

# CRS Report for Congress

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## **Lobbying Disclosure Reform: Background and Legislative Proposals, 109<sup>th</sup> Congress**

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# Lobbying Disclosure Reform: Background and Legislative Proposals, 109<sup>th</sup> Congress

## Summary

In the decade since enactment of the Lobbying Disclosure Act of 1995 (LDA), concerns have been raised about the capacity of Congress to oversee the activities of professional lobbyists. Lobbyists and others who seek to participate in public policy activities through the formation of coalitions and associations whose members may not be identifiable, and the use of grassroots campaigns that attempt to mobilize citizens to advance the message of a lobbyist's client have also raised concerns.

In the 109<sup>th</sup> Congress, legislative proposals related to lobbying disclosure focus on four broad areas, including (1) enhanced requirements for electronic filing of lobbying reports and semiannual reports required under LDA; (2) redefinition of the term "client" under the statute; (3) more detailed disclosure by lobbyists of which groups and entities are funding coalitions and associations they represent; and (4) more detailed disclosure by lobbyists of the individuals in Congress and the executive branch they contact. Legislative proposals addressing some or all of those concerns introduced thus far in the 109<sup>th</sup> Congress include H.Res. 81, introduced by Representative Mark Green; H.R. 1302 and H.R. 1304, introduced by Representative Lloyd Doggett; H.R. 2412, introduced by Representative Martin Meehan; S. 1398, introduced by Senator Russell Feingold; S. 2128, introduced by Senator John McCain; and H.R. 4575, introduced by Representative Christopher Shays. Additionally, S. 1972, introduced by Senator Rick Santorum, would require Members of Congress and legislative branch employees to report all contact with representatives of countries designated as state sponsors of terrorism.

This report, which is one of several CRS products on lobbying, will be updated as warranted. Further information on lobbying is available in CRS Report RS22226, *Summary and Analysis of Provisions of H.R. 2412, the Special Interest Lobbying and Ethics Accountability Act of 2005*, by Jack Maskell; CRS Report RS22209, *Executive Lobbying: Statutory Controls*, by Louis Fisher; CRS Report RL31126, *Lobbying Congress: An Overview of Legal Provisions and Congressional Ethics Rules*, by Jack Maskell; CRS Report 96-809, *Lobbying Regulations on Non-Profit Organizations*, by Jack H. Maskell; and CRS Report RS20725, *Interest Groups and Lobbyists: Sources of Information*, by Mari-Jana "M-J" Oboroceanu.

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# Lobbying Disclosure Reform: Background and Legislative Proposals, 109<sup>th</sup> Congress

## Introduction

The regulation of lobbying disclosure is governed by the Lobbying Disclosure Act of 1995 (LDA),<sup>1</sup> as amended by the Lobbying Disclosure Technical Amendments Act of 1998.<sup>2</sup> LDA requires any lobbyist who is compensated for his actions, whether an individual or firm, to register and to file with the Clerk of the House and the Secretary of the Senate semiannual reports of their activities. These reports identify the name of the registrant lobbyist, client, and the broad issue areas in which lobbying was carried out. In the decade since the enactment of the LDA, concerns have been raised about the capacity of Congress to oversee lobbying activities of professional lobbyists who seek to participate in public policy activities through the formation of coalitions and associations whose members may not be identifiable, and the use of grassroots campaigns that attempt to mobilize citizens to advance the message of a lobbyist's client.

In the American political system, the pursuit of private interests through adoption and amendment of public policy dates back to the founding of the republic. Writing in support of the new Constitution, James Madison identified interest groups, or factions — groups of citizens united by a common impulse of passion or of interest — as a cornerstone of the American regime.<sup>3</sup> In 1803, Alexis de Tocqueville observed that “in no country in the world has the principle of association been more successfully applied ... than in America.”<sup>4</sup> The First Amendment provides opportunity for these groups to exist by prohibiting laws abridging freedom of speech, the right of the people to peaceably assemble, and to petition the government for a redress of grievances.<sup>5</sup>

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<sup>1</sup> P.L. 104-65, Lobbying Disclosure Act of 1995 (109 Stat. 691, 2 U.S.C. 1601).

<sup>2</sup> P.L. 105-166, Lobbying Disclosure Technical Amendments Act of 1998 (112 Stat. 38, 2 U.S.C. 1601 note)

<sup>3</sup> See Federalist Number 10, in *The Federalist* by Alexander Hamilton, James Madison, and John Jay, edited by Benjamin Fletcher Wright, (Cambridge, MA: The Belknap Press of Harvard University Press, 1961), pp. 129-136.

<sup>4</sup> Alexis de Tocqueville, *Democracy in America* (New York: Colonial Press, 1989), vol. I, p. 191.

<sup>5</sup> For a broad overview of the roles and activities of groups that lobby Congress, see U.S. Senate, Committee on Governmental Affairs, Subcommittee on Intergovernmental Relations, *Congress and Pressure Groups: Lobbying in a Modern Democracy*, 99<sup>th</sup> Cong., 2<sup>nd</sup> sess. (Washington: GPO, 1986), pp. 1-40.

For the past 40 years, observers have noted a steady increase in the number of organized interest groups, including associations, public interest groups, and professional organizations. Additionally, these observers note a change in the types of activities in which these organizations engage to advance their interests.<sup>6</sup> In addition to longstanding lobbying techniques of establishing personal ties with Members of Congress, their staff and executive branch officials, and testifying at congressional and administrative hearings, interest groups are also using direct mail, public relations, newspaper advertisement, and other marketing techniques to generate public interest. These activities can include engaging citizens to lobby on their behalf to persuade a government official regarding legislation or executive agency action. Some of these organized efforts, which are not currently subject to disclosure under LDA, are also accompanied by sophisticated media campaigns to advance the causes of a group.<sup>7</sup> Widespread lobbying campaigns may be targeted to citizens, journalists, lawmakers, executive agency personnel, and other groups with interests similar to those of the organization on whose behalf the campaign is mounted.<sup>8</sup> This practice is sometimes referred to as “grassroots” advocacy to identify its appeal to the general public. Some observers, noting the use of marketing techniques and alleging that a connection to the general public is lacking, sometimes refer to such efforts as “astroturf” lobbying.<sup>9</sup>

In addition to the expanded scope and breadth of lobbying campaigns, some observers have noted that many lobbying campaigns involve increased reliance by interest groups on anonymous, or “stealth” campaigns, in which the lobbying activities directed to the public or policy makers are organized through coalitions and associations. Some of these coalitions and associations form alliances with other groups, or serve as groups which exist solely to advance a campaign for or against a specific policy action.<sup>10</sup> Political scientists Darrell West and Burdett Loomis assert that anonymous campaigns are carried out in voter education efforts, and electoral, legislative, and rulemaking settings, and that “the key in each of these efforts is that the actual sponsor is masked by front organizations that make it difficult for the public to see who really is funding the activity. Stealth campaigns are consciously designed to fly under the radar of press and public oversight.”<sup>11</sup>

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<sup>6</sup> See H. R. Hood, *Interest Group Politics in America: A New Intensity* (Englewood Cliffs, NJ: Prentice Hall, 1990).

<sup>7</sup> Darrell M. West and Burdett A. Loomis, *The Sound of Money: How Political Interests Get What They Want* (New York: W. W. Norton and Company, 1998), pp. 16-20; and R. Kenneth Godwin, “Money Technology and Political Interests: The Direct Marketing of Politics,” in Mark P. Petracca, ed., *The Politics of Interests: Interest Groups Transformed* (Boulder, CO: Westview Press, 1992), pp. 308-325.

<sup>8</sup> West and Loomis, *The Sound of Money*, pp. 45-64.

<sup>9</sup> Nicholas Confessore, “Meet the Press,” *Washington Monthly*, Dec. 2003, available at [<http://www.washingtonmonthly.com/features/2003/0312.confessore.html>].

<sup>10</sup> For examples of anonymous lobbying, see Jeffrey H. Birnbaum, “Lobbying Under The Cloak Of Invisibility,” *Washington Post*, Mar. 7, 2005, p. E1, retrieved through nexis.com.

<sup>11</sup> West and Loomis, *The Sound of Money*, pp. 69-70.

Anonymous campaigns to sway public opinion and affect public policy are not new. Writing a series of articles that became known generally as the Federalist Papers, Alexander Hamilton, James Madison, and John Jay,<sup>12</sup> sought to sway the general public in the 13 United States, and New York residents in particular, to press their leaders for ratification of the U.S. Constitution. In 1787 and 1788, 85 articles authored by the trio appeared in newspapers throughout the country under the pseudonym “Publius,” as part of what has been described as the “most significant public-relations campaign in history.”<sup>13</sup> In the articles, the three authors made no mention of their close association with the Constitutional Convention that drafted and approved the document.

Presently, however, concern has been expressed that entities that use anonymous lobbying activities and public relations campaigns might circumvent the process of public consideration of lawmaking and regulatory activities. Observers suggest that current lobbying disclosure laws, described below, allow interested entities to shield their lobbying activities through the use of ostensibly separate, independent coalitions and associations.<sup>14</sup> Proposals to require more detailed disclosure of lobbying clients, the government officials who have been lobbied, and expenditures dedicated to lobbying have followed. Those supporting more detailed disclosure might argue that such efforts could afford greater transparency and a broader understanding of the effects of private interests in the public policy making process. From their perspective, such a change might also instill greater accountability. Those opposing changes to current lobbying disclosure practices might maintain that expanding disclosure could have a potential adverse impact on constitutionally protected rights of assembly, association, and to petition the government, particularly the longstanding tradition of carrying out these activities without the necessity of self-identification. Additionally, opponents might assert that such a change could increase the administrative burden associated with reporting on their lobbying efforts under LDA.

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<sup>12</sup> Hamilton, Madison and Jay went on to become the first Secretary of the Treasury, a Representative in the First through Fourth Congresses and fourth President, and the first Chief Justice of the United States, respectively.

<sup>13</sup> The Federalist Papers website, [<http://www.law.ou.edu/hist/federalist/>].

<sup>14</sup> Josephine Hearn, “Dems Want to Change Congressional Rules,” *The Hill*, July 14, 2004, p.3; and Alison Mitchell, “Loophole Lets Lobbyists Hide Clients’ Identity,” *New York Times*, July 4, 2002, p. A1.

## Current Lobbying Disclosure Law: A Summary of Potentially Affected Provisions of LDA

LDA requires any lobbyist, whether an individual or firm, whose lobbying expenses exceed certain thresholds<sup>15</sup> to register with the Secretary of the Senate and the Clerk of the House of Representatives within 45 days after the lobbyist first makes a lobbying contact with covered officials in the legislative and executive branches of the federal government on behalf of a client.<sup>16</sup> The law requires lobbyists to file with the Clerk and the Secretary semiannual reports of their activities. These reports identify the name of the registrant, lobbyists the registrant employs, client, and the broad issue areas in which lobbying was carried out. In addition, the disclosure must include

- a good faith estimate, by broad category, of the total amount of lobbying-related income from the client, or expenditures by an organization lobbying in its own behalf, during the semiannual period. Expenditures may be estimated at less than \$10,000 or in increments of \$20,000;
- the specific issues that were the subject of a lobbyist's efforts, including "to the maximum extent practicable" a list of bill numbers;
- a statement of the houses of Congress and the federal agencies contacted by the lobbyist; and
- a list of the employees of the registrant who acted as lobbyists on behalf of the client.

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<sup>15</sup> If the total income for matters related to lobbying activities on behalf of a client represented by a lobbying firm does not exceed \$5,000, or total expenses in connection with the lobbying activities an organization whose employees engage in lobbying activities on its own behalf do not exceed \$20,000, then no registration and disclosure is required.

<sup>16</sup> Legislative branch officials covered under LDA include Members of Congress; elected officers of either chamber; any employee of a Member, committee, leader or working group organized to provide assistance to Members; and any other legislative branch employee serving in a position that is compensated at a rate of 120% of the basic pay for GS 15 of the General Schedule.

Executive branch covered officials include the President; the Vice President; any officer or employee in the Executive Office of the President; any officer or employee serving in a position compensated through the Executive Schedule; any member of the uniformed military services whose pay grade is at or above O-7 under 37 U.S.C. 201 (In the United States Army, Air Force, and Marine Corps, this is a brigadier general. In the United States Navy and Coast Guard the equivalent rank is rear admiral.); and any officer or employee serving in a position of a confidential, policy-determining, policy-making, or policy advocating character that the Office of Personnel Management has excepted from the competitive service under 5 U.S.C. 7511(b)(2)(b).

LDA defines a lobbyist as any individual compensated by a client for services that include more than one lobbying contact, within certain limits.<sup>17</sup> A “client” is defined as any person or entity that employs and compensates another person to conduct lobbying activities on their behalf.<sup>18</sup> A coalition or association may also be listed as a client. LDA does not require information on the specific membership of these groups. Under the current guidance issued by the Clerk of the House and Secretary of the Senate, such members of informal coalitions may optionally be viewed as separate clients for disclosure purposes.<sup>19</sup> **Table 1** summarizes the number of registrants, clients and lobbyists registered with the Secretary of the Senate since LDA took effect.

**Table 1. Registrants, Clients and Lobbyists Registered Under the Lobbying Disclosure Act of 1995, 1996-2004**

Year <sup>a</sup>	Registrants		Clients		Lobbyists	
	Total	Annual Change	Total	Annual Change	Total	Annual Change
1996	3,557	—	8,118	—	10,798	—
1997	4,051	13.89%	10,013	23.34%	14,946	38.41%
1998	4,422	9.16%	16,873	68.51%	18,589	24.37%
1999	4,813	8.84%	13,793	-18.25%	21,279	14.47%
2000	4,774	-0.81%	13,865	0.52%	16,342	-23.20%
2001	5,160	8.09%	15,941	14.97%	18,854	15.37%
2002	5,536	7.29%	17,575	10.25%	21,089	11.85%
2003	6,005	8.47%	15,317 <sup>b</sup>	-12.85%	24,872	17.94%
2004	6,231	3.76%	19,758	28.99%	30,402	22.23%

**Source:** Data from the Secretary of the Senate, Office of Public Records and CRS calculations. Except for 2000, data reflect all records available on September 30. Data for 2000 reflect only active registrations, clients and lobbyists.

a. As of Sept. 30 for each year. LDA became effective Jan 1, 1996, and data for that year cover nine months.

<sup>17</sup> An individual whose lobbying activities constitute less than 20% of the time engaged in the services provided to a client over a six month period is exempt from LDA disclosure requirements.

<sup>18</sup> Under LDA, groups that carry out lobbying activities on their own behalf must also register with the Clerk and the Secretary.

<sup>19</sup> Office of the Clerk of the House of Representatives and Office of the Secretary of the Senate, *Lobbying Disclosure Act Guidance and Instructions*, p. 11. The document is also available through the Senate website at [[http://www.senate.gov/pagelayout/legislative/g\\_three\\_sections\\_with\\_teasers/lobbyingdisc.htm](http://www.senate.gov/pagelayout/legislative/g_three_sections_with_teasers/lobbyingdisc.htm)].



b. Total reflects Senate Office of Public Records efforts to regularize differences in various client names.

**LDA Enforcement.** Whoever knowingly fails to rectify an incomplete disclosure report following notification of the error by the Clerk of the House or Secretary of the Senate, or who otherwise does not comply with the requirements of LDA, may be liable for a civil fine of up to \$50,000.<sup>20</sup> The clerk and secretary must refer alleged incidents of noncompliance to the United States Attorney for the District of Columbia. The number of such referrals made since LDA became effective on January 1, 1996, is not publicly available. The U.S. Attorney for the District of Columbia has reportedly pursued some cases in the past decade, and some registrants have reportedly paid fines to settle instances of alleged noncompliance. No public announcements by the U.S. Attorney's office have been identified, but media accounts identify three cases that were settled for fines totaling \$47,000 and other considerations including periods during which some registrants were prohibited from conducting federal lobbying. It is not known whether these cases comprise the total LDA enforcement effort. Attorneys for the Department of Justice reportedly contend that the details of any settlements of violations under LDA are protected from public disclosure by the Privacy Act.<sup>21</sup>

## Current Legislative Proposals

In the 109<sup>th</sup> Congress, legislative proposals related to lobbying disclosure focus on four broad areas, including

- enhanced requirements for electronic filing of lobbying reports and semiannual reports required under LDA;<sup>22</sup>
- redefinition of the term "client" under LDA;

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<sup>20</sup> For further discussion of LDA and other laws, rules, and regulations affecting those who lobby Congress, see CRS Report RL31126, *Lobbying Congress: An Overview of Legal Provisions and Congressional Ethics Rules*, by Jack Maskell.

<sup>21</sup> Kenneth P. Doyle, "DOJ Refuses to Disclose Settlements With Those Who Violate Lobbying Law," *BNA Daily Report for Executives*, June 20, 2005 and Kenneth P. Doyle, "Justice Department Reveals First Cases Settled Under Lobbying Disclosure Statute," *BNA Daily Report for Executives*, Aug. 16, 2005, retrieved from the BNA website.

<sup>22</sup> The Office of the Clerk in Dec. 2004 inaugurated a voluntary electronic filing system for those required to file under LDA. Pursuant to a directive issued by Rep. Bob Ney, chairman of the Committee on House Administration, the Clerk will only accept electronic filing of LDA materials after Jan. 1, 2006 (Bob Ney, chairman, Committee on House Administration, "Electronic Filing of Disclosure Reports," dear colleague letter, June 29, 2005, at [<http://www.house.gov/cha/dearcolleaguejune29-05.htm>]; see also the Clerk's website at [<http://clerk.house.gov/pd/index.html>]). For some time, the Senate Office of Public Records has maintained a voluntary program of electronic filing "for the purpose of minimizing the burden of filing" LDA materials (Senate Office of Public Records, "Frequently Asked Questions," at [<https://opr.senate.gov/faq.html>]). Additionally, the Senate makes LDA registration and disclosure reports available through the Internet at [<http://sopr.senate.gov/>].

- more detailed disclosure of which groups and entities are funding coalitions and associations; and
- more detailed disclosure by lobbyists of the individuals in Congress and the executive branch whom they contact.

**H.Res. 81.** H.Res. 81, introduced by Representative Mark Green on February 2, 2005, would require the Clerk of the House of Representatives to post on the Internet lobbying registration and reports filed with the Clerk under the Lobbying Disclosure Act of 1995.<sup>23</sup> The measure was referred to the Committee on the Judiciary, and subsequently to the Subcommittee on the Constitution. No further action has been taken at the time of this writing.

**H.R. 1302 and H.R. 1304.** On March 15, 2005, Representative Lloyd Doggett introduced H.R. 1302, and H.R. 1304, both entitled the Stealth Lobbyist Disclosure Act of 2005. H.R. 1302 would amend LDA to redefine the term “client” as any person or entity that employs a lobbyist on behalf of that person or entity. The measure would require members of coalitions or associations that employ a lobbyist, and not the coalition or association, to be listed as the clients of the registrant lobbyist. H.R. 1302 provides an exception for tax-exempt associations and for some members of a coalition or association if those members expect to contribute less than \$1,000 per any semiannual period to the lobbying activities of the coalition. The measure was referred to the Committee on the Judiciary, Subcommittee on the Constitution. No further action has been taken at the time of this writing.

H.R. 1304 would amend the Internal Revenue Code to treat any coalition or association that is identified as a client on an LDA registration as a tax-exempt political organization. Any such coalition or association would be required to notify the Secretary of the Treasury of its existence within 72 hours after one of its lobbyists makes an initial contact, and to report any change in its membership within 72 hours. Reports to the Secretary of the Treasury would include a general description of the business or activities of each member of the coalition or association, and the amount each coalition member is expected to contribute to influencing legislation. H.R. 1304 would exempt from the disclosure requirements public charities and other tax-exempt organizations which have substantial exempt activities other than lobbying, and coalition or association members who contribute less than \$2,000 per year for lobbying activities. Finally, the measure would impose a penalty tax for failure to give the required notices. H.R. 1304 was referred to the Committee on Ways and Means. No further action has been taken at the time of this writing.

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<sup>23</sup> The Senate Office of Public Records, an entity within the Office of the Secretary of the Senate, provides access to LDA registration and semiannual reports through the Internet at [<http://sopr.senate.gov/>].

**H.R. 2412.** H.R. 2412, the Special Interest Lobbying and Ethics Accountability Act of 2005, was introduced by Representative Martin Meehan on May 17, 2005.<sup>24</sup> The measure would amend LDA to require

- quarterly, instead of semiannual, filing of lobbying disclosure reports;
- electronic filing of lobbyist registrations and disclosure reports filed with the Secretary of the Senate or the Clerk of the House of Representatives;
- establishment and maintenance of lobbying disclosure information in an electronic data base which directly links lobbying disclosure information to the information disclosed in reports filed with the Federal Election Commission under the Federal Election Campaign Act of 1971,<sup>25</sup> and made available to the public free of charge through the Internet;
- identification of each executive branch official and Member of Congress with whom lobbying contacts are made;
- disclosure by registered lobbyists of all past executive branch and congressional employment; and
- disclosure of grassroots lobbying communications by paid lobbyists and itemized disclosure of expenditures on grassroots lobbying activities.

H.R. 2412 would amend LDA to redefine the term “client” as any person or entity that employs a lobbyist on behalf of that person or entity. The measure requires that firms and other entities that are members of coalitions or associations that employ a lobbyist, are to be considered clients, along with the coalition or association, if their total contribution related to lobbying activities is greater than \$10,000.

The measure would increase the civil penalty for failure to comply with lobbying disclosure requirements up to \$100,000. H.R. 2412 provides for reviews and semiannual reports by the Comptroller General on activities carried out by the Clerk of the House and the Secretary of the Senate under LDA. Additionally, a current ban on former senior executive personnel, former Members of Congress, and

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<sup>24</sup> A section-by-section discussion of the provisions of H.R. 2412 is available in CRS Report RS22226, *Summary and Analysis of Provisions of H.R. 2412, the Special Interest Lobbying and Ethics Accountability Act of 2005*, by Jack Maskell.

<sup>25</sup> 2 U.S.C. 434.

legislative branch personnel, preventing them from lobbying the entity in which they previously served, would be extended from one to two years.<sup>26</sup>

H.R. 2412 was referred to the Committee on the Judiciary, the Committees on Standards of Official Conduct, and the Committee on Rules, for a period to be subsequently determined by the Speaker, for consideration of those provisions that fall within the jurisdiction of each committee.<sup>27</sup> No further action has been taken at the time of this writing.

**S. 1398.** S. 1398, the Lobbying and Ethics Reform Act of 2005 was introduced by Senator Russell Feingold on July 14, 2005. Similar in nature to H.R. 2412, the measure would amend LDA to require

- quarterly, instead of semiannual, filing of lobbying disclosure reports;
- electronic filing of lobbyist registrations and disclosure reports filed with the Secretary of the Senate or the Clerk of the House of Representatives;
- establishment and maintenance of lobbying disclosure information in an electronic data base which directly links lobbying disclosure information to the information disclosed in reports filed with the Federal Election Commission under the Federal Election Campaign Act of 1971,<sup>28</sup> and made available to the public free of charge through the Internet;
- identification of each executive branch official and Member of Congress with whom lobbying contacts are made;

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<sup>26</sup> H.R. 3623, introduced by Rep. Robert Andrews on July 29, 2005, would increase the “cooling off” period to five years after the Member leaves office during which former Members of Congress may not lobby, or appear or communicate with intent to influence any matter before any Member, officer or employee of the entire legislative branch. The measure was referred to the Committee on the Judiciary.

<sup>27</sup> H.R. 2412 requires a number of other changes to laws and rules governing congressional ethics that are not directly related to lobbying disclosure. These include requiring public disclosure by Members of Congress of employment negotiations; the establishment of fines and penalties for Member of Congress or employees of the House who wrongfully influence, on a partisan basis, any entity’s employment decisions or practices; amendments to the House Code of Official Conduct to prohibit favoritism; requiring the House Committee on Standards of Official Conduct to develop and revise guidelines on reasonable expenditures for official government travel; requiring certification that congressional travel meets certain conditions, and establishing civil fines for false certifications. Finally, H.R. 2412 would require the appointment of a bipartisan ethics task force in the House to make recommendations on strengthening ethics oversight and enforcement, and providing the resources necessary to accomplish that goal.

<sup>28</sup> 2 U.S.C. 434.

- disclosure by registered lobbyists of all past executive branch and congressional employment; and
- disclosure of grassroots lobbying communications by paid lobbyists and itemized disclosure of expenditures on grassroots lobbying activities.

The measure would amend LDA to redefine the term “client” as any person or entity that employs a lobbyist on behalf of that person or entity. The measure requires that firms and other entities that are members of coalitions or associations that employ a lobbyist, are to be considered clients along with the coalition or association if their total contribution related to lobbying activities is greater than \$10,000.

S. 1398 would increase the civil penalty for failure to comply with lobbying disclosure requirements up to \$100,000. The measure provides for reviews and semiannual reports by the Comptroller General on activities carried out by the Clerk of the House and the Secretary of the Senate under LDA. Additionally, the ban on former senior executive personnel, former Members of Congress, and legislative branch personnel, preventing them from lobbying the entity in which they previously served, would be extended from one to two years. Finally, S. 1398 would revoke any benefit or privilege extended to former Members of Congress, including floor privileges, from former Members who are registered lobbyists.<sup>29</sup> S. 1398 was referred to the Committee on Homeland Security and Governmental Affairs. No further action has been taken at the time of this writing.

**S. 2128.** Senator John McCain introduced S. 2128, the Lobbying Transparency and Accountability Act of 2005, on December 16, 2005. The measure would amend LDA to require

- quarterly, instead of semiannual, filing of lobbying disclosure reports;

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<sup>29</sup> S. 1398 requires a number of other changes to laws and rules governing congressional ethics that are not directly related to lobbying disclosure. These include requiring public disclosure by Members of Congress of employment negotiations; the establishment of fines and penalties for Member of Congress or employees of the House who wrongfully influence, on a partisan basis, any entity’s employment decisions or practices; amendments to the House Code of Official Conduct and the standing Rules of the Senate to prohibit favoritism; requiring the House Committee on Standards of Official Conduct to develop and revise guidelines on reasonable expenditures for official government travel; requiring certification that congressional travel meets certain conditions, and establishing civil fines for false certifications.

S. 1398 would also institute a ban on gifts from lobbyists to members of Congress and their staff. In the House, Rep. George Miller introduced H.R. 3177 on June 30, 2005 to ban gifts from lobbyists. Both measures also would amend the rules of the respective chambers in which they were introduced to prohibit Members from accepting gifts from lobbyists. H.R. 3177 was referred to the House Committee on the Judiciary. No further action has been taken at the time of this writing.

- reduction of the thresholds for which registration and disclosure are required from \$5,000 to \$2,500 for a lobbying firm, and from \$20,000 to \$10,000 for an organization whose employees engage in lobbying activities on its own behalf;
- reduction of the increments in which lobbying expenditures may be estimated, from less than \$10,000 to less than \$5,000, or in larger increments, from \$20,000 to \$10,000;
- electronic filing of lobbyist registrations and disclosure reports filed with the Secretary of the Senate or the Clerk of the House of Representatives;
- establishment and maintenance of lobbying disclosure information in an electronic database that directly links lobbying disclosure information to the information disclosed in reports filed with the Federal Election Commission under the Federal Election Campaign Act of 1971<sup>30</sup> and made available to the public free of charge through the Internet; and
- disclosure of grassroots lobbying communications by paid lobbyists and itemized disclosure of expenditures on grassroots lobbying activities. In the event that a grassroots lobbyist receives or spends \$250,000 or more for grassroots lobbying activities, an additional report must be made within 20 days.

S. 2128 would amend LDA to redefine the term *client* as any person or entity that employs a lobbyist to carry out lobbying or grass roots lobbying activities on behalf of that person or entity. The measure requires that firms and other entities that are members of coalitions or associations that employ a lobbyist are to be considered clients, along with the coalition or association, if their total contribution related to lobbying activities is greater than \$10,000.

S. 2128 would increase the civil penalty for failure to comply with lobbying disclosure requirements up to \$100,000. The measure provides for reviews and semiannual reports by the Comptroller General on activities carried out by the Clerk of the House and the Secretary of the Senate under LDA. Additionally, the ban on former senior executive personnel, former Members of Congress, and legislative branch personnel preventing them from lobbying the entity in which they previously served would be extended from one to two years.<sup>31</sup> S. 2128 was referred to the

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<sup>30</sup> 2 U.S.C. 434.

<sup>31</sup> S. 2128 requires a number of other changes to laws and rules governing congressional ethics that are not directly related to lobbying disclosure. These include requiring public disclosure by Members of Congress of employment negotiations and increased disclosure of travel by Members of Congress. The measure also specifies the valuation of tickets to sporting and entertainment events provided to covered executive and legislative branch  
(continued...)

Committee on Homeland Security and Governmental Affairs. No further action has been taken at the time of this writing.

**H.R. 4575.** On December 16, 2005, Representative Christopher Shays introduced H.R. 4575, the Lobbying Transparency and Accountability Act of 2005. Similar in nature to S. 2128, the measure would amend LDA to require

- quarterly, instead of semiannual, filing of lobbying disclosure reports;
- reduction of the thresholds for which registration and disclosure is required, from \$5,000 to \$2,500 for a lobbying firm and from \$20,000 to \$10,000 for an organization whose employees engage in lobbying activities on its own behalf;
- reduction of the increments in which lobbying expenditures may be estimated, from less than \$10,000 to less than \$5,000, or in larger increments, from \$20,000 to \$10,000;
- electronic filing of lobbyist registrations and disclosure reports filed with the Secretary of the Senate or the Clerk of the House of Representatives;
- establishment and maintenance of lobbying disclosure information in an electronic database that directly links lobbying disclosure information to the information disclosed in reports filed with the Federal Election Commission under the Federal Election Campaign Act of 1971<sup>32</sup> and made available to the public free of charge through the Internet;
- disclosure of grassroots lobbying communications by paid lobbyists and itemized disclosure of expenditures on grassroots lobbying activities. In the event that a grassroots lobbyist receives or spends \$250,000 or more for grassroots lobbying activities, an additional report must be made within 20 days.

H.R. 4575 would amend LDA to redefine the term *client* as any person or entity that employs a lobbyist to carry out lobbying or grass roots lobbying activities on behalf of that person or entity. The measure requires that firms and other entities that are members of coalitions or associations that employ a lobbyist are to be considered clients, along with the coalition or association, if their total contribution related to lobbying activities is greater than \$10,000.

H.R. 4575 would increase the civil penalty for failure to comply with lobbying disclosure requirements up to \$100,000. The measure provides for reviews and

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<sup>31</sup> (...continued)  
officials.

<sup>32</sup> 2 U.S.C. 434.

semiannual reports by the Comptroller General on activities carried out by the Clerk of the House and the Secretary of the Senate under LDA. Additionally, the ban on former senior executive personnel, former Members of Congress, and legislative branch personnel preventing them from lobbying the entity in which they previously served would be extended from one to two years.<sup>33</sup> H.R. 4575 was referred to the Committees on Standards of Official Conduct, Rules, and Resources for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned. No further action has been taken at the time of this writing.

**S. 1972.** On November 7, 2005, Senator Rick Santorum introduced S 1972, the Terrorist Lobby Disclosure Act of 2005. The measure would amend LDA to require Members of Congress and legislative branch employees to disclose to the Secretary of State any contacts with representatives or officials of governments that have been designated as state sponsors of terrorism by the Department of State. S. 1972 would require the Secretary to issue a report listing those who have had such contacts to the Senate Committee on Foreign Relations, the Senate Subcommittee on State, Foreign Operations, and Related Programs of the Committee on Appropriations, the House Committee on International Affairs, and the House Subcommittee on Foreign Operations, Export Financing, and Related Programs of the Committee on Appropriations. S. 1972 was referred to the Committee on Homeland Security and Governmental Affairs. No further action has been taken at the time of this writing.

## Further Reading

CRS Report RS22226, *Summary and Analysis of Provisions of H.R. 2412, the Special Interest Lobbying and Ethics Accountability Act of 2005*, by Jack Maskell.

CRS Report RS22209, *Executive Lobbying: Statutory Controls*, by Louis Fisher.

CRS Report RL31126, *Lobbying Congress: An Overview of Legal Provisions and Congressional Ethics Rules*, by Jack Maskell.

CRS Report 96-809, *Lobbying Regulations on Non-Profit Organizations*, by Jack H. Maskell.

CRS Report RS20725, *Interest Groups and Lobbyists: Sources of Information*, by Mari-Jana "M-J" Oboceanu.

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<sup>33</sup> H.R. 4575 requires a number of other changes to laws and rules governing congressional ethics that are not directly related to lobbying disclosure. These include requiring public disclosure by Members of Congress of employment negotiations; and increased disclosure of travel by Members of Congress. The measure also specifies the valuation of tickets to sporting and entertainment events provided to covered executive and legislative branch officials.



CRS Report RS22317, *Congressional Gifts and Travel, Legislative Proposals for the 109<sup>th</sup> Congress*, by Mildred Amer.

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