep. Slaughter's office to the Rules Committee. Note: the Democrat substitute was NOT made in order under the rule.

Slaughter (D-NY) #49: <u>Amendment in the Nature of a Substitute</u>. Bans gifts, including meals, tickets, entertainment and travel, from lobbyists and non-governmental organizations that retain or employ lobbyists. Requires Members to pay full charter costs on corporate jets for official travel and to make disclosures. Adds criminal offense for taking or withholding official action, or threatening to do so, for private employment decisions. Increases revolving door limitation to 2 years. Prohibits consideration of conference reports not available for at least 24 hours. Requires disclosure of lobbyists' campaign contributions, fundraisers, payments for events to honor Members, and contacts with Members. Increases civil and criminal penalties for violations. Expands reporting to include paid grassroots lobbying activities directed at the general public (rather than at an organization's members), while protecting the privacy of unpaid citizen lobbyists.

The attachment of H.R. 513

The rule (H.Res. 783) provides for the automatic attachment (without further debate or a separate vote) of H.R. 513 (the Shays-Meehan campaign finance regulation bill regarding 527s), as it passed

the House on April 5, 2006, to the underlying lobbying reform bill (H.R. 4975) **AFTER** final passage of H.R. 4975.

To view the roll-call for H.R. 513, visit this webpage: <u>http://clerk.house.gov/evs/2006/roll088.xml</u>.

To view the RSC Legislative Bulletin for H.R. 513, visit this webpage: <u>http://www.house.gov/pence/rsc/doc/LB_040506_shaysmeehan527.doc</u>.

The insertion into S. 2349

The rule (H.Res. 783) provides that, after final passage of H.R. 4975 (with H.R. 513 attached), it would be in order to take up the Senate-passed lobbying reform bill (S. 2349, which is being held at the desk) and motion to strike the entire Senate text and insert the entire House-passed text into S. 2349. If S. 2349 with the House text then passes the House, the rule would provide for a motion for the House to insist on its amendment to the Senate bill and request a conference thereon.

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