

The result was announced—yeas 60, nays 40, as follows:

[Rollcall Vote No. 51 Leg.]

YEAS—60

Akaka	Dorgan	Lincoln
Baucus	Durbin	Lugar
Bayh	Edwards	McCain
Biden	Ensign	Mikulski
Bingaman	Feingold	Miller
Boxer	Feinstein	Murray
Byrd	Fitzgerald	Nelson (FL)
Cantwell	Graham	Reed
Carnahan	Harkin	Reid
Carper	Hollings	Rockefeller
Chafee	Inouye	Sarbanes
Cleland	Jeffords	Schumer
Clinton	Johnson	Snowe
Cochran	Kennedy	Specter
Collins	Kerry	Stabenow
Conrad	Kohl	Stevens
Corzine	Landrieu	Thompson
Daschle	Leahy	Torricelli
Dayton	Levin	Wellstone
Dodd	Lieberman	Wyden

NAYS—40

Allard	Frist	Nelson (NE)
Allen	Gramm	Nickles
Bennett	Grassley	Roberts
Bond	Gregg	Santorum
Breaux	Hagel	Sessions
Brownback	Hatch	Shelby
Bunning	Helms	Smith (NH)
Burns	Hutchinson	Smith (OR)
Campbell	Hutchison	Thomas
Craig	Inhofe	Thurmond
Crapo	Kyl	Voinovich
DeWine	Lott	Warner
Domenici	McConnell	
Enzi	Murkowski	

The motion was agreed to.

Mr. DODD. Mr. President, I move to reconsider the vote.

Mr. LIEBERMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DODD. Mr. President, just to notify the Chamber, the next amendment to be offered will be by Senator KERRY of Massachusetts.

I ask unanimous consent that the recess be extended until the hour of 2:30 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:30 p.m.

Thereupon, at 1:15 p.m., the Senate recessed until 2:30 p.m. and reassembled when called to order by the Presiding Officer (Mr. INHOFE).

BIPARTISAN CAMPAIGN REFORM ACT OF 2001—(continued)

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Oklahoma, suggests the absence of a quorum. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I am very pleased at the progress we have made. We have disposed of a number of amendments. I think we have had a level of debate with which Americans are pleased, as are certain Members of the Senate, by the significant participation that has taken place.

We really only have two major issues remaining. One is the issue of severability, which is, if there is a constitutional challenge to this legislation, if one part falls, whether or not all of it falls. The other is the hard money issue, with lots of negotiations and discussions going on as I speak.

It was agreed at the beginning we would spend 2 weeks on this issue, and that was my understanding. It is now my understanding that there are some Members who think perhaps we would not move to final passage. I am committed to moving to final passage.

As I have said before, it is not the 2 weeks that counts; it is the final disposition of this legislation which I think not only I but the American people deserve.

As I say, we have disposed of the major issues with the exception of two. Therefore, in regard to further consideration of the bill before the Senate, I ask unanimous consent that first-degree amendments be limited to 10 each for the proponents and opponents of the bill; that relevant second-degree amendments be in order, with 1 hour for debate per second-degree amendment; and after all amendments are offered, the bill be immediately advanced to third reading for final passage, with no intervening action or debate.

Mr. MCCONNELL. Reserving the right to object, and I will object, let me say to my friend from Arizona, he knows, and we worked on it together, the consent agreement under which we took up this legislation scripted the beginning of the bill. It did not script the end.

The Senator from Arizona made very plain from the beginning he wanted this debate to end in an up-or-down vote. It may well end in an up-or-down vote, but the consent agreement did not determine that, and it would not be possible to get consent to structure the end at this time.

Let me say this to my friend from Arizona. I agree with him the only big issues left are the hard money limits and the nonseverability question. I do not think it is likely we would go beyond Thursday night, in any event.

However, Mr. President, to the unanimous consent request, I object.

The PRESIDING OFFICER. The objection is heard.

The Senator from Arizona.

Mr. MCCAIN. Mr. President, I appreciate the thoughts of the Senator from Kentucky. It is hard for me to understand now, with just 2 full days, 2½ days, why we wouldn't, as is our practice around here once we have consid-

ered a lot of amendments and a lot of proposals, as we reach the end, narrow down amendments. One, then, has to wonder what the intentions are.

I don't perhaps disagree with the Senator from Kentucky about the language of the unanimous consent agreement. I believe everyone was laboring under the impression that we would reach final resolution of this issue with an up-or-down vote. There are some Senators who now question that.

So I will be back with another unanimous consent request, and if that is not agreeable, then one can only draw the conclusion that there is an objection to a final disposition of this issue and that, obviously, would be something we would have to then consider.

I want to make perfectly clear again what I said at the very beginning, and I will be glad to read the CONGRESSIONAL RECORD when the unanimous consent was entered into with this distinguished majority leader. No matter how long it takes, as long as I can maintain 51 votes, we will not move to other legislation until we dispose of this legislation. For years we were blocked. For years we were not allowed to have this process which we now all agree has been valuable and helpful. But we need to take it to a final vote. I will be back with further unanimous consent requests so that we can fully bring this issue to closure.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I join in the remarks of the Senator from Arizona. I am pleased to see the distinguished majority leader on the floor, whom I have heard say on a number of occasions with regard to this process that he would not support a filibuster or an approach that would involve preventing us from getting to final passage on this bill. I appreciated those assurances, and I assume they still hold.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Let me make it clear once again, there would have been no consent agreement at all had the end been dictated by the agreement. I fully understood from the beginning that it was the desire of the Senator from Arizona to press for an up-or-down vote at the end of this debate. No one has been more aggressive than he has. Had it not been for the Senator from Arizona, we would not have been on this issue at all, at this point, which would have been my preference given the fact we have an energy crisis in the country, we have a stock market that is in trouble, and I, frankly, am somewhat stunned that we have spent 2 weeks on this issue.

Having said that, we have been on this issue because of the tenacity of the Senator from Arizona. The consent agreement was entered into because of

the tenacity of the Senator from Arizona. But let me assure the Senate it was not just the Senator from Kentucky who would not have agreed to a consent agreement that dictated how this debate ends. So that is why I objected, not just for myself but for others.

It could well be that in the next day or so I will have a different view of that. But there are important votes yet to be cast, and I am sure we will be consulting—the Senator from Arizona and I—on the end game as we move along.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, Senator DODD has worked tirelessly with the Senator from Kentucky. He spent long hours here. I think we are arriving at a point where perhaps this evening or tomorrow sometime we can get a finite list of amendments. We have been working on that. We have a number of people on both sides who believe very strongly in their amendments and would not want to be told they are not important.

I have virtually been with my friend from Wisconsin on every vote we have taken this past 10 days. I think the leadership from Senator FEINGOLD, with his partner, the Senator from Arizona, has been exemplary. But the fact is, we have spent a lot of time on this bill. I do not expect at this time we should rush on some program to suddenly end it. As I said, there are a number of people who have submitted requests to Senator DODD about amendments that need to be offered. We expect to offer those amendments. I think we should move along as quickly as we can, and we certainly have tried to do that.

As I said, I think one way we can expedite things is to come up on both sides with a finite list of amendments and have that locked in. I hope to have that, after conferring with the leader and Senator DODD, at the earliest possible date.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, let me just comment before I introduce an amendment and start the process of the clock.

With respect to the question of how this issue finishes, I hope the leader on the other side, and those who oppose this, will not move back from what I think was an understanding by most people who entered into that agreement that we were in fact going to have an opportunity to come to final resolution on this bill.

Obviously, if we are deprived of that, then I suspect many of us are going to try to find every opportunity the Senate presents us over the course of the next months. There is a long schedule yet ahead of us. It would be a waste of

the time of the Senate and an insult to the process to somehow try to sidestep an appropriate, complete, and total resolution, having invested the time we have in the last days. I think everybody has moved in good faith in an effort to present the amendments that represent bona fide efforts to improve campaign finance. But I certainly will join with a number of other colleagues, I am confident, if there is some sidestepping procedural effort to deprive us of the appropriate voting conclusion. We will tie up the Senate, I am confident, for some period of time in an effort to try to resolve it.

AMENDMENT NO. 148

Mr. KERRY. Mr. President, I send an amendment to the desk on behalf of myself, Senator BIDEN, Senator WELLSTONE, and Senator CANTWELL. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Massachusetts [Mr. KERRY] for himself, Mr. BIDEN, Mr. WELLSTONE, and Ms. CANTWELL, proposes an amendment numbered 148.

Mr. KERRY. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is printed in today's RECORD under "Amendments Submitted."

Mr. KERRY. Mr. President, this amendment is one that I think Senator BIDEN, Senator CANTWELL, Senator WELLSTONE, and I understand is not going to pass today. I hate to say that. I regret to say that. But it is a vote that we ought to have in the Senate. It is a vote that, in our judgment, represents the best of what could be achieved in the context of campaign finance reform. It is steps beyond Senator MCCAIN and Senator FEINGOLD, both of whom, I might add, have great sympathy for it notwithstanding the fact that they know, if it were to pass, you would have a very different mix in terms of what they began with as sort of a legislative agreement, if you will. I know Senator FEINGOLD is a strong supporter nevertheless.

What we are proposing is something the Senate has visited before. We have voted on this before. In fact, the Senate in 1994 passed, by a vote of 52-46, a campaign reform bill. It never got out of the Senate in 1994. This particular one fell victim to the House of Representatives and to the delay of the schedule. Nevertheless, it reflected the willingness of colleagues in the Senate to embrace a partial funding by the public, a partial match funding in order to reduce the dependency of politicians on going out and becoming supplicants in their search for funds.

This is, in effect, translating to the Senate races the same principle that has been in place and has been used,

even through the current election for President of the United States, in our national elections. It is a partial funding, a match, if you will, that seeks to address the extraordinary amounts of money that are in our campaigns today.

We bring this particular amendment because this effort of campaign finance reform is not just to create a regulation on how much money you can raise in a particular request from a particular person, not just an effort to put limits on. There is a larger purpose that brings us here. That purpose is to undo the appearance of impropriety that comes with the linkage of money to the fact of getting elected, the act of getting elected. Most people in the Senate who have been here for awhile have watched colleagues sometimes squirm with discomfort because questions have been raised about those linkages.

We have had investigations, both of the Senate, of the Ethics Committee, and of outside groups, that have often been pointed at the way in which we are forced to raise money. I think most people in any honest assessment would be prepared to say when somebody sitting on a particular committee has to go out and raise money from people who have business before that committee, or when someone in the Senate has to ask for money from people who have legislative interests in front of them on which they will vote, there is almost an automatic cloud. It is not something we define for ourselves, it is something that is defined by the system itself. It is there whether we like it or not.

I do not think there is one of us in the Senate who has not been asked at one time or another: Gee, did those people who contributed to you somehow have an influence on the way you voted? For most people in the public, it is a natural connection. If people see the milk industry, or the insurance industry, or the banking industry, or the farmers, or the truckers—you could name any group. I am not being pejorative in naming any of those I named. Name any interest in America that conglomerates its money, and then look at the people who are elected, and you have an automatic connection, like it or not, of the money and the election process.

When you measure the fact that most of America does not contribute, most of America does not have the money to contribute—we have one-half of 1 percent of the people in this country who give the \$1,000 donations. I think all of the soft money in this country was given by about 800 people in the last election cycle. Think of that—800 Americans out of 280 million giving tens of millions of dollars to affect the political process.

Most of the average citizens sit there and say: I can only afford \$10, or maybe

I can afford \$15 or \$20 or \$50. But they know; they sort of say to themselves: Boy, my \$50 is not going to do much to alter the impact of \$50,000 from some big, large interest, et cetera. They feel powerless and they turn off the system. They go away. They look at the system and they say: It doesn't represent me.

I don't know how many of my colleagues have stopped to ask, but why is it that a majority of the Senate is made up of millionaires? Are we representative of the United States of America as a group? The answer is no. But most people cannot afford to run for office, particularly for the Senate. So the question is, Do we have the guts, do we have the courage to come here and fight for real campaign finance reform that affords a more even playing field?

Is it a perfect playing field? The answer is no. We do not do that. And I understand that. But we can try to make it fair so a lot of people can get involved in the process.

Let me share with my colleagues this idea that we are submitting to the Senate today comes from a group of business leaders. This is not an idea that has been created by some sort of interest group that might arouse the normal suspicions of those who oppose campaign finance reform. This idea has been put together by a group called the Committee for Economic Development. Over 300 business leaders have endorsed this proposal. They include top executives of Sara Lee, Nortel Networks, State Farm, Motorola, Bear Stearns, American Management Systems, Hasbro, MGM Mirage, Guardsmark, Kaiser Permanente, Prudential, Saloman Smith Barney. They also include retired chairs or CEOs of AlliedSignal, Bank of America, GTE, International Paper, Union Pacific, General Foods, Monsanto, Time, CBS, Fannie Mae, Dow Chemical, and B.F. Goodrich.

I suppose the question might be asked, Why would past CEOs, why would corporate chieftains, why would corporations themselves be so interested in supporting a campaign finance mechanism that includes some public funding?

The reason is, these are the corporate entities that keep getting asked to contribute and contribute and contribute, that keep feeling as if they are dragged into a process that they themselves know is not in the best interests of the democracy of our country.

We are supposed to be, as Senator BYRD reminded us in our caucus a few minutes ago, a republic. A republic means we are people who represent the people who elect us—not the money that puts us here, the people who elect us.

The question is, Are we prepared to pass a campaign finance reform regime that distances us, to the maximum degree possible, from the fundraising and

connects us, to the maximum degree possible, to the people who elect us? That is the purpose of this particular amendment.

This amendment is voluntary. I emphasize, it is voluntary. There is no mandate that anybody in the country has to follow this particular way of campaign financing. So there is no constitutional challenge here. You can choose to go in and live by a limit that you are given as a matching amount of money.

I want to explain exactly how it works. We want to encourage the small donor to participate in America again. We want to emphasize that it is the smaller contribution that is the most important contribution. So what we do is provide a matching amount of money doubled by the Federal Treasury for those small contributions up to \$200. That means if somebody contributes anywhere up to \$200 to a candidate, they would get up to \$400 in a matching amount of money. And they would agree to live by a specific formula limit for each State in the country. That formula is: \$1 million, plus 50 cents, times the number of voters in that particular State.

We did an analysis of the last two election cycles. When you compare the amounts that would be provided to candidates under this formula, it demonstrates that in only three races in the last cycle would you not have had enough money under this formula to be able to meet what happened in those races. The spending limit formula in 23 States would have provided candidates with more money than they had to go out and hock the system in order to be able to run. In an additional seven States, the formula would have brought candidates within \$500,000 of the average amount that was spent in the last Senate election in that State.

Given what we have already passed in McCain-Feingold with respect to lowest unit charges, in effect, this formula would allow people to be able to spend more, if not the same, because they would be able to get more media buy for the dollars spent; and that result would be that they would be, in fact, greatly advantaged by this kind of formula.

What they also allow them to do is: If a candidate is not able to raise up to their limit, we allow the parties, through their hard money contributions, to be able to make up the difference to that candidate, much as they do today through the section 441(a)(d) contributions.

The virtue of this particular approach is that it does the most that we believe we can do to separate candidates from the fundraising process, to reduce the capacity of people to question the large contributions. We would still allow contributions up to the amounts of McCain-Feingold. So if that amount remains \$1,000 in the pri-

mary and \$1,000 in the general election, you can still raise it, but you only get credit for the first \$200 toward your match. That means you would be encouraged to go out and bring people into the system for low-donor-amounts of contributions.

In every other regard we stay with McCain-Feingold. We want to see the ban on the soft money. We want to see the increased scrutiny, increased transparency, but we are trying to provide people with an ability to avoid the extraordinary arms race of fundraising that takes place in this country and to begin to restore every American's confidence that we are not in hock to the interests that support the campaigns.

There is a reason for having to do that. I remember when I was chairman of the Democratic Senatorial Campaign Committee in 1988. As Chairman, I refused to take soft money back in 1988. We did not take any soft money in the committee. That was the last year the campaign committee did not take soft money because they could not in order to compete. From that time until now, we have seen this extraordinary growth in the amount of soft money being raised, so that there was almost \$½ billion of soft money in last year's campaigns. Think about that—an extraordinary amount.

But for 1992, the Republican Party raised \$164 million in hard money, \$45 million in soft money. In 1996, the \$164 million jumped to \$278 million in hard money; and it went from \$45 million to \$120 million in soft money. And this year, it went from the \$278 million to \$447 million in hard money; and the \$120 million went up to \$244 million in soft money. This is so far outside of inflation or any legitimate costs with respect to campaigning, it is insulting. The only way we are going to end that is to put in place a system where we bring Americans back into the process of contributing smaller amounts of money.

It is interesting that corporate contributions outnumbered the amount of small and union contributions by 15 to 1. Americans are currently looking at a political system that is effectively a corporately subsidized, corporately supported system. If you were the leader of any corporation in America—there are a few who are making a different decision—some of them have decided spontaneously they are simply not going to contribute, but unfortunately, an awful lot of them still decide: I can't be left behind, I can't suffer the vagaries of the system unless I can weigh in, unless I get sufficient access. So most of them, answerable to their board of directors and their shareholders, as a result, play the system as hard as they can.

Most of them will also tell you privately, they pray and hope the Senate will have the courage to change that system because they don't like it any more than many of us do.

The one thing we are going to hear from the opponents—and you can hear it right now—we have politics that are really good right now in using little phrases: “It is not the Government’s money; it is your money. You deserve a refund.” That is a quick, easy hit. People get applause. Everybody feels good and they forget about the fact that there are a whole lot of other issues.

We are going to hear them say: Gee whiz, politicians shouldn’t depend on the public treasury to run for office. They are going to say this is welfare for politicians, “welfare for politicians” because somehow the Federal Government contributes. Ronald Reagan was elected using this Federal money. George Bush, in 1988, was elected using this money. Even the current President Bush was elected using Federal money. Bob Dole ran for President using Federal money. Countless numbers of candidates have run using Federal money.

It is not welfare for politicians. What it is is protection for politicians. That is what they want. They are afraid of a system that allows the average American to have a full voice. They are afraid of a system which requires them to go out and do anything except play sweetheart with a whole bunch of givers who give them big amounts of money so they can just swamp the average person who wants to run for office.

The fact is, if you analyze the amount of Federal dollars that are wasted and spent only because those interests are able to get the laws they want and ride roughshod over a broader consumer interest, there are billions upon billions of dollars that are spent as a result of the current system.

What this represents is liberty money for people in this country, freedom, the ability to be able to cut the cord of the system we have today and free themselves to be able to go out and have a fair system in which Americans can have confidence. Most Americans, if they were presented with that argument fair and square, would say: That is precisely what I want. I am willing to pay a \$400, \$500 amount to cover the cost of elections in this country in order to guarantee that people are free from the kind of special interest process today.

Moreover, you might see a lot more of your Senator and your Congressman because they wouldn’t have to travel all around the country on weekends and weeknights to raise money from fundraisers in States everywhere other than their own.

It doesn’t make sense. That is what this is an effort to try to achieve. I hope my colleagues will think hard about it. Fifty-two Members of the Senate in 1994 voted for a bill that had a partial component of public funding in it. Many people have acknowledged that ultimately this is the only way for

us to free ourselves from the current system. While we can’t deal with the primaries, that is too expensive and it doesn’t work. What we do is set up a structure where in the general election, there is a clear ability of people to spend a limited amount of money, commensurate with the amounts of money and in some cases more than even the amounts they spend today.

I yield 15 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. It seems as though the Senator from Massachusetts and I have been doing this a long time. We lost one of the musketeers in Senator Bradley. I don’t know how many times we have come to the floor to talk about this issue. What is discouraging is, we seem to be moving backwards now instead of forward.

I have a reputation that doesn’t always serve me well of being relatively blunt. I am going to continue to exacerbate that a little bit today and depart from my prepared remarks at the outset and speak to the last point the Senator from Massachusetts was talking about.

Our friends who oppose this will say to any idea of any public financing: Why should the public pay for bumper stickers and billboards and the like? I will bet you if you sat down with every American, and were able to do it one on one, and said: Here is the deal: Do you want me taking money from a checkoff system on your income tax, as the Presidential campaign is run, or from a direct appropriation that may cost you a couple bucks a year? Would you feel better about me and my independence if you did that and I had a limited amount of money if I were the nominee that I could spend, a limited amount of money based on the size of my State? Or would you rather have me hanging around in Hollywood, New York, Detroit, Los Angeles, San Francisco, Chicago, the major money centers of the world, sitting down with investment bankers and with corporate heads and union leaders and listening to them telling me what they think is important for the future of America and my knowing full well if I disagree with what they think is important for the future of America, that they are not likely to contribute to me and, therefore, if I have to rely totally on the people with the big money, that I may very well find myself rationalizing that, well, maybe it is not such a bad idea to be for that idea because it is better for me to get elected intact with most of my views in place than it is for me to be pure about this and not be able to run. I think the American people understand.

I may be mistaken, but I believe Dick Clark, a former Senator from Iowa, and I, were the first two to introduce public financing as an idea back in 1974, in the

middle of the Watergate scandal, to try to take polluting influence out of the system—I don’t think there is an American out there who thinks if they get a chance to come up and lobby me on a particular issue and say, Senator, I sure hope you will vote for this tax cut or that tax cut or vote for or against something, that they have as much influence on me as somebody who walks in having contributed \$10,000 to my campaign through two PAC contributions. I wonder what the American people think. I wonder do they think their voice is as easily heard as the rest of those folks.

The thing that has surprised me over the years that I have been pushing this idea, along with others, is that we who hold public office aren’t tired of this, aren’t worried, why it doesn’t bother us, whether we are lily pure or not, why it doesn’t bother us being associated with the notion that what we do is a consequence of the financial influence placed upon us.

For example, I don’t think there is anything morally wrong, per se, about PAC money. That is an organization getting together and representing a particular interest—whether it is a labor organization, business organization, social organization—and giving a candidate \$5,000 at a crack. I admit that is no more debilitating, no more immoral, no more unsavory than five people getting together in one family and coming up with \$1,000 apiece to give \$5,000. But I don’t accept PAC money, and I haven’t accepted PAC money—not because I think it is immoral or wrong, and I don’t question the morality or judgment of those who accept it. I think I am one of the few people who don’t accept it, and maybe one of the few in the whole Congress.

The reason I don’t accept it is that I like the fact that no one can—and I am a pro-labor Senator—question my pro-labor votes because labor gives me any money. They don’t. I can stand up and say I like the feeling at home that when I am for something that maybe not all my constituents like, but labor likes, nobody can use the argument that BIDEN has been bought off by labor because the following labor groups got together and contributed to him X amount of dollars.

A lot of Senators who talk about being lily white and pure accept PAC money. That is OK. But the only reason I don’t is I don’t like looking at my constituents and them thinking that I have taken a position because somebody contributed to me. That just bothers me. That just bothers my independence. There may come a day I have to take PAC money. I may run against somebody who raises \$5 million in PAC money and I can’t raise the money, so I have to take it to compete. But I don’t accept it simply for my own gratification. I love walking into a meeting with a businessperson, or a

business organization, or labor organization, and deciding for or against them based on the merits and never having to talk about money. I feel liberated. It is my sort of self-imposed, tiny victory against this system that I rail against all the time.

What has surprised me is why people of this body would not want limits on spending. Do you think the majority of us like traveling two-thirds of the way across the country to sit down at a fundraiser in the home of somebody who is going to ask us stupid questions, who may be an absolute idiot, and is going to raise us \$20,000, and we have to sit there and listen. Now I'll have everybody who has ever done a fundraiser for me saying, "Is he talking about me?" If anybody likes that, you probably should be doing something else because you can't be that bright.

So I don't get this. I don't get it. I don't get why we haven't gotten to the point that just for our own living standard, so that we don't have to get on planes at 7:30 at night and sit in an airport, and then miss it, and 47 thank-you notes why we could not be there and apologize and set a new date, and you miss your kid's first communion, or you miss your daughter-in-law's birthday, or something because you are out raising money. I don't think anybody sitting in here has any idea how much of our time is spent raising money. The more scrupulous you are about how you raise it, the more hurdles you place in your way to make sure everybody knows that you are clean and you are not like what people think you are, the harder it is—the harder it is.

We all do it. We all sit here and say, wait a minute now; we just voted on a bill that will affect some of the people who are going to be there. I can't go to that fundraiser now. It will look like I did it for the wrong reason. I don't want them thinking that is why I did that because that is not why I did that. All Members here are moral, decent people. The irony is, this place, in terms of personal rectitude is probably squeakier than any Congress in the last 200 years because of all the disclosure rules. That is the irony. You used to have a person standing at a desk right over there—one of the leading Senators in history—who would write letters to the railroad company saying, "By the way, I just defeated a thing that would have hurt you. Send more money or I won't do it next time." The money that was being sent was in his pocket.

When I ran for the Senate in 1972 and won, there were no limits on what you could spend or what could be given to you. My goodness, you would think by now the irony of all ironies is that I would be dumbfounded if any Member of this body was taking money under the table or doing anything illegal. They are the cleanest bunch I have

dealt with. Yet we are viewed as being among the dirtiest bunch. Why? Because we are associated with all this money.

My mom had an expression when I was a kid. I would say, "Mom, can I go hang out on the corner by Buffington's with the rest of the guys?" She would say, "Those guys get in trouble." And I would say, "But I won't." She would look at me and say, "JOE, if it walks like a duck and quacks like a duck and looks like a duck, it is a duck." I used to say, "What does that have to do with anything?" She would say, "Those boys down there are not good boys. When you hang with them, even if you are not doing anything wrong, you are going to be presumed to be."

What happens now when anybody within earshot, not holding public office, hears your child say, "Mom, I want to be a politician." I am not allowed to reference the gallery, but I bet if I looked at their expressions right now, they would all have the same expression: Oh, no, no, you don't want to do that. Why, when in fact they have more honest men and women in the business now than have ever have been in it? The likelihood of people doing untoward things relative to financial gain is almost unheard of now. When you have a billion plus dollars spent on elections, the conclusion to the American people is that if it looks like it is corruption, sounds like it is corrupt, it appears to be corruption, then it is probably corrupt.

So this has always amazed me. I would have thought by now that we would be so afraid of being burned by our association, unintentionally, with unsavory notions, causes, or people, through contributions, that we would say let's get out of this. I will tell you right now. I don't think anybody here would disagree. I would rather be beholden, or thought to be, to 280 million Americans than to 200 contributors. I would think they would want me to be beholden to them, not only in fact but in perception.

So what have we done? As my friend from Massachusetts has said—and we have been allies in this for a long time, and I am a great admirer of his—just since 1976, the total congressional campaign spending has gone up eightfold. In 1976, the average race for the House of Representatives cost \$87,000. Today, it cost \$816,000. Where are you going to get that money? Where are you going to go for that money? Do you think there is \$816,000 worth of folks out there saying: Just because I love this system, I don't care what your positions are on any issues. I just want honorable men and women like you involved, so here is a contribution.

What do you think? Do you think that is how it happens? You know what it is for Senate races? In 1976, the average cost of a Senate race was \$609,000. Now it is \$7 million.

So I have gotten to the point where I am even more concerned about the amount than I am about the source—more about the amount than I am about the source. Let me explain that. If, in fact, we are going to ever do anything about the influence of money and the ability of people like me to be able to get involved in politics—I say people like me. No one who ever held State office, no one with any personal fortune or money, and who has a dubious distinction along with one other Senator on the floor being listed as one of the poorest men in the Senate.

How can a guy like me get involved today knowing that for me to get out of the box, I am going to have to raise, even in a tiny State such as mine, potentially \$4 million to \$5 million? How does one start that? Where does one go?

Why are we surprised with a lot of millionaires? Do you know what a lot of us Democrats do, as Dale Bumpers, one of the best speakers I heard on the Senate floor in past years, used to say, in the bosom of the lodge here? Because we cannot match their money, do you know what we do? When we recruit candidates, whom do we look for, I say to the Senator from Connecticut? We try to find millionaire Democrats. We try to find Democrats who are millionaires to front their own campaigns because we do not have enough money around to front all the campaigns. We try to find people who are millionaires.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BIDEN. I ask for 5 minutes more.

Mr. KERRY. Mr. President, how much time remains on our side?

The PRESIDING OFFICER. Fifty-four minutes.

Mr. KERRY. I yield 5 minutes to the Senator from Delaware.

Mr. BIDEN. Mr. President, the fact of the matter is, we are never going to make any really fundamental change in the system until we adopt the position of setting limits on the total amount of money that can be spent in a single State on a single election.

Our approach provides the candidates with partial public financing when they commit to voluntary limits, and if the other person does not commit to those voluntary limits, then we allow that funding to go up so that person can keep in parity with the person against whom they are running.

It is a simple, basic proposition. By the way, it is complementary to the so-called soft money ban. It is not contrary to, it does not undermine it; it is complementary to the ban on soft money.

The spending limits for the Senate candidates are different in each State based on a rather simple formula that my friend from Massachusetts pointed out: A million bucks to start and then, on top of that, 50 cents for each person of voting age in that State. In my

State of Delaware, that means one could not spend more than \$1.3 million. In a State such as Illinois, where there are 9 million potential voters, one could spend \$5.5 million.

I will not go through all the detail beyond that except to say that our amendment also includes a provision to counter those last-minute sham ads that have become all too common in the closing weeks of campaigns. Our amendment says if your campaign is a victim of one of those drive-by sham ads, you will receive additional public funding to enable you to respond to keep you in the game.

I have been calling for public financing for congressional campaigns for a very long time, since 1973, my first year in this body. I thought Watergate would have been enough to take us to the brink of trying to do something serious about campaigns. We did make some initial progress until the Supreme Court ruling in *Buckley v. Valeo* which set everything on its head, and now here we are back again.

The time has come, as my old math teacher would say, to work the problem and to stand at the blackboard until we come up with an answer that will pass the test of public confidence. The amendment we are offering today I think passes that test, and I urge all of my colleagues, for once and for all, do something that really will impact upon who can run, their ability to stay in the game, the ability to compete and reengender some confidence in the American people.

My closing remark is this: We have gotten to the point, as my friend from Massachusetts pointed out, of businesspeople dreading this funding process because they get held up for contributions. Beyond that, we have reached a point where, because we have had to become so brazen in the way in which we raise money, those who used to contribute to us who never were brazen in return are now equally brazen, suggesting they want to know more about what we will do before they give us the money.

It is a bad system. This could go a long way to changing it. I have no hope that it is likely to be adopted this time, but someday—someday—it will, and I suspect only after some additional major scandal occurs. I want to make sure for my own safety's sake I am recorded on the right side of this argument again so no one misunderstands what I think we should be doing.

I thank my friend for his leadership, and I thank him for yielding the time he has. I yield back whatever time is remaining.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the Senator from Delaware for his comments. As he said, he started this crusade back when he was elected in 1972. We had a high water mark in the Sen-

ate when we actually passed it. We also had 49 votes at one point in time. We know we are not at that high water mark today for a lot of different reasons.

It is very interesting what the Senator just said about business-people. I cited the types of business-people who support this—major executives of major companies in the country. Here is what they said when they announced it:

As business leaders, we are . . . concerned about the effects of the campaign finance system on the economy and business. . . . A vibrant economy and well functioning business system will not remain viable in an environment of real or perceived corruption, which will corrode confidence in government and business. . . . In addition, the pressures on businesses to contribute to campaigns because their competitors do so will increase. We wish to compete in the marketplace, not in the political arena.

I applaud these business leaders for recognizing the truth that a lot of the opponents of reform refuse to acknowledge.

The fact is that even the Supreme Court in the cases we so often cite—*Buckley v. Valeo*, *Colorado*, and others, all of those cases—talks about the legitimate right of Congress to try to curb the perception of corruption which they acknowledge on the Supreme Court is a component of trying to have good campaign finance reform.

What they have deemed to be constitutional, they have deemed to be constitutional partly making the judgment that it was necessary to combat that concept of corruption.

Moreover, I point out to my colleagues, sometimes we all know Congress does not do what the American people think it should do or want it to do, but the American people want us to put together a better system. A national survey conducted by the Mellman Group in April last year found that by a margin of 68 percent to 19 percent, voters favored a proposal that eliminates private contributions, sets spending limits, and gives qualifying candidates a grant from a publicly financed election fund.

In other words, every time the Congress votes against public funding, the Congress is explicitly denying what the majority of the American people want, which is the capacity to separate the people they elect from the fundraising process.

That same survey found that 59 percent of voters agree that we need to make major changes to the way we finance elections. But perhaps the most telling statistic was the fact that overwhelming majorities think special interest contributions affect the voting behavior of Members of Congress.

Eighty-seven percent of voters believe that money impacts Members of Congress, with 56 percent expressing the belief that it affects Members a lot. We ought to want to do something to

eliminate that perception and to restore people's confidence in this institution.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, assuming all the time is used on both sides, when would the vote occur?

The PRESIDING OFFICER. At 5:55 p.m.

Mr. McCONNELL. This should be such an easy vote that I don't think I will need all my time. I will withhold it for the moment to see how many speakers there are on the other side. Suffice it to say, that taxpayer funding of elections is about as unpopular as voting to raise congressional pay.

We have the most complete poll ever taken on any subject, every April 15, when taxpayers get an opportunity to check off on their tax return the diversion of \$3 to the Presidential campaigns and to help subsidize the conventions. It doesn't add to their tax bill. It is just diverting \$3 of their tax money to politics.

The high water mark of the checkoff was back in 1980 when 29 percent of taxpayers checked off. Last year it was 12 percent. In fact, the lack of taxpayer interest in checking off some of the tax dollars already owed to this cause, the drop off was so alarming that in the early 1990s when the opposition party controlled the House, the Senate, and the Presidency, they upped the check-off from \$1 to \$3, so fewer and fewer people could check off more money.

Clearly, this is an idea that is overwhelmingly unpopular with the American people. We had a vote the other day on the Wellstone amendment. The Wellstone amendment gave States the option of having taxpayer funding of elections of congressional races. It was defeated 64-36. Maybe you could have argued on that vote that it wasn't really a vote for taxpayer funding of elections because it only gave to States the option—the option—to have taxpayer funding of elections, yet only 36 Members of the Senate supported that.

This is the real thing before the Senate now. This is not giving any State the option to have a taxpayer-funded system. This is the real thing, taxpayer-funded elections for Senate races.

I have been somewhat chagrined and mystified that we have spent 2 weeks on the whole subject we have been on when the stock market is tanking, we have an energy crisis in this country. What are we doing in the Senate? We are talking about campaign finance reform. At the very least, the underlying bill didn't have taxpayer funding of elections in it, but there have been first one, and now the second effort to add that to this underlying bill.

So I don't think the American people would be particularly amused if they

were paying any attention to this debate, which they are not—I don't think they would be particularly amused to find out what we are doing while we have these emerging problems in our country of energy and the stock market.

The argument over taxpayer funding of elections is a blast from the past. This debate over taxpayer financing is an idea whose time has come and gone. One of the huge victories on my side of this debate that we can savor is that reformers gave up on the horrible notion of taxpayer funding of elections some years ago. That is, most of them. We still have some people offering these amendments, and that is what is before the Senate at the moment.

It may surprise some of the people who are watching C-SPAN that we actually have had taxpayer financing of Presidential elections since 1976. This system has squandered over 1 billion tax dollars. In the 2000 Presidential race alone, taxpayers kicked in \$238 million; 30 million of those dollars went toward the conventions in Philadelphia and Los Angeles. Fun weeks for those of us who were privileged to attend, but most taxpayers could surely come up with a better use of their tax dollars than underwriting political conventions.

Proponents of using taxpayer money for political campaigns get very creative in devising their polling questions so they can get results suggestive of some reservoir of support for this notion.

First off, they never refer to the money as the "taxpayers money." You will never see that in a polling question asked by a proponent of using tax money for buttons and balloons and TV commercials. They always call it "public funding," sort of like a public beach, public park, or public parking, leaving out the fact that the money started out in the taxpayers' private pockets.

Then they link the concept of public financing of campaigns to reducing special interest influence. Gee, that sounds like a bargain, except they can still get their numbers over 50 percent when they call it public funding and when they say it is for the purpose of reducing the nasty special interest. We all know the definition of a special interest. That is somebody against what I am trying to do. Those groups on my side are great Americans pursuing a wonderful cause. Those nasty special interests are the guys on the other side.

When someone such as myself frames a polling question in a more straightforward fashion, such as, do you support using taxpayer dollars for political campaigns—very straightforward and very truthful—respondents are decidedly less receptive than in the gimmicky polls that I suspect we have heard cited on the other side of this debate.

A reform group study in 1994 concluded that Americans remain skeptical of public funding for congressional campaigns. Remember, they were using that good word "public." Moreover, a careful examination of the core coalitions both in favor and against leads us to conclude that this proposal tends to be a hot button for a group that is not exactly a microcosm of America. Who is interested in this issue of taxpayer funding of elections when you call it "public funding"? It is a hot-button issue for liberals who are postgraduates, people who went to graduate schools. Liberals who graduated from graduate school think this is a great issue, that is, about 2 percent of the public—not, I submit, a microcosm of America or anywhere near the average American.

When we look at the biggest poll of all that I referred to earlier, the check-off on the 1040 tax forms which allows filers to divert \$3 from the U.S. Treasury to the Presidential election campaign funds—remember, this is money they already owe; if you ever change the law to make people actually cough up an additional \$3, this fund would disappear entirely. It would be gone with the wind. It would be out of here. We would have to appropriate dollars to make up for the zero balance in this fund—nearly 90 percent of Americans choose not to check yes to the use of taxpayer dollars for Presidential elections. Last year's forms, 11.8 percent checked "yes."

As I said earlier, at its peak popularity in 1980, less than 30 percent checked yes. Imagine the results if the checkoff was for a congressional election campaign fund, which is what this amendment is about. Imagine the question on the tax form if it were crafted "congressional election campaign fund." People would not confine themselves to checking no. They would no doubt be compelled to include commentary in the margins on their tax returns. Such is the disdain for taxpayer funding of elections.

We haven't even gotten to another essential part of this whole issue. The Supreme Court does not allow us to just provide tax funding to the good guys, the Republicans and the Democrats. No, no. If you are going to provide tax dollars for campaigns, you can't constitutionally limit those taxpayer-funded schemes to the Republicans and to the Democrats—which is all of us in here. No, the Reform Party, Ralph Nader's Green Party, and for that matter, any individual eager for some name identification paid for by the taxpayers would be eligible to qualify.

Let me give a couple of examples. That great American, Lenora Fulani, of many parties over the years, and most recently the Reform Party, has collected 3.5 million of our tax dollars for her in 1984, 1988, and 1992 Presi-

dential campaigns. The taxpayers of America have given Lenora Fulani \$3.5 million to run for President of the United States.

In 1992, in fact, Ms. Fulani was the first in line to receive matching funds, even beating Bill Clinton to the funds.

Lyndon LaRouche got taxpayer funds for the 1992 Presidential campaign. It was a little difficult for him to function that year because he was in jail. It was something of an inconvenience. But the fact that he was in jail did not prevent him from getting tax dollars to run for President. He was in the middle of serving a 15-year sentence for fraud. But, by golly, we got him some tax money to run for President of the United States.

Imagine, if we extend this great idea to congressional races, we are going to have Lenora Fulanis and Lyndon LaRouches running in every House and Senate race in America. Every crackpot who got up in the morning, looked in the mirror, and said, "By golly, I think I see a Congressman," is going to get a subsidy from the taxpayers to go out and see if he can pull this thing off.

LaRouche has received over \$2 million for his 1980, 1984, 1988, and 1992 Presidential campaigns. If you take out the 2 percent of Americans who are liberal postgraduates, there is not a lot of enthusiasm out in the hinterlands for this kind of reform. Indeed, there is disdain for this kind of reform. I suspect there is not a whole lot of support in the Senate.

Looking at the Wellstone amendment the other day, which got 36 votes, maybe I will be surprised, but I will be surprised if there are 36 votes there to have this proposal replace the current system of electing Members of Congress.

Let me say again, I can't think of anything that would frost the average taxpayer more than the idea of fringe candidates, maybe even in jail, running for Congress, running for the House and Senate.

I do not know how this amendment is crafted, but I can tell you, you cannot constitutionally restrict public funds, taxpayer funds, to just the people we would like to get it, which is people such as us who are Republicans or Democrats. We can't do that. It has to be crafted in such a way that these funds are not unreasonably denied to people who aspire, regardless of their ideas or present circumstance, such as being in jail—their present circumstance—you cannot unreasonably deny them their opportunity to have their say with our tax money.

I do not know how much more debate is needed on this idea from the past. But, not knowing yet, I will just retain the remainder of my time for the moment. How much is that?

The PRESIDING OFFICER. The Senator has 76 minutes.

The Senator from Massachusetts.

Mr. KERRY. Mr. President, I listened with interest to my colleague from Kentucky. I listened to him label this as an idea from the past. I am interested in that because it always struck me that the idea of the past was the perception of corruption of the Congress. The idea that ought to be passed is the notion that unlimited funds and unlimited amounts of money in our system corrupt and corrode the system.

If you were to ask the American people what they would like to see be the idea of the past, they would resoundingly, overwhelmingly tell you, as they have in every indication in the country, that they want us separated from these large sums of money.

It is no surprise my opponent comes to the floor and derides the concept of public funding as some sort of thing from the past which doesn't command a lot of votes. I understand that. I know we are not coming to the floor from a great position of strength. But we have to start from somewhere again on this effort.

We once passed it in the Senate, and we passed it once because it was the right thing to do and it was a good idea. I believe that the judgment made by those Senators who were then here is not now out of date; it is not now outmoded; it is not a judgment of the past. It was sound thinking. Once again, this body will one day come to understand that we need to separate ourselves from this money.

Senator MCCAIN above all set a standard for making clear that this is an idea of now, not of the past. My colleague does not even support campaign finance reform. He doesn't think McCain-Feingold ought to pass, let alone this amendment. It is no surprise he comes to the floor derisive about the concept of some level of public money being used to separate the politicians from the perceptions that cloud this institution.

My colleague from Kentucky brought an amendment a few years ago, with other people, I believe, to terminate the funding process of the Presidential races. Guess what. He lost. The Senate said we want to continue to have our Presidential races funded the way they are, even if it means that a fringe candidate such as a Lyndon LaRouche may get a couple of million dollars to run for office. That is the price in America of having a system that is free from special interests. That is the price.

The fact is, none of us can choose and pick who the candidates are. My colleague from Kentucky just acknowledged he does not know how this bill is structured. Maybe it would help him if he understood to some degree that it is structured in a way that not just anybody can run under this bill. You do not get the public funding unless you raise some money, and you can only

raise some money if you have some kind of base of support. You only get some funding for the larger numbers of people you can entice to support you. So presumably there is a reflection in how much money you would ultimately get that is a reflection of what kind of candidate you are—whether you come with legitimacy or you do not come with legitimacy; otherwise, you are not going to get much.

Second, contrary to what my friend from Kentucky said, we do not mandate this on anybody. If you do not want to do this, you do not have to do this. If you are more content to go out and raise millions of dollars from all the interests, go do it. This system is only for those who choose to live by the limits. But the one differential would be involved if some multimillionaire is running against you, or someone wants to go out and court all the other interests and get \$50,000, \$150,000 at a whack, and have ads run that are completely outside of what even the 1974 election reforms tried to achieve. We are driving through the largest loophole we have ever seen in this process. I regret to say that began in 1996—not before. But the fact is, we have ads run under the guise of being issue ads that everybody knows are directed to either tear down someone's character or argue against their election. They are completely outside the mainstream of the election, except to the degree that they have a profound impact on it.

What we are really talking about is whether or not you want to have a voluntary system where, if somebody is spending those extraordinary amounts of money, you get to raise an additional amount by virtue of the public system.

I do not expect somebody who does not believe in any kind of campaign finance reform, who thinks we ought to have more money in the system, not less, and who equates money exclusively with the determination of elections and power—I do not expect that person to support or like this amendment.

I guarantee that over a period of time, as Americans continue to be disenchanted, as Senator MCCAIN's campaign so aptly showed—and the reason Senator MCCAIN's so aptly showed it is that what he did was he connected the dots for people. People want prescription drugs in Medicare. People want health maintenance organizations to be accountable to them. They want to know a doctor will make a medical decision about their potential illness or real illness if they have one. What Senator MCCAIN did was show them the reason they do not get a lot of these things that they want is that the money manages to completely cloud the issues and real choices.

Americans are subjected to this cacophony of funding which, frankly,

crowds out even the voices of the candidates themselves in many cases. That is what this is about, a voluntary system giving people choice, allowing them to make up their own minds.

What are my colleagues so afraid of? What are they afraid of? That another candidate might have the voluntary choice to decide to do this? They don't have to do it. What are they afraid of? There is far more taxpayers' dollars spent and wasted as a result of the campaign system we have today than this system would cost any American.

Senator MCCAIN always talks about an aircraft carrier being built that the Navy did not ask for. That aircraft carrier alone would fund 10 years of election cycles under this bill—that one alone. How many different examples are there of things that get passed because of the money in politics, not because of the voice of the American people asked for it?

He talks about the \$3 checkoff. Yes, he is right. The \$3 checkoff has diminished. But has anybody in America seen an advertisement asking them to participate? Has anyone in America had any kind of public input suggesting to them that if they were to check off, they could have a system that is perception-corruption free? The answer is no. We do not advertise. We do not ask accountants to suggest to their clients that they ought to check it off. There has been no effort whatsoever to try to bring Americans into the process of participation.

I will tell you, for most Americans who look at the system the way it is today, it is no wonder they do not check it off because they have no sense of the connection of that system to the potential that they would be participating in something that actually works and that is free and clear from the kind of cloud they see today.

I know the Senator from Washington wants to speak. How much time would the Senator like?

Mr. President, I yield 5 minutes to the Senator from Washington.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Washington.

Ms. CANTWELL. Mr. President, I will be short.

I am in support of my colleagues and in support of the Kerry-Biden-Wellstone-Cantwell amendment. I want to make three points today about this amendment.

First, as you have heard earlier in the debate, it is an addition to McCain-Feingold. We are trying to ban soft money, limit out of control issue ads, and increase disclosure on independent expenditures. But we also want to give candidates the opportunity to try a system that will free them, their time and their energy, to focus on the issues of the people.

Second, counter to some of the things that have been said on the floor

today, this is a system that is supported by whom? Not just a few Members of the Senate; it is supported by business.

You have heard some of the CEO's and officials of the businesses that are part of this Committee for Economic Development, the CED. Why are they supporting such an amendment? Because they understand the world around us is changing, that they live in an information age, and that as they make better decisions, with more information and a more-informed public, they would like to see a better decision making process in the Senate.

Those businesses that have joined this effort to try to reform our political system, and to have a better decision making process, include Nortel, State Farm, Bear Stearns, the Frank Russell Company, the Vista Corporation of Spokane, Allied Signal, GTE, Dow Chemical—a variety of people who are not just a bunch of Members of the Senate.

This is a movement grabbing hold in businesses across America because they know our decisionmaking process is flawed. And this will only grow if this amendment is defeated, and we will see this organization and its supporters back again.

The third point that I would like to make is that this is in the best interest of the taxpayers. Do not be fooled. The discussion has been that if you vote for public financing, that is a vote for the public's paying for this process. That somehow it is going to cost them in their pocketbook.

We have heard a lot about the Presidential system and the checkoff. But I would ask you to think for a minute, how much is this system costing us when we do not get a prescription drug bill? How much does it cost senior citizens who live on a fixed income, who have to pay thousands of dollars a year for prescription drugs? Because we have been smart enough to figure out the new technologies for new drug therapies—smart enough to figure that out in a new information age—but not smart enough to make prescription drugs affordable.

Why is that? Because our campaign system does not reward that kind of thinking. It rewards a very short-term decision making process that does not discuss the fact that prescription drugs have become 30 percent of our overall health care costs, not 5 percent as they were 10 or 15 years ago. That is what is wrong with the decision making process.

The fact that we do not have a Patients' Bill of Rights, the fact that we do not spend the time and energy debating a real Patients' Bill of Rights and getting that issue before the Congress in a more aggressive way, and coming to terms and bringing the amendments and alternatives to the floor. That failure costs citizens of our

country real personal and great hardships. This issue of whether it involves the public, I can tell you, it is costing us by not reforming our system.

What this amendment does today is to try to curb the amount of spending in our political campaigns and set limits. And it does so in a very reasonable way, while at the same time giving people the opportunity to get their message out and to participate in the system as they so wish.

I have learned a lot in the last weeks about how deep the cynicism in Washington is when it comes to discussing campaign finance reform. I am deeply committed to overcoming that cynicism and getting a whole generation of young people to take up this torch and change this system as opposed to thinking that government today is not as efficient in dealing with its issues.

But until we craft a campaign system with a shorter, more intensive campaign period, funded with finite and equal resources available to candidates, we will not govern well. Instead, the American public will be subject to the kind of campaigning, the kind of special interest ads deluging them in their living rooms with the discussions, not by the candidates, but by these interest groups of what your choices in America should be.

I am saying, follow the money back to the citizens of this country. Not until we have freed candidates from the time and energy drained from dialing for dollars will we improve the political discourse, play down the dominance of polls, and render the attack-driven, negative 30-second spots ineffective.

I think that day will come. I hate to wait until we have Internet voting, and an information age where citizens will look at all this information and find out exactly, in great detail, what their Senators and Members have been working on. I hope we can get it done sooner than that.

I commend Senator KERRY and the other sponsors—Senators BIDEN and WELLSTONE for their long-term vision on this issue because it is a vision that is headed in the right direction and it has articulated a better vision for campaign finance reform.

This amendment would make a real difference in how campaigns in this country are conducted. I hope, as the CED and Members join in this effort, we can reach a bipartisan consensus to take a step forward in curbing the spending and improving the participation in our campaign system in America.

I yield back the remainder of my time.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. I yield myself a moment that I need, and then I will yield to my colleague.

Mr. President, I thank the Senator from Washington for her support and for her comments and her understanding of the implications of this debate.

Let me point out to colleagues—and I emphasize—this does not change McCain-Feingold at all, No. 1. It embraces everything that is in McCain-Feingold. No. 2, it is purely voluntary. But, importantly, colleagues should note, 23 States in this country already have some form of public funding.

In the last few years, several States—Maine, Vermont, Massachusetts, I think Arizona—have moved to embrace something called Clean Elections, which have an even lower threshold than what I am supporting today.

I support the Clean Elections. Senator WELLSTONE and I have been advocates of it. But what we are coming in with is something that has broader bipartisan support, where businesses across the country—350 major business leaders and corporations—say: We have had enough of this other system. Here is a way we think is fair that encourages small contributions, encourages citizen participation, and provides some measure of public funding.

So I think the trend with the public in America is to move in this direction. I think that further counters the idea that this is somehow an old idea.

This is passing in States, and inevitably it is going to continue as a grassroots State movement where, once again, Washington, unless we change, is going to be not leading but following the American people.

How much time would the Senator from Connecticut like?

Mr. DODD. Ten minutes.

Mr. KERRY. I yield 10 minutes to the distinguished manager of the bill.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for up to 10 minutes.

Mr. DODD. Mr. President, I ask unanimous consent that I be added as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, I commend my colleague from Massachusetts, Senator BIDEN, Senator WELLSTONE, and our new Member, Senator CANTWELL. I didn't hear all of the statements, but I listened to several of them. I was impressed with their astuteness and their level of articulation in support of this proposal.

This amendment, as my colleague from Kentucky knows, is not going to pass. We don't have the votes for this amendment. The Senator from Massachusetts was fully aware of that the moment he stood up and offered the amendment. Unfortunately, that is the case. It doesn't diminish the rationale or reason for offering the amendment and asking our colleagues to consider it and informing the American public about the value this amendment offers.

Let me step back a little and make two points. The details of this amendment have already been discussed. I think my colleagues and others may be aware of specifically how the amendment would work. It is a partial public financing program. As the Senator from Massachusetts has pointed out, some 23 States—almost half of the States—now have adopted some variation of this approach. The trend lines are clearly in this direction.

We are not alone in the world. Most sophisticated allies of ours, the most sophisticated democracies, industrialized nations around the globe, have also adopted partial public financing, not asking people to contribute more in taxation but a part of what they have contributed to support the underlying efforts of sustaining democratic institutions.

Let me make two points that have some value. One is, the reason this is necessary is that the Supreme Court has ruled that money is speech. Justice Stevens argued in a minority opinion back in 1974 that money was property, not speech. I agree with Justice Stevens. But he was of the minority view when the Court ruled on *Buckley v. Valeo*. For that simple conclusion that money is speech, we have been running this process out over the years where our ability to have some limitations on the amount of dollars that are spent and raised in seeking Federal office is significantly jeopardized because of the constitutionality of such provisions.

In the absence of having some public financing, we have had now for some 25 years public financing of our Presidential elections. Every single candidate for the Presidency, every prevailing candidate for the Presidency—beginning with Gerald Ford through Ronald Reagan, through George Bush 1 and 2, Bill Clinton—has taken public money. No greater conservative than Ronald Reagan took public money to run for the Presidency because, under that scheme, we could limit to some degree the amount that would be spent.

I know we have spent a lot of money on races. I hate to think of what the cost would have been in the absence of the public financing arrangement which every candidate has accepted, almost without exception, since 1976.

What the Senator from Massachusetts and those of us who are supporting his efforts are suggesting is that if it has worked fairly well in Presidential contests, if it is working fairly well in 23 States, if it is working fairly well in major democracies around the world, is it such a radical idea to slow down the money chase of multimillion-dollar campaigns to try something along the lines the Senator from Massachusetts is suggesting? I think not.

This is a modest proposal. In the absence of the constitutional amendment that our friend from South Carolina of-

fered, which would say that money is not speech and amend the Bill of Rights—which many of our colleagues are reluctant to do, and I understand that; I happen to support him out of frustration because I don't know of any other means by which we can begin to try to slow down this exponentially growing foot race to gather the millions of dollars to run for Federal office—in the absence of that, this is the only other way I know that we are really going to make some difference in what is a growing and serious problem in this country, where the cost of running for public office is going way beyond the means and reach of average citizens.

As Senator KERRY has pointed out—I don't recall exactly the numbers, but roughly several hundred thousands of dollars, \$300,000 to \$400,000 on an average Senate race 25 years ago to around \$7 million today—the cost has gone from some \$400,000 to \$7 million in the last 25 years, with no end in sight. How many Americans can even think about running for the Senate or the House of Representatives, where the factor of increase is almost the same?

This amendment is necessary. It is a reasonable one and one that is worthy of support.

The second thing I will mention about this: I heard my good friend from Kentucky talk about the diminishing response of the public to the checkoff system on the 1040 forms that has gone from a high of 29 percent down to some 12 percent. That is troubling. I believe it has less to do with the fact that there is a checkoff on public financing for Presidential races than the fact that those of us in public life are so devaluing public service, are so devaluing those who dedicate part of their lives or years of their lives to public service, that we demean it. We ridicule it. We attack each other every year.

I am surprised there is any support left. If you were to transfer what we do to each other in the public debate in this country to the private sector, you would destroy most competing businesses.

Someone once drew the analogy of comparing what would happen to McDonald's or Burger King if they engaged in campaigns against each other, competing for market share, with what we do as Democrats and Republicans in competing with each other for the right to represent them in public office. Someone suggested not only would they destroy each other, they would destroy franchised food.

If you look at campaign advertising, the attacks we wage against each other, the personal degradation we attach to and associate with our political competitors, what has happened is, we have so devalued public service and the public life of elected office that the public has become understandably disgusted with the condition of politics in

America. We have no one to blame for that but ourselves. In no small measure that has occurred because of the rising amount of dollars that are spent being convinced by political consultants that the best way to win office is not to convince anyone of the merits of your argument but if you can convince people that your opponent is somehow unworthy of even consideration for the office, let alone that his ideas or her ideas may lack substance, then you can win a seat in the Congress of the United States.

Thus we see, as we did last year, where, of the 200 million eligible voters in America, only 50 percent voted; 100 million Americans cast their ballots for the Presidency of the United States, a decision that was made by a handful of votes in one State, and 100 million of our fellow citizens did not even show up on election day, where a tiny fraction, had they shown up in one State, would have resulted in a different outcome than what occurred as a result of the recounts and so forth that occurred in the State of Florida.

I suspect that a good portion of that 100 million didn't show up because they forgot or because they had something better to do that day.

I suspect a substantial portion didn't show up because they are disgusted with the process; they are sick and tired of coming into September and October after an election year and you can't turn on a single bit of programming without some mudslinging going on, attacking of one another, blistering one another. Whether it is through our own ads, or the ads of outside groups just trying to destroy the reputations of people seeking public life, I suspect that has more to do with the declining numbers of people checking off on the 1040 forms, the resource to support Presidential public financing.

One of the reasons why McCain-Feingold deserves support, in my view, is because there is some hope that this will put the brakes on, slow this down enough so we don't have an unending exponential growth of dollars pouring into the coffers of candidates and groups out there year in and year out, destroying not only the candidates, but the public's confidence in a political system that has contributed greatly to this great Nation over 200 years.

For those reasons, I applaud what the Senator from Massachusetts has offered. It is a worthwhile effort. I regret that he has to even go this route, but in the absence of it there is not much hope that we can do anything else in terms of getting the real numbers down. For those reasons, I support this amendment and urge its adoption.

Mr. KERRY. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Massachusetts controls 18 minutes 30 seconds.

Mr. KERRY. Let me begin by thanking the Senator from Connecticut. He

has been at this for a long time. He has a voice of enormous credibility on the subject, and he is well respected around the country for his political wisdom and abilities. I think his voice is an important one, and I welcome it.

Very quickly—and then I will yield some time to the Senator from Minnesota—when we talk about these perceptions, I am not going to throw names around at all, but I mentioned earlier prescription drugs and some of the health care issues. If you look at what the drug industry spent in the last Congress—\$8.7 million on political contributions—the result in the 106th Congress was no prescription drugs for seniors. But it is interesting, the industry got an extension of the R&D tax credit for those companies.

Most Americans would say: That is kind of interesting; I thought I had an interest in getting something, but they got it. Likewise, the juvenile justice bill doesn't happen because the gun lobby doesn't like the restrictions on gun show sales. The gun lobby spent \$3.9 million in political contributions in the last cycle. Interestingly enough, the juvenile justice bill died in conference.

You can go down a long list of these things. They may or may not be connected, but the perception among the American people is very clear.

Without using any names at all, let me point out contributions from the oil and gas industry. Three or four of the major proponents of oil and gas interests in the Senate received in the last cycle \$129,921; one received \$146,779, another \$286,000. But it is very interesting. Other people who were not so interested in the issue got figures in the range of \$1,500, \$1,075. That kind of a range sends a message to the American people about the impact of money in the system.

Mr. President, it is precisely the perceptions—leave alone realities—of that kind of connection that distorts our existence and our ability to have the confidence of the American people.

I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for up to 5 minutes.

Mr. WELLSTONE. Mr. President, let me thank Senator KERRY and Senator BIDEN and say I am proud to be an original cosponsor on this amendment.

My colleague has described the amendment, a 2-to-1 match for up to \$200 worth of contributions. This is the public financing part that is in exchange for agreed-upon spending limits. I want to make two or three points in less than 5 minutes.

First, very soon we are going to have an amendment to dramatically increase hard money spending limits. The argument is that we really need to do this. As Senator DODD said earlier this morning, poor Senators, gee whiz,

we need to be able to raise more money. There is nothing like that. When you do that, you are more beholden. It is the obscene money chase. You are more beholden to big money.

Most people in the country believe big money can pay so they can play, but they can't pay so they can't play. This amendment Senator KERRY has talked about, and Senator BIDEN spoke about, takes us into a different direction. Candidates agree to spending limits, and you have smaller contributions. You get your support from a lot of folks, little folks, middle class people. What a better politics it is. It is an election and a politics in which people can more believe.

The second point is, if you view this as a system—and I don't like saying this because I am an incumbent. But I think it is wired for incumbents. Most people agree that, by and large, that is true. If you want to move toward a more level playing field, in that direction, some system of voluntary, agreed-upon spending limits for public financing really gives the challengers and the people who aren't as well known a much better chance.

It is important to have competitive elections in a representative democracy. I can just tell you, remembering back to 1990—and Senator KERRY can go back to his first race—I certainly remember when it felt as if when people didn't know you or think you had a chance and you could hardly raise any money, there was no kind of system that would give you a chance. We lucked out. I won because of my good looks and brilliance. If not for that, I would have lost.

I got the Presiding Officer's attention on that. I am kidding.

The third point I want to make is that I believe this amendment, if it were part of the McCain-Feingold bill, would be another one of those reform amendments. I hope colleagues will vote for it. I think it is so much a better way of having people believe in the process. It is so much a better way of making sure lots of people think they can run for office as opposed to only a few. It is a better way of having people believe that these elections belong to them and believe they are more a part of politics.

I have heard my friend from Kentucky say more than once that any kind of public financing is "food stamps for politicians." That, again, presupposes that elections belong to politicians. They don't. They belong to the people in our States, to the people in the country.

This is a very good amendment. This is a strengthening amendment, and it is a very important vote. I hope we will have a strong vote for this Kerry amendment. I am very proud to be an original coauthor. I thank my colleague for allowing me to speak on this amendment.

Mr. KERRY. Mr. President, I thank the Senator from Minnesota. He is one of those who doesn't just talk about these things; he really practices it. Everybody in the Senate respects the depth of his commitment to reform and the principles that guide him in politics. I am very pleased to have him as a cohort in this endeavor.

Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator from Massachusetts controls 11 minutes.

Mr. KERRY. Mr. President, we are nearing the end of this debate. I will take a couple minutes to summarize a few thoughts. I will then reserve the remainder of the time. I understand Senator MCCAIN may be coming to the floor.

I emphasize to my colleagues that this is voluntary. It is absolutely voluntary. No one is mandated to live by this or to accept it. It simply gives candidates an option of being able to choose a different way of trying to be elected to high public office. It does so in a way that maximizes the effort to pull our fellow citizens who have less amounts of income, who have less capacity to influence the system into participating.

It encourages small contributions. It provides a match only for the contribution up to \$200. Therefore, if you want to raise a large sum of money or even receive a large sum of money from the Federal Government, you have to include a lot of people in your campaign.

What it does ultimately is end the extraordinary spiral of higher and higher amounts of money governing the elections in our country, the staggering increases of each election.

When I first ran for office, it was about \$2.5 million or \$3 million. My last race was \$13 million. That is why we see so many millionaires running, so many self-funded campaigns.

What we try to do is allow an adjustment against the self-funded candidate. We do not preclude a millionaire who wants to run for office and spend his or her money from doing so. There is no restraint whatsoever on somebody doing that, but what we try to do is level the playing field a little bit for that person who does not have the millions of dollars so their voice can also be heard in American politics.

Most Americans would like to see a Senate that is more reflective of America, that has more people who have varied experiences and who reflect more of the life and real concerns and aspirations of our Nation.

It is important for us to move to reflect that Americans have a right to elect Senators the same way they elect the President of the United States: by freeing them from the extraordinary burden of having to raise these large sums of money from those most interested in what we do, when we do it, and how we do it.

I do not know one colleague who had an advertisement run against them or who lost an election because they voted for this in 1994 or because they voted for this in 1986. I do not ever recall it being raised in campaigns in this country.

The notion of voting for a voluntary system for people to participate in an election, the same way we elect the President of the United States, that that would somehow trip them up in their reelection, is absurd and completely unproven in the process. I reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks time?

Mr. DODD. Mr. President, I suggest the absence of a quorum and ask that the time be charged against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCONNELL. Mr. President, there is no particular need to prolong this debate. I want to make a couple observations.

It has been suggested that because Republican candidates accepted taxpayer funds to run for President, that is somehow an endorsement. It is noteworthy that President Reagan always checked "no" proudly on his tax return on the notion of using taxpayer funding for Presidential elections. The reason he accepted the money is because he really did not have a choice, as a practical matter, since the contribution limit was set at \$1,000. All of his advisers told him there was simply no way, not enough time to pool together enough funds at \$1,000 per person to opt out of the Presidential system.

President Reagan, were he able to observe the last election, would have been proud that our now President, George W. Bush, was able, during the primary season where there is enough time to reach large numbers of \$1,000-and-under donors, to refuse to accept the spending limits and the taxpayer funding prior to the convention.

Knowing the President as I do, if there had been enough time between the convention and the general election to have avoided taking taxpayer funds, I am confident he would then, too.

The problem is, when you have a contribution limit of \$1,000 a person, and your convention ends around August 1, there is just not enough time to pool together enough resources to run for President.

It is not appropriate to suggest that the Republican Presidents, at least the two I have mentioned, endorse the idea of taxpayer funding of elections; certainly not for House and Senate races.

The other point I want to make is there was some suggestion that large segments of the business community—there was some discussion about the underlying bill—that large segments of the business community were supporting McCain-Feingold. That is clearly not the case. I am only aware of one fringe group that supports the underlying bill. All the major business organizations oppose the bill: the Chamber of Commerce, the National Association of Manufacturers, the National Association of Business PACs, and BIPAC, which is widely known. All the mainline business organizations oppose McCain-Feingold, and any suggestion to the contrary is not accurate.

I do not know who else may want to speak against the amendment. I know Senator FEINGOLD probably supports the principle but opposes the amendment and wants to speak.

I see Senator THOMPSON is here. We have not had a lot of speakers on this side. I think it is because just about everybody on this side has made up their mind on this amendment. Does the Senator from Tennessee want to speak against the amendment?

Mr. THOMPSON. No.

Mr. MCCONNELL. Mr. President, is Senator FEINGOLD going to speak against the amendment? How much time does he need?

Mr. FEINGOLD. Ten minutes.

Mr. MCCONNELL. I yield 10 minutes to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for up to 10 minutes.

Mr. FEINGOLD. Mr. President, I was candid with the Senator that I would be opposing the amendment even though I agree with the principles, and I will use some of my time to speak about the bill generally.

I think the amendment offered by the Senator from Massachusetts is absolutely the right policy. I have always believed completely in public financing, and the mechanism proposed in this amendment is the way we should go.

I have also taken note of the enormous amount of interest around the country in moving toward public financing in a number of States. Senator KERRY is right; this is a new beginning on this issue. It is not an old issue that has died. It is a rebirth that is occurring across the country, and the Kerry-Biden amendment is an important step in that direction.

When Senator MCCAIN and I began this process, coming to the final stages of trying to debate this bill, we agreed we would vote together on all amendments to make sure we show we are unified and that this will continue to be a bipartisan issue. So it is particularly painful for me to have to vote against this amendment, but it is not because I do not think it is the wave of the future and the ultimate solution to this problem.

All the McCain-Feingold bill does is close an enormous loophole that has made a mockery of our campaign finance system. It is the idea and principle behind the Kerry amendment that is ultimately the direction we have to go as a country in campaign finance reform. I hope we can get started on it the day after we get this bill through.

I want to talk about one other issue to which the Senator from Washington, Ms. CANTWELL, alluded. The time has come to talk about commonsense and conventional wisdom in the business community. It is common sense to declare our campaign finance system is broken and needs to be fixed. It is conventional wisdom, however, to say members of the business community must surely and monolithically oppose changes to the campaign finance reform system that has made influence available to them.

The common sense is right, but the conventional wisdom is wrong. Let us take a look at three items in last week's news.

First, we see the release of a list of names of 307 of our most prominent business leaders who have pledged their support for the campaign finance proposals of the Committee for Economic Development, CED. CED is an organization of prominent business leaders which has endorsed the McCain-Feingold bill and issued its own proposal that includes a soft money ban. This list of business leaders is a who's who of America's commerce. It includes CEOs and current or former top executives from Dow Chemical, Sara Lee, Motorola, Goldman Sachs, FMC, Prudential, and dozens of others.

Here is what CED President Charles Kolb had to say:

As reform nears, the inside-the-beltway cottage industry is scrambling to oppose action, but this list provides real evidence that a growing number of business leaders want reform. They don't fear reform, but think it's desperately needed. They are the leading funders of campaigns, and they're tired of being hit-up for ever-increasing amounts of cash. They know the system—or lack of one—is hurting the business community and our democracy.

I ask unanimous consent that this list of business leaders and the accompanying release be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. FEINGOLD. Business leaders have common sense and they are changing the conventional wisdom about the need for real campaign finance reform.

Look at the second item, the results of a poll of hundreds of senior executives conducted for CED. In the poll leaders of companies with annual revenues of \$500 million or more overwhelmingly supported the provisions of our bill, including strong support for a soft money ban.

The poll, conducted for CED by the respected Tarrance Group included these findings: three in five top business executives back a soft money ban; 74 percent say business leaders are pressured to make big contributions. Half said they “fear adverse consequences” if they refuse to contribute; more than 80 percent said that corporations give soft money for the purpose of influencing the legislative process. And 75 percent say that their contributions work—it gives them an edge in shaping legislation; 78 percent of business leaders agreed that the current system is “an arms race for cash that continues to get more and more out of control”; and 71 percent of executives in big companies say that all of these big dollar contributions are hurting their corporate image.

Business leaders believe that they are victims of a system that allows them to be shaken down. When asked why their companies give, the most frequent answer, from 31 percent, was “To avoid adverse legislative consequences”. Twenty three percent say it is to buy access to the legislative process.”

As a result, a full three-fifths of senior business executives said that they support a complete ban on soft money. That number was about the same, 57 percent, even in those companies that have been recent soft money givers.

Those findings are grim but they shouldn't surprise anyone who has thought about the political environment businesses in America now face. Business leaders have had enough. They have abandoned the conventional wisdom about the benefits of this corrupt system, and they are beginning to lead the call for reform. I ask unanimous consent that a release summarizing the results of this poll be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 2.)

Mr. FEINGOLD. A piece on the op-ed page of Monday's Washington Post entitled “Why this Lobbyist Backs McCain-Feingold.” It was written by Wright Andrews, a long-time lobbyist, and a successful lobbyist, who has used this system to the advantage of his clients, but has finally said: “enough is enough.” According to the conventional wisdom, Mr. Andrews is an unlikely advocate for reform. Not long ago, he was the president of the American League of Lobbyists, so it is fair to say that he was the lobbyists' lobbyist, but he seems to be a man of common sense as well, and there is what he had to say. He writes:

[A]s a Washington insider, I know that on the campaign finance front, things have mushroomed out of control. . . . I know that lobbyists, legislators and the interests represented increasingly operate in a legislative environment dominated by the campaign finance process, and its excesses are like a cancer eating away at our democratic sys-

tem. . . . [M]illions of Americans are convinced that lobbyists and the interests we represent are unprincipled sleazeballs who, in effect use great sums of money to bribe a corrupt Congress.

Mr. Andrews has put his finger on something. This system, especially soft money, taints everybody who is involved with it. Big money changes hands, things get done in Washington, and the American people think it is only common sense to conclude that corruption abounds. Mr. Andrews seems to understand, as the American business community now understands, that the appearance of corruption is just as bad for our democracy as actual corruption, because the American people don't see the difference. Mr. Andrews candidly admits that he and his clients have used money, within the system, to get legislative results. He continues:

Campaign-related contributions, and expenditures at today's excessive levels increasingly have a disproportionate influence on certain legislative actions. Unlimited “soft” money donations and “issue ad” expenditures in particular are making a joke of contribution limits and are allowing some of the wealthiest interests far too much power and influence.

I ask unanimous consent that Mr. Andrews' op-ed be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 3.)

Mr. FEINGOLD. This last quote from a Washington lobbyist is common sense and the new, emerging conventional wisdom. These three items make a few things clear. The old conventional wisdom about the opposition of the business community to real reform is wrong, and it is giving way to the common sense of the movement for reform. To those who will strive on this floor to beat back the reform America demands, I say, listen to these business leaders who are saying that they realize that the corrupt system in place does not serve their interests, or our country's. Listen to the corporate executives who say they are tired of the constant fund-raising and the feeling that they are being shaken down. Listen to this veteran lobbyist, and others like him, who are at the center of the current system and can't stand its rotten influence any longer. And if you oppose reform, listen to the common sense of the American people who today can take heart that the old conventional wisdom about the chances for reform is passing away, along with your remaining allies in this fight.

I can't think of anything more illustrative of the very issue that the U.S. Supreme Court asked us to consider in these situations. Is there an appearance of corruption? When the business leaders and the CEOs of this country believe they are being shaken down and that they are being intimidated into giving these contributions, at a bare

minimum, this is the appearance of corruption that the U.S. Supreme Court has identified as the basis for legislative action in this area.

EXHIBIT 1

TOP EXECUTIVES AND CIVIC LEADERS BACK PLAN THAT INCLUDES SOFT-MONEY BAN

As the Senate begins to debate campaign finance reform, the Committee for Economic Development (CED) today sent every Senator the names of 307 prominent business and civic leaders who have endorsed its sweeping reform plan, which includes a soft-money ban. About 100 new executives have joined the effort since the Senate last considered reform in October 1999.

“As reform nears, the inside-the-beltway cottage industry is scrambling to oppose action,” said CED President Charles Kolb. “But this list provides real evidence that a growing number of business leaders want reform. They don't fear reform, but think it's desperately needed. They are the leading funders of campaigns, and they're tired of being hit up for ever-increasing amounts of cash. They know the system—or lack of one—is hurting the business community and our democracy.”

The endorsers include top executives of Sara Lee, John Hancock Mutual Life Insurance, State Farm, Prudential, H&R Block, ITT Industries, Motorola, Nortel Networks, Hasbro, the MONY Group, Chubb, Goldman Sachs, Boston Properties, and Saloman Smith Barney. They also include the retired chairmen or CEOs of Deloitte Touche Tohmatsu, AlliedSignal, Bank of America, GTE, International Paper, Union Pacific, General Foods, Monsanto, Time, CBS, Fannie Mae, Dow Chemical, Texaco, FMC, and BFGoodrich.

Other prominent Americans on the list include a former vice President, former Republican Secretaries of Defense, Treasury, and Labor, a former Senator and Republican National Committee Chairman, and a former Securities and Exchange Commission Chairman.

CED, the leading business group advocating reform, has officially endorsed the legislation offered by Senators John McCain and Russ Feingold, which the Senate will debate next week. The CED proposal calls for a ban on soft-money contributions, increased individual contribution limits (to \$3,000), partial public financing for congressional races, and voluntary spending limits.

“Business executives support reform in roughly the same numbers as the rest of the nation's voters,” Kolb said, pointing to a poll of top corporate executives of the nation's largest corporations that The Tarrance Group conducted on behalf of CED last year. According to the survey, 78 percent support reform, and 60 percent back a soft-money ban. (Importantly, 57 percent of those from companies that recently made soft-money contributions support a soft-money ban.) Many business leaders have called the current system a “shakedown” and half of the poll respondents said they fear adverse legislative consequences if they don't give.

EXHIBIT 2

FIRST-EVER CORPORATE POLL RESULTS—SENIOR BUSINESS EXECUTIVES BACK CAMPAIGN FINANCE REFORM

POLL OF BIG-BUSINESS LEADERS SHOWS SUPPORT FOR SOFT-MONEY BAN, OTHER REFORMS SAY FEAR AND BUYING ACCESS ARE TOP REASONS FOR CORPORATE GIVING

Senior executives of the nation's largest businesses overwhelmingly say the nation's

campaign finance system is "broken and should be reformed," and three-in-five back a soft-money ban, according to the first-ever survey of business leaders' views on political fundraising, which was released today. The main reasons corporate America makes political contributions, the executives said, is fear of retribution and to buy access to law-makers.

Nearly three-quarters (74 percent) say pressure is placed on business leaders to make large political donations. Half of the executives said their colleagues "fear adverse consequences for themselves or their industry if they turn down requests" for contributions.

The survey provides new evidence to demolish the myth that corporations support the current campaign finance system. It was conducted by The Terrance Group for the Committee, for Economic Development (CED) a non-partisan research and policy group that has emerged as the business community's leading voice for campaign finance reform.

By a more than four-to-one margin, respondents said corporations make soft-money contributions to influence the legislative process rather than for more altruistic reasons. And 75 percent say political donations give them an advantage in shaping legislation.

Nearly four-in-five executives (78 percent) called the system "an arms race for cash that continues to get more and more out of control," with 43 percent strongly agreeing with that statement. Two-thirds (66 percent) said fundraising burdens are reducing competition in congressional races and the pool of good candidates. And 71 percent say stories about big-dollar contributions are hurting corporate America's image.

"As the chase for political dollars has exploded, the business community has increasingly called for reform," said Charles E.M. Kolb, the President of CED. "More executives are saying they're tired of the 'shake-down' and the unrelenting pressure to give ever-increasing amounts—something some say feels like 'extortion.'"

"This poll demonstrates conclusively that these are not just anecdotal accounts or minority opinions, but rather the widely held views in the top echelons of major corporations," Kolb said. "The business community sees a campaign finance system that's evolved into an influence- and access-buying system that damages our democracy and the way public policy decisions are made. And they increasingly feel trapped in a system that doesn't work for anyone."

When asked why corporate America contributes, the most frequently given answer (31 percent) was to "avoid adverse legislative consequences," and nearly a quarter (23 percent) said it was "to buy access to influence the legislative process." Another 22 percent said the business community gives "to promote a certain ideological position," and 12 percent said it does so "to support the electoral process."

"The numbers are compelling because the margins are so wide. The poll leaves no doubt that corporate leaders support significant reforms," said William Stewart, Vice President of Corporate & International Research for The Terrance Group, a polling firm that specializing in working for corporations and Republican candidates. "In nearly all cases, a clear consensus exists, and it exists across all demographic subgroups. These executives feel the system is an escalating arms race, they fear retribution for not giving, and they describe contributions as being tied to legislative outcomes; all of

which helps explain why executives overwhelmingly favor reform."

Perhaps some of the most surprising results of the survey are the levels of support for various reform proposals. Not only do three-in-five executives support banning soft money (the unlimited contributions from corporations, unions, and wealthy individuals), but 42 percent expressed strong support for the move. Even 57 percent of the executives who work for companies that have made soft-money contributions over the last three years, favor a ban.

In addition, the business leaders said they favored voluntary spending limits (66 percent), a publicly financed matching system for donations below \$200 (53 percent), and an increase in the current \$1,000 individual-contributions limit (63 percent).

"When so many senior executives support spending limits and a partial public-financing system, you know it's time for reform," said Kolb. "This is not a group that casually supports government rules and spending, but they clearly see that it is now vital to fix this broken system." Additionally, nearly nine-in-ten (88 percent) said they were concerned about the decline in voter participation, with 53 percent saying they were "very" or "extremely" concerned about it.

The Terrance Group surveyed 300 randomly chosen senior corporate executives (vice presidents or above) from firms that had annual revenues of approximately \$500 million or more. The telephone survey was conducted between September 12 and October 10. It has a margin of error of plus or minus 5.8 percent.

Of those surveyed, 42 percent work for firms that have made soft-money contributions since 1997. The vast majority (86 percent) had made personal political contributions. A much larger share identified themselves as Republicans (59 percent) than Democrats (19 percent).

In March 1999, CED unveiled a reform proposal that would ban soft money, institute public matching funds for small-dollar donations and voluntary spending limits, and increase individual contribution limit (to \$3,000).

Founded 1942, CED is an independent, non-partisan research and public policy organization. Its Subcommittee on Campaign Finance Reform was co-chaired by Edward A. Kangas, Chairman, Global Board of Directors of Deloitte Touche Tohmatsu, and George Rupp, President of Columbia University. CED's campaign finance program is funded by grants from The Pew Charitable Trusts and the Carnegie Corporation of New York.

EXHIBIT 3

[From the Washington Post, Mar. 19, 2001]
 WHY THIS LOBBYIST BACKS MCCAIN-FEINGOLD
 (By Wright H. Andrews)

As a Washington lobbyist for more than 25 years, I urge Congress to make a meaningful start on campaign finance reform and pass the McCain-Feingold bill. While many lobbyists privately express dismay and disgust with today's campaign finance process and are in favor of reforms, most have not expressed their views publicly. I hope more lobbyists will do so after reading this "true confession" by one of their own.

I am not an ivory-tower liberal, nor do I naively believe we can or should seek to end the influence of money on politics. I have engaged in many activities most reformers abhor, including: (1) making thousands of dollars in personal political contributions over the years, (2) raising hundreds of thou-

sands of dollars, including "soft money," for both political parties and (3) counseling clients on how to use their money and "Issue ads" legally to influence elections and legislative decisions.

Why, then, does someone like me now openly call for new campaign finance restraints, at least on "soft" money and "issue" advertising? Quite simply because, as a Washington insider, I know that on the campaign finance front things have mushroomed out of control. In the years I have been in this business I have seen our federal campaign finance system and its effect on the legislative process change dramatically—and not for the better.

I believe that individuals and interests generally have a right to use their money to influence legislative decisions. Nevertheless, I know that lobbyists, legislators and the interests represented increasingly operate in a legislative environment dominated by the campaign finance process, and its excesses are like a cancer eating away at our democratic system.

There is no realistic hope of change until Congress legislates. I readily admit that I will continue, and expand, my own campaign finance activities—just as will most of my colleagues—until the rules are changed.

Right now there is an ever-increasing and seemingly insatiable bipartisan demand for more contributions, both "hard" and "soft" dollars. The Federal Election Commission has reported that overall Senate and House candidates raised a record \$908.3 million during the 1999–2000 election cycle, up 37 percent from the 1997–1998 cycle. The Republican and Democratic parties also raised at least \$1.2 billion in hard and soft money, double what they raised in the prior cycle. Soft-money donations from wealthy individuals, corporations, labor groups, trade associations and other interests have shown explosive growth. In addition, millions of dollars in unregulated "non-contribution" contributions are being plowed into the system through "issue ads."

Today's levels of political contributions and expenditures are undercutting the integrity of our legislative process.

Ironically, congressional lobbyists in general are better, more professional, more ethical and represent more diverse interests than in the past. Our elected officials today also are generally honest, hard-working and well-meaning. But millions of Americans are convinced that lobbyists and the interests we represent are unprincipled sleazeballs who, in effect, use great sums of money to bribe a corrupt Congress.

Many citizens believe that using money to try to influence decisions is inherently wrong, unethical and unfair. While supporting reforms and recognizing citizens' concerns, I disagree; I find little problem with political interests seeking to influence elected officials through contributions and expenditures at moderate levels, provided this is publicly disclosed and not done on a quid-pro-quo basis. The First Amendment allows every individual and interest to use its money to try, within reason, to influence Congress. And influence comes not just from political contributions; it also comes from using money, for example, to hire lobbyists, purchase newspaper ads and retain firms to generate "grass-roots" support.

I nonetheless think the time has come to temper this right. We have reached the point at which other interests and rights must come into play. Campaign related contributions and expenditures at today's excessive levels increasingly have a disproportionate

influence on certain legislative actions. Unlimited "soft" money donations and "issue ad" expenditures in particular are making a joke of contribution limits and are allowing some of the wealthiest interests far too much power and influence.

Moreover, the ability of legislators to do their work is being reduced by the demands of today's campaign finance system. Many, especially senators, now must devote enormous amounts of time to fundraising.

Any significant new campaign finance limits that Congress adopts will have to survive certain challenges in the Supreme Court. If Congress carefully crafts legislative restrictions, the court will, I believe, uphold responsible limits by following reasoning such as it used in the *Nixon v. Shrink Missouri Government PAC* case, in which it noted that "the prevention of corruption and the appearance of corruption" is an important interest that can offset the interest of unfettered free speech.

Some lobbyists continue to support the present campaign finance system because their own abilities to influence decisions, and their economic livelihoods, are far more dependent on using political contributions and expenditures than on the merits of their causes. Others feel strongly that virtually no campaign contribution and expenditure limits are permissible because of the First Amendment's protections. And some, like me, believe additional restraints on campaign finance are required and allowable if properly drafted.

As to those in the last category, I invite and encourage them to work with me in Lobbyists for Campaign Reform, a coalition to urge Congress to pass meaningful campaign finance reforms, starting with the basic McCain-Feingold provisions.

Mr. FEINGOLD. Mr. President, I yield the floor.

Mr. McCONNELL. I am not aware of any more speakers on this side.

Mr. KERRY. I will be brief and then I will yield back my time.

I thank the Senator from Wisconsin notwithstanding that he has to oppose my amendment. I understand why. I appreciate the gentle and sensitive opposition that he made, and I particularly appreciate the remarks he made about the CED and the business leaders who support what I am attempting to do this afternoon.

I will answer quickly. I always enjoy my exchanges with the Senator from Kentucky. He is very good at what he does. He certainly is one of the best in this body at making arguments. However, I must say I am a bit taken aback by the notion that President Bush made a judgment not to take the Federal money, or to take the Federal money because he didn't have time to raise the other money. He raised \$100 million in \$1,000 contributions and Senator MCCAIN suspended his campaign in March.

The notion that President Bush, between March and the August convention, did not have an opportunity through his rather formidable fundraising machine to reask everybody for \$1,000 who gave almost \$100 million in order to find the \$46 million necessary for the general election or some larger amount if he wanted to live by it is ab-

solutely without merit. Everybody in this country who raises money knows he has the ability to raise \$1,000 contributions a second time from those same \$100 million worth of people who had invested in his nomination and who would not have quit on him and who would have wanted him elected President.

Likewise with President Reagan, the exact same circumstances existed. He took the money because the money was there, but also because Americans knew that is the way they expect to elect their President in the general election. I don't think you could have sustained the arguments that would have been made in the face of campaign finance reform advocates across the country who believe they don't want a President who, during the general election, has to raise that kind of money and be subjected to what we are subjected to here on an annual basis. There is an enormous distinction here and it needs to be made.

I yield back the remainder of my time.

Mr. McCONNELL. Mr. President, I sum it up, this is an amendment about the taxpayer funding of congressional elections, about as unpopular with the American people as voting for congressional pay raises. We have the most extensive poll ever taken on any issue on this subject every April 15 when our taxpayers in this country get an opportunity to divert \$3 of the taxes they already owe into a fund to pay for the Presidential election and for the conventions. The resounding number, 88 percent, choose not to divert money, although it doesn't add to the tax bill. They choose not to divert tax dollars into this discredited system during which one out of four of the tax dollars have been spent on lawyers and accountants trying to comply with the act and, of course, in recent years, more money spent by outside groups and the political parties in issue ads than the amount of money spent in the course of the campaign.

Finally, let me say at the risk of being redundant, you can't restrict tax dollars to the Republicans and the Democrats, as we have learned in the Presidential system which has provided millions of dollars to Lenora Fulani and to Lyndon LaRouche who got tax dollars to run for President while in jail. This is going to provide funding for fringe candidates for Congress and for the Senate all over America. Any crackpot who wakes up in the morning and looks in the mirror and says, "Gee, I think I see a Congressman," is going to have hope under this that he will receive tax dollars to help finance his campaign.

Let me just say for the information of all Senators, the next amendment will be offered on our side of the aisle by the Senator from Tennessee, Mr. THOMPSON, who is present and prepared

to offer his amendment as soon as this vote is concluded.

Am I correct that when I yield back my time, the vote will occur on the Kerry amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCONNELL. Mr. President, at this point I yield back the remainder of my time.

The PRESIDING OFFICER. The question then is on agreeing to the amendment.

Mr. KERRY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The clerk will call the roll.

The PRESIDING OFFICER (Mr. SMITH of Oregon). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 30, nays 70, as follows:

[Rollcall Vote No. 52 Leg.]

YEAS—30

Akaka	Dayton	Lieberman
Biden	Dodd	Murray
Bingaman	Graham	Nelson (FL)
Boxer	Harkin	Reed
Byrd	Hollings	Reid
Cantwell	Inouye	Rockefeller
Carper	Kennedy	Sarbanes
Clinton	Kerry	Stabenow
Corzine	Leahy	Torricelli
Daschle	Levin	Wellstone

NAYS—70

Allard	Ensign	McConnell
Allen	Enzi	Mikulski
Baucus	Feingold	Miller
Bayh	Feinstein	Murkowski
Bennett	Fitzgerald	Nelson (NE)
Bond	Frist	Nickles
Breaux	Gramm	Roberts
Brownback	Grassley	Santorum
Bunning	Gregg	Schumer
Burns	Hagel	Sessions
Campbell	Hatch	Shelby
Carnahan	Helms	Smith (NH)
Chafee	Hutchinson	Smith (OR)
Cleland	Hutchison	Snowe
Cochran	Inhofe	Specter
Collins	Jeffords	Stevens
Conrad	Johnson	Thomas
Craig	Kohl	Thompson
Crapo	Kyl	Thurmond
DeWine	Landrieu	Voinovich
Domenici	Lincoln	Warner
Dorgan	Lott	Wyden
Durbin	Lugar	
Edwards	McCain	

The amendment (No. 148) was rejected.

Mr. DODD. Mr. President, I move to reconsider the vote.

Mr. BIDEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I just consulted with Senator DASCHLE, the managers of the legislation, and all interested parties. We believe the best way to proceed tonight is to go ahead and have the next amendment laid down, which is the Thompson-Collins amendment, and that be debated tonight for whatever time is necessary, 2, 2½ hours.

We will come in in the morning at 9:15, have 30 minutes of debate equally divided, and have the next recorded vote about 9:45 a.m.

I ask unanimous consent that the Senate proceed to the Thompson-Collins amendment and, following the debate tonight, there be 30 minutes equally divided for closing remarks tomorrow beginning at 9:15 a.m., to be followed by a vote on or in relation to the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. MCCAIN. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I do not disagree except to say it is the intention to have a Feinstein second-degree amendment immediately following the vote which will be to table the Thompson amendment. It is my understanding that is perfectly agreeable with the author of the amendment to have that vote on a second-degree amendment as well.

I ask to amend the unanimous consent request that, following that vote, a Feinstein second-degree amendment be in order.

Mr. DODD. I object to that. Let me explain if the leader will yield. We are going to debate the Thompson amendment, and there will be a vote on the Thompson amendment. There has been no decision whether it will be a vote up or down or to table.

Mr. MCCAIN. I amend my unanimous consent request that in the event the Thompson amendment is not tabled, a second-degree Feinstein—

Mr. DODD. I do not even want to agree with that. I understand where the Senator is coming from. At this point, I think we ought to go to the Thompson amendment, debate the Thompson amendment, and tomorrow get a better sense rather than push beyond that.

Mr. LOTT. Mr. President, I say to the Senator from Arizona, I hope he will do that because it will give everybody a chance to talk through everything tonight. In the morning, a whole new strategy may exist on the Senator's behalf or somebody else's behalf.

If we can withhold that now, I assume that is the direction we are going to go, but I think the managers want to have some further discussion about it.

Mr. MCCAIN. Mr. President, I have to say that will be our intention in the

event the Thompson amendment is not tabled, and I have discussed this with the author of the amendment and many others, and unless there is some reason for not doing so, I hope that will be agreeable.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. DODD. Reserving the right to object, the only request before the Chair is that posed by the majority leader?

The PRESIDING OFFICER. The Senator is correct.

Mr. DURBIN. Reserving the right to object, I ask the majority leader to give us a general overview, those who have been waiting patiently to offer amendments, as we are going into Wednesday and Thursday of the second week. Are we going to continue on this bill as long as there are amendments to be offered?

Mr. LOTT. There are some additional amendments I understand Senators would want to offer. I don't have a finite list. I don't know whether there are 2 or 3 or 10. The Senator may want to consult with the manager on that side. I don't know that there are more than a couple—I just don't know.

Mr. DODD. We have 21 amendments.

Mr. DURBIN. My inquiry is, there is no understanding that we are going to end this debate on Thursday night or Friday; we are going to continue until we finish the job?

Mr. LOTT. We are enjoying this immensely and we don't want to rush to finish this at a reasonable hour tomorrow. But if that is the will of the Senate, we may want to consider that.

Mr. DURBIN. I do not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. In light of the agreement, the next vote is at 9:45 a.m. on Wednesday.

I yield the floor.

AMENDMENT NO. 149

Mr. THOMPSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. VOINOVICH). The clerk will report.

The legislative clerk read as follows:

The Senator from Tennessee [Mr. THOMPSON], for himself, Mr. TORRICELLI, and Mr. NICKLES, proposes an amendment numbered 149.

Mr. THOMPSON. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To modify and index contribution limits)

On page 37, between lines 14 and 15, insert the following

SEC. . . . MODIFICATION OF CONTRIBUTION LIMITS.

(a) INCREASE IN INDIVIDUAL LIMITS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (A), by striking “\$1,000” and inserting “\$2,500”;

(2) in subparagraph (B), by striking “\$20,000” and inserting “\$40,000”; and

(3) in subparagraph (C), by striking “\$5,000” and inserting “\$7,500”.

(b) INCREASE IN AGGREGATE INDIVIDUAL LIMIT.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)), as amended by section 102(b), is amended by striking “\$30,000” and inserting “\$50,000”.

(c) INCREASE IN MULTICANDIDATE LIMITS.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (A), by striking “\$5,000” and inserting “\$7,500”;

(2) in subparagraph (B), by striking “\$15,000” and inserting “\$17,500”; and

(3) in subparagraph (C), by striking “\$5,000” and inserting “\$7,500”.

(d) INCREASE IN SENATORIAL CAMPAIGN COMMITTEE LIMIT.—Section 315(h) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(h)) is amended by striking “\$17,500” and inserting “\$35,000”.

(e) INDEXING OF INCREASED LIMITS.—

(1) IN GENERAL.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(A) in paragraph (1)—

(i) by striking the second and third sentences;

(ii) by inserting “(A)” before “At the beginning”; and

(iii) by adding at the end the following:

“(B) Except as provided in subparagraph (C), in any calendar year after 2002—

“(i) a limitation established by subsection (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A); and

“(ii) each amount so increased shall remain in effect for the calendar year.

If any amount after adjustment under the preceding sentence is not a multiple of \$500, such amount shall be rounded to the next nearest multiple of \$500 (or if such amount is a multiple of \$250 (and not a multiple of \$500), such amount shall be rounded to the next highest multiple of \$500).

“(C) In the case of limitations under subsection (a), each amount increased under subparagraph (B) shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.”; and

(B) in paragraph (2)(B), by striking “means the calendar year 1974” and inserting “means—

“(i) for purposes of subsections (b) and (d), calendar year 1974; and

“(ii) for purposes of subsections (a) and (h), calendar year 2001”.

(2) EFFECTIVE DATE.—The amendments made by subsection (e) shall apply to calendar years after 2002.

Mr. THOMPSON. Mr. President, I think it would be appropriate at this time to remind ourselves why we are here and to remind ourselves of the need for changing the current system under which we operate in terms of financing campaigns for Federal elections. It has to do with large amounts of money going to small amounts of people.

We have seen over the centuries problems with large amounts of money going to elected officials or people who

would be elected officials. That is the basis behind the effort to ban soft money from our system.

We have gone from basically a small donor system in this country where the average person believed they had a stake, believed they had a voice, to one of extremely large amounts of money, where you are not a player unless you are in the \$100,000 or \$200,000 range, many contributions in the \$500,000 range, occasionally you get a \$1 million contribution. That is not what we had in mind when we created this system. It has grown up around us without Congress really doing anything to promote it or to stop it.

I think we are on the eve of maybe doing something to rectify that situation. Many Members are tired of picking up the paper every day and reading about an important issue we are going to be considering, one in which many interests have large sums at stake and then the second part of the story reading about the large amounts of money that are being poured into Washington on one side or the other of the issue—the implication, of course being clear, that money talks and large amounts of money talk the loudest.

Of course, that is a reflection on us. It is a reflection on us as a body. As the money goes up, the cynicism goes up, and the number of people who vote in this country goes down. That is not a system of which we are proud. That is not a system that many want to continue.

I read a few days ago about the problems our friends in France are having with their own big money scandal. I read in the newspaper where the French are saying their politics have become Americanized—meaning it is now a system of tremendously large amounts of money.

We learned in 1996 that the President of the United States can sit in the Oval Office and coordinate these large amounts of money on behalf of his own campaign. So the issue of whether or not making these large contributions of the State party ever reaches the benefit of the candidate is a moot issue. We know certainly that it does.

If we are able to do something about this soft money situation, where is this money that is in the system now going to go? I suggest we have seen the beginning of the phenomenon in electoral politics that will continue unabated, and that is the proliferation of independent groups, nonprofit groups, what have you, buying television ads in our system. I think it is protected almost totally by the first amendment. There are some modest restrictions one can make, but basically it is protected by the first amendment and it will continue and there is nothing we can do about it even if we wanted to. I am not sure we ought to. We ought to be subject to discussion and criticism and robust debate.

Having said that, if we get rid of the soft money, it is going to go somewhere—a good deal of it, anyway. Are we going to fuel that independent sector out there even more or are we going to allow the candidate, himself or herself, to have some voice in their own campaign? It will go to all these outside groups unless we do something about the hard money limits. Of course, we all know what we are talking about, but I hope the American people understand we created a system of so-called hard money, which is the legitimate money that we decided people ought to be able to contribute to Federal candidates for campaigns.

Everybody knows it takes money. It takes large amounts of money, it takes more and more money, and we will see in a few minutes how much it really takes.

We said for an individual in one cycle or in one campaign, \$1,000 individual limit. That was back in 1974 when we passed that law. We had other limits for other activities. Individual contributions to parties we capped at \$20,000; individual contributions to PACs, \$5,000; aggregate individual limit of \$25,000 a year. That has been the system we operated under since 1974. The soft money phenomena was very small until the mid-1990s and the system worked pretty well.

It has all changed now. The soft money is there in droves. The independent groups are out there energized on both sides, all sides, and we are still back here at these hard money \$1,000 limitations that we created in 1974—a limitation of \$1,000 that would be worth \$3,500 a day if adjusted for inflation.

That is the nature of the problem. All the other areas have increased exponentially, and these legitimate, the most legitimate, the most disclosed, the most controlled, the area where nobody says there will be any corruption involved because the amounts are so low, has not changed. Inflation has tripled. It has more than tripled since 1974. The costs of campaigns have gone up 10 times.

I have a chart showing the average cost of winning a Senate seat in this country back to 1976. I wish we had 1974 numbers because it would probably be \$400,000 or \$500,000. We know in 1976 it was \$600,000. In 1978, it came up to \$1.2 million. The cost in the last election cycle that we had in 2000, the average cost of winning a Senate seat was over \$7 million.

That includes one or two very expensive seats and that boosts the number up, but they count, too.

The last cycle, in 1998, was about \$4.5 million. So about any way you cut it, you can see the dramatic increase, about a tenfold increase since 1974, of the cost of the election. That is the cost of everything: consultants, television is the biggest part of it, per-

sonnel—everything from stamps to the paper that you write on, the material that you send out. Everything has skyrocketed, has increased greatly with regard to campaigns since 1974—10 times. Inflation has increased over 3 times. And we are back at a \$1,000 limit pretending we are doing something good by keeping the limit that low.

What has been the effect of that? What has been the effect of everything else running wild and our keeping this low cap on the most legitimate money in politics? It means one thing: incumbents have to spend an awful lot of their time running and raising money in \$1,000 increments. In that respect, we get the worst of both worlds because, also, once we get the money, it is an incumbent protection deal because the great majority of Senators who run for reelection win because of inherent advantages that we have.

In the House last time, 98 percent of the sitting House Members to run for reelection won reelection—98 percent—attesting to the fact that by keeping these limits low, you are making it that much more difficult for challengers. You are making it that much more difficult for people who want to get into the system and reach that threshold of credibility by raising enough money to be able to say they are going to buy a few TV ads and such things as that, and tell their supporters: Yes, I am credible; I have that much money in the bank.

It is extremely difficult under our present system to do that now. We have an incumbent protection system in operation now. I do not think that is good for our country. We have been criticized for some of these amendments that have been passed during this debate in the last couple of weeks as, once again, doing something to protect incumbents. One of the things we can do to answer that is to say we are not going to continue to stick with this antiquated hard dollar limitation.

Others have commented upon and made note of the difficulty that challengers have in raising sufficient amounts of money to run. There was an article recently by Mr. Michael Malbin, executive director of the Campaign Finance Institute, a professor of political science in the State University of New York at Albany. In Rollcall last Monday, Mr. Malbin pointed out that the Campaign Finance Institute, affiliated with the George Washington University, analyzed past campaign finance data and reached surprising conclusions about the role that large contributions play in promoting competition in Federal elections. These conclusions are not arguments for or against McCain-Feingold or the Hagel bill.

He points out the \$1,000 limitation today would be worth \$3,500 if it was just indexed for inflation.

From a competitive standpoint, upping the individual contribution limit would help

nonincumbent Senate candidates, while having little impact on the House.

He points out in races in 1996 and 2000, 70 percent of the \$1,000 contributions went to nonincumbents. He says nonincumbents rely more on the \$1,000 givers. He says:

These data do not point to a single policy conclusion. But they do raise a yellow flag. Large givers and parties are important to non-incumbents.

McCain-Feingold would shut off one source of soft money, the banning of donations, without putting anything in its place.

I suggest we should put something in its place. That is the amendment that Senator TORRICELLI and Senator NICKLES and I have submitted. We take that \$1,000 limitation that we have operated under since 1974 and we increase it to \$2,500. I, frankly, would prefer to raise it closer to what inflation would bear, which would be \$3,500.

I have been talking about rounding it off to \$3,000. I do not get the indication that we would have the opportunity to pass that nearly as readily as what I am offering. Frankly, that is my primary motivation. I believe so strongly that we must make some meaningful increase in the hard money limit that I want to pare mine down to something that is substantially less than an inflation increase.

So, in real dollars, if we pass my amendment, we will be dealing with less than the candidate dealt with back in 1974 with his \$1,000, not to mention the fact that all of the expenses have skyrocketed.

Individual contributions will go from \$20,000 to \$40,000; aggregate individual limits would go from \$25,000 to \$50,000 aggregate individual limits. People say \$50,000, that is a lot of money. That is not \$50,000 going to one person; that is \$50,000 aggregate, going to all candidates.

Look at the tradeoff. Again, what I said in the very beginning about the reason we are here: large amounts of money, hundreds of thousands of dollars going to or on behalf of particular candidates. Here the individual candidate would only get \$2,500 for an election. In terms of the aggregate amount, what is wrong with several \$2,500 checks being made out to several candidates around the country, if a person wanted to do that? No one candidate is getting enough money to raise the question of corruption. I think the more the merrier. In that sense, more money in politics is a good thing. We have more people reach the threshold of credibility sooner and let them have a decent shot at participating in an election and not have a system where you do not have a chance unless you are a multimillionaire or a professional politician who has been raising money all of his life and has his Rolodex in shape that he can move on, up, down the line.

So I doubled most of these other categories except for the contributions to PACs. On individual contributions to PACs, we move from the current \$5,000 a year to \$7,500 a year. On PAC contributions to parties, we move from \$15,000 a year to \$17,500 a year; PAC contributions to PACs, \$5,000 to \$7,500.

These are modest increments. I don't know the exact percentage—less than half increase.

Some would say, I assume, that though we are not even coming close to keeping up with inflation, and even though these prices are skyrocketing for everything that we buy connected with the campaign, that going from \$1,000 to \$2,500 is too rich for their blood. But I must say for those who read any of the articles, any of the treatments that have been out recently by scholars and thoughtful commentators and others, they have to see a pattern that must convince them that they should take a second look at taking such a position.

There is an article recently by Stuart Taylor in the National Journal, saying that increasing these hard money limits to \$2,000 or \$3,000 is certainly an appropriate thing to do.

There is no commentator, there is no writer, there is no reporter with more respect in this town and hardly in the country than David Broder. Mr. Broder wrote recently that raising it to \$2,000 or even \$3,000 would be an appropriate thing to do. There is no corruption issue there. There is no appearance issue there. That is what we need to keep in mind. We are not just talking about money. Money is not the same in one category as it is in the other. And more of it is not necessarily all bad, if you are giving a little bit to various candidates around the country. Let's not get so carried away in our zeal to think that all money is bad, that it doesn't take money to run campaigns, when that kind of attitude is going to hurt people who are challengers worse than anybody.

Let's get the amount up decent enough so it will not be so high as to have a corrupting influence or a bad appearance problem, but high enough to make the candidate credible.

Recently, I got the benefit of some legislative history on this matter with regard to this body and some comments that have been made over the years by former Senators who we all remember and we all respect.

Back in August of 1971, they debated a piece of legislation. If you recall, it was 2 years before Watergate. Senators Mathias and Chiles moved to establish a \$5,000 limit on a person's contribution to a Federal candidate. That amendment was rejected. But Senator Chiles said: "to restore some public confidence on the part of the people [we need this amendment]."

He said:

The people cannot understand, today, why a candidate receives \$25,000 or \$250,000 from

one individual, and they cannot understand how a candidate is not going to be influenced by receiving that kind of money.

He said what we need to do is raise the amount so that it is not so high that we have that kind of improper influence appearance, but raise it high enough to give them a decent chance; and to him, at that point, it was \$5,000. Well, that is closer to \$20,000 today.

Before a subcommittee in March of 1973—on March 8, 1973—there was discussion between Senator Beall and Senator George McGovern, former Presidential candidate. Senator Beall said:

[I]n Maryland, we don't have any limit on the total amount that you might spend in an election but we do limit contributions to \$2,500.

This is, of course, the amount I am suggesting today.

Senator McGovern said:

I favor that, Senator. I think there should be an individual limitation. I have proposed that in no race should it go beyond \$3,000 by a single individual.

So Senator McGovern was at \$3,000, and in real dollars way above what I am proposing. Again, his \$3,000 would be \$10,000, \$12,000 today.

Coming on further, in the Watergate year, 1973, Senator Bentsen, former Senator from Texas, former Secretary of the Treasury, said:

I believe my \$3,000 limit walks that fine line between controlling the pollution of our political system by favor seekers with money to spend and overly limiting campaign contributions to the point that a new man simply does not have a chance.

On the vote to amend the Proxmire amendment with the Bentsen amendment, Senator Mondale voted yes. Senator Mondale and Senator Bentsen voted for a \$3,000 individual limit which, again, is—what?—\$10,000 or so today. On the vote which carried to adopt the amendment as amended, both Senator Mondale and Senator McGovern voted yes. Senator Cannon summarized the contribution limit provisions, as amended by Bentsen's amendment, and stated: The maximum of \$3,000 individual contributions to congressional and Presidential candidates is what is in the bill, and the overall limit is \$100,000. That is 100,000 1974 dollars. This is in the wake of Watergate that they were having this discussion at these amounts.

On March 28, 1974—after Watergate—which is the year that the last significant legislation in this area was passed, Senator Hathaway proposed an amendment to increase the amount from \$3,000 to \$6,000 that organizations may contribute.

During the debate, Senator HOLLINGS—our own Senator HOLLINGS—said:

I . . . support limiting the amount that an individual can contribute to a campaign, and while I personally favor a \$1,000 ceiling, I would agree to a compromise that would set \$15,000 as the maximum contribution in Presidential races and \$3,000 in Senate and House races.

Again, that is substantially above what we are talking about today.

Senator Hathaway said:

[T]he President [President Nixon] advocated a \$15,000 limitation. It seems to me the \$3,000 for individuals and \$6,000 for a group limitation, being considerably below the amount recommended by the President, is realistic.

The Hathaway amendment carried, and, again, Senator McGovern voted in favor. Again, it is substantially above what we are talking about today.

Finally, in June of 1974, the Watergate Committee issued its final report. That is a committee I spent a few days and weeks assisting in the writing. Recommendation No. 5 of the Watergate Committee report:

The committee recommends enactment of a statutory limitation of \$3,000 on political contributions by any individuals to the campaign of each Presidential candidate during the prenomination period and a separate \$3,000 limitation during the post-nomination period.

And the report also states:

[T]he limit must not be set so low as to make private financing of elections impractical.

That had to do with Presidential elections. The Watergate Committee did recommend substantially above what we wound up with regard to Presidential elections. What would they have recommended 25 years later with inflation—knowing then what we know now, and that expenses were going to go up tenfold? The amounts would be much, much higher.

I say all of this to make one simple point. The increase in the hard money limits is long overdue and very modest. By trying to be holier than thou—and no one has fought for McCain-Feingold harder than I have since I have been here. When I first ran for political office—the first office I ever ran for—it just seemed to me that something was wrong with a system that took that much money, and it was a whole lot easier to raise money once you got in, and once a big bill came down the pike that everybody was interested in.

In private life you get a little uneasy about things such as that. I was not used to it. So I signed on. I became a reformer. And I have gone down to defeat many times because of it. So I take a back seat to no one in wanting to change the system so we can have some pride in it again.

But I am telling you, by keeping this hard money limit so low, we are hurting the system. We are going to wind up with something, if we are not careful, worse than what we have now. That is how important I think the increasing of the hard money limitation is.

There is another question that we should ask ourselves. I heard one of the commentators refer to this last Sunday. I had not thought about it, frankly, but it makes a lot of good sense. It is a good question. And that is, wait a

minute, we just passed a so-called rich, wealthy candidate's amendment. I voted against it. I think it is unconstitutional. But the sentiment is a legitimate one. Everyone is fearful of the prospects of running against a multimillionaire who can put millions of dollars in of their own money. So what was adopted was an amendment that says, if the rich guy puts in money, you can raise your limits to \$2,000, \$3,000, \$4,000, \$5,000, I believe \$6,000. You can take \$6,000 from one person, I believe is what we wound up with. Let me ask you, if the \$2,500 that I am proposing is corrupting, what about the \$6,000 you are going to be using against the rich guy?

The fact that you are running against a rich guy is not going to make you any more or less susceptible to corruption, if that is the issue. How can we pass an increase for ourselves based on what somebody else is spending against us, if we are concerned about the corruption issue, unless we acknowledge that those levels of dollars are not a corruption problem? It is something considerably lower than that, such as \$2,500, I suggest.

The amendment also has the benefit of being clearly constitutional. We have had a constitutional issue with regard to just about every aspect of this bill that has been brought up so far. We will not have a constitutional issue with this amendment. There is no question that we can increase the hard money limits. The constitutional issues have always been whether or not we could reduce the hard money limits.

I urge the Senate not to be so afraid to do something that is long overdue, and to not try to wear the mantle of reform to the extent that we wind up creating more harm, to take a noble purpose and turn it into a terrible result and have a situation where amendments such as mine are defeated and we go ahead and pass McCain-Feingold and do away with soft money and wind up with a hollow victory, indeed, as we see the candidate is unable to fend for himself, candidates who want to run can't afford to raise the money to run on the one hand and all the independent groups doing whatever they want to do in triplicate from what we have already seen in the future—that would be worse—and inflation continuing to increase and seeing that \$1,000 limit continue to dwindle, dwindle down below the \$300 that it is today.

I suggest to those who want to come in at some lower limit that we not simply nibble away at this problem, that we face up to it, do what we need to do, index these dollars, do what we need to do so we don't have to revisit this thing every couple of years, so that we can get on with our business. In a practical sense, look how long it has taken us to get here. It has taken us since 1974 to get here for these 2 weeks. A lot

of blood has been spilt on the floor just to get here and get this debate. It may be another 25 years before we have another debate such as this. Let's come up with some reasonable amount, index it for inflation, so we don't have to go through this again because, in fact, we probably won't go through this again and nothing will be done about the proliferation of the independent ads and the independent outside groups as that goes on and on and on, and our puny little hard money limitation, the most legitimate, the most disclosed, the most limited part of our whole system continues to dwindle and dwindle and dwindle. That would be a bad result and a hollow victory indeed.

Mr. President, I urge the adoption of the amendment and yield the floor.

The PRESIDING OFFICER. Who yields time in opposition?

The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I rise in opposition to the Thompson amendment.

The fact is, the Senator from Tennessee was one of the very first persons to get involved in the McCain-Feingold effort. I am grateful for the years of hard work he has put into our effort to try to reform the campaign finance system. We have always had a disagreement about this issue but a polite disagreement. Now the issue is finally joined.

I understand many Members of this body believe it is appropriate to raise the hard money limits. I have said many times that there must be some flexibility on this issue. I have said, half seriously and half kidding, that I am willing to go up as much as \$1,001 per election for the individual limit. I prefer we not even do that.

When I say that, of course, at this point in the difficult process of bringing this bill together, I don't really mean that that is as far as I am willing to go, as much as I regret it. This is an area that now has to be opened to negotiation, and there have already been several days of discussions about this subject. That said, I don't think a significant increase in the limits is warranted.

In the 2000 election, according to Public Citizen, roughly 232,000 people gave \$1,000 or more to Federal candidates. That is just one-ninth of 1 percent of the voting-age population. An elite group of donors don't just dominate the soft money system, frankly; they actually dominate the hard money system as well. To most Americans, \$2,000 is still a large sum of money. That is when an individual can give to a single candidate \$1,000 in the primary and then another \$1,000 in the general election. If we talked about average Americans getting a tax cut for that amount of money, we would say \$2,000 is a very sizable tax cut. Somehow when we talk about the same sum in the context of political giving, we act as if this is a small figure.

As I have said, I understand that raising the hard money limits does have to be a part of a final stage of this debate, even though I am reluctant to do so. If we can agree on an increase that doesn't jeopardize the integrity of the McCain-Feingold bill as a whole, I will support it.

I am afraid that this amendment, well-intentioned as it is, simply raises the limit too high by raising the individual limit to \$2,500 and by doubling the other contribution limits, including the aggregate limit, the total amount that people give. That is why I must oppose this amendment and urge my colleagues to oppose it as well.

I understand that because this bill bans soft money, those of us who would prefer to leave the limits at their current level may have to compromise. I say to all my colleagues, increasing the individual limit by 150 percent is just not a compromise we should make. Such a small number of Americans can afford to give what the limits even allow now—quite often it is given the nickname of “maxing out,” giving the maximum—that a vote to increase the individual limit to \$2,500 does mean putting more power in the hands of an even more concentrated group of citizens, and few Americans have the wherewithal to give those kinds of contributions.

A recent study by Public Campaign found that Senate incumbents in 2000 raised on average nearly three times as much as their challengers did from donors of \$1,000 or more. It is likely that raising the hard money limit will give incumbents an even bigger advantage than they already have now. So whatever increase we might support, we need to consider that aspect of this very seriously. We should carefully consider any measure that increases an incumbent's advantage, which I am afraid is already so strong in our Federal elections. I am afraid the Thompson amendment does just that.

On this point, the Supreme Court has said Congress may legislate in this area in order to address the appearance of corruption. There is another appearance that is important here, and that is how the bill we are trying to craft as a whole appears to the public at large. That is very important. This bill started out, with the good help of the Senator from Tennessee, as a straightforward effort to ban soft money and address the phony issue ad problem.

We quickly added an amendment that raised individual limits when a candidate faces a wealthy opponent on the first day of the debate. Now we are looking at a doubling of most of the contribution limits for all campaigns. If we keep going in this direction, as others have said, pretty soon this bill starts to look as if it is aimed at raising limits and really protecting incumbents rather than addressing the problem of corruption. We need to pay at-

ention to that perception because our goal here is to reestablish the American people's trust in government, not to drive people further away.

I am afraid the Thompson amendment doesn't just increase the individual limit to 150 percent; it doubles every other important hard money limit as well. For example, the aggregate of what an individual can give to individual candidates would increase from \$25,000 a year to \$50,000 a year. So in the course of an election cycle, a couple—if there happens to be a couple involved—could give \$100,000 in contributions. Now I was just talking about how \$2,000 is a lot of money to most Americans. Well, \$100,000 is, of course, a staggering sum to most people. I think it is too high to have the name “reform.”

This bill is about lessening the influence of money on politics. It is not about increasing it. If we are going to raise the limits at all, we must do everything we can to act in good faith with all the American people, not that tiny number of Americans who can afford to open up their checkbooks and max out the candidate. We have to do everything we can to look out for the Americans who could not even dream of writing a \$1,000 check to a candidate, no matter how much they supported what that candidate stood for.

Although I know important negotiations are underway, this is why raising the limits has to give this body pause, because every time we act to empower the wealthy few in our system, we really do a disservice to our Nation. I believe the soft money ban in this bill does a great service to the Nation by ending a system that allows completely unlimited contributions from corporations, unions, and individuals to flow to the party. The soft money ban helps empower the average voter in this country, and that is why it is the centerpiece, the bottom line, the reason to be of the McCain-Feingold bill.

With this bill, we are getting rid of hundreds of millions of unregulated dollars. So I am willing to consider a modest increase in regulated dollars. But this amendment goes too far. I oppose raising the hard money limit 150 percent when only one-ninth of 1 percent of the voting-age population gives \$1,000. Increasing this figure by 150 percent would give an unprecedented new level of access to those who would continue to max out under the new limit.

I must urge my colleagues to oppose this amendment. I do hope the Members of this body can work together to reach an increase that will be palatable to both sides of the aisle. I mean that sincerely. If we can't come to an agreement, this bill will be seriously jeopardized. This body has made laudable progress in the course of this debate. I have never been more proud to be a Member of the Senate. I say to my colleagues that we have come too far to

let this reform debate stall, even over an issue as tough as this one.

I hope we can come to an agreement on this issue that I can support. Until that time, I do have to oppose the Thompson amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. THOMPSON. What does the Senator from Virginia need?

Mr. ALLEN. Ten minutes.

Mr. THOMPSON. I yield 10 minutes to the Senator from Virginia.

Mr. ALLEN. Mr. President, and Members of the Senate, I rise in support of the Thompson amendment. I have listened to the debate on this issue for the last several days, and I have listened to the many different points of view expressed here. There is quite a spectrum of opinion. On one side of the spectrum, there are those—and they had 40 votes—who want to limit First Amendment rights and, in fact, voted for a Constitutional amendment to do just that. I actually commend the Senator from South Carolina, Mr. HOLLINGS, for at least recognizing that many of these proposals, including the McCain-Feingold bill, have the effect of restricting First Amendment rights, which is part of the Bill of Rights. Nevertheless, that is their view.

On that side of the spectrum, there are also those who want the taxpayers to pay for elections, which would be the result if you actually limited First Amendment rights. They honestly believe that is the approach to take. I find myself on the other end of the spectrum, as one who believes very much in the Bill of Rights. After all, it was first authored by George Mason in the Virginia Declaration of Rights. I think the First Amendment, as well as all of the Bill of Rights, is very important for all Americans. My view is that what we ought to have is more freedom; the maximum amount of individual freedom, and the maximum amount of accountability and honesty in elections, and having contributions made voluntarily as opposed to being taken out of tax money.

All the various amendments that have been offered today, and probably will be offered in the next few days, have as their purpose various restrictions or subterfuge to these two different points of view.

I have been a candidate for statewide office in Virginia twice. Last year, I ran statewide for the U.S. Senate under the Federal election laws. I also ran for Governor statewide, obviously, under Virginia's laws that are based upon the principles of freedom. In my view, the current Federal election laws are overly restrictive. They are bureaucratic, antiquated, and they are contrary to the principles of individual freedom, accountability and, yes, contrary to the concepts of honesty.

I have been working on an amendment with the Senator from Texas, Mr.

GRAMM, on what we call the Political Freedom and Accountability Act. I don't know if we will offer that amendment, but this looks like an opportunity to be in support of something that is at least going in that same direction. I have stood by my guiding principles on vote after vote during this debate. Sometimes I do not agree with the Senator from Kentucky on an amendment; to his and my chagrin, because I consider the professor someone very knowledgeable on this subject. Nonetheless, I am trying to advocate greater freedom and greater accountability.

What I am trying to do is make sure that in this debate we are advancing the ideas of freedom of exchange of ideas, freedom of political expression and increasing participation to the maximum extent possible. And equally important are the concepts of accountability and honesty.

First, the issue of freedom. The current laws and limits are clearly out of date. There is no one who can argue that these laws, the current restriction on direct contributions to candidates, are anything but completely antiquated and out of date. Let's take some examples. When TV reporters ask me what kind of reforms do I want, I tell them greater freedom, greater accountability, and to get these Federal laws up to date. I ask the TV reporters: Will you please, in your reporting of this issue, say what it cost to run a 30-second ad in 1974 when these laws were put into effect versus what you charge today for a TV ad.

Well, I am never home enough to watch TV anymore since I have joined the Senate, so maybe they told us. Nevertheless, we did our own research. The average cost of just producing a 30-second commercial has increased seven times, from \$4,000 to \$28,000. The cost of stamps—because we do send mailings out has increased. The cost of a first-class stamp in 1974 was 10 cents. Today, it is 34 cents, and rising. So that is over three times as much.

The cost of airing a 30-second television advertisement per 1,000 homes has escalated from \$2 in 1974 to \$11 in 1997. That is fivefold increase.

Candidates are today running in larger districts. There are more people in congressional districts, obviously, than before. There are more people in the United States of America. The voting-age population increased from 141 million in 1974 to over 200 million in 1998.

The reality is that the limits in the Thompson amendment don't even catch up with the increase in costs.

The Thompson amendment is a very modest approach of trying to get the Federal election laws more in line with what are the costs of campaigns.

The accountability and honesty aspect of this amendment is important because I think the current situation has improper disclosure; very poor dis-

closure and subterfuge. As far as disclosure is concerned, one can get a contribution of \$1,000 on July 2 and it is not disclosed until late October under the current law. I very much agree with the efforts of the Senator from Louisiana, Ms. LANDRIEU, to get more prompt disclosure, and that needs to be done.

The contribution limits also force a greater use of soft money. People are all so upset about soft money going to political parties. Why is that being done? Because the cost of campaigns are increasing for all those demographic features and facts I just enunciated. The fact is, you need more money to run campaigns to get your messages out.

If an individual desired to part with \$5,000, which is right much money for most people, but they believe so much in a candidate that they want to give \$5,000, right now they would have to give \$1,000 to the candidate. That would be disclosed, maybe belatedly but it would be disclosed. Then they would have to give \$4,000 to a political party that would run ads, run mailings, whatever they would do to help that candidate.

The point is that \$4,000, in this example, would not have the same accountability. It would not have the same scrutiny. Fred Smith may be a controversial character. It is one thing for him to give \$1,000 and then \$4,000 to the party, but it is all \$5,000 to candidate B and you say: Gosh, candidate B has gotten all this money from Fred Smith. But really it only shows up as \$1,000 because the rest has gone to the Democratic Party or the Republican Party or some other organization. Therefore, you are losing that accountability and the true honesty in a campaign that you want to have and the scrutiny that a candidate should have for getting contributions from individuals.

It is my view that we need to return responsibility for campaigns to the candidates. We are getting swamped. At least we were swamped—and I know this was not unique to Virginia last year—with these outside groups that are contributing to our campaigns. Mr. President, \$5 million, at least the best we can determine, was spent not just by the Democratic Party running ads contrary to my campaign or Republicans running ads in favor of my campaign or in opposition to my opponent, but these independent expenditures—handgun control, attack TV ads, donor undisclosed; Sierra Club running attack ads, radio ads, voter guides, donors undisclosed; pro-abortion groups, dirty dozen ads against us—all these ads and they are all undisclosed. There are people all upset with this. That is part of democracy. That is part of free expression. It would be nice if there would be a constitutional way to disclose those individuals, but that is apparently unconstitutional.

The point is, you end up having to answer those ads. People think: You want to do all sorts of sordid things I will not repeat, but nevertheless you have to get the money to make sure you are getting your positive, constructive message out or setting the record straight.

With these limits, you end up having to raise money through political parties to combat these ads which, as much as I did not like them, they have a right to do. And I will defend the rights of these groups or any other groups to run those ads and have their free expression and political participation.

The point of the Thompson amendment is people are allowed to contribute more directly to a candidate. The candidate is held more responsible and accountable, and to the extent that you can get more direct contributions, it alleviates, negates, and diminishes the need to be using political parties as a subterfuge or a conduit to get the money you need to set the record straight.

Current Federal laws in many cases—one says: Look at how wonderful they are. It is amazing to me people think that, but nevertheless that is their view. They are so unaccountable in so many ways, and by limiting hard dollars, so to speak, or direct contributions, you are back with PACs.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ALLEN. May I have an additional 5 minutes?

Mr. THOMPSON. I yield an additional 5 minutes to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ALLEN. I thank the Senator from Tennessee.

I think the contribution limits definitely create a dependency on soft money, thereby the corollary logically is that by increasing the direct contributions on hard limits, it decreases the necessity. It is pure commonsense logic, at least for those of us who have run under a system of freedom such as that in Virginia.

The other matter is contribution limits also prohibit candidates, except those with personal wealth, from acquiring a stake from which to launch a campaign. We went through this whole debate about what happens when you have millionaire candidates and thereby raise the limits for those candidates, and so forth. Gosh, if you did not have any limits, you would not have to worry about this.

Again, at least the amendment of the Senator from Tennessee addresses that in that we want to encourage more political participation in speech rather than limiting it. We ought to be promoting competition. We ought to be promoting freedom and a more informed electorate, which we would get

with the amendment of the Senator from Tennessee. We want to enable any law-abiding American citizen to run for office.

Had the current limits been in place in 1968, Eugene McCarthy never would have been able to mount his effort against President Johnson.

Today's system has failed to make the elections more competitive. The current system hurts voters in our Republic by forcing more and more committees and contributions and political activists to operate outside the system where they are unaccountable and, consequently, more irresponsible and less honest.

I, of course, want to repeal the hard limits, but nevertheless, by increasing these limits, we can open up the political system. Challengers need to raise a great deal of money as quickly as possible to have any real chance of success. The current system, with its very stringent limits, prevents a challenger from raising the funds he or she needs, and I saw that in 1993 when I was running for Governor.

One may say: Gosh, this is all wonderful theory from the Senator from Virginia. You can look at Virginia as a test case of freedom and accountability. People say, sure, they have plenty of disagreements between the legislative and executive branch and between Democrats and Republicans, but you have honest Government in Virginia. If there is anybody giving large contributions, I guarantee you, boy that is scrutinized and there is a lot of answering to do for large contributions. Indeed, it may not be worth the bad press you get for accepting a large contribution.

Again, if you look at Virginia—which has a system where we have no contribution limits and better disclosure—Virginia right now has a Governor whose father was a butcher. His predecessor was a son of a former football coach. The predecessor to that Governor was a grandson of slaves. Virginia's system gives equal opportunity to all. Virginia has a record of which we can be proud.

The amendment of the Senator from Tennessee, while not ideal and exactly like Virginia, it is one that at least increases freedom—freedom of participation, freedom of expression, and coupled with other amendments, such as the amendment of the Senator from Louisiana on disclosure, brings greater honesty.

I urge my fellow Senators to support this amendment. It is a reasonable improvement, it is greater freedom, it is greater accountability, and it is greater honesty for the people of America. I yield back what moments I have remaining.

Mr. McCONNELL. Mr. President, I say to the Senator from Virginia—

Mr. THOMPSON. I yield to the Senator from Kentucky.

Mr. McCONNELL. I say to the Senator from Virginia before he leaves the floor, I hope he adds me as a cosponsor to the Allen-Gramm freedom amendment and indicate my total agreement with the Senator from Virginia about the Virginia law.

As I understand the situation in Virginia, and correct the Senator from Kentucky if he is wrong, Virginia almost never has a situation where candidates cannot get enough money to run.

Mr. ALLEN. You can have that situation if you are not credible.

Mr. McCONNELL. If you are not credible, you do not. The two parties are well funded. The candidates, if they are credible, are well funded. They are able to raise enough money to get their message across because they are not stuck under the 1974 contribution limit.

In fact, as the Senator from Virginia was pointing out, it has produced rather robust competition with minimal or no accusations of corruption; is the Senator from Kentucky correct?

Mr. ALLEN. The Senator from Kentucky is correct and there are no limited contributions from corporations, which I am not arguing at this point, but it is purely on Jeffersonian principles of freedom and disclosure and honesty.

Mr. McCONNELL. In fact, what a candidate does in Virginia is weigh, knowing the contribution will be disclosed, the perception of whether or not the candidate should accept the large contribution, knowing full well it will be fully disclosed and people can make of it what they will. Is that essentially the way it works in Virginia?

Mr. ALLEN. The Senator from Kentucky is correct. As I alluded in my remarks, sometimes you might as well not have been receiving a large contribution because the negative connotations and everything wrong that person or corporation may have done is somehow besmirching you. You have to be careful with it in trying to get contributions, whether for yourself or for political action efforts.

Mr. McCONNELL. I say to the Senator from Virginia, I know it must be somewhat depressing, given his philosophy, what we are doing here. But to make the Senator from Virginia feel better, not too far in the past the reform bills we were dealing with had draconian spending limits on candidates, taxpayer funding of elections.

As recently as 1992 and 1993 and 1994, majorities in the Senate were supporting taxpayer funding of elections. It was noteworthy that only 30 Senators in this body supported taxpayer funding of congressional races—the Kerry amendment earlier today. We have made some progress. We are now down to arguing over the impact of campaign finance reform on parties and outside groups. It used to be a lot

worse. The whole universe of expression was balled together in these reform bills as recently as 1994.

I say to my friend from Virginia, add me as a cosponsor to the freedom amendment. We have come a long way. We are not quite there yet. The wisdom he has imparted tonight is certainly good to hear.

I yield the floor.

Mr. NICKLES. Mr. President, I will speak for a few minutes. I thank my friend and colleague from Connecticut for allowing me to jump ahead.

Mr. THOMPSON. I yield 15 minutes to the Senator from Oklahoma.

Mr. NICKLES. I thank my friend and colleague from Tennessee for offering this amendment, which I am happy to cosponsor and also congratulate him for the speech he made. I hope my colleagues had a chance to hear what Senator THOMPSON was saying.

I also compliment Senator ALLEN for the comments he made. I appreciate the impact he has had since joining the Senate, including his idea, based on a campaign system that has worked quite well in the State of Virginia, which he has shared with us. Perhaps we will have a chance to vote on that amendment as well.

The pending amendment is the Thompson amendment, which I am pleased to cosponsor, which increases the hard money limits. It is one of the most important amendments we will deal with in this entire debate, in this Senator's opinion.

The amendment increases the hard money limits, hard money representing what individuals can contribute. Every dime of hard money is disclosed and reported. No one has alleged, that I am aware of, that this is corrupt money, that this is illegal money. Every dime is out in the open for everybody to see. The Thompson amendment increases the individual level from \$1,000 to \$2,500. That increase, if you look back to 1974, doesn't even keep up with inflation.

Senator THOMPSON also would increase some of the other limits that are in the current law. PAC limits would grow from \$5,000 to \$7,500. That is not keeping up with inflation: if we kept up with inflation over 25 years, we would have over a 300-percent increase. The amendment has a moderate increase in PACs. And the aggregate individual limit goes from \$25,000 to \$50,000. Somebody has said, isn't that too much? I don't think so. If somebody wants to contribute \$2,500 per year, they can only contribute to 10 candidates currently. Under this amendment, you could contribute to 20.

Is that corrupt? No, I don't think that is corrupt. What I see as corrupt are the joint fundraising committees where you have millions of dollars of soft money funneled into some races. That money is not fully disclosed. Who

contributed that money? We had a lot of Senate races last year and, the Democrats received around \$21 million in these special joint committees last year. And we would like to say, is this the right way to raise and spend money? Does it make sense to do it that way? I don't think so. But with hard money, every single dime is out there for everybody to see in every single instance.

I think the Senator's amendment makes great sense. I hope my colleagues agree.

Some say we need to look for a compromise on this amendment. Senator THOMPSON has already compromised. His original amendment basically kept everything up with inflation, growing the aggregate limit from \$25,000 to \$75,000. His amendment now is at \$50,000.

The limits on giving to parties goes from \$20,000 to \$40,000. Don't we want to strengthen parties? My friend and colleague has made a good point: parties are healthy to the system. Senator THOMPSON's amendment allows individuals to increase contributions to parties. We should keep party contributions and allow parties to grow.

If we are going to ban soft money, we should allow some increases in hard money. I think that is what the amendment we have before the Senate would do.

I thank my friend and my colleague from Tennessee for offering this amendment. I think it is an important amendment. I urge my colleagues: Isn't this a good improvement over the existing system?

I think it is. I urge the adoption of the amendment when we vote on it tomorrow morning.

I yield the floor.

Mr. McCONNELL. I ask the Senator from Tennessee if I could have 7 or 8 minutes.

Mr. THOMPSON. I yield 10 minutes to the Senator from Kentucky.

Mr. DODD. Could I be heard at some point?

Mr. McCONNELL. I will wrap it up really fast.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. I want to commend the Senator from Tennessee for his amendment. It certainly begins to deal with what I think is the single biggest problem in the system today, and that was the failure to index the hard money contribution limit set back in 1974 when a Mustang cost \$2,700.

As may have been said by the Senator from Tennessee and others, the average cost of a 50-question poll has increased from about \$5,000 to \$13,000 over the last 25 years. The average cost of producing a 30-second commercial has increased from \$4,000 to approximately \$28,000 over the last 26 years. The cost of a first-class stamp was 10

cents in 1974 and today it is 34 cents. The cost of airing a television advertisement per 1,000 homes has escalated from over \$2 in 1974 to \$11 in 1997. Meanwhile, the number of voters candidates must reach has increased 42 percent since 1974.

The voter population in 1974 was 140 million; today it is 200 million. We have produced a scarcity of funds for candidates to reach an audience. In 1980, the average winning Senate candidate spent a little over \$1 million; in 2000 the average winning candidate spent a little over \$7 million, an almost sevenfold increase. An individual's \$2,000 contribution to a \$1,000,000 campaign in 1980 amounted to .17 percent of the total. If the contribution limits were tripled for this last election to adjust for inflation, since 1974 an individual \$6,000 contribution to the average \$7 million campaign would have been only 0.08 percent of the total. A \$60,000 contribution to an average winning Senate campaign in 2000 would be only .83 percent of the total.

What this all adds into, there is no potential for corruption, none based on the 1974 standard, if the amendment of the Senator from Tennessee is adopted. If no one in 1974 thought those limits at that time, based upon the cost of campaign activity at that time, was corrupting, why in the world would the Senator's amendment, which is even less than the cost of living increase—why in the world would anybody say that this has even the appearance of corruption? Certainly not corruption or even the appearance of corruption in today's dollars?

It is also important to note that these low contribution limits are the most tough on challengers. Challengers typically do not have as many friends as we incumbents. They are trying to pool resources from a rather limited number of supporters in order to compete with people such as us. The single biggest winners in the increase in contribution limits in hard dollars would be challengers.

Challengers already took a beating here on this floor when we took away all of this money from the parties earlier today. We have taken away 40 percent of the budget of the Republican National Committee and the Democratic National Committee. We have taken away 35 percent of the budget of the Republican Senatorial Committee and the Democratic Senatorial Committee. Parties: The only entity out there that will support challengers.

Challengers have lots of problems. Typically they have a really difficult time getting support from individuals and PACs. Now we have nailed the parties. At least under Senator THOMPSON's amendment we give these challengers an opportunity to raise more money from their friends to compete with people such as us.

So this is a very worthwhile amendment. I hope we will have an oppor-

tunity to vote on the Thompson amendment up or down, which means a chance to adopt it. We will have that discussion, I gather, at greater length in the morning. But it is a very worthwhile amendment.

I associate myself with the effort of the Senator from Tennessee, congratulate him for making this effort, and indicate my full support.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut.

Mr. DODD. Mr. President, I believe I said earlier I was the only one here. I have been told a couple of colleagues may be on their way to the floor to be heard on this amendment before wrapping up debate tonight.

I am very fond of my friend from Tennessee. We have gotten to know each other a little better over the last number of months. He is a wonderful addition to the Senate. He was not unfamiliar with this institution prior to being elected to it, having worked back in the 1970s as a very successful and influential member of the Watergate Committee staff, and, having worked with Howard Baker and others, he is no stranger to this institution. His participation in any number of issues has enriched the Senate.

So it is with some sense of—again on a personal level, I would like to be supporting his amendment because I am very fond of him. People might understand those inclinations. But, unfortunately, I disagree with my colleague on this amendment. I will explain why.

I always love this story. When they asked Willy Sutton why he robbed banks, I always loved his answer. He said, "That's where the money is." That is why he robbed banks. We are not robbing banks, but my concern about this amendment is we are going to end up gravitating to where the money is. That is what we do. Our staffs and consultants and advisers and people who help raise money will tell you: Look, we have so much time in a day, so much time before the reelection or election campaigns. So if you have an hour to spend, we are going to spend the time going after those large contributors. It doesn't take a whole lot of knowledge to know that you do not go after the ones who cannot give as much. Instead, you go after the ones who can give more.

My concern is not so much that this number goes up and that people who can afford it are going to have greater access and greater influence. What is not being said here is very troubling to me. We are moving further and further in the direction of seeking the support and backing of those who can afford to write a check for \$2,500. But, make no mistake about it, we should be clear with the American public, these numbers are somewhat misleading.

It doesn't make any difference whose numbers you are talking about. Under

current law, an individual may contribute a \$1,000 per election or \$2,000 with \$1,000 going to the primary and another \$1,000 going to the general election. If we are talking about amendments being offered, Senator HAGEL's proposal contained a \$3,000 per election, Senator FEINSTEIN is proposing \$2,000 per election, while there are still others talking about \$1,500 per election. Those numbers are really not a final number. A more accurate number is a doubling of the per election number to reflect one limit for the primary and another for the general, with the potential of yet another limit for a special or runoff election. So every number you read, has the automatic potential to double with respect to the individual contribution to candidates per election.

I know very few cases where Members have gone after the \$1,000 contribution and not ended up with the \$2,000. That, after all, is how it works. Because, as a practical matter, you can give \$1,000 before the primary and \$1,000 for the general election. So when we talk about limits here of \$1,000 or \$1,500 or \$2,000 or \$2,500, do a quick calculation and double the amount. That is the general formula that an individual can contribute to a candidate per election.

My friend from Tennessee proposes a \$2,500 per election limit that individuals can give to candidates. This number may also double to \$5,000, because that individual can write \$2,500 for the primary and \$2,500 for the general election.

You do not have to have a primary, just as long as there was some potential contest within your own party for the nomination. Such a potential contest allows you to get that additional \$2,500 limit.

But it goes even beyond that. Frankly, people who can write a check for \$2,500 probably can write a check for \$5,000. If you can afford to give someone \$2,500, there is a good likelihood your pockets are deep enough to write the check for \$5,000. Under current law, each spouse has his or her own individual contribution limit. So that \$2,500 becomes \$5,000. If your spouse is so inclined—and they usually are—the \$2,500 under the Senator proposal then becomes \$5,000 per election. As a couple, the total they can give is now up to \$10,000 per election.

Every single Member of this Chamber knows exactly what I am speaking about with respect to fundraising practices because as a candidate for this body many have done exactly what I have described. The general public may not follow all of this. That is how it is done. When you get that person who is going to give you \$2,500 contribution for the primary, you always say: Can't you give me \$2,500 for the general as well? In addition you say—Wouldn't Mrs. Jones or Mr. Jones also be willing,

as well, to write those checks reflecting the maximum individual contribution limit per election?

Under this proposal, we are talking about potentially a total of \$10,000 per couple as opposed to the current levels of \$2,000 or \$4,000 per election, if you will, if both husband and wife contribute. That is a pretty significant total increase.

My colleague quickly answers that his stamps have gone up, the price of television spots have gone up. I know that these costs have increased. But so has the population of the country and the number of people who can write \$1,000 checks.

In 1974 there were not a tremendous number of people who could write a check for \$1,000 to a candidate. Today the pool of contributors who can give \$1,000 has expanded considerably. Last year there were almost a quarter of a million people who wrote checks for \$1,000. That is not a small amount of people: 235,000 people wrote checks for \$1,000 to support Federal candidates for office.

But what we are doing here by raising these amounts? We are moving further and further and further away from the overwhelming majority of Americans. I would like to see the average American participate in the electoral process of the country. I would like to see them contribute that \$25 or \$50 or \$100, \$200 to a candidate or party of their choice. However, given the average cost of a Senate race today or a House race—the numbers of my colleague from Tennessee suggests of around \$7 million, and a House race around \$800,000 a congressional district, I do not see many campaigns that are going to bother any longer with that smaller donor.

It is the de facto exclusion of more than 99 percent of the American adult population who could support, financially, the political process in this country, that worries me the most. I am worried about us getting overly concentrated on only those who can afford to write the large, maximum checks to campaigns. But I am more worried that we are getting ourselves further and further and further removed from the average citizen. The Americans who could not dream, in their wildest dreams, about writing a check for \$2,500, let alone \$10,000 to support a candidate for the Senate or the House of Representatives. They couldn't dream about doing that. They may be making decent salaries and incomes so they are not impoverished. But the idea of writing out a \$10,000 check or any such checks that we would allow if this amendment is adopted is beyond the average Americans' imagination.

To some extent, it ought to be beyond ours as well. However, where we appear to be going is where the money is. That is what Willy Sutton said, and

that is what we are saying. We are going to spend our time on that crowd because that is the most efficient use of our time with respect to fundraising. A phone call to Mr. and Mrs. Jones who can afford to make this kind of a contribution are going to get our attention. We are not interested in that individual who may be making \$30,000, \$40,000, \$50,000, \$60,000, \$70,000, or \$100,000 a year, with two or three kids, paying a home mortgage, trying to send kids to college. We are not interested, really, because they cannot even begin to think about contributions like this.

That is the danger. That is the danger. I am really not overly concerned—although it bothers me—over this concentration of wealth and the access that comes with it by adopting this amendment. That bothers me.

What deeply troubles me—what deeply troubles me—is that this institution gets further removed from the overwhelming majority of Americans. Their voices become less and less heard. They become more faint. They are harder to hear. They are harder to hear because we are getting further and further away from them since their ability to participate is being diminished.

One of my colleagues—

Mr. WELLSTONE. Will the Senator yield for a question?

Mr. DODD. I would be happy to yield.

Mr. WELLSTONE. I don't want to break up the rhythm of what the Senator is saying. It is very powerful. I do not think I can say it as well as you. I would like to ask you one or two questions.

In this debate I don't believe I had really heard your formulation before. We talk about big money, corruption, not individual wrongdoing; some people have too much access. You just used the word "exclusion."

There was a young African American man today with whom I spoke. He was talking about Fannie Lou Hamer, a great civil rights leader. By background, Fannie Lou Hamer was the daughter of poor sharecroppers.

This is a question of inclusion. If you take the caps off, and you are relying on people who can afford to make these kinds of contributions, he was basically saying, this almost becomes a civil rights issue because it is a question of whether or not people who do not have the big bucks will be able to participate in the political process, will be able to be there at the table.

I ask the Senator, is this part of what is concerning you, that you are getting away from representative democracy and many people are going to feel more and more excluded as we now rely on bigger and bigger dollars?

I have three questions. And I will not take any more of your time. Is that what you are talking about?

Mr. DODD. That is part of it. I said, we are concentrating on who can give

and how much they can give. Every time we raise the bar on the limits, then we are also expanding the number of people who do not, and maybe cannot, contribute their financial support. We are not even seeking their financial support, only their votes. I think there is inherently a danger in that.

I think it is a positive thing, by the way, that people write that check out for \$5 and \$10 and \$20 contributions. In some ways, it can be more significant because sometimes that \$10 or \$25 check from someone who is trying to make ends meet. It is a greater sacrifice in some ways than it is for some of the people I know who write checks for \$1,000 or \$2,000 or \$10,000. That \$10,000 in the context of their overall wealth is a smaller percentage than the person making that \$50 or \$100 contribution who really cannot afford to do it but believes it is in their interest. It is part of their responsibility of citizenship to support the political process of this country and to support our democratic institutions.

What I am deeply troubled about—I am bothered by the raising of the contribution limits because of where I think it takes us, where it is ultimately going.

Mr. WELLSTONE. Right.

Mr. DODD. If you take the numbers of my friend from Tennessee, I think it is \$400,000 in 1976—Is that right?

Mr. THOMPSON. It is \$600,000.

Mr. DODD. So \$600,000 in 1976, and \$7 million in the year 2000. I tried to do some quick math—and I could be corrected of course—but if you extrapolate from that and go to the next 10 years, to the year 2010, we are buying into the notion that there is nothing we can do about this. It is just going to keep getting more expensive, guys.

So we are just going to make it a little easier for you to reach the levels of \$13 million. I think that is about where we go in 10 years if the trend lines are accurate and continue.

I realize there can be changes here because it is not a perfect trend line. But if you take where it was 10 years ago, I think in about 1990 it was \$1.16 million—

Mr. THOMPSON. That was 1993.

Mr. DODD. Sorry. So that was 1993. It has doubled. It is roughly about the same. So we may be talking about roughly \$12 or \$13 million in 10 years.

So as we raise the bar to make it easier for us to get up there, we are shrinking the pie of people who can contribute. Getting smaller and smaller and smaller are the number of people who can write these kinds of contributions. Make no mistake about it, that is where the money is. That is where we are going to go. You are not going to hold \$100 fundraising events. You might do it because it is good politics. Maybe it will pay for the hotdogs and chips, and so forth, but you are not going to have a fundraiser

doing that. It is a political event. Fundraisers have, as their minimum contribution, \$500, \$1,000, \$1,500, or whatever it is as the bars go up.

In response to the question of my friend from Minnesota, that bothers me. What troubles me—what deeply troubles me—is that as that pool shrinks of those Americans who can make those large contributions, the pool expands of those Americans who are excluded from the process. And that is a great danger. That is a peril.

For us to enter the 21st century having inherited 200 years of uninterrupted democracy in this country, the only responsibility we have as life tenants, charged with however long we serve in this body, is to see to it that future generations will inherit an institution as sound and as credible and as filled with integrity as it was when we inherited it. To go in the direction we are headed here puts that, in my view, in peril and danger because of the very reason we are excluding too many Americans from having a voice to participate in our political process.

Mr. WELLSTONE. Will the Senator from Connecticut yield for another question?

You might call it a plutocracy, but let me ask you this. To my understanding, our colleague from Tennessee is talking about individual limits that basically amount to \$5,000 for the 2-year cycle. The amount an individual can give to a party goes from \$20,000 to \$40,000 to \$80,000 per cycle. What concerns me maybe even more is that the aggregate limit, am I correct, goes from \$30,000 to \$50,000, so it is \$100,000 per cycle?

Mr. DODD. Yes. I did not get to that, but that is further down the line.

Mr. WELLSTONE. Let me ask my colleague this. I would argue that what we are now doing with the proposal of the Senator from Tennessee is actually making hard money soft money when you get to the point where people can now contribute up to \$100,000 per cycle.

Mr. DODD. I say to my colleague, I will regain my time a little bit here, and then I will yield to him.

Mr. WELLSTONE. Here is my question. Do you think that when people in Connecticut—and I see Congressman SHAYS is here—or people from Minnesota, or people from Rhode Island—people around the country—read a headline, if this amendment passes—I certainly hope it is defeated—“The Senate Passes Reform, Brings More Big Money Into Politics,” do you think people are going to view this as reform? Do you think taking these spending limits off and having us more dependent on the top 1 percent of the population—do you think most people in the country in the coffee shops are going to view this as reform, or do you think they are going to feel even more disillusioned about what we have done, if we support this amendment?

Mr. DODD. I suggest more of the latter. I didn't get to that part of the amendment yet, but the Senator from Minnesota is correct.

I have a hard time saying this and keeping a straight face. Today, and for the last number of years, you could give up to the limit of \$25,000 per calendar year to Federal candidates. There were 1,200 people in America last year in part of the national campaign, including the Presidency, the entire House of Representatives and one-third of the Senate, who wrote checks contributing the \$25,000 limit. I think it was 1,238 Americans to be exact.

But now we are saying—This is too tough. This is a real burden. These poor people out there, they are upset about this. We have to do something for these folks. This is outrageous that they have an aggregate limit for each individual of \$25,000. We are going to double that cap.

We are going to say to them—The aggregate limit is now \$50,000 per individual per calendar year. As I have suggested, as a practical matter, a husband and wife have their individual limits. If you can write a check for \$50,000, I will guarantee that the couple can write checks totaling \$100,000 in aggregate limits.

My colleague from Minnesota is correct. This is the softening of hard money. I don't know of anybody who keeps personal accounts—I am not talking about candidates no. I am talking about the average citizens. If they have a bank account at the Old Union Savings and Trust, or whatever it is, then they have their soft account and their hard account. I don't know of anybody, particularly average citizens, who segregates their own wealth that way. They write checks for politicians. They are told they have to send this to the soft money non-Federal account or instead, to the hard-money Federal account. But the average citizens do not keep money nor accounts that way. When they are writing checks for \$100,000 and we say, “That could be all hard money,” we make the contributor dizzy. They get nervous when you start telling them about soft and hard money. Money is money.

The fact is, it is too much money in the political process. The average citizen who hears about this throws up their hands. They shake their heads in utter disgust. They must think, what are these people thinking about. How disconnected can they be from the people of their States and their constituencies. It is not understandable to the average American if we sit here with a straight face and suggest that raising the maximum aggregate annual limits from \$25,000 to \$50,000 per year, which could total \$100,000 per year per couple.

Mr. THOMPSON. Will the Senator yield on that point?

Mr. DODD. I am happy to yield.

Mr. THOMPSON. Does the Senator realize that the \$50,000 he is concerned

about now, which is doubling the \$25,000, would be about \$75,000 in 1974 terms? In other words, when our predecessors looked at this problem in 1974, they decided that for an individual limit for that year, it ought to be \$75,000, roughly, in 2001 dollars. So actually by doubling it, we are not keeping up with inflation.

In terms of real purchasing power, they were higher than we are today. Did they miss the boat that badly back when they addressed this?

Mr. DODD. I suggest they may have.

I am not sure I heard my friend from Tennessee talk about statements made in 1971 or 1972. Prior to the adoption of the legislation after Watergate in 1974, people such as former distinguished colleague George McGovern and others who had suggested limits that were higher than even what we are talking about. I would be curious to know, had we said to them at that time, by the way, as a result of what you are doing, what the cost of an average Senate race would be 25 years from now, that even with \$1,000 limits, we would be looking at a \$7 million cost, when in 1976, the average cost was \$400,000, and if you buy into this, it is going to rise to \$7 million.

My concern is, by doubling the limits, we are inviting those numbers to go up. We are doing nothing about trying to at least slow this down from the direction it is clearly headed in: \$13 million in 10 years, an average cost of a Senate seat. We are going to make this the Chamber of the rare few who can afford to be here or have access to these kinds of resources.

I accept the notion that costs have gone up. I also accept the notion that there are many more people today who could make that \$1,000 contribution than could in 1976. It was a relatively small number of people then. Of course, that law also had other limitations which the Court threw out after the adoption of the campaign finance reform measures of 1974.

I realize the contribution limit is going to go up. I am even willing to accept some increase in the numbers. I am not suggesting we ought not to have any increase, although I could make a case for that.

I hope my friend from Tennessee and others who care about this—I know a lot of Members do—that we can find some numbers here that would be more realistic. The stated purpose must demonstrate that we are trying to slow down the money chase. It should not get any more out of hand than it has.

If you don't think it is out of hand—I know there are Members who don't—if you don't think the direction we are heading in is dangerous, if you don't think we are excluding more and more people every year, when you should look at the tiny percentage of people who actually can write these checks. During the 1999-2000 election cycle, the

were only 1,200 people who could write checks totaling \$25,000 per year. Out of a Nation of 280 million people, there were 230,000 people who wrote \$1,000 checks. Basically we disregard most of the other contributors. If you think we are heading in the right direction, then you ought to support this amendment.

If you think this is getting us dangerously close to the point where fewer and fewer people are going to participate in the process, then you should oppose this amendment. I remind my colleagues that in the national Presidential race last year, one out of every two eligible adult voters did not show up at the polls. Despite the fact we spent over \$1 billion in congressional races, not to mention what was spent on the Presidential race, one out of every two eligible adult voters of this country did not vote. There is a reason for this statistic.

I suggest in part it is because people are feeling further and further and further removed from the body politic. If you will, the body politic of our own Nation is being pulled further and further by excluding the average American. They do not believe they have the ability to have some say in politics. Their voices are being drowned out. Average Americans are further and further removed from being involved in the decision making process of who will represent them. That worries me deeply. That is what troubles me about this amendment.

For those reasons, I will oppose the amendment when the vote occurs. I urge that others see if we can't find some configuration. I am still hopeful, I say to the Senator from Tennessee, that maybe some configuration here that can be founded. There are a couple of numbers I didn't address, such as PAC limits, the State and local parties limit, the national parties limit. I don't really disagree with my colleague regarding where he has come out on those numbers. In fact, he could even move them around a little more. I accept that.

The number I have objected to is the aggregate annual limit of \$50,000 per calendar year. There has been another number suggested by our colleague from California. There is a possibility of a compromise in there somewhere that we might be able to reach. I am not interested in seeing us go through an acrimonious debate and having a series of amendments where I think people recognizing the realities, could come to some reasonable compromise.

Our colleague from Tennessee has already reduced his original proposal by \$500—as I think his original proposal was \$3,000. He is now proposing \$2,500 with this amendment. It is presently \$1,000 per election under current law. It seems to me that if we are serious about this, we will attempt to come to a compromise. For those of us who support McCain-Feingold, who want to see

us send a bill to the President that he could sign, then I would urge, between this evening and tomorrow, that we might try to find that ground.

I know that there are many people here interested in doing that. I add my voice to that. I am more than prepared to sit down with others who may be so inclined to see if we can't find some numbers that we can live with and defend. Numbers, I hope, that will both restrain the exponential growth of the cost of campaigns and not get us even further removed from the average citizens' ability to participate in the process financially and otherwise.

I put that on the table for whatever value it may have. I hope there is something we can do. I commend my colleague. I mentioned how fond I am of him personally and what a contribution he has made to the Senate. He has made very good suggestions in this amendment. While I disagree with some basic points, there are elements with which I do not disagree. I commend him for that and want to be on record in support of those efforts he has made.

My colleague from New York has arrived. I don't know what my colleague from Tennessee wants to do.

Mr. THOMPSON. Mr. President, I will make a couple comments first. I thank my friend from Connecticut, who is eloquent, as usual, in his advocacy. Clearly, what we are trying to do is reach a balance where we have limits that are high enough for people to run decent campaigns, and allow challengers in large States such as California, Texas, and others to have a decent chance to get a campaign off the ground, so you don't have to be a multimillionaire or a professional politician in order to have a chance. That is what we are doing—trying to get it up enough so they have a fighting chance, while not getting so high that we have a danger of corruption, or appearance of corruption. I don't really detect that we are in that ballpark yet.

There is some talk that increasing the aggregate individual limits from \$25,000 to \$50,000 is somehow outrageous. But I don't think that the ability to give several contributions, let's say, of \$2,500 around the country is going to corrupt anybody. No one person is receiving all this money. No one person is receiving more than \$2,500. So you don't have a corruption issue there. And why we are doing something on behalf of democracy by limiting the number of potential candidates out there who can get \$2,500 kind of escapes me; plus the fact that in 1974, after the Watergate scandal, when everyone was rather sensitive, shall we say, about these issues and we addressed these issues, they came up with a \$1,000 limitation, which would be \$3,500 today. They came up with this \$25,000, which—I am going to round it off 3 times—would be \$75,000 today.

My colleagues heard my reference to Senators of the past, Democratic Senators and Republican Senators, many of whom wanted to go higher than what we are talking about today. My colleague is correct that I have scaled mine down because I had the temerity and audacity to think there was a chance that we could index this to inflation and have basically actually a little less than inflation. But let's round it off and say basically we can have the same dollars they had in 1974, right after the scandal of the century, when people were most receptive and responsive to this. But I found that was not to be the case. I don't think that would have flown. Certainly, Senator HAGEL's amendment today did not fly. So I came back and said: OK, let's move down from inflation, move down from 1974 dollars, go to \$2,500. There is no corruption issue here. And these other limits, too, let's double some of them. We don't double all of them. But let's do something that will enhance McCain-Feingold, my friends.

As you know, I have supported McCain-Feingold from the beginning through thick and thin. My colleagues talk as if McCain-Feingold has already passed and that the scourge of soft money has totally left us. That is not the case.

Mr. SCHUMER. Will my colleague yield for a question?

Mr. THOMPSON. Yes.

Mr. SCHUMER. I thank my friend. I have respect for him and I know his commitment to reform is so real. I want to ask him a question because I have a concern. I would not go as high as \$2,500. I can support a \$2,000 raise. But that doesn't bother me very much. It is the aggregate limit that bothers me.

A minute ago, my friend from Tennessee who, I repeat, I have such respect for on this issue and on so many others, said it is not going to one person.

Why the aggregate limit raise gives me trouble is this. And I ask my friend from Tennessee a question. It is true that in 1974, when this law passed, the aggregate limits didn't go to one person. Now, however, they do—much of it. The reason is a series of Supreme Court rulings, as well as all of us, Democrats and Republicans, have become much more clever, and I know that people will donate the maximum limit to the national party, and the national party then gives that money to the candidate in their State, or the candidate they wish to see the national party give the money to; and given the first 1996—maybe 1998—Colorado decision, the party and the candidate can coordinate completely.

So I don't think it is correct for my good friend from Tennessee to say the aggregate limits don't go to one person. They didn't in 1974; they do now. If my friend from Tennessee had just de-

ecided to raise the individual limits and kept the party limits the same, I would not have much of an argument with him. It is silly to quibble over \$500, if I believe \$2,000 is the right amount and he has an amendment for \$2,500. But it seems to me that under the new cases and under my friend's bill, somebody could donate \$40,000 per year to the national party, could do that for 6 years, and thereby get \$240,000 back to their candidate.

One other point, and I will ask my friend to comment. If the Supreme Court in the second Colorado case rules that the limits that the national party can give to the candidate, which is now 2 cents per voter age person per State, or per district in the House—but if they rule, as many think they will, to eliminate those limits, then it would not just be three or four people giving \$240,000. It could be unlimited numbers of people giving \$240,000 to the national party, which then gives it back to the candidate, with complete coordination allowed.

So, frankly, even though I know this was not the intent of my friend from Tennessee, I shudder to think that the party limits would go up. And unless there were provision in my friend's bill that would not allow that to happen—and I think with Supreme Court rulings it would be difficult to prevent—I think this would be a giant step backward, not because of simply raising the limits but because of all the new ways—I will be introducing tomorrow an amendment that tries to deal with the 441(a)(d) problem. But I say to my friend—and this is not his fault—that even if McCain-Feingold were to pass as is, if the Supreme Court rules that the 441(a)(d) limits go, then maybe we will accomplish a 10-percent improvement in corporate and in labor changes. True, you could not give more than whatever—you could not give \$500,000 or a million, but you would not accomplish much.

The reason I am so worried about the amendment of my friend from Tennessee is it makes it even easier; instead of saying \$180,000 that somebody could give in a Senate cycle, or \$50,000 in a House cycle, they could give \$400,000 in a cycle and, again, without those limits, out the window everything goes.

I just ask my colleague from Tennessee, am I wrong in thinking that now with the new Supreme Court decisions the aggregate limits are such that they do allow just what my friend from Tennessee said he didn't want the aggregate limits to do, which is give lots of money—call it hard or soft, whatever—to one campaign? I thank him for yielding and will give him a chance to answer.

Mr. THOMPSON. Mr. President, I respond first by saying that, based on my recollection, I disagree with his analysis of the Colorado case. I do not be-

lieve the Colorado case would allow coordination. I believe coordination would run afoul—in the amounts we are talking about, would run afoul of the hard money limits. Coordination would deem it as a hard money contribution, and therefore that is not allowed.

With regard to the issue of an individual contributing to a State party and having that earmarked for some particular candidate, again, I think you get into a coordination problem.

I am somewhat amazed with this alchemy going on here. This piddling increase that does not even keep up with inflation has doubled, tripled, quadrupled, and now we are up into the stratosphere. A couple is automatically doubled. Are we assuming the husband is going to tell the wife what to do or is the wife going to tell the husband what to do? I am not prepared to assume that. I do not think my friend from New York is either.

Mr. SCHUMER. It depends on the family.

Mr. THOMPSON. I think the Senator from New York might agree that we should not automatically double whatever the head of the household might want to do politically.

Let us get back within the realm of reason. Clearly, the real world being what it is, there is certainly a risk of some things going on in terms of parties helping individual candidates at the expense of other candidates. I do not think you can stop that.

My point is that the areas about which we are talking are infinitesimal compared to the problem we are supposed to be addressing. We are concentrating on the tail of the elephant instead of the elephant or we are concentrating on the tail of the donkey instead of the donkey. We are talking about hard money, incremental increases that do not amount to very much in terms of the increase but are very significant in terms of their being hard dollars instead of soft because it is not union money, it is not corporate money, if they are hard dollars to start with. I think we can agree that would be progress.

Again, yes, the world has changed. Perhaps people have gotten more clever. They have gotten attorney generals who will give them interpretations they like, and things of that nature, but when the people addressed this back in 1974, they were talking about much more buying power than we are talking about today.

Again, my colleagues are assuming they have soft money. That is the situation in the bank, and now we are talking about the details. I suggest that what my amendment will do is strengthen McCain-Feingold and ultimately make it something that will be more likely to pass the Senate, more likely to pass the House, and more likely to be signed by the President of the United States.

I am trying to help my friends, as I always have, with regard to this issue.

We overlook what is going to happen if we do not make some progress in this hard money area. I am encouraged to hear my friend from Connecticut say he is willing to talk about it, and obviously I am, too, but I have been doing all the coming down and I have not seen much coming up.

If we do not make some progress with regard to this area, we are going to create a situation where we have eliminated soft money, and we have impoverished the hard money side of the equation. Both parties have neglected the hard money side of the equation, the side that used to be predominant, by far, in terms of running these campaigns.

We are going to eliminate soft money, have an impoverished hard money situation and have these independent groups continue doing what they have been doing more and more.

People are going to react to that. That will not work. That will not work in my estimation. I want to get rid of soft money. I am tired of reading all these stories about the money pouring in and this vote on this major issue is going to go one way because the Democrats got this money and another way because the Republicans got that money. I am tired of all that.

I am telling my friends, if we do that and nothing else, we are going to wind up with a disfigured system that is worse than what we have today, and we will be back on the floor and all regulations will be taken off.

There is sentiment out there that I think will be energized under a few years of the system I just described, and we will be back here and people will be making credible arguments that we tried this, we tried that, candidates can no longer compete, and instead of having 98-percent reelection in the House, we will have 100 percent. They cannot get any higher than that. Challengers will not have a prayer, especially in the larger States. The independent groups will double, triple, and quadruple their buys in all of our States. Everybody will be running our campaigns except ourselves, and these are just the incumbents. The challengers will have no prayer at all.

That, I say to my colleagues, will result in a reaction that none of us want, a reaction to take off absolutely all the limits. I say some of us—none of us on the reform side of this issue want. I had to stop and remind myself that some of my colleagues think that would be a jolly good idea, which makes my point, that we are not as far away from that possibility as we might think.

In summary, I say to my friend from New York and to my other colleagues on this issue with whom I have worked side by side, it boils down to this: \$5,000—let's say you double it to take

care of the primary and the general election. Somebody can contribute \$5,000.

Mr. President, \$5,000 is different than \$100,000; \$5,000 is different than \$500,000; \$5,000 is different in every way quantitatively and qualitatively from \$1 million. That is what we ought to be concentrating on, but in order to get rid of those large dollars, we have to give a candidate an even chance of running so he is not totally dependent on that soft money and he is not even totally dependent on his party and having somebody in Washington dole out the checks and decide which one of the potential challengers has a chance and which one does not.

Hopefully, at the end of this, we will have an opportunity to adopt this amendment and still be open for further discussion.

I reiterate, this amendment strengthens the cause. This amendment strengthens the cause; it does not weaken the cause. The fact that someone cannot contribute to the limits we might raise, to that point I say there are plenty of people who cannot contribute to the \$1,000 limit we have today. We have diminished their freedom when we raise it to \$1,000, recognizing you have to have some money to run.

If somebody can give \$200, do we diminish their freedom? Are we causing their levels of cynicism to rise because we had a \$1,000 limit? If we have a \$2,500 limit, there will be some people who can give \$1,000 or \$500 or \$700. Maybe not the full amount. The fact that you can give the full amount does nothing to my freedom or to my citizenship because I cannot at the present time give as much as you can.

As long as we live in a free country and I can aspire to that, there is no legal impediment to me doing that. I do not think we do anything to empower those who cannot necessarily give to the maximum of whatever level we raise because they cannot do it now. We are getting off the focus.

The focus ought to be on the issue of corruption, which cannot be the case. If so, our forbears in 1974 missed the mark, if we say corruption kicks in in these cases or the appearance of corruption. The other side of the equation, of course, is making it so people can run a decent campaign and get their message out and especially challengers.

I cite, again, the independent study that was done by the Campaign Finance Institute affiliated with George Washington University. It says from a competition standpoint, upping the individual contribution limit helps non-incumbent Senate candidates while having little impact on the House.

I can understand all the positions that my friends who oppose this amendment take with regard to it, but one might listen to that and think this

is something outrageous we are proposing. I cite David Broder, I cite Stuart Taylor, I cite almost any commentator I have read on the subject. I think I am paraphrasing correctly. It was certainly reasonable to raise the limits to \$2,000 or \$3,000, and of course we are coming in the middle of that.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New York.

Mr. SCHUMER. Mr. President, I ask unanimous consent I be given 7 minutes from the time of the opposition.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SCHUMER. Mr. President, I reiterate a statement made in my dialog with the Senator from Tennessee. I did not hear him actually rebut what I said.

We focus too much on the smaller individual limits which go up from \$1,000 to \$2,500. I have no problem keeping them at \$1,000. I have no problem raising them to \$2,000. Yes, \$25,000 is pretty large but hardly worth falling on a sword in terms of the bill.

There is truly an egregious problem with the amendment of my friend from Tennessee, and that is the raising of the aggregate limits. Under the new aggregate limits, there is complete coordination allowed by the Supreme Court when a national party contributes to the candidate. It is an expenditure. There is total coordination allowed. Under his proposal, a candidate could give to that national party \$40,000 a year—this is not \$1,000 or \$2,000 but \$40,000 a year. In the Senate, which is 6 years, that is \$240,000. Assume for the sake of argument the spouse is of a different political persuasion, \$240,000 under the Thompson amendment going directly to one candidate. That could be done over and over and over again if the 441(a)(d) limits go to candidate after candidate after candidate.

There is a serious problem with the amendment of my friend from Tennessee. It is not the raising of \$1,000 to \$2,500. It is the huge raise of the aggregate limits. We all know right now people raise money for their campaigns in \$20,000 bits, the maximum allowable to a party. It is limited by the 441(a)(d) expenditure limits, 2 cents a voter. Those are likely to go in a month or two. Once they go, it won't matter, for most contributors, the contributors of wealth, whether the limit is \$1,000 or \$2,000 or \$3,000; they can give to the candidate of their choice \$40,000; \$40,000 to the national party, again, constitutionally protected by the United States Supreme Court. That national party can coordinate with the candidate.

This is not a minor increase. That is not simply a rate of inflation increase. That is undoing a large part of eliminating soft money.

My friend from Tennessee talks about it being hard money. The way I

thought about it, a large amount of individual money that goes to a candidate, whether it is funneled through a party or goes directly to a candidate, is what we are trying to prevent. You can call it hard money, but \$40,000 is awfully soft hard money.

The amendment is a serious mistake under present law. But the only saving grace is that couldn't be done very often because there are limits on how much the party can give each candidate. I repeat, if the 441(a)(d) limits are eliminated, which many think they will be, then we have gone amok. And we will go doubly amok with the amendment of my friend from Tennessee.

This is not about raising the limits from \$1,000 to \$2,500. That is the least of it. If the Senator from Tennessee were good enough to keep all the other limits in place and just raise the individual limit to \$2,500 or even raise the PAC limit to \$7,500, I would have an argument. But it would be an argument against the current system. When he doubles the amount of money that can be given to national party committees from \$20,000 to \$40,000, he makes it a heck of a lot easier—call it soft, call it hard—for large amounts of money to be channeled directly to individual candidates.

If I were a well-to-do person who wanted to aid a campaign, I wouldn't give \$1,000 directly to the candidate. I wouldn't give \$2,500 directly to the candidate. I would give \$40,000 to the Senate Republican committee, to the Senate Democratic committee and they, then, could coordinate with the candidate I liked and give them all of that money.

What are we talking about? The Senator from Tennessee keeps going back to 1974. We are not in 1974. We have had a number of Supreme Court rulings. We have had all sorts of consultants who have found ways around the law. The aggregate limit in 1974 seemed rather benign. It said, OK, you can only give to 25 candidates at \$1,000 a head. The aggregate limit in 2001 is pernicious because the combination of court rulings and figuring out ways around the law have allowed all of that money to be channeled to an individual candidate.

I yield the floor.

Mr. THOMPSON. Mr. President, I simply say the issue has been joined. My position is my friend from New York is incorrect in terms of the law, his interpretation of the law in terms of a donor's legal right to coordinate or direct the direction of his contribution to a particular candidate. I do not think that is a correct interpretation of the law.

For anyone concerned about that, perhaps the Senator from New York and I can get together and hash this out tonight or in the morning, but I did want to state that issue. We have a disagreement on that.

I ask unanimous consent the Senator from Utah be given 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BENNETT. Mr. President, as I listened to the Senator from New York give a hypothetical circumstance, I am reminded of the statement that I was taught by a lawyer. As the Chair and my colleagues know, I am unencumbered by a legal education, so I have to defer to those who have been to law school, but I am told that one of the factors in law school they teach is hard cases make bad law.

The Senator from New York has described a theoretical, highly unlikely, hard case. If we were to legislate entirely on the basis of that theoretical circumstance, we would make bad law. I am interested to hear the Senator from Minnesota go on at great length about how few people give in these upper ranges. For the Senator from New York to be talking about many people giving \$40,000 to many candidates every year flies in the face of the actual circumstance and experience about which the Senator from Minnesota talks.

As I say, I cannot comment on the legality of the cases that have been cited. But as an outside observer, listening to it, I simply say we had a theoretical hard case which would, if we followed it, make bad law.

Let me comment on why I am in favor of the Thompson amendment. As the Senator from Tennessee indicated earlier, I am one who would be delighted to see all limits disappear for a variety of reasons that I have stated over the years about campaign finance and its challenges.

Let me run through a historic demonstration of why the green bars on the Senator's chart keep going up. I got chastised in the press the other day for quoting Founding Fathers and talking about the Founding Fathers—as if they were irrelevant.

Quite aside from the philosophy, there is much we can learn from the Founding Fathers because every one of them was a very practical, very real politician. They had to run for election, too. They understood the political process. As I pointed out, George Washington won his elections by buying rum punch and ginger cakes for the assembled electorate. That is how they did it in those days. James Madison refused to do it and got defeated. So this issue is not new.

But when they were writing the Constitution, George Washington, as the President of the Constitutional Convention, never spoke except when he recognized one or the other delegates to the convention—except on one issue and that issue was how big congressional districts should be. The original proposal was that a congressional district should represent 50,000 people.

The motion was made; no, let's cut that down to 30,000 people.

George Washington stepped from his chair as President of the Constitutional Convention to endorse the idea that it be cut down to 30,000 because, he said, a Representative has too much to do if he has to represent as many as 50,000 people. That is just too big for a congressional district.

So it was written into the original Constitution, 30,000, with, of course, the understanding that Congress could change that.

I now come from the State that just by 800 people missed getting a congressional seat in the last redistricting. Our State has the largest congressional districts, therefore, of any in the country—roughly 700,000 people per congressional district.

So if you want to talk about inflation in campaigns, go for a House campaign that, in George Washington's day, had to go for a population of 30,000 people to, today, where the seat represents 700,000 people—more than 20 times increased.

So it is not just inflation of money; it is inflation of challenge to meet that many people. How do you do it? You do not do it shaking hands. You do not do it speaking to Rotary Clubs and Kiwanis Clubs. You do not do it by holding town meetings. The only way you can reach 700,000 people for a congressional seat, and 10 times that or more in many Senate seats, is to buy time. That is the only way you can do it. There is no other physical way to let the people of your State know who you are, unless you are an incumbent who has already had 6 years of free publicity, a sports hero—and we are getting more and more of those in Congress and some of them are pretty good Members of Congress, but they would not be Members if they had not had their names emblazoned on the front pages of the papers, a circumstance that is worth millions.

If somebody wants to start from scratch, run from obscurity, they have to raise a lot of money because they have not been on the sports pages and they have not been on the front pages. They have not had all the free exposure. If they are not wealthy, they have to raise a lot of money. Raising money becomes harder and harder to do if you have a limit on the amount you can raise that does not grow with inflation and does not grow with the number of people in your district.

The days when Abraham Lincoln and Stephen A. Douglas could go around the State of Illinois and hold debates where thousands of people would come and stand in the Sun for 3 hours listening to them are over. We do not have that kind of attention being paid to politics today.

When I run a campaign ad, I do not have to just compete with my opponent. We talk as if all the campaign advertising is between two opponents.

When I run a campaign ad, it has to compete with the Budweiser frogs. It has to compete with all the other ads that are out there that will crowd it out as far as public attention is concerned. I can't just say here is where I am, and put my ad up and my opponent says here is where I am and put his ad up because people are turning off the ads. They are going into the kitchen for a sandwich while the commercials are on. I have to have so many that I cut through the clutter of all the competition that has nothing to do with politics. And that means I have to raise a lot of money.

It becomes harder and harder to do that if the limits do not grow, either with inflation in money or with inflation in the population I represent or with inflation in the amount of competing advertising that is there.

In my first race, we bought ads on all of the network stations, and I thought we were reaching the public. Then my ad adviser came to me and said we were getting killed in the ad war. I said: What do you mean? We are doing fine.

He said: You are not on cable and your opponent is on cable.

I hadn't thought about cable. I don't have cable in my house. So we had to buy ads on cable.

The number of outlets keeps increasing and the number of challenges to meet those outlets keeps going up. Yet we stick with a limit of the amount we can raise in the face of all of these increases.

So it only makes sense to index the amount we spend, not only to inflation of dollars but index to the inflation of the challenge that we face in spending those dollars to reach the voter because you get less and less bang for your buck, even if the number of bucks goes up according to monetary inflation.

I support this amendment. It is only common sense. It will not lead to the kind of theoretical disaster about which the Senator from New York talks. It will only make it possible, slightly easier, for challengers to get a little traction against incumbents. I still think it is not easy enough and I quote again the primary example of a challenger who took on an incumbent and knocked him off, which was Eugene McCarthy in 1968, who went to New Hampshire against an incumbent President and won enough votes in the New Hampshire primary to cause Lyndon Johnson to resign the race and announce he would not run.

Understand how he did that; that is how McCarthy did that. He got five people to give him \$100,000 each. So he went to New Hampshire with a war chest of \$500,000 in 1968. In today's money, that is \$2 million or more. Under today's rules, he could not begin to do that. Under today's rules, for him to raise \$100,000, he would have to go to 100 different people and do that five

times over. His chances of getting that done would be very slim.

So I endorse this amendment. I am happy on the occasion of campaign finance reform to finally be in agreement with my friend from Tennessee on something relating to this bill. I hope we reject all of the theoretical arguments and live in the real world where this amendment makes enormous good sense.

The ACTING PRESIDENT pro tempore. The Senator from Michigan.

Mr. LEVIN. Mr. President, I yield myself 10 minutes in opposition.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. LEVIN. Mr. President, first, let me say I know how much Senators THOMPSON and COLLINS believe in campaign finance reform. They have been two of the real stalwarts of trying to help us get rid of the soft money loophole. So this is a disagreement in which I take no particular pleasure, to put it mildly. They have been some of the strongest supporters for campaign finance reform.

I do not agree with their amendment. The limits that are created are way too high, and it is going to create some of the same problems that the soft money loophole has created in terms of the size of the contributions that will be permitted. It will not be through unregulated money, the soft money loophole, but it will be through regulated increases in the total aggregate amounts which are simply too high to create public confidence that we are doing the right thing, that we are not selling access to ourselves for large amounts of money, that we are not accepting contributions of large amounts of money from people who have significant business before the Congress.

We are at an important moment in the Senate's consideration of this bill. It is a point where we are going to have to decide whether we are going to hold the line on real reform, which not only means eliminating the soft money loophole, which I think we are on the verge of doing, but also in terms of putting some reasonable, modest limits on contributions so we do not have aggregate contributions that are so large that the public will lose confidence in the electoral process. They could lose confidence, whether we call it soft money or hard money, if the amounts which flow into these campaigns, either directly or indirectly, are too large.

We become addicted to large sums of money. It is easier to raise a large sum of money from a few people than it is to raise a small sum of money from many people. That is how we got started on soft money. That is why it is called soft money. And that is why regulated money is called hard money.

It is hard to raise money with real limits. But now that we are close to

banning soft money—hopefully—to going cold turkey on the enormous contributions that the soft money loophole has let us raise from a small number of individuals, now I am afraid we are going to be looking around for other opportunities to raise large sums of money.

It is like a smoker who wants to quit who looks under the sofa cushions for a cigarette they may have dropped 3 months ago. We are looking around for someplace to still get large contributions.

The categories for the amount of money that an individual can give to a party and the aggregate that an individual can give in any 1 year to candidates, parties, and PACs looks to be a very large pot of money. We have to resist the temptation—that is what it is properly called, at least for some of us—to raise the aggregate limits to sums which to the average American seem horrendously large.

The Thompson-Collins amendment doubles the limits for parties and the yearly aggregate, so that one individual, under the Thompson-Collins proposal, can give as much as \$100,000 in a cycle. That is \$50,000 a year to the parties and candidates and PACs that the individual supports. So a couple could give \$200,000 over 2 years, and it can be solicited all at one time—from you, from me, from a Member of the House, from the President, the Vice President, and the political parties—because what is before us would raise the hard money limits.

It means that any of us can solicit the amounts of money which are under that aggregate or within the aggregate. That would mean, if this amendment passes, we could call up a couple and say: Can you contribute \$200,000 in this cycle to our party and to the candidates we are supporting?

It is too big an amount. It puts us in a position which I believe we should not be in, which is to be competing in this arena for large contributions, which have undermined public confidence in the electoral process.

Too often when these large contributions have been what is being solicited—in the past with soft money, the unregulated money, but now if this amendment passes up to \$200,000 a cycle per couple in hard money, usually we have gotten into the sale of access, the open, blatant sale of access. Nothing hidden about that.

Just a couple of examples—one from each party because this is a bipartisan problem.

First, for a Democratic National Committee trustee, which is shown on the board before us—this is for a \$50,000 contribution or raising \$100,000—a contributor gets two events with the President, two annual events with the Vice President, an annual trade mission where the trustee is invited to “join Party leadership as they travel

abroad to examine current and developing political and economic [trends].” And, by the way, this same thing was used in a Republican administration—visiting foreign dignitaries at the highest level. So this is not, again, a partisan issue. It is the sale of access for huge amounts of money. And the larger the amount of money that we permit to be solicited, the worse, it seems to me, the appearance is when access is so openly and blatantly sold for that contribution.

That is what the temptation is. There is nothing illegal about this. I think it is shocking, but it is not illegal. If we raise the hard money limits to this extent, this same kind of sale of access is going to continue for the large contribution, which I think is so totally disenchanting our constituents.

On the Republican side, I have a chart in relation to a RNC annual gala. This is for a contributor who raises \$250,000. He or she gets lunch with the Republican—Senate or House—committee chairman of their choice.

I think that is wrong. I do not know how we can stop this kind of open sale of access to ourselves for large amounts of money if we are going to increase hard limits, hard money contributions to the same extent as we see on these boards, when soft money was being used at this level of contribution to tempt people to make contributions in exchange for that access.

Another invitation to a Senatorial Campaign Committee event: This one promised that large contributors would be offered “plenty of opportunities to share [their] personal ideas and vision with” some of the top leaders and Senators. And then this invitation read the following: Failure to attend means “you could lose a unique chance to be included in current legislative policy debates—debates that will affect your family and your business for many years to come.”

So for a large amount of money—in the view of most Americans, an exceedingly large amount of money—people are told they can have access to people who will affect their family and their business for many years to come, and explicitly that if you do not purchase that access, for a large amount of money, you could lose a unique chance to participate in a debate which “will affect your family and your business for many years to come.”

No American should think that because he or she cannot contribute a huge sum of money they are then going to be unable to participate in a debate which affects family and business for many years to come.

Another one: This one says: “Trust members can expect a close working relationship with all [of the party’s] Senators, top Administration officials and national leaders.”

The greater these contribution limits are, the worse, it seems to me, the ap-

pearance is of impropriety, which is what we are trying to stop.

Mr. President, I ask unanimous consent that I be yielded 1 additional minute.

The PRESIDING OFFICER (Mr. ENSIGN). Without objection, it is so ordered.

Mr. LEVIN. Mr. President, the Supreme Court has held very explicitly, in *Buckley v. Valeo*, that large contribution limits can create the appearance of impropriety and that Congress has the right to stop that appearance of wrongdoing, that appearance of corruption, as the Court put it, which can be created by the solicitation of large amounts of money by people in power from constituents who have business before them. The amounts of money which we are talking about in this amendment are simply too large.

We should not be tempted. It is easier to raise money in these large amounts—we all know that—but we should not be tempted. If we are so tempted, we would be on the one hand closing the soft money loophole but on the other hand creating the same problem by lifting hard money limits to such a level that the same inappropriate appearance is created by the solicitation of contributions of this size.

I commend our friends and colleagues, Senators THOMPSON and COLLINS. They have been staunch supporters of reform. It seems awkward being on the other side from them on an amendment in this area, but I think it is a mistake to adopt this amendment. I hope we will reject it.

Mr. ROCKEFELLER. Mr. President, this morning I was unavoidably detained for longer than expected at a doctor’s appointment. Because of that appointment I was not able to vote on the motion to table the first division of the Hagel amendment to the McCain-Feingold bill. My vote would not have changed the outcome on this amendment. I would have voted to table.

• Mr. BAUCUS. Mr. President, my responsibilities to the people of the State of Montana require that I be in Montana during the President’s visit to my State. However, because campaign finance reform is such an important issue, I would like to submit this statement on how I would have voted on the following had I been present in the Senate today.

On the Hollings constitutional amendment. I voted for this amendment in the 105th Congress, and I would have voted for it again in the 107th. This amendment would ensure that Congress had the ability to combat the influence of money on the voting process.

On the Wellstone amendment, I would have voted for this amendment. I think it is a step in the right direction because it does not single out one group and reduce its ability to communicate with the voters. This amend-

ment will create a more level playing field with regards to issue advertisements.●

MORNING BUSINESS

Mr. THOMPSON. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I applaud today’s release of the Surgeon General’s report, “Women and Smoking.” It provides us with important information and recommendations to support our efforts to reduce smoking among women and prevent girls from starting the deadly habit. The results are disturbing and make it clear that we have a responsibility to combat the epidemic of smoking and tobacco-related diseases among women in the United States and around the world.

What the report makes clear is that we have been witness to an unprecedented tobacco industry marketing campaign targeted towards young women and girls. The consequences of this marketing campaign are staggering. From 1991 to 1999, smoking among high school girls increased from 27 to 34.9 percent. Since 1968, when Philip Morris introduced Virginia Slims, the rate of lung cancer deaths in women has skyrocketed. In fact, lung cancer has surpassed breast cancer as the leading cause of cancer death in the United States, accounting for 25 percent of all cancer deaths among women.

I am pleased that Secretary Thompson was able to join Dr. Satcher this morning to release the Surgeon General’s report. I hope his presence signals the Bush administration’s willingness to aggressively pursue policies and legislation to combat tobacco use among our children.

In particular, the report demonstrates the need for meaningful regulation of tobacco products by the Food and Drug Administration. Today, tobacco companies are exempt from the most basic health and safety oversight of their products. Consumers know more about what is in their breakfast cereal than what is in their cigarettes. Tobacco companies are not required to test additives for safety or tell consumers what is in their products. Nothing prevents them from making misleading or inaccurate health claims about their products.

This lack of regulation impacts women as tobacco companies aggressively target young girls through marketing campaigns linking smoking to weight loss and women’s rights and progress. For example, one of the most famous ads directed at women was Lucky Strike’s “Reach for a Lucky Instead of a Sweet.” A recent Virginia