new energy and new ideas. So I commend the gentleman from Colorado on that.

In terms of balancing the budget, I think this country needs to start making decisions of how big do we want government to be, how much of the money that we earn do we want to pay out in taxes?

Of course, if you are an average American, you pay about 40 cents out of every dollar you earn in taxes at the local, State, and national level. Of course, taxes are especially appropriate at this time of year because most Americans, by the April 15 date, are going to be required to shell out of their pockets and pay money into the Federal Government in taxes.

So I would just urge everybody as they look at their taxes, make sure that you look at your W–2 form. How much has already been deducted from your paycheck to send to the Federal Government, and how much has been deducted from your paycheck in the so-called FICA taxes, the amount that is deducted for Social Security and Medicare, because it is getting larger and larger.

We have had a system of government where so often, the Members elected to the Congress, and even the President of the United States, they say, look, we are going to do more things for more people, and they do not say we are going to tax you more, or we are going to borrow you more so you have to pay more in interest. But it has become sort of a system where, if you come with more spending and more programs and more pork barrel projects, then you take these home to your districts and get on the front page of the paper, cutting the ribbon, or on television.

So in the past, it has increased the propensity that you are going to get reelected if you do more things and spend more money and tax the Americans more. I think the Americans are starting to wise up to these pork barrel projects.

I would just encourage everybody, as we go through the election process for this fall's election, that everybody start going to those debate meetings. Everybody start asking those Members that are running for Congress, look, when are you going to stop taxing us so much? Let us start keeping some of that money so that we can spend it the way we want to, or we can start saving it and investing it to help secure our retirement future.

Mr. BOB SCHAFFER of Colorado. There really is a need for nationwide study or review or recollection of the concept of federalism in the United States, because I think every single day, we in the Congress, and this is what we fight for as a Republican Party, fight for forcing this institution to come to grips with what is the appropriate role of the Federal Government.

There are many functions of government that are appropriate, that are public endeavors that need to be undertaken at one level or another, but that is the key phrase right there.

Mr. SMITH of Michigan. Yes.

Mr. BOB SCHAFFER of Colorado. One level or another.

Mr. SMITH of Michigan. Should all good causes be implemented into Federal law? And I think what I hear you saying is no.

Mr. BOB SCHAFFER of Colorado. I frequently look to the U.S. Department of Education, for example. Now, all of us in this Congress would agree, the most conservative and most liberal Members alike, that a strong public education system is absolutely essential, and it is central to maintaining the Republic.

The second question, though, that begins to divide us is at what level do we best deliver a public education system. Is it Federal, State, or local? The first place we ought to look is the United States Constitution.

I would defy anyone in this Congress to find where it is in this Constitution that the Federal Government has been empowered to manage local school districts. It is not there. We have never been empowered here yet.

Just as you said a moment ago, there are Members of Congress who, at election time, cannot resist the opportunity to get on the front page of the local newspaper or cut the ribbon at some institution and spend other people's money on a function of government that is important but probably is better situated at the State level, as the Constitution suggests.

Mr. SMITH of Michigan. So often what happens is, though we are not authorized under the Constitution to pass laws, what we do is a combination of bribery and blackmail in trying to impose the will of the Federal government on local jurisdictions.

So we say, look, if you do it the way we in Washington think you should do it, if you do it the Washington bureaucratic way, then you can have some of the money back that you paid us in the first place in taxes.

In the transportation bills in the past, we said, look, you cannot have the transportation dollars that you sent us in the first place unless you do such things as lower your speed limit. You cannot have the education money the President is suggesting unless you use it to build a building or unless you use it to do this or unless you use it for the things that we say. The propensity of Washington is that they are elitist. They think they can make the decisions better than the people at the State and local level.

I think it is important that we start looking at reducing the tax burdens so the American workers can start experiencing the creation of wealth. If we would tax a little bit less, then they would have the opportunity to start saving and investing and see the magic of compound interest where, at some of the interest rate, some of the returns that we have experienced, for example, has been very astonishing. We need to give that opportunity for the creation of wealth to more people.

Mr. BOB SCHAFFER of Colorado. Well said. Our Republican vision here as the majority party in Congress is to lower the effective tax rate on the American people from over 40 percent, where it is today, 40 percent of income down to 25 percent at a maximum. It could possibly even go lower than that. But I think as a general goal that we ought to shoot for, this is the target that we have set for ourselves.

It is not going to happen overnight, certainly. But as far as establishing a direction and a goal for the American people, it is this side of the aisle, the Republican Party, led in many respects by our freshman class and with the leadership and encouragement of you and other Members of Congress to get us toward a 25 percent overall effective tax rate. That is at Federal, State, and local levels of government. The cost of being a free citizen in America should not be more than one-quarter of your annual family income.

Mr. SMITH of Michigan. That has got to be an ultimate goal. The other goal that the gentleman from Colorado and I both agree with is we have got to start paying down the Federal debt. Right now, the interest on that $5½ trillion that the Federal Government has borrowed represents 15 percent of the total Federal budget. So we are going to use a lot of this extra money that it looks like it is coming in in surplus and, to be sure, it is not a real surplus, because we are borrowing from the Social Security trust fund.

I thank the gentleman from Colorado very much for participating in this hour.

Mr. BOB SCHAFFER of Colorado. These are great topics that we will pick up at another time. Our hour is about to expire.

Mr. Speaker, the freshman class will be back in 1 week.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore (Mr. PEASE). Under the Speaker's announced policy of January 7, 1997, the gentleman from Maine (Mr. ALLEN) is recognized for 60 minutes as the designee of the minority leader.

Mr. ALLEN. Mr. Speaker, I am here tonight to talk about the issue of campaign finance reform. This is a topic that has been a subject of particular importance to the freshman class, and I want to explain why.

We are going to start with the simple fact that the 1996 election was different from other elections in the past. One of the major differences was the amount of soft money that flowed to the national parties that eventually found its way into ads that were run for and against candidates around the country.

□ 2000

Now, soft money is the unlimited money that comes from corporations, from unions, and from very wealthy individuals, to the national parties. This

chart on my right will give my colleagues some sense of how there has been an explosion of soft money in the 1996 cycle.

As my colleagues can see, in the 1980, 1984, 1988 and 1992 cycles, there was a certain amount of soft money flowing to the national parties, but then in 1996, all the limits came off. It is important to remember, as I said before, this is corporate money, this is union money, and this is money from very wealthy individuals.

What was different about 1996? What was different in 1996 is that both parties figured out that they could legally use soft money that came to the national parties to run so-called ''issue advertisements.'' These were advertisements that did not say vote for or vote against a particular candidate, but they did talk about a particular issue, and they did frame the ad almost always in a negative way and urged the voter to call that candidate or call the elected official to complain about a particular position on an issue. They clearly were designed to influence Federal elections, but because they were about issues and not simply saying vote for or vote against a particular candidate, they essentially passed legal muster.

So what was a small loophole became a highway for money that has been prohibited for decades in this country.

When Theodore Roosevelt was President, 1905, the ban against corporate giving to individual candidates to influence Federal elections was established. In 1943, the same ban was applied to unions. But in 1996, those limits, those bans, were effectively circumvented as money flowed to the national parties and then went out to issue ads.

Now, why is that important? What happened in 1996, this is half of the story, the explosion in soft money; the other half of the story that was different is that for the first time or for, I guess I would say, the first complete cycle, we had a lot of money coming from outside groups, issue advertisements, individual expenditures designed to do the same thing, to influence Federal elections, but that fell outside the scope of the Federal election laws.

The freshmen, on a bipartisan basis, Democrats and Republicans, formed a task force, six Members on each side. The gentleman from Arkansas (Mr. HUTCHINSON), a Republican, was the cochair of the Republicans, and I, Tom Allen of Maine, was the cochair of the Democrats on our side. Over a 5-month process we held public forums, we debated these issues and we negotiated a bill.

That bill, H.R. 2183, the Bipartisan Campaign Integrity Act, is a good bill. It bans soft money. It requires faster and more accurate reporting by individual candidates. It requires further disclosure by groups that run issue ads.

Why do I bring this up today? Because after months and months of investigations with millions of dollars spent in this House by House committees to investigate campaign finance abuses in 1996, and after seeing some significant bipartisan efforts toward campaign reform in this House, what is the result this week?

Well, this House, the Republican leadership, is now on the verge of reporting out a so-called ''campaign finance reform bill'' that is a sham. It is not bipartisan, it is not reform and, above all, it is not designed to pass, because the last thing that the Republican leadership wants on campaign reform is for a bill to pass.

Now, that bill, we expect that it might be marked up, there might be a rule on it tonight, it might come up this week. The latest information that I have is that that is probably not going to happen, but I want to talk about the difference between doing this in a bipartisan way and doing it in a partisan way.

If we approach the campaign reform issue in a bipartisan way, we have to begin by taking the poison pills off the table. And when I say a poison pill, I mean a provision that is designed to kill the reform. So what we did with our freshman effort is, we sat down, we took the poison pills off the table.

The Republicans did not want to agree to overall campaign spending limits for individual congressional campaigns. The most common suggested amount was $600,000. Now, some of us thought that for $600,000, one can run a pretty good congressional campaign in this country. They did not want it, so we took it off.

The Democrats said, look, we are not going to go after one interest group and not another in this country, and therefore, the poison pills that involve going after labor unions, trying to gag workers across this country, was taken off the bill. That is what we did. We took the poison pills out. But recently the Republican leadership, in developing their bill, put all of the poison pills back in, all of the poison pills, that is, that mean that Democrats could not vote for the so-called ''reform bill.''

Mr. Speaker, let us go for a moment just to the immediate reaction around the country toward the Republican leadership campaign reform bill. In The New York Times today, they called it Campaign Finance Charades, and the first line reads, ''Newt Gingrich has a plan to snooker Americans yearning for a cleanup of their corrupt election finance system.''

The Washington Post today, same type of editorial. The headline: Mocking Campaign Reform.

USA Today, an editorial entitled, Big Money Buys Big Favors as Campaign Reform Wilts.

The League of Women Voters described the Republican leadership bill as, ''The approach is to package together several of the worst ideas on campaign reform. This bill is a complete travesty.''

Common Cause, which has been leading the fight for campaign reform, described this bill as, ''This bill is a hoax,'' Common Cause President Anne McBride said. ''It is laced through with poison pill provisions, and it not only allows the soft money system to continue in place, but also legalizes Watergate-size contributions for the political parties. No one should be fooled by this cynical effort.''

The fact is that we cannot do campaign reform on a partisan basis, and yet that is exactly what the Republican leadership has been trying to do. We have to get back to first principles, we have to get back to having a bipartisan approach to campaign reform, and I believe that there are others in this House on both sides that have taken an approach, a bipartisan approach.

The gentleman from Connecticut (Mr. Shays) and the gentleman from Massachusetts (Mr. Meehan) on the Democratic side, have worked on this issue for a number of years. There are Members on both sides of the aisle who have worked on this issue. But the Republican leadership bill is not designed to pass; it is not reform, it is not bipartisan, it is a disaster.

I know that on the Democratic side, we are committed to a real campaign reform bill. There is too much money in politics right now. We have to make sure that the ordinary citizen does not feel disenfranchised by this system, and the more big money that comes into politics, the more the cost of campaigns keeps going up, the more the ordinary citizen is going to feel disenfranchised. We have to stop the money race, slow it down, at least, do what we can in this session to do that. We need a different bill, a bipartisan bill on the floor of the House when this issue comes up.

One of the leaders in this effort has been the gentleman from New Jersey (Mr. PALLONE). It is good to have him here tonight willing to talk on this subject.

I yield to the gentleman.

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman from Maine. He really has taken the leadership on this issue, and I am pleased to be able to join him tonight on this Special Order.

I listened to some of what the gentleman said. I was on the way over here when the gentleman began, but it is amazing to me that here is an issue on which the American people, I believe, have basically spoken out and said that they would like to see real campaign finance reform. And the reason why they want campaign finance reform is because they think, as the gentleman mentioned, that there is too much money in politics, and too much interest, if you will, and too much ability of wealthy individuals to influence the political process; and that we have gotten away from the way this country used to be and the way this democracy used to be where politicians, and I use the term ''politician'' in a positive way, used to have to go out to their

constituents. And if they were going to raise some money on the campaign, a lot of times, most of it was from their constituents, and most of it was smaller contributions. They did not have to raise $1 million or $2 million or the kind of money that we are seeing in campaigns today.

In addition to that, we have all of this money that is being spent independently by the special interest groups, the so-called ''independent expenditures,'' so that if one of us were to say, I think the gentleman used the figure of $600,000, if one of us were to say that we are spending $600,000 on our congressional campaign, which is probably about the average right now, what we are not taking into account is the fact that there may be a lot of other special interest groups out there that are spending $200- or $400,000 each on ads in the races, as well, that we are not even counting that $600,000. But the message that I am getting is that there is just too much money in politics.

Now, what do we get? Well, as is often the case here with our Republican colleagues, and maybe I should not say our Republican colleagues, as much as our Republican leadership, because I think that Speaker Gingrich and the Republican leadership are really the culprits here and they are the ones that control, if you will, what comes to the floor in this House. They know that campaign finance reform is something that the public wants. They know that the American people want it, but they come up with this scam, if you will, or sham, I think, the gentleman described it as; some of the editorials are calling it a charade, some are calling it a sham, whatever we want to call it, to try to bring the bill up, load it down with provisions that will make it impossible for it to pass this House, and at the same time not achieve any reform even if it did pass. And I think the biggest example of that, I do not know if the gentleman mentioned it, but talking about this idea of not allowing more money in politics, the Republican bill actually raises contributions to party committees from $20,000 to $60,000, and it raises individual contributions from $1,000 to $2,000.

So for those of my constituents who think that there is too much money in politics and think that a 1,000 contribution may be a little high, now they are going to see that the contribution level is $2,000.

So what the Speaker is doing, what Gingrich is doing is saying we should have more money in politics.

At the same time, we have this poison pill antilabor provision, if you will, just to make sure that the bill does not pass. So either, hopefully, they hope it will not pass, and if it does, it would not actually accomplish campaign finance reform.

Just to mention, this poison pill or antilabor provision, from what I understand, basically makes it more difficult for workers to organize and for the National Labor Relations Board to stop employers from violating labor laws.

Democrats are going to offer a substitute bill, essentially the MCCAIN-FEINGOLD legislation, that provides real reform, including a ban on soft money, which I see you have the chart up there. And the gentleman talks about the amount of soft money and how it has increased so much I guess, just in the last 4 years or so, from 1992 to 1996, and our Democratic substitute, the MCCAIN-FEINGOLD bill, if you will, essentially gives average working families an equal working voice, I think, in the political system and limits the influence of wealthy special interests on our political process.

Mr. Speaker, I just wanted to say, in my home State of New Jersey we have a very good example, and of course there are a lot of different ways that one could go about campaign finance reform, and we do not all agree on the ways to go about it. But we have a very good example in our gubernatorial race, which is also very similar to the presidential race nationally, whereby we allow, or we require, our candidates to raise a certain amount of money in small contributions and large individual contributions, but that has to be matched with public funds; and then we cap the amount of money that can be spent on the race.

That is what I would like to see. I would very much like to see congressional races run in the way the presidential raises are run or the way our gubernatorial races are run in New Jersey where the candidate basically has to raise a certain amount of money, not a lot in relative terms, and then that gets matched with public financing, public dollars, and then there is an overall cap on the amount of money that could be spent in a race.

I really think that the key is to limit the amount of money that is spent, not only by ourselves, but also by these independent organizations or independent expenditures by these special interest groups. Because if we do not limit the amount of money, then ultimately, it will continue to skyrocket and somebody will find a way to spend more and look for a loophole where they can spend more money.

The bottom line is that this Republican proposal, which I guess we are going to consider tomorrow or Friday, allows more money, more influence by wealthy individuals; and it has just been rigged so it cannot pass. And nothing else really is going to happen, and then Republicans and Gingrich can just go home and say, hey, we brought this up for a vote, we failed, we tried. Thank you. At least we let the opportunity present itself to bring this up.

□ 2015

They are really not allowing any opportunity. The way they are setting up the rules, they have rigged the system and they have made for a sham campaign finance reform bill.

Mr. Speaker, I thank the gentleman from Maine (Mr. ALLEN) for putting together this special order this evening.

Mr. ALLEN. Mr. Speaker, I thank the gentleman from New Jersey. I thank him for all his help on this issue, and for his concise summary of the THOMAS bill, the Republican leadership bill.

Let me just mention one thing before I turn to my friend and colleague, the gentleman from Arkansas. What we have in this Republican leadership bill is a worker gag rule. The Center for Responsive Politics has determined that in the last cycle businesses outspent labor by 10 to 1, and notwithstanding that 10 to 1 differential, the Republicans are determined to try to gag unions. Let me give a couple of examples.

They have established a rule where essentially union members would have to give prior consent, individual prior consent, to the use of any portion of their union dues for political kinds of activities. That does not mean just running ads, it means educating their own membership, putting out material to their own membership to tell them what issues are coming up that may affect their jobs and their lives, their health, and all of those issues that we deal with here in this Congress.

They say that they are trying to impose the same restrictions on corporations as they do on unions, but it is not true. It is not balanced and it is not fair.

With respect to unions, the burden of proof is against the union. The member's consent is not presumed. You have to have an individual signed, written statement prior to the use of any portion of those union dues for that particular purpose.

On the other hand, for a corporation, the burden of proof is in favor of the corporation. The shareholders' consent is presumed unless it is specifically rejected. This is just one of the many ways in which this bill is biased and is unfair.

No surprise. It is not a bill that was worked out in committee by a bipartisan process, it is not a bill that has had bipartisan support for any period of time. It was simply put down and put in place, and put together at the last minute by the Republican leadership. It is not fair, and it ought to be voted down.

Mr. PALLONE. If the gentleman will continue to yield, Mr. Speaker, because I know we have our colleague, the gentleman from Arkansas, here, I just find that this poison pill, if you will, this worker gag rule, so objectionable, because I know in my district the unions are very active on election day. They go out, they knock on doors, they put up signs during the campaigns. They do a lot of grass roots activity.

But the idea that individual members of a union cannot pool their resources, if you will, and have to have this extra restriction, if you will, have to individually sign for any contribution that they put forward, it just flies in the face of really the whole organizing effort, if you will, of the union.

Unions are meant to organize working people. If they cannot organize working people effectively for political action, then that takes away an important part of their existence. It makes it that much more difficult for them to be involved in the political process. It just irks me so much, because this is just purely partisan.

There are Republicans in my home State in Congress who are supported by the unions, so they are not strictly Democrat. But more often than not they support Democrats more than Republicans, and that is the reason this is being proposed, because the unions, certainly in the last few years, if not historically, have been more supportive of Democratic candidates.

That is not a reason to gag them. That is not a reason to not allow them to exercise their right to assemble and to participate fully in the political process. That is not what the democracy is all about.

Mr. ALLEN. In a nutshell, what the Republican leadership is trying to do is to place restrictions on and to gag people who contribute a few bucks a month for political activities that are not just activities related to Federal candidates, but just their own union. At the same time, they are tripling the limits that wealthy individuals can give to the national parties. That is an embarrassment.

Mr. PALLONE. Is it not also true, Mr. Speaker, if the gentleman will continue to yield, I think the gentleman told me, if an individual does not want to participate in anything but the collective bargaining aspect of the union, they always have the option themselves of simply contributing their dues for the collective bargaining aspect and not for anything else. So that option is already there. It is just that they are imposing an additional written requirement now in every case. That is the thing that inhibits free speech and the ability to participate.

Mr. ALLEN. The gentleman is right, the Supreme Court has ruled that every individual union worker has an absolute right not to be forced to contribute anything to political activities, to anything other than the activities related to collective bargaining.

I yield to my friend and colleague, the gentleman from Arkansas (Mr. VIC SNYDER), who has been a staunch proponent of campaign reform in this Congress. I am glad to see that the gentleman has brought along his check.

Mr. SNYDER. The gentleman just likes my special effects.

Mr. Speaker, it is interesting to me, the discussion we are having to have about these poison pills, and explain the minutiae of them to the Members of Congress so they will understand why it is a poison pill.

The reality is what we should be talking about, in a bipartisan manner, what we have been talking about for the last year, is where the problem is. It is in the huge soft money donations.

I have this check here I made up, made out to Any Ol' Political Party, signed by my friend, Ima Big Donor. Ima had $1 billion that she wanted to donate. She donated it to her favorite political party. This is completely legal, completely legal, under the current law.

The reason that the gentleman and I have engaged in a bipartisan manner with my friend, the gentleman from Arkansas (Mr. ASA HUTCHINSON) on the freshman bill and the reason we have had other bills like the Shays-Meehan bill, the McCain-Feingold bill, bipartisan bills, is to address the problem of these huge, unregulated donations.

Not so long ago we would have said, well, no one will make a $1 billion donation. Then we had Ted Turner, who donated $1 billion to international relief, and we suddenly realized that there is somebody out there that has the ability to make a $1 billion donation. Donations of several hundred thousand dollars are not uncommon in this day and age. Yet, look at what the average pay scale is in Arkansas, and they are absolutely dwarfed by those sizes of donations.

But this is what we should be concentrating on. This is what the Speaker of the House should be looking at. When we talked and had his promise from him a few months ago that there would be a fair debate on the floor of this House about campaign finance reform, we all envisioned a debate about a bipartisan bill that addresses this most egregious problem in our system, this overwhelming big money that can be made in any amount, and yet that is not going to occur because of the Republican leadership.

Mr. ALLEN. Mr. Speaker, I thank the gentleman from Arkansas (Mr. SNYDER). It is interesting that the Republican leadership bill, I should say, because I want to say this, there are some Members on the Republican side of the aisle who have been engaged in this issue from the beginning, but not enough. We really think it is the leadership that has sort of shut down this exercise at this time.

Let me just talk for one moment about the so-called soft money ban in the Republican leadership bill. The McCain-Feingold bill prevented Federal officials and candidates and parties from raising soft money. The freshman bill did the same thing.

Supposedly the Republican leadership bill did the same thing, but there is a difference. Under McCain-Feingold, the McCain-Feingold bill says that State parties cannot raise or spend soft money as well on any activities that affect the Federal election. So the obvious problem was, if you ban soft money at the Federal level, why will not people just go out and raise it at the State level?

So McCain-Feingold says, no, you cannot do that. You cannot do that. The freshman bill says, okay, we are not going to prevent State parties from controlling their own election laws and allowing soft money to be raised here if they want to, but we are going to prevent States from moving money, soft money being raised from one State to another, so we wall in each State. We have closed down that loophole.

But that provision of the freshman bill was taken completely out of the Republican leadership bill, so it is not a real soft money ban. The obvious loophole, there is a huge loophole in the Republican bill in terms of a soft money ban. It does not work, it is not fair, and it is not real reform.

Mr. Speaker, I yield to the gentleman from Arkansas.

Mr. SNYDER. Mr. Speaker, I would like to make another point. The gentleman from Maine (Mr. ALLEN) is one of my heroes, and he has been on my cable TV show back in Arkansas. The gentleman from Arkansas (Mr. ASA HUTCHINSON), a Republican freshman colleague, is one of my heroes, also. The two of them are the lead cosponsors of the freshman bill.

They spent a lot of time working through the problems when they made the decisions about what would be in that particular bill, and a lot of freshmen participated in that. What was showed was that it was a model of bipartisanship.

We thought we had in this country sometime ago a model of bipartisanship. This is a blowup of the famous photo when the Speaker of the House and President Clinton shook hands when they committed themselves to doing something about dealing with the overwhelming presence of big money in politics.

It is interesting to me now that the President has said he will sign a campaign finance reform bill. He is committed to it. We have leaders on both sides of the aisle, both Republican and Democrat, that have said they want bills on the House floor to deal in a bipartisan manner with this problem of soft money and campaign finance. Yet, the problem we have is with the Republican leadership.

I want to distinguish, there are clearly Members on the Republican side that will vote for campaign finance reform and feel every bit as strongly about it as the three of us do here tonight, but it comes down to a question of leadership.

Unfortunately, the way our House works, if the Republican leadership decides certain bills or certain amendments do not get on the floor of the House, the American people are denied their will, and in fact, the will of Congress is denied, because I am convinced there is a majority of Members of this Congress, when we total up the votes on both sides of the aisle, Republican and Democrat, that will vote for a ban on soft money; a good ban, a true ban on soft money, and try to deal with some of the other issues.

But it comes down to leadership, and the Republican leadership in this House is blocking the will of the House, blocking the will of the American people, and I think it is just an embarrassment to the body that that is occurring.

Mr. ALLEN. The gentleman from Arkansas makes a good point. If we think back to what happened on the Senate side, we can see the same sort of pattern over there, because the fact is that the McCain-Feingold bill, the stripped down version of the McCain-Feingold bill that was brought up in the Senate got 51 votes. A majority of the Senate voted for the McCain-Feingold bill in the Senate. Yet, it is only the Senate's rules that allow filibusters that sent that bill down to defeat.

Here we are, over on the House side, fighting the same fight, and all we are trying to do is get a good, bipartisan bill to the floor for a vote. If we do that, I believe we will win. I believe we will win it. But this is not a topic that can be done in an arbitrary way, in a totally partisan way. It cannot be done with a bill that is designed to fail, intended to fail, constructed to fail. That is what we have on the other side right now.

Mr. SNYDER. If the gentleman will continue to yield, Mr. Speaker, I read a column some time ago on this issue of campaign finance reform. The columnist had a great line, which was, does a fish know that it is wet? Does a fish feel the wet? It lives in water all the time, and I get in the bathtub and it feels wet to me, but does a fish feel the wet?

I do not know what a fish feels, but could use the example in trying to explain why the Republican leadership would be putting out this kind of a bill that has been called a charade, a hoax, a mockery. Why would they be putting out this kind of bill?

It may be that if you have been up here too long, you start being like a fish that no longer feels the wet, that you swim through the money. You swim through the money all the time, and it no longer feels strange to you. You just assume that donations of several hundred thousand dollars, that is just the way politics is. You assume donations from folks that are lobbying you that very same day on activities that come before the legislature, before Congress, that that is just the way it is. You no longer feel the wet. You are no longer aware of how unseemly it is to have big money dominate our politics.

Maybe that is why the freshman bill, I think, was such a prominent part of the discussion here for the last year, because we are all new here. We had just come through the 1996 election, and we got a hint of how big money can just really overwhelm the local effort. We got a hint of what it means to have thousands of dollars pour in from Washington, D.C., and overwhelm the local effort. We still feel what it is like to be wet. We still know what it is like when you get hit with those big sums of money.

But I fear that the Republican leadership no longer is aware of what it means in the American system to have the money floating through this city all the time. I think this may be an explanation why we are seeing this bill that has been called a hoax and a charade being presented on the floor. They do not feel the money anymore.

Mr. ALLEN. I think the gentleman from Arkansas (Mr. SNYDER) has had the best set of special effects and exhibits as anyone has come to the floor.

Mr. SNYDER. We have pyrotechnics scheduled for later in the evening.

Mr. PALLONE. Mr. Speaker, if I could comment on the special effects, I have to say the fish analogy is close to home. I represent the Jersey shore, and I appreciate the drawings that the gentleman from Arkansas made about the fish and the fish swimming through the money.

□ 2030

I think that the problem here is the way the gentleman has identified it. In other words, we have the tremendous outpouring from the American people that we should have campaign finance reform and that we should cut back on the amount of money that we spend in politics. But the Republican leadership, I think the gentleman rightly said, is so used to accumulating all of this money and basically relying on it when they run, that they cannot conceive of a situation where we actually cut back on the amount of money that is spent.

It is true, I think all of us have said that we know that there are Republican colleagues that would like to see a good campaign finance reform bill come to the floor and would probably be willing to vote for it. But so few of them are willing to stand up to the leadership. The leadership tells them, ''Look, we want you to support us and we want you to vote for this sham bill,'' and not enough of them are willing to come forward and essentially defy the leadership on this issue.

I noticed in The New York Times editorial that the gentleman from Maine made mention of before, it actually says at the end of the editorial, it says that ''The Speaker's trick can be defeated if the Democrats stand firm and at least 15 Republicans join them in voting against Mr. GINGRICH's anti-reform scheme.'' And it says, ''There used to be a tradition of enlightened moderation among northeastern Republicans.'' These are the Republicans in my area: New Jersey, New York, other northeastern States. ''But we will be watching to see if it can be revived enough to offset the party's more recent tradition of falling behind Mr. GINGRICH's darkest impulses.''

That is essentially what we have here. We do not have enough. Hopefully we will by tomorrow, but it is unlikely that we will get enough Republicans who will stand up and say this is a mockery and that we need to have a real campaign finance reform bill come to the floor of the House.

I thought it was particularly interesting what the League of Women Voters said about that. I know where I am, and I think around the country, the League of Women Voters is pretty much a bipartisan group that is not necessarily Democrat or Republican. In my area, there is certainly as many Republicans that are Members of the League of Women Voters as Democrats, and they are perhaps even more critical than anybody in this news release where they say that the Gingrich approach is to package together several of the worst ideas on campaign finance reform. The bill is a complete travesty. It says the so-called Paycheck Protection Act is completely unbalanced. It seeks to curtail wide-ranging political activities by unions. A real ban on soft money and closure of the sham issue advocacy loophole would apply equally to both unions and corporations. They use very, very harsh language in basically bringing up how fraudulent this effort is.

We know what happened. My colleague mentioned in terms of what the Senate did. Basically, the pressure was on Speaker GINGRICH to do something a few months ago. He promised a vote 5 months later. Now we have a vote, but he is rigging the vote. That is essentially what we have.

Mr. SNYDER. Mr. Speaker, if the gentleman would yield, that is interesting what the gentleman said about the League of Women Voters. This morning I was reading through some of the articles and statements. The League of Women Voters calls it a ''travesty,'' this Republican leadership bill. Common Cause calls it a ''hoax.'' The Washington Post calls it a ''mockery,'' and the New York Times calls it a ''charade.''

Now, those ought to be some warning signs to Members of this body. It ought to be some warning signs to the American people when we have that kind of criticism, very dramatic criticism of a bill and an issue that these groups feel very strongly about on the need to do something about our campaign finance law.

But I know for myself, I am not going to vote for this bill and I do not want to be a part of a travesty, a hoax, mockery and a charade. I want to be part of a bill like the gentleman from Maine (Mr. ALLEN) offered, our freshman bill, offered along with the gentleman from Arkansas (Mr. HUTCHINSON), or there are other options out there. But this one is the worst of the bills that we have seen.

Mr. ALLEN. Mr. Speaker, I would say the ''travesty,'' ''hoax,'' ''charade,'' are all appropriate words when, in the name of reform, we have a bill which allows an individual who used to be able to give $25,000 to an array of candidates to give $75,000 to candidates. Or when someone used to be able to give $20,000 to the national parties, to be able to give $60,000 to the national parties. That is not reform. That is an explosion of money. Whereas some increase might be appropriate to offset the loss of soft money, because we want our political parties to still be participants in this process, we do not want the campaigns dominated entirely by outside groups, by running

issue ads still. That is ridiculous. That does not make any sense.

The gentleman from Arkansas was just saying there are other good bills out there, and I want to spend just a few minutes on what is called McCain-Feingold 2, because that is a bill that I think really ought to come up for a vote in this House. It is very close, with just a couple of adjustments it is almost the same bill that passed in the Senate, got 51 votes in the Senate, was not allowed to pass, but it got 51 votes in the Senate. Let me say a few words about that.

The McCain-Feingold 2, which is really the Shays-Meehan bill here in the House, eliminates Federal soft money as well as State soft money that influences the Federal election. It has a real soft money ban.

Second, it reforms this whole area of issue advocacy. It basically applies to those broadcast communications that refer to a clearly identified Federal candidate within 60 days of a general election. And it restricts what can be done. It says that any of those kinds of ads or express advocacy, they need to be funded the way regular candidate expenditures are funded.

Third, the bill requires FEC reports to be electronically filed and it provides for Internet posting of disclosure data.

Fourth, it strengthens the campaign finance law by providing for expedited and more effective FEC procedures.

Five, it bans fund-raising on government property.

The Pendleton Act, which is over 100 years old, has prohibited in some very vague and sometimes confusing ways the raising of money on Federal property, but it is not very clear, and it is certainly not clear how it applies in the cases of telephone solicitation.

Well, this bill, the McCain-Feingold bill, fixes that particular problem. And those are some of the highlights, but it is a good bill and ought to come to the floor.

I think that the Democrats want to make sure this bill comes to the floor and want to give it an airing. But here is a bill with a bipartisan history; it was put together by Republicans and Democrats, it got 51 votes in the Senate. The least that could happen is that that bill should be allowed to come to the floor of this House for a vote before this body.

Mr. PALLONE. Mr. Speaker, I could not agree with the gentleman more. My understanding is that we will have the opportunity to do this as a motion to recommit or some procedural way that we will have hopefully an opportunity to vote on McCain-Feingold as a substitute. I guess we are not sure, but we are hoping that we will have that opportunity sometime this week when this campaign finance reform sham bill comes to the floor.

But I just wanted to add a little bit to a couple of things that the gentleman from Maine mentioned, because I think they were significant. When we talk about these issue advocacy ads, I think the average person has no idea the distinction between those and a regular campaign ad. I mean, basically these are the ads, these issue advocacy ads are ads where a particular interest group that has a particular subject that they are interested in, for whatever reason, basically puts on an ad and talks directly, usually in a negative fashion, about one of the candidates accusing them of doing something, oftentimes which is not even true. This is paid for by that special interest group that is interested in the particular issue attacking the candidate, and this is totally outside the regular campaign financing system so that it is not reported as part of the candidate's expenditure. It is not clear that it is reported anywhere at all for that matter, certainly anyplace that we can find it there is no real disclosure, and oftentimes in the campaigns these kinds of ads can be two or three times the budget that is spent on a campaign. That can be 60, 70, 80 percent of the budget, and it is all outside the reporting system that we actually have now for campaign financing.

So what we are doing with McCain-Feingold is basically saying that if these ads mention an individual candidate within a certain number of days before an election, then they have to be treated in the same way as a regular expenditure. There has to be proper disclosure. We have to know who is doing it and it seems to me that is only fair.

Mr. ALLEN. Mr. Speaker, if the gentleman will yield, that, as I mentioned at the outset, is the second problem. In addition to the soft money problem, that really arose or became dominant in the 1996 election cycle, and I think it is important to understand that this is political speech. This is free speech. We have got a first amendment. So it is not possible to say with respect to outside issue groups that they cannot run ads, they can never run ads. All that we are saying, all that McCain-Feingold says, is that if within 60 days of an election, when they mention the name or show the likeness of a candidate for Federal office, then it is brought into the reporting scheme that applies to Federal elections. Because at that point, it is pretty clear they are trying to influence the outcome of a Federal election, and that kind of regulation has been upheld.

It seems pretty clear that that should be a constitutional way of improving the information that flows to the public, because the bottom line is, I believe, that we believe that the American public is entitled to know who is running ads out there. And if there is a group that is running an ad and calls itself the Coalition for Real Change or the Better Government Group, I mean who are these people? I think the American public needs to be well informed to know who those folks are and, in the best of all possible worlds, to know where the money is coming from. But that is one of the kinds of changes that we need.

Mr. PALLONE. Mr. Speaker, the problem is that if we do not do that, if we do not do what is being proposed with McCain-Feingold, then this whole system of campaign laws that were basically put in place as a reform to the Watergate years and the way campaigns were financed prior to Watergate, we might as well throw out the window, because what is happening increasingly, the actual money that comes in under the traditional laws is becoming less and less of what is spent on a campaign, and all of these other expenditures that are outside the law do not come under the FEC and the FEC does not have authority to enforce or investigate are now the norm.

The other thing that the gentleman mentioned in McCain-Feingold is the effort to beef up the FEC. The bottom line is that the Federal Election Commission now is like a toothless tiger. They do not have the money, the investigators, or the power to go after or look at a lot of these expenditures, because they do not come under the law that they have jurisdiction over. So we have got to change it. Otherwise, we have no system. We just have a free-for-all out there.

Mr. ALLEN. Mr. Speaker, we have got to change it, and I think I agree with the gentleman from Arkansas. If we spend as a body, if this Congress spends 2 years and millions and millions of dollars investigating what happened in 1996 and we do nothing, no reform bill, no change, it will be an embarrassment. And we are here tonight because we do not want this House to be embarrassed. We do not want the American people to be embarrassed. We want this Congress to deal with an important, pressing issue that in our view has to be dealt with on a bipartisan basis, but under this Republican leadership bill is not being dealt with in that manner.

Mr. Speaker, I yield to the gentleman from Arkansas.

Mr. SNYDER. Mr. Speaker, it is interesting, the irony of having spent so much money on these investigations, and then to choose to deliberately put up a bill that is meant to fail. I guess that brings out our cynicism. But that is what is going on. It is all right to talk about all of this stuff about campaign finance laws, but we do not really want to do anything, is the message we are hearing from the Republican leadership.

Mr. Speaker, as I was listening to the two of my colleagues discuss in I thought great clarity and in good detail some of the various nuances of the campaign finance reform bills, I am sure that we have some folks that are saying, wait a minute; why are these folks not talking about these issues when the House is in session? Why are we having to do it at this time of night when most of the Members have gone home?

I want to take a moment and point out the Rules of the House. We talk

about the Committee on Rules, and it is not legal for us to bring up amendments on the floor of the House any time we want. It is not legal for us to bring up any bill we want, the Allen-Hutchinson bill any time we want.

Any bill, before it comes out on the floor of this House, has to go before the House Committee on Rules and they make the decision can a bill come out, and they also make the decision what amendments can come out. They make a decision about how much time is allotted. And if they make a decision that no other bill can be considered or other amendment be considered, that is the ruling of that committee and that sets the tone for the debate, and we will not get to discuss other options.

□ 2045

As happens in legislative bodies, that committee is set up; it has overwhelming Republican members and they take their cues from the gentleman from Georgia (Mr. GINGRICH) and the Republican leadership. That is as it should be. The Committee on Rules is dominated by the party in power. But that is why we are left with having to discuss this late at night when most Members have gone home, discuss it with ourselves and with the American people, to let them know that this is a travesty that is going on.

This should be the kind of discussion that happens at 1:00 in the afternoon and 2:00 in the afternoon and 3:00 in the afternoon with 435 Members either in this room or back in their offices watching the debate on C-SPAN in their offices, hearing from their constituents about what they want. But it is because the leadership directive told the House Committee on Rules that they do not want anything to come out on the floor of this House other than a bad bill that will go down to defeat.

I think that is an embarrassment and a travesty, given the amount of investigation that has gone on and the amount of money that has been spent and committed. The American people want to do something different about how we elect people. So I really appreciate my colleagues being such leaders in this effort.

Mr. ALLEN. I appreciate the help of my colleague and the support and leadership on this issue. I want to make a couple of comments.

People who have been around this place for a long period of time or who write about what goes on here will often say, well, the American people do not care. Well, in my district in Maine they care. I hear about this issue every time I go home, ''When are we going to get some campaign finance reform? When are we going to change the way we fund elections?'' I hear it all the time.

But it is also true that this is a different kind of issue. People care about it, but it is not the same. They do not worry about it in the way they may worry about what happens to an elderly parent who may have to go in a nursing home. They do not worry about it in the way we have to worry about, how are we going to get our kids through college. They do not worry about it in the way, what happens to me if I lose my job, what effect will that have on my family? They do not worry about it in the way they may be concerned if somebody in their family is ill or has an extraordinary health care problem that has to be dealt with. And they do not worry about it in the same way they worry about the education of their kids.

But it is our job here to provide the leadership on an issue that is fundamental to whether or not the American people, the ordinary American people, can participate in the system in a way that is healthy and strong and viable. And the more big money comes to dominate our politics, the more the average person in this country has a diminished role.

And I hear about it because people do understand that. They know that. And they may pick education as the most important problem that we have to deal with, and they do that in poll after poll, and I agree with them; but there are these underlying problems, underlying structural issues, that we have a responsibility to deal with, that they care about very much and they want us to do something about it. But they also have become very cynical that we are capable of dealing with it.

The only point I would make is this: 51 votes in the Senate for McCain-Feingold II, 51 votes, the majority of the Senate.

And in this House, give us a chance. Give us a chance. Let McCain-Feingold II go to the floor of this House and see what happens. I think we would find there are many Members who would say, this is a right kind of reform, it is bipartisan reform, it is serious reform. It is not the complete answer, but it is a step in the right direction.

I believe that we are entitled to have that kind of vote on a bipartisan bill on the floor of this House, and we should not be stymied by the Republican leadership.

Mr. SNYDER. I have to wonder what our Speaker is afraid of. I mean, what is the fear of having an open debate on the floor of this House about this very important issue, which is how America elects its leaders? Maybe he has counted votes. Maybe he knows that there is a majority of people in this body that would definitely vote for other alternatives, and the only way he can prevent that from happening is not to let them come to the floor of the House.

But I think, unfortunately, his actions and the actions of the other Republican leaders contribute to the cynicism of the American people. They want to know, ''What is this? Why do we not get to see a vote on a clean bill,'' those people back home.

So, once again, I appreciate the efforts of my colleague.

Mr. PALLONE. I want to say again, I thank both my colleagues for doing this special order tonight because I think this is a very important issue. Our constituents do care about it.

It is a tragedy that we are not going to be allowed to actually vote on true campaign finance reform at the end of this week, because people are crying out for it. And I see people voting less and less, the percentages of people that vote, and that cynicism really bothers me.

This is my tenth year in the House, and I can see less people interested, less people coming to the polls, less people participating in every way; and that is the real tragedy that we have to turn around.

Mr. ALLEN. I want to thank both the gentleman from Arkansas (Mr. SNYDER) and the gentleman from New Jersey (Mr. PALLONE) for their participation in this special order tonight on campaign reform. I know you have all worked hard and others have worked hard to see that we do get a vote on campaign reform.

I guess I would just close by saying that we are at an extraordinary time in American politics. The Cold War is over. The budget is balanced for the first time in 30 years. The number of civilians in the Federal Government is at the lowest level in 30 years. Unemployment is down. The economy is moving along very well.

We are at a time when we really could focus on the issues that matter most to working families: improving education, dealing with health care issues, reforming Social Security so it is there for our children and our grandchildren, and making sure that we leave no child behind, that we build the kind of society in the 21st century that can make this country and make the people here to have all the opportunities or greater opportunities than people have had anywhere on the face of the globe at any time in our history.

To do that, we need a healthy political system, we need a system where people want to participate, want to be engaged in the great issues of our time. I believe to do that we have to have a system which does not run on money, which allows the ordinary citizen a chance and a sense, the confidence that his or her voice can really make a difference. And that is why this issue is so important. It underlies everything else that we do.

If we are going to get to hear all the voices of America come into this Chamber, if we are going to make good decisions, we need to diminish the role of money in politics. We are not going to eliminate it entirely. We simply have got to try to control a system that is now out of control, try to shut down a loophole that has become a highway for soft money, control issue ads and make sure that the voice of the American people can be heard in all of its diversity and all of its power.

So I thank both of my colleagues for being here tonight, and I thank all of those who have worked so hard on this issue. And I extend a last request of the

Republican leadership to give us a fighting chance to vote on a fair campaign finance reform bill.

THREATS TO U.S. NATIONAL SECURITY FROM CUBAN DICTATORSHIP

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Florida (Mr. DIAZ-BALART) is recognized for 60 minutes as the designee of the majority leader.

(Mr. DIAZ-BALART asked and was given permission to revise and extend his remarks.)

TRIBUTE TO HONORABLE STEVEN SCHIFF

Mr. DIAZ-BALART. Mr. Speaker, the Speaker of the House of Representatives just a few hours ago had the sad duty to report to us the death of one of our colleagues, the gentleman from New Mexico (Mr. SCHIFF). So I would like to begin my remarks this evening expressing my sincere condolences to the Schiff family and letting them know that my prayers go out to them in this very difficult moment.

We will miss in this House STEVE SCHIFF. He was a great man. But I would say that he was really a great man, above all else, because he was a good man. He was a man of extraordinary integrity as well as great intelligence. He possessed a brilliant legal mind that he put to use serving not only this House but our country.

And so, I will certainly miss my friend and colleague STEVE SCHIFF. I will always recall with much affection how, based on the fact that he was of such discipline of mind, he was, for example, teaching himself Spanish and he would enjoy conversing in Spanish; and it was remarkable that just literally months after beginning his Spanish classes he had achieved a great fluency.

Anyway, we will miss, I will certainly miss my friend STEVE SCHIFF.

Mr. Speaker, in just a few days, and I think it is important for the American people to realize it, the Pentagon, the Department of Defense, is scheduled to make public a report, an assessment, of the security risks, the danger to the national security of the United States posed by the Cuban dictatorship just 90 miles from our shores.

A number of us here in Congress have received preliminary reports with regard to that assessment that will be made public in just a few days by the Department of Defense, disturbing reports, because we are of the understanding, we have been led to believe that the Pentagon is about to say that there is, in essence, no threat from the Cuban dictatorship. That is a grave mistake if, in fact, that is the assessment that is made of the threat.

It is a grave mistake and it is really unfortunate. Because the only way in which the conclusion can be reached that there is no threat from the Cuban dictatorship 90 miles from our shores is based on a political decision, an imposition by the White House upon the Department of Defense with regard to the report, its threat assessment, of just a few days.

So if it is the case then, the preliminary reports that we have received, that in effect the Pentagon will say in a few days that there is no threat coming from the Cuban dictatorship, if that is the case, we, those of us in Congress who had received these preliminary reports are of the belief that a political decision is motivating that report.

Just a few days ago, a number of us wrote to the Secretary of Defense and Secretary of State with regard to this very issue. And if I could, I would like, Mr. Speaker, to be able to read this letter:

''Dear Mr. Secretary,

''We are writing to express our concern about the ongoing national security threat from the Cuban dictatorship. Specifically, we are convinced that the Castro dictatorship is a major enemy of our efforts to shield America's frontiers from the drug threats, and we are additionally concerned about Castro's ability to develop biological and chemical weapons. Castro is technically capable of many of the same types of things we know Saddam Hussein is doing, and the Castro dictatorship is the only rogue regime that is 90 miles from our shores.

''We are appalled about current attempts to downplay the Castro threat and are deeply disappointed that the Department of Defense refuses to acknowledge Castro's ongoing threats to the United States. We have received extremely disturbing reports that the Department of Defense plans to officially minimize the threat assessment of Castro's Cuba and that this may be utilized to subsequently remove Castro from the State Department's terrorist list. Despite Cuba's economic situation, Castro remains a dangerous and unstable dictator, with the intentions and the capability to hurt U.S. interests.

''Thirty-five years ago, during the Cuban missile crisis, Castro urged a nuclear first strike by the Soviet Union against the United States. Ten years ago, Cuban General Rafael del Pino disclosed that Cuban combat pilots trained for air strikes against military targets in south Florida. Five years ago a Cuban air force defector in a MiG–29 fighter aircraft, flying undetected until just outside Key West, Florida, confirmed that he had received training to attack the Turkey Point nuclear power facility in south Florida.

Two years ago, Castro ordered Cuban MiG–29 fighter aircraft to attack and kill unarmed American civilians flying in international air space just miles from the United States.

□ 2100

There is a pathologically unstable tyrant in the final years of his dictatorship just 90 miles from our shores. His four-decade record of brutality, rabid hostility toward the Cuban exile community, anti-Americanism, support for international terrorism, and proximity to the United States is an ominous combination.

When considering the potential threat from Castro, the following must be noted.

Despite the end of the Cold War, Castro continues to espouse a hard line, using apocalyptic rhetoric, proclaiming socialism or death, ranting about a final reckoning with the United States, and punishing any Cuban who advocates genuine political or economic reform.

Castro maintains one of Latin America's largest militaries with capabilities completely inconsistent with Cuba's economic reality and security needs.

Despite Cuba's economic failure, Castro has the capability to finance special projects through his network of criminal enterprises and billions of dollars of hard currency reserves he maintains in hidden foreign accounts. Forbes magazine has calculated a minimum of $1.5 billion that Castro has in such foreign accounts. Castro has a proven capability to penetrate U.S. airspace with military aircraft and to conduct aggressive shootdown operations in international airspace just outside the United States.

Castro is training elite special forces units in Vietnam who are prepared to attack United States military targets during a final confrontation, according to Janes Defense Weekly.

Castro actively maintains political and scientific exchanges with each of the countries on the Department of State's list of terrorist nations. Castro continues to provide logistical support for international terrorism and pro-Castro guerrilla groups, and Cuban-trained international terrorists are still active around the world, most ominously these days in Colombia.

Castro continues to coordinate and facilitate the flow of illicit drugs through Cuba into the United States. We will talk more about that later. Castro continues to offer Cuba as a haven for drug smugglers, criminals and international terrorists, including more than 90 felony fugitives wanted by the Department of Justice.

The Lourdes electronic espionage facility is used to spy against U.S. military and economic targets, including the intercept of highly classified Persian Gulf battle plans in 1990–1991. Castro is working with Russia, which recently extended a $350 million line of credit for priority installations in Cuba, and anyone else willing to offer assistance to complete the nuclear reactor at Juragua.

Castro has access to all the chemical and biological agents necessary to develop germ and chemical weapons. Despite Cuba's failed economy, Castro has constructed a secretive network of sophisticated biotechnology labs, fully