

HOUSE OF REPRESENTATIVES,
Washington, DC, March 27, 2006.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to notify you formally, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a grand jury subpoena for documents issued by the U.S. District Court for the Eastern District of Virginia.

After consultation with the Office of General Counsel, I have determined that compliance with the subpoena is inconsistent with the precedents and privileges of the House.

Sincerely,

STEPHANIE BUTLER,
District Manager.

COMMUNICATION FROM LEGISLATIVE ASSISTANT OF HON. WILLIAM J. JEFFERSON, MEMBER OF CONGRESS

The SPEAKER laid before the House the following communication from Angelle Kwemo, Legislative Assistant of the Hon. WILLIAM J. JEFFERSON, Member of Congress:

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Sincerely,

ANGELLE KWEMO,
Legislative Assistant.

COMMUNICATION FROM CONGRESSIONAL AIDE OF HON. WILLIAM J. JEFFERSON, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Julius Feltus, Congressional Aide of the Hon. WILLIAM J. JEFFERSON, Member of Congress:

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Sincerely,

JULIUS FELTUS,
Congressional Aide.

COMMUNICATION FROM DISTRICT MANAGER OF HON. WILLIAM J. JEFFERSON, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Stephanie Butler, District Manager of the Hon. WILLIAM J. JEFFERSON, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, March 22, 2006.

The Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to notify you formally, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a grand jury subpoena for testimony issued by the U.S. District Court for the Eastern District of Virginia.

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Sincerely,

STEPHANIE BUTLER,
District Manager.

COMMUNICATION FROM CONGRESSIONAL AIDE OF HON. WILLIAM J. JEFFERSON, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Ericka Edwards, Congressional Aide of the Hon. WILLIAM J. JEFFERSON, Member of Congress:

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Washington, DC, March 27, 2006.

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Sincerely,

ERICKA EDWARDS,
Congressional Aide.

RECOGNIZING THE CAREER OF MAJOR GENERAL MICHAEL TAYLOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GOHMERT) is recognized for 5 minutes.

Mr. GOHMERT. Mr. Speaker, I rise today to recognize and celebrate the career of Major General Michael Taylor. All citizens of the United States owe General Taylor a debt of gratitude for devoting his life to freedom and all the ideals that make this country so great. Not only did he serve his country valiantly for 37 years, but he also attended Texas A&M University, an institution of higher learning famed for its rich tradition, its honor; and it also happens to be my alma matter as well.

General Taylor began his military career in 1970, upon graduation from

Texas A&M. Commissioned as an armor officer, he served as a platoon leader in Vietnam with the 2nd Squadron, 11th Armored Cavalry Regiment. Serving in various roles throughout his career, including deputy commander of the 71st Troop Command, General Taylor assumed command of the 36th Infantry Division, Texas Army National Guard, Camp Mabry, Austin, Texas in May of 2004.

Of the many major awards and decorations he has received over the course of his accomplished career, time limits me to name just a few. Some of the most notable are a Legion of Merit with two Oak Leaf Clusters, Bronze Star Medal of Valor with one Oak Leaf Cluster, Purple Heart, not for some scratch on him either. He has a Meritorious Service Medal with four Oak Leaf Clusters, Army Commendation Medal with one Oak Leaf Cluster and the Army Achievement Medal.

General Michael Taylor is a man of honor. He is a man with a sense of duty. He is a man with a love for God and his country. He served this country and he served his fellow man with wisdom, with discretion, with courage, with valor, and with clarity. His career of service to our Nation should be admired by every citizen who enjoys living free, and I am proud to honor him on the House floor today as a great American. He is a powerful patriot, and he is a personal friend of mine. He is an example for young people today who desire to be an intellectual servant and a defender of freedom.

May God bless General Mike Taylor because he has certainly blessed America with his service.

OFFICIAL TRUTH SQUAD

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Georgia (Mr. PRICE) is recognized for 60 minutes as the designee of the majority leader.

Mr. PRICE of Georgia. Mr. Speaker, I want to thank the conference and leadership for allowing me to come before the House during this hour today and to present a number of different issues with my colleagues in the House of Representatives.

□ 1645

We are going to bring another edition of the Official Truth Squad today. And folks ask, what is the Official Truth Squad? And I guess the simplest way to explain it is that it is a group of individuals in the House of Representatives who are interested in making sure that the American people have the truth presented to them so that they can make appropriate decisions. And it grew out of the group of freshmen Members of Congress who were elected for the first time to Congress in 2004, and after a number of months here, we would meet on a regular basis, met about once a week, and when we would talk to each other, we would get the

same kind of sense about what was happening on the floor of the House. We were, frankly, disgusted with all of the personal attacks, the lack of cooperation, the leveling of charges, and, frankly, so many times, comments that were made that simply were not true. And so we said, what on Earth can we do? So we created what we call the Official Truth Squad. And we try to come here as often as possible, almost every day that we are in session, and talk about issues that are of importance to the American people and present the facts.

We have got a quote that we are so fond of and it comes from Senator Daniel Patrick Moynihan. Senator Moynihan said, "Everyone is entitled to their own opinion, but they are not entitled to their own facts." And here in Washington, we hear something repeated over and over and over again, so often that you think it is a fact, that you think it is the truth, but, in fact, it is not. And we have just been treated to an hour from some of our friends on the other side of the aisle with many, many issues that were remarkably distorted. Some of them outright untrue. And so our concern is that the American people, in order to make correct decisions about what direction this country ought to go, they need the facts. They need the truth.

I have told folks oftentimes, Mr. Speaker, I am a physician. Before I came to Congress, I was a medical doctor. And when I would see a patient, I could not get to the right diagnosis unless I was given the true information, either in a lab test or talking with the patient or whatever it was. And the same is true in public policy. Unless you get the truth, unless you get real honest information, you just cannot get to the right solution because you do not have all of the information that you need. So everyone is entitled to their own opinion, and there are a lot of opinions here in Washington, Mr. Speaker, but they are not entitled to their own facts.

And just by way of clarification of a number of things that folks have heard today and oftentimes, but most recently within the last hour, I was sitting here in the House, and I had to write down one of the comments that was made because it was just so outrageous, and it was, "Everything that is supposed to be up is down and everything that is supposed to be down is up." And I guess I am supposed to take the gentleman at his word, and if that is the case, then I would like to point to a few things that are either up or down and are moving in the right direction, frankly, Mr. Speaker. And one of them is the number of jobs that have been created in this Nation over the last 3 or 4 years.

A chart says it so much better than I can, but this is a chart that shows the number of new jobs, these are new jobs in America, since January of 2002 until January of this year. And what you see for the first 2 years is a significant de-

crease in jobs and then on about the end of 2003 or the beginning of 2004, it began to tick up, and now we have, month after month after month, over 30 months of new job creation in the hundreds of thousands, almost 5 million new jobs created in the last 2 to 3 years. So that is something that is up that I guess the gentleman wants to go down; is that right, Mr. Speaker? This chart does not even include the month of February, which was 243,000 new jobs across this Nation.

Here is another chart that shows the direction of job growth. And again, the axis down here is January of 2002 through January of 2006, and you see what happens to job growth is that on or about the first part of 2003, it begins to tick up, and it is ticking up month after month after month after month and the unemployment rate ticking down. The unemployment rate last month, Mr. Speaker, 4.8 percent across this Nation. That is lower than the average for the 1970s and the 1980s and the 1990s. I guess that is something that the gentleman wants to go up instead of down; is that right, Mr. Speaker? These are good numbers. This is good news, economic news, across this Nation. And saying that it is something different, confusing people, distorting things, telling things that are, frankly, not true does a complete disservice to everybody in our Nation because if you are given misinformation, you cannot make correct decisions. So what the Official Truth Squad is interested in is real information, honest information, the real numbers, and then we are confident that people will make the right decision.

Here is another number that I guess the gentleman wants to see go in a different direction. This is Federal revenues. This is tax revenue. And up until 2003, it was ticking down. And then what happened in 2003 is that there was a tax cut. There was a tax decrease, and what happened was that Federal revenue increased after that and continues to increase. In fact, we are now at a rate of Federal revenue increase over where it was at the beginning of 2000. And it is kind of counterintuitive, but what happens when you decrease taxes is that you give people more of their money back, and they are able to spend more or save more or invest more, and it spurs the economy. So, Mr. Speaker, those are numbers that are moving in the right direction, not the wrong direction.

A couple other items that are very specific that were mentioned within the last hour, and the record just has to be corrected because, again, truthfulness is imperative if we are to make correct decisions here. This is the issue of port security funding, and what you heard recently was, frankly, a remarkable distortion of the truth. Port security funding in 2001, it was about \$30 million. Port security funding last year, over \$3 billion. Port security funding request for this year, nearly \$4 billion.

Mr. Speaker, you can argue about whether or not there ought to be that amount of money or more or less, but what you ought not do is distort the truth to people and tell them that that is not what is occurring, that there are not resources going into port security. It is just wrong. It is not fair to the American people. It is not fair to the discourse here. And, frankly, it creates a greater cynicism for politics than there ought to be. We need to be working together here.

The challenge of port security is not a Republican challenge. It is not a Democrat challenge. It is an American challenge. And an American challenge requires that Americans work together. We solve problems best when we work together. So I encourage my friends on the other side who oftentimes fondly distort things to work with us.

You hear them talk about their national security agenda. Well, I think it is important that we look at the truth. It is important to look at the record. What they have said is that one of their recommendations is to follow the recommendations of the 9/11 Commission. But on a roll call vote here in the United States House of Representatives, they voted "no" on establishing the Department of Homeland Security, rollcall 367, July, 2002.

On a rollcall vote in July 2004, they voted "no" on \$21 billion in funding to strengthen border protections.

Now, that is the truth, Mr. Speaker. That is the truth. And it is important that people all across this Nation know that.

One more item as it relates to national security and then we will move on to a different topic that I think is important for the American people to know the truth about as well. And this is what they have said in their national security plan, the folks on the other side, and they talk about the need to increase human intelligence capabilities, eliminate terrorist breeding grounds, secure loose nuclear materials, stop nuclear weapons from development in Iran and North Korea. It all sounds wonderful. But what do they do? Rollcall vote 393, Democrats voted repeatedly to slash funding for intelligence activities.

One of the ones that astounds me so, is that recently, June of 2004, rollcall vote 293 on the floor of the United States House of Representatives, there was a resolution that said we support the work of the intelligence community. We support the men and women who are working so hard to make certain that you and I are safe, Mr. Speaker. And what happened? They vote "no." They cannot even stand up here in the House of Representatives and say, we support the men and women who are trying to keep us safe.

So I think it is imperative, it is imperative that we talk about truthfulness here on the floor of the House. And, again, if we do not talk about the

truth, if we did not present all the information accurately and appropriately, then the American people really cannot make an appropriate decision.

Now, today we are going to talk about 527s, and I have been joined by a number of folks who are members of our Republican conference, and I am pleased to have them join us today. I want to put up a poster about 527s.

And you say, Mr. Speaker, what is a 527? Well, a 527 is something that folks across this Nation may not have heard about but they probably heard from them. And it is called a 527 organization because it is a political organization whose taxation is defined in the section 527 of the Federal tax code. And we are here to talk today about 527s because we believe fundamentally that they were formed because of a loophole in the law and that they are fundamentally unfair and that they do not result in any transparency or accountability as it comes to elections.

I want to just highlight a couple of things and then look forward to comments from my colleagues.

Five hundred twenty-seven groups really result in no transparency and no accountability. And it is not unfair to Republicans or Democrats; it is unfair to the American people. Information that is not filed for a 527 or posted with Federal Elections Commission, so there is no way to get accountability. You do not know who is donating to these groups. There is a lack of proper disclosure requirements for filing and donors and disbursements. Where do they spend their money? There is no way to tell. Filled out forms are often incomplete and disclosure is imperfect, again making it so that it is unfair to the American people because they will not know, they cannot know because the information is not available, who is funding certain ads or activities.

They fall under the guidelines of the IRS. And as such, as you and I know, Mr. Speaker, the IRS is a huge, giant entity that, frankly, cannot figure out who is coming or going, and they certainly cannot with these organizations. And funding is dominated by a few wealthy donors, and I know that we will talk specifically about that. Unlimited giving, remarkable unlimited giving, is alive and well in the political environment. We believe that that ought to change.

And I am so pleased to be joined by some of my colleagues, initially Congressman PATRICK MCHENRY, who is an official member of the Official Truth Squad, a member of the freshmen class, from North Carolina. He has just great experience with political activity and also great experience with the importance of truthfulness and fairness in the public arena.

And I am pleased to yield to my friend from North Carolina.

□ 1700

Mr. MCHENRY. Thank you, Congressman PRICE, and thank you for

your leadership in the Official Truth Squad. I think it is important that we come to the House floor and articulate our views and our agenda for the American people as Republicans, as conservatives, and as Members of Congress. Today I think it is important that we bring up a pressing issue dealing with 527 groups. My colleague from Georgia has done a very good job of outlining what 527 groups are, what they do, how they operate.

The one thing he points out in his chart there is that funding is dominated by a few wealthy donors, unlimited giving is alive and well. Let's just go back a few years. Our colleagues on the left, the Democrat Party, said that big money is a corrupting influence in politics. And so you had men like George Soros, one of the richest men in the world, a multibillionaire, George Soros, who I like to call the Daddy Warbucks of the Democrat Party, he spent \$18 million to root out big money in politics. Think about that. That is liberal lunacy at its worst, or I guess I should say at its best.

He wanted to root out the corrupting influence of very large donors. That is what he was quoted as saying, to root out issue advocacy phone calls, TV ads, radio ads. This last election cycle, he spent \$27 million, wrote a check for \$27 million to different 527 groups to do exactly what he wanted to ban through campaign finance reform. Liberal lunacy, hypocrisy. It is a culture of hypocrisy that we are fighting on the left.

Let's look at the facts and figures. \$370 million flowed through 527 groups. \$370 million. That is more than President Bush and Senator KERRY spent on the presidential election. This flowed through unregulated, undisclosed means. So voters didn't have the opportunity to know who these 527 groups are, who their donors are, what their true agenda is. And so it is important that we bring out and bring to light the need for 527 reform so that we can have accountability and transparency, two things that my colleague from Georgia has been talking about extensively.

We are going to point out the culture of hypocrisy on the left. Really at the heart of it is their reliance on a few billionaires to spend money through unregulated means to go out and influence elections. It is very deceptive to the voters. I think it is very unbecoming of who we are as a democracy. But I also want to say, Congressman PRICE, that I think our philosophy is similar. We believe that freedom works and that free and full disclosure is important to the nature of campaign financing. That is what we are trying to push with 527 reform.

Mr. PRICE of Georgia. You mentioned one person, George Soros. I just happen to have prepared a poster here, because you talk about big money in politics, and the stated goal by some was to get big money out of politics. In fact, that is exactly what has not occurred. The problem with what we have right now, as you well know, is that

there is no way for folks to get this information easily or to know what this money is being spent on. George Soros spent \$27 million, as you have said. And then there are others here as well that I would love to have you highlight. I know that you have got information about that.

Mr. MCHENRY. Absolutely. I appreciate you putting up something visible for people to see. George Soros. What is his agenda? He is one of the greatest leftists this side of Havana and he is trying to influence elections for his left-wing agenda. I think it is important for the American people to be engaged in elections. But you should not allow billionaires to go in and buy elections. You shouldn't allow billionaires to go in, through undisclosed means, and influence elections. You see Peter Lewis. You see Herbert and Marian Sandler. You see Stephen Bing, a huge Hollywood producer. You have Hollywood money flowing through undisclosed means to influence elections.

My agenda, Congressman PRICE, just like yours, is full disclosure. I think that is important. My version of campaign finance reform is maybe akin to what yours would be, Congressman PRICE, and that is to allow full, open, public transparency of campaigns and allow them to be financed so that the American people can see who is financing them. We shouldn't limit that financing. Until we have that in America, through honesty in Federal elections law, we must level the playing field until we get to that point.

Mr. PRICE of Georgia. I appreciate those comments, because they are right on where we need to get to. The problem is that politics is the art of the possible so what we have got working here in this Chamber is the possibility of appropriate reform right now. The accountability and disclosure that you mentioned, I think it is important to mention these numbers, Mr. Speaker, because they are staggering. The American people need to know that. George Soros, we have talked about, \$27 million. Peter Lewis, \$23.9 million. This is personal money coming into campaigns that the American people don't know anything about. There is no way for them to get that information. Herbert and Marian Sandler, \$14 million. Stephen Bing you mentioned, but you didn't mention the number. The number is \$13.9 million. That is money, Mr. Speaker, that is being used to influence elections and nobody knows about it.

When you and I, Congressman MCHENRY, have our elections, what do we do? We put on everything that we have got, Paid for by Price for Congress, or Paid for by McHenry for Congress. We have to disclose that. And that is appropriate. What happens when they spend nearly \$80 million? Nobody knows.

I would like to yield now to a good friend and colleague who is not a freshman, who has been around here for a little while, but he is a good friend and

he has excellent insight into this and so many other issues and is truly interested, Mr. Speaker, in making certain that the American people have the information that they need in order to make appropriate decisions. Chief Deputy Whip ERIC CANTOR from the great State of Virginia, I welcome you and look forward to your comments.

Mr. CANTOR. I thank the gentleman and I commend him on really a tremendous job in heading up the Official Truth Squad of House Republicans, because it is about transparency. You have done a great job at laying out the record here in the House of who votes for what and sort of comparing that to the rhetoric that often swirls around this place, certainly in the press and in other corners. I would also like to commend the gentleman from North Carolina for his leadership on this and many other issues. But I would like to, as the gentleman from Georgia indicated, talk just a minute about the issue of transparency in elections. See, I come from the Commonwealth of Virginia. In Virginia, we have an election law that allows for open and often disclosure. We have a campaign finance regime that allows for pretty much anyone to step up and exercise his or her first amendment right without any restriction so far as there is full and quick disclosure. That is really what we are all about, I think, here in this country, is we are about ventilating what goes on in this body, what goes on in elections. And so when this body passed the McCain-Feingold legislation, when it passed what we otherwise now call BCRA, somehow the Federal Election Commission in its promulgation of regulations created a loophole that was unintended, because again I think the primary goal of any campaign finance reform should be transparency. We should trust the voters and trust the citizens of this country to be able to make decisions for themselves as long as they have full disclosure of the information. Well, McCain-Feingold produced this loophole and the loophole was the 527 entities that were created, or really that flourished, after the passage of the McCain-Feingold legislation. As both gentlemen have pointed out, this loophole allows the super-rich to impact elections and it allows them to impact elections with very little to no accountability to the voters.

As was said earlier, when any Federal candidate runs for office, they are required to disclose their contributions, their expenditures to the FEC, all of it done now electronically and online for their constituents and for the entire country to see. That is the difference here with 527s. They simply are not disclosing who their donors are in a timely fashion and are not disclosing what type of expenditures they are making. In fact, the Center For Public Integrity reported that section 527 political organizations raised approximately \$535 million during the last Federal election cycle in 2004. That was up from

the prior cycle of \$268 million that was raised then. Reports that were released by public interest groups and various media sources during 2004 indicated that these 527 groups were not reporting all their contributions and expenditures to the IRS. In fact, the IRS did a study. In that study, it was estimated that 527 political organizations received nearly \$27 million in contributions prior to filing the necessary disclosure forms, and consequently may be subject to over \$17 million in unpaid taxes and penalties. So it almost seems as if 527s may be averting the law to get away with hidden contributions, hidden activities, shady activities.

We all know and we have read the reports about the type of activities that these organizations have engaged in. For instance, one of these 527s hired dozens of felons as voter canvassers in Missouri, Ohio and Florida, including people convicted of crimes such as burglary, forgery, drug dealing, assault and sex offenses. Again, if there were not this loophole that instead would require 527s to abide by the same kind of disclosure laws that any Federal office or any Federal campaign committee was required to comply with, we would have known about that. In fact, these organizations, my contention would be, would not have hired felons and would have been much more careful in their activities.

But the list goes on about the type of activities that these entities are engaged in across the country. That is what we are here today to talk about and that the Truth Squad has come to deliberate upon because frankly the American people expect better. The American people do expect that those who engage in political activity do so in the sunshine, do so with the ability for voters to access information and for the political process frankly not be commandeered by these groups that operate in the dark.

I appreciate the manner in which the gentlemen from Georgia and North Carolina approach this subject and look forward to continuing to debate and discuss these important issues that face Americans frankly this election cycle.

Mr. PRICE of Georgia. I appreciate you really clarifying that issue so very well. I think it is important that we talk today about what kinds of things these 527s do, because people say, "I don't know what a 527 is. How am I supposed to know? They would never interact with me." That is what people think. But I am stunned at the number of folks that I know who have gotten phone calls from 527s. They are what are called push calls, so that they are trying to push an individual in a particular direction to believe something that may often not be true about an individual candidate or an individual person.

Mr. MCHENRY. Congressman PRICE, I know you mentioned the telephone calls. Some of us get annoyed by these answer machine messages. Some people

get annoyed by these recorded messages. Even when telemarketers are at the other end of the line. I for one agree with my constituents on that. But it is important at the end of that telephone call to actually know where it is coming from and who paid for it. Under section 527 of the IRS code, these groups don't even disclose that. They don't have to. They don't have to say who is paying for these phone calls. They have to say who they are from. As a Member of Congress, I have an obligation to communicate with my constituents. So when I make phone calls to them, I disclose that it is coming from the Congressman PATRICK MCHENRY office and if they have a problem they can call me back at this number if they want to be taken off the list or they don't want to be contacted. You can't do that with 527s.

I don't know, Congressman PRICE, if you recall reading about, or Congressman CANTOR, I don't know if you recall reading about a 527 group in one State who hired felons, known felons, folks with criminal records, to go out and knock on doors to campaign. It is absolutely frightening when you see these shady groups hiring shady people to be out in our communities. It is very frightening and the power that you see with \$80 million coming from just four people to influence elections. At the very least we want to know what their agenda is, what they are arguing for. What we should be engaged in is more disclosure.

□ 1715

Mr. CANTOR. The gentleman is exactly right. I think the three of us and probably most of our colleagues would adhere to a philosophy that allows for free and open participation in the political process, but again, with the stipulation that that participation brings an obligation for full disclosure; and that is in fact what we are about here in 527 reform.

I anticipate and look forward to the debate on this House floor next week on the issue of 527 reform. We have got to allow the average American the same ability to get involved in the political process that, frankly, the super-rich have. As we see in the gentleman from Georgia's charts, over \$78 million, nearly \$79 million was contributed and put into the political process by four super-wealthy donors. Now, I know that most, if not all, of our constituents do not have the ability to participate in that manner, to participate in these 527s.

The gentleman from Georgia mentioned what is a 527. And Congressman MCHENRY, you indicated, well, they are the ones that are paying for these calls that may be interrupting your dinner at home, that may be coming and knocking on your door inquiring about your allegiance, inquiring about your political affiliation. 527 groups are groups that have involved themselves in the political process. They have become omnipresent in many places in

this country because they can get involved in a political campaign really under the radar screen, unbeknownst to a candidate, unbeknownst to perhaps both candidates in a race. They do so because they are not properly disclosing who their donors are.

Frankly, we do not have the proper enforcement mechanisms in place. Mechanisms that should be in place belong at the FEC just like they are for any other election campaign.

Mr. PRICE of Georgia. Accountability really is what it is all about. It is so important for people to appreciate that when we make a phone call or when we put an ad on the television or when we send something out, we have got to say who it is coming from. We have got to say it is coming from our campaign. When people get their information from other sources, when they get it from the newspaper, they know who is giving them information. You can see who wrote the article. You know where the editorial is coming from by looking at the editorial boards.

When you watch the evening news, you know where you are getting your information from. When even PACs, political action committees, which have often times gotten a bad name, but even PACs have to disclose what they are doing, that they are paying for this so Americans across the Nation can understand and appreciate who is paying for it, who is pushing that discussion point or that argument; and then they are able to respond. But what happens with 527s is that nobody knows, nobody knows.

I have got an actual phone call that went out and this was a 527 that was put together to attack the Medicare part D program. Now, I do not want to talk about the merits of the program, but I want to talk about the importance of Americans knowing who is contacting them. This phone call went something like this:

Hello, I am calling from Working America. You and your family must be having trouble with the Medicare prescription drug plan. Ask Congressman So and So. Congressman So and So received so much in contributions from big drug companies and HMOs. Congressman So and So voted for the drug program and has drug companies and the HMOs laughing all the way to the bank and the rest of us scratching our heads. You should call Congressman So and So's number and tell him and her to stop working for drug companies.

Now, whether you believe that message or not, I do not happen to believe that, whether you believe that or not, you ought to know who is paying for it. That is the importance of the issue that we are talking about today.

Mr. MCHENRY. Congressman PRICE, do they leave a telephone number?

Mr. PRICE of Georgia. There is no way to know who is paying for it, and there is no way to contact them. You are absolutely right.

Mr. MCHENRY. What group do they say they are with?

Mr. PRICE of Georgia. These groups all have wonderful names. This one is Working America. It is a great name, but can you find them? There is no way to find them.

Mr. MCHENRY. This goes right to my point. Somebody calls you and says they are with Working America or they say they are with Mom and Apple Pie, and yet this other person is very hateful. That is their message. It is always a negative message. There is nothing inspiring about it. It does not talk to the greater good. It talks to really the base elements of our society and of human beings.

Look, what I am for is allowing groups to participate who are honest and straightforward. I know, I know, Mr. Speaker, I know that is a laughable thing in politics. Honest, forthright, openness. Oh, goodness. I guess just as a new Member of Congress I still want to embrace those things, somebody who is not so focused on Washington. I am focused on my constituents. I want to make sure they get the information they need, that they have the ability to discern for themselves what is right and what is wrong and where we should go as a country.

Congressman PRICE, I appreciate you using a specific example because that allows the American people to hear, to hear what is happening all across America with this big interest liberal left wing money flowing into politics through unregulated, undisclosed means outside of our Federal election laws. That is wrong. And so what we need to get back to is openness and full disclosure and to make all groups abide by the same laws, that we do not have a two-tier system.

I do not think it is right in any form in our society to have two groups, lower-class citizens, upper-class citizens, big money billionaires who play by different rules than you or I as average Americans. And so it is important that we have a unified system for Federal election laws that say you must disclose, you must be honest. And that is why as Congressman CANTOR, our chief deputy whip, said, who is a great leader on this issue, we will bring a bill to the floor next week and it will bring all these rogue 527 groups like the Daddy Warbucks of the Democratic Party, George Soros, who is funding left and right, left and right, we are going to bring this bill to the floor and say that these groups must abide by our Federal election laws. We cannot have rogue groups in this country.

Mr. PRICE of Georgia. I appreciate you so much pointing out one of the stock and trades of the 527s, which is what I call "the politics of division." And it is so often used because it pits one group against another. And it is cynical and it is not an honest debate at all. It is calling somebody up and saying, Isn't Joe Schmoe a bum and don't you think you ought to do something about it? You have no idea who is calling, no idea who is paying for it.

Accountability and transparency, that is what we are after. And people

all across this Nation are being affected by 527s, and they may not even know it. They are active in over 30 States, countless congressional districts in the Nation, and they are affecting people's opinions even though the folks do not know that they are there and they are paying for this message.

We have been joined by Congresswoman BLACKBURN of Tennessee who is a wonderful leader, an honorary member of the Official Truth Squad. We welcome you today, and I look forward to your comments.

Mrs. BLACKBURN. Thank you so much. I appreciate the gentleman from Georgia and his work on the issues and for continuing to work on the Truth Squad to get the message out, and the gentleman from Virginia, our chief deputy whip, Mr. CANTOR, who has been leading on this and working with us to be certain that we educate our constituents on exactly what a 527 is.

I love the poster that you have there. It is a PAC by another name. One of the problems with this, as we were just hearing from the gentleman from North Carolina and you reiterated, people do not know where the money is coming from. People do not know who is behind this group. And time and again in town hall meetings people will come before us and say, I got this call or I got this mailer. Who is this group? And then they find out that it is a group that nobody knows who is giving them the money. Nobody knows really what they are about. They are kind of a shadow organization.

I think it is time and it is appropriate that we put the emphasis on three things, which is what our bill will do next week: disclosure so that we know where the money is coming from; transparency so that our constituents when they get a piece of mail, they know who it is by. When they get a mailer from our campaigns, it says that. When they see an ad from our campaigns, it tells them. And we know that they are aware of who they are receiving that from. And that type of transparency is needed in this system.

The other thing is about fairness, and it is about fairness for the system because addressing these issues, disclosure, transparency, fairness, will enable our constituents to know that our focus is on being certain that they know that they can trust the electoral process, that they can trust that there is some truth in the material that they are getting with knowing where it is coming from, and that they know that we are working to be certain to restore the trust and integrity that they expect from this body and from the electoral system.

This is something that we have needed to address. We have watched the process and the 527s kind of get out of control with the 2004 elections. And I appreciate what you said about it being the politics of division. All too often these groups focus on the politics of personal destruction. No one is well

served. No one is well served when we travel that path.

Our political process is to be about ideas and bringing forth ideas, in bringing forth issues that are focused on how we preserve freedom. How do we preserve hope and opportunity for future generations? How do we make certain that this Nation stays a free, a productive society? And being certain that we have an open and trustworthy process that is accountable is a way that we will do that.

So I thank the gentleman from Georgia for bringing the issue to the floor today. I thank the gentleman from Virginia for his interest in the issue and for being a leader on the issue as we address the problem that the advent of 527s have caused in the political process.

Mr. PRICE of Georgia. I thank the gentlewoman so much for her participation and her leadership and for joining us on this issue today because the items that you mention are so important: disclosure, transparency, fairness.

As I mentioned before, this isn't fairness for Republicans or fairness for Democrats. This is fairness for Americans. It is fairness for the system. We talked about 527s being a PAC by any other name so they ought to follow the same rules. That is what ought to occur in the House next week.

Mr. Speaker, I yield to the gentleman from Virginia to talk about the solution, where do we go from here and how do we solve this problem.

Mr. CANTOR. I thank the gentleman. I thank the gentlewoman from Tennessee who has joined us, and I appreciate her dedication to this issue and so many others that reflect her desire to achieve transparency in so much of what we do here in this body and on behalf of the constituents that we represent.

The gentleman is right, next week will be the opportunity for all of us to set partisanship aside, to speak up for the American people, and to essentially allow all Americans the access to the political process that right now only the super-wealthy have through their use of 527s.

So we will look forward to hopefully having a bipartisan vote next week in closing the loophole, in upholding the principles of McCain-Feingold, which were to get soft money out of politics.

We have often heard that that is what McCain-Feingold was about. This is what we were trying to do was to get rid of this so-called "dirty soft money."

□ 1730

Well, it would seem to me that anyone who voted for McCain-Feingold several years ago, in order to be consistent, should vote for the measure that will be on the floor next week because, otherwise, I would think an individual would open themselves up to allegations of hypocrisy, because, in fact, it was the aftermath of McCain-Fein-

gold, the regulation process at the FEC, that produced the flourishing of the 527s; and as the gentleman, gentlewoman and also the congressman from North Carolina has shown, this is nothing but a ruse on the American people.

There is an awfully powerful voice out there in many, many areas of the country involved in electioneering, a voice that no one knows who really is speaking, and that really is not what this country was about. That is not what the voters expect of us.

Mr. PRICE of Georgia. Mr. Speaker, I thank the gentleman for laying out what the plan is, a positive plan, a plan to level the playing field and to make the system fair.

I wonder if Mr. MCHENRY has some comments about where we go from here. What is the positive solution from here?

Mr. MCHENRY. Mr. Speaker, I thank you for yielding. I will tell you what we are trying to do is reform reform. Unintended consequences of laws are something that we as Americans deal with all the time, and the Federal election code has numerous unintended consequences as Congressman CANTOR mentioned, and what we are trying to do is make fairness reign within the Federal Election Code.

There was a glaring omission with 527s, and what we are saying is, do not exempt these groups from Federal election laws. It is very simple, very basic, 527 fairness. We want to allow 527s to participate just like PACs participate, but they should disclose like PACs and like campaigns and abide by the same laws, rules and regulations.

I am so happy that we are going to come forward with legislation that does that, that ensures fairness and a level playing field for all Americans and all the people that want to participate in elections and make their views and their voices heard.

Because as I said before, Big Daddy Warbucks of the Democrat party, George Soros, he certainly does not abide by the rules and regulations that all average Americans have to abide by when it comes to funding elections. So let us make sure that the Daddy Warbucks George Soros, the Big Daddy Warbucks of the Democrat party, of the leftist agenda, has to abide by the same rules and regulations that all Americans do. It is a matter of fairness and good government and reform.

Mr. PRICE of Georgia. Mr. Speaker, I appreciate your comments, and I think it is so important to focus on the issue of fixing and reforming the system because that is what our constituents send us here to do, to fix and to reform the system. This system is broken, allowing more individuals, some individuals to have a greater influence than they otherwise might be able to have, and it is not fair. It is not a level playing field.

I just have a few more moments left, but I wonder if the gentlewoman from Tennessee might have some closing comments.

Mrs. BLACKBURN. Mr. Speaker, I thank the gentleman from Georgia, and one of the things, as we talk about fairness, again, going back to the politics of division and the politics of personal destruction, I have got before me a list of some of the shady acts that were committed by 527s when it comes to people that were hired to be voter canvassers and the way that they filled out faulty registrations and absentee ballots. That is the type of activity that my constituents repeatedly tell me they feel like should not be a part of the electoral process, that individuals should be held accountable for that.

One of the things that we have found is that many of these activities were carried out by 527 groups, and that is something that is causing our process to not function as it was set up. It is not fair to our voters. It destroys the "one man, one vote" principle, and I think that it is important that we address the activity.

I am so pleased that our focus is on disclosure, transparency and fairness, and I look forward to working with the Members of this body next week to be certain that our focus stays on trusting integrity in our electoral process.

Mr. PRICE of Georgia. Mr. Speaker, I thank the gentlewoman so much and appreciate your participation today and leadership on this issue, along with my good friends from North Carolina and Virginia.

The issue of 527 groups is really about the issue of fairness, as has been mentioned, and the truth of the situation that we currently have right now is that there is a loophole in the current law. There is no transparency, and there is no accountability, which means that Americans can get information from people that they do not know. They do not know who is sending it to them. They do not know what their agenda is, and there is no way to find out. That is not a system that any of us would devise.

To cut to the bottom line, which is the bottom line, funding is dominated by a few wealthy donors, and we have a lot of talk about soft money. What is soft money? Soft money is unlimited money, and in this case you have got a number of individuals giving tens of millions of dollars to affect the political process with no transparency, no accountability and no fairness.

So what we stand here today to talk about and to present to the American people is the truth of the situation, a proposal for a solution that is fair to all Americans. The current is a system, as I mentioned, that is not unfair to Republicans or unfair to Democrats. It is unfair to Americans.

So what we are here to talk about and to present to the American people is a system and a solution that will fix and reform the system in a way that is fair.

I urge all of my colleagues, both sides of the aisle, Republican, Democrat, to come together next week and to work

for a positive solution to a real challenge that we have in America, that would bring about a positive solution for all Americans and a better system of electoral process that we have in our Nation and allow each individual American a better opportunity to decide.

With that, Mr. Speaker, I am pleased once again and want to thank the leadership for allowing us to participate. I thank my colleagues from Tennessee and North Carolina and Virginia for participating today.

HEALTH CARE

The SPEAKER pro tempore (Mr. FITZPATRICK of Pennsylvania). Under the Speaker's announced policy of January 4, 2005, the gentleman from Texas (Mr. BURGESS) is recognized for 60 minutes.

Mr. BURGESS. Mr. Speaker, I wanted to take this time tonight to talk to the House about the subject of health care, something that I have been involved with for the last 30 years of my adult life, taking in that time that I spent in residency and private practice.

I think the single most important issue that we need to keep foremost in our minds as we talk about issues surrounding health care in this body over the next year and, indeed, over the foreseeable future is the overall affordability of health care. If we do not keep health care within the affordable grasp of the average American, we not only keep people away from care that they need, but we also put the overall prosperity of our country in peril, and in fact, the overall system that has been created, the health care system that has been created in the United States over the last 227 years will itself be in peril.

Right now, the Federal Government pays about half of the health care bills in this country. It is a big chunk. About 16 or 17 percent of the gross domestic product of this country is spent on health care, and of that, the Federal Government picks up about half the cost through Medicare, Medicaid, VA, Federal Prison System, Indian Health Service. All the various federally qualified health centers, all of the various groups gathered together all make up an expenditure that is just shy of 50 percent.

Well within that money that is spent by the United States Congress, we need to be sure that that money is spent wisely. We need to be sure we get value for our dollars. So I want to spend some time this evening and talk about where we are in health care, where we are in fact going, always keeping in mind that affordability has to be first and foremost in our mind.

We have got to discuss, we have got to come up with some solutions for the uninsured. Federally qualified health centers, the President has mentioned them in every State of the Union address that I have heard since I arrived in this body 3 years ago. Federally

qualified health centers have been mentioned by the President, how he wants to see a federally qualified health center literally in every poor county in this country.

There is no question that liability reform is going to be part of the picture of the overall reform of the health care system that deals with affordability. We have to find some relief for our providers. We historically underpaid or cross-subsidized our providers, doctors and hospitals alike, by underfunding government systems that pay for health care, and the result is we now have people dropping out of the system at a time when we, in fact, need more people coming into the system.

The information technology that is available to health care systems in some ways is old, is past its prime. In some areas, it was never, in fact, developed at all. So we are going to have to pay some attention. There is going to be some expense borne with recreating and creating information technology that our health care system, in fact, requires.

Then, finally, as we have seen so many times over the past 3 years, preparedness is going to be part of not just the overall security of the country but the overall security of our health care system.

When I talk about affordability of health care, I think back to a time when, just a few years ago, I was, of course, in private practice in medicine, but I went back to school and went back to graduate school at the University of Texas at Dallas and studied for a Masters Degree in medical management at their school of management there. Their graduate school of management is a very good school, and one of our professors one day, Dr. John Burns, came and talked to our class and said, Within medicine you will always want to focus on affordability, access and quality.

Now the dilemma facing us is we have only been able to deliver on two out of those three. Mr. Speaker, I do not want to identify the one that I am prepared to leave out so I am just going to talk about affordability.

I do think that the American medical system will always provide us quality, and I believe if we can improve affordability, we are, in fact, going to improve access.

With the amount of money that the Federal Government spends on health care, you have to ask yourself, would it be better if the government just picked up the whole charge, if the government just picked up the whole tab? In fact, that was discussed in this very House some 10 or 12 years ago. I did not think it was a good idea then. I do not think it is a good idea now, but that is going to be part of the discussion.

Certainly, you look to our neighbor to the north, and the Canadian health care system is oftentimes held out to us as something to which the Americans ought to aspire. In the interest of full disclosure, my dad was a doctor in

Canada and fled to this country because he did not like the Canadian health care system, and as a consequence, I was born while he was doing his residency in this country.

But he never went back because the system there was too onerous, the waiting lists were too long, and even the Canadian Supreme Court, about a year and a half ago, ruled that access to a waiting list is not the same as access to care. I would submit to you that the resident in Toronto, Canada, who suffers a heart attack may be just as likely to get their angioplasty or coronary artery bypass graft done at Henry Ford Hospital in Detroit as Toronto, Canada, because the length of time spent on the waiting list is just far too long.

Can we, in fact, keep the private sector involved in health care? It is a question that we are going to have to ask, and we are going to have to be able to answer it. I believe that it can. I believe that it can, and I believe Congress can and should have a part in promoting policies that do help keep the private sector in the health care marketplace.

Look at, if you would, the history of medical savings accounts. Medical savings accounts were basically born 10 years ago in the Kennedy-Kassebaum bill that came through the House and the Senate. That is the same bill that gave us HIPAA unfortunately, but it also did give us what is called a medical savings account, this old Archer MSA. I very happily bought one when they became available in 1977, made one available for everyone in my practice of medicine. Some people took it, most did not because not much was known about medical savings accounts at the time, but think of what a medical savings account does.

Instead of the power of medical decision-making being in the hands of some distant medical director or somebody somewhere or even in the hands of the government bureaucrat, the medical decision-making power was in my hands, and that was the most important part about having a medical savings account.

To be sure, I was issued a high deductible policy, and I was able to put money away to cover that deductible year over year in what was called then a medical IRA, a tax-free contribution to a medical savings account year after year. The interest in that was not taxed, and even though I gave up my medical savings account when I came to Congress in 2003, that money remains in that medical savings account, continuing to draw interest, and will be available to my wife and I when I do retire, however many more years I have at this job.

But the medical savings account is an important tool because it does give the power back to the consumer, and it makes a consumer an involved participant in health care decisions.

A lot of concern on some people's part is, well, people delay getting medical care if they are going to have to