

109TH CONGRESS  
2D SESSION

# H. R. 4975

[Report No. 109- ]

To provide greater transparency with respect to lobbying activities, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 2006

Mr. DREIER (for himself, Mr. HASTERT, Mr. BOEHNER, Mr. BLUNT, Ms. PRYCE of Ohio, Mr. REYNOLDS, Mr. CANTOR, Mr. KINGSTON, Mr. PUTNAM, Mr. EHLERS, Mr. TOM DAVIS of Virginia, and Mr. HASTINGS of Washington) introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committees on House Administration, Rules, Government Reform, and Standards of Official Conduct, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

APRIL , 2006

Reported from the Committee on the Judiciary with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

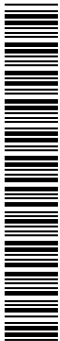
[For text of introduced bill, see copy of bill as introduced on March 16, 2006]

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## A BILL

To provide greater transparency with respect to lobbying activities, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*



1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) *SHORT TITLE.*—*This Act may be cited as the*  
3 *“Lobbying Accountability and Transparency Act of 2006”.*

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

*Sec. 1. Short title; table of contents.*

**TITLE I—ENHANCING LOBBYING DISCLOSURE**

*Sec. 101. Quarterly filing of lobbying disclosure reports.*

*Sec. 102. Electronic filing of lobbying registrations and disclosure reports.*

*Sec. 103. Public database of lobbying disclosure information.*

*Sec. 104. Disclosure by registered lobbyists of past executive branch and congressional employment.*

*Sec. 105. Disclosure of lobbyist contributions and gifts.*

*Sec. 106. Increased penalty for failure to comply with lobbying disclosure requirements.*

*Sec. 107. Requiring lobbyists to file reports on solicitations and transfers of contributions for candidates.*

*Sec. 108. GAO study of employment contracts of lobbyists.*

**TITLE II—SLOWING THE REVOLVING DOOR**

*Sec. 201. Notification of post-employment restrictions.*

*Sec. 202. Disclosure by Members of the House of Representatives of employment negotiations.*

*Sec. 203. Wrongfully influencing, on a partisan basis, an entity’s employment decisions or practices.*

**TITLE III—SUSPENSION OF PRIVATELY-FUNDED TRAVEL; CURBING LOBBYIST GIFTS**

*Sec. 301. Suspension of privately-funded travel.*

*Sec. 302. Recommendations on gifts and travel.*

*Sec. 303. Prohibiting registered lobbyists on corporate flights.*

*Sec. 304. Valuation of tickets to sporting and entertainment events.*

**TITLE IV—OVERSIGHT OF LOBBYING AND ENFORCEMENT**

*Sec. 401. Audits of lobbying reports by House Inspector General.*

*Sec. 402. House Inspector General review and annual reports.*

**TITLE V—INSTITUTIONAL REFORMS**

*Sec. 501. Earmarking reform.*

*Sec. 502. Frequent and comprehensive ethics training.*

*Sec. 503. Biennial publication of ethics manual.*

**TITLE VI—REFORM OF SECTION 527 ORGANIZATIONS**

*Sec. 601. Short title.*

*Sec. 602. Treatment of section 527 organizations.*



*Sec. 603. Rules for allocation of expenses between Federal and non-Federal activities.*

*Sec. 604. Repeal of limit on amount of party expenditures on behalf of candidates in general elections.*

*Sec. 605. Construction.*

*Sec. 606. Judicial review.*

*Sec. 607. Severability.*

**TITLE VII—FORFEITURE OF RETIREMENT BENEFITS**

*Sec. 701. Loss of pensions accrued during service as a Member of Congress for abusing the public trust.*

**1 TITLE I—ENHANCING LOBBYING  
2 DISCLOSURE**

**3 SEC. 101. QUARTERLY FILING OF LOBBYING DISCLOSURE  
4 REPORTS.**

*5 (a) QUARTERLY FILING REQUIRED.—Section 5 of the  
6 Lobbying Disclosure Act of 1995 (in this title referred to  
7 as the “Act”) (2 U.S.C. 1604) is amended—*

*8 (1) in subsection (a)—*

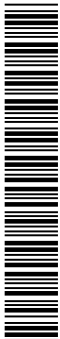
*9 (A) in the heading, by striking “SEMI-  
10 ANNUAL” and inserting “QUARTERLY”;*

*11 (B) by striking “45” and inserting “20”;*

*12 (C) by striking “the semiannual period”  
13 and all that follows through “July of each year”  
14 and insert “the quarterly period beginning on  
15 the first day of January, April, July, and Octo-  
16 ber of each year”; and*

*17 (D) by striking “such semiannual period”  
18 and insert “such quarterly period”; and*

*19 (2) in subsection (b)—*



1           (A) in the matter preceding paragraph (1),  
2           by striking “semiannual report” and inserting  
3           “quarterly report”;

4           (B) in paragraph (2), by striking “semi-  
5           annual filing period” and inserting “quarterly  
6           period”;

7           (C) in paragraph (3), by striking “semi-  
8           annual period” and inserting “quarterly pe-  
9           riod”; and

10          (D) in paragraph (4), by striking “semi-  
11          annual filing period” and inserting “quarterly  
12          period”.

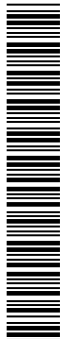
13       (b) CONFORMING AMENDMENTS.—

14           (1) DEFINITION.—Section 3(10) of the Act (2  
15           U.S.C. 1602(10)) is amended by striking “six month  
16           period” and inserting “3-month period”.

17           (2) REGISTRATION.—Section 4 of the Act (2  
18           U.S.C. 1603) is amended—

19           (A) in subsection (a)(3)(A), by striking  
20           “semiannual period” and inserting “quarterly  
21           period”; and

22           (B) in subsection (b)(3)(A), by striking  
23           “semiannual period” and inserting “quarterly  
24           period”.



1           (3) *ENFORCEMENT.*—Section 6(6) of the Act (2  
2           U.S.C. 1605(6)) is amended by striking “semiannual  
3           period” and inserting “quarterly period”.

4           (4) *ESTIMATES.*—Section 15 of the Act (2 U.S.C.  
5           1610) is amended—

6                   (A) in subsection (a)(1), by striking “semi-  
7                   annual period” and inserting “quarterly pe-  
8                   riod”; and

9                   (B) in subsection (b)(1), by striking “semi-  
10                  annual period” and inserting “quarterly pe-  
11                  riod”.

12          (5) *DOLLAR AMOUNTS.*—

13                  (A) *REGISTRATION.*—Section 4 of the Act (2  
14                  U.S.C. 1603) is amended—

15                          (i) in subsection (a)(3)(A)(i), by strik-  
16                          ing “\$5,000” and inserting “\$2,500”;

17                          (ii) in subsection (a)(3)(A)(ii), by  
18                          striking “\$20,000” and inserting “\$10,000”;

19                          (iii) in subsection (b)(3)(A), by strik-  
20                          ing “\$10,000” and inserting “\$5,000”; and

21                          (iv) in subsection (b)(4), by striking  
22                          “\$10,000” and inserting “\$5,000”.

23                  (B) *REPORTS.*—Section 5(c) of the Act (2  
24                  U.S.C. 1604(c)) is amended—



1                   (i) in paragraph (1), by striking  
2                   “\$10,000” and “\$20,000” and inserting  
3                   “\$5,000” and “\$1,000”, respectively; and  
4                   (ii) in paragraph (2), by striking  
5                   “\$10,000” both places such term appears  
6                   and inserting “\$5,000”.

7 **SEC. 102. ELECTRONIC FILING OF LOBBYING REGISTRA-**  
8 **TIONS AND DISCLOSURE REPORTS.**

9           (a) *REGISTRATIONS*.—Section 4 of the Act (2 U.S.C.  
10 1603) is amended—

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

13           (2) by inserting after subsection (c) the fol-  
14           lowing:

15           “(d) *ELECTRONIC FILING REQUIRED*.—A registration  
16 required to be filed under this section on or after the date  
17 of enactment of the Lobbying Accountability and Trans-  
18 parency Act of 2006 shall be filed in electronic form, in  
19 addition to any other form that may be required by the  
20 Secretary of the Senate or the Clerk of the House of Rep-  
21 resentatives. The due date for a registration filed in elec-  
22 tronic form shall be no later than the due date for a reg-  
23 istration filed in any other form.”.

24           (b) *REPORTS*.—Section 5 of the Act (2 U.S.C. 1604)  
25 is amended by adding at the end the following:



1       “(d) *ELECTRONIC FILING REQUIRED.*—

2               “(1) *IN GENERAL.*—A report required to be filed  
3       under this section shall be filed in electronic form, in  
4       addition to any other form that may be required by  
5       the Secretary of the Senate or the Clerk of the House  
6       of Representatives. The due date for a report filed in  
7       electronic form shall be no later than the due date for  
8       a report filed in any other form, except as provided  
9       in paragraph (2).

10              “(2) *EXTENSION OF TIME TO FILE IN ELEC-*  
11       *TRONIC FORM.*—The Secretary of the Senate or the  
12       Clerk of the House of Representatives may establish a  
13       later due date for the filing of a report in electronic  
14       form by a registrant, if and only if—

15              “(A) on or before the original due date, the  
16       registrant—

17                      “(i) timely files the report in every  
18       form required, other than electronic form;  
19       and

20                      “(ii) makes a request for such a later  
21       due date to the Secretary or the Clerk, as  
22       the case may be; and

23              “(B) the request is supported by good cause  
24       shown.”.



1 **SEC. 103. PUBLIC DATABASE OF LOBBYING DISCLOSURE IN-**  
2 **FORMATION.**

3 (a) *DATABASE REQUIRED.*—Section 6 of the Act (2  
4 U.S.C. 1605) is amended—

5 (1) in paragraph (7), by striking “and” at the  
6 end;

7 (2) in paragraph (8), by striking the period and  
8 inserting “; and”; and

9 (3) by adding at the end the following:

10 “(9) maintain, and make available to the public  
11 over the Internet, without a fee or other access charge,  
12 in a searchable, sortable, and downloadable manner,  
13 an electronic database that—

14 “(A) includes the information contained in  
15 registrations and reports filed under this Act;

16 “(B) directly links the information it con-  
17 tains to the information disclosed in reports filed  
18 with the Federal Election Commission under sec-  
19 tion 304 of the Federal Election Campaign Act  
20 of 1971 (2 U.S.C. 434); and

21 “(C) is searchable and sortable, at a min-  
22 imum, by each of the categories of information  
23 described in sections 4(b) and 5(b).”.

24 (b) *AVAILABILITY OF REPORTS.*—Section 6(4) of the  
25 Act is amended by inserting before the semicolon the fol-  
26 lowing: “and, in the case of a registration filed in electronic





1 *form pursuant to section 4(d) or a report filed in electronic*  
2 *form pursuant to section 5(d), shall make such registration*  
3 *or report (as the case may be) available for public inspec-*  
4 *tion over the Internet not more than 48 hours after the reg-*  
5 *istration or report (as the case may be) is approved as re-*  
6 *ceived by the Secretary of the Senate or the Clerk of the*  
7 *House of Representatives (as the case may be)”.*

8 (c) *AUTHORIZATION OF APPROPRIATIONS.—There are*  
9 *authorized to be appropriated such sums as may be nec-*  
10 *essary to carry out paragraph (9) of section 6 of the Act,*  
11 *as added by subsection (a) of this section.*

12 **SEC. 104. DISCLOSURE BY REGISTERED LOBBYISTS OF PAST**  
13 **EXECUTIVE BRANCH AND CONGRESSIONAL**  
14 **EMPLOYMENT.**

15 *Section 4(b)(6) of the Act (2 U.S.C. 1603(b)(6)) is*  
16 *amended by striking “2 years” and inserting “7 years”.*

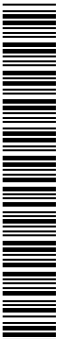
17 **SEC. 105. DISCLOSURE OF LOBBYIST CONTRIBUTIONS AND**  
18 **GIFTS.**

19 (a) *IN GENERAL.—Section 5(b) of the Act (2 U.S.C.*  
20 *1604(b)) is amended—*

21 (1) *in paragraph (3), by striking “and” after the*  
22 *semicolon;*

23 (2) *in paragraph (4), by striking the period and*  
24 *inserting a semicolon; and*

25 (3) *by adding at the end the following:*

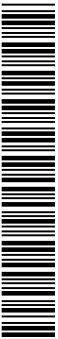


1           “(5) for each registrant (and for any political  
2           committee, as defined in 301(4) of the Federal Elec-  
3           tion Campaign Act of 1971 (2 U.S.C. 431(4)), affili-  
4           ated with the registrant), and for each employee listed  
5           as a lobbyist by the registrant under paragraph  
6           (2)(C)—

7           “(A) the name of each Federal candidate or  
8           officeholder, and of each leadership PAC, polit-  
9           ical party committee, or other political com-  
10          mittee to whom a contribution was made which  
11          is required to be reported to the Federal Election  
12          Commission by the recipient, and the date and  
13          amount of such contribution; and

14          “(B) the name of each Federal candidate or  
15          officeholder, leadership PAC of such candidate or  
16          officeholder, or political party committee for  
17          whom a fundraising event was hosted or cohosted  
18          (as stated on the official invitation) by the reg-  
19          istrant and each employee listed by the reg-  
20          istrant as a lobbyist, the date and location of the  
21          event, and the total amount raised by the event;

22          “(6) the date, recipient, and amount of any gift  
23          that under the Rules of the House of Representatives  
24          counts towards the cumulative annual limit described  
25          in such rules and is given to a covered legislative



1 *branch official by the registrant or an employee listed*  
2 *as a lobbyist by the registrant under paragraph*  
3 *(2)(C);*

4 *“(7) the date, recipient, and amount of funds*  
5 *contributed by the registrant or an employee listed as*  
6 *a lobbyist by the registrant under paragraph (2)(C)*

7 —

8 *“(A) to pay the costs of an event the pur-*  
9 *pose of which is (as stated by the registrant or*  
10 *employee, or in official materials describing the*  
11 *event) to honor or recognize a covered legislative*  
12 *branch official or covered executive branch offi-*  
13 *cial;*

14 *“(B) to, or on behalf of, an entity that is*  
15 *named for a covered legislative branch official or*  
16 *covered executive branch official, or to a person*  
17 *or entity in recognition of such official;*

18 *“(C) to an entity established, financed,*  
19 *maintained, or controlled by a covered legislative*  
20 *branch official or covered executive branch offi-*  
21 *cial, or an entity designated by such official; or*

22 *“(D) to pay the costs of a meeting, retreat,*  
23 *conference, or substantially similar event held*  
24 *by, or for the benefit of, 1 or more covered legis-*



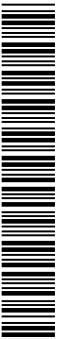
1           *lative branch officials or covered executive*  
2           *branch officials;*  
3           *except that this paragraph shall not apply to any*  
4           *payment or reimbursement made from funds required*  
5           *to be reported under section 304 of the Federal Elec-*  
6           *tion Campaign Act of 1971 (2 U.S.C. 434); and*

7           “(8) *the name of each Member of Congress, and*  
8           *each employee of a Member of Congress, with whom*  
9           *any lobbying contact has been made on behalf of the*  
10           *client by the registrant or an employee listed as a lob-*  
11           *byist by the registrant under paragraph (2)(C).”.*

12           ***(b) FACTORS TO BE CONSIDERED TO DETERMINE RE-***  
13           ***LATIONSHIP BETWEEN OFFICIALS AND OTHER ENTI-***  
14           ***TIES.—Section 5 of the Act (2 U.S.C. 1604), as amended***  
15           ***by section 102(b) of this Act, is amended by adding at the***  
16           ***end the following new subsection:***

17           ***“(e) FACTORS TO DETERMINE RELATIONSHIP BE-***  
18           ***TWEEN OFFICIALS AND OTHER ENTITIES.—***

19           ***“(1) IN GENERAL.—In determining under sub-***  
20           ***section (b)(7)(C) whether a covered legislative branch***  
21           ***official or covered executive branch official directly or***  
22           ***indirectly established, finances, maintains, or controls***  
23           ***an entity, the factors described in paragraph (2) shall***  
24           ***be examined in the context of the overall relationship***  
25           ***between that covered official and the entity to deter-***



1        *mine whether the presence of any such factor or fac-*  
2        *tors is evidence that the covered official directly or in-*  
3        *directly established, finances, maintains, or controls*  
4        *the entity.*

5                *“(2) FACTORS.—The factors referred to in para-*  
6        *graph (1) include, but are not limited to, the fol-*  
7        *lowing:*

8                        *“(A) Whether the covered official, directly or*  
9        *through its agent, owns a controlling interest in*  
10        *the voting stock or securities of the entity.*

11                        *“(B) Whether the covered official, directly or*  
12        *through its agent, has the authority or ability to*  
13        *direct or participate in the governance of the en-*  
14        *tity through provisions of constitutions, bylaws,*  
15        *contracts, or other rules, or through formal or in-*  
16        *formal practices or procedures.*

17                        *“(C) Whether the covered official, directly or*  
18        *through its agent, has the authority or ability to*  
19        *hire, appoint, demote, or otherwise control the of-*  
20        *ficers or other decisionmaking employees or*  
21        *members of the entity.*

22                        *“(D) Whether the covered official has a com-*  
23        *mon or overlapping membership with the entity*  
24        *that indicates a formal or ongoing relationship*  
25        *between the covered official and the entity.*



1           “(E) Whether the covered official has com-  
2 mon or overlapping officers or employees with  
3 the entity that indicates a formal or ongoing re-  
4 lationship between the covered official and the  
5 entity.

6           “(F) Whether the covered official has any  
7 members, officers, or employees who were mem-  
8 bers, officers, or employees of the entity that in-  
9 dicates a formal or ongoing relationship between  
10 the covered official and the entity, or that indi-  
11 cates the creation of a successor entity.

12           “(G) Whether the covered official, directly  
13 or through its agent, provides funds or goods in  
14 a significant amount or on an ongoing basis to  
15 the entity, such as through direct or indirect  
16 payments for administrative, fundraising, or  
17 other costs.

18           “(H) Whether the covered official, directly  
19 or through its agent, causes or arranges for funds  
20 in a significant amount or on an ongoing basis  
21 to be provided to the entity.

22           “(I) Whether the covered official, directly or  
23 through its agent, had an active or significant  
24 role in the formation of the entity.



1           “(J) Whether the covered official and the en-  
2           tity have similar patterns of receipts or disburse-  
3           ments that indicate a formal or ongoing rela-  
4           tionship between the covered official and the en-  
5           tity.”.

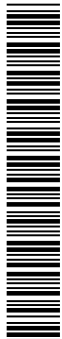
6           (c) *CONFORMING AMENDMENT.*—Section 3 of the Act  
7           (2 U.S.C. 1602) is amended by adding at the end the fol-  
8           lowing new paragraphs:

9           “(17) *GIFT.*—The term ‘gift’ means a gratuity,  
10          favor, discount, entertainment, hospitality, loan, for-  
11          bearance, or other item having monetary value. The  
12          term includes gifts of services, training, and meals,  
13          whether provided in kind, by purchase of a ticket,  
14          payment in advance, or reimbursement after the ex-  
15          pense has been incurred.

16          “(18) *LEADERSHIP PAC.*—The term ‘leadership  
17          PAC’ means an unauthorized political committee that  
18          is established, financed, maintained, and controlled  
19          by an individual who is a Federal officeholder or a  
20          candidate for Federal office.”.

21          (d) *NOTIFICATION OF MEMBERS.*—Section 6(2) of the  
22          Act (2 U.S.C. 1605(2)) is amended—

23                 (1) by striking “review” and inserting “(A) re-  
24                 view”;



1           (2) by inserting “and” after the semicolon at the  
2           end; and

3           (3) by adding at the end the following:

4           “(B) if a report states (under section 5(b)(8) or  
5           otherwise) that a Member of Congress, or an employee  
6           of a Member of Congress, was the subject of a lobbying  
7           contact, immediately inform that Member or employee  
8           (as the case may be) of that report;”.

9   **SEC. 106. INCREASED PENALTY FOR FAILURE TO COMPLY**  
10                   **WITH LOBBYING DISCLOSURE REQUIRE-**  
11                   **MENTS.**

12           Section 7 of the Act (2 U.S.C. 1606) is amended—

13           (1) by striking “Whoever” and inserting “(a)  
14           CIVIL PENALTY.—Whoever”;

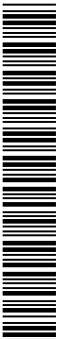
15           (2) by striking “\$50,000” and inserting  
16           “\$100,000”; and

17           (3) by adding at the end the following:

18           “(b) CRIMINAL PENALTY.—

19           “(1) IN GENERAL.—Whoever knowingly and  
20           willfully fails to comply with any provision of this  
21           Act shall be imprisoned not more than 3 years, or  
22           fined under title 18, United States Code, or both.

23           “(2) CORRUPTLY.—Whoever knowingly, willfully,  
24           and corruptly fails to comply with any provision of





1       *this Act shall be imprisoned not more than 5 years,*  
2       *or fined under title 18, United States Code, or both.”.*

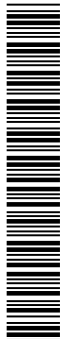
3       **SEC. 107. REQUIRING LOBBYISTS TO FILE REPORTS ON SO-**  
4                                       **LICITATIONS AND TRANSFERS OF CONTRIBU-**  
5                                       **TIONS FOR CANDIDATES.**

6       (a) *REPORTS REQUIRED.*—*Section 5 of the Act (2*  
7       *U.S.C. 1604), as amended by sections 102(b) and 105(b),*  
8       *is amended by adding at the end the following new sub-*  
9       *section:*

10       “(f) *REPORTS OF SOLICITATIONS AND TRANSFERS OF*  
11       *CONTRIBUTIONS IN FEDERAL ELECTIONS.*—

12                       “(1) *REPORTS OF SOLICITATIONS AND TRANS-*  
13       *FERS REQUIRED.*—*Any lobbyist registered under sec-*  
14       *tion 4 who solicits a contribution for or on behalf of*  
15       *a candidate or political committee from any other*  
16       *person and transmits the contribution to the can-*  
17       *didate or political committee, or who transfers any*  
18       *contribution made by any other person to a candidate*  
19       *or political committee, shall file a report with the*  
20       *Secretary of the Senate and the Clerk of the House of*  
21       *Representatives containing—*

22                       “(A) *the name, address, business telephone*  
23       *number, and principal place of business of the*  
24       *lobbyist, and a general description of the lobby-*  
25       *ist’s business or activities;*

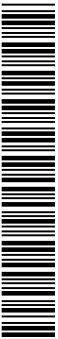


1           “(B) the name of the person from whom the  
2 lobbyist solicited the contribution or from whom  
3 the lobbyist transferred the contribution; and

4           “(C) the identity of the candidate or polit-  
5 ical committee on whose behalf the contribution  
6 was solicited and transmitted or transferred  
7 (and, in the case of a political committee which  
8 is an authorized committee of a candidate, the  
9 identity of the candidate).

10           “(2) *REPORTS OF SERVICE AS OFFICER OF PO-*  
11 *LITICAL COMMITTEE.*—Any lobbyist registered under  
12 section 4 who serves as the treasurer of an authorized  
13 committee of a candidate for election for Federal of-  
14 fice or as the treasurer or chair of any other political  
15 committee, shall file a report with the Secretary of the  
16 Senate and the Clerk of the House of Representatives  
17 containing the position held by the lobbyist and the  
18 identity of the candidate and committee involved.

19           “(3) *TIMING OF REPORTS.*—Reports required to  
20 be filed under this subsection shall be filed for the  
21 same time periods required for political committees  
22 under section 304(a)(4)(B) of the Federal Election  
23 Campaign Act of 1971, except that a report is not re-  
24 quired to be filed under this subsection with respect  
25 to any month during which the lobbyist did not so-



1 *licit and transmit or transfer a contribution described*  
2 *in paragraph (1) or serve in a position described in*  
3 *paragraph (2).*

4 “(4) *EXCEPTION FOR LOBBYISTS AS CAN-*  
5 *DIDATES.—In the case of a lobbyist who is a can-*  
6 *didate for election for Federal office, paragraph (1)*  
7 *shall not apply to a contribution made to the lobbyist*  
8 *or to an authorized committee of the lobbyist.*

9 “(5) *DEFINITIONS.—In this subsection, the terms*  
10 *‘authorized committee’, ‘candidate’, ‘election’, and ‘po-*  
11 *litical committee’ have the meanings given those*  
12 *terms in section 301 of the Federal Election Cam-*  
13 *paign Act of 1971.”.*

14 (b) *EFFECTIVE DATE.—The amendment made by sub-*  
15 *section (a) shall apply with respect to solicitations or trans-*  
16 *fers made on or after the date of enactment of this Act.*

17 **SEC. 108. GAO STUDY OF EMPLOYMENT CONTRACTS OF**  
18 **LOBBYISTS.**

19 *The Comptroller General of the United States shall*  
20 *conduct a study of employment contracts of lobbyists in*  
21 *order to determine the extent of contingent fee agreements,*  
22 *and shall report the findings of the study to the Committee*  
23 *on the Judiciary of the House of Representatives.*



1                   **TITLE II—SLOWING THE**  
2                   **REVOLVING DOOR**

3   **SEC. 201. NOTIFICATION OF POST-EMPLOYMENT RESTRIC-**  
4                   **TIONS.**

5           *Section 207(e) of title 18, United States Code, is*  
6   *amended by adding at the end the following new paragraph:*

7                   “(8) *NOTIFICATION OF POST-EMPLOYMENT RE-*  
8                   *STRICTIONS.—After a Member of the House of Rep-*  
9                   *resentatives or an elected officer of the House of Rep-*  
10                   *resentatives leaves office, or after the termination of*  
11                   *employment with the House of Representatives of an*  
12                   *employee of the House of Representatives covered*  
13                   *under paragraph (2), (3), or (4), the Clerk of the*  
14                   *House of Representatives, after consultation with the*  
15                   *Committee on Standards of Official Conduct, shall in-*  
16                   *form the Member, officer, or employee of the beginning*  
17                   *and ending date of the prohibitions that apply to the*  
18                   *Member, officer, or employee under this subsection,*  
19                   *and also inform each office of the House of Represent-*  
20                   *atives with respect to which such prohibitions apply*  
21                   *of those dates.”.*



1 **SEC. 202. DISCLOSURE BY MEMBERS OF THE HOUSE OF**  
2 **REPRESENTATIVES OF EMPLOYMENT NEGO-**  
3 **TIATIONS.**

4 *The Code of Official Conduct set forth in rule XXIII*  
5 *of the Rules of the House of Representatives is amended by*  
6 *redesignating clause 14 as clause 15 and by inserting after*  
7 *clause 13 the following new clause:*

8 *“14. (a) A Member, Delegate, or Resident Commis-*  
9 *sioner shall file with the Committee on Standards of Offi-*  
10 *cial Conduct a statement that he or she is negotiating com-*  
11 *pensation for prospective employment or has any arrange-*  
12 *ment concerning prospective employment if a conflict of in-*  
13 *terest or the appearance of a conflict of interest may exist.*  
14 *Such statement shall be made within 5 days (other than*  
15 *Saturdays, Sundays, or public holidays) after commencing*  
16 *the negotiation for compensation or entering into the ar-*  
17 *rangement.*

18 *“(b) A Member, Delegate, or Resident Commissioner*  
19 *should refrain from voting on any legislative measure pend-*  
20 *ing before the House or any committee thereof if the negotia-*  
21 *tion described in subparagraph (a) may create a conflict*  
22 *of interest.”.*



1 **SEC. 203. WRONGFULLY INFLUENCING, ON A PARTISAN**  
2 **BASIS, AN ENTITY'S EMPLOYMENT DECISIONS**  
3 **OR PRACTICES.**

4 *The Code of Official Conduct set forth in rule XXIII*  
5 *of the Rules of the House of Representatives (as amended*  
6 *by section 202) is further amended by redesignating clause*  
7 *15 as clause 16 and by inserting after clause 14 the fol-*  
8 *lowing new clause:*

9 *“15. A Member, Delegate, Resident Commissioner, offi-*  
10 *cer, or employee of the House may not, with the intent to*  
11 *influence on the basis of political party affiliation an em-*  
12 *ployment decision or employment practice of any private*  
13 *or public entity (except for the Congress)—*

14 *“(a) take or withhold, or offer or threaten to take*  
15 *or withhold, an official act; or*

16 *“(b) influence, or offer or threaten to influence,*  
17 *the official act of another.”.*

18 **TITLE III—SUSPENSION OF PRI-**  
19 **VATELY-FUNDED TRAVEL;**  
20 **CURBING LOBBYIST GIFTS**

21 **SEC. 301. SUSPENSION OF PRIVATELY-FUNDED TRAVEL.**

22 *Notwithstanding clause 5 of rule XXV of the Rules of*  
23 *the House of Representatives, no Member, Delegate, Resi-*  
24 *dent Commissioner, officer, or employee of the House may*  
25 *accept a gift of travel (including any transportation, lodg-*  
26 *ing, and meals during such travel) from any private source.*



1 **SEC. 302. RECOMMENDATIONS FROM THE COMMITTEE ON**  
2 **STANDARDS OF OFFICIAL CONDUCT ON**  
3 **GIFTS AND TRAVEL.**

4 *Not later than December 15, 2006, the Committee on*  
5 *Standards of Official Conduct shall report its recommenda-*  
6 *tions on changes to rule XXV of the Rules of the House of*  
7 *Representatives to the Committee on Rules. In developing*  
8 *such recommendations, the Committee on Standards of Offi-*  
9 *cial Conduct shall consider the following:*

10 (1) *The ability of the current provisions of rule*  
11 *XXV to protect the House, its Members, officers, and*  
12 *employees, from the appearance of impropriety.*

13 (2) *With respect to the allowance for privately-*  
14 *funded travel contained in clause 5(b) of rule XXV—*

15 (A) *the degree to which privately-funded*  
16 *travel meets the representational needs of the*  
17 *House, its Members, officers, and employees;*

18 (B) *whether certain entities should or*  
19 *should not be permitted to fund the travel of the*  
20 *Members, officers, and employees of the House,*  
21 *what sources of funding may be permissible, and*  
22 *what other individuals may participate in that*  
23 *travel; and*

24 (C) *the adequacy of the current system of*  
25 *approval and disclosure of such travel.*



1           (3) *With respect to the exceptions to the limita-*  
2           *tion on the acceptance of gifts contained in clause*  
3           5(a)—

4                   (A) *the degree to which those exceptions*  
5                   *meet the representational and personal needs of*  
6                   *the House, its Members, officers, and employees;*

7                   (B) *the clarity of the limitation and its ex-*  
8                   *ceptions; and*

9                   (C) *the suitability of the current dollar lim-*  
10                  *itations contained in clause 5(a)(1)(B) of such*  
11                  *rule, including whether such limitations should*  
12                  *be lowered.*

13 **SEC. 303. PROHIBITING REGISTERED LOBBYISTS ON COR-**  
14                   **PORATE FLIGHTS.**

15           *The Lobbying Disclosure Act of 1995 is amended by*  
16           *inserting after section 5 the following new section:*

17 **“SEC. 5A. PROHIBITING REGISTERED LOBBYISTS ON COR-**  
18                   **PORATE FLIGHTS.**

19           *“If a Representative in, or Delegate or Resident Com-*  
20           *missioner to, the Congress, or an officer or employee of the*  
21           *House of Representatives, is a passenger or crew member*  
22           *on a flight of an aircraft that is not licensed by the Federal*  
23           *Aviation Administration to operate for compensation or*  
24           *hire and that is owned or operated by a person who is the*





1 *client of a lobbyist or a lobbying firm, then such lobbyist*  
2 *may not be a passenger or crew member on that flight.”.*

3 **SEC. 304. VALUATION OF TICKETS TO SPORTING AND EN-**  
4 **TERTAINMENT EVENTS.**

5 *Clause 5(a)(2)(A) of rule XXV of the Rules of the*  
6 *House of Representatives is amended by—*

7 *(1) inserting “(i)” after “(A)”;* and

8 *(2) adding at the end the following:*

9 *“(ii) A gift of a ticket to a sporting or entertainment*  
10 *event shall be valued at the face value of the ticket, provided*  
11 *that in the case of a ticket without a face value, the ticket*  
12 *shall be valued at the highest cost of a ticket with a face*  
13 *value for the event.”.*

14 **TITLE IV—OVERSIGHT OF**  
15 **LOBBYING AND ENFORCEMENT**

16 **SEC. 401. AUDITS OF LOBBYING REPORTS BY HOUSE IN-**  
17 **SPECTOR GENERAL.**

18 *(a) ACCESS TO LOBBYING REPORTS.—The Office of*  
19 *Inspector General of the House of Representatives shall have*  
20 *access to all lobbyists’ disclosure information received by*  
21 *the Clerk of the House of Representatives under the Lob-*  
22 *bying Disclosure Act of 1995 and shall conduct random au-*  
23 *dits of lobbyists’ disclosure information as necessary to en-*  
24 *sure compliance with that Act.*



1           (b) *REFERRAL AUTHORITY.*—*The Office of the Inspec-*  
2 *tor General of the House of Representatives may refer po-*  
3 *tential violations by lobbyists of the Lobbying Disclosure*  
4 *Act of 1995 to the Department of Justice for disciplinary*  
5 *action.*

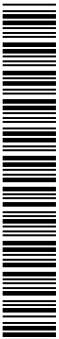
6 **SEC. 402. HOUSE INSPECTOR GENERAL REVIEW AND AN-**  
7 **NUAL REPORTS.**

8           (a) *ONGOING REVIEW REQUIRED.*—*The Inspector*  
9 *General of the House of Representatives shall review on an*  
10 *ongoing basis the activities carried out by the Clerk of the*  
11 *House of Representatives under section 6 of the Lobbying*  
12 *Disclosure Act of 1995 (2 U.S.C. 1605). The review shall*  
13 *emphasize—*

14                 (1) *the effectiveness of those activities in securing*  
15 *the compliance by lobbyists with the requirements of*  
16 *that Act; and*

17                 (2) *whether the Clerk has the resources and au-*  
18 *thorities needed for effective oversight and enforcement*  
19 *of that Act.*

20           (b) *ANNUAL REPORTS.*—*Not later than December 31*  
21 *of each year, the Inspector General of the House of Rep-*  
22 *resentatives shall submit to the House of Representatives a*  
23 *report on the review required by subsection (a). The report*  
24 *shall include the Inspector General's assessment of the mat-*



1 *ters required to be emphasized by that subsection and any*  
2 *recommendations of the Inspector General to—*

3 *(1) improve the compliance by lobbyists with the*  
4 *requirements of the Lobbying Disclosure Act of 1995;*  
5 *and*

6 *(2) provide the Clerk of the House of Representa-*  
7 *tives with the resources and authorities needed for ef-*  
8 *fective oversight and enforcement of that Act.*

9 **TITLE V—INSTITUTIONAL**  
10 **REFORMS**

11 **SEC. 501. EARMARKING REFORM.**

12 *(a) In the House of Representatives, it shall not be in*  
13 *order to consider—*

14 *(1) a general appropriation bill reported by the*  
15 *Committee on Appropriations unless the report in-*  
16 *cludes a list of earmarks in the bill or in the report*  
17 *(and the name of any Member who submitted a re-*  
18 *quest to the Committee on Appropriations for an ear-*  
19 *mark included in such list); or*

20 *(2) a conference report to accompany a general*  
21 *appropriation bill unless the joint explanatory state-*  
22 *ment prepared by the managers on the part of the*  
23 *House and the managers on the part of the Senate in-*  
24 *cludes a list of earmarks in the conference report or*  
25 *joint statement (and the name of any Member who*



1       *submitted a request to the Committee on Appropriations for an earmark included in such list) that*  
2       *were—*

3                   *(A) not committed to the conference committee by either House;*

4                   *(B) not in the report specified in paragraph*  
5                   *(1); and*

6                   *(C) not in a report of a committee of the*  
7                   *Senate on a companion measure.*

8       *(b) In the House of Representatives, it shall not be in*  
9       *order to consider a rule or order that waives the application*  
10       *of subsection (a)(2).*

11           *(c)(1) A point of order raised under subsection (a) may*  
12           *be based only on the failure of a report of the Committee*  
13           *on Appropriations or joint statement, as the case may be,*  
14           *to include the list required by subsection (a).*

15           *(2) As disposition of a point of order under this section,*  
16           *the Chair shall put the question of consideration with*  
17           *respect to the proposition that is the subject of the point*  
18           *of order.*

19           *(3) The question of consideration under this subsection*  
20           *shall be debatable for 10 minutes by the Member initiating*  
21           *the point of order and for 10 minutes by an opponent, but*  
22           *shall otherwise be decided without intervening motion except*  
23           *one that the House adjourn.*



1           (d)(1) *For purposes of this section, the term “earmark”*  
2 *means a provision in a bill, joint resolution, or conference*  
3 *report, or language in an accompanying committee report*  
4 *or joint statement of managers, providing a specific amount*  
5 *of discretionary budget authority to a non-Federal entity,*  
6 *if such entity is identified by name.*

7           (2) *For purposes of paragraph (1), government-spon-*  
8 *sored enterprises, Federal facilities, and Federal lands shall*  
9 *be considered Federal entities.*

10          (3) *For purposes of subsection (a), to the extent that*  
11 *the non-Federal entity is a unit of State or local govern-*  
12 *ment, an Indian tribe, or a foreign government, the provi-*  
13 *sion or language shall not be considered an earmark unless*  
14 *the provision or language also specifies the specific purpose*  
15 *for which the designated budget authority is to be expended.*

16 **SEC. 502. FREQUENT AND COMPREHENSIVE ETHICS TRAIN-**  
17 **ING.**

18          (a) *ETHICS TRAINING.—*

19           (1) *IN GENERAL.—The Committee on Standards*  
20 *of Official Conduct shall provide ethics training once*  
21 *per Congress to each employee of the House of Rep-*  
22 *resentatives, including training on the Code of Offi-*  
23 *cial Conduct, related rules of the House of Represent-*  
24 *atives, and applicable provisions of law.*



1           (2) *NEW EMPLOYEES.*—A new employee of the  
2           *House of Representatives shall receive training under*  
3           *this section not later than 30 days after beginning*  
4           *service to the House.*

5           (3) *MEMBERS.*—While the House of Representa-  
6           *tives recognizes that adding qualifications to service*  
7           *as a Member may be unconstitutional, it encourages*  
8           *Members to participate in ethics training.*

9           (b) *CERTIFICATION.*—Within 30 days of completing re-  
10          *quired ethics training, each employee of the House of Rep-*  
11          *resentatives shall file a certification with the Committee on*  
12          *Standards of Official Conduct that the employee has com-*  
13          *pleted such training and is familiar with the contents of*  
14          *any pertinent publications that are so designated by the*  
15          *committee.*

16          **SEC. 503. BIENNIAL PUBLICATION OF ETHICS MANUAL.**

17          *Within 120 days after the date of enactment of this*  
18          *Act and during each Congress thereafter, the Committee on*  
19          *Standards of Official Conduct shall publish an up-to-date*  
20          *ethics manual for Members, officers, and employees of the*  
21          *House of Representatives and make such manual available*  
22          *to all such individuals. The committee has a duty to keep*  
23          *all Members, Delegates, the Resident Commissioner, officers,*  
24          *and employees of the House of Representatives apprised of*



1 *current rulings or advisory opinions when potentially con-*  
2 *stituting changes to or interpretations of existing policies.*

3 **TITLE VI—REFORM OF SECTION**  
4 **527 ORGANIZATIONS**

5 **SEC. 601. SHORT TITLE.**

6 *This title may be cited as the “527 Reform Act of*  
7 *2006”.*

8 **SEC. 602. TREATMENT OF SECTION 527 ORGANIZATIONS.**

9 *(a) DEFINITION OF POLITICAL COMMITTEE.—Section*  
10 *301(4) of the Federal Election Campaign Act of 1971 (2*  
11 *U.S.C. 431(4)) is amended—*

12 *(1) by striking the period at the end of subpara-*  
13 *graph (C) and inserting “; or”; and*

14 *(2) by adding at the end the following:*

15 *“(D) any applicable 527 organization.”.*

16 *(b) DEFINITION OF APPLICABLE 527 ORGANIZA-*  
17 *TION.—Section 301 of such Act (2 U.S.C. 431) is amended*  
18 *by adding at the end the following new paragraph:*

19 *“(27) APPLICABLE 527 ORGANIZATION.—*

20 *“(A) IN GENERAL.—For purposes of para-*  
21 *graph (4)(D), the term ‘applicable 527 organiza-*  
22 *tion’ means a committee, club, association, or*  
23 *group of persons that—*

24 *“(i) has given notice to the Secretary*  
25 *of the Treasury under section 527(i) of the*



1           *Internal Revenue Code of 1986 that it is to*  
2           *be treated as an organization described in*  
3           *section 527 of such Code; and*

4                     “(i) *is not described in subparagraph*  
5                     *(B).*

6                     “(B) *EXCEPTED ORGANIZATIONS.—A com-*  
7           *mittee, club, association, or other group of per-*  
8           *sons described in this subparagraph is—*

9                     “(i) *an organization described in sec-*  
10           *tion 527(i)(5) of the Internal Revenue Code*  
11           *of 1986;*

12                     “(ii) *an organization which is a com-*  
13           *mittee, club, association or other group of*  
14           *persons that is organized, operated, and*  
15           *makes disbursements exclusively for paying*  
16           *expenses described in the last sentence of*  
17           *section 527(e)(2) of the Internal Revenue*  
18           *Code of 1986 or expenses of a newsletter*  
19           *fund described in section 527(g) of such*  
20           *Code;*

21                     “(iii) *an organization which is a com-*  
22           *mittee, club, association, or other group that*  
23           *consists solely of candidates for State or*  
24           *local office, individuals holding State or*  
25           *local office, or any combination of either,*





1           *but only if the organization refers only to*  
2           *one or more non-Federal candidates or ap-*  
3           *plicable State or local issues in all of its*  
4           *voter drive activities and does not refer to*  
5           *a Federal candidate or a political party in*  
6           *any of its voter drive activities; or*

7                   *“(iv) an organization described in sub-*  
8                   *paragraph (C).*

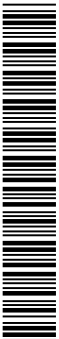
9                   *“(C) APPLICABLE ORGANIZATION.—For*  
10           *purposes of subparagraph (B)(iv), an organiza-*  
11           *tion described in this subparagraph is a com-*  
12           *mittee, club, association, or other group of per-*  
13           *sons whose election or nomination activities re-*  
14           *late exclusively to—*

15                   *“(i) elections where no candidate for*  
16                   *Federal office appears on the ballot; or*

17                   *“(ii) one or more of the following pur-*  
18                   *poses:*

19                           *“(I) Influencing the selection,*  
20                           *nomination, election, or appointment*  
21                           *of one or more candidates to non-Fed-*  
22                           *eral offices.*

23                           *“(II) Influencing one or more ap-*  
24                           *plicable State or local issues.*



1                   “(III) *Influencing the selection,*  
2                   *appointment, nomination, or con-*  
3                   *firmation of one or more individuals to*  
4                   *non-elected offices.*

5                   “(D) *EXCLUSIVITY TEST.*—*A committee,*  
6                   *club, association, or other group of persons shall*  
7                   *not be treated as meeting the exclusivity require-*  
8                   *ment of subparagraph (C) if it makes disburse-*  
9                   *ments aggregating more than \$1,000 for any of*  
10                   *the following:*

11                   “(i) *A public communication that pro-*  
12                   *motest, supports, attacks, or opposes a clear-*  
13                   *ly identified candidate for Federal office*  
14                   *during the 1-year period ending on the date*  
15                   *of the general election for the office sought*  
16                   *by the clearly identified candidate (or, if a*  
17                   *runoff election is held with respect to such*  
18                   *general election, on the date of the runoff*  
19                   *election).*

20                   “(ii) *Any voter drive activity during a*  
21                   *calendar year, except that no disbursements*  
22                   *for any voter drive activity shall be taken*  
23                   *into account under this subparagraph if the*  
24                   *committee, club, association, or other group*  
25                   *of persons during such calendar year—*



1                   “(I) makes disbursements for voter  
2                   drive activities with respect to elections  
3                   in only 1 State and complies with all  
4                   applicable election laws of that State,  
5                   including laws related to registration  
6                   and reporting requirements and con-  
7                   tribution limitations;

8                   “(II) refers to one or more non-  
9                   Federal candidates or applicable State  
10                  or local issues in all of its voter drive  
11                  activities and does not refer to any  
12                  Federal candidate or any political  
13                  party in any of its voter drive activi-  
14                  ties;

15                  “(III) does not have a candidate  
16                  for Federal office, an individual who  
17                  holds any Federal office, a national po-  
18                  litical party, or an agent of any of the  
19                  foregoing, control or materially par-  
20                  ticipate in the direction of the organi-  
21                  zation, solicit contributions to the or-  
22                  ganization (other than funds which are  
23                  described under clauses (i) and (ii) of  
24                  section 323(e)(1)(B)), or direct dis-



1                    *bursements, in whole or in part, by the*  
2                    *organization; and*

3                    *“(IV) makes no contributions to*  
4                    *Federal candidates.*

5                    *“(E) CERTAIN REFERENCES TO FEDERAL*  
6                    *CANDIDATES NOT TAKEN INTO ACCOUNT.—For*  
7                    *purposes of subparagraphs (B)(iii) and*  
8                    *(D)(ii)(II), a voter drive activity shall not be*  
9                    *treated as referring to a clearly identified Fed-*  
10                   *eral candidate if the only reference to the can-*  
11                   *didate in the activity is—*

12                   *“(i) a reference in connection with an*  
13                   *election for a non-Federal office in which*  
14                   *such Federal candidate is also a candidate*  
15                   *for such non-Federal office; or*

16                   *“(ii) a reference to the fact that the*  
17                   *candidate has endorsed a non-Federal can-*  
18                   *didate or has taken a position on an appli-*  
19                   *cable State or local issue, including a ref-*  
20                   *erence that constitutes the endorsement or*  
21                   *position itself.*

22                   *“(F) CERTAIN REFERENCES TO POLITICAL*  
23                   *PARTIES NOT TAKEN INTO ACCOUNT.—For pur-*  
24                   *poses of subparagraphs (B)(iii) and (D)(ii)(II),*  
25                   *a voter drive activity shall not be treated as re-*



1           *ferring to a political party if the only reference*  
2           *to the party in the activity is—*

3                     “(i) a reference for the purpose of iden-  
4                     tifying a non-Federal candidate;

5                     “(ii) a reference for the purpose of  
6                     identifying the entity making the public  
7                     communication or carrying out the voter  
8                     drive activity; or

9                     “(iii) a reference in a manner or con-  
10                    text that does not reflect support for or op-  
11                    position to a Federal candidate or can-  
12                    didates and does reflect support for or oppo-  
13                    sition to a State or local candidate or can-  
14                    didates or an applicable State or local  
15                    issue.

16                    “(G) *APPLICABLE STATE OR LOCAL*  
17                    *ISSUE.—For purposes of this paragraph, the*  
18                    *term ‘applicable State or local issue’ means any*  
19                    *State or local ballot initiative, State or local ref-*  
20                    *erendum, State or local constitutional amend-*  
21                    *ment, State or local bond issue, or other State or*  
22                    *local ballot issue.”.*

23            (c) *DEFINITION OF VOTER DRIVE ACTIVITY.—Section*  
24    301 of such Act (2 U.S.C. 431), as amended by subsection



1 (b), is further amended by adding at the end the following  
2 new paragraph:

3 “(28) *VOTER DRIVE ACTIVITY*.—The term ‘voter  
4 drive activity’ means any of the following activities  
5 conducted in connection with an election in which a  
6 candidate for Federal office appears on the ballot (re-  
7 gardless of whether a candidate for State or local of-  
8 fice also appears on the ballot):

9 “(A) Voter registration activity.

10 “(B) Voter identification.

11 “(C) Get-out-the-vote activity.

12 “(D) Generic campaign activity.

13 “(E) Any public communication related to  
14 activities described in subparagraphs (A)  
15 through (D).

16 Such term shall not include any activity described in  
17 subparagraph (A) or (B) of section 316(b)(2).”.

18 (d) *REGULATIONS*.—The Federal Election Commission  
19 shall promulgate regulations to implement this section not  
20 later than 60 days after the date of enactment of this Act.

21 (e) *EFFECTIVE DATE*.—The amendments made by this  
22 section shall take effect on the date which is 60 days after  
23 the date of enactment of this Act.



1 **SEC. 603. RULES FOR ALLOCATION OF EXPENSES BETWEEN**  
2 **FEDERAL AND NON-FEDERAL ACTIVITIES.**

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

6 **“SEC. 325. ALLOCATION AND FUNDING RULES FOR CERTAIN**  
7 **EXPENSES RELATING TO FEDERAL AND NON-**  
8 **FEDERAL ACTIVITIES.**

9 “(a) *IN GENERAL.*—*In the case of any disbursements*  
10 *by any political committee that is a separate segregated*  
11 *fund or nonconnected committee for which allocation rules*  
12 *are provided under subsection (b)—*

13 “(1) *the disbursements shall be allocated between*  
14 *Federal and non-Federal accounts in accordance with*  
15 *this section and regulations prescribed by the Com-*  
16 *mission; and*

17 “(2) *in the case of disbursements allocated to*  
18 *non-Federal accounts, may be paid only from a quali-*  
19 *fied non-Federal account.*

20 **“(b) COSTS TO BE ALLOCATED AND ALLOCATION**  
21 **RULES.—**

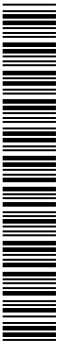
22 “(1) *IN GENERAL.*—*Disbursements by any sepa-*  
23 *rate segregated fund or nonconnected committee, other*  
24 *than an organization described in section 323(b)(1),*  
25 *for any of the following categories of activity shall be*  
26 *allocated as follows:*



1           “(A) 100 percent of the expenses for public  
2           communications or voter drive activities that  
3           refer to one or more clearly identified Federal  
4           candidates, but do not refer to any clearly iden-  
5           tified non-Federal candidates, shall be paid with  
6           funds from a Federal account, without regard to  
7           whether the communication refers to a political  
8           party.

9           “(B) At least 50 percent, or a greater per-  
10          centage if the Commission so determines by regu-  
11          lation, of the expenses for public communications  
12          and voter drive activities that refer to one or  
13          more clearly identified candidates for Federal of-  
14          fice and one or more clearly identified non-Fed-  
15          eral candidates shall be paid with funds from a  
16          Federal account, without regard to whether the  
17          communication refers to a political party.

18          “(C) At least 50 percent, or a greater per-  
19          centage if the Commission so determines by regu-  
20          lation, of the expenses for public communications  
21          or voter drive activities that refer to a political  
22          party, but do not refer to any clearly identified  
23          Federal or non-Federal candidate, shall be paid  
24          with funds from a Federal account, except that  
25          this paragraph shall not apply to communica-

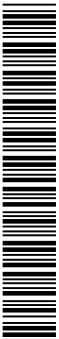




1           *tions or activities that relate exclusively to elec-*  
2           *tions where no candidate for Federal office ap-*  
3           *pears on the ballot.*

4           “(D) *At least 50 percent, or a greater per-*  
5           *centage if the Commission so determines by regu-*  
6           *lation, of the expenses for public communications*  
7           *or voter drive activities that refer to a political*  
8           *party and refer to one or more clearly identified*  
9           *non-Federal candidates, but do not refer to any*  
10          *clearly identified Federal candidates, shall be*  
11          *paid with funds from a Federal account, except*  
12          *that this paragraph shall not apply to commu-*  
13          *nications or activities that relate exclusively to*  
14          *elections where no candidate for Federal office*  
15          *appears on the ballot.*

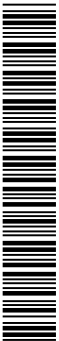
16          “(E) *Unless otherwise determined by the*  
17          *Commission in its regulations, at least 50 per-*  
18          *cent of any administrative expenses, including*  
19          *rent, utilities, office supplies, and salaries not*  
20          *attributable to a clearly identified candidate,*  
21          *shall be paid with funds from a Federal account,*  
22          *except that for a separate segregated fund such*  
23          *expenses may be paid instead by its connected*  
24          *organization.*



1           “(F) *At least 50 percent, or a greater per-*  
2           *centage if the Commission so determines by regu-*  
3           *lation, of the direct costs of a fundraising pro-*  
4           *gram or event, including disbursements for solici-*  
5           *tation of funds and for planning and adminis-*  
6           *tration of actual fundraising events, where Fed-*  
7           *eral and non-Federal funds are collected through*  
8           *such program or event shall be paid with funds*  
9           *from a Federal account, except that for a sepa-*  
10           *rate segregated fund such costs may be paid in-*  
11           *stead by its connected organization. This para-*  
12           *graph shall not apply to any fundraising solici-*  
13           *tations or any other activity that constitutes a*  
14           *public communication.*

15           “(2) *CERTAIN REFERENCES TO FEDERAL CAN-*  
16           *DIDATES NOT TAKEN INTO ACCOUNT.—For purposes of*  
17           *paragraph (1), a public communication or voter drive*  
18           *activity shall not be treated as referring to a clearly*  
19           *identified Federal candidate if the only reference to*  
20           *the candidate in the communication or activity is—*

21           “(A) *a reference in connection with an elec-*  
22           *tion for a non-Federal office in which such Fed-*  
23           *eral candidate is also a candidate for such non-*  
24           *Federal office; or*



1           “(B) a reference to the fact that the can-  
2           didate has endorsed a non-Federal candidate or  
3           has taken a position on an applicable State or  
4           local issue (as defined in section 301(27)(G)), in-  
5           cluding a reference that constitutes the endorse-  
6           ment or position itself.

7           “(3) CERTAIN REFERENCES TO POLITICAL PAR-  
8           TIES NOT TAKEN INTO ACCOUNT.—For purposes of  
9           paragraph (1), a public communication or voter drive  
10          activity shall not be treated as referring to a political  
11          party if the only reference to the party in the commu-  
12          nication or activity is—

13                 “(A) a reference for the purpose of identi-  
14                 fying a non-Federal candidate;

15                 “(B) a reference for the purpose of identi-  
16                 fying the entity making the public communica-  
17                 tion or carrying out the voter drive activity; or

18                 “(C) a reference in a manner or context  
19                 that does not reflect support for or opposition to  
20                 a Federal candidate or candidates and does re-  
21                 flect support for or opposition to a State or local  
22                 candidate or candidates or an applicable State  
23                 or local issue.

24           “(c) QUALIFIED NON-FEDERAL ACCOUNT.—



1           “(1) *IN GENERAL.*—*For purposes of this section,*  
2           *the term ‘qualified non-Federal account’ means an ac-*  
3           *count which consists solely of amounts—*

4                     “(A) *that, subject to the limitations of para-*  
5                     *graphs (2) and (3), are raised by the separate*  
6                     *segregated fund or nonconnected committee only*  
7                     *from individuals, and*

8                     “(B) *with respect to which all requirements*  
9                     *of Federal, State, or local law (including any*  
10                    *law relating to contribution limits) are met.*

11           “(2) *LIMITATION ON INDIVIDUAL DONATIONS.*—

12                    “(A) *IN GENERAL.*—*A separate segregated*  
13                    *fund or nonconnected committee may not accept*  
14                    *more than \$25,000 in funds for its qualified*  
15                    *non-Federal account from any one individual in*  
16                    *any calendar year.*

17                    “(B) *AFFILIATION.*—*For purposes of this*  
18                    *paragraph, all qualified non-Federal accounts of*  
19                    *separate segregated funds or nonconnected com-*  
20                    *mittees which are directly or indirectly estab-*  
21                    *lished, financed, maintained, or controlled by the*  
22                    *same person or persons shall be treated as one*  
23                    *account.*

24           “(3) *FUNDRAISING LIMITATION.*—



1           “(A) *IN GENERAL.*—No donation to a quali-  
2           *fied non-Federal account may be solicited, re-*  
3           *ceived, directed, transferred, or spent by or in the*  
4           *name of any person described in subsection (a)*  
5           *or (e) of section 323.*

6           “(B) *FUNDS NOT TREATED AS SUBJECT TO*  
7           *ACT.*—Except as provided in subsection (a)(2)  
8           *and this subsection, any funds raised for a*  
9           *qualified non-Federal account in accordance*  
10           *with the requirements of this section shall not be*  
11           *considered funds subject to the limitations, pro-*  
12           *hibitions, and reporting requirements of this Act*  
13           *for any purpose (including for purposes of sub-*  
14           *section (a) or (e) of section 323 or subsection*  
15           *(d)(1) of this section).*

16           “(d) *DEFINITIONS.*—

17           “(1) *FEDERAL ACCOUNT.*—The term ‘Federal ac-  
18           *count’ means an account which consists solely of con-*  
19           *tributions subject to the limitations, prohibitions, and*  
20           *reporting requirements of this Act. Nothing in this*  
21           *section or in section 323(b)(2)(B)(iii) shall be con-*  
22           *strued to infer that a limit other than the limit under*  
23           *section 315(a)(1)(C) applies to contributions to the*  
24           *account.*



1           “(2) *NONCONNECTED COMMITTEE.*—*The term*  
2           *‘nonconnected committee’ shall not include a political*  
3           *committee of a political party.*

4           “(3) *VOTER DRIVE ACTIVITY.*—*The term ‘voter*  
5           *drive activity’ has the meaning given such term in*  
6           *section 301(28).”.*

7           **(b) *REPORTING REQUIREMENTS.***—*Section 304(e) of*  
8           *the Federal Election Campaign Act of 1971 (2 U.S.C.*  
9           *434(e)) is amended—*

10           (1) *by redesignating paragraphs (3) and (4) as*  
11           *paragraphs (4) and (5); and*

12           (2) *by inserting after paragraph (2) the fol-*  
13           *lowing new paragraph:*

14           “(3) *RECEIPTS AND DISBURSEMENTS FROM*  
15           *QUALIFIED NON-FEDERAL ACCOUNTS.*—*In addition to*  
16           *any other reporting requirement applicable under this*  
17           *Act, a political committee to which section 325(a) ap-*  
18           *plies shall report all receipts and disbursements from*  
19           *a qualified non-Federal account (as defined in section*  
20           *325(c)).”.*

21           **(c) *REGULATIONS.***—*The Federal Election Commission*  
22           *shall promulgate regulations to implement the amendments*  
23           *made by this section not later than 180 days after the date*  
24           *of enactment of this Act.*



1           (d) *EFFECTIVE DATE.*—*The amendments made by this*  
2 *section shall take effect on the date which is 180 days after*  
3 *the date of enactment of this Act.*

4 **SEC. 604. REPEAL OF LIMIT ON AMOUNT OF PARTY EXPEND-**  
5 **ITURES ON BEHALF OF CANDIDATES IN GEN-**  
6 **ERAL ELECTIONS.**

7           (a) *REPEAL OF LIMIT.*—*Section 315(d) of the Federal*  
8 *Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is*  
9 *amended—*

10                 (1) *in paragraph (1)—*

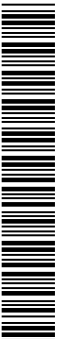
11                         (A) *by striking “(1) Notwithstanding any*  
12 *other provision of law with respect to limitations*  
13 *on expenditures or limitations on contributions,*  
14 *the national committee” and inserting “Notwith-*  
15 *standing any other provision of law with respect*  
16 *to limitations on amounts of expenditures or*  
17 *contributions, a national committee”;*

18                         (B) *by striking “the general” and inserting*  
19 *“any”, and*

20                         (C) *by striking “Federal office, subject to*  
21 *the limitations contained in paragraphs (2), (3),*  
22 *and (4) of this subsection” and inserting “Fed-*  
23 *eral office in any amount”; and*

24                         (2) *by striking paragraphs (2), (3), and (4).*

25           (b) *CONFORMING AMENDMENTS.*—



1           (1) *INDEXING*.—Section 315(c) of such Act (2  
2           U.S.C. 441a(c)) is amended—

3                   (A) in paragraph (1)(B)(i), by striking  
4                   “(d),”; and

5                   (B) in paragraph (2)(B)(i), by striking  
6                   “subsections (b) and (d)” and inserting “sub-  
7                   section (b)”.

8           (2) *INCREASE IN LIMITS FOR SENATE CAN-*  
9           *DIDATES FACING WEALTHY OPPONENTS*.—Section  
10           315(i) of such Act (2 U.S.C. 441a(i)(1)) is  
11           amended—

12                   (A) in paragraph (1)(C)(iii)—

13                           (i) by adding “and” at the end of sub-  
14                           clause (I),

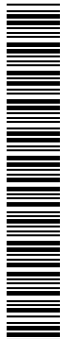
15                           (ii) in subclause (II), by striking “;  
16                           and” and inserting a period, and

17                           (iii) by striking subclause (III);

18                   (B) in paragraph (2)(A) in the matter pre-  
19                   ceding clause (i), by striking “, and a party  
20                   committee shall not make any expenditure,”;

21                   (C) in paragraph (2)(A)(ii), by striking  
22                   “and party expenditures previously made”; and

23                   (D) in paragraph (2)(B), by striking “and  
24                   a party shall not make any expenditure”.





1           (3) *INCREASE IN LIMITS FOR HOUSE CANDIDATES FACING WEALTHY OPPONENTS.*—Section  
2           *315A(a) of such Act (2 U.S.C. 441a—1(a)) is*  
3           *amended—*

4                   (A) *in paragraph (1)—*

5                           (i) *by adding “and” at the end of sub-*  
6                           *paragraph (A),*

7                           (ii) *in subparagraph (B), by striking*  
8                           *“; and” and inserting a period, and*

9                           (iii) *by striking subparagraph (C);*

10                   (B) *in paragraph (3)(A) in the matter pre-*  
11                   *ceding clause (i), by striking “, and a party*  
12                   *committee shall not make any expenditure,”;*

13                   (C) *in paragraph (3)(A)(ii), by striking*  
14                   *“and party expenditures previously made”; and*

15                   (D) *in paragraph (3)(B), by striking “and*  
16                   *a party shall not make any expenditure”.*

17           (c) *EFFECTIVE DATE.*—*The amendments made by this*  
18           *section shall take effect January 1, 2006.*

19           **SEC. 605. CONSTRUCTION.**

20           *No provision of this title, or amendment made by this*  
21           *title, shall be construed—*

22                   (1) *as approving, ratifying, or endorsing a regu-*  
23                   *lation promulgated by the Federal Election Commis-*  
24                   *sion;*  
25



1           (2) *as establishing, modifying, or otherwise af-*  
2           *fecting the definition of political organization for*  
3           *purposes of the Internal Revenue Code of 1986; or*

4           (3) *as affecting the determination of whether a*  
5           *group organized under section 501(c) of the Internal*  
6           *Revenue Code of 1986 is a political committee under*  
7           *section 301(4) of the Federal Election Campaign Act*  
8           *of 1971.*

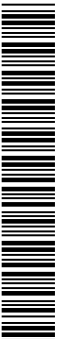
9 **SEC. 606. JUDICIAL REVIEW.**

10          (a) *SPECIAL RULES FOR ACTIONS BROUGHT ON CON-*  
11          *STITUTIONAL GROUNDS.—If any action is brought for de-*  
12          *claratory or injunctive relief to challenge the constitu-*  
13          *tionality of any provision of this title or any amendment*  
14          *made by this title, the following rules shall apply:*

15               (1) *The action shall be filed in the United States*  
16               *District Court for the District of Columbia and shall*  
17               *be heard by a 3-judge court convened pursuant to sec-*  
18               *tion 2284 of title 28, United States Code.*

19               (2) *A copy of the complaint shall be delivered*  
20               *promptly to the Clerk of the House of Representatives*  
21               *and the Secretary of the Senate.*

22               (3) *A final decision in the action shall be review-*  
23               *able only by appeal directly to the Supreme Court of*  
24               *the United States. Such appeal shall be taken by the*  
25               *filing of a notice of appeal within 10 days, and the*



1       *filing of a jurisdictional statement within 30 days, of*  
2       *the entry of the final decision.*

3               *(4) It shall be the duty of the United States Dis-*  
4       *trict Court for the District of Columbia and the Su-*  
5       *preme Court of the United States to advance on the*  
6       *docket and to expedite to the greatest possible extent*  
7       *the disposition of the action and appeal.*

8       *(b) INTERVENTION BY MEMBERS OF CONGRESS.—In*  
9       *any action in which the constitutionality of any provision*  
10       *of this title or any amendment made by this title is raised*  
11       *(including but not limited to an action described in sub-*  
12       *section (a)), any Member of the House of Representatives*  
13       *(including a Delegate or Resident Commissioner to Con-*  
14       *gress) or Senate shall have the right to intervene either in*  
15       *support of or opposition to the position of a party to the*  
16       *case regarding the constitutionality of the provision or*  
17       *amendment. To avoid duplication of efforts and reduce the*  
18       *burdens placed on the parties to the action, the court in*  
19       *any such action may make such orders as it considers nec-*  
20       *essary, including orders to require intervenors taking simi-*  
21       *lar positions to file joint papers or to be represented by a*  
22       *single attorney at oral argument.*

23       *(c) CHALLENGE BY MEMBERS OF CONGRESS.—Any*  
24       *Member of Congress may bring an action, subject to the spe-*  
25       *cial rules described in subsection (a), for declaratory or in-*



1 *unctive relief to challenge the constitutionality of any pro-*  
2 *vision of this title or any amendment made by this title.*

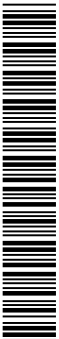
3 (d) *APPLICABILITY.*—

4 (1) *INITIAL CLAIMS.*—*With respect to any action*  
5 *initially filed on or before December 31, 2008, the*  
6 *provisions of subsection (a) shall apply with respect*  
7 *to each action described in such subsection.*

8 (2) *SUBSEQUENT ACTIONS.*—*With respect to any*  
9 *action initially filed after December 31, 2008, the*  
10 *provisions of subsection (a) shall not apply to any ac-*  
11 *tion described in such subsection unless the person fil-*  
12 *ing such action elects such provisions to apply to the*  
13 *action.*

14 **SEC. 607. SEVERABILITY.**

15 *If any provision of this title or any amendment made*  
16 *by this title, or the application of a provision or amend-*  
17 *ment to any person or circumstance, is held to be unconsti-*  
18 *tutional, the remainder of this title and the amendments*  
19 *made by this title, and the application of the provisions*  
20 *and amendments to any person or circumstance, shall not*  
21 *be affected by the holding.*



1           **TITLE VII—FORFEITURE OF**  
2           **RETIREMENT BENEFITS**

3   **SEC. 701. LOSS OF PENSIONS ACCRUED DURING SERVICE**  
4                   **AS A MEMBER OF CONGRESS FOR ABUSING**  
5                   **THE PUBLIC TRUST.**

6           (a) *CIVIL SERVICE RETIREMENT SYSTEM.*—Section  
7 8332 of title 5, United States Code, is amended by adding  
8 at the end the following:

9           “(o)(1) Notwithstanding any other provision of this  
10 subchapter, the service of an individual finally convicted  
11 of an offense described in paragraph (2) shall not be taken  
12 into account for purposes of this subchapter, except that this  
13 sentence applies only to service rendered as a Member (irre-  
14 spective of when rendered). Any such individual (or other  
15 person determined under section 8342(c), if applicable)  
16 shall be entitled to be paid so much of such individual’s  
17 lump-sum credit as is attributable to service to which the  
18 preceding sentence applies.

19           “(2)(A) An offense described in this paragraph is any  
20 offense described in subparagraph (B) for which the fol-  
21 lowing apply:

22                   “(i) Every act or omission of the individual (re-  
23 ferred to in paragraph (1)) that is needed to satisfy  
24 the elements of the offense occurs while the individual  
25 is a Member.



1           “(ii) Every act or omission of the individual  
2           that is needed to satisfy the elements of the offense di-  
3           rectly relates to the performance of the individual’s of-  
4           ficial duties as a Member.

5           “(iii) The offense is committed after the date of  
6           enactment of this subsection.

7           “(B) An offense described in this subparagraph is only  
8           the following, and only to the extent that the offense is a  
9           felony under title 18:

10           “(i) An offense under section 201 of title 18  
11           (bribery of public officials and witnesses).

12           “(ii) An offense under section 219 of title 18 (of-  
13           ficers and employees acting as agents of foreign prin-  
14           cipals).

15           “(iii) An offense under section 371 of title 18  
16           (conspiracy to commit offense or to defraud United  
17           States) to the extent of any conspiracy to commit an  
18           act which constitutes an offense under clause (i) or  
19           (ii).

20           “(3) An individual convicted of an offense described  
21           in paragraph (2) shall not, after the date of the final convic-  
22           tion, be eligible to participate in the retirement system  
23           under this subchapter or chapter 84 while serving as a  
24           Member.



1       “(4) *The Office of Personnel Management shall pre-*  
2 *scribe any regulations necessary to carry out this sub-*  
3 *section. Such regulations shall include—*

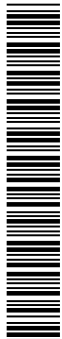
4               “(A) *provisions under which interest on any*  
5 *lump-sum payment under the second sentence of*  
6 *paragraph (1) shall be limited in a manner similar*  
7 *to that specified in the last sentence of section*  
8 *8316(b); and*

9               “(B) *provisions under which the Office may pro-*  
10 *vide for—*

11                       “(i) *the payment, to the spouse or children*  
12 *of any individual referred to in the first sentence*  
13 *of paragraph (1), of any amounts which (but for*  
14 *this clause) would otherwise have been nonpay-*  
15 *able by reason of such first sentence, but only to*  
16 *the extent that the application of this clause is*  
17 *considered necessary given the totality of the cir-*  
18 *cumstances; and*

19                       “(ii) *an appropriate adjustment in the*  
20 *amount of any lump-sum payment under the*  
21 *second sentence of paragraph (1) to reflect the*  
22 *application of clause (i).*

23       “(5) *For purposes of this subsection—*



1           “(A) the term ‘Member’ has the meaning given  
2           such term by section 2106, notwithstanding section  
3           8331(2); and

4           “(B) the term ‘child’ has the meaning given such  
5           term by section 8341.”.

6           (b) *FEDERAL EMPLOYEES’ RETIREMENT SYSTEM.*—  
7           Section 8411 of title 5, United States Code, is amended by  
8           adding at the end the following:

9           “(i)(1) Notwithstanding any other provision of this  
10          chapter, the service of an individual finally convicted of an  
11          offense described in paragraph (2) shall not be taken into  
12          account for purposes of this chapter, except that this sen-  
13          tence applies only to service rendered as a Member (irre-  
14          spective of when rendered). Any such individual (or other  
15          person determined under section 8424(d), if applicable)  
16          shall be entitled to be paid so much of such individual’s  
17          lump-sum credit as is attributable to service to which the  
18          preceding sentence applies.

19          “(2) An offense described in this paragraph is any of-  
20          fense described in section 8332(o)(2)(B) for which the fol-  
21          lowing apply:

22                 “(A) Every act or omission of the individual (re-  
23                 ferred to in paragraph (1)) that is needed to satisfy  
24                 the elements of the offense occurs while the individual  
25                 is a Member.





1           “(B) *Every act or omission of the individual*  
2           *that is needed to satisfy the elements of the offense di-*  
3           *rectly relates to the performance of the individual’s of-*  
4           *ficial duties as a Member.*

5           “(C) *The offense is committed after the date of*  
6           *enactment of this subsection.*

7           “(3) *An individual finally convicted of an offense de-*  
8           *scribed in paragraph (2) shall not, after the date of the con-*  
9           *viction, be eligible to participate in the retirement system*  
10          *under this chapter while serving as a Member.*

11          “(4) *The Office of Personnel Management shall pre-*  
12          *scribe any regulations necessary to carry out this sub-*  
13          *section. Such regulations shall include—*

14                 “(A) *provisions under which interest on any*  
15                 *lump-sum payment under the second sentence of*  
16                 *paragraph (1) shall be limited in a manner similar*  
17                 *to that specified in the last sentence of section*  
18                 *8316(b); and*

19                 “(B) *provisions under which the Office may pro-*  
20                 *vide for—*

21                         “(i) *the payment, to the spouse or children*  
22                         *of any individual referred to in the first sentence*  
23                         *of paragraph (1), of any amounts which (but for*  
24                         *this clause) would otherwise have been nonpay-*  
25                         *able by reason of such first sentence, but only to*



1           *the extent that the application of this clause is*  
2           *considered necessary given the totality of the cir-*  
3           *cumstances; and*

4                   *“(ii) an appropriate adjustment in the*  
5                   *amount of any lump-sum payment under the*  
6                   *second sentence of paragraph (1) to reflect the*  
7                   *application of clause (i).*

8           *“(5) For purposes of this subsection—*

9                   *“(A) the term ‘Member’ has the meaning given*  
10                  *such term by section 2106, notwithstanding section*  
11                  *8401(20); and*

12                   *“(B) the term ‘child’ has the meaning given such*  
13                  *term by section 8341.”.*

