

Mr. Speaker, all of California can be proud of the favorite son Fresno sent to Sacramento three decades ago. A legislator's legislator, Ken Maddy never was far from the Central Valley district and the agricultural industry he represented. He was elected to the assembly in 1970 in a district with a little over 30 percent Republican registration. As the Democrats of Fresno loved him, the Republicans of Sacramento looked to him for leadership. Senate Republican leader Ken Maddy became known as the "go-to guy" for both Governors Deukmejian and Pete Wilson.

Senator Maddy combined grace with good looks. He loved people, and he loved life. Few men will ever match the positive impact he had on California politics. He believed in governing and the role of compromise in legislative politics. Smart, dedicated, trustworthy, Ken Maddy simply reflected the very best that California has to offer public affairs.

His special passion for horses and racing went back to his teenage years as a groom at Hollywood Park. Among many highlights of his legislative career, which ranged from efforts to strengthen our criminal justice system, to impacting ethics standards for State legislators, to preserving private property rights, are the real highlights, the California Center for Equine Health and Performance and the Equine Analytical Chemistry Laboratory at the University of California at Davis. Senator Maddy's private pride and joy was a horse named Work the Crowd. The California-bred champion filly now grazes in green pastures in the valley. Raising a brood of California champions, Work the Crowd probably wonders where her Ken has gone.

Senator Ken Maddy was a proud graduate of Fresno State and served as a member of the President's Club and the Bulldog Club. In 1999, the Kenneth L. Maddy Institute of Public Policy was dedicated at CSU-Fresno as a vital training ground for the next generation of Valley political leaders. He graduated from UCLA Law School in 1963, and in 1998 he was recognized as one of UCLA's outstanding graduates.

Ken Maddy, one of the most respected legislators to ever grace California's capital. On February 18, 2000, this prince of a leader, who dreamed of the sport of kings, passed on to be remembered forever by those who care about politics, the profession he loved.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Wisconsin (Mr. KIND) is recognized for 60 minutes.

Mr. KIND. Mr. Speaker, I rise tonight to take a few moments along with a couple of my colleagues to talk about a

very important issue that comes and goes in this institution of ours and we are hoping to be able to resurrect it again yes, even during this presidential election year, one that we hope will never go away until Congress gets it right, and that is the issue of campaign finance reform and the necessity to enact common sense reform to get the big money and the influence of money out of our political process.

There have been two very important events so far this year, Mr. Speaker, in regards to the campaign finance reform debate that we are having throughout the Nation. One is a very important Supreme Court decision that was just handed down on January 24 of this year whereby the court basically upheld the constitutional authority of State legislatures and this body to be able to place campaign contribution limitations in the political process.

This is an important holding that the Supreme Court again resolved after the seminal case of Buckley v. Valeo during the 1970s in which the court upheld the ability of legislators to impose contribution limitations because oftentimes in this body during the course of campaign finance reform debates, one of the chief arguments against doing anything in an attempt to get the big money out, is that we have a free speech concern and a first amendment that we would be infringing upon if we start taking the big money out of the political process.

And lo and behold, now the Supreme Court this year basically said no to that argument. I think it gives new life and a breath of fresh air to the whole campaign finance reform debate. Hopefully it will provide more impetus to the cause across the country and more political courage quite frankly here in Washington to do the right thing.

The other event in regards to finance reform occurred today, actually on the steps of this Capitol where Granny D finished her long trek across the country in support of campaign finance reform. It is a marvelous story for my colleagues who have not heard about it yet. It is receiving a lot of attention nationally today since she concluded her long walk.

I brought with me today a picture that I was able to download off her Web site. It shows a picture of Granny D, a 90-year-old grandmother of eight, I believe, and a great grandmother of 12, someone who has arthritis and emphysema but felt strongly enough about the cause of campaign finance reform that she decided to make it a national issue by dedicating herself to walking across the country, starting out in Pasadena during the Rose Bowl of January 1 of 1999 last year and then traversing over 3,100 miles, traveling through 12 different States, receiving a lot of local media attention along her way, encouraging individuals to contact their representatives at the State

and national level to impress upon them the urgency of campaign finance reform.

And now today she finally walked into Washington, D.C. and walked right up to the steps of this Capitol and delivered a marvelous, marvelous speech. I think a real inspiration for the cause of citizen advocacy and participation in our democratic process, especially given her own story. I will go into a little bit more detail but recognizing one of my colleagues' time constraints who would like to join in this discussion tonight, I yield to my good friend, the gentleman from Maine (Mr. ALLEN), who I came to Congress with. And we helped form a freshman bipartisan task force on campaign finance reform that he took a real leadership role in. And he has been a strong advocate for enacting finance reform with Shays-Meehan that did pass this body last year already and then languished in the United States Senate. I am glad he is here to join us this evening.

Mr. ALLEN. I thank the gentleman from Wisconsin for putting together this special order. This has been an issue that you and I and others have been working on since we first came to Congress. We started, as you mentioned, with that freshman bipartisan task force, six Republicans and six Democrats; and over a period of several months, we negotiated out a bill that would ban soft money and make other changes in this system. But it would get the biggest of the big money out of politics, those soft money contributions to the national parties from wealthy individuals, corporations and labor unions.

As my colleagues will recall, in 1998, the freshmen on both sides of the aisle helped to drive that issue hard enough so the Republican leadership had to bring it up. And when it finally came up, we had a debate over several weeks and finally at last, the freshman bill did not pass but the Shays-Meehan bill did pass in 1998 and then, of course, we passed it again last year. But in 1998, if you add together those Members who voted for the freshman soft money ban with those Members who voted for the Shays-Meehan bill, some 352 Members, or 81 percent of the House, voted to ban soft money.

Unfortunately, that bill did not make it through the Senate in the 105th Congress; and so last year, in September, we did it again. In the House, we passed the Shays-Meehan bill in strong bipartisan fashion by a margin of 252-177. But to date, the other body, Members in the other body have blocked campaign finance reform from being passed.

Now, today, Granny D, Doris Haddock, who walked from California to the steps of the Capitol in Washington, arrived in her 14-month campaign to publicize this issue and urge this Congress to act. I went down to Pennsylvania Avenue and walked with her and

hundreds of others up the last stretch to get to the Capitol.

You have to admire her. When she made this commitment, made this decision, she was 88 years old. She trained for this activity to make sure that she was going to be able to walk 10 miles a day carrying a 25-pound pack on her back, and she did it. She got publicity all across this country. That kind of public determination, that kind of perseverance is what we need to help create the public energy to pass campaign finance reform in the other body. We need a law. We need a bill that will get rid of soft money once and for all. Let me just say a word about that.

□ 1900

The so-called hard money contributions are the contributions that are limited, that go directly to campaigns, directly to individual candidates. But that system of limits is completely undermined if wealthy individuals, corporations, and labor unions can give unlimited amounts of money to the national parties, which can then be used to run TV ads in the districts of individual Members. So this system does not work; these rules do not work anymore.

Last year I warned that a failure to pass campaign finance reform would unleash a deluge of soft money contributions in this 2000 cycle, and, unfortunately, it has come true. The national political party committees raised a record \$107 million in soft money contributions during the 1999 calendar year. That is 81 percent more than the \$59 million they raised during the last comparable presidential election period in 1995.

Now, the opponents, the opponents, the big money coalition which tries to call itself the Free Speech Coalition, are always trying to argue that campaign finance reform's reasonable limitations on what individuals can give is a violation of the First Amendment, and, as the gentleman from Wisconsin (Mr. KIND) just pointed out, not true.

The Supreme Court, in *Nixon versus Shrink Missouri Government PAC*, reaffirmed the constitutionality of contribution limits. It reaffirmed its view that the Government has a compelling interest in enacting contribution limits in order to protect the integrity of our democratic system. The Court reaffirmed that large donations can corrupt this process or create the appearance of corruption.

It is time to change this system. We have gone too far, allowing unlimited contributions to the national parties. This has been a position almost universally supported on the Democratic side of the aisle. Fortunately, we have had enough Republicans in the House who will come over and support campaign finance reform to achieve victory here. But victory here is not enough, because victory in the House alone does not

make a law. We need to have enough public support, enough public pressure, to get this through the Senate.

I believe that when you look at what Granny D has accomplished, when you look at the Supreme Court opinion in *Nixon versus Shrink Missouri Government PAC*, that we are seeing a crescendo of support for campaign finance reform. It is incumbent upon all of us here to keep working on this issue, to keep talking about this issue, to keep reminding the voters that until we get campaign finance reform, we cannot, we cannot trust this system to produce the kind of results that we expect a democratic system to produce.

There is too much money in politics; there is too much big money in this system, and we have to get the biggest of the big money out of this system so that the people can have some confidence again that we are doing the public's business, and not the business of our largest contributors.

We still have the opportunity, we have most of a year, to enact real campaign finance reform this year and to stop the flow of big money, of soft money, to the national parties. We need bipartisan support in order to do that; we need support on both the House and the Senate side in order to do that. I think this is the year.

This is an important day. Granny D has made it an important day. I want to thank the gentleman from Wisconsin for his leadership on this issue, for helping to push this issue, and for holding this special order tonight.

Mr. KIND. I wanted to reciprocate that and thank my good friend from Maine for the work and leadership he has brought to this Congress for the cause of campaign finance reform. In fact, the great State of Maine has really led the revolution sweeping across the country right now by passing their own public referendum, going to public financing of State campaigns. It is already being used as a model in the many other State referenda today.

Mr. ALLEN. If the gentleman would yield for a moment, what we are doing in Maine is interesting and exciting. The 2002 elections will be the first where we have what we call the Clean Elections. The bill has been upheld by the court. Candidates for the State legislature and candidates for Governor can opt, can choose, to be a Clean Elections candidate. If they get the requisite number of signatures and a certain number of \$5 contributions, that is all, \$5 contributions, they will qualify for public financing.

I hope and pray that this system will be one way to reduce the influence of money in politics. I think it is a very interesting experiment, and I hope in time other States will follow Maine's lead.

Mr. KIND. It is an exciting development. It is going to be that type of snowball effect, sweeping across the

country, with State legislatures each taking their own approach to financial reform, which will hopefully put more pressure to bear on the United States Congress to act.

It seems every session of Congress we have a discussion and debate about campaign finance reform, trying to get the big money out of the political process; but for one reason or another it has always come up short, most recently in the United States Senate where we ended up eight votes short of being able to break the filibuster over there. It is almost inconceivable that we have a majority of Members in the House and even in the Senate and a President down Pennsylvania Avenue who is more than willing to sign the legislation if it can pass the Congress, but it is being held up by a small vocal minority in the Senate filibustering it. Of course, we need 60 votes in order to break the filibuster and bring the legislation to the floor.

But I am sure my friend from Maine and also my good friend from New Jersey who has joined us for tonight's discussion would concur with me if we dedicated tonight's special order in honor of Doris Haddock, Granny D, given her marvelous triumph and achievement, what she has accomplished and brought to our doorstep here today.

I would like to recognize the freshman Member from New Jersey (Mr. HOLT), who is also serving with me on the Committee on Education and the Workforce, bringing an important perspective on education issues based on his scientific background, but also someone who has taken up the cause and has turned into a real leader in his own right on the need for finance reform.

Mr. HOLT. I thank the gentleman from Wisconsin, my friend, for organizing this special order.

As a freshman Member of Congress, it is fairly recent since I campaigned for election to this august body, and I still vividly remember running for Congress, a challenging experience, but a wonderful experience. It reminds one of what a magnificent place America is, full of hard-working and talented people. It reminds you that the citizens here truly care about the important issues facing each other and that we as a society can work to solve them.

But running for Congress also reminds you, reminds me, of something else, that our campaign finance system is broken and needs to be fixed desperately. We know it; the people know it. The only 38 percent of the voters who turn out to vote are sending a message in that way.

It is a campaign system where wealthy corporations can donate millions of dollars to political parties and drown out the voice of ordinary citizens. It is a campaign system where special interests can spend an unlimited amount of money on attack ads, I

know, I have seen it, to smear and distort a candidate's record; and that is wrong. It is a campaign system where we as elected representatives have to spend an inordinate amount of time raising money, instead of addressing the issues.

Campaign expenditures have just gotten out of hand. In primary and general elections combined in the year 1976, all candidates for U.S. Congress spent a total of \$115 million. Twenty-two years later, at the most recent congressional election in 1998, candidates spent \$740 million, more than six times what was spent 22 years earlier. I am sure the amount of money in this year, 2000, will be even higher.

When you look at the low voter turnout and widespread cynicism, you realize that we have to deal with this key issue that has to do with trust in the Government. How can we hope to deal with the big problems that we face, whether it is Social Security, health care, transportation issues, defense issues, international affairs, where these are solutions that we seek as a society, together? How can we hope to have solutions to these problems that the people will have faith in if they feel that solutions are determined by special interests? People understand that their voices are being drowned out.

The gentleman from Wisconsin (Mr. KIND) spoke earlier about the recent Supreme Court decisions, and I think there is cause for hope here.

The opponents of campaign finance reform always trot out the First Amendment guarantee of free speech. Well, the Supreme Court back in 1976 under *Buckley v. Valeo* gave them some support for that line of reasoning, that speech as spending could not be restricted. But last month in *Nixon v. Shrink the court* did hold up a statutory cap on gifts and donations to campaigns. That makes sense. But although it did not formally reexamine the issue of spending, the comments of the Justices give us cause for hope that they will allow some changes in the way campaign spending is regulated.

Recently in an article in the *Washington Post*, former Chairman of the Federal Communications Commission, Newton Minow, and Craig LaMay, Northwestern University journalism professor, wrote a very interesting piece, pointing out, they say, that a lawyer arguing a case in the Supreme Court is limited to 30 minutes of oral argument. Members of the House of Representatives, as we well know, are limited in the time we have available to speak. In Illinois, voters are given 5 minutes to complete their ballots. In none of these cases can the individual, no matter how well heeled, buy additional time. The process of governing ourselves is something that requires every citizen and is due to every citizen; and it should not be reapportioned according to the resources of those citizens.

So elections, say LaMay and Minow, are just as susceptible to distortion and destruction as any other institution would be if its rules allotted free speech according to one's ability to pay.

Well, it is a special pleasure to talk about this subject today, because we take some hope not only from the Supreme Court's words of a month ago, but a great deal of hope from the actions of Doris Haddock, Granny D. I, too, walked with Granny D today on her last mile, and stood with her as she gave a rousing and moving and very thoughtful speech on the steps of this Capitol. We applaud her; and I think it is appropriate, as you say, that we dedicate tonight's discussion to her.

She reminds us that we need to overhaul the current system and that it may be difficult; but step by step, we can do it. One of the best ways to do it is to start right now with what is in front of us, which is the ban on soft money. It is one of the essential steps and one of the first steps to begin restoring people's faith in government.

I would like to point out that on the day I was sworn in, the first thing I did was seek out my colleague, the gentleman from Connecticut (Mr. SHAYS), Republican cosponsor of the Shays-Meehan campaign finance bill, seek out the gentleman from Massachusetts (Mr. MEEHAN), and sit down with them and let them know that I take that to be the most important step we can take to restoring trust in government. So I joined with a large majority, a bipartisan majority of people here, in supporting the Shays-Meehan Campaign Finance Reform Act.

It now appears that this legislation is going to have trouble getting out of Congress this year, but we who care about government, and that is millions of people, and care that we have a government that is responsive to the people, rather than special interests, should not let up.

Granny D did not let up; and she made it clear she was not walking for Republicans; she was not walking for Democrats. She was walking for her children and her grandchildren and all of the other millions of people that they symbolize who want a government of the people.

□ 1915

I am delighted that the gentleman is doing this. I am pleased to join with the gentleman to talk about this great need to take some concrete steps to restore trust in our government. We look to the other body to finish the work that we have begun, but we cannot stop there. There are some other steps we need to take so that we have campaigns financed in a way that give everyone a voice in how they find solutions to the tough problems facing our society.

Mr. KIND. If the gentleman will yield back.

Mr. HOLT. I would be pleased to yield to the gentleman.

Mr. KIND. I commend the gentleman, again, for the gentleman's work, for the gentleman's contribution to this important issue. I think what we need, and was demonstrated a little bit on the steps of the Capitol, is a Granny D revolution in the country. She started that in no small part by committing herself to a cause that she feels very strongly in.

The gentleman is absolutely right, it was not a partisan issue, the Granny D; it was an American issue. It was an issue about the future of her grandchildren and her great-grandchildren and the stake of her democratic government that she loves so well, that she was willing to, even though she has emphysema and is arthritic, walk over 3,100 miles for this cause. It is such a marvelous story.

I do not know if the gentleman had an opportunity yet to tap into her Web site, but she put together a very good Web site, a lot of neat pictures. I would like to share the Web site address with any colleagues who are listening here tonight. It is www.GrannyD.com. Could not get any easier than that.

I would encourage those who are listening to take a little bit of time, a few minutes, and page through that Web site. It displays the beginning and the end of her journey. What a great story it has been.

Mr. HOLT. Mr. Speaker, if the gentleman will yield.

Mr. KIND. I am happy to yield to the gentleman.

Mr. HOLT. On that subject, this was not a stunt. She was out there with the American people. She brought with her what she learned along the way. In a particularly moving part of her speech today on the steps, she talked about finishing her walk yesterday and starting her walk today at Arlington Cemetery.

As the gentleman knows, she walked in 10-mile segments approximately all across the country. She said those spirits were with her today as she walked through Washington and as she stood on the steps of the Capitol.

These are people who had fought for American ideals. She wondered, in fact, she was quite sure that they did not fight and die for a government that goes to the highest bidder, for a government where special wealthy interests have more voice than the common people, where we have, as some say, auctions, rather than elections.

It was moving when she put it in that context and when she put it in the context of all that she had heard from people in Arizona and in New Mexico and in Texas and in Tennessee and West Virginia. It was not a stunt. This is an effort to recapture what is great about the American government.

Mr. HOLT. And I had a chance to listen to her speech and also jot down

some of the factors that motivated her for embarking upon this cause. Just to recite a few of those tonight: she was concerned that government is being corrupted through campaign contributions made by the big contributors, the big money going into campaigns that results, in her words, in a quid pro quo response from elected officials.

That has been a common theme during her talks or speech today as the growing cynicism and the perception of corruption in the political process. And it is a theme that is reiterated in the recent Supreme Court decision, *Nixon v. Shrink Missouri Government*, in which the Justices in a six to three decision basically said legislators have the constitutional authority to limit the amount of money coming into campaigns, not only to combat corruption in the political process, but also to deal with the appearance of corruption in the political process.

That is an important point. Again, the opponents of reform are always quick to come down to the House floor arguing against a piece of legislation by trying to turn the issue around, by pointing to us and saying listen, RUSH HOLT, you have accepted campaign contributions. Do you feel corrupted? Do you feel like you are influenced now because of those contributions? Asking us to specifically cite instances of corruption that might be going on in the halls of this great body.

The Supreme Court says that is really beside the point. It could be one justification, a constitutional underpinning for why Congress feels the need to limit the amount flowing into campaigns. But there is also another very important reason, and that is the appearance of corruption, that all this money flowing into the campaigns have on the American people, on people like Granny D, who cited it.

It is really giving cause, I feel, to the growing cynicism that is permeating our society and why we are seeing voter participation declining election year after election year. It is because they feel a disempowerment.

A couple of other reasons that she cited, she feels that the politicians today do not give enough concern to people who do not contribute the big money, no matter how important the issue might be. She also saw an opportunity to do something about it, and she did. She felt politically powerless, this is in her words, something that no American should ever feel.

She sees the three most important things that our government must do in regards to financial reform is, A, banning the soft money; B, enacting the public financing of an election, starting at local levels and working up, just as the State of Maine has done, and we will see it play out this year for the first time during an election cycle; and, finally, the right to free political advertising on a controlled scale.

Finally, these are ideas that we have been working with in the context of finance reform, ideas that she again cited in support of her cause for finance reform.

But during the course of her travels, she was interviewed by the national media numerous times. Some of the early morning talk shows had her on, *Eyewitness*. She said she met a lot of wonderful people who would feed and house her at different times in different States. She went through four pairs of sneakers during her 3,100-mile hike.

The people around the country would come up to her and say things such as, you are walking for me, Granny. You are my voice. You are my face. God bless you. And get this, she even caught pneumonia in Arizona, of all places. She needs to come and visit my great State of Wisconsin before she gets some real pneumonia. But she recovered. After she recovered, she kept going with her walk.

Her intent was actually to conclude her walk on the steps of the Capitol on February 24, which was her 90th birthday. Unfortunately, she was a few days late in arriving, but her message was as strong arriving today as it would have been even on the 24th.

Her message focuses on getting people to contact their Federal representatives to get them to support Shaays-Meehan on the House side and the McCain-Feingold bill on the Senate side. During her walk she gained increasing support from both public and national leaders.

Granny D's concern is that the government is being corrupted through money from large contributors. Just to quote a couple of statements that she made during a New Hampshire town hall meeting last October, 1999, she said,

First, we do need to get soft money out of our elections with the Federal law. A minority of Senators did not want to take their medicine last week when they killed the McCain-Feingold bill in Washington, so we will have to make them take their pill when they come home for reelection. If they won't get soft money out of the system, and they have turned down opportunities to do so 4 years in a row, then it is simply time for us to get them out of the system.

That I think is a very important point, because in all issues such as this it ultimately becomes an election issue, and what campaigns and elections are all about: who you support for the issues that you want to see pursued and enacted in the United States Congress.

Until there are enough Americans, I feel, that feel strongly enough about the appearance of corruption or even the corruption itself in the political process and start holding their representatives' feet to the fire and make this an election year issue, I am afraid it is going to continue to languish, and it will continue to meet excuse after excuse for failing to enact it.

That is why I think good policy is making good politics, even in the presidential campaigns today. We have seen Senator MCCAIN talking about this issue. He is the chief cosponsor, along with my Senator, RUSS FEINGOLD, from Wisconsin driving this issue in the Senate for many years already. I think that has been resonating with the American people, and why he has been receiving the support that he has during the course of the campaign season.

Vice President AL GORE has also been a champion of McCain-Feingold and Shaays-Meehan, and is fully supportive of the reform bill. Senator Bill Bradley, another presidential candidate, is in strong support of campaign finance reform.

I think in this instance, in this election year, good policy is going to make for good politics.

Mr. HOLT. Mr. Speaker, will the gentleman yield?

Mr. KIND. I yield to the gentleman from New Jersey.

Mr. HOLT. Mr. Speaker, the gentleman commented a few moments ago that Granny D spoke about a feeling of powerlessness. I hope she does not feel powerless now as she sees the thousands of people who joined her on the steps of the Capitol, who are joining her on her web site, who are joining her at every stage here.

It is interesting, many of them carried signs and chanted, "Granny D speaks for me." It is perhaps ironic that a rather diminutive 90-year-old has such a powerful voice. In fact, when she stood up to the microphone she did have a powerful voice, but an even more powerful voice in her actions.

She spoke about this cynicism that people have. I hasten to say that our colleagues here are honorable people, almost all driven by real altruism. But there is a perception out there in the country, and this is what the gentleman spoke about when he talked about the Supreme Court, a perception that is crippling, crippling our democracy, a perception that anything that comes out of Congress is determined by the wealthy special interests. We need to take action on that. I really commend the gentleman for doing this.

Some States are doing some things. In New Jersey, we have public financing of the gubernatorial campaigns. It works well. It is not a perfect solution. The soft money ban that we have been talking about this evening is not a complete solution, but it certainly is a good first step.

Mr. KIND. Mr. Speaker, with the remaining moments that we have in this special order, I would like to get into a little bit of the teeth, the meat of what the Supreme Court ruled last month in upholding the ability of legislators to impose limitations on the amount of money flowing into the campaigns. It was a 6 to 3 decision, which is a very good, decisive decision.

The opinion was written by Justice Souter. I would just like to pull out a few of the quotes that Justice Souter used within his majority opinion.

One is getting at the appearance of corruption, in which he wrote, "The prevention of corruption and the appearance of corruption was found to be a constitutionally sufficient justification". In that he was referring to *Buckley v. Valeo*, the 1970 Supreme Court decision.

He also went on to write,

In speaking of improper influence and opportunities for abuse in addition to quid pro quo arrangements, we recognize the concern, not confined to bribery of public officials, but extending to the broader threat from politicians too compliant with the wishes of large contributors. These were the obvious points behind a recognition that the Congress could constitutionally address the power of money to influence governmental action in ways less blatant and specific than bribery.

Justice Souter also went on to write,

Democracy works only if the people have faith in those who govern, and that faith is bound to be shattered when high officials and their appointees engage in activities which arouse suspicions of malfeasance and corruption.

What was also interesting in the decision, Chief Justice Rehnquist joined the majority in the 6-3 decision, but also Justice Stevens' concurring opinion that he wrote. It is relatively short, and I would like to quote liberally from that concurring opinion, because I think what he had to write makes a lot of sense and is the direction that we would like to see the constitutional analysis, at least in finance reform, go in this country.

Justice Stevens wrote, "Justice Kennedy," who wrote a dissenting opinion,

Suggests that the misuse of soft money tolerated by this Court's misguided decision in *Colorado Republican Federal Campaign Comm. v. Federal Election Commission* . . . demonstrates the need for a fresh examination of the constitutional issues raised by Congress' enactment of the Federal Election Campaign Acts of 1971 and 1974 and this Court's resolution of those issues in *Buckley v. Valeo*.

□ 1930

"In response to his call for a new beginning, therefore, I make one simple point." And it is a point I felt was not just simple but really gets to the heart of it, and I decided to blow it up here tonight to emphasize the importance of it in the underlying decision. "I make one simple point. Money is property; it is not speech."

Mr. Speaker, that, I think, has been the main crux of the opposition, or at least the opponents' argument to campaign finance reform, is that we cannot do this. We cannot limit the amount of money coming into campaigns. We cannot ban the soft money contributions, the unlimited unregulated millions of dollars that are flooding the parties' campaign coffers every election season,

because it would be an infringement on the First Amendment freedom of speech clause. Here we have a Court basically saying, no, that argument does not hold water.

Justice Stevens got more direct to the point where he says: Money is property. Let us not fool ourselves. It is not speech.

Justice Stevens went on to write in his concurring opinion: "Speech has the power to inspire volunteers to perform a multitude of tasks on a campaign trail, on a battleground, or even on a football field." I think he was referring to Vince Lombardi on that last one.

Money, meanwhile, has the power to pay hired laborers to perform the same tasks. It does not follow, however, that the First Amendment provides the same measure of protection to the use of money to accomplish such goals as it provides to the use of ideas to achieve the same results.

Finally, he wrote,

Reliance on the First Amendment to justify the invalidation of campaign finance regulations is the functional equivalent of the Court's candid reliance on the doctrine of substantive due process as articulated in the two first prevailing opinions in *Moore versus East Cleveland*. The right to use one's own money to hire gladiators or to fund speech by proxy certainly merits significant constitutional protection. These property rights, however, are not entitled to the same protection as the right to say what one pleases.

I think it was such a strong concurring opinion that Justice Stevens wrote that I wanted to share that. But Justice Breyer also in a concurring opinion brought up another valid point. He acknowledges that speech is not money, or money is not speech, but he said, "On the one hand, a decision to contribute money to a campaign is a matter of First Amendment concern. Not because money is speech, it is not, but because it enables speech." And that is why the Court in their holding opinion said that so long as the contribution limits do not get so ridiculously low that it inhibits or prevents an individual being able to communicate or get their message out, it will then withstand constitutional scrutiny by our third branch, the highest Court in the land.

So, Mr. Speaker, I thought that was a very important Supreme Court decision that hopefully will have reverberations throughout the context of campaign finance reform. And why is this important? Because the lid has just blown off any type of semblance of control or limitations in the amount of money coming into campaigns.

I brought with me a chart to illustrate what I am talking about. This chart demonstrates the amount of soft money contributions that have been flowing into the parties' campaigns over the last few presidential election years. Notice in 1987-1988 presidential campaign there was roughly \$45 million

in soft money contributions. That is when the political parties first started realizing there is a huge gaping loophole that exists in campaign finance reforms, and they started taking advantage of it back in the 1988 presidential campaign.

That soon escalated to \$86 million in the 1992 campaign. It jumped to \$262 million in the 1996 presidential campaign. And according to current estimates of the amount of soft money that is being raised in the current presidential campaign, we are on pace of more than doubling the 1996 soft money contributions; anywhere from \$500 million up to \$750 million in soft money contributions.

Mr. Speaker, that is what I mean by the lid has just been blown off. They are driving truckloads of money through the loophole that exists right now with campaign financing. And if it is not creating the potential for corruption in the political process, it certainly has created already the appearance of corruption in the political process.

That, I think, is a compelling reason enough by itself to fight for campaign finance reform so we can restore a little bit of dignity and integrity to our government and hopefully instill a little bit of faith with the American people that there is not this big "for sale" sign hanging over the United States Congress and we are going to the largest contributor.

That is not what our founders intended this government to mean. It was envisioned to be a process that all Americans could feel they could participate in. But so long as there is the appearance that it is the big money contributors that are gaining access, that are controlling the agenda, and also controlling the outcome of the agenda, I think we are going to only see more and more cynicism growing throughout this country.

I yield to the gentleman, again.

Mr. HOLT. Mr. Speaker, I thank my friend. Talking politically for a moment, the cynics say we will not do anything, it does not poll. The opinion polls, when we ask people what do they care about, the pollsters come back and say campaign finance reform is way down the list. It does not poll. Let me tell my colleagues that certainly in my district, and certainly in all the districts that Granny D walked through, it is very much on people's minds.

It is not clear in people's minds how to deal with it, but they know we must deal with it. It is not just a political issue on a list of items. It is not just another item for a plank in a political platform. This is fundamental to our democracy. It is fundamental to our system of government and people understand that.

That is why this is of utmost importance. So that we can be able, so that

we can deal with these other tough problems that we as a country face. We have got to get on with it.

Mr. KIND. Mr. Speaker, I thank my friend, again. Again, coming back to what Justice Souter wrote in his majority opinion *Nixon v. Shrink* last month, writing for the majority perhaps he said it best, that countering the perception that politicians are being bought is a proper justification for regulating donations. Directly quoting from his opinion, he said, "Leave the perception of impropriety unanswered and the cynical assumption that large donors call the tune would jeopardize the willingness of voters to take part in democratic government."

That, I think, basically summarizes the crux of what the Supreme Court was getting at saying: Congress, hey, you have the ability under the Constitution to limit contributions. And after this recent Supreme Court decision, the chief obstacle to achieving a less corrupt campaign finance system is not the U.S. Constitution but the people hiding behind it and using that Constitution as an excuse for inaction. And that, I think, is our chief obstacle that we face today.

A willing Congress can now take action to solve the problem of big money and the influence of money in our political process. The political will, not the constitutional authority, is really the only missing ingredient that we have here today. And I feel in my analysis of the Supreme Court decision, and a lot of constitutional experts who looked at it as well, basically view this recent decision as giving us the green light for the ban on soft money contributions. All the underlying justifications for upholding spending limits in the State of Missouri I feel has the same constitutional application to what we were trying to accomplish in this session of Congress, and that is just an out-and-out ban on soft money contributions before it becomes unmanageable and before, what I think, decent people do indecent things for the sake of the money race that has come to dominate and become all-important in these type of political campaigns.

So that, I think, is really the challenge that we face today. I cannot emphasize this enough, that until the American people really start holding their representatives' feet to the fire on this issue and start making it an election issue, until they are going to go out and support people who are in favor of reform who are no longer going to try to defend the status quo, the status quo that I feel is not working the way it should for the average person back home in my district in western Wisconsin, I do not think we are going to see a strong political push then to overcome the resistance that we still encounter in the United States Senate on this issue. I am happy to yield.

Mr. HOLT. Mr. Speaker, I think that the gentleman's class came to Congress a couple of terms ago, including the gentleman from Maine (Mr. ALLEN) and the gentleman deserves a lot of credit for this. He has gotten some reinforcement from our class, this freshman class, and this one representative from New Jersey is going to be with them all the way until we can get good sensible campaign finance reform. The people want it. We need it for the sake of our democracy.

And I thank the gentleman from Wisconsin very much for all that he is doing. I thank the gentleman from Maine (Mr. ALLEN) for his efforts. And, of course, I want to thank the gentleman from Massachusetts (Mr. MEEHAN) and the gentleman from Connecticut (Mr. SHAYS) who have carried the banner for this here in the House of Representatives.

Mr. KIND. Mr. Speaker, I thank the gentleman again for his participation tonight and also for the work that he is doing for the sake of getting finance reform finally passed and signed and enacted into law in this country.

What I would like to do is with the remaining minutes that we have left is to cite a Time Magazine article that came out on February 7, 2000. It was a special investigation Time Magazine and it is titled "Big Money in Politics: Who Gets Hurt?"

It is very insightful, I think, investigation and review of some of the issues that we have been working on here in Congress and what the authors, at least, the investigators feel is the influence of money with these issues.

The article is entitled "How the Little Guy Gets Crunched" and they cite specific chapter and verse and list specific instances that they feel has a direct correlation between the large money contributors and the influence or outcome of legislation or access and action in Washington and the impact that it has on smaller people who do not write the big checks throughout the country.

The case that they cite, they reviewed, is the issue of the banana wars that is going on between the United States and the European Union right now. I believe it is an important WTO issue, however, where the EU has been found in violation of World Trade Organization rules by prohibiting the importation of bananas from certain areas in Central and South America. But the authors of this article point as one of the underlying causes of why the United States was quick to react and to condemn the European Union and even apply trade sanctions, which we are allowed to do when we have a violation of WTO, is because of the family ownership of the Chiquita company and their role in the political process.

In fact, they tracked the amount of contributions that the owner of Chiquita has made in the course of

campaigns starting back in 1991 and continuing through 1999, and the amount of sums that have been given, which really are extraordinary from one family in this country. Just to cite a couple of years, in 1996, the owners of Chiquita contributed \$736,000 to the Republican Party, \$114,000 to the Democrats. 1997, they contributed \$460,000 to the Republican Party, \$116,000 to Democrats. 1998, they contributed \$1.1 million to the Republican Party, \$217,000 to the Democratic Party. 1999, \$555,000 to the Republican Party and \$260,000 to the Democratic Party.

Again, I think the point the authors are making in this Time Magazine article is that if this is not buying influence and access to government decision-making, the appearance sure stinks and it is giving this appearance of corruption and that the United States is not moral holy ground when it comes to our dispute with the European Union over this banana fight. And then they cite specific examples of individual entrepreneurs, small business owners in the country who have been adversely affected because of the sanctions that are now applied against the European Union because of their violation of import quotas on bananas.

One individual in particular, Timothy Dove, has a small business in Somerset, Wisconsin, Action Battery, whereby he has to import batteries from Germany in order to service his business and to keep him in business. It just so happened that the Trade Representative's designation of certain items now that we are going to be hitting with sanctions because of this banana war applies to those batteries that he needs to import in order to keep his business vibrant and strong and to keep it coming.

□ 1945

Now, here is a little guy who is trying to provide for his family with a small business back in Wisconsin, and all of a sudden he gets caught up in this gargantuan trade war between the United States and the European Union over bananas. If he would have woken up one morning and someone said that bananas were going to have a devastating and adverse impact on his health and his life, he would have thought they were crazy. But because of these effects of the sanctions now that are being applied and the designation of items that are being hit with sanctions coming from the European Union, his business now is in jeopardy of surviving.

And Mr. Dove is not a big contributor to either of the political parties. The authors, again, in this article insinuate that the reason why he is the one getting hurt in this big banana war more than someone else is because he is not a big contributor to the political parties.

This is just a very interesting article that Time magazine reported on that

the authors had investigated. Again, it gets back to what the Supreme Court in their decision in Nixon was basically saying, that if there is not reason enough not to prevent corruption from occurring in the political process to justify campaign finance reform, there is certainly enough reason because of the appearance of corruption that other people sitting back in Wisconsin, for instance, the Mr. Doves throughout the country have towards the political process that adds to the cynicism and I think disenchantment and eventually disenfranchisement of their participation in the political process.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON). The Chair would remind all Members to refrain from characterizing the Senate action or inaction.

REPORT ON RESOLUTION PRO- VIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES ON MARCH 8, 2000

Mr. SESSIONS (during special order of Mr. KIND), from the Committee on Rules, submitted a privileged report (Rept. No. 106-505) on the resolution (H. Res. 425) providing for consideration of motions to suspend the rules, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PRO- VIDING FOR CONSIDERATION OF H.R. 1827, GOVERNMENT WASTE CORRECTIONS ACT, 1999

Mr. SESSIONS (during special order of Mr. KIND), from the Committee on Rules, submitted a privileged report (Rept. No. 106-506) on the resolution (H. Res. 426) providing for consideration of the bill (H.R. 1827) to improve the economy and efficiency of government operations by requiring the use of recovery audits by Federal agencies, which was referred to the House Calendar and ordered to be printed.

NIGHT-SIDE CHAT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes.

Mr. MCINNIS. Mr. Speaker, this evening during the next hour I would like to have a night-side chat with my colleagues in regards to a number of different issues.

The first issue that I would like to start out with is the death tax or the estate tax. Then I would like to move on and cover a few points on the marriage penalty tax, move from there to an issue that I think has become fun-

damentally important to the defense of this country, and that is the missile defense. In fact, tonight I intend to spend a good deal of time discussing the missile defense of the United States of America.

Then if we have an opportunity, I would like to move on to the Social Security earnings limitation repeal. The gentleman from Florida (Mr. SHAW) has stepped forward. And I think tomorrow we will see a very close to a unanimous vote to lift the earnings cap for those people between 65 and 70 years old who are being unfairly penalized by the tax law.

So I do publicly want to congratulate the gentleman from Florida (Mr. SHAW), and I would also like to congratulate the gentleman from Texas (Mr. JOHNSON). Both of those gentlemen have worked very hard.

I also want to congratulate the Democrats who have finally come on board with the Republican bill to help us get rid of this unfair taxation. Then if we have a little time after that, I would like to talk about the Internet, a taxation on the Internet. So there are a number of issues tonight on our night-side chat that we can discuss.

But let us first start with the death tax. What is the death tax, number one? Number two, what property does this tax tax that has not already been taxed? In this country, there is a tax called the estate tax. If one's accumulation of property during one's lifetime, property, by the way, of which one already has paid taxes upon at least once, if that property accumulates over a certain amount of money, the Government comes in after one's death and mandates upon one's surviving members, one's family, that an additional tax be levied on this property that has already been taxed.

It is probably in our Tax Code the most unfair, punitive tax that we have got. There is no basis of justification to go and tax somebody upon their death, their estate upon their death, on property that throughout their entire lifetime they have paid taxes after taxes after taxes. It is as if the Government just did not get enough.

Now, one would ask, why is something like that in our Tax Code? Why is it not easy just to take it out? Well, I can tell you. The Clinton administration, and, frankly, most of the Democrats in the House, have opposed taking or getting rid of the estate tax. They say it is a tax for the rich.

Well, what I invite those people to do is come out, for example, to the State of Colorado or go to any State in the Union and take a look at small businesses that are now being impacted by the death tax. Take a look at what happens to families from the personal level when the Government comes into their life after having taxed their property throughout their life and says we have got to take one more hit at the

deceased. We need to go in and assess a tax simply based on the reason that they died.

This tax has devastating impacts. I will give my colleagues an example. I have a good friend of mine who is now deceased. But this friend, we will call him Mr. Joe, Mr. Joe years and years ago started out as a bookkeeper in a local construction company. He worked very, very hard in that construction company. After a while, he got an opportunity through years of hard work to buy some stock in the construction company. He was not a wealthy man. But he and his family, his wife, they scraped together a few pennies here, a few pennies there. They watched their expenses, and they invested in stock.

Well, 5 or 6 years ago, in some of his investments, he sold some of those investments, and he was hit with a tax called capital gains.

Now, most of the citizens of this country will be assessed a capital gains taxation. If one's mutual funds, if one bought property, if one owns stock outside of mutual funds, it is a gain upon property that one has made, and they give a capital tax on it.

So that is what they did when Mr. Joe sold his property. He was hit with a capital gains taxation at that time, which was around the rate of 28 percent.

So take out a pencil, figure out that Mr. Joe, who had worked throughout his entire life, had accumulated property, sold a portion of that property, and on the profit on that property, 28 percent taxation.

Unfortunately, my friend Mr. Joe became terminally ill within a month or so after the sale of this property. Even more unfortunate was that he passed away 2 or 3 months after that. The Government then came in to that family and said we realize that your father in this case has paid on time as a responsible citizen of this country taxes on the property that now belongs to the estate. But we are here for a second dip in the pot. The Government has come back, and we think it is necessary to tax the estate of the deceased person. What did they do to that estate? Exactly what they did to that estate, they hit it with taxes which, when you add it to the capital gains tax, gives it an effective tax rate of about 72 percent. Seventy-two percent on that estate is what was paid in taxation.

Now, let me tell you where the hardship comes in. Number one, 72 percent, imagine, you kind of figure out in your own mind what property you have in your home, what property you and your family has in your home that you own. Then try to determine 72 percent of it that you would like to cut out of it to give to the Government, even though you already paid taxes on it.

What happened to the estate is, of course they did not have the cash to