



## Lobby Reform: Congress Must Do More

*June 2006*

Sometime in the next couple of weeks, a group of House Members and Senators will sit down to reconcile differences in lobby reform legislation passed this spring by each chamber in response to the Jack Abramoff scandal.

The prospects for reform are bleak. The House version of the Lobby Accountability and Transparency Act of 2006 (HR 4975) was weaker than the Senate version, and the Senate version was little more than window dressing. The Senate named its conference members last week, and none are reform champions.

Both bills fail to address the central problems revealed by the Abramoff scandal. Privately funded congressional travel, for instance, will continue. Members of Congress and their staffs can continue to ignore the rules because there is no reason to believe the Ethics Committees will start enforcing them. Lobbyists like Abramoff will still organize fundraisers for members of Congress and even serve as their official treasurers, continuing the mutually beneficial and often questionable back scratching that has become the way of Washington.

Some Members of Congress have told Common Cause that their constituents don't care about this issue, and that is why reform efforts were weak.

So, in an effort to shine the spotlight on this issue while Members of Congress are in their districts during the Memorial Day recess, Common Cause has evaluated the recent lobby reform voting record of House Members from New Jersey.

Below is a chart of the grades for each of the members of the New Jersey delegation.

### Lobbying Reform Votes of New Jersey Delegation

Party	District	Name	Vote #1	Vote #2	Grade
D	NJ-01	Robert Andrews	+	+	A
R	NJ-02	Frank LoBiondo	+	-	C
R	NJ-03	Jim Saxton	-	-	F
R	NJ-04	Christopher Smith	-	-	F
R	NJ-05	E. Garrett	-	-	F
D	NJ-06	Frank Pallone	+	+	A
R	NJ-07	Michael Ferguson	-	-	F
D	NJ-08	Bill Pascrell	+	+	A
D	NJ-09	Steven Rothman	+	+	A
D	NJ-10	Donald Payne	+	+	A
R	NJ-11	Rodney Frelinghuysen	-	-	F
D	NJ-12	Rush Holt	+	+	A

Vote #1: (Roll Call vote 118, May 3, 2006) Vote on the motion to recommit. This was an effort by the Democrats to replace the underlying lobbying reform bill (H.R. 4975) with the Democrat's reform legislation, the Honest Leadership and Open Government Act of 2006 (H.R. 4682). Although the Democrats bill was not perfect, it did include better enforcement and disclosure requirements and new travel restrictions. A vote for passage of the motion to recommit is graded as a "+".

Vote #2: (Roll Call vote 119, May 3, 2006) Vote on final passage of the Lobbying Accountability and Transparency Act of 2006. Common Cause opposed this bill because it did not include any of the strengthening amendments mentioned above and does not qualify as reform. A vote for passage of H.R. 4975 is graded as a "-".

Common Cause is calling on Members of Congress to go back to the drawing board and enact real lobby and ethics reform with enforcement.

Polls show that Americans consider corruption a serious problem facing our country. According to a *Los Angeles Times/Bloomberg News* poll taken in January, a large majority of Americans, 65 percent, support barring lobbyists from holding fundraising events for congressional candidates. An even larger majority, 72 percent, believe that lawmakers should not be allowed to travel on jets provided by corporations and lobbyists for the cost of flying on a commercial airline. The lobbying reform legislation before Congress deals with neither issue.

Further, a *Washington Post-ABC News* poll also taken in January found that nine in 10 respondents said it should be illegal for lobbyists to give members of Congress gifts, trips or anything else of value. The *Post* poll also stated, "Two in three, including majorities of Republicans and Democrats, would go far beyond current proposals for change and make it illegal for lobbyists to make campaign contributions to members of Congress or to congressional candidates." Congress' reforms avoid these issues as well.

### **Here's what's in the bill and here's what's needed**

The following is a breakdown of the reforms that Common Cause proposed for the lobbying reform legislation. Below the description of each reform is a description of what is in the lobbying reform bills passed by the House, the Lobbying Accountability and Transparency Act of 2006 (H.R. 4975). Once this bill has been reconciled with the separate legislation passed by the Senate, the House will vote again on the final lobbying reform legislation in the coming weeks.

#### **1. Break the nexus between lobbyists, money and lawmakers.**

- Cap contributions from lobbyists and lobbying firm PACs to federal candidates at \$200 per election and to national parties and leadership PACs at \$500 per election cycle.
- Prohibit lobbyists and lobbying firms from soliciting, arranging or delivering contributions and from serving as officials on candidate campaign committees and leadership PACs.
- Prohibit lobbyists, lobbying firms and lobbying organizations from paying or arranging payments for events "honoring" members of Congress and political parties, such as parties

at national conventions, and from contributing or arranging contributions to entities established or controlled by members of Congress, such as foundations.

*The House bill does nothing to break the lobbyist-money-lawmaker nexus. It does not impose any new limits on campaign contributions from lobbyists or fundraising done by lobbyists for Members, or any new limits on the various ways lobbyists or their employers provide financial benefits to Members, such as paying for parties to “honor” Members, or for Members’ retreats, conferences and other events.*

## **2. Prevent private interests from financing trips and from subsidizing travel for members of Congress and staff, and executive branch officials and federal judges.**

- Corporations and others should be prohibited from making privately-owned planes available for Members to travel at the cost of a first class air ticket rather than the cost of a chartered plane.

*The House bill does not add any new restrictions on privately-funded trips for Members and other federal officials. Nor does it require Members to pay fair market value, or charter rates, for the use of corporate planes.*

## **3. Ban gifts to members of Congress and staff.**

- The gift ban should close the existing loophole in the gift rules that allow lobbyists and others to pay for parties held to “honor” or “recognize” specific Members, such as the lavish parties held at the national party conventions.

*The House bill does not prohibit lobbyists from giving gifts to members and staff.*

## **4. Oversee and enforce ethics rules and lobbying laws through an independent congressional Office of Public Integrity and increase penalties for violations.**

- Establish an independent Office of Public Integrity in Congress and provide sufficient resources for the Office to effectively carry out its responsibilities.

*Even though many of the rules already on the books in the House would have been sufficient to prevent the worst abuses that have been exposed as a result of the Abramoff investigation, they were not being enforced by the moribund ethics committee. Yet, the lobbying reform bill passed by the House does nothing to fix this problem. The proposal to create an independent Office of Public Integrity was not even allowed to be considered by the full House.*

## **5. Slow the revolving door.**

- Prohibit members of Congress and senior executive branch officials from making lobbying contacts or conducting lobbying activities for compensation in either branch for two years after leaving their positions.
- Prohibit senior congressional staff from making lobbying contacts for compensation with their former offices or committees for two years after leaving their positions.

*The House bill does not place any new restrictions on members or staff returning as lobbyists. It does not extend the “cooling off” period during which an individual cannot lobby or prohibit government officials from taking jobs with those whom they have awarded government contracts. Nor does it restrict the “reverse revolving door” where conflicts of interest arise from industry lobbyist turned regulatory official.*

**6. Place sunshine on lobbying activities and financial disclosure reports.**

- Require lobbying reports and Members’ financial disclosure reports to be filed in an electronic format and made fully searchable on the Internet; lobbying reports to be filed on a quarterly basis; lobbyists and lobbying firms to disclose grassroots lobbying activities; lobbyists to file a list of the Members’ offices and congressional committees they lobbied during the quarter; and reports to be filed disclosing the financial backers of stealth lobbying coalitions.

*The House bill requires quarterly reporting by lobbyists and the creation of an electronic database on the Internet. It requires lobbyists to disclose on an annual basis the contributions they make to federal candidates, leadership PACs and political parties.*

*But the bill does not require lobbyists to disclose the fundraising events they hold for Members. The bill does not require disclosure of grassroots lobbying or stealth lobbying coalitions. Nor does it require disclosure of the numerous other ways that lobbyists provide financial benefits to Members, such as paying for parties to “honor” Members at national party conventions, or contributions to foundations or other entities controlled by Members and does not include any requirement to list the offices contacted by a lobbyist.*