DIRECT SPENDING LEGISLATON—COMPARISON OF CURRENT LEVEL WITH COMMITTEE ALLOCATIONS PURSUANT TO BUDGET ACT SECTION 602(a) REFLECTING ACTION COMPLETED AS OF JULY 22, 1996—Continued

[Fiscal years, in millions of dollars]

House committee	1997			1997–2001		
	BA	Outlays	NEA	BA	Outlays	NEA
Current Level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
Resources:						
Allocation	−91	−90	−12	−1,401	−1,460	−59
Current Level	0	0	0	0	0	0
Difference	91	90	12	1,401	1,460	59
Judiciary:						
Allocation	0	0	0	−357	−357	0
Current Level	0	0	0	0	0	0
Difference	0	0	0	357	357	0
Transportation and Infrastructure:						
Allocation	2,280	0	0	125,989	521	2
Current Level	0	0	0	0	0	0
Difference	−2,280	0	0	−125,989	−521	−2
Science:						
Allocation	0	0	0	−13	−13	0
Current Level	0	0	0	0	0	0
Difference	0	0	0	13	13	0
Small Business:						
Allocation	0	0	0	0	0	0
Current Level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
Veterans' Affairs:						
Allocation	−90	−90	224	−919	−919	3,475
Current Level	0	0	0	0	0	0
Difference	90	90	−224	919	919	−3,475
Ways and Means:						
Allocation	−8,973	−9,132	−2,057	−134,211	−134,618	−10,743
Current Level	0	0	0	0	0	0
Difference	8,973	9,132	2,057	134,211	134,618	10,743
Unassigned:						
Allocation	0	0	0	0	0	0
Current Level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
Total authorized:						
Allocation	−10,571	−16,469	−1,916	−34,897	−168,812	−38,038
Current Level	0	0	0	0	0	0
Difference	10,571	16,469	1,916	34,897	163,812	38,038

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 22, 1996.

Hon. JOHN KASICH,
Chairman, Committee on the Budget,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, this letter and supporting detail provide an up-to-date tabulation of the on-budget current levels of new budget authority, estimated outlays, and estimated revenues for fiscal year 1997. These estimates are compared to the appropriate levels for those items contained in the 1997 Concurrent Resolution on the Budget (H. Con. Res. 178), and are current through July 18, 1996. A summary of this tabulation, my first for fiscal year 1997, follows:

[In millions of dollars]

	House current level	Budget resolution (H. Con. Res. 178)	Current level +/− resolution
Budget authority	833,322	1,314,785	−481,453
Outlays	1,024,830	1,311,171	−286,341
Revenues:			
1997	1,110,340	1,083,728	+16,612
1997–2001	5,970,883	5,913,303	+57,580

Sincerely,

JUNE E. O'NEILL,
Director.

PARLIAMENTARIAN STATUS REPORT, 104TH CONGRESS, 2D SESSION, HOUSE ON-BUDGET SUPPORTING DETAIL FOR FISCAL YEAR 1997—AS OF CLOSE OF BUSINESS JULY 18, 1996

[In millions of dollars]

	Budget authority	outlays	revenues
Previously enacted			
Revenues			1,100,355
Permanents and other spending legislation	843,212	804,226	
Appropriation legislation		238,523	
Offsetting receipts	−199,772	−199,772	

PARLIAMENTARIAN STATUS REPORT, 104TH CONGRESS, 2D SESSION, HOUSE ON-BUDGET SUPPORTING DETAIL FOR FISCAL YEAR 1997—AS OF CLOSE OF BUSINESS JULY 18, 1996—Continued

[In millions of dollars]

	Budget authority	outlays	revenues
Previously enacted			
Total previously enacted	643,440	842,977	1,100,355
Enacted this session			
Taxpayer Bill of Rights 2 (H.R. 2337)			−15
Appropriated entitlements and mandatories			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted	189,892	181,853	
Total current level [1]	833,332	1,024,830	1,100,340
Total budget resolution	1,314,785	1,311,171	1,083,728
Amount remaining:			
Under budget resolution	481,453	286,341	
Over budget resolution			−16,612

[1] In accordance with the Budget Enforcement Act, the total does not include $34 million in outlays for funding of emergencies that have been designated as such by the President and the Congress.

CAMPAIGN REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, I rise to speak today in the more dispassionate time of special orders, and one day following the vote on campaign finance reform, to talk about campaign finance reform and what the future is. I am not particularly interested in getting into a partisan dispute today.

I think that it was worthwhile defeating the bill yesterday which put more money into politics, it did not take money out, but that was yesterday. Let us talk about some of the very real factors that are affecting campaign finance reform, and some of the difficulties in crafting a bill that deals not only with candidates but the overall issue of campaign finance reform.

First of all we had the Buckley versus Vallejo decision by the U.S. Supreme Court in the 1970's, which began a trail of decisions or started a line of decisions which effectively says that expenditure of money is the equivalent of speech; that as someone has the ability to say anything they want, if money enhances or permits them to say that, they can then expend that money.

So free speech and expenditure of money begin to be equated as the same. That is, I think, a disturbing trend, but that is a judicial decision.

So first of all we have that case, and what that then did effectively say, that we could not limit how much an individual could spend in their own campaign. If we have a billionaire, that billionaire can spend a billion dollars, if they want, of their own money for their own campaign. We can limit how much somebody can contribute to that person. We cannot limit how much that person can spend themselves.

The second major decision occurred only a couple of weeks ago, in which the U.S. Supreme Court ruled that political parties cannot be limited in how much they can spend for independent expenditures on behalf of their candidates. Let me give my colleagues an example:

John Jones, hypothetical candidate, is running, and his political party decides they want to make an independent expenditure, that is, without communication with John Jones, in his behalf. They were previously limited in how much they could spend. Now they can spend hundreds of thousands of dollars running a negative ad campaign against John Jones' opponent, leaving John Jones then free to run positive ads and not have his fingerprints attached to negative campaigning.

Incidentally, four of the Justices suggested at that time that that doctrine ought to be able to carry over to making direct expenditures on behalf of the candidate, so that firewall may be following shortly.

So now we have a situation with the Supreme Court where we cannot limit how much a candidate can spend on behalf of himself or herself out of their own individual funds, and we cannot limit how much a political party, Democrat or Republican, can spend on behalf of a candidate as long as it is independent.

The third factor we have in today's elections are independent expenditures, whether it is the Chamber of Commerce, the National Association of Manufacturers, the AFL–CIO, the Christian Coalition, or whomever, that they can spend in behalf of a candidate as long as it is an independent expenditure. Once again, an outside group can come in, run hundreds of thousands of dollars of political advertising, as long as theoretically it is not done in coordination with the candidate. Once again, we can pass all the legislation we want affecting a candidate, but if we have independent expenditures it really does not make any point.

The fourth is one that both parties abuse, I feel, and that is soft money, the ability to funnel lots of money, unlimited amounts, in effect, to political party committees in States, effectively for organization. Soft money is becoming a bigger and bigger loophole.

A fifth element of great concern, both Presidential candidates in both parties are circumventing or getting around as much as they possibly can the present limitation on campaign financing. The only area, incidentally, where there is some public financing of campaigns is in Presidential campaigns. It is supposed to be limited, but both parties are getting around that as aggressively as possible.

Finally, the watchdog of campaigns, the Federal Elections Commission, is not adequately funded, and so in effect we have got a watchdog that has been defanged or the watchdog is not being given much of a leash to go do its job.

What we may ultimately have to consider in this country and I just suggest this for discussion purposes, is if there is ever going to be a serious limitation of money, if we are going to be able effectively to control how much individuals or individual groups put into campaigns, we may have to talk about a constitutional amendment that overcomes the Supreme Court decisions. But until that happens, then I think the public is going to have to be prepared to take control of this process and demand that the Congress do the same thing.

I use the retail, parking lot test. A lot of people are concerned that political campaigns are turning into retail contests. Then use the retail principles to combat it. The parking lot test for me is when I am standing in a parking lot campaigning and somebody comes up and says, ''BOB WISE, I don't think that this should be happening'' or ''Are you involved in this?'' So that way political candidates, whether incumbents or challengers, soon get an idea of what the public will accept.

It may be that the public is going to have to say what it would not accept in campaigns. The public or perhaps outside groups are going to have to devise a voluntary code, and thus get some campaign reform and force Congress to act.

THE FACTS ABOUT THE CAMPAIGN FINANCE REFORM BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. HOKE] is recognized for 5 minutes.

Mr. HOKE. Mr. Speaker, I also want to speak about the campaign finance reform bill that we defeated yesterday, as well as just campaign finance reform generally, because the one thing that has been said repeatedly is that it was a good thing that this bill was defeated because it would do nothing to limit campaign spending. That is simply factually untrue, and I am going to explain why that is untrue.

I will preface that by saying that I did not think it was a perfect bill. There were a lot of things about the bill I was not particularly happy with but at least it moved in the right direction, and I did vote for it.

As we could see, though, from yesterday's vote, Mr. Speaker, unfortunately it was soundly defeated in this House because apparently when it comes to campaign finance reform, people hide behind perfection being the utter enemy of the good, instead of making the incremental reforms that apparently are the only way that we can get anything accomplished with respect to reforming the institution itself or the way that candidates are supported and their campaigns are financed.

Let me tell my colleagues specifically why yesterday's bill, from bottom-up as opposed to top-down philosophy, would have limited spending. It did two things that would have limited spending. It did two things that would have had an immediate impact on reducing the number of dollars in congressional campaigns.

No. 1, it reduced the amount of money that could be contributed by a political action committee, that is, a special interest PAC. Most of them, as we know, Mr. Speaker, are located here in Washington and represent Washington's values, lobbyists' values, special interests' values, as opposed to America's values.

It would have reduced the amount that those PACs could have spent from $5,000 to $2,500 or reduced the amount of money from PACs by 50 percent, reduced them in half. At least that is what it purported to do. Unfortunately, the devil is always in the details and who knows that it might have only spawned twice as many PACs with different hats.

But let us forget that for a second. Let us assume in fact it would have done what it was intended to do, and that was to reduce the amount of money that a PAC could give by 50 percent. That would have reduced by 50 percent all of the money that PACs contributed to congressional campaigns in the last cycle or in the next cycle. If the average amount that a candidate is receiving from a PAC is $300,000 or $400,000, it would have reduced it by half. Clearly, that has an immediate impact on reducing the amount of money that is being spent in political campaigns.

Second, the bill also provided that 51 percent of all contributions must come from individuals who live in the district that the candidate wants to have the honor of representing in the United States House of Representatives; 51 percent. That immediately would have also had the impact of reducing the total number of dollars spent on a political campaign.

Why? Because if 51 percent has to come from in-district, that means that in all of those districts where candidates are in fact raising more than 51 percent from out-of-district, which is in fact for those people who accept political action committee contributions, the majority of candidates, it would have also had the immediate impact of reducing the amount of money being spent in those campaigns, as well.

So as my colleagues can see, this bogey that is being thrown up that this did nothing to reduce the amount of money in political campaigns is absolutely false and it is false because, No. 1, the amount of money spent by PACs would have been reduced. No. 2, there would have been an overall reduction because of the 51 percent in-district requirement.

Now that is a consequence of otherwise good policies. I would go a step further and say this: If we are going to in fact make this body more representative of the districts of America, not of Washington's values but of America's values, then we have to completely eliminate the political action committee contributions.

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The reason tha we need to do that is that something very, very insidious happens when a person makes a contribution to a PAC. In other words, if you are a member of a labor union or if you work for a bank and you make a