"PART V. FOREIGN BRIBE-PRODUCED INCOME DETERMINATIONS.".

SEC. 5. EFFECTIVE DATE.

The amendments made by this Act apply to taxable years beginning after December 31, 1975.

THE WHITE HOUSE,
June 14, 1976.

STATEMENT OF THE PRESIDENT

Ten weeks ago I appointed a Task Force headed by Secretary Richardson to review our policies toward corporations that engage in questionable payments to other nations. Today, based upon the findings of that Task Force, I am announcing three new initiatives.

First, as a deterrent to bribery by American-controlled industries, I am directing the Task Force to prepare legislation that would require corporate disclosure of all payments made with the intention of influencing foreign government officials. Failure to comply with the new disclosure laws would lead to civil and criminal penalties.

Second, I am announcing my support of pending legislation to strengthen the law requiring corporations to keep their shareholders fully and honestly informed about their foreign behavior.

Finally, I am asking our major trading partners to work with us in reaching agreement on a new code to govern international corporate activities. Let me emphasize my conviction that the vast majority of American-based corporations are honest, upstanding citizens in the international community. Nonetheless, we must recognize that unethical behavior by only a few companies can spoil the environment for everyone. Our system of private enterprise, a system that has provided a higher standard of living and greater economic security than any system known to man, is under constant attack today because many citizens no longer trust big business.

In order to renew and to restore public faith in free enterprise, we must avoid or provide the public with concrete assurance that major corporations are clean and honest.

The initiatives I am announcing today can be a big step in that direction.

Thank you very much.

THE WHITE HOUSE,
June 14, 1976.

DECISIONS ON QUESTIONABLE CORPORATE PAYMENTS ABROAD

The President today announced three decisions based on his review of an interim report by the Cabinet Task Force on Questionable Corporate Payments Abroad. The decisions are: (1) to propose new corporate "disclosure" legislation with regard to questionable payments abroad; (2) to endorse legislation proposed by the SEC intended to assure the integrity of corporate reporting procedures and the accountability of corporate executives; and (3) to seek priority treatment at forthcoming international meetings for the United States' proposed international agreement on questionable payments.

I. BACKGROUND

The President created the Cabinet Task Force on Questionable Corporate Payments Abroad on March 31, 1976. The Task Force is chaired by Commerce Secretary Elliot Richardson. Its members include: Secretary of State; Secretary of Treasury; Secretary of Defense; Attorney General; Special Representative for Trade Negotiations; Director, Office of Management and Budget; Assistant to the President for Economic Affairs; Assistant to the President for National Security Affairs; and Executive Director, Council on International Economic Policy.

In creating the Task Force the President directed it to conduct a comprehensive policy review and to explore whether "additional avenues should be undertaken in the interest of ethical conduct in the international marketplace and the continued vitality of our free enterprise system." He instructed the Task Force to provide him with interim reports and a final report by the end of the current calendar year.

The President's decisions followed his receipt of the first interim report of the Task Force.

II. THE DECISIONS

A. "Disclosure" Legislative Initiative. The President announced that he had decided to submit legislation to the Congress requiring reporting and disclosure of certain payments by U.S.-controlled corporations made with the intent of influences, directly or indirectly, the conduct of foreign government officials. The President instructed the Task Force to develop detailed specifications for such legislation as quickly as possible—in order to allow Congressional action on the proposal in this session of Congress.

In announcing these decisions, the President expressed confidence that the overwhelming majority of American businessmen have conducted themselves as good citizens both at home and abroad. The President's decisions derived in part, he said, from a need to halt the growing trend of spreading cynicism and to help restore confidence in basic American institutions and principles.

B. Corporate Accountability Decision. The President endorsed legislation proposed by SEC Chairman Roderick Hills in his Report of May 12. The legislation would amend the Securities Exchange Act of 1934:

To prohibit falsification of corporate accounting records;

To prohibit the making of false and misleading statements by corporate officials or agents to persons conducting audits of the company's books and records and financial operations;

To require corporate management to establish and maintain its own system of internal accounting controls designed to provide reasonable assurances that corporate transactions are executed in accordance with management's general or specific authorization, and that such transactions are properly reflected on the corporation's books.

C. Acceleration of International Efforts. The President announced his intention to seek priority treatment for the United States' proposed international agreement on questionable corporate payments abroad.

The proposed agreement was first put forward by the United States in a United Nations forum on March 5, 1976. If successful, it would result in an international treaty based on the following principles:

It would apply to international trade and investment transactions with Governments, i.e., government procurement and other governmental actions affecting international trade and investment as may be agreed;

It would apply equally to those who offer or make improper payments and to those who request or accept them;

Importing Governments would agree to establish clear guidelines concerning the use of agents in connection with government procurement and other covered transactions, and establisch appropriate criminal penalties for defined corrupt practices by enterprises and officials in their territory;

All Governments would cooperate and exchange information to help eradicate corrupt practices;

Uniform provisions would be agreed for disclosure by enterprises, agents and officials of political contributions, gifts and payments made in connection with covered transactions.

The President's initiative will supplement related U.S. international initiatives taken in the OAS, OECD, GATT and UN.

III. ONGOING ACTIVITIES

A. Policy Development and Coordination. The Hask Force will continue to have responsibility for policy development and coordination within the Executive Branch in accordance with the President's directive of March 31.

B. Investigations. Responsibility for investigative activities will remain with the appropriate investigative agencies and not the Task Force. Investigations and enforcement actions of the audit agencies, the IRS, the FTC, the SEC and the Department of Justice are ongoing in accordance with the dictates of current law.

Mr. HARRY F. BYRD, JR. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator from Virginia has 1 minute remaining.

Mr. HARRY F. BYRD, JR. Mr. President, I yield back the remainder of my time and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LOBBYING DISCLOSURE ACT OF 1976

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 2477, which will be stated by title.

The legislative clerk read as follows:

A bill (S. 2477) to provide more effective disclosure to Congress and the public of certain lobbying activities to influence issues before the Congress, and for other purposes.

UP AMENDMENT NO. 30

The ACTING PRESIDENT pro tempore. The Senator from Maine (Mr. HATHAWAY) is recognized to call up an amendment, on which there is to be a time limitation of 30 minutes, to be equally divided between and controlled by the Senator from Maine (Mr. HATHAWAY) and the Senator from Connecticut (Mr. RIBICOFF).

Mr. HATHAWAY. Mr. President, I send to the desk an unprinted amendment.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Maine (Mr. HATHAWAY) proposes unprinted amendment No. 30, as follows:

On page 37, line 20, strike out "any" through "excluded" on line 25.

Mr. HATHAWAY. Mr. President, this amendment removes the provision regarding direct oral lobbying communications as it applies to contacts between representatives of an organization which contacts its own Senators or its own district Congressman only and, therefore, cannot become a lobbyist under this provision of the bill relating to 12 or more oral lobbying communications.

In combination with the high threshold requirement of the following pro-

vision regarding an organization which solicits others to lobby on issues, this home State/district exemption presents a rather large loophole in the coverage of this bill. No one wants to "discourage" contacts between constituents and their representatives, nor between any member of the public and any of the Members of Congress. But this is not a regulatory law which places any limitation on the amount or kind of lobbying which may be done, nor does it even apply to any individuals who may express their opinions to any number of Members of Congress or the executive branch. It applies only to organizations, which necessarily of course must work through individuals representing the interests of those organizations, and requires disclosure of only substantial lobbying efforts which meet one or more of the threshold requirements of the bill. For purposes of disclosure alone, when an organization meets these threshold requirements, it should be considered a "lobbyist," regardless of precisely whom it contacted during the course of conducting its lobbying activities.

In conjunction with the threshold requirements for solicitation, the adverse impact of this home State and district exemption may be most clearly seen. Under these two provisions, an organization may get on its WATS line, call organizations which may be located in every State and ask them to call their Senators and Congressman. The affiliates in the States may in turn call their own membership and request that they also call their Senators and Congressman regarding a given issue or piece of legislation, and no more than a few hours and a minimal amount of money will be spent by anyone in carrying out an effective lobbying campaign which in fact results in lobbying of all of Congress on an unlimited basis, though not lobbying within the terms of the bill itself. This campaign would not have been disclosed so long as the organization was not a lobbyist under other provisions of the bill.

In short the home "State" exemption represents an unnecessary and attractive loophole for any large organization which has affiliates across the country. When combined with other provisions of the bill, it appears that substantial, effective, and extensive oral and written lobbying campaigns can be structured in such a way as to avoid meeting any of the threshold tests contained in the bill for determining when an organization becomes a lobbyist. And similarly to the overly high dollar requirement contained in the provision for determining when an organization is a lobbyist by virtue of its solicitation campaigns, the home state exemption will treat organizations which do substantially the same type of lobbying in different ways.

An organization which is fortunate enough to be situated in a district or State whose Congressman or Senator is the chairman of a powerful committee with jurisdiction over an issue of interest to that organization, will not have to disclose its lobbying activities no matter how many times it meets with, or calls and discusses proposed or pending legislation. Nor will the organization have to register if it also makes up to 12 other face to face or telephone lobbying communications with other members. The organization located across the State or the district line, however, which has an equal interest in making its views known to the chairman of that same committee, perhaps even in regard to the same issue or legislation, however, have to register and report as a lobbyist as soon as the threshold of 12 oral lobbying communications is met in a quarter.

This differential treatment of organizations in the same situation under the guise of not wanting to require the same treatment for our own constituents as we do for other Members' constituents does not have any place in a law which is intended only to disclose substantial lobbying activities which are carried on by various organizations in our society. Additionally, when combined with other provisions in the bill, this exemption from reporting requirements which do substantial effective lobbying over the telephone, while concentrating their effort on their own Senators or Congressmen, and while soliciting other individuals to write to everyone regarding the issue, represents a major loophole in the coverage of organizations under this bill for determining when they become lobbyists.

The purpose of public disclosure, to insure that Congress and the public may more accurately evaluate the weight of public opinion, is not met if some organizations which conduct one type of activity are reequired to register and report, while other organizations, doing essentially the same type of activity, are not required to register and report. This will be one of the adverse effects of retention of the home State and district exemption; and there seems little countervailing rationale which would indicate a need to include such an exemption in a lobbying disclosure law.

Mr. President, one of the major shortcomings which I find in this bill is that it does not cover everyone. I realize it would be extremely difficult to make every individual and every organization in this country which has an interest in legislation disclose just what communications it makes and the nature of those communications, and to whom they were addressed in Congress. I also realize it would be extremely difficult, although this would be an ideal situation, to have every Member of Congress—every Member of the House and every Member of the Senate—maintain a log on all the oral communications as well as all the written communications, or the communications in general, from people interested in influencing legislation. That would be, as I say, an ideal situation, because what we are trying to accomplish in this lobbying bill, as I mentioned earlier, in the course of my remarks, is not to regulate lobbying, but simply to disclose who is lobbying for what, so that the Members of Congress will know and so that the general public will know just what influences are brought to bear upon the Members of Congress in their deliberations on the legislation which comes before them.

I commend the committee for the various thresholds which they have established in order to cut down what would be an extremely burdensome reporting matter if we were to have an ideal situation. But I think that the threshold exemption in the case of home State lobbying is totally unwarranted. The Senator from Connecticut and I both serve on the Finance Committee, and we know that through the home State lobbying exemption, those corporations that are interested in DISC, for example—those which have overseas operations—there is probably at least one such company in every State in the Union, and I am sure in the State of every member of the Finance Committee—could, I suppose, make an unlimited number of calls under the home State exemption to their home State's Senators in respect to this matter. And there are many other matters that come before Congress where equally effective lobbying could take place without any disclosure whatsoever.

The evil that I think is present in limiting the threshold in such a way on allowing for this exemption—and I have amendments to correct what I believe are inequities in the other thresholds as well—is that we distort the picture so that we, in passing a bill which has thresholds which are too high and which exempt too many organizations from the lobbying disclosure provisions, lead the general public to believe that the only effective lobbyists are those who are spending a huge amount of money lobbying.

We know, as Members of the Senate, that that is not necessarily true, that many home-State lobbyists, in particular, are most effective upon legislation here in the Senate, and I presume in the House of Representatives as well, because of the fact that they are from your home State or your home district. I think that in exempting them and in the other threshold requirements, we are distorting the picture to the American public and leading them to believe that only certain classes of people, either because they satisfy the money requirement or other requirements, are the lobbyists, the influences upon the Congress.

And I very seriously would consider not supporting this bill in its final passage if this home-State exemption were left in the law as well as some of the other threshold requirements, because I think that the distorted picture that would be presented to the public would not do equity and justice to those who have to disclose, leaving many others who do not have to disclose free to lobby in any way that they wish, and as I mentioned earlier many of those are more effective than those who are being required to disclose under this proposed legislation.

Mr. President, I reserve the remainder of my time.

Mr. RIBICOFF. Mr. President, I rise in opposition to the Hathaway amendment.

S. 2477 specifically provides that no organization can become a lobbyist simply by talking to the two Senators who

represent the State and the Congressman who represents the district where the organization has its principal place of business.

The reason for this provision is to assure that legislators can keep the lines of communication as open as possible between themselves and their constituents. Congressmen and Senators have a special responsibility to the citizens who elected them and have a need to have unimpeded access to information concerning local problems.

An organization should not have to register as a lobbyist just because its officers or employees talked with a Congressman representing the district in which the business is headquartered, on the one hand, locally based organizations interested primarily in local issues and, on the other hand, organizations that are regionally or nationally oriented and who lobby Members of Congress regardless of the State they are from.

The distinguished Senator from Maine mentioned the problem of DISC and said that home-State companies lobbied or talked to the members of the Committee on Finance. That is certainly true.

The State of Connecticut is a large manufacturing State. The State of Connecticut has thousands of employees who depend, for their livelihoods, upon exports. The people who have jobs and businesses in the State of Connecticut have an absolute right to talk to Senator WEICKER and me concerning the problems of employment and of their prosperity that might arise if DISC were eliminated. Consequently, we felt that a Senator who represents his State should always be available to his constituents without oral communications being counted toward the lobbying bill's thresholds.

So we are very careful to write this exemption into the lobbying bill. It would really be a sad state of affairs to have any organization cut off from its duly elected representatives. Consequently, I hope that the Senate opposes and votes against the Hathaway amendment.

Mr. PERCY. Mr. President, I rise in opposition to the Hathaway amendment. I do so primarily because of the fact that when a Senator or Congressman is lobbied from outside his State or district he really does not have access to information about the organization and he does not know as much about the people involved. He has to make inquiry in foreign territory, in a sense, unless he is a national candidate.

A Congressman would have a very difficult time not knowing really quite a bit about an organization outside his area, whether it be a labor union, a business organization, a trade association, or a plant or naval gun factory that has been shut down.

For instance, when we receive a deluge of letters from an installation that is being closed down by the Government in the State we know intimately about that. We know the people. We have been in the plant probably. We do not have to have a reporting mechanism to tell us where the forces and the factors are.

So, I think it is an entirely different thing when we are lobbied by our constituents to whom we have a direct responsibility and with whom we have worked, or where they have worked against us or for us in our particular campaigns, than someone outside our district and outside our State. And certainly it is a fact that there is a sense of unresponsiveness of government today among people. We do not want in any way to build any kind of a barrier between our own constituents, who look upon their elected representatives in the Senate and the House of Representatives as the individuals they can approach directly without any restrictions of any kind. We do not want a cloud over the head of a contact being made between an elected representative and his on constituents. We feel that they are the ones who are able to break through the bureaucracy. By the possibility of putting them in a category of a lobbyist who must somehow report, I think it would create an artificial barrier that would restrain and restrict the contact that should be absolutely free flowing between the constituent and the elected representative.

For the reasons cited by the floor manager of the bill, the chairman of the Committee on Government Operations (Mr. RIBICOFF) and my own concerns I would have to regretfully oppose the amendment.

Mr. HATHAWAY. If the Senator will yield, I appreciate the Senator's observation that he, of course, would know all about the company in his own State and would not know about companies outside his State, so disclosure fulfills that one purpose of allowing the Senator to know exactly who these other companies are that are lobbying. But, on the other hand, I do not know the nature of the companies that are lobbying the Senator from Illinois, the Senator from Connecticut, or the other Senators, nor Members of the House of Representatives. I think I am entitled to know exactly what is influencing the Senators' decisions.

It was expressed in the Supreme Court case in 1946, which upheld that act, United States against Harriss. The court stated:

> Present day legislative complexities are such that individual Members of Congress cannot be expected to explore the myriad pressures to which they are regularly subjected. Yet full realization of the American ideal of government depends to no small extent on their ability to properly evaluate such pressures. Otherwise, the voice of the people may all too easily be drowned out by the voice of special interest groups seeking favored treatment while masquerading as proponents of the public weal.

For that reason I think all of us should know to what pressures the others are subjected. I mentioned the case of DISC, and I know that my own companies in Maine have pressured me more on national issues than they have on local issues. Although each business may not have its own place of business within my State, his State and/or the State of the Senator from Connecticut, and all the other States, they would qualify for this exemption even though they have this one legislative issue in common, and they are constantly lobbying their own Congressman and Senator in that regard. I think that ought to be disclosed not only to other Members of this body and the other body but also to the general public as well.

Mr. PERCY. The Senator from Illinois certainly concedes that it would be of interest to know exactly how many contacts and how much money had been spent by the oil interests in Texas to influence a decision by a Senator from Texas. But I do not think it would be a surprise to know that there were considerable pressures. I think we all are well aware that a Senator from Minnesota and a Senator from Iowa are going to be much more subjected to the influence of farming groups than a Senator from some State that is essentially nonagricultural.

I think it is a matter of balance. Here I think we naturally assume those pressures operate, and the question is, what is the overriding concern? The overriding concern must be the free flow of contact between constituents and their elected representatives. I believe that interest is so overriding that, for that reason, the Senator from Illinois still would oppose the amendment of the distinguished Senator.

Mr. HATHAWAY. Mr. President, will the Senator yield further?

Mr. PERCY. I am happy to yield the floor.

Mr. HATHAWAY. I doubt that every Senator knows all the influences that every other Senator is subject to in his own State. We know that potatoes are grown in Maine, and I am going to be subject to influence from potato farmers. We also produce paper, and so forth. But the Senator from Illinois does not know all of the interests there any more than I know all of the interests in the State of Illinois, in the State of Connecticut, or any other State in the Union.

I believe it would have an extremely salutary effect to have all these influences put on the public record. Members might be a little more objective in their evaluation of legislation and in the votes that are cast upon that legislation, because they would know that all the other Members of this body know just what pressures have been brought upon them in their individual States.

Mr. President, do I have any time remaining?

THE PRESIDING OFFICER (Mr. STONE). The Senator has 3 minutes remaining.

Mr. HATHAWAY. It seems to me that if I or any other Member of this body have knowledge of what pressures are being exerted upon an individual with whom we may be having a disagreement in the Senate, we could much better evaluate the position of another Senator, if we know what pressures are being brought to bear upon him. Often it appears that someone in this body or the other body is advocating a position simply because that is the ideal position. If we had the register of lobbyists and knew just which ones were bringing pressure to bear upon him, we could better judge the argument that individual is making for a particular piece of legislation. In that way, I think we would get better legislation, and the public would be better informed, and all of us would be

much more conscientious and more objective legislators.

Mr. President, if the Senator from Connecticut is ready to yield back the remainder of his time, I am ready to yield back mine.

Mr. RIBICOFF. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment of the Senator from Maine. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado GARY HART), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Indiana (Mr. HARTKE), the Senators from Washington (Mr. JACKSON) and (Mr. MAGNUSON), the Senator from Louisiana (Mr. LONG), and the Senator from New Jersey (Mr. WILLIAMS), are necessarily absent.

I also announce that the Senator from Indiana (Mr. BAYH) and the Senator from Missouri (Mr. SYMINGTON), are absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Kansas (Mr. PEARSON), the Senator from Virginia (Mr. WILLIAM L. SCOTT), and the Senator from Vermont (Mr. STAFFORD), are necessarily absent.

I also announce that the Senator from New York (Mr. BUCKLEY), the Senator from Oklahoma (Mr. BELLMON), and the Senator from New Mexico (Mr. DOMENICI), are absent on official business.

The result was announced—yeas 17, nays 61, as follows:

[Rollcall Vote No. 287 Leg.]

YEAS—17

Abourezk	Hathaway	Nelson
Burdick	Helms	Proxmire
Case	Leahy	Schweiker
Clark	Mansfield	Stevenson
Culver	Metcalf	Taft
Dole	Moss	

NAYS—61

Allen	Glenn	Muskie
Baker	Griffin	Nunn
Bartlett	Hansen	Packwood
Beall	Haskell	Pastore
Bentsen	Hatfield	Pell
Brock	Hollings	Percy
Brooke	Hruska	Randolph
Bumpers	Huddleston	Ribicoff
Byrd, Harry F., Jr.	Humphrey	Roth
Byrd, Robert C.	Inouye	Scott, Hugh
Cannon	Javits	Sparkman
Chiles	Johnston	Stennis
Cranston	Kennedy	Stevens
Curtis	McClellan	Stone
Durkin	McClure	Talmadge
Eagleton	McGee	Thurmond
Fannin	McGovern	Tower
Fong	McIntyre	Tunney
Ford	Mondale	Weicker
Garn	Montoya	Young
	Morgan	

NOT VOTING—22

Bayh	Gravel	Mathias
Bellmon	Hart, Gary	Pearson
Biden	Hart, Philip A.	Scott, William L.
Buckley	Hartke	Stafford
Church	Jackson	Symington
Domenici	Laxalt	Williams
Eastland	Long	
Goldwater	Magnuson	

So Mr. HATHAWAY's amendment was rejected.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PASTORE. I move to lay that motion on the table.

Mr. PERCY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. MCINTYRE). The Senator from Montana is recognized for 5 minutes.

The clerk will state the amendment of the Senator from Montana.

The Senator from Montana has been recognized.

Mr. METCALF. Mr. President, I yield to the Senator from Maine.

Mr. HATHAWAY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Does the Senator from Maine ask unanimous consent that the pending amendment be temporarily set aside?

Mr. HATHAWAY. Mr. President, I ask unanimous consent that the pending amendment be temporarily set aside.

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

UP AMENDMENT NO. 31

The clerk will report the amendment of the Senator from Maine.

The second assistant legislative clerk read as follows:

The Senator from Maine (Mr. HATHAWAY) proposes an amendment on page 38, line 6, strike out "$7,500" and insert in lieu thereof "$1,000".

Mr. HATHAWAY. Mr. President, I modified my amendment by changing the figure at the end from $1,000 to $5,000, and I send the modification to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

On page 38, line 6, strike out "$7,500" and insert in lieu thereof "$5,000."

Mr. HATHAWAY. This amendment lowers the expenditure requirement for organizations which engage in lobbying solicitations either directly or through a legislative agent from $7,500 per quarter to $5,000 per quarter. The reason for lowering this threshold expenditure of direct expenses is quite straightforward; with a WATS line, a research aide whose work would not entail any lobbying, the ordinary technology which is found in most organizational offices today, and with the allocation of "direct expenses" between lobbying activities and other activities for which these people and machines may be used, an organization can carry on a major solicitation campaign without exceeding the $7,500 limit per quarter now included in the bill. This $7,500 threshold test for solicitations, amounting to $30,000 per year in expenses which may be attributable to lobbying solicitation prior to requiring registration as a lobbyist, is simply too high.

The lowering of the threshold in no way limits the amount of solicitation activity which an organization may undertake, nor does it affect in any way the individual who tries to persuade his neighbor to write to Congress about a piece of legislation. As with the other definition of a lobbyist in the bill, this provision applies only to organizations with a structure which includes "paid officers, paid directors, or paid employees."

I agree with the committee that solicitation campaigns by organizations should be included as a threshold test for determining when an organization is a lobbyist; my disagreement is as to where the line should be drawn in terms of expenditures on such solicitations before the organization becomes a "lobbyist" and is required to disclose those activities. In some respects, solicitation campaigns by an organization, through an organization periodical or through telephone contact with affiliates which in turn solicit others, may well be the most effective form of lobbying which an organization can utilize. Yet they may be no more representative of "public" opinion than direct lobbying of Members of Congress by paid legislative agents. In fact, by their nature, they are more likely to be misleading in terms of evaluating public opinion; the response generated by the solicitation may necessarily be outdated, or based only on partial information or only on having heard one side of the story.

In some cases individuals responding to the solicitation might well have a different opinion on the issue if exposed effectively to several different points of view. This is not to say that these individual responses are in any way invalid; the purpose of the amendment is simply to require an organization which carries out any substantial solicitation of others to register as a lobbyist and report that it has carried out such solicitations.

My disagreement with the committee bill is one of degree as to how many dollars represent a substantial solicitation campaign which should be disclosed by the organization doing the solicitation. I think the committee bill implicitly recognizes the significance of lobbying solicitations in its reporting requirements where all "lobbyist" organizations under the bill are to report on its solicitations on the basis of the number of people, or affiliates expected to be contacted.

There is no requirement in this section that such solicitations meet any minimum expenditure of funds; only that the organization be a lobbyist under one of the definitions of section 3. Clearly, the type of solicitation which is required to be reported by a lobbyist in section 6(d) of the bill would not require expenses of $7,500 per quarter, and I think the committee implicitly acknowledges the importance of solicitations, in terms of a lobbying technique, when the direct expenses of such a solicitation may be

well below the $7,500 per quarter threshold requirement for determining that the organization is subject to the disclosure requirements of the bill.

I agree fully with the policy reflected in section 6(d) of the bill; and feel that the threshold test for determining when an organization becomes a lobbyist through solicitations should be more in accord with the policy reflected in that section. For that reason, I would lower the threshold under the provision relating to solicitation by organizations.

Mr. President, I have discussed this amendment with the floor managers of the bill, and I believe the distinguished Senator from Connecticut is willing to accept this amendment, as modified. I thank him very much for his consideration in that regard.

Mr. RIBICOFF. Mr. President, as floor manager of the bill I accept the amendment offered by the distinguished Senator from Maine.

Mr. PERCY. Mr. President, I simply would like to concur with the distinguished Senator, the chairman of the Government Operations Committee, in accepting the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, of the Senator from Maine.

The amendment was agreed to.

AMENDMENT NO. 1651

Mr. METCALF. Mr. President, I send to the desk a modified version of amendment No. 1651.

The PRESIDING OFFICER. The clerk will state the amendment, as modified.

The second assistant legislative clerk read as follows:

On page 38, line 21, after "influence" insert the following: "in a specific or general way".

On page 38, line 22, after "by" insert "clearly".

The PRESIDING OFFICER. Without objection, the amendment is so modified.

Mr. METCALF. Mr. President, this amendment has been discussed with the floor managers of the bill. This amendment is half of the original amendment No. 1651 that I offered. The balance of the amendment I have stricken in order to arrive at a compromise, and I would hope that the Senator from Connecticut and the Senator from Illinois would accept it.

Mr. RIBICOFF. Mr. President, as manager of the bill I would accept the amendment offered by the distinguished Senator from Montana.

Mr. PERCY. Mr. President, I concur with that judgment and accept the amendment and extend appreciation to the Senator from Montana.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, of the Senator from Montana.

The amendment, as modified, was agreed to.

AMENDMENT NO. 1830

The PRESIDING OFFICER. The Chair lays before the Senate amendment No. 1830 and recognizes the Senator from Montana.

The clerk will state the amendment.

The second assistant legislative clerk proceeded to read amendment No. 1830.

Mr. METCALF. Mr. President, the amendment was printed in the RECORD last night and it is before the Senate. It is a long amendment. I will explain it in my discussion, and I, therefore, ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 37, beginning with line 14, strike out all through page 38, line 6, and insert in lieu thereof the following:

"(2)(A) an organization which engages on its own behalf, or on behalf of its members, in twenty-five or more oral lobbying communications in any quarterly period, acting through its own paid officers, paid directors, or paid employees. For purposes of determining whether an organization is a lobbyist under this subparagraph, there shall be excluded—

"(i) for any organization which maintains its principal place of business in the Washington, District of Columbia, metropolitan statistical area, any communication with Congress with respect to municipal governance of the District of Columbia, and

"(ii) any communication initiated by Congress whereby the organization provides information or opinions to Congress solely at the request of Congress.

"(B) notwithstanding the provisions of subparagraph (A), no organization shall be a lobbyist if it—

"(i) does not maintain an office within the Washington, District of Columbia, standard metropolitan statistical area;

"(ii) does not engage on five or more separate days in any quarterly period in one or more personal lobbying communications within such Washington, District of Columbia, area acting through its own paid officers, paid directors, or paid employees; and

"(iii) is either (a) an affiliate of an organization which is itself a lobbyist, or (b) an organization whose income did not in the preceding year, nor can reasonably be expected in the present year, to exceed $250,000; or

"(3) an organization which, in any quarterly period, engages directly or through a legislative agent in lobbying solicitations where the total direct expenses of such solicitations is $5,000 or more with respect to any issue before the Congress.".

On page 41, line 12, immediately before "shall" insert the following: "in the course of a single meeting or conversation".

On page 41, between lines 13 and 14, insert the following new subsection:

"(f) For purposes of this Act, a communication or solicitation addressed to any individual in his capacity as an officer, director, or employee of a related organization shall be considered a communication or solicitation addressed to the related organization.".

On page 42, line 4, strike out "and".

On page 42, line 25, strike out the period and insert in lieu thereof a semicolon and "and".

On page 42, after line 25, insert the following new paragraph:

"(4) an identification of the organization's affiliates, and in the case of each affiliate that is a voluntary membership organization, the approximate number of individuals who are members of that affiliate, and the approximate number of organizations which are members of that affiliate.".

On page 44, line 19, strike out "affiliates" and insert in lieu thereof "related organizations".

On page 47, beginning with line 14, strike out all through page 48, line 26, and insert in lieu thereof the following:

"(1) a description of the twenty-five issues which accounted for the greatest proportion of the lobbying activities of the organization;

"(2) an identification of each paid officer, paid director, or paid employee of the lobbyist who made one or more lobbying communications on behalf of the organization;

"(3) an estimate of (a) the total direct expenses incurred by the lobbyist during the period in connection with all the issues with respect to which the organization engaged in lobbying, and (b) the portion of the salary of any paid officer, paid director, or paid employee attributable to such person's activities related to lobbying if such portion exceeds 10 per centum of his activities on behalf of the organization; and

"(4) an estimate of the portion of the total expenses reportable under subparagraph (3) expended on lobbying communications and the portion expended on lobbying solicitations.".

On page 49, line 10, strike out "affiliates" and insert in lieu thereof "related organizations".

On page 50, line 8, strike out "affiliates" and insert in lieu thereof "related organizations".

On page 50, line 9, strike out "affiliate" and insert in lieu thereof "related organization".

On page 50, line 10, strike out "affiliate" and insert in lieu thereof "related organization".

On page 50, line 12, strike out "affiliate" and insert in lieu thereof "related organization".

On page 50, line 14, strike out "affiliate" and insert in lieu thereof "related organization".

On page 50, line 16, strike out "affiliates" and insert in lieu thereof "related organizations".

On page 50, line 17, strike out "affiliates" and insert in lieu thereof "related organizations".

On page 50, line 18, strike out "affiliate" and insert in lieu thereof "related organizations".

On page 50, line 20, strike out "affiliates" and insert in lieu thereof "related organizations".

On page 50, line 22, strike out "affiliates" and insert in lieu thereof "related organizations".

On page 50, between lines 23 and 24, insert the following new sentence: "This subsection shall not apply to any organization which is a lobbyist solely pursuant to section 3(a)(1) and which is an affiliate of an organization which is a lobbyist pursuant to either 3(a)(2) or 3(a)(3)).".

On page 50, line 26, strike out ", loans, or honorariums".

On page 51, line 4, strike out ", loans, or".

On page 51, beginning with line 5, strike out all through page 52, line 18, and insert in lieu thereof the following: "and a description of the gift and its amount or value, except that in the case of a gift described in subsection (c)(1) the recipients need not be named individually, but may be described by appropriate categories.

"(b) The requirements of this section apply to—

"(1) any gift in the amount or value of $10 or more made by the lobbyist;

"(2) any gift in the amount or value of $10 or more made by any officer, director, employee, or legislative agent of the lobbyist if the person making the gift has been or will be reimbursed by the lobbyist, in whole or in part, for such gift;

"(3) any gift in the amount or value of $10 or more made by any officer, director, employee, or legislative agent of the lobbyist if the person making the gift has taken or will take, in whole or in part, the amount or value of the gift as a deduction under section 161 or 212 of the Internal Revenue Code,

where the aggregate amount or value of all such gifts under (1), (2), and (3) made to

any individual Member, officer, or employee of Congress during the quarterly period equals $50.

"(c) The requirements of this section shall also apply to—

"(1) any reception, dinner, or other similar event paid for, in whole or in part, by the lobbyist for Members, officers, or employees of Congress, regardless of the number of persons invited or in attendance, where the total cost of the event exceeds $500;

"(2) any gift by an officer, director, employee, or legislative agent of the lobbyist not covered by section (b)(3), which, either by itself or together with other gifts to the same individual, exceeds $100 in amount or value during the quarterly period.

"(d) Any organization that is not a lobbyist but which makes reportable gifts of the kind described in subsections (b)(1) and (b)(2) hereof shall file with the Comptroller General a gifts report within the time provided in subsection 6(a), if the total of such reportable gifts equal $250 in a quarterly period. Such report shall identify the organization and shall provide the other information required by this section with respect to gifts described in subsections (b)(1) and (b)(2).".

On page 51, line 20, strike out "section 6" and insert in lieu thereof "sections 6 and 7".

On page 51, line 21, after "organization" insert the following: "or by the individual responsible for day-to-day supervision of the organization's lobbying activities".

On page 61, line 4, strike out "$10,000" and insert in lieu thereof "$2,500".

On page 61, line 8, strike out "Any person who fails to comply with this subsection shall be subject to a civil penalty of not more than $10,000," and insert in lieu thereof the following: "Any person who violates this subsection shall be subject to a civil penalty of not more than the greater of $2,500 or an amount equal to 300 per centum of the amount realized by reason of the violation.".

On page 63, beginning with line 3, strike out all through line 15, and insert in lieu thereof the following:

"(1) 'affiliates' includes—

"(A) organizations which are associated with each other through a formal relationship based on ownership or an agreement (including a charter, franchise agreement, or bylaws) under which one of the organizations maintains actual control or has the right of potential control of all or a part of the activities of the other organization;

"(B) units of a particular denomination of a church or of a convention or association of churches;

"(C) national membership organizations and their State and local membership organizations, including but not limited to national trade associations and their State and local trade associations; national business leagues and their State and local business leagues; national federations of labor organizations and their State and local federations; and national labor organizations and their State and local labor organizations;".

On page 64 beginning with line 13, strike out all through line 20, and insert in lieu thereof the following:

"(5) 'direct expenses' means expenses such as the cost of mailing, printing, advertising, telephones, consultant fees, or the like included in an item which is attributable to a lobbying activity, and which is not attributable to a lobbying activity, and which is not attributable, to any substantial extent, to any activity other than lobbying. The term also means expenses included in an item partly attributable to activities other than lobbying, where such item may, with reasonable preciseness and ease, be directly allocated in part to lobbying, except that this sentence shall not apply to a regular publication of a voluntary membership organization published in substantial part for purposes unrelated to lobbying;".

On page 65, between lines 9 and 10, insert the following:

"(9) 'Gifts' include a donation, contribution, payment for services rendered, honorarium, loan advance salary, or other thing of value, including food, beverages, lodging, transportation, and entertainment. It does not include—

"(A) any loan made on terms and conditions that are not more favorable than available generally;

"(B) any gift where the parties are members of the same immediate family; and

"(C) a contribution to a candidate as defined in section 431(e) of title 2, United States Code.".

On page 65, line 10, strike out "(9)" and insert in lieu thereof "(10)".

On page 65, line 17, strike out "(10)" and insert in lieu thereof "(11)."

On page 65, line 24, strike out "(11)" and insert in lieu thereof "(12)".

On page 66, line 5, strike out "(12)" and insert in lieu thereof "(13)".

On page 66, beginning with line 9, strike out all through line 13 and insert in lieu thereof "matter in Congress;".

On page 66, line 14, strike out "(13)" and insert in lieu thereof "(14)".

On page 66, line 23 strike out "(14)" and insert in lieu thereof "(15)".

On page 67, line 1, strike out "(15)" and insert in lieu thereof "(16)".

On page 67, line 8, strike out "(16)" and insert in lieu thereof "(17)".

On page 67, line 14, strike out "(17)" and insert in lieu thereof "(18)".

On page 67, line 24, strike out "(18)" and insert in lieu thereof "(19)".

On page 68, line 3, strike out "(19)" and insert in lieu thereof "(20)".

On page 38, between lines 12 and 13, insert the following:

"(21) 'related organizations' includes (a) affiliates and (b) organizations which are associated with each other through any type of formal relationship other than affiliation (including the election of officers or directors, common funding, a charter or bylaws). The terms does not include an informal or ad hoc or alliance or coalition.".

On page 68, line 13, strike out "(20)" and insert in lieu thereof "(22)".

Mr. STAFFORD. Mr. President, will the Senator yield briefly?

Mr. METCALF. I am delighted to yield.

Mr. STAFFORD. Mr. President, the Senator from Vermont was necessarily absent from the Chamber on the vote on the amendment of the Senator from Maine, and I would like the RECORD to show that if the Senator from Vermont had been present he would have voted for the amendment.

I thank the Senator from Montana.

Mr. METCALF. Mr. President, from time to time after the reporting of this legislation, I had printed in the RECORD four proposed amendments. In this series of amendments I made an explanation of what the bill actually did and some of the corrections I felt should be made.

My amendments were discussed briefly yesterday. One was amendment No. 1651, a portion of which we just voted on. The section which was taken out pertains to coverage of the regular publications of voluntary membership organizations, such as the AFL-CIO, and the National Chamber of Commerce, and the National Association of Manufacturers.

The publications that I thought should be excluded from coverage are such periodicals as Nation's Business and the AFL-CIO News.

These are publications that are generally circulated and are not only found in dues-paying members' homes and offices, but are found in barbershops and libraries and, in some instances, are sold on the newsstands.

They are covered by S. 2477. They are covered, and an article in Nation's Business urging support for or against a piece of legislation, could be determined to be a lobbying solicitation, whereas such an appeal in the Western News of Hamilton, Mont., to vote for or against something could not be a lobbying solicitation unless it was in a paid advertisement.

The Washington Post can urge readers in an editorial to write Congress, and that is not lobbying, but if the AFL-CIO News makes a similar appeal in its news pages—which are circulated not only to members, but to nonmembers, as well as into every one of our offices—then they have to account for how much of the newspaper's cost was for, perhaps, the jokes in the machinists' column, and how much was for the lobbying activity.

I am very much concerned about this problem. But, I have withdrawn that concern from amendment, because a similar provision is in the comprehensive amendment.

Mr. President, in spite of the assurances the Senator from Connecticut gave to the Senator from Georgia yesterday that there are no questions about the constitutionality of this legislation, the unfair distinction between various types of publications—despite the fact they are published regularly and are circulated, publicly—may run into both 1st, 4th, and 14th amendment problems.

Mr. President, I want to renew my assurances, and the Senator from Connecticut and the Senator from Illinois both know that I am convinced that there should be a lobby disclosure bill. I am convinced that the 1946 Lobbying Act is completely ineffective. It would be better not to have any law at all than that act.

I am convinced that there should be disclosure. We conduct the people's business. I have supported disclosure and open meeting legislation in many areas. But, Mr. President, I cannot vote for this bill unless reasonable requirements are made for reporting, burdensome or unnecessary requirements are removed, and equitable provision is made for groups to petition their government without becoming subject to reporting as lobbyists.

Yesterday, the Senator from Connecticut said that I was trying to exempt the AFL-CIO or others. That is not true.

The amendment I am going to describe in a few minutes covers the AFL-CIO.

The AFL-CIO or the National Chamber of Commerce, as well as others of these large lobbying organizations, can certainly take care of themselves. They can prepare the reports. They can absorb the cost of the reporting requirements. They do not need any protection. But some of their affiliates may need protection. There may be no need at all to subject them to the burdensome reporting requirements in this bill.

Since S. 2477 was reported, I have talked to groups of people from time to time, attempting to interest them, and said, "Well, why do you not go home, sit down with your lawyers, take this bill and figure just exactly how your organization will be affected?" Many of them did that. And some came back to me and were horrified, saying, "Well, we cannot support any legislation at all." And others, "Well, what can we do to modify the legislation so that we can live with it?" Or, "What can we do to modify it so our affiliates can live with it?"

Subsequently, a group joined to suggest amendments, which I introduced yesterday as amendment No. 1830. This amendment does not eliminate all of the objections I have to the bill.

Yesterday, I also inserted in the RECORD a series of letters. Some of the groups said, "Well, we are absolutely against the lobbying disclosure bill, but if you are going to have to pass such a bill, pass one that includes the so-called Metcalf amendment."

This is the coalition supported amendment.

I could not get them interested in some of the problems that I described in connection with my four earlier. But they were concerned enough to draft some proposal, to refer to my staff. We helped with the draft which was worked over by the legislative counsel and the result is 1830.

(Mr. HUDDLESTON assumed the Chair at this point.)

Mr. METCALF. Mr. President, before I describe what amendment No. 1830 does, generally, let me comment on the home State or exemption, which it modifies. A home State exemption so that constituents can lobby their own Senators and Congressmen, without being covered, is very appealing. On the surface, it seems to be the kind of an exemption that we should write into the legislation. However, it opens huge loopholes.

For example, every one of the Washington-based lobbyists, with almost unlimited funds, have affiliates in the various States. Again, a personal example: the AFL–CIO does not need to call me at all. The AFL–CIO does not have to send a single person to see me. All they need under the home State exemption is to have somebody from the Montana State Federation of Labor call me.

The National Chamber of Commerce does not have to call me. All they have to do is have somebody from the Great Falls, the Billings, or the Missoula Chamber of Commerce call me. That sort of lobbying is much more effective than the lobbying from the District of Columbia based organizations.

The large, wealthy groups will have a tremendous advantage and a tremendous opportunity to use this loophole. The people who have WATS lines, unlimited telegraph allowances, and staffs for unlimited letter writing campaigns have a tremendous advantage under the home State exemption. Nevertheless, that is in the bill.

My amendment raises the threshold—from 12 to 25 oral lobbying communications—so there will be a protection for the home State people, and also provides an execption to protect local affiliates of nationally based groups. At the same time, it will eliminate the advantage given to these large lobbying organizations, whose representatives spend substantial periods of time in Washington.

The first thing that amendment No. 1830 does is to change threshold test so that, first, any organization becomes subject to registration if its paid employees make 25 or more oral lobbying communications in a quarter.

Excepted from this test are groups which—

First, are either affiliates whose parent organization are already registered as lobbyists, or whose annual income is less than $250,000; and

Second, neither maintain a Washington office nor assign their paid representatives for direct, face-to-face lobbying on five or more separate days during a three-month period.

Thus, an affiliate of an organization which is already registered as a lobbyist, for example, the National Chamber of Commerce, or an organization which has an annual income of less than $250,000, would not have to report if it had no office here and its people did not speak directly to Members and staff personally on Capitol Hill. But the larger parent organizations, with offices here, would have to register and report, identifying their affiliates.

Further, an organization which had an annual income as defined by the bill of less than $250,000 would be exempt from registration or reporting if it neither maintained an office nor sent its representatives here to lobby in person.

This exemption, coupled with the higher threshold test, will protect small organizations, insuring that the bill's reporting requirements—and they will prove to be very burdensome for many—will not apply to distant affiliates or the vast majority of independent groups who come to see Senators or Congressmen only infrequently.

Certainly, the group which has an income of less than $250,000 yearly, does not maintain a Washington office, and sends its representatives just on one trip to talk to us, to talk to the Finance Committee about the tax bill, or to the Banking, Housing and Urban Affairs Committee about various changes in banking legislation, or to talk to this Senator about strip mining, should not have to be burdened by all these reporting requirements.

What we need, Mr. President, is disclosure. What we need is disclosure of the activities of the major lobbying organizations.

What we do not want to do is to discourage or inhibit the ordinary people of our State or other States from talking to their Senators or Congressmen.

I remind you, Mr. President, that the so-called home-State exemption places constraints on those from out of State who wish to see Senators other than their own. We are United States Senators. This is a Congress that makes laws for the United States.

The distinguished majority leader, my colleague from Montana, is not only a Senator from the State of Montana, with a population of a little over three-quarters of a million, but he is a leader in a Congress that writes the laws for the entire United States of America.

People may want to come from other States and talk to him about these matters. They should not pay a surcharge—in the form of costly reporting requirements—for communicating in the same manner that is free to Montanans.

My amendment also modifies the definition of affiliate, to include groups which are actually controlled by or subject to the practical control of a lobbying organization.

For instance, the chamber of commerce informs me they have chambers of commerce, State and local, throughout the United States, and they are not under the formal control of the National Chamber. They would be subject to registration and reporting under S. 2477.

Under my amendment, however, such groups as local churches, local chambers of commerce, and the like would qualify as affiliates and would not have to register if they did not maintain their own offices and assign their own people here.

An organization such as the chamber of commerce has people supporting it such as the large oil companies, Exxon, for instance. It has people supporting it such as the large industrial organizations. But they are not affiliates. They are separate organizations and are not treated as affiliates, under my amendment.

However, to insure that there is disclosure of lobbying solicitations directed to these nonaffiliated organizations, the amendment adds a new definition of "related organization." This term includes all affiliates, plus all the other organizations which would have been considered to be affiliates under the current bill, S. 2477, and thereby we preserve the requirement for disclosure of such activities.

Another change my amendment makes in the bill is to limit its coverage to communications which are intended to influence decisions on issues within Congress.

The amendment strikes out that portion of the S. 2477's definition of "issue" before Congress which relates to actions by Members and employees of Congress to influence or attempt to influence any action or proposed action by executive branch employees. Otherwise, the definition of "issue before the Congress" remains the same as in S. 2477, as reported.

Mr. President, I now want to turn to the question of what information lobbyists must report, another area which this amendment will modify and improve, I believe substantially.

Section 6(c) of S. 2477 would require the lobbying organization to describe every issue on which it engaged in lobbying communications, written or oral, as well as the 10 most significant issues on which each of its paid officers, paid directors, and paid employees spoke for it during each reporting period.

As a practical matter, despite the 10 issue limitation, this means that all employees would have to keep records on all the issues on which they lobby, so that

their sponsoring organization does not miss a single issue in its report.

Many of these organizations, many of the major ones, lobby on as many as 100 issues in a session of Congress. Many of then send one lobbyist up on one issue and another on another, make a casual call on one issue and make a major lobbying effort on another; and the idea of the 10 most wanted list is certainly a burden when you consider the record-keeping required.

Under provisions of my amendment, the requirement for describing every issue is eliminated. Instead, an organization will report on only the 25 most significant issues on which it lobbies. If it has not lobbied on 25 issues, it would report on only the issues that were lobbied.

This amendment eliminates reporting of the issues dealt with by each individual paid officer or employee of the lobbying organization, but those who lobby must be identified, as is the case in S. 2477.

We modify section 6(c)(4) pertaining to the computation of the total dollar amounts expended in connection with all lobbying activities.

Such a requirement would not be unduly burdensome if organizations could always isolate all their lobbying activities in separate compartments. Unfortunately, this neat division of labor is not possible.

Where computation is most difficult is for the casual employee who spends only a part of his time lobbying. Much of the cost information that would be required, such as overhead, is by no means clearly relevant to any determination of how much of an organization's resources are devoted to lobbying activities.

What really counts are the direct expenses of the lobbyists, and under the provisions of my amendment, only the reporting of such expenses, as defined under S. 2477, would be required.

In addition, our language specifically requires inclusion of the portion of the salary paid any employee for time devoted to lobbying activities, except for those who spend only 10 percent or less of their time on such activities.

For example, the Farmers Union might have some of its paid employees come in with a busload of people to our offices, and the president of the Farmers Union would lobby every one of the Senators about the needs of agriculture in his State. If more than 10 percent of his salary was allocated to lobbying activity, they would have to report it, but if it was less than that, they would not.

Another important feature of this section of the amendment eliminates the reporting requirement for lobbying solicitations relating to an organization's regular publications. Because of the bill's broad definition of solicitation—and even though my amendment No. 1651 narrowed this considerably—a general article in such a magazine as Nation's Business relating to legislation could be construed to constitute a solicitation, in a publication which is otherwise primarily devoted merely to general news and information.

For each issue of such publications, it will be necessary to determine which articles contain solicitations, which are for the information of the Members, and which were just of general news value.

You might find an appeal to write to Congress in a part of a general article on the tax bill, and the sponsoring organization would have to estimate the cost of that part for its report.

The elimination of this burdensome requirement—and it is a bruden, and I doubt that the results would have any validity—is accomplished by redefining the term "direct expenses" to mean that the cost of publishing a house organ need not be reported.

Finally, Mr. President, one of the most difficult provisions in this bill is that in section 7, pertaining to the reporting of gifts. This business of reporting gifts is a very difficult one. What is the threshold for the reporting of gifts? Is it the reporting of a luncheon with a lobbyist? Is there a dollar threshold, or is there a service threshold? Is it reporting a trip on an industrial plane that is going your way already?

These things are problems. They were a problem to the committee. I believe that in resolving this problem, we have probably leaned over backward and made it very difficult to even associate with our former friends who might come back here on an expedition to try to get a contract, and ask us to go to dinner, have lunch, or something of the sort.

In any event, my amendment adds a requirement for reporting major entertainment expenses, such as congressional receptions, if the direct expenses involved exceed $500.

Another new provision provides that organizations which have no registered lobbyists—but nonetheless provide gifts to Members of Congress and staff personnel—would be required to report such expenditures if they amount to $250 or more in any quarterly period.

Receptions are not considered as reportable gifts under this provision. Only gifts made directly from funds of the organization or for which the organization provides reimbursement are included.

Mr. President, during the course of the markup on S. 2477, I offered other amendments. As I say, I feel rather strongly about some of them. But the provisions of this amendment are based on a consensus among a broad coalition of groups which are going to be directly affected. They feel they can live with S. 2477, with my amendment, and I am convinced that, as amended, this bill will provide for meaningful disclosure, yet at the same time will not diminish the ability of citizens to talk to their elected representatives.

I reserve the remainder of my time.

Mr. RIBICOFF. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. RIBICOFF. Mr. President, I rise in opposition to the amendment of the distinguished Senator from Montana. His amendment would really add a second definition of a lobbyist, largely exempting from any reporting or registration requirements affiliated organizations and organizations having an income under $250,000 a year, located outside Washington, D.C. Further, the second part of the amendment would eliminate the home State exemption and raise the number of oral contacts the organization may make before becoming a lobbyist.

The same type of provision under the Hathaway amendment was overwhelmingly defeated on a rollcall vote.

The first part of the Metcalf amendment apparently totally exempts from the bill any organization that either has an income under $250,000 or is affiliated with an organization that is a lobbyist so long as, in either case, the organization does not have an office in Washington. The only limitation is that the organization not send its paid employees to lobby in Washington on 5 or more days in a quarter. If it does so and meets the other tests, only then would the organization have to register and report.

Such an amendment is very undesirable. It creates artificial distinctions which are hard to define and enforce, but easy to exceed and abuse. Whether an organization is a lobbyist under this proposal would bear no necessary relationship to the amount of lobbying it does. It would leave out many organizations that do very substantial amounts of lobbying and who should have to register and report under any reasonable or fair lobbying law. Affiliates that do unlimited telephone lobbying would be exempted. Other, perhaps smaller, organizations that talk just to their State delegation any more than 25 times would become lobbyists. The tests established could be easily evaded. It unwisely abandons the bill's basic evenhanded approach and provides special treatment for one kind of organization compared to another. The proposed changes are unnecessary to protect the legitimate interests of small or affiliated organizations.

The proposal bears no clear relationship to an organization's influence.

The test assumes that an organization outside Washington, D.C. with an income of less than $250,000 will not have sufficient influence on the decisionmaking process. This is not so. The amount of money spent is not directly equivalent to an organization's influence.

An organization outside Washington, D.C. which has operating expenses of $240,000 and spends all of that amount on lobbying could make an unlimited number of telephone calls and never have to register.

Similarly, the proposal provides special treatment for affiliates. An affiliate outside Washington may be very influential, and engage in very substantial lobbying efforts, and never have to register. There is no justification for exempting an organization that engages in an unlimited number of telephone calls just because it happens to be affiliated with a lobbying organization.

The Metcalf proposal would impose a definition of a lobbyist which may well bear no relationship to the extent that

the organization engages in lobbying or the extent of its influence.

The proposal creates large loopholes. A definition based on such artificial distinctions will be widely abused and evaded. A host of lobbylists' offices are likely to be located just outside the Washington area.

The proposal would spawn separate organizations devoted exclusively to lobbying on behalf of other affiliated organizations. All the organization would have to do is to locate its offices outside the greater Washington, D.C. area.

Further, the provision provides a total reporting exemption for affiliates as well.

There is no requirement in the Metcalf amendment that the lobbying organization that is the parent of an exempted affiliate provide any information about the lobbying activities of its exempted affiliate. The provision does not require that the parent organization provide very basic information about the issues on which the parent has asked the exempted affiliate to work.

The practical effect of the proposal in toto would be to provide special treatment for affiliates and relatively small voluntary membership organizations, compared to business and other types of organizations.

Further, the provision is unnecessary. The committee's bill already amply protects the small organizations, whether or not they are affiliated with a larger organization, from undue reporting burdens.

Test for larger, unaffiliated organizations is not reasonable.

The proposed amendment would also strike the home state exemption for organizations that do not have an operating budget under $150,000 a year. At the same time it would substantially raise to 25 the total number of lobbying communications such an organization may engage in before becoming a lobbyist.

Mr. President, as we analyze the Metcalf amendment, it is obvious that it eliminates the evenhanded proposals of the committee bill. It is absolutely unnecessary and would be creating preferential treatment for one group of lobbyists over other groups of lobbyists. I hope that the Senate rejects the Metcalf proposals.

Mr. PERCY. Mr. President, I wish to ask the distinguished Senator from Montana a question or two. Could he tell the Senator from Illinois exactly what the Washington, District of Columbia, standard metropolitan statistical area is?

In other words, I am simply putting myself in the role of a lobbying organization, let us just say the NRA, located right in Washington, D.C., and I find that I must file reports if I am in this particular statistical metropolitan area. I have determined I do not care to file reports but I desire to stay as close to Washington as possible. I want to disrupt my operations as little as possible. I wish to carry on exactly the same kind of work I am doing, but I want to get out of this reporting requirement. How far will I have to go?

Mr. METCALF. I have a map. The description is a standard, recognized description by the Bureau of the Census and is published on a map. So it is definite as to what the area is. One would have to go out of town, from the center of town, about 60 miles to get out.

Mr. PERCY. Is Baltimore, for example, in the area?

Mr. METCALF. No.

Mr. PERCY. Baltimore is not. So I could at least move my office to Baltimore.

Mr. METCALF. If the Senator wished to make that sacrifice.

Mr. PERCY. Is Reston in the area?

Mr. METCALF. Yes. In the map that is before me, I do not have these special localities; but as I see the map, Reston is in the area.

Mr. PERCY. If we are trying to evacuate Washington and get rid of a lot of lobbyists and open up some office space, this might be the way to do it, because I think many of these organizations would just move outside and commute. They might have an hour's drive or half an hour's drive, but I think they could very easily then receive special, favored treatment.

As the Senator from Illinois said the other day, I do not know how we could operate without lobbyists. I would like to have them here, as close as possible. All of these lobbyists are an important source of information—whether they are union groups, labor groups, business groups, the NRA, or whatever. They can present to us the best evidence, the best side of their argument, so that our staffs have the kind of analysis we need in our appraisal of a piece of legislation. We can get it on both sides. I do not want them to have a disincentive to be in the District of Columbia. We are not that tight on office space.

It seems that this amendment provides a tremendous loophole for these organizations that do not want to report, the very kind of groups on which we want that information. They are going to move out. If their overriding concern is public knowledge as to what they are doing, they are going to get out to wherever it is necessary to get to—Columbia, Baltimore—and operate out of there, and they will be totally exempt from the provisions.

For that reason as well as the fact that this amendment would enable national organizations to hide lobbying done through their affiliates, the Senator from Illinois would be forced to oppose the amendment offered by the distinguished Senator, who has been very helpful in this area.

Mr. METCALF. Mr. President, may I be recognized, on my time, to respond?

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. METCALF. Mr. President, if this bill is passed in its present form, there will be an entirely new growth industry in the District of Columbia. There will be storage rooms for all the filing cabinets we will need to take care of the blizzard of paperwork that will develop. Salesmen for filing companies, paper companies, and so forth, will flock in to take care of it. We may be able to fill up the basement of the FBI building immediately and have to dig another one down there, or build another Pentagon for such things.

We have to have someplace as a definition of the base of the lobbying organization. These people are here in Washington.

I agree completely with the Senator from Illinois that lobbying is an honorable profession. Every time we get a list of the 10 most respected men in America, we invariably find Ralph Nader on that list. He is a professional lobbyist and nothing else. The man who has had more to do in getting this bill before Congress than anybody else, John Gardner, is a lobbyist, and he is respected.

Believe me, I call on the lobbyists for information and for assistance and for facts more than they call on me, with respect to legislation. I want them here. I suggest that they will want to be here in order to do the very job they have to do; that they will not move out to Baltimore or Philadelphia, even if they can come in rapidly on the Metroliner.

It may be that people deliberately will want to evade the provisions of reporting and recordkeeping by moving out and moving their headquarters away from Washington to some other point, but the costs involved for the major lobbying organizations would prevent that.

The home State exemption is a much larger loophole. The lobbying organization's Washington man can sit downtown and get on a WATS line, call people all over the United States, and suggest that they call somebody from Kentucky and somebody from Connecticut and somebody from Illinois and somebody from Montana—to call their respective Senators. Some have enough money to get their members or associates on airplanes and say, "Go see your Congressman," and there will be no reporting requirement, none of the burdensome reporting that would accrue to other less well funded organizations, such as some of the conservation groups which do not have the telephones and do not have the expense accounts and do not have the manpower to do something such as that.

So, in order to take care of the difference between the smaller groups and the big professional guns for hire, this is a legitimate and a valid distinction. It is definite. It can be determined as to just where the boundary line is, from a standand Government publication.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time,

Mr. RIBICOFF. Will the Chair indicate how much time remains to both sides?

The PRESIDING OFFICER. The Senator from Montana has 56 minutes remaining. The Senator from Connecticut has 18 minutes.

Mr. RIBICOFF. Mr. President, I know that the distinguished Senator from Maine and the distinguished Senator from New York have an amendment to the amendment which will be ready in a few minutes, and they would like to offer it. So I suggest the absence of a quorum.

Mr. PERCY. Mr. President, will the Senator withhold that?

Mr. RIBICOFF. Yes.

The Senator from Illinois would like to ask a couple of questions of the Senator from Montana.

Mr. METCALF. I yield on my time.

Mr. PERCY. The Senator from Montana has indicated that the present bill before us would require a lot of recordkeeping and so forth. On page 4 of the Senator's amendment, lines 18 through 22, it is indicated that—this is an insertion into the bill—lobbyists would have to report "the portions of the salary of any paid officer, paid director or paid employee attributable to such person's activities related to lobbying if such portion exceeds 10 percent of his activities on behalf of the organization." It would seem to me that a considerable number of employees would have to start keeping records very much like lawyers, charging their time to clients. Is that a way to eliminate recordkeeping?

The present bill before us only requires a statement as to the total amount of money spent. This amendment would require lobbyists to allocate proportionate amounts of salaries of individuals, and they would have to make certain that the threshold for every individual on the staff was not exceeded by having that 10 percent figure in there. So everyone has to have his salary and all his activities monitored. Does this not create paperwork and create an obvious opportunity for evasion, and a great deal of gray area as to how to prove whether a person falls under that or not?

Mr. METCALF. Of course it is paperwork. Of course there are reporting requirements. Any disclosure measure would require such reporting, such paperwork, breakdowns and analysis. The point I want to make is that with the higher threshold in my amendment, the bill's reporting requirements will fall primarily on larger nationally based organizations—which can absorb the costs—and my amendment also reduces the requirements, overall.

The Senator from Montana recognizes that one of the burdens of running an office in the Congress of the United States is this matter of operating in the open. The Senator from Illinois and I are in complete agreement that when we are doing the people's business, we have to have disclosure. In spite of the fact that the Constitution says that you have a right to petition for redress of grievances, it does not say that you have a right to petition secretly for such redress of grievances.

Inevitably, we are going to have paperwork. We are going to have burdensome reporting; we are going to have the kind of paperwork that we deplore but which, nevertheless, is necessary in order to have evidence of what goes on. But I am trying to keep the paperwork to a minimum, to what is essential, not to require paperwork from the legion of smaller groups that would have to report under S. 2477.

Mr. PERCY. My second question relates again to who is exempted. The Senator from Illinois would like to determine from his colleague whether or not the Senator from Montana really does believe that we ought to have more information available about who is lobbying whom and what their objectives are and how much money they are spending. Are we in agreement on that overall basic objective?

Mr. METCALF. Yes, sir. The Senator knows that, too.

Mr. PERCY. Then, obviously, what we are trying to do is draft legislation that will not be subject to a great many loopholes. The Senator from Illinois has already pointed out one loophole where an organization can just move a few miles out of Washington and be totally exempt. Here I think is an even bigger loophole. On page 2, lines 21 and 22, there is exempted an affiliate of an organization which is, itself, a lobbyist. The Senator from Illinois recognizes that there is concern among some labor unions that their local chapters would be required to report. But the Senator from Illinois would like to know from the Senator from Montana whether or not the whole purpose of the bill would not be defeated with that exemption the way it is drafted right now.

Take the U.S. Chamber of Commerce. They are registered to lobby, but they have also chambers of commerce all over the United States. In the State of Illinois they have them affiliated all thorugh the State. The chamber in Chicago, Springfield, Peoria, Paris, Illinois, and Vienna, and so forth—they would all be exempt.

So why would not the great organization here in Washington simply say, all we do is change our direction. Instead of our doing it, why not do it through our local organizations, and no one will have to report their activities?

Should we not know how much effort is being exerted to defeat the consumer protection agency, now called the Agency for Consumer Advocacy, which the Senator from Montana is a strong supporter of, and not have that subterfuge used by going through affiliates who are exempt?

Mr. RIBICOFF. If the Senator will yield.

Mr. METCALF. I have the floor and I am glad to yield.

Mr. RIBICOFF. I could imagine that the city of Chicago Chamber of Commerce or the Illinois Chamber of Commerce would have a very substantial budget. Is that not true?

Mr. PERCY. That is right.

Mr. RIBICOFF. They would have a substantial budget and they would also have a staff sufficiently large to enable it to come to Washington to lobby, or to hire representatives. They would be exempt because they are an affiliate outside of the greater Washington area. Therefore, I can see how wrong it would be. To me, it would seem that the same would apply to a large labor local. The AFL–CIO that was located in Chicago or New York—may have a substantial budget. They would have enough employees to be able to come to Washington. To pass an amendment such as this that would eliminate any record of the activities of this affiliate unless they lobbied in person on five or more days eliminates the evenhanded philosophy that goes throughout this entire bill. The bill must treat every segment of American society on the same basis.

Mr. PERCY. That is correct. The Senator from Illinois would like simply to add also that, as I read the Metcalf amendment, there is no way that we would be able to get any information as to what the national actually directs the local to do. They can direct them to carry on lobbying activities; they can provide all kinds of assistance to them. It looks, again, like a huge loophole which really frustrates the efforts of the Senator from Montana to write legislation that will be effective and cannot be circumvented as easily as it would appear that this could be circumvented.

Mr. METCALF. Mr. President, the two Illinois "affiliates" described by the Senator from Connecticut certainly would be required to register and report under provisions of my amendment. A large well-financed State chamber of commerce in Illinois that engaged in substantial lobbying activity here in Washington would pass the threshold and be required to report. The same is true of the Illinois State Federation of Labor.

But suppose you have a smaller chamber of commerce, not even under the control of the national chamber. They may be responsible under S. 2477 for reporting of lobbying activities and not even know what is going on in some State and local chambers of commerce.

Mr. PERCY. Will the Senator yield for a question?

Mr. METCALF. I did not interrupt the Senator while he was propounding a long question. May I complete my statement?

Mr. PERCY. The Senator has the floor, of course.

Mr. METCALF. S. 2477 requires that if the AFL–CIO and the National Chamber of Commerce—and we keep dragging them in because they are two of the major national lobbying organizations—have people, which participate in their lobbying activity, they have to list them and tell what they have done and where.

But the kind of loophole that the Senator from Illinois is talking about is covered because the Illinois State Federation of Labor, would probably engage in more than 5 days of direct lobbying here in a quarter, and would make more than 25 calls, thus triggering the reporting registration and reporting requirements.

I now yield to the Senator.

Mr. PERCY. The Senator from Illinois would just like to ask this question: Let us just take three of the most powerful, influential business organizations that are local: the New York Chamber of Commerce, the Chicago Association of Commerce and Industry, the Los Angeles Chamber of Commerce. Would it not be possible for them to make unlimited phone calls, make unlimited contacts by correspondence with Members of Congress and lobby full time 4 days every quarter in Washington and not report one bit?

Mr. RIBICOFF. Mr. President, I ask unanimous consent, without losing the floor, that the colloquy between the distinguished Senator from Illinois and the distinguished Senator from Montana be suspended to allow the distinguished Senator from Maine to put in an amendment. He is already late to a Budget Committee hearing.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

UP AMENDMENT NO. 32

Mr. MUSKIE. Mr. President, I send an amendment to the desk and ask that it be stated.

May I say that I am most appreciative of my colleagues, Senator RIBICOFF, Senator METCALF, and Senator PERCY, for giving me this courtesy. I would like to get this amendment into the dialog and, perhaps, add to it—maybe not—but, in any case, put it before the Senate.

The PRESIDING OFFICER. The Senator requires unanimous consent in order to call up the amendment.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside and my amendment considered so that it may be reported.

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

The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Mr. MUSKIE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 1 of amendment No. 1830 strike lines 4 through page 3 line 5 and insert in lieu thereof:

(2) an organization, other than an organization described in subsection (f) of this section, which engages on its own behalf, or on behalf of its members, in twelve or more oral lobbying communications in any quarterly period, acting through its own paid officers, paid directors, or paid employees. For purposes of determining whether any organization is a lobbyist under this paragraph, there shall be excluded any communication with a Member of Congress, or an individual on the personal staff of such Member, representing the State, or the congressional district within the State, in which such organization has its principal place of business, and, further, there shall be excluded any communication initiated by Congress whereby the organization provides information or opinions to Congress solely at the request of Congress; or

"(f) Any organization that would otherwise be a lobbyist solely as a result of this paragraph of this section shall not be a lobbyist for purposes of this Act if

(i) the Comptroller General determines that the organization is a controlled local affiliate of a parent voluntary membership organization. The Comptroller General shall not designate any organization a controlled local affiliate if he determines that it is the intent of the parent organization to use such a designation as a means to evade, in whole or in part, the requirements of this Act;

(ii) the paid officers, paid directors, and paid employees of the controlled local affiliate engage in less than 12 in person oral lobbying communications in the quarter; and

(iii) the parent voluntary membership organization is a lobbyist which includes on its quarterly report all the information on the lobbying activities of the controlled local affiliate described in subsection (g) of this section.

"(g) A parent voluntary membership organization may also provide the following additional information about the lobbying activities of any of its controlled local affiliates described in subsection (f) of section 3 of the Act:

(1) the identity of the affiliate and the approximate number of individuals who are members of that affiliate, and the approximate number of organizations which are members of that affiliate;

(2) a description of each issue in connection with which the lobbyist urged, requested, or required the affiliate to engage in one or more lobbying communications or solicitations; and

(3) a report of any gifts by the affiliate or its officers, directors, or employees, which the affiliate would otherwise be required as a lobbyist to report pursuant to section 7."

"(h) For purposes of subsection (g) controlled local affiliate means a local voluntary membership organization whose lobbying activities and policies are, either by formal agreement, or by practice, subject to the control of a parent voluntary membership organization with whom the affiliate is related through bylaws, charters, or similar agreements. In determining whether an organization is a controlled local affiliate the Comptroller General shall consider, among other factors, whether the parent may control what position the affiliate may take on an issue before Congress, and whether the parent may require the affiliate to engage, or not to engage, in particular lobbying communications or solicitations."

Strike page 3, line 9, of amendment No. 1830 through line 7 on page 6.

Strike line 10 of page 6 of amendment No. 1830 through line 2 of page 8 and insert in lieu thereof:

honorarium and a description of the gift, loan, or honorarium and its amount or value, except that in the case of a gift described in subsection (d) the recipients need not be named individually, but may be described by appropriate categories."

(b) The requirements of this section shall apply—

(1) to any gift or loan of money, or any honorarium, made during the quarterly period by the lobbyist, by any officer, director, or employee of the lobbyist, or by any legislative agent on behalf of the lobbyist, which exceeds $10 in amount;

(2) to any gift or loan of any goods, services, or any other thing of value made during the quarterly period, by the lobbyist, or by a legislative agent on behalf of the lobbyist, including food, lodging, transportation or entertainment, which exceeds $10 in value;

(3) to any gift or loan of any goods, services, or any other thing of value made during the quarterly period by any officer, director, or employee of the lobbyist or by a legislative agent on behalf of the lobbyist, which exceeds $10 in value and which the officer, director, employee, or legislative agent has taken or will take, in whole or in part, as a deduction under section 162 or 212 of the Internal Revenue Code;

where the aggregate value of all the gifts, loans, or honorariums described in paragraphs (1), (2), and (3) made by the lobbyist, or by the officers, directors, employees, or legislative agents of the lobbyist, to any individual Member, officer, or employee of Congress exceeds $50 in amount of value.

(c) The requirements of this section shall also apply to any gift or loan of any goods, services, or any other thing of value, including food, lodging, transportation, or entertainment, made during the quarterly period by an officer, director or employee of the lobbyist, or by a legislative agent on behalf of the lobbyist, which exceeds $100 in value.

"(d) The requirements of this section shall also apply to any reception, dinner, or other similar event paid for, in whole or in part, by the lobbyist for Members, officers, or employees of Congress, regardless of the number of persons invited or in attendance, where the total cost of the event exceeds $500;"

(d) This section shall not apply to any loan made on terms and conditions that are no more favorable than available generally, or to any gift or loan to any individual who is an immediate member of the family of the donor or lender, or to any contribution to a candidate as defined in section 431(e) of title 2, United States Code.

Strike line 7 of page 7 of amendment No. 1830 through line 13 of page 9.

Strike line 5 of page 10 of amendment No. 1830 through page 11, line 25.

(Later in the day the following proceedings occurred:)

Mr. JAVITS. Mr. President, I ask unanimous consent that four lines of the lobbying bill be reinserted as part of unprinted amendment No. 32 after line 14. The four lines are:

(3) an organization which, in any quarterly period, engages directly or through a legislative agent in any lobbying solicitations where the total direct expenses of such solicitations is $5,000 or more.

Mr. MUSKIE. Mr. President, I offer this amendment on behalf of myself, Senator JAVITS, Senator BROCK, and Senator CLARK, and I will at this point describe it briefly.

Before I do, may I say I listened with great interest and great respect to the comments of my good friend from Montana, Senator METCALF. I know of his extensive work on this bill in the Committee on Government Operations of which we are both members, and a great deal of the philosophy which he expressed with reference to the objectives and the problems of the disclosure bill I find myself in agreement with.

I think we ought to be careful that in the process of writing the lobbying disclosure law that we do not chill the right of citizens to petition Congress as provided in the Constitution of the United States.

It is not easy to draw that line, and the Senator from Montana has undertaken to refine that line in order to serve both objectives with maximum benefit to the public interest. I want him to understand that I sympathize wholly with his objectives, and I do not suspect his motives at all. As a matter of fact, I honor them completely, and it may be that the formula I am advocating may also be subject to some questions. But may I describe it.

This amendment, Mr. President, hopefully insures that the local affiliates of a lobbyist which carry out the policy or the wishes of that lobbyist would not be required to register and report as a lobbyist unless they make 12 or more in-person contacts with Congress. Therefore, such a local affiliate will not have to register and report regardless of the extent of its lobbying by letters, telegrams, or telephone.

Incidentally, I hope to give a copy to the Senator, and I will get it shortly.

The amendment applies to all organizations whose lobbying practices are directed by a parent organization which is itself a lobbyist. It will apply to national labor unions and their State and local organizations. It will apply to churches and their State and local organizations. The Comptroller General determines that an affiliate qualifies as a controlled local affiliate under this provision.

The parent organization of the controlled affiliate must provide a minimal amount of information about the activities of its affiliates. This information is limited to: First, a description of the affiliate; second, a description of the issues before Congress on which the parent organization asked the affiliate to lobby; and third, a report on any gifts by the affiliate to Congress where the gifts are large enough to meet the reporting requirements applicable to lobbyists themselves.

The amendment will provide Congress and the public with the essential information about the lobbying activities of a controlled local affiliate. But it does so in a way that avoids placing any reporting burden on the local affiliate itself.

The remainder of the compromise amendment is addressed to a number of questions raised during the consideration of this legislation. These include the following:

A clarification of the definition of an oral lobbying communication so as to minimize the number of oral lobbying contacts that will be allocable to an organization which sends several employees to a single meeting with Congress;

An addition to the reporting requirements applicable to gifts to cover large receptions or similar events given by lobbyists for Congress;

An addition to the definition of "direct expenses" so that an organization need not determine what portion of the cost of its regular newsletters is allocable to lobbying when calculating the amount spent by it on lobbying solicitations.

Now, Mr. President, I think all of us who have been here any length of time at all understand that lobbying is done in two ways: By direct contact here in Washington with Members of Congress; and, second, by directing communications from our constituents to bring pressure or influence upon us indirectly. I myself think that the latter kind of lobbying is the most effective in the long run. It is, after all, our constituents to whom we are answerable and accountable, and when a national organization is able to generate that kind of pressure with local affiliates upon Members of Congress I think that ought to be understood. It ought to be understood that that kind of pressure is lobbying in the same way, with the same impact and, perhaps, even greater, than the lobbying which is applied directly to us here in Washington.

It is with that in mind that we tried to phrase this amendment to try to meet some of the legitimate questions which the Senator from Montana has raised while, at the same meeting the broad and, hopefully, even-handed objectives of the bill itself.

At this point I regret I must go to a meeting of the Budget Committee which was called at 10 o'clock to consider the tax bill which is pending, and it is a rather important one, and I apologize for that fact. But I understand that my cosponsors and, indeed, Senator RIBICOFF himself, are ready to address themselves to the language of the amendment, and I hope the Senator from Montana would do so as well.

Mr. RIBICOFF. Mr. President, I ask for the yeas and nays on the Muskie amendment and the Metcalf amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

PRIVILEGE OF THE FLOOR

Mr. MUSKIE. Mr. President, I ask unanimous consent that Alvin From of my staff have the privileges of the floor during the consideration and debate on this measure.

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

Who yields time?

Mr. JAVITS. Mr. President, who has the time?

Mr. METCALF. I am prepared to yield time in just a moment. May I yield myself 1 minute.

Mr. President, the Senator from Maine has made several cogent suggestions. For instance, he has proposed a solution, I think, in his amendment to some of the criticism I have had about the home State exemption.

Some of the other questions that were raised by the Senator from Illinois are raised by the amendment of the Senator from Maine.

I will yield to the Senator from New York in 30 seconds.

However, I have not seen the exact language, where it fits into my amendment, and I will reserve further comment on it until I do have an opportunity to examine it, though right now I respond favorably to many of the comments of the Senator from Maine.

Now I yield to the Senator from New York, if he desires.

Mr. JAVITS. Mr. President, I understand there is time on the amendment, and in order to economize on time, I yield myself 5 minutes of the time.

Mr. METCALF. Very well.

Mr. JAVITS. Mr. President, I think what Senator METCALF has just said is quite characteristic and also very appropriate to the situation.

We on the side of the committee bill have also had to grapple with the Metcalf amendment which came to us rather overnight, as it were, and came in a complete package so that it was not too easy to design the ways in which to amend the Metcalf amendment.

Similarly, Senator METCALF has had his own problem with respect to absorbing so quickly the suggestions which Senator MUSKIE and I and our associates are making.

Mr. President, the group which is backing this bill essentially, having settled itself on problems yesterday respecting lobbying in the executive branch, has sent a letter to the members dated yesterday which deals with our position on Senator METCALF's amendment.

I wish to emphasize that there are no ideological problems betwen us. Senator METCALF believes in a lobbying reform bill, and we do, and an effective one. The difficulty is that we believe Senator METCALF's amendment, in an effort to deal with the problems of union affiliates, to deal with the problem of the Nader and other public interest organizations, excludes critically important elements of the bill which should not be excluded.

Senator RIBICOFF has explained our position very admirably.

We feel that lobbying is an honorable undertaking. We are idea blind as far as lobbying is concerned. In other words, we lobby for what we wish, whether for liberal causes, at least as popularly defined, or conservative causes. We expect the same rules for both, and that is what this really tests.

We feel the proposal opened important loopholes in the bill, for example, the 25 oral communications as against 12 in a quarter, and the fact that on a given number of days a lobbying effort could be concentrated without being subject to the act under Senator METCALF's amendment. Likewise, by taking out the provision which we put in which would bring Ralph Nader—for whom I have great admiration—under this bill, and his organization, we would violate our goal of evenhandedness. We feel that the better way to approach that—and, essentially, this is the difference between the two amendments—is to agglomerate the activities of affiliates and related organizations and require, as it were, a consolidated return.

That is the essence of the amendment which Senator MUSKIE and I presented. Let us say that the principal lobbying organization is a trade union or a trade association, with union locals, and even regional organizations, or a trade association with local trade associations. When the principal organization essentially controls, in lobbying terms, the activities of the local organization, it may agglomerate the totality of the lobbying activities.

The requirements then become very minor in terms of the details of their own activities.

We exclude all telephone contacts, and stick only to the oral in person communications. We also simplify other matters as Senator METCALF has done respecting receptions, dinners, et cetera, and simplify the matter of reporting when many people are involved in a given conference, that would under the original bill proliferate the number of oral communications.

There is no question here about purpose or intent or design or enthusiasm for control respecting public disclosures as to lobbying on both sides. But the essential thrust of Senator METCALF's approach is to so relax the rules as to allow the local organization, which is part of the total national organization, to operate free of the law.

We bring it under the law, but we bring it under by the efficient, we think, way of a consolidated return—to give the analogy to the tax system. The other things are refinements.

We may have a view that a particular luncheon or dinner or reception should be based on a per person basis. I personally would prefer that it be that way, rather than a total of $500, or something like that, because that would only, for example, allow 50 people at $10 a head, which is probably quite impractical.

But the fundamental thrust, we do

not agree on. So, in my judgment, we have to leave it up to the Senate.

Again, just to repeat and end my time, the fundamental thrust being that we propose to agglomerate the information on locals by a report by the principal, lobbying from them, to wit, the head organization.

We, therefore, do not automatically exclude people who do not lobby in Washington. We intend, precisely, to reach everybody who has that kind of dominant lobbying position. That is the essential thrust of ours as contrasted with the kind of tailoring of the proposition that local entities are not included in the law.

I hope very much the Senate will support our position.

Mr. RIBICOFF. Mr. President, I want to take this opportunity to commend Senators MUSKIE, JAVITS, BROCK, and CLARK for their hard work and statesmanlike activities in drafting this amendment to the Metcalf amendment.

It is my feeling that, in doing so, it goes very far toward the problems addressed by the distinguished Senator from Montana. This amendment insures that the controlled local affiliates of a national lobbying organization will not be required to register and report as lobbyists unless they make substantial in person contacts with Congress. Therefore, such local affiliates will not have to register and report regardless of the extent of their lobbying by letters, telegrams, or telephone.

It applies to all organizations whose lobbying practices are directed by a parent organization which is itself a lobbyist. Therefore, it will apply to national labor unions and their State and local organizations, and also many public interest groups and their local and State chapters.

It will also apply to churches and their State and their local organizations. This last question was raised by the distinguished Senator from Rhode Island yesterday.

At the same time, it does eliminate from the Metcalf amendment the provision which would delete the home-district exemption, upon which there was a substantial negative vote on the Hathaway amendment.

As far as I am concerned, I shall vote for the Muskie-Javits-Brock-Clark amendment.

I would hope also that the distinguished Senator from Montana could see fit to accept the Muskie-Javits amendment. This would be a solution to many of the difficulties we now find ourselves facing.

Again my commendation to Senator MUSKIE and Senator JAVITS.

I do want to take this opportunity to give high praise to the distinguished Senator from Montana. Throughout the hearings and the markup of the entire bill his contributions were many, substantial, and important. His imprint can be found throughout S. 2477.

Mr. PERCY. Mr. President, I think possibly Senator METCALF might like to have reactions from both sides of the aisle. That would give him a further opportunity to study the amendment to his own amendment.

Mr. President, the Senator from Illinois, if the Senator from Montana would accept and support this amendment to his amendment, would find the amendment of the Senator from Montana then acceptable. Certainly, the Senator from Montana is attempting to achieve certain objectives which we all share. However, there have been in the course of our colloquy and conversations on the amendments certain problems pointed out which I think overnight we have tried to take into account. I think by a melding of forces we may have arrived at a consensus.

I can assure the Senator from Montana that all of the problems presented by all of the groups which are interested in this are not being resolved. They are not all going to be happy, but there may be an equality of unhappiness that will enable us to move forward to a consensus.

This amendment to the Metcalf amendment addresses the basic problem of burdensome reporting by local affiliates. That is the first point I would like to make.

Second, it retains certain Metcalf provisions which the Senator from Illinois thinks will actually improve the bill.

Third, it does not open major loopholes for hiding extensive lobbying through local affiliates, which the Senator from Illinois is certain is an objective that he shares in common with the Senator from Montana.

I would like to comment on the first problem I saw with the Metcalf amendment, unamended.

It allows national organizations to lobby through local affiliates, no matter how large the affiliate, with no reporting. The amendment to the Metcalf amendment would eliminate the reporting burden on local affiliates so they would not have to register as lobbyists. But critical information with respect to what the locals have been directed to do would be reported.

In other words, the objection raised by the Senator from Illinois is that we would not know what direction had been sent from the Washington-based U.S. Chamber of Commerce or the Washington-based AFL–CIO to its local affiliates. We would not have any sense of what direction they are being given. The Muskie-Javits amendment would correct that problem. So the objection the Senator from Illinois had to the original version would be removed.

Second, the original amendment allowed affiliates and moderately small groups outside of Washington to make unlimited phone calls and lobby on 4 days in Washington, possibly making hundreds of contacts without any disclosure whatsoever. This appeared to be a major loophole to the Senator from Illinois.

The amendment now being offered to the Metcalf amendment applies the same number of in-person contacts as for any other lobbyist before they have to disclose. Locals can make unlimited phone calls but the fact that they have been directed to lobby will be reported. We would be on notice of that, which I think is information that we all want to have available to us.

Third and finally, the original version would exempt an individual such as Ralph Nader from being identified as a lobbyist.

I happen to share with my distinguished colleague from Connecticut and my distinguished colleague from New York an immense admiration for Ralph Nader. I do not care who knows I admire him. I have told business organizations, "You may malign him, but every one of you would hire him at a six-figure salary if you could get him, and you know you cannot get him."

In fact, he did get a six-figure amount from one of our great corporations, General Motors, and he was offered a job by a major organization that I know of and he just did not choose to go that route.

Yesterday, the Senator from Illinois had 80 to 100 mayors from Illinois here in Washington. Secretary Butz addressed the group and so did Mr. Cannon, the executive director of the Domestic Council. Both of them were extraordinarily well received.

The keynote speaker at the outset of the meeting was Ralph Nader. Most of those mayors had only heard of Ralph Nader by reputation. When Ralph Nader spoke to them concerning the Agency for Consumer Advocacy they were almost all converts.

In fact, one of the earliest and toughest questions to the executive director of the Domestic Council was, Why does the administration not support an agency for consumer advocacy after what Ralph Nader had to say about the basic need for it?

So it is not a question of not admiring Ralph Nader. I just want him to get credit for his lobbying. I do not know why he should be exempted. I think he would be one of the first to say, "We do not want a loophole to exempt a lobbyist" such as he is simply because he is a volunteer and chooses to be a volunteer.

There may be someone on the other side whose motivation may be entirely different, who sets himself up in the same way, and could then use that loophole to exempt himself.

The amendment now being offered to the Metcalf amendment would retain the provision of S. 2477 which requires all principal operating officers, including those who qualify as volunteers, to be identified.

I think this is an even-handed approach. It is not aimed at anyone. It is aimed to be an even-handed approach so we do not exclude a major, influential source of lobbying.

As I have said previously, I commend my distinguished colleague from Montana for the major contribution he has made to the bill. Having carefully considered this amendment overnight, the Senator from Illinois would find the amendment of the Senator from Montana entirely acceptable with the modifications that are now being offered with the support of a number of Senators.

Mr. METCALF. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. GARY HART). The Senator will state it.

Mr. METCALF. I would like to ask about the disposition of time on the amendment.

The PRESIDING OFFICER. Time in opposition is in control of the floor manager of the bill.

Mr. METCALF. The floor manager is in support of the amendment.

Mr. RIBICOFF. I would be delighted to yield my time to the Senator from Montana.

The PRESIDING OFFICER. All that time has been used, except for 1 minute.

Mr. METCALF. Again I find myself in the situation described yesterday, that this is an across-the-aisle sort of procedure. How much time have I remaining on my amendments?

The PRESIDING OFFICER. The Senator has 41 minutes remaining.

Mr. RIBICOFF. If the Senator will yield, if the Senator makes a unanimous-consent request for time, I do not believe anyone would oppose.

Mr. METCALF. I still have 41 minutes remaining.

The PRESIDING OFFICER. The Senator would need unanimous consent to use that time on this amendment.

Mr. METCALF. I ask unanimous consent to use 15 minutes of the time that I have on amendment No. 1830 to respond in part to the amendment offered by Senator MUSKIE.

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

Mr. METCALF. As noted by the Senator from New York, I was not able to supply copies of my comprehensive amendment until late yesterday afternoon and not able to get it printed in the RECORD until last night, and the printed amendment was not on Senators' desks until this morning so I can understand that it is difficult to fit a proposed amendment or a compromise amendment in with my amendment. And, of course, I have the same difficulty. I still have not seen the language of the Muskie amendment. However, I have been provided with Senator MUSKIE'S analysis of the amendment, and I have been provided with the description of the amendment that has been so eloquently set forth by the Senator from Connecticut, the Senator from Illinois, and the Senator from New York.

As I glance over this analysis, I have some questions. First, it would seem to me that this amendment would require each national organization and the locals of such a national organization to secure advisory opinions each year as to whether or not they were covered. For example, when the League of Women Voters told me that they were in opposition to the bill unless it was amended, it was suggested that they had 1,400 State and local leaders. I do not know how many labor unions there are, but there are thousands of local labor unions in the United States. The U.S. Chamber of Commerce says there are 2,700 State and local Chambers of Commerce.

Does the language require—and I will direct my inquiry to anyone who can respond—does the language require an annual determination or an advisory opinion as to which is a covered affiliate and which is not, and would the League of Women Voters have to go out and find out which of their State and local leagues were covered?

Mr. JAVITS. Well, as a practical matter, if the Senator will yield to me, the way in which lobbying organizations are organized is subject to continuing review by the organizations themselves. I would say it would only require an opinion if there were some major change relating to the formal relationships in any organization, but in the absence of a major organizational change, the same relationship would continue throughout, so that if a trade union were reorganized with some new relationship between the international and the locals, then they would have to decide again, you know, whether or not they still had the same status they had before. But in the absence of any basic change relating to its charter or constitution it would certainly be the opinion of the proponents of the legislation that no new determination would be necessary.

Mr. METCALF. What is the basic impact upon such groups as chambers of commerce, the dioceses of the Catholic Church, and so forth, where the parent organization does not claim control over the affiliate?

Mr. JAVITS. Will the Senator yield?

Mr. METCALF. I yield.

Mr. JAVITS. It is my construction of the amendment that where the parent organization animates the controlled affiliate to lobby for a certain issue, then the parent organization is responsible for reporting regarding that lobbying activity.

An organization such as a diocese would qualify or not qualify depending on the terms of the law. But where, say, the Chamber of Commerce of the United States or the National Catholic Welfare Conference sends out a broadside, let us say, saying "It is very wrong to revise title 20 of the Social Security Act in this way," then the parent must undertake to report that on its own report because the affiliate was engaged in it at its request. The Muskie-Javits proposal goes directly to that situation. Where a local lobbies on an issue at the request of the parent, the latter reports the activity.

That is my interpretation. I might turn to Senator RIBICOFF just to make sure we are on the same wavelength.

Mr. RIBICOFF. A parent organization involved in lobbying, may ask its controlled local affiliates across the country to do some lobbying also. When the parent organization does so, it must say on its own reporting form that it so asked particular affiliates in Connecticut, New York, Illinois, and Rhode Island to work on a specific issue. The affiliate has no burden or duty to register or file itself.

As I understand, this was the problem that also caused the Senator from Montana, when he offered his amendment, to avoid placing the reporting burden on the affiliates. Such an affiliate might have to register were it not for the amendment of the Senator from Montana.

I think that what has been achieved by the Muskie-Javits approach is to exempt local affiliates that lobby on issues in response to a request from the parent organization.

Mr. JAVITS. Mr. President, will the Senator yield to me again?

Mr. RIBICOFF. I yield.

Mr. JAVITS. We think that the Senator has put his finger on an important point, and we are prepared to amend our substitute, or whatever it is technically called, to provide that the Comptroller General may be asked for a determination on this issue at any time by any organization, and he is obliged to issue his decision on that subject within 30 days of the request.

We think that will regularize the practice, and not leave people in doubt. But I have described to the Senator how the amendment will work.

Mr. RIBICOFF. The Senator is absolutely correct. If you have, for example, the AFL–CIO, which has many local affiliates across the Nation, it would go in to the Comptroller General and give him its list—or its IBM printout, or whatever I am sure it has which lists its affiliates, and say, "These are our affiliates which from time to time we have to get involved with certain types of legislation." The Comptroller General would then rule that these were controlled affiliates, and that would be that. If affiliates were dropped or added, the AFL–CIO would give an amended list to the Comptroller General. The amendment the distinguished Senator from New York would like to put in, would require the Comptroller General within 30 days of any request to rule on whether the affiliates qualified as controlled affiliates.

Mr. METCALF. I ask the Senator from New York, when he does get an amendment before the Senate for consideration, it will be amended as the Senator suggests?

Mr. JAVITS. Exactly. I have 3 minutes left, and I will ask for consideration of the modification.

Mr. METCALF. Mr. President, I have a problem about gifts. What happens back in our home districts when some local group gives a banquet or a reception, or something such as that? That would qualify under my amendment but would not qualify under the Senator's amendment as a gift.

Mr. JAVITS. Will the Senator yield?

Mr. METCALF. Surely.

Mr. JAVITS. If that particular local is tied into a national lobbying effort—and I have already defined that—then the way this would read, they would just change it according to what I mentioned to the Senator before.

I shall read it again exactly as it will read: I think it covers the situation excatly and will not affect locals, I might say.

> The requirements of this section shall also apply to any reception, dinner, or other similar event paid for, in whole or in part, by the lobbyist for members, officers, or employees of Congress, where the total cost of the event exceeds $500.

In other words, what I am trying to confine it to is the classic reception for Members of Congress, and we left out all the other verbage. That is highly unlikely in a local area. That is a Washington proposition.

Mr. RIBICOFF. I agree. I think the problem with the amendment of the Senator from Montana is that it applies not only to affiliates but also to any organization whether or not they are

lobbyists or affiliated with lobbyists. I believe the Muskie-Javits proposal applies to gifts by controlled affiliates only. So if a local affiliate in New York, Chicago, Hartford, or Butte gave a reception, they would be excluded and exempt as a lobbyist but the parent might have to report the reception; an organization that was not an affiliate, that was a completely independent organization. They would not have to report gifts unless they qualified separately as a lobbyist.

Mr. METCALF. Under this amendment what would happen to those small organizations that are not affiliated with anyone?

Mr. RIBICOFF. There is no reporting requirement for gifts at all, unless the organization is a lobbyist in its own right. Is the Senator talking about an independent organization that just lobbies by giving a reception for its home-State Congressman or Senators?

Mr. METCALF. Yes.

Mr. RIBICOFF. They would be exempt.

Mr. METCALF. Completely.

Mr. RIBICOFF. Yes, they would be exempt completely. Even if the organization that gives the reception is a controlled affiliate, and local affiliates often give such receptions during annual labor conventions, the parent organization would not be required to report on the reception of the local, unless the reception was one for Members of Congress.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. METCALF. I yield.

Mr. JAVITS. That is why I streamlined the language. We want to confine it to the classic reception for Members of Congress, employees, et cetera. That is why I eliminated the words "regardless of who attends," and so on. We understand that, and it does not include the local reception where the local Congressman or the local Senator is invited in to say hello.

We do not want to get confused. That is why I left it $500 for the event where it is a congressional reception as classically defined.

Mr. METCALF. I want the Senate to appreciate that the Senator from Montana, the Senator from Maine, the Senator from New York, and the Senator from Connecticut, in these amendments and series of questions are trying to realize the same objectives—to simplify, streamline the bill, and give an opportunity for local affiliates to participate without burdensome and reporting requirements, and let the major nationally based parent organizations report on their behalf.

The questions that I have propounded have been answered, I think, to clarify some of the language whenever we get it. If I have any time left, I would like to ask the Senator from Connecticut, as a floor manager of the bill, if he concurrs with the Senator from Illinois that if this series of amendments is agreed to then he will agree to my amendment to the bill?

Mr. RIBICOFF. If the distinguished Senator from Montana will accept the Muskie-Javits amendment, then I would accept the Metcalf amendment as amended by the Muskie-Javits amendment.

Mr. PERCY. The Senator from Illinois has so indicated also.

Mr. METCALF. It is very difficult for me, and I am as much at fault as anyone, but it is very difficult for me to accept an amendment that I have not been able to work into the exact language of the bill. But as I hear the arguments of my very respected and distinguished friends on this bill and the men whom I respect and have worked with in developing this bill, it would seem to me that we tried to realize some of the same targets, and I am inclined to accept the amendment, Mr. President, with the modifications that the Senator from New York has described that will be worked into the legislation.

The PRESIDING OFFICER. The 15 minutes of time of the Senator from Montana has expired.

Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. The Senator from New York has 3 minutes.

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

MODIFIED AMENDMENT

Mr. President, I ask unanimous consent that the modification I send to the desk of the amendment on the desk now before the Senate be substituted for the amendment on the desk.

It makes three changes. First, it corrects paragraphing and pagination which in haste we missed on some parts. Second, it deals with the question of receptions, et cetera, and strikes out the words "regardless of the number of persons invited or in attendance" at page 10 of the amendment. Third, it inserts the language respecting the Comptroller General's obligation to give an opinion within 30 days after submission of a request on the definition of an affiliate.

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

Mr. JAVITS. I thank the Chair.

The modified amendment is as follows:

On page 1 of amendment No. 1830 strike lines 4 through page 3, line 5 and insert in lieu thereof:

(2) an organization, other than an organization described in subsection (f) of this section which engages on its own behalf, or on behalf of its members, in twelve or more oral lobbying communications in any quarterly period, acting through its own paid officers, paid directors, or paid employees. For purposes of determining whether any organization is a lobbyist under this paragraph, there shall be excluded any communication with a Member of Congress, or an individual on the personal staff of such Member, representing the State, or the congressional district within the State, in which such organization has its principal place of business, and, further, there shall be excluded any communication initiated by Congress whereby the organization provides information or opinions to Congress solely at the request of Congress; or

"(f) Any organization that would otherwise be a lobbyist solely as a result of this paragraph 3 of this section shall not be a lobbyist for purposes of this Act if

(i) the Comptroller General determines that the organization is a controlled local affiliate of a parent voluntary membership organization. The Comptroller General shall not designate any organization a controlled local affiliate if he determines that it is the intent of the parent organization to use such a designation as a means to evade, in whole or in part, the requirements of this Act; the Comptroller General shall issue any such determination no later than 30 days following the submission of a request for such determination;

(ii) the paid officers, paid directors, and paid employees of the controlled local affiliate engage in less than 12 in person oral lobbying communications in the quarter; and

(iii) the parent voluntary membership organization is a lobbyist which includes on its quarterly report all the information on the lobbying activities of the controlled local affiliate described in subsection (g) of this section.

"(g) A parent voluntary membership organization may also provide the following additional information about the lobbying activities of any of its controlled local affiliates described in subsection (f) of Section 3 of the Act:

(1) the identity of the affiliate and the approximate number of individuals who are members of that affiliate, and the approximate number of organizations which are members of the affiliate;

(2) a description of each issue in connection with which the lobbyist urged, requested, or required the affiliate to engage in one or more lobbying communications or solicitations; and

(3) a report of any gifts by the affiliate or its officers, directors, or employees, which the affiliate would otherwise be required as a lobbyist to report pursuant to Section 7."

"(1) For purposes of subsection (g) "controlled local affiliate" means a local voluntary membership organization whose lobbying activities and policies are, either by formal agreement, or by practice, subject to the control of a parent voluntary membership organization with whom the affiliate is related through bylaws, charters or similar agreements. In determining whether an organization is a controlled local affiliate the Comptroller General shall consider, among other factors, whether the parent may control what position the affiliate may take on an issue before Congress, and whether the parent may require the affiliate to engage, or not to engage, in particular lobbying communications or solicitations."

Strike page 3, line 9 of amendment No. 1830 through line 7 on page 6.

Strike line 10 of page 6 of amendment No. 1830 through line 13 of page 9 and insert in lieu thereof:

honorarium and a description of the gift, loan, or honorarium and its amount or value, except that in the case of a gift described in subsection (d) the recipients need not be named individually, but may be described by appropriate categories."

(b) The requirements of this section shall apply—

(1) to any gift or loan of money, or any honorarium, made during the quarterly period by the lobbyist, by any officer, director, or employee of the lobbyist, or by any legislative agent on behalf of the lobbyist, which exceeds $10 in amount;

(2) to any gift or loan of any goods, services, or any other thing of value made during the quarterly period, by the lobbyist, or by a legislative agent on behalf of the lobbyist, including food, lodging, transportation or entertainment, which exceeds $10 in value;

(3) to any gift or loan of any goods, services, or any other thing of value made during the quarterly period by any officer, director, or employee of the lobbyist or by a legislative agent on behalf of the lobbyist, which exceeds $10 in value and which the officer, director, employee, or legislative agent has taken or will take, in whole or in part, as

a deduction under section 162 or 212 of the Internal Revenue Code;

where the aggregate value of all the gifts, loans, or honorariums described in paragraphs (1), (2), and (3) made by the lobbyist, or by the officers, directors, employees, or legislative agents of the lobbyist, to any individual Member, officer, or employee of Congress exceeds $50 in amount or value.

(c) The requirements of this section shall also apply to any gift or loan of any goods, services, or any other thing of value, including food, lodging, transportation, or entertainment, made during the quarterly period by an officer, director or employee of the lobbyist, or by a legislative agent on behalf of the lobbyist, which exceeds $100 in value.

"(d) The requirements of this section shall also apply to any reception, dinner, or other similar event paid for, in whole or in part, by the lobbyist for Members, officers, or employees of Congress, where the total cost of the event exceeds $500;"

(e) This section shall not apply to any loan made on terms and conditions that are no more favorable than available generally, or to any gift or loan to any individual who is an immediate member of the family of the donor or lender, or to any contribution to a candidate as defined in section 431(e) of title 2, United States Code.

Strike line 7 of page 7 of Amendment No. 1830 through line 13 of page 9.

Strike line 10 of page 10 of Amendment No. 1830 through page 11, line 25.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. I yield a minute to the Senator if he wants it.

ORDER VACATING ROLLCALL VOTE

Mr. RIBICOFF. If the Senator from Montana will accept the Muskie-Javits amendment, then I would ask unanimous consent that the rollcall be dispensed with.

Mr. METCALF. If the Senator from Connecticut wants to ask unanimous consent to vacate the rollcall on the Muskie amendment, I am willing to have it put to a voice vote.

The PRESIDING OFFICER. There is 1 minute remaining.

Mr. JAVITS. I yield back the minute.

The PRESIDING OFFICER. The time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. METCALF. Mr. President, having agreed to my amendment, as amended, I am prepared to yield back the remainder of my time and again ask that the rollcall be vacated and put it to a voice vote.

The PRESIDING OFFICER. Is all time yielded back?

Mr. RIBICOFF. I yield back the remainder of my time.

The PRESIDING OFFICER. Is there objection to vacating the yeas and nays? Without objection, it is so ordered.

The question is on agreeing to the amendment, as amended.

The amendment, as amended, was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RIBICOFF. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RIBICOFF. Third reading.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Does the Senator from Illinois yield back his time on the bill?

Mr. JAVITS. Mr. President, is it permissible to suggest the absence of a quorum at this moment?

The PRESIDING OFFICER. There are 15 minutes remaining on the bill, to the Senator from Illinois.

Mr. JAVITS. Mr. President, I ask unanimous consent that a quorum call may be in order, without the time being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

LOBBY REFORM LONG OVERDUE

Mr. WEICKER. Mr. President, concern of the Congress with the pressures which may influence congressional decisions and legislation is neither new nor unique. For more than 100 years, Congress has grappled with the question of how to best serve the public's right to know about lobby activities while, at the same time, balancing the constitutional rights of citizens to associate with others and to petition their government for a redress of grievances.

The 1946 lobby law has been studied and examined on no less that 12 separate occassions by special, joint or select committees of the Congress since the 1954 Supreme Court decision in United States against Harriss rendered major portions of that law unconstitutional. Witnesses before the Government Operations Committee were virtually unanimous in declaring the current law vague, ineffective and unenforceable.

The requirements of the current law are so vague that organizations which do file reporting statements often file incomplete information. In April 1975, General Accounting Office study concluded that 48 percent of the reports filed in accordance with the 1946 act are incomplete. The major portions of the incomplete statements related to the financial information required to be disclosed. Nevertheless, the present authorities that are custodians of these documents do not return incomplete forms for further information unless the report itself is improperly notorized or unsigned. The reason for this lack of follow-up in examination of these statements is that the 1946 act is vague and ambiguous in the area of enforcement. No agency of the Federal Government is given clear responsibility and adequate investigatory powers to enforce compliance with the act.

S. 2477 which is before the Senate today is the product of literally years of study and past congressional concern in this area. Under the direction of its distinguished chairman (Mr. RIBICOFF), the Government Operations Committee labored to write a clear and precise law which balances the public's right to know with the overriding right to petition its government. S. 2477 is an effort to close the loopholes in present law and achieve a law which is balanced and perhaps most importantly, enforceable.

A major portion of the bill before us is devoted to the definition of the term "lobbyist." A lobbyist is an organization, not an individual. The term "lobbyist" is additionally keyed to the amount of money spent in the course of activities to influence legislative decisions and the number of times a lobbying communication is made. A lobbyist is an organization which engages in lobbying activities through paid individuals, through paid officers, directors or employees, or a lobbyist can be an organization which solicits others to lobby. Voluntary members of public interest groups or trade associations are guaranteed their right to free association and to petition their government. Their activities will not be separately reported under this bill. Furthermore, an organization under this legislation will not become a lobbyist simply because it exercises its rights to petition or communicate with Members of Congress from their own States.

Most importantly, S. 2477 establishes a responsibility with the Government Accounting Office to administer the provisions of the act. The GAO is charged with the responsibility to promulgate rules and regulations, to adopt the necessary forms and procedures to carry out the bill's purpose and to investigate any violations of the act, and to issue advisory opinions.

Mr. President, it is my belief that S. 2477, the Lobby Reform and Disclosure Act, offers the Senate balanced, enforceable legislation. The public and Members of Congress will be given the facts by which to judge the pressures which may influence our decisions. The lobby organizations themselves will be given a law which is clear and concise as to intent, definition, and reporting requirements. The passage of this legislation will remove the ambiguity under which all lobby organizations have had to report the extent of their activities.

Furthermore, there are no exceptions to the legislation. No single group of organizations is left out. This was intentional because, in order to write a balanced bill, we felt it necessary to write a fair bill. The test of what organization is and what organization is not a lobbyist is left to the test of how much each organization spends and how many times an organization may contact Congress in order to spread its influence, not

what its philosophical or ideological bent may be.

Mr. President, the merits of this legislation lay in equal treatment under the law of all organizations—labor, business, and public interest groups alike. For this reason, I urge that the Senate adopt S. 2477.

Mr. DOLE. Mr. President, I voted to recommit S. 2477 last night because it was clear to me that even if we reached a near consensus, the bill would be fraught with so many deficiencies that the end product would make a mockery of its label, "to provide more effective disclosure * * * of lobbying activities."

Although our adoption a few minutes ago of the Muskie-Javits compromise to the Metcalf amendment was represented to be the solution we were seeking to the confusion and concern surrounding this legislation, I have serious doubts that any real improvement has been made. It is only with great reservation, therefore, that I am supporting the measure on final passage.

My reason for taking this position, Mr. President, is that in principle I wholeheartedly agree with the expressed "reform" objectives of the overall bill—and that is the basis upon which its merits are evaluated. In substance, however, I am afraid the proposal really does very little to achieve those goals in a fair, complete, rational, and meaningful way.

In this regard, I would just point out the more prominent flaws in the whole approach which S. 2477 takes, namely that "lobbying" itself is somehow suspect and that only money influences legislation. The first is illustrated by the philosophy underlying the legislation that we need to "crack down" and "expose" those who influence Members of Congress, and the second by the fact that only those organizations which pay their lobbyists are required to report.

Personally, Mr. President, I am opposed to anything which will have a chilling effect on communications with elected officials because I think that is one of our best means of determining the consequences of matters which we consider. I only hope that the broad-based concerns we have been hearing about this particular bill have for the most part been accommodated—and that it will not itself serve ultimately to discourage lobbying activities.

I am also opposed to the idea of granting exemptions to groups and organizations which, though volunteer in nature, have an enormous impact on Capitol Hill decisionmaking. It seems that throughout this bill—in both the definition and reporting sections—the language refers only to paid officers, paid directors, and paid employees.

It is somewhat reassuring, I suppose, that Ralph Nader—as a "chief executive officer or principal operating officer" of a lobbyist group will be required to file reports. But what about all those "volunteers" who work for Mr. Nader and act in his name?

I have wrestled with the first amendment considerations of including such individuals in the registration and reporting requirements of this legislation, and initially concluded that real constitutional questions could be presented. On the other hand, when those unpaid staff members are actually speaking on behalf of Common Cause or Public Citizen—and not just themselves—are they actually any different from a paid representative?

Since we are not, after all, really restricting anyone's freedom of speech—only asking it to be made public—perhaps those observations are moot. In any event, I have a great deal of difficulty in reconciling the misconception that the only accountability necessary to demonstrate where the power bases are in Washington is that dealing with directly financed persuasion.

Again, if the purpose of this measure is to bring out into the open all significant attempts to exert influence on Members of Congress, then why should even volunteers for organizations engaged in lobbying be excluded from it registration and reporting requirements? The effect is the same whether a person is paid $50,000 a year or nothing, since a volunteer performs the same function and does so in the same manner as a paid lobbyist.

Mr. President, while my lack of enthusiasm for this measure is apparent, I do want to reiterate my concurrence with the "public's right to know" concept which it embodies. Honest, responsible lobbying is an important part of our lawmaking process, and to the extent that S. 2477 recognizes that fact—and seeks to balance it against the abuses which may have occurred in the past—I give it my support.

If, by this bill, we are only requiring what has been and will continue going on with respect to legislative policymaking to be fully disclosed, then I will look back on my vote as the better of mixed judgments. If, to the contrary, we find ourselves 5 years from now wondering what we did in 1976 to undermine one of our most democratic of all institutions and create a maze of unnecessary paperwork, I will view with regret my role in bringing it about.

Mr. President, to point up some of the ironies and inconsistencies in our effort to monitor and control the lobbying "business," I ask unanimous consent to have printed in the RECORD an article appearing in last Sunday's Washington Star. It provides, I believe, a most provocative insight into the operations of some of our more influential public interest lobbying groups.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star, June 13, 1976]

FREEDOM OF INFORMATION IS NOT FOR RALPH NADER

(By David Sanford)

David Sanford, as a young reporter, caught the detective who was tailing Ralph Nader for General Motors. The incident helped propel Nader to national prominence.

Sanford explains in his new book that he became Nader's friend and editor, but gradually developed reservations about Nader's methods and work. They became antagonists—to the point where Nader refused to answer questions for the book, Sanford says. Sanford now is managing editor of The New Republic.

This article is excerpted, by permission, from David Sanford's Me & Ralph: Is Nader Unsafe for America?, to be published next month by The New Republic Book Co. Copyright 1976 by David Sanford.

"Information," Ralph Nader has written, "is the currency of democracy. Nobody understands this better than the omnipresent corporate lobbyists in Washington who work daily to keep control of crucial information and deny it to the citizenry. Behind every scandal coming out of Washington, from the misuse of campaign contributions to the big grain deal, there was involved suppression of information which the public had a right to have."

The Committee to Re-elect the President, it will be recalled, refused for a time to list donors to the Nixon 1972 campaign whose contributions came in before the effective date of a new federal law (supported by Nader requiring disclosure of contributors' names. Ultimately, the courts forced a public listing, but the president's campaign committee maintained resolutely throughout the controversy that it would not be fair to divulge names of contributors who had been promised anonymity.

In 1972, when it became known that Nader's fund-raising unit, which he calls Public Citizen Inc., had raised over a million dollars—in contributions ranging from a dollar to $5000—through an advertising and direct-mail campaign, The New York Times ran a short Associated Press story about it. The writer of the dispatch had asked an unnamed Nader spokesman the obvious question that would occur to anyone who wanted to do more than to rewrite a press release. Where did the money come from? That is, who were the largest contributors?

Nader's spokesman came out sounding like Maurice Stans and CREEP. He wouldn't tell, he said, before first getting the permission of the donors.

Nader was influential in the passage of the Freedom of Information Act, which establishes the public's right of access to the business of government. And one of his organizations, The Press Information Center, assisted reporters in filing suits under the act to obtain information.

In his syndicated newspaper column Nader praised new regulations in Missouri that he believed would have the effect of eliminating hanky panky between officials and companies doing business with the state. The Missouri Public Service Commission had ruled that utilities and the trucking companies that agency regulates would have to submit monthly reports of all gratuities given or received and, to quote the regulation, "any and all contacts in person, oral or written, concerning or bearing on Missouri PSC business." The listing had to include the date, time, and purpose of the contacts. Nader wrote that if the federal government adopted such requirements for its business, "'the secret contacts between ITT and the Justice Department . . . would have been made public, or in anticipation of such, would not have been made." Nader recommended the Missouri rules to other states and thought the disclosure requirements would work "if there is full compliance." That is, they would work if they would work.

But would they? It is silly to think, as Nader apparently does, that a rule requiring officials to detail all phone calls, meetings, and other human intercourse would have a preventive effect on those who are up to no good. Grafters in government and business would simply not be honest. Conscientious bureaucrats, on the other hand, would be saddled with the paperwork and the indignity.

Later, when it was proposed in Congress that lobbyists be required to report the names of persons they contact and the subjects of conversations, Nader joined the Chamber of

Commerce in opposing the reform. Public Citizen, it seems, employs registered lobbyists. The reform, Public Citizen claimed, would result in too much paperwork and would not add to the public's knowledge of how government operates. When it serves his purposes, Nader is all too ready to denounce his own logic.

Nader, furthermore, makes a careful, self-serving distinction between the sorts of information bureaucrats must publish and that which must be rendered up by private individuals like himself. Though he raises money and needs public trust, he wants to keep his enemies guessing about his financial resources and his plans. Nader is the most powerful nonelected politician in America. His work bears on the public interest. Yet he is not subject to, nor does he welcome, the kind of scrutiny he would impose on others. He certainly is not willing to post in a public place a list of his contacts and the substances of his conversations.

MELVIN LAIRD. I don't know how you get along on $5,000 a year.

RALPH NADER. I don't have an automobile.

If it's true that Nader plows back all but $5,000 of his large personal earnings into good works, then he has no resources for conspicuous consumption. And he's not about to indulge in any personal financial disclosure of the sort he would force on elected officials. As Robert Buckhorn put it, "Nader is testy about his private income . . . Like his rooming house, his love life, and his family, he feels strongly that this is not a matter for public concern."

A loss of privacy is the price public figures pay for fame and power, and Nader has discussed his for publication with so many writers that it's a wonder he has any privacy left.

What exactly happens to the rest of the quarter of a million dollars a year that Ralph Nader personally earns, after he takes what he needs for his spartan existence? The bulk of his earnings must go directly into: 1. good works; 2. the mattress; or 3. investments.

I have always been very curious to know what Nader the corporate critic considers a good investment. And I've often suggested to other reporters that they take an interest in what Nader actually does with the 90 or 95 per cent of his personal income that he loosely claims to plow back. Joseph Lelyveld of The New York Times was the first reporter I know of to have extracted from Nader the admission that he plays the stock market and that he does it without much regard to the corporate responsibility of the companies he invests in. In his Times piece, published Nov. 24, 1975, Lelyveld wrote:

"Mr. Nader has never divulged his income but the most recent of the five books written about him . . . estimates it at $250,000. Reviewing that book in The New Republic, the magazine's managing editor, David Sanford, implied that Mr. Nader's assertion that the money was used almost wholly to support his causes should not be taken at face value.

"Mr. Nader readily acknowledges that he has a broker who invests his funds in certificates of deposit, Treasury notes and corporate stocks, possibly including those of companies he has assailed. 'You can't transcend the system,' he explains, 'It's all interlocked. Instead of buying US Steel, I can buy a CD from Morgan Guaranty. But if Morgan Guaranty turns around and lends the money to US Steel, what do I do?' What matters, he insists, is that he is increasing his income for public-interest causes, and that more than 90 per cent of it goes to those causes every year."

So it is that as corporations Nader attacks get richer, so does Nader. Lelyveld, in the *Times*, proceeded to say that "in 1971, when his personal income proved inadequate to cover his expanding operations, he set up a formal fund-raising mechanism called Public Citizen, Inc." Public Citizen's biggest problem is that in its first four and a half years of existence it was never able to raise much more than a million dollars annually in contributions. That remained true even as Nader spent more and more of the money raised for mailing lists, postage, printing, and such. According to published accounts he spends about 30 per cent of the cash that comes in on fund-raising itself.

As one must in the case of any charitable organization, the donor to Public Citizen has to decide for himself whether money is being used well or whether too much of what is given sets eaten up in the fund-raising bureaucracy. Nader, in his first annual report for Public Citizen, stressed the efforts made to keep costs low:

"In the year ending May 31, 1972, more than 62,000 people contributed $1,101,810.70 to Public Citizen. The direct expenses of advertising and mail costs amounted to $303,593.46. These services are unobtainable except at prevailing costs, although volunteer help was used whenever possible . . . The only administrative expenses were office, rental, supplies, telephone, and the salary of one staff person to do the essential work of supervising the mailing of these appeals, handling the replies, and keeping the office functioning. Public Citizen spent a total of $10,236.64 for these general administrative activities. That expenses could be kept so low is due partly to the dedicated efforts of many volunteers, who spent week after week doing the routine jobs of opening and sorting mail, tabulating contributions, and answering inquiries. The services of these public-spirited people . . . saved thousands of dollars."

According to Lelyveld, by 1975 Nader was having to mail out four times as many solicitation letters as he had to send four years before to raise the same amount of money.

If all this sounds as if times are tough for Public Citizen, that may be the impression Nader wants to convey. Certainly, he doesn't want anybody to think that too much money is wasted on raising money. But what of the money that is left after expenses have been paid The annual reports go into great detail about how much of the contributed money is disbursed to one or another Nader cause: for example, a $10,000 grant to the Center for Women Policy Studies, and a $9,500 grant to the Small Claims Study Group, $125,000 to the Health Research Group, $75,000 to the Public Citizen Litigation Group, and so on.

But the annual reports I've seen, while listing the contributions to Public Citizen down to the last penny, say not one word about a very interesting fact: After all the expenses and grants and disbursements, Public Citizen has ended every year with hundreds of thousands of dollars left over unspent. Indeed, it is getting richer and richer with every passing year.

The punctiliously detailed annual reports omit mention of Public Citizen's unspent wealth, but its tax returns (form 990) available for public inspection at the Internal Revenue Service tell a different story. Public Citizen started its fund-raising in mid-1971, and by the beginning of 1972 it had a net worth of $411,419.08 in the form of funds invested for the most part in certificates of deposit. At the end of 1972 Public Citizen had $751,997.97 in retained funds. In one calendar year the Nader operation had taken in a little more than $340,000 more than it spent.

Likewise, in 1973 Public Citizen raised much more than it disbursed, $313,252.04 more, so that by year's end retained funds equaled $1,059,028.50. The process continued in 1974. That year the excess or receipts over expenses and disbursements was $210,-790. Public Citizen's net worth on the last day of 1974 had reached $1.3 million. In each of the years for which I have seen tax returns the majority of the holdings of Public Citizen were invested in certificates of deposit. Small amounts of money were kept in cash or bank accounts. In 1974 the Public Citizen portfolio acquired stock in two companies, the Tremco Manufacturing Co. and the Warner-Lambert Company, which makes Listerine.

If Ralph Nader would speak to me, which he won't, I'd ask him why with so much urgent public business in need of doing, Public Citizen is amassing these riches and why Nader does not confide in contributors that he's keeping so much of their money in the bank.

Mr. PERCY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

The bill having been read a third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. McCLELLAN (after having voted in the negative). On this vote, I have a pair with the distinguished majority leader (Mr. MANSFIELD). If he were present and voting, he would vote yea; I have voted nay. Therefore, I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Virginia (Mr. HARRY F. BYRD, Jr.), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. MAGNUSON), and the Senator from Montana (Mr. MANSFIELD) are necessarily absent.

I also announce that the Senator from Missouri (Mr. SYMINGTON) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER), and the Senator from Kansas (Mr. PEARSON) are necessarily absent.

I also announce that the Senator from New York (Mr. BUCKLEY) is absent on official business.

I further announce that, if present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The result was announced—yeas 82, nays 9, as follows:

[Rollcall Vote No. 288 Leg.]

YEAS—82

Abourezk	Garn	Moss
Allen	Glenn	Muskie
Baker	Gravel	Nelson
Bartlett	Griffin	Nunn
Bayh	Hart, Gary	Packwood
Beall	Hart, Philip A.	Pastore
Bellmon	Haskell	Pell
Bentsen	Hatfield	Percy
Biden	Helms	Proxmire
Brock	Hollings	Randolph
Brooke	Huddleston	Ribicoff
Bumpers	Humphrey	Roth
Burdick	Inouye	Schweiker
Byrd, Robert C.	Jackson	Scott, Hugh
Cannon	Javits	Sparkman
Case	Johnston	Stafford
Chiles	Kennedy	Stennis
Church	Laxalt	Stevens
Clark	Leahy	Stevenson
Cranston	Long	Stone
Culver	Mathias	Taft
Dole	McGee	Talmadge
Domenici	McGovern	Tunney
Durkin	McIntyre	Weicker
Eagleton	Metcalf	Williams
Eastland	Mondale	Young
Fong	Montoya	
Ford	Morgan	

NAYS—9

Curtis	Hruska	Thurmond
Fannin	McClure	Tower
Hansen	Scott,	
Hathaway	William L.	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mr. McClellan, against.

NOT VOTING—8

Buckley	Goldwater	Mansfield
Byrd, Harry F., Jr.	Hartke	Pearson
	Magnuson	Symington

So the bill (S. 2477), as amended, was passed, as follows:

S. 2477

That this Act may be cited as the "Lobbying Disclosure Act of 1976".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds—

(1) that the enhancement of responsible representative government requires that the fullest opportunity be afforded to the people of the United States to exercise their constitutional right to petition their Government for a redress of grievances, to express their opinions freely to their Government, and to provide information to their Government; and

(2) that the identity and extent of the activities of organizations which pay others, or engage on their own behalf, in certain efforts to influence an issue before Congress or the executive branch should be publicly and timely disclosed in order to provide the Congress, the executive branch, and all members of the public with a fuller understanding of the nature and source of such activities.

(b) It is the purpose of this Act to provide for the disclosure to the Congress, the executive branch, and to all members of the public of such efforts without interfering with the right to petition the Government for a redress of grievances, and with other constitutional rights.

DEFINITION OF A LOBBYIST

SEC. 3. (a) As used in this Act, the term "lobbyist" means—

(1) an organization which pays any legislative agent an income of $250 or more in any quarterly period, other than payment or reimbursement for personal travel expenses, to engage in one or more lobbying communications; or

(2) an organization, other than an organization described in subsection (b) of the section which engages on its own behalf, or on behalf of its members, in twelve or more oral lobbying communications in any quarterly period, acting through its own paid officers, paid directors, or paid employees. For purposes of determining whether any organization is a lobbyist under this paragraph, there shall be excluded any communication with a Member of Congress, or an individual on the personal staff of such Member, representing the State, or the congressional district within the State, in which such organization has its principal place of business, and, further, there shall be excluded any communication initiated by Congress or the executive branch whereby the organization provides information or opinions to Congress or the executive branch solely at the request of Congress or the executive branch; or

(3) an organization which, in any quarterly period, engages directly or through a legislative agent in any lobbying solicitations where the total direct expenses of such solicitations is $5,000 or more.

"(b) Any organization that would otherwise be a lobbyist solely as a result of paragraph 3(a)(2) of this section shall not be a lobbyist for purposes of this Act of—

(i) the Comptroller General determines that the organization is a controlled local affiliate of a parent voluntary membership organization. The Comptroller General shall not designate any organization a controlled local affiliate if he determines that it is the intent of the parent organization to use such a designation as a means to evade, in whole or in part, the requirements of this Act the Comptroller General shall issue any such determination no later than thirty days following the submission of a request for such determination;

(ii) the paid officers, paid directors, and paid employees of the controlled local affiliate engage in less than twelve in person oral lobbying communications in the quarter; and

(iii) the parent voluntary membership organization is a lobbyist which includes on its quarterly report all the information on the lobbying activities of the controlled local affiliate described in subsection (c) of this section.

"(c) A parent voluntary membership organization may also provide the following additional information about the lobbying activities of any of its controlled local affiliates described in subsection (b) of section 3 of the Act:

(1) the identity of the affiliate and the approximate number of individuals who are members of that affiliate, and the approximate number of organizations which are members of that affiliate;

(2) a description of each issue in connection with which the lobbyist urged, requested, or required the affiliate to engage in one or more lobbying communications or solicitations; and

(3) a report of any gifts by the affiliate or its officers, directors, or employees, which the affiliate would otherwise be required as a lobbyist to report pursuant to section 7.

(d) For purposes of subsection (b) "controlled local affiliate" means a local voluntary membership organization whose lobbying activities and policies are, either by formal agreement, or by practice, subject to the control of a parent voluntary membership organization with whom the affiliate is related through bylaws, charters or similar agreements. In determining whether an organization is a controlled local affiliate the Comptroller General shall consider, among other factors, whether the parent may control what position the affiliate may take on an issue before Congress, and whether the parent may require the affiliate to engage, or not to engage, in particular lobbying communications or solicitations.

(e) Except as provided in subsection (g), as used in this Act, the term "lobbying communication" means—

(1) a communication with Congress which is intended to influence an issue before the Congress;

(2) a communication with the executive branch urging or requesting any officer or employee of the executive branch to act or not to act, or to act in a certain manner, concerning the approval of any legislation passed by Congress, any nomination; any expression of views to Congress concerning an issue before Congress, or any other communication to, or testimony before, Congress; and

(3) a communication with the executive branch urging or requesting any officer or employee of the executive branch to act or not to act, or to act in a certain manner, concerning—

(A) any contract to which the Federal Government is or may become a party, or

(B) any award, or other benefit which is or may be awarded, given, or otherwise bestowed upon any person by the Federal Government,

where such contract, award, or other benefit invloves an obligation incurred by the Federal Government of $1,000,000 or more.

(f) Except as provided in subsection (g), as used in this Act, the term, "lobbying solicitation" means a solicitation which is intended to influence in a specific or general way an issue before the Congress or the executive branch by clearly urging, requesting, or requiring one or more persons to communicate with Congress or the executive branch with respect to any such issue, or to solicit another person to make such a communication.

(g) As used in this Act, the term "lobbying communication" and "lobbying solicitation" do not include—

(1) a communication or solicitation by an individual, acting solely on his own behalf, for redress of his personal grievances or to express his own personal opinion;

(2) a communication which deals only with the existence or status of any issue, or which seeks only to determine the subject matter of an issue;

(3) testimony given before a committee or office of the Congress or the executive branch or submitted to a committee or office of the Congress for inclusion in the public record of a hearing conducted by such committee or office;

(4) a communication or solicitation made by an officer or employee of the executive branch, acting in his official capacity, or a communication or solicitation by a Member, officer, or employee of the Congress, acting in his official capacity;

(5) a communication or solicitation made by an individual directly empolyed by a State or local government or Indian tribe, acting in his official capacity;

(6) a communication or solicitation made through the instrumentality of a newspaper, book, periodical, magazine, or other publication of general distribution, or through a radio or a television broadcast: *Provided, however,* That this exception shall not apply (A) to a communication or solicitation made through the publication of a voluntary membership organization which is not customarily distributed outside the scope of the membership of such organization, or (B) to an organization responsible for the purchase of a paid advertisement in a newspaper, magazine, book, periodical, or other publication of general distribution, or through a paid radio or television advertisement;

(7) a communication or solicitation by, or on behalf of, a candidate, as defined in section 431(b) of title 2, United States Code, or by, or on behalf of, a candidate for a State or local office, made in his capacity as a candidate for Federal, State, or local office, including a communication or solicitation by, or on behalf of, an organization in its capacity as a political committee, as defined in section 431(d) of title 2, United States Code.

(8) a communication or solicitation by, or on behalf of—

(A) a political party, as defined in section 431(m) of title 2, United States Code, or a National, State, or local committee or other organizational unit of such a political party, regarding its activities, undertakings, policies, statements, programs, or platforms; or

(B) a political party recognized as such under the laws of a State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States, or a committee or other organizational unit of such a political party, regarding its activities, undertakings, policies, statements, programs, or platforms.

(h) For purposes of this Act an oral lobbying communication which is made simultaneously to more than one individual in the course of a single meeting or conversation shall be treated as a single oral lobbying communication.

REGISTRATION OF LOBBYISTS

SEC. 4. (a) Each organization shall register with the Comptroller General within fifteen days after initially becoming a lobbyist. Each registration shall contain—

(1) an identification of the lobbyist;

(2) in the case of a voluntary membership organization, the approximate number of individuals who are members of the organization; the approximate number of organizations which are members of the organization, and a description of the type of such organizations; a general description of the procedures by which the organization establishes its position with respect to issues before Congress or the executive branch; and a general description of the geographic distribution and common interests of the persons who are members thereof; and

(3) the number of organizations and the number of individuals from whom the lobbyist received income during the year preceding the year in which the registration is filed where such income was expended in whole or in part for lobbying; an identification of each organization from which the lobbyist received income during such period including the amount of income provided by the organization, where the income was expended in whole or in part for lobbying if the amount of income received from the organization was $2,500 or more in amount or value during such period; and an identification of each individual from whom the lobbyist received income during such period including the amount of income provided by the individual where the income was expended in whole or in part for lobbying if the total amount of income received from the individual and his immediate family was $2,500 or more in amount or value during such period. This paragraph shall not apply to any income received by the lobbyist in the form of a return on an investment by the lobbyist, or a return on the capital of the lobbyist.

(b) The registration filed under subsection (a) by an organization which is a lobbyist under section 3(a)(1) shall also include—

(1) a general description of the subject matter of each category of issues which the lobbyist, as of the date of filing, intends to influence by its legislative agent engaging in one or more lobbying communications; and

(2) an identification of the legislative agent which the lobbyist has retained, including an identification of each officer, director, or employee of the legislative agent, and of any other person to whom the legislative agent expects to provide income, other than personal travel expenses, where the legislative agent expects such officer, director, employee or other person will have responsibility for engaging in lobbying communications on behalf of the lobbyist.

(c) The registration filed under subsection (a) by an organization which is a lobbyist under section 3(a)(2) shall also include—

(1) a general description of the subject matter of each category of issues which the lobbyist, as of the date of filing, intends to influence by engaging in lobbying communications;

(2) an identification of each paid officer, paid director, and paid employee of the lobbyist whom, as of the date of filing, the lobbyist expects will have responsibility for engaging in oral lobbying communications on behalf of the organization, excluding any lobbying communications engaged in as a direct consequence of a solicitation described in subsection 6(d).

(d) The registration filed under subsection (a) by an organization which is a lobbyist under section 8(a)(3) shall also include—

(1) a general description of the subject matter of each category of issues which the lobbyist, as of the date of filing, intends to influence by engaging, either directly or through a legislative agent, in any lobbying solicitation which refers to the same issue or issues and which is intended to reach, or could reasonably be expected to reach, in identical or similar form, five hundred or more persons; twenty-five or more officers or directors, or one hundred or more employees, of the lobbyist, other than officers, directors, or employees identified pursuant to subsection (c) of this section; or twelve or more affiliates; and

(2) the identification of any legislative agent through whom the lobbyist expects to make any solicitation described in paragraph (1).

(e) In the event of any change in the information filed under subsection (a), the lobbyist shall amend the registration required by this section not later than thirty days after the close of the next quarterly period, or at such longer intervals of time as the Comptroller General determines are adequate to disclose the current identity and activities of the lobbyist, except that in the event that any organization retains any new legislative agent after filing a registration under subsection (a), the lobbyist shall amend the registration in compliance with subsection (b) or subsection (d) of this section within fifteen days of the time such legislative agent is retained.

(f) A registration filed under subsection (a) shall be effective until the first day of January immediately following the date upon which the initial registration is filed. Each lobbyist shall file a new registration under subsection (a) within thirty days after the first day of January of each year, except that a person whose registration has expired and who has ceased to be a lobbyist shall register under subsection (a) not later than fifteen days after again becoming a lobbyist.

RECORDS

SEC. 5. Each lobbyist and each person whom the lobbyist retains as a legislative agent shall maintain records relating to the registrations and reports required to be filed under this Act as the Comptroller General determines by regulation are necessary for the effective implementation of this Act. Such financial records shall be kept in accordance with generally accepted accounting principles. All records required to be maintained by this section shall be preserved for a period of five years.

REPORTS BY LOBBYISTS

SEC. 6. (a) Each organization shall, not later than thirty days after the close of each quarterly period in which it is a lobbyist pursuant to section 3(a), file a report with the Comptroller General covering the organization's lobbying activities during the quarterly period. Each report shall identify the lobbyist, and shall contain the additional information required by the remainder of this section.

(b) In each instance where the lobbyist retains a legislative agent to engage in lobbying in the manner described in section 3(a)(1), the report shall identify the legislative agent and shall also include the following information with respect to each issue which was the subject of one or more lobbying communications by the legislative agent—

(1) a description of each such issue;

(2) the amount of income the lobbyist paid the legislative agent during the period in connection with each such issue;

(3) an identification of each officer, director, or employee of the legislative agent, and of any other person, who received income from the legislative agent, other than personal travel expenses, to engage in one or more lobbying communications during the period on behalf of the lobbyist, and a description of each issue with respect to which the officer, director, employee or other person engaged in such lobbying. In the case of any such person who engaged in lobbying communications with respect to more than ten issues, the lobbyist shall be required by this paragraph to describe only those ten issues which such person estimates accounted for the greatest proportion of the lobbying communications in which he engaged.

(c) In each instance where the organization is a lobbyist pursuant to section 3(a)(2), the report shall also include the following information—

(1) a description of each issue which was the subject of one or more lobbying communications by its paid officers, paid directors, or paid employees;

(2) an identification of each paid officer, paid director, or paid employee of the lobbyist who made one or more oral lobbying communications on behalf of the organization, and a description of the issues with respect to which such lobbying communications were made. In the case of any such person who engaged in oral lobbying communications with respect to more than ten issues, the lobbyist shall be required by this paragraph to describe only those ten issues which such person estimates accounted for the greatest proportion of the oral lobbying communications in which he engaged. This paragraph shall portion of the oral lobbying communications which a paid officer, paid director, or paid employee of the lobbyist engaged in as a direct consequence of a solicitation described in subsection (d);

(3) an identification of any chief executive officer, or any principal operating officer, of the lobbyist, or of an affiliated organization, who made twenty-five or more oral lobbying communications on behalf of the lobbyist, and a description of each issue with respect to which such lobbying communications were made. This paragraph shall not apply to any individual identified by the lobbyist pursuant to paragraph (2). In the case of any such person who engaged in oral lobbying communications with respect to more than ten issues, the lobbyist shall be required by this paragraph to describe only those ten issues which such person estimates accounted for the greatest proportion of the oral lobbying communications in which he engaged.

(4) an estimate of the total expenses incurred by the lobbyist during the period in connection with all the issues with respect to which the organization engaged in lobbying, including an estimate of the total portion expended on lobbying communications, and the total portion expended on lobbying solicitations.

(d) The report shall also contain the following information about any solicitation made by a lobbyist during the period, either directly or through a legislative agent, which referred to the same issue or issues and which was intended to reach, or could reasonably be expected to reach, in identical or similar form, five hundred or more persons; twenty-five or more officers or directors, or one hundred or more employees, of the lobbyist, other than officers, directors, or employees identified pursuant to subsection (c) of this section; or twelve or more affiliates—

(1) either a description of each issue with respect to which such solicitation was made, or a representative sample of the lobbying solicitation;

(2) a general description of the oral or written means employed to make such lobbying solicitation, including the identification of any legislative agent through whom the solicitation was made, and an indication whether other persons were requested by the lobbyist to in turn solicit;

(3) an estimate of the total number of persons, including an estimate of the number of affiliates and an estimate of the number of officers, directors, or employees of the lobbyist, directly solicited by the lobbyist; an estimate of the number of States in which persons were directly solicited; and an identification of any State which received, or was intended to receive, 10 per centum or more of the total number of written solicitations made by the lobbyist if such State received, or was intended to receive, five hundred or more written solicitations;

(4) the direct expenses incurred by the

lobbyist in making any lobbying solicitation where such expenses exceeded $7,500; and

(5) in any case in which the lobbyist requests, urges, or requires one or more affiliates to in turn solicit, either—

(A) the identification of any such affiliate and, in any case in which the affiliate is a voluntary membership organization, either the approximate number of persons who are members of the affiliate, or an estimate of the number of persons the lobbyist expects the affiliate to solicit; or

(B) an indication of each State in which one or more of such affiliates is located, the total number of such affiliates in each State, and, in any case in which the affiliate is a voluntary membership organization, either the approximate number of persons who are members of all such affiliates in each State, or an estimate of the total number of persons the lobbyist expects all such affiliates in each State to solicit.

REPORT OF GIFTS

SEC. 7. (a) Each report filed pursuant to section 6 shall include a list of any gifts, loans, or honorariums described in subsection (b) or subsection (c) which are made directly or indirectly to any individual Member, officer, or employee of the Congress, or the executive branch. Such list shall include an identification of the individuals making and receiving each such gift, loan, or honorarium and a description of the gift, loan, or honorarium and its amount or value, the case of a gift described in subsection (d) the or honorarium except that in the case of a gift described in subsection (d) the recipients need not be named individually, but may be described by appropriate categories."

(b) The requirements of this section shall apply—

(1) to any gift or loan of money, or any honorarium, made during the quarterly period by the lobbyist, by any officer, director, or employee of the lobbyist, or by any legislative agent on behalf of the lobbyist, which exceeds $10 in amount;

(2) to any gift or loan of any goods, services, or any other thing of value made during the quarterly period, by the lobbyist, or by a legislative agent on behalf of the lobbyist, which exceeds $10 in amount;

(2) to any gift or loan of any goods, services, or any other thing of value made during the quarterly period, by the lobbyist, or by a legislative agent on behalf of the lobbyist, including food, lodging, transportation or entertainment, which exceeds $10 in value;

(3) to any gift or loan of any goods, services, or any other thing of value made during the quarterly period by any officer, director, or employee of the lobbyist or by a legislative agent on behalf of the lobbyist, which exceeds $10 in value and which the officer, director, employee, or legislative agent has taken or will take, in whole or in part, as a deduction under section 162 or 212 of the Internal Revenue Code;

where the aggregate value of all the gifts, loans, or honorariums described in paragraphs (1), (2), and (3) made by the lobbyist, or by the officers, directors, employees, or legislative agents of the lobbyist, to any individual Member, officer, or employee of Congress or the executive branch exceeds $50 in amount or value.

(c) The requirements of this section shall also apply to any gift or loan of any goods, services, or any other thing of value, including food, lodging, transportation, or entertainment, made during the quarterly period by an officer, director or employee of the lobbyist, or by a legislative agent on behalf of the lobbyist, which exceeds $100 in value.

(d) The requirements of this section shall also apply to any reception, dinner, or other similar event paid for, in whole or in part, by the lobbyist for Members, officers, or employees of Congress, where the total cost of the event exceeds $500.

(e) This section shall not apply to any loan made on terms and conditions that are no more favorable than available generally, or to any gift or loan to any individual who is an immediate member of the family of the donor or lender, or to any contribution to a candidate as defined in section 431(e) of title 2, United States Code.

PROCEDURES FOR PREPARING REGISTRATIONS AND REPORTS

SEC. 8. (a) The Comptroller General shall withhold from public disclosure, upon petition by any person any information otherwise required to be disclosed to the public pursuant to this Act, upon a showing that disclosure of the information may reasonably be expected to lead to the harassment of any person, or lead to threats or reprisals against any person.

(b) If the expenses or income which a lobbyist must report under section 6 or section 7 are included in an item partly attributable to other purposes, such expenses or income may be reported, in conformity with regulations issued by the Comptroller General, by a good faith allocation which sets forth with reasonable accuracy that portion of the item expended or received for the lobbying activity concerned, and the basis on which the allocation is made.

(c) Wherever a lobbyist is required under section 6 to describe an issue before Congress or the executive branch the description shall include, where applicable, the bill or other identifying number, and, in the case of any issue involving communications with the executive branch, the agency with which the lobbyist communicated, and shall be made in such detail as shall disclose the general subject matter which is of interest to the lobbyist and the general position of the lobbyist on such matter.

(d) Each registration filed pursuant to section 4 and each report filed pursuant to section 6 shall be signed by an officer or director of the organization who shall certify that the information certified therein is accurate and complete to the best of his knowledge and belief.

(e) Each person whom a lobbyist retains as a legislative agent, and each officer, director and employee of a lobbyist, shall furnish to the lobbyist such information as is necessary to enable the lobbyist to comply with the provisions of sections 4, 5, 6, and 7.

DUTIES OF THE COMPTROLLER GENERAL

SEC. 9. It shall be the duty of the Comptroller General—

(1) to develop a filing, coding, and cross-indexing system to carry out the purposes of this Act, which shall contain an index of all persons identified in reports or registrations filed under this Act, including each legislative agent and each lobbyist that retained such legislative agent; and, in cooperation with the Federal Election Commission, to develop a cross-indexing system of persons identified in registrations and reports filed by lobbyists under this Act with persons identified in information filed under section 434 of title 2, United States Code;

(2) except in the case of any information any person has requested be withheld from public disclosure pursuant to section 8(a), to make copies of registrations and reports filed with him under this Act available for public inspection and copying, commencing as soon as practicable, but not later than the end of the second day following the day of receipt, and to permit copying of any such registration or report by hand or by copying machine or, at the request of any person, to furnish a copy of any such registration or report upon payment of a fee which shall be limited to reasonable standard charges for the direct cost of a document search and duplication. Documents shall be furnished without charge or at a reduced charge where the Comptroller General determines that waiver or reduction of the fee is in the public interest;

(3) to preserve the originals of the registrations and reports for a period of not less than five years from the day of receipt;

(4) to compile and summarize, with respect to each quarterly period, the information contained in the registrations and reports in a manner which facilitates the disclosure of lobbying activities. To the extent the Comptroller General determines that it is meaningful and practicable to do so, the compilation and summary shall include information on—

(A) all lobbying activities pertaining to a particular issue; and

(B) the total lobbying activities of lobbyists who share an economic, business, or other common interest;

(5) to make the information compiled and summarized under paragraph (4) available to the public within sixty days after the close of each quarterly period, and to publish such information in the Federal Register at the earliest practicable opportunity;

(6) to employ his powers under this Act to ensure compliance with the Act;

(7) to conduct investigations in compliance with the provisions of chapter 5 of title 5, United States Code, with respect to any violations of this Act;

(8) not later than ninety days after the enactment of this Act and at any time thereafter, to propose such rules, regulations, and forms, in compliance with the provisions of chapter 5 of title 5, United States Code, as the Comptroller General determines are necessary to carry out the provisions of this Act in the most effective and efficient manner possible, and to prevent the evasion of the requirements of this Act; and

(9) To furnish assistance, to the extent practicable, to any person who requests assistance in the development of appropriate accounting procedures and practices to meet the recordkeeping and reporting requirements of this Act.

ADVISORY OPINIONS

SEC. 10. (a) Upon written request to the Comptroller General by any person, the Comptroller General, after consultation with the Attorney General, shall render an advisory opinion, in writing, within a reasonable time with respect to the applicability of the recordkeeping, registration, or reporting requirements of this Act to any specific set of facts involving such person.

(b) Notwithstanding any other provision of law, any person with respect to whom an advisory opinion is rendered under subsection (a) who acts in good faith in accordance with the provisions and findings of such advisory opinion shall be presumed to be in compliance with the provisions of this Act to which such advisory opinion relates. Any such advisory opinion may be modified or revoked, but any modification or revocation shall be effective only with respect to action taken or things done after such person has been notified, in writing, of such modification or revocation.

(c) Any request made under subsection (a), and any advisory opinion rendered by the Comptroller General, shall be made public by the Comptroller General in such form as the Comptroller General deems appropriate, except that upon request of any person seeking the advisory opinion, the identity of such person shall not be disclosed in any information made public by the Comptroller General pursuant to this subsection. Unless the Comptroller General determines that such request must be answered immediately, he shall, before rendering an advisory opinion, provide any interested person with an opportunity to submit written comments to the Comptroller General within such period of time as he shall provide.

(d) Any person who receives an advisory opinion under this section adverse to his in-

terests may file a declaratory judgment action in the United States district court where that person resides or maintains his principal place of business.

ENFORCEMENT

SEC. 11. (a) The Comptroller General shall investigate violations of this Act. Any such investigation shall be conducted expeditiously, and in compliance with subsection 9 (7) of this Act.

(b) If, as a result of an investigation under subsection (a), the Comptroller General determines that the acts or practices of any person constitute a civil violation of this Act, he shall endeavor to correct the matter by informal methods of conference and conciliation and, if such methods are unsuccessful, he shall refer the matter to the Attorney General.

(c) The Comptroller shall refer apparent criminal violations of this Act to the Attorney General.

(d) The Attorney General, on behalf of the United States, may institute a criminal action in the district court of the United States for the district where any violation of this Act occurs, or a civil action in the district court of the United States for the district in which the person violating this Act is found, resides, or transacts business. In the case of any civil action, relief may include a permanent or temporary injunction, restraining order, or any other appropriate order.

(e) In any case in which the Comptroller General refers a civil or criminal violation to the Attorney General, the Attorney General shall act upon such referral in as expeditious manner as possible, and shall respond by report to the Comptroller General with respect to any action taken by the Attorney General regarding such violation. A report shall be transmitted no later than sixty days after the date the Comptroller General refers such violation, and at the close of every ninety-day period thereafter, until there is final disposition of the case. The Comptroller General may from time to time prepare and publish report on the status of such referrals.

INCIDENTAL POWERS OF THE COMPTROLLER GENERAL

SEC. 12. (a) Where necessary for the proper execution of his duties and functions under this Act, the Comptroller General shall have the power, pursuant to rules issued by the Comptroller General—

(1) to require by subpena any person (a) to permit representatives of the Comptroller General to examine records required to be maintained by this Act; (b) to require the attendance and testimony of witnesses; and (c) to require the production of documentary evidence relating to the execution of his duties and functions;

(2) to administer oaths or affirmations;

(3) to obtain through written interrogatories the answers to questions, which answers shall be made within such a reasonable period of time and under oath or otherwise as the Comptroller General may order;

(4) in any proceeding or investigation, to order testimony to be taken by deposition before any person who is designated by the Comptroller General and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (1);

(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States.

(b) In cases of refusal to obey a subpena or order issued by the Comptroller General under subsection (a), any United States district court within the jurisdiction of which any inquiry is carried on may, on a petition on behalf of the Comptroller General, issue an order requiring compliance therewith.

(c) Whenever the Comptroller General requests the Attorney General to bring a civil action under subsection 11(d) or subsection 12(b), and the Attorney General fails to bring such an action within sixty or ten days, respectively, of the date that the Comptroller General formally notifies the Attorney General of his intention to bring suit through his own attorneys, the Comptroller General may thereafter bring such suit in his own name through his own attorneys.

SANCTIONS

SEC. 13. (a) Any person who fails to comply with section 4, 5, 6, 7, or 8 of this Act shall be subject to a civil penalty of not more than $10,000.

(b) No information contained in any registration or report filed under this Act shall be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose. Any person who fails to comply with this subsection shall be subject to a civil penalty of not more than $10,000.

(c) In any action brought under this section, the United States district courts are empowered to grant mandatory injunctions and such other and further equitable relief as they deem appropriate to require the defendant to comply fully and retroactively with subsection (b) of this section and with the registration, reporting, and recordkeeping requirements of this Act and any order issued under it. In determining the amount of civil penalty in any action under this Act, the court shall take into account the degree of culpability, any history of prior failure to comply with section 4, 5, 6, 7, 8, or subsection (b) of this section, and such other matters as justice may require.

(d) Any person required to file a registration under section 4, keep any record under section 5, file any report under sections 6, 7, or 8, or furnish any information under section 8(e), who knowingly and willfully—

(1) fails to file such registration, keep such record, file such report, or furnish such information or

(2) in connection with any such registration, record or report, or with the furnishing of any such information, falsifies, conceals, or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry.

shall be fined not more than $10,000 or imprisoned not more than five years, or both.

REPORTS BY THE COMPTROLLER GENERAL

SEC. 14. The Comptroller General shall transmit a report to the President of the United States and to each House of the Congress no later than March 31 of each year. Each such report shall contain a detailed statement with respect to the activities of the Comptroller General in carrying out his duties and functions under this Act, together with recommendations for such legislation or other action as the Comptroller General considers appropriate.

GENERAL DEFINITIONS

SEC. 15. As used in this Act, the term—

(1) "affiliates" includes organizations or other groups of person which are associated with each other through any type of formal relationship, such as through ownership, the election of officers or directors, through franchise agreements, through common funding, or through common adherence to a charter or organizational bylaws, whether or not one such person controls the policies or actions of the other. The term shall not include an informal or ad hoc alliance or coalition. For purposes of this Act, a communication or solicitation addressed to any individual in his capacity as an officer, director, or employee of an affiliate shall be considered a communication or solicitation addressed to the affiliate;

(2) "Comptroller General" means the Comptroller General of the United States;

(3) "Congress" means (a) any Member, officer, or employee of Congress; (b) the Senate or the House of Representatives; (c) any committee of the Senate or House of Representatives, including any standing, special, or select committee of the Senate or the House of Representatives, any joint committee of the Congress, any subcommittee of any such committee or joint committee, and any conference committee of the Congress; (d) any office of the Senate or the House of Representatives; (e) any office of the Congress; and (f) the Office of Technology Assessment, including the Technology Assessment Board;

(4) "director" means, with respect to an organization other than a partnership, an individual who is a member of a body containing fewer members than the organization itself which constitutes the governing board of such organization, and, with respect to a partnership, an individual who is a partner;

(5) "direct expenses" means expenses such as the cost of mailing, printing, advertising, telephones, consultant fees, or the like included in an item which is attributable to a lobbying activity, and which is not attributable, to any substantial extent, to any activity other than lobbying. The term also means expenses included in an item partly attributable to activities other than lobbying, where such item may, with reasonable preciseness and ease, be directly allocated in part to lobbying, except that this sentence shall not apply to a regular publication of a voluntary membership organization published in substantial part for purposes unrelated to lobbying;

(6) "employee" includes an individual performing personal services as an expert or consultant under contract with the Government;

(7) "executive branch" includes any agency as defined in section 552(e) of title 5, United States Code, and any officer or employee of such agency, except such term shall not include the General Accounting Office;

(8) "expenses" includes—

(A) a payment, distribution, loan, advance, deposit, or gift of money or anything of value made, disbursed, or furnished, and

(B) a promise, contract, or agreement, whether or not legally enforceable, to make, disburse, or furnish any item referred to in subparagraph (A);

(9) "identification" includes, in the case of an individual, the name of the individual and his occupation, business address, and position held in the lobbying organization; and, in the case of an organization, the name of the organization and its address, principal place of business, nature of its business or activities, chief executive officer, and directors;

(10) "income" includes—

(A) a gift, donation, contribution, payment, loan, advance, service, salary, or other thing of value received, and

(B) a contract, promise, or agreement, whether or not legally enforceable, to receive any item referred to in subparagraph (A);

(11) "influence" means to affect, or attempt to affect, the disposition of any issue, whether by initiating, promoting, opposing, effectuating, delaying, altering, amending, withdrawing from consideration, or otherwise;

(12) "issue before the Congress" means the totality of all matters, both substantive and procedural, relating to any pending or proposed bill, resolution, report, nomination, treaty, hearing, investigation, or other similar matter in Congress, including any action

or proposed action by a Member, officer, or employee of the Congress to influence, or attempt to influence, any action or proposed action by any officer or employee of the executive branch;

(13) "legislative agent" means any person who receives income from a lobbyist to engage in lobbying for the lobbyist, other than income received as an officer, director, or employee of the lobbyist. Any reference to such term shall include the officers, directors, or employees of a legislative agent. The term shall not include any person who only prepares material for the use of another person who in turn engages in lobbying in his own name;

(14) "lobbying" means engaging in lobbying communications, or lobbying solicitations, or both;

(15) "Member, officer, or employee of the Congress" means a Member of the Senate or the House of Representatives, a Delegate to the House of Representatives, the Resident Commissioner from Puerto Rico, and an officer or employee of the Senate or the House of Representatives or of any Member, committee, or office of the Congress;

(16) "organization" includes a corporation, company, foundation, association, labor organization, firm, partnership, society, joint stock company, group of organizations, or group of individuals, except that it shall not include any organization which does not have one or more paid officers, paid directors, or paid employees;

(17) "paid officers, paid director, or paid employee" means an officer, director, or employee who receives income for his services, other than personal travel expenses, at a rate in excess of $100 a week. An officer, director, or employee who is not employed on a full-time basis is included within this definition if the effective hourly rate at which such individual is compensated exceeds the effective hourly rate of a full-time employee who receives income at a rate in excess of $100 a week;

(18) "person" includes an individual and an organization, whether or not it has paid officers, paid directors, or paid employees;

(19) "personal travel expenses" means expenses for travel but only if (a) the amount paid or received as reimbursement for such expenses does not exceed the actual cost of the transportation involved plus a per diem allowance for other actual expenses in an amount not in excess of the maximum applicable allowance payable under section 5702(c)(1) of title 5, United States Code, for Government employees, and (b) such allowance is received for no more than ten days in any quarterly period;

(20) "voluntary membership organization" means an organization composed of persons who are members thereof on a voluntary basis, and who, as a condition of membership, pay regular dues, subscribe to one or more publications, or make contributions to such organization.

REPEAL OF FEDERAL REGULATION OF LOBBYING ACT

SEC. 16. (a) The Federal Regulation of Lobbying Act (60 Stat. 839; 2 U.S.C. 261 et seq.) is repealed.

(b) All documents, papers, and other information in the custody or control of the Clerk of the House of Representatives or the Secretary of the Senate obtained or prepared pursuant to the provisions of the Federal Regulation of Lobbying Act are hereby transferred to the custody and control of the Comptroller General. The Senate and the House of Representatives consent to the transfer of such documents, papers, or other information.

EFFECT ON OTHER LAWS

SEC. 17. (a) An organization shall not be denied an exemption under section 501(a) of the Internal Revenue Code of 1954 as an organization described in section 501(c) of such Code, and shall not be denied status as an organization described in sections 170(c)(2), 2055(a)(2), 2106(a)(2), and 2522 of such Code, solely because such organization complies with the requirements of sections 4, 5, 6, 7, and 8 of this Act.

(b) The registration, reporting, and recordkeeping requirements of the Act shall not relieve any person from the registration, reporting, recordkeeping, or similar obligations of any other Act.

SEPARABILITY

SEC. 18. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

AUTHORIZATION OF APPROPRIATIONS

SEC. 19. There are authorized to be appropriated such sums as may be necessary to carry out this Act.

EFFECTIVE DATES

SEC. 20. (a) Except as provided in subsection (b), the provisions of this Act shall take effect on the first day of the first calendar quarter which begins more than one hundred and eighty days after enactment of this Act.

(b) The provisions of this Act requiring the issuance of regulations to implement this Act shall become effective upon enactment.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PERCY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended so as to read:

A bill to provide more effective disclosure to Congress and the public of certain lobbying activities to influence issues before the Congress, and for other purposes.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make clerical corrections in the engrossment of S. 2477.

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

Mr. RIBICOFF. Mr. President, I would like to take this opportunity to commend greatly Senator METCALF on his substantial and valuable contributions to this bill. His dedication to passage of a sound lobbying disclosure bill and to the constitutional rights of Americans has been apparent throughout consideration of this measure. His desire to make this the best possible piece of legislation deserves high praise by the Senate and by the American public. Thanks to his continuing efforts, the Senate has passed new lobbying disclosure legislation of which it can be proud.

I would also like to thank a number of other Senators who have contributed significantly to this legislation. These include the Senator from Illinois (Mr. PERCY) and the Senator from New York (Mr. JAVITS), both of whom, as always, worked diligently, as minority members of the committee, in a highly bipartisan manner to achieve passage of this legislation.

It also includes Senator MUSKIE who made a very important contribution to the bill by introducing his compromise amendment this morning with Senator JAVITS. Thanks also to Senators CLARK, KENNEDY, and STAFFORD for their contribution.

Thanks to the contribution of these Senators, the Congress can pass, for the first time in 30 years, comprehensive lobbying reform legislation.

Mr. President, praise must also go to the staff who worked so diligently on this bill. Dick Wegman, Paul Hoff, Marilyn Haniss, Paul Rosenthal, Connie Evans, John Childers, Brian Conboy, Jim Davidson, Vic Mareki, and Carey Parker all made very valuable contributions. My thanks, too, to Andy Loewi, Tom Sussman, Claudia Ingram, Lyle Ryter, Don Tacheron, and Wyn Turner for their excellent work.

MARITIME APPROPRIATION AUTHORIZATION ACT OF FISCAL YEAR 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to consider Calendar No. 791.

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

The legislative clerk read as follows:

A bill (H.R. 11481) to authorize appropriations for the fiscal year 1977 for certain maritime programs of the Department of Commerce and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Commerce with amendments as follows:

On page 1, beginning in line 3, insert:

That this Act may be cited as the "Maritime Appropriation Authorization Act of Fiscal Year 1977".

On page 1, in line 5, delete "That" and insert in lieu thereof "Sec. 2.".

On page 1, in line 5, delete "hereby".

On page 1, in line 9, delete "(a)" and insert in lieu thereof "(1) For".

On page 2, in line 1, after the word "subsidy," insert "not to exceed".

On page 2, in line 3, strike out "(b)" and insert in lieu thereof "(2) For".

On page 2, in line 4, strike out "$19,500,000" and insert in lieu thereof "not to exceed $22,500,000".

On page 2, in line 6, strike out "(c)" and insert in lieu thereof "(3) For".

On page 2, in line 6, after the word "expenses," insert "not to exceed".

On page 2, in line 8, strike out "(d)" and insert in lieu thereof "(4) For".

On page 2, in line 9, after the words "New York," insert "not to exceed".

On page 2, in line 11, strike out "(c)" and insert in lieu thereof "(5) For".

On page 2, in line 12, after the word "schools," insert "not to exceed".

On page 2, beginning at line 13, strike out:

SEC. 2. In addition to the amounts authorized by section 1 of this Act, there are authorized to be appropriated for the fiscal year 1977 such additional supplemental amounts for the activities for which appropriations are authorized under section 1 of this Act as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law, and for increased costs for public utilities, food service, and other expenses of the Merchant Marine Academy at Kings Point, New York.

And insert in lieu thereof:

SEC. 3. There are authorized to be appropriated for the fiscal year 1977, in addition to the amounts authorized by section 2

of this Act, such additional supplemental amounts, for the activities for which appropriations are authorized under section 2 of this Act, as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law, and for increased costs for public utilities, food service, and other expenses of the Merchant Marine Academy at Kings Point, New York.

Mr. CHURCH addressed the Chair.

Mr. PASTORE. Mr. President, may we have order, please.

The PRESIDING OFFICER. Will the Senators take their seats. Will the Senate be in order.

RELATIONS WITH ITALY

Mr. CHURCH. Mr. President, Senator PASTORE's floor statement on June 11, 1976, rightly emphasizes the importance of democratic government in Italy to the Italians, to NATO, and to the United States. His concern, shared by Congressman PETER RODINO, that unfounded charges against the President of Italy might tip the vote in favor of the Communist Party in the upcoming election, should be treated very seriously by all of us who wish to see free government survive in that country.

Senator PASTORE cited allegations and speculation in the foreign press that President Leone was the recipient, or proposed recipient, of funds from the Lockheed Corp. for the purpose of assisting that corporation to sell its aircraft in Italy.

Now, Senator PERCY, who is the ranking Republican member——

Mr. PASTORE. Mr. President, may we please have order.

The PRESIDING OFFICER (Mr. FORD). The Senator is correct. Will the staff please leave the Chamber if they are not here at the request of a Senator.

Mr. CHURCH. Mr. President, the distinguished Senator from Illinois (Mr. PERCY), who is the ranking member of the Senate Foreign Relations Subcommittee on Multinational Corporations, and I, as the chairman of the subcommittee, conferred with members of our staff following Senator PASTORE's statement on the floor last week.

We did so, in order to determine the state of the evidence before the subcommittee so that speculation respecting any possible role that might have been played by the President of Italy could be either confirmed or laid to rest.

A letter addressed to Senator PASTORE, signed jointly by the two of us, has just been written for inclusion in the RECORD. The letter summarizes the finding that there is no evidence whatsoever before the subcommittee to indicate that President Leone, directly or indirectly, received or was intended to receive, any funds from the Lockheed Corp.

Mr. President, I am happy to make this statement. I think that it needed to be made. I compliment the distinguished senior Senator from Rhode Island for calling the matter to our attention.

I ask unanimous consent that the text of the letter may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 15, 1976.

Hon. JOHN O. PASTORE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: In your Senate floor statement of June 11, 1976, you rightly emphasized the importance of democratic government in Italy to the Italians, NATO and this country. We are completely in agreement with this statement.

You have also brought to our attention allegations and speculation in the foreign press that President Leone was the recipient or proposed recipient of funds from the Lockheed Corporation for the purpose of assisting that corporation to sell its aircraft in Italy.

As the Chairman and Ranking Minority Member of the Senate Foreign Relations Subcommittee on Multinational Corporations which investigated the Lockheed matter in Italy and elsewhere, we wish to state that the Subcommittee has no evidence whatsoever indicating that President Leone, directly or indirectly, received or was intended to receive any funds from the Lockheed Corporation.

Sincerely,

FRANK CHURCH,
Chairman, Subcommittee on Multinational Corporations.

CHARLES H. PERCY,
Ranking Member.

Mr. CHURCH. I yield to Senator PERCY for such remarks as he would like to make.

Mr. PERCY. Mr. President, I thank my distinguished colleague. We have worked together on the multinational subcommittee in a totally impartial, nonpartisan manner.

The Senator from Illinois was not on the floor of the Senate at the time when, on June 11, Senator PASTORE of Rhode Island made his comments.

The Senator from Illinois was notified a few minutes after those comments were made, sent for a transcript of the comments and read with shock and dismay that some party, some place, had inferred that the Subcommittee on Multinational Corporations had testimony or evidence that might possibly have involved President Leone.

The Senator from Illinois conferred with staff members, including the chief of staff, Dr. Levinson. The Senator from Illinois went over his own recollection and his own notes of all the testimony that had been presented and all the evidence the Senator from Illinois had seen.

The Senator from Illinois simply wishes to point out, without any equivocation whatsoever, that the subcommittee has no evidence whatsoever indicating that President Leone was implicated directly or indirectly in connection with funds from Lockheed Corp.

Furthermore, the Senator from Illinois would like to say this to the Senator from Rhode Island.

Early in my business experience I was asked by the Department of State in 1952 to take a Mutual Security Agency mission to Italy. The Senator from Illinois deferred when he learned all the cost would be paid by the U.S. Government. Knowing the Italian people, I did not feel that we, going as experts, paid for by the U.S. Government, imposing themselves upon them, would be as well received as if we went over at the invitation of the Italian Government and the Italian labor and business community.

So the State Department inquired as to whether the delegation to be headed by the then president of Bell & Howell Co. would be received and expenses paid by such Italian institutions as Compendustria, IRI by banking and labor people, and an immediate positive response came back.

I spent 6 weeks at that time—one of many trips to Italy, but this was the most intensive—meeting with management and labor, and at that time every conceivable destructive element was being brought to bear by Communist forces in Italy to wreck the Italian economy, to create disharmony and dissension.

I saw first-hand the results of the tactics used by the Communists in Italy to break up that country and immobilize it from the economic recovery program it had underway.

The Senator from Illinois recognizes some of these same tactics now and was not really surprised when it was inferred that the Lockheed situation was taken so that inferences could be drawn from it.

But clearly, we can state this unequivocally and on the record, there is no evidence whatsoever, and anyone who uses that really uses a tactic to deceive intelligent and enlightened people who, by their own insight, will know what is best for Italy and, certainly, that I hope will recognize that continuation in power of those who are dedicated to the democratic process is the only way Italy can continue in freedom with the economic program that has been so strongly evidenced in recent decades.

I thank our distinguished colleague for bringing this inference to our attention.

Mr. PASTORE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho has the floor.

Mr. CHURCH. I yield to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PASTORE. May we have order?

Mr. President, first of all, I thank and congratulate the Senator from Idaho and the Senator from Illinois for their deep understanding of what the problem really is.

I repeat what I said early in the month, that my primary concern in this matter, Mr. President, is as an American—as an American who has a very sentimental respect for the land and activity of his own parents, and that is understandable as well.

We have on June 20, which is only next Sunday, a 2-day period of elections in Italy.

The outcome of that election could very well spell out the problems and the tribulations in the future of the free world.

As I said before, Italy is a linchpin in the Mediterranean. We are having our troubles on the eastern side of the Mediterranean, particularly in the Middle East. We have our own 6th Fleet that is based in the Mediterranean on the western side with headquarters in