

Union Calendar No. 181

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**H. R. 2564**

[Report No. 104-339, Part 1]

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## A BILL

To provide for the disclosure of lobbying activities to influence the Federal Government, and for other purposes.

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NOVEMBER 14, 1995

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 31, 1995

Mr. CANADY of Florida (for himself, Mr. FRANK of Massachusetts, Mr. SHAYS, and Mr. MCHALE) introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committees on Government Reform and Oversight, Rules, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

NOVEMBER 14, 1995

Reported from the Committee on the Judiciary

NOVEMBER 14, 1995

Referral to the Committees on Government Reform and Oversight, Rules, and Ways and Means extended for a period ending not later than November 14, 1995

NOVEMBER 14, 1995

Additional sponsors: Mr. CHABOT, Mr. BRYANT of Tennessee, Mr. COBLE, Mr. FLANAGAN, Mr. HEINEMAN, Mr. INGLIS of South Carolina, Mr. SENSENBRENNER, Mrs. ROUKEMA, Mr. SMITH of Texas, Mr. CASTLE, Mr. LEVIN, Mr. HINCHEY, and Mr. GOODLATTE

NOVEMBER 14, 1995

The Committees on Government Reform and Oversight, Rules, and Ways and Means discharged from further consideration; committed to the Commit-

tee of the Whole House on the State of the Union and ordered to be printed

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## A BILL

To provide for the disclosure of lobbying activities to influence the Federal Government, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Lobbying Disclosure  
5 Act of 1995”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds that—

8 (1) responsible representative Government re-  
9 quires public awareness of the efforts of paid lobby-  
10 ists to influence the public decisionmaking process in  
11 both the legislative and executive branches of the  
12 Federal Government;

13 (2) existing lobbying disclosure statutes have  
14 been ineffective because of unclear statutory lan-  
15 guage, weak administrative and enforcement provi-  
16 sions, and an absence of clear guidance as to who  
17 is required to register and what they are required to  
18 disclose; and

1           (3) the effective public disclosure of the identity  
2           and extent of the efforts of paid lobbyists to influ-  
3           ence Federal officials in the conduct of Government  
4           actions will increase public confidence in the integ-  
5           rity of Government.

6 **SEC. 3. DEFINITIONS.**

7           As used in this Act:

8           (1) AGENCY.—The term “agency” has the  
9           meaning given that term in section 551(1) of title 5,  
10          United States Code.

11          (2) CLIENT.—The term “client” means any  
12          person or entity that employs or retains another per-  
13          son for financial or other compensation to conduct  
14          lobbying activities on behalf of that person or entity.  
15          A person or entity whose employees act as lobbyists  
16          on its own behalf is both a client and an employer  
17          of such employees. In the case of a coalition or asso-  
18          ciation that employs or retains other persons to con-  
19          duct lobbying activities, the client is the coalition or  
20          association and not its individual members.

21          (3) COVERED EXECUTIVE BRANCH OFFICIAL.—  
22          The term “covered executive branch official”  
23          means—

24                  (A) the President;

25                  (B) the Vice President;

1 (C) any officer or employee, or any other  
2 individual functioning in the capacity of such  
3 an officer or employee, in the Executive Office  
4 of the President;

5 (D) any officer or employee serving in a  
6 position in level I, II, III, IV, or V of the Exec-  
7utive Schedule, as designated by statute or Ex-  
8cutive order;

9 (E) any member of the uniformed services  
10 whose pay grade is at or above O-7 under sec-  
11tion 201 of title 37, United States Code; and

12 (F) any officer or employee serving in a  
13 position of a confidential, policy-determining,  
14 policy-making, or policy-advocating character  
15 described in section 7511(b)(2) of title 5,  
16 United States Code.

17 (4) COVERED LEGISLATIVE BRANCH OFFI-  
18 CIAL.—The term “covered legislative branch official”  
19 means—

20 (A) a Member of Congress;

21 (B) an elected officer of either House of  
22 Congress;

23 (C) any employee of, or any other individ-  
24 ual functioning in the capacity of an employee  
25 of—

1 (i) a Member of Congress;

2 (ii) a committee of either House of  
3 Congress;

4 (iii) the leadership staff of the House  
5 of Representatives or the leadership staff  
6 of the Senate;

7 (iv) a joint committee of Congress;  
8 and

9 (v) a working group or caucus orga-  
10 nized to provide legislative services or  
11 other assistance to Members of Congress;  
12 and

13 (D) any other legislative branch employee  
14 serving in a position described under section  
15 109(13) of the Ethics in Government Act of  
16 1978 (5 U.S.C. App.).

17 (5) EMPLOYEE.—The term “employee” means  
18 any individual who is an officer, employee, partner,  
19 director, or proprietor of a person or entity, but does  
20 not include—

21 (A) independent contractors; or

22 (B) volunteers who receive no financial or  
23 other compensation from the person or entity  
24 for their services.

1           (6) FOREIGN ENTITY.—The term “foreign en-  
2           tity” means a foreign principal (as defined in section  
3           1(b) of the Foreign Agents Registration Act of 1938  
4           (22 U.S.C. 611(b)).

5           (7) LOBBYING ACTIVITIES.—The term “lobby-  
6           ing activities” means lobbying contacts and efforts  
7           in support of such contacts, including preparation  
8           and planning activities, research and other back-  
9           ground work that is intended, at the time it is per-  
10          formed, for use in contacts, and coordination with  
11          the lobbying activities of others.

12          (8) LOBBYING CONTACT.—

13                (A) DEFINITION.—The term “lobbying  
14                contact” means any oral or written communica-  
15                tion (including an electronic communication) to  
16                a covered executive branch official or a covered  
17                legislative branch official that is made on behalf  
18                of a client with regard to—

19                        (i) the formulation, modification, or  
20                        adoption of Federal legislation (including  
21                        legislative proposals);

22                        (ii) the formulation, modification, or  
23                        adoption of a Federal rule, regulation, Ex-  
24                        ecutive order, or any other program, policy,

1 or position of the United States Govern-  
2 ment;

3 (iii) the administration or execution of  
4 a Federal program or policy (including the  
5 negotiation, award, or administration of a  
6 Federal contract, grant, loan, permit, or li-  
7 cense); or

8 (iv) the nomination or confirmation of  
9 a person for a position subject to confirma-  
10 tion by the Senate.

11 (B) EXCEPTIONS.—The term “lobbying  
12 contact” does not include a communication that  
13 is—

14 (i) made by a public official acting in  
15 the public official’s official capacity;

16 (ii) made by a representative of a  
17 media organization if the purpose of the  
18 communication is gathering and dissemi-  
19 nating news and information to the public;

20 (iii) made in a speech, article, publica-  
21 tion or other material that is distributed  
22 and made available to the public, or  
23 through radio, television, cable television,  
24 or other medium of mass communication;

1 (iv) made on behalf of a government  
2 of a foreign country or a foreign political  
3 party and disclosed under the Foreign  
4 Agents Registration Act of 1938 (22  
5 U.S.C. 611 et seq.);

6 (v) a request for a meeting, a request  
7 for the status of an action, or any other  
8 similar administrative request, if the re-  
9 quest does not include an attempt to influ-  
10 ence a covered executive branch official or  
11 a covered legislative branch official;

12 (vi) made in the course of participa-  
13 tion in an advisory committee subject to  
14 the Federal Advisory Committee Act;

15 (vii) testimony given before a commit-  
16 tee, subcommittee, or task force of the  
17 Congress, or submitted for inclusion in the  
18 public record of a hearing conducted by  
19 such committee, subcommittee, or task  
20 force;

21 (viii) information provided in writing  
22 in response to an oral or written request  
23 by a covered executive branch official or a  
24 covered legislative branch official for spe-  
25 cific information;

1 (ix) required by subpoena, civil inves-  
2 tigative demand, or otherwise compelled by  
3 statute, regulation, or other action of the  
4 Congress or an agency;

5 (x) made in response to a notice in  
6 the Federal Register, Commerce Business  
7 Daily, or other similar publication solicit-  
8 ing communications from the public and  
9 directed to the agency official specifically  
10 designated in the notice to receive such  
11 communications;

12 (xi) not possible to report without dis-  
13 closing information, the unauthorized dis-  
14 closure of which is prohibited by law;

15 (xii) made to an official in an agency  
16 with regard to—

17 (I) a judicial proceeding or a  
18 criminal or civil law enforcement in-  
19 quiry, investigation, or proceeding; or

20 (II) a filing or proceeding that  
21 the Government is specifically re-  
22 quired by statute or regulation to  
23 maintain or conduct on a confidential  
24 basis,

1 if that agency is charged with responsibil-  
2 ity for such proceeding, inquiry, investiga-  
3 tion, or filing;

4 (xiii) made in compliance with written  
5 agency procedures regarding an adjudica-  
6 tion conducted by the agency under section  
7 554 of title 5, United States Code, or sub-  
8 stantially similar provisions;

9 (xiv) a written comment filed in the  
10 course of a public proceeding or any other  
11 communication that is made on the record  
12 in a public proceeding;

13 (xv) a petition for agency action made  
14 in writing and required to be a matter of  
15 public record pursuant to established agen-  
16 cy procedures;

17 (xvi) made on behalf of an individual  
18 with regard to that individual's benefits,  
19 employment, or other personal matters in-  
20 volving only that individual, except that  
21 this clause does not apply to any commu-  
22 nication with—

23 (I) a covered executive branch of-  
24 ficial, or

1 (II) a covered legislative branch  
2 official (other than the individual's  
3 elected Members of Congress or em-  
4 ployees who work under such Mem-  
5 bers' direct supervision),

6 with respect to the formulation, modifica-  
7 tion, or adoption of private legislation for  
8 the relief of that individual;

9 (xvii) a disclosure by an individual  
10 that is protected under the amendments  
11 made by the Whistleblower Protection Act  
12 of 1989, under the Inspector General Act  
13 of 1978, or under another provision of law;

14 (xviii) made by—

15 (I) a church, its integrated auxil-  
16 iary, or a convention or association of  
17 churches that is exempt from filing a  
18 Federal income tax return under  
19 paragraph 2(A)(i) of section 6033(a)  
20 of the Internal Revenue Code of 1986,  
21 or

22 (II) a religious order that is ex-  
23 empt from filing a Federal income tax  
24 return under paragraph (2)(A)(iii) of  
25 such section 6033(a); and

1 (xix) between—

2 (I) officials of a self-regulatory  
3 organization (as defined in section  
4 3(a)(26) of the Securities Exchange  
5 Act) that is registered with or estab-  
6 lished by the Securities and Exchange  
7 Commission as required by that Act  
8 or a similar organization that is des-  
9 ignated by or registered with the  
10 Commodities Future Trading Com-  
11 mission as provided under the Com-  
12 modity Exchange Act; and

13 (II) the Securities and Exchange  
14 Commission or the Commodities Fu-  
15 ture Trading Commission, respec-  
16 tively;

17 relating to the regulatory responsibilities of  
18 such organization under that Act.

19 (9) LOBBYING FIRM.—The term “lobbying  
20 firm” means a person or entity that has 1 or more  
21 employees who are lobbyists on behalf of a client  
22 other than that person or entity. The term also in-  
23 cludes a self-employed individual who is a lobbyist.

24 (10) LOBBYIST.—The term “lobbyist” means  
25 any individual who is employed or retained by a cli-

1 ent for financial or other compensation for services  
2 that include more than one lobbying contact, other  
3 than an individual whose lobbying activities con-  
4 stitute less than 20 percent of the time engaged in  
5 the services provided by such individual to that cli-  
6 ent over a six month period.

7 (11) MEDIA ORGANIZATION.—The term “media  
8 organization” means a person or entity engaged in  
9 disseminating information to the general public  
10 through a newspaper, magazine, other publication,  
11 radio, television, cable television, or other medium of  
12 mass communication.

13 (12) MEMBER OF CONGRESS.—The term  
14 “Member of Congress” means a Senator or a Rep-  
15 resentative in, or Delegate or Resident Commis-  
16 sioner to, the Congress.

17 (13) ORGANIZATION.—The term “organization”  
18 means a person or entity other than an individual.

19 (14) PERSON OR ENTITY.—The term “person  
20 or entity” means any individual, corporation, com-  
21 pany, foundation, association, labor organization,  
22 firm, partnership, society, joint stock company,  
23 group of organizations, or State or local government.

1           (15) PUBLIC OFFICIAL.—The term “public offi-  
2           cial” means any elected official, appointed official, or  
3           employee of—

4                   (A) a Federal, State, or local unit of gov-  
5                   ernment in the United States other than—

6                           (i) a college or university;

7                           (ii) a government-sponsored enterprise  
8                           (as defined in section 3(8) of the Congres-  
9                           sional Budget and Impoundment Control  
10                          Act of 1974);

11                          (iii) a public utility that provides gas,  
12                          electricity, water, or communications;

13                          (iv) a guaranty agency (as defined in  
14                          section 435(j) of the Higher Education Act  
15                          of 1965 (20 U.S.C. 1085(j))), including  
16                          any affiliate of such an agency; or

17                          (v) an agency of any State functioning  
18                          as a student loan secondary market pursu-  
19                          ant to section 435(d)(1)(F) of the Higher  
20                          Education Act of 1965 (20 U.S.C.  
21                          1085(d)(1)(F));

22                   (B) a Government corporation (as defined  
23                   in section 9101 of title 31, United States  
24                   Code);

1 (C) an organization of State or local elect-  
2 ed or appointed officials other than officials of  
3 an entity described in clause (i), (ii), (iii), (iv),  
4 or (v) of subparagraph (A);

5 (D) an Indian tribe (as defined in section  
6 4(e) of the Indian Self-Determination and Edu-  
7 cation Assistance Act (25 U.S.C. 450b(e));

8 (E) a national or State political party or  
9 any organizational unit thereof; or

10 (F) a national, regional, or local unit of  
11 any foreign government.

12 (16) STATE.—The term “State” means each of  
13 the several States, the District of Columbia, and any  
14 commonwealth, territory, or possession of the United  
15 States.

16 **SEC. 4. REGISTRATION OF LOBBYISTS.**

17 (a) REGISTRATION.—

18 (1) GENERAL RULE.—No later than 45 days  
19 after a lobbyist first makes a lobbying contact or is  
20 employed or retained to make a lobbying contact,  
21 whichever is earlier, such lobbyist (or, as provided  
22 under paragraph (2), the organization employing  
23 such lobbyist), shall register with the Secretary of  
24 the Senate and the Clerk of the House of Represent-  
25 atives.

1           (2) EMPLOYER FILING.—Any organization that  
2           has 1 or more employees who are lobbyists shall file  
3           a single registration under this section on behalf of  
4           such employees for each client on whose behalf the  
5           employees act as lobbyists.

6           (3) EXEMPTION.—

7           (A) GENERAL RULE.—Notwithstanding  
8           paragraphs (1) and (2), a person or entity  
9           whose—

10                   (i) total income for matters related to  
11                   lobbying activities on behalf of a particular  
12                   client (in the case of a lobbying firm) does  
13                   not exceed and is not expected to exceed  
14                   \$5,000; or

15                   (ii) total expenses in connection with  
16                   lobbying activities (in the case of an orga-  
17                   nization whose employees engage in lobby-  
18                   ing activities on its own behalf) do not ex-  
19                   ceed or are not expected to exceed  
20                   \$20,000,

21           (as estimated under section 5) in the semi-  
22           annual period described in section 5(a) during  
23           which the registration would be made is not re-  
24           quired to register under subsection (a) with re-  
25           spect to such client.

1 (B) ADJUSTMENT.—The dollar amounts in  
2 subparagraph (A) shall be adjusted—

3 (i) on January 1, 1997, to reflect  
4 changes in the Consumer Price Index (as  
5 determined by the Secretary of Labor)  
6 since the date of enactment of this Act;  
7 and

8 (ii) on January 1 of each fourth year  
9 occurring after January 1, 1997, to reflect  
10 changes in the Consumer Price Index (as  
11 determined by the Secretary of Labor)  
12 during the preceding 4-year period,

13 rounded to the nearest \$500.

14 (b) CONTENTS OF REGISTRATION.—Each registra-  
15 tion under this section shall contain—

16 (1) the name, address, business telephone num-  
17 ber, and principal place of business of the registrant,  
18 and a general description of its business or activi-  
19 ties;

20 (2) the name, address, and principal place of  
21 business of the registrant's client, and a general de-  
22 scription of its business or activities (if different  
23 from paragraph (1));

1           (3) the name, address, and principal place of  
2 business of any organization, other than the client,  
3 that—

4                   (A) contributes more than \$10,000 toward  
5 the lobbying activities of the registrant in a  
6 semiannual period described in section 5(a);  
7 and

8                   (B) in whole or in major part plans, super-  
9 vises, or controls such lobbying activities.

10           (4) the name, address, principal place of busi-  
11 ness, amount of any contribution of more than  
12 \$10,000 to the lobbying activities of the registrant,  
13 and approximate percentage of equitable ownership  
14 in the client (if any) of any foreign entity that—

15                   (A) holds at least 20 percent equitable  
16 ownership in the client or any organization  
17 identified under paragraph (3);

18                   (B) directly or indirectly, in whole or in  
19 major part, plans, supervises, controls, directs,  
20 finances, or subsidizes the activities of the cli-  
21 ent or any organization identified under para-  
22 graph (3); or

23                   (C) is an affiliate of the client or any orga-  
24 nization identified under paragraph (3) and has

1 a direct interest in the outcome of the lobbying  
2 activity;

3 (5) a statement of—

4 (A) the general issue areas in which the  
5 registrant expects to engage in lobbying activi-  
6 ties on behalf of the client; and

7 (B) to the extent practicable, specific is-  
8 sues that have (as of the date of the registra-  
9 tion) already been addressed or are likely to be  
10 addressed in lobbying activities; and

11 (6) the name of each employee of the registrant  
12 who has acted or whom the registrant expects to act  
13 as a lobbyist on behalf of the client and, if any such  
14 employee has served as a covered executive branch  
15 official or a covered legislative branch official in the  
16 2 years before the date on which such employee first  
17 acted (after the date of enactment of this Act) as a  
18 lobbyist on behalf of the client, the position in which  
19 such employee served.

20 (c) GUIDELINES FOR REGISTRATION.—

21 (1) MULTIPLE CLIENTS.—In the case of a reg-  
22 istrant making lobbying contacts on behalf of more  
23 than 1 client, a separate registration under this sec-  
24 tion shall be filed for each such client.

1           (2) MULTIPLE CONTACTS.—A registrant who  
2           makes more than 1 lobbying contact for the same  
3           client shall file a single registration covering all such  
4           lobbying contacts.

5           (d) TERMINATION OF REGISTRATION.—A registrant  
6           who after registration—

7           (1) is no longer employed or retained by a cli-  
8           ent to conduct lobbying activities, and

9           (2) does not anticipate any additional lobbying  
10          activities for such client,

11          may so notify the Secretary of the Senate and the Clerk  
12          of the House of Representatives and terminate its reg-  
13          istration.

14          **SEC. 5. REPORTS BY REGISTERED LOBBYISTS.**

15          (a) SEMIANNUAL REPORT.—No later than 45 days  
16          after the end of the semiannual period beginning on the  
17          first day of each January and the first day of July of each  
18          year in which a registrant is registered under section 4,  
19          each registrant shall file a report with the Secretary of  
20          the Senate and the Clerk of the House of Representatives  
21          on its lobbying activities during such semiannual period.  
22          A separate report shall be filed for each client of the reg-  
23          istrant.

24          (b) CONTENTS OF REPORT.—Each semiannual re-  
25          port filed under subsection (a) shall contain—

1           (1) the name of the registrant, the name of the  
2           client, and any changes or updates to the informa-  
3           tion provided in the initial registration;

4           (2) for each general issue area in which the reg-  
5           istrant engaged in lobbying activities on behalf of  
6           the client during the semiannual filing period—

7                   (A) a list of the specific issues upon which  
8                   a lobbyist employed by the registrant engaged  
9                   in lobbying activities, including, to the maxi-  
10                  mum extent practicable, a list of bill numbers  
11                  and references to specific executive branch  
12                  actions;

13                  (B) a statement of the Houses of Congress  
14                  and the Federal agencies contacted by lobbyists  
15                  employed by the registrant on behalf of the  
16                  client;

17                  (C) a list of the employees of the registrant  
18                  who acted as lobbyists on behalf of the client;  
19                  and

20                  (D) a description of the interest, if any, of  
21                  any foreign entity identified under section  
22                  4(b)(4) in the specific issues listed under sub-  
23                  paragraph (A).

24           (3) in the case of a lobbying firm, a good faith  
25           estimate of the total amount of all income from the

1 client (including any payments to the registrant by  
2 any other person for lobbying activities on behalf of  
3 the client) during the semiannual period, other than  
4 income for matters that are unrelated to lobbying  
5 activities; and

6 (4) in the case of a registrant engaged in lobby-  
7 ing activities on its own behalf, a good faith estimate  
8 of the total expenses that the registrant and its em-  
9 ployees incurred in connection with lobbying activi-  
10 ties during the semiannual filing period.

11 (c) ESTIMATES OF INCOME OR EXPENSES.—For pur-  
12 poses of this section, estimates of income or expenses shall  
13 be made as follows:

14 (1) Estimates of amounts in excess of \$10,000  
15 shall be rounded to the nearest \$20,000.

16 (2) In the event income or expenses do not ex-  
17 ceed \$10,000, the registrant shall include a state-  
18 ment that income or expenses totaled less than  
19 \$10,000 for the reporting period.

20 (3) A registrant that reports lobbying expendi-  
21 tures pursuant to section 6033(b)(8) of the Internal  
22 Revenue Code of 1986 may satisfy the requirement  
23 to report income or expenses by filing with the Sec-  
24 retary of the Senate and the Clerk of the House of

1 Representatives a copy of the form filed in accord-  
2 ance with section 6033(b)(8).

3 **SEC. 6. DISCLOSURE AND ENFORCEMENT.**

4 The Secretary of the Senate and the Clerk of the  
5 House of Representatives shall—

6 (1) provide guidance and assistance on the reg-  
7 istration and reporting requirements of this Act and  
8 develop common standards, rules, and procedures for  
9 compliance with this Act;

10 (2) review, and, where necessary, verify and in-  
11 quire to ensure the accuracy, completeness, and  
12 timeliness of registration and reports;

13 (3) develop filing, coding, and cross-indexing  
14 systems to carry out the purpose of this Act, includ-  
15 ing—

16 (A) a publicly available list of all registered  
17 lobbyists, lobbying firms, and their clients; and

18 (B) computerized systems designed to min-  
19 imize the burden of filing and maximize public  
20 access to materials filed under this Act;

21 (4) make available for public inspection and  
22 copying at reasonable times the registrations and re-  
23 ports filed under this Act;

1           (5) retain registrations for a period of at least  
2           6 years after they are terminated and reports for a  
3           period of at least 6 years after they are filed;

4           (6) compile and summarize, with respect to  
5           each semiannual period, the information contained  
6           in registrations and reports filed with respect to  
7           such period in a clear and complete manner;

8           (7) notify any lobbyist or lobbying firm in writ-  
9           ing that may be in noncompliance with this Act; and

10          (8) notify the United States Attorney for the  
11          District of Columbia that a lobbyist or lobbying firm  
12          may be in noncompliance with this Act, if the reg-  
13          istrant has been notified in writing and has failed to  
14          provide an appropriate response within 60 days after  
15          notice was given under paragraph (6).

16 **SEC. 7. PENALTIES.**

17          Whoever knowingly fails to—

18               (1) remedy a defective filing within 60 days  
19               after notice of such a defect by the Secretary of the  
20               Senate or the Clerk of the House of Representatives;  
21               or

22               (2) comply with any other provision of this Act;  
23               shall, upon proof of such knowing violation by a pre-  
24               ponderance of the evidence, be subject to a civil fine

1 of not more than \$50,000, depending on the extent  
2 and gravity of the violation.

3 **SEC. 8. RULES OF CONSTRUCTION.**

4 (a) CONSTITUTIONAL RIGHTS.—Nothing in this Act  
5 shall be construed to prohibit or interfere with—

6 (1) the right to petition the government for the  
7 redress of grievances;

8 (2) the right to express a personal opinion; or

9 (3) the right of association,

10 protected by the first amendment to the Constitution.

11 (b) PROHIBITION OF ACTIVITIES.—Nothing in this  
12 Act shall be construed to prohibit, or to authorize any  
13 court to prohibit, lobbying activities or lobbying contacts  
14 by any person or entity, regardless of whether such person  
15 or entity is in compliance with the requirements of this  
16 Act.

17 (c) AUDIT AND INVESTIGATIONS.—Nothing in this  
18 Act shall be construed to grant general audit or investiga-  
19 tive authority to the Secretary of the Senate or the Clerk  
20 of the House of Representatives.

21 **SEC. 9. AMENDMENTS TO THE FOREIGN AGENTS REG-**  
22 **ISTRATION ACT.**

23 The Foreign Agents Registration Act of 1938 (22  
24 U.S.C. 611 et seq.) is amended—

25 (1) in section 1—

1 (A) by striking subsection (j);

2 (B) in subsection (o) by striking “the dis-  
3 semination of political propaganda and any  
4 other activity which the person engaging therein  
5 believes will, or which he intends to, prevail  
6 upon, indoctrinate, convert, induce, persuade,  
7 or in any other way influence” and inserting  
8 “any activity that the person engaging in be-  
9 lieves will, or that the person intends to, in any  
10 way influence”;

11 (C) in subsection (p) by striking the semi-  
12 colon and inserting a period; and

13 (D) by striking subsection (q);

14 (2) in section 3(g) (22 U.S.C. 613(g)), by strik-  
15 ing “established agency proceedings, whether formal  
16 or informal.” and inserting “judicial proceedings,  
17 criminal or civil law enforcement inquiries, investiga-  
18 tions, or proceedings, or agency proceedings required  
19 by statute or regulation to be conducted on the  
20 record.”;

21 (3) in section 3 (22 U.S.C. 613) by adding at  
22 the end the following:

23 “(h) Any agent of a person described in section  
24 1(b)(2) or an entity described in section 1(b)(3) if the  
25 agent is required to register and does register under the

1 Lobbying Disclosure Act of 1995 in connection with the  
2 agent’s representation of such person or entity.”;

3 (4) in section 4(a) (22 U.S.C. 614(a))—

4 (A) by striking “political propaganda” and  
5 inserting “informational materials”; and

6 (B) by striking “and a statement, duly  
7 signed by or on behalf of such an agent, setting  
8 forth full information as to the places, times,  
9 and extent of such transmittal”;

10 (5) in section 4(b) (22 U.S.C. 614(b))—

11 (A) in the matter preceding clause (i), by  
12 striking “political propaganda” and inserting  
13 “informational materials”; and

14 (B) by striking “(i) in the form of prints,  
15 or” and all that follows through the end of the  
16 subsection and inserting “without placing in  
17 such informational materials a conspicuous  
18 statement that the materials are distributed by  
19 the agent on behalf of the foreign principal, and  
20 that additional information is on file with the  
21 Department of Justice, Washington, District of  
22 Columbia. The Attorney General may by rule  
23 define what constitutes a conspicuous statement  
24 for the purposes of this subsection.”;

1 (6) in section 4(c) (22 U.S.C. 614(c)), by strik-  
2 ing “political propaganda” and inserting “informa-  
3 tional materials”;

4 (7) in section 6 (22 U.S.C. 616)—

5 (A) in subsection (a) by striking “and all  
6 statements concerning the distribution of politi-  
7 cal propaganda”;

8 (B) in subsection (b) by striking “, and  
9 one copy of every item of political propaganda”;  
10 and

11 (C) in subsection (c) by striking “copies of  
12 political propaganda,”;

13 (8) in section 8 (22 U.S.C. 618)—

14 (A) in subsection (a)(2) by striking “or in  
15 any statement under section 4(a) hereof con-  
16 cerning the distribution of political propa-  
17 ganda”; and

18 (B) by striking subsection (d); and

19 (9) in section 11 (22 U.S.C. 621) by striking  
20 “, including the nature, sources, and content of po-  
21 litical propaganda disseminated or distributed”.

22 **SEC. 10. AMENDMENTS TO THE BYRD AMENDMENT.**

23 (a) REVISED CERTIFICATION REQUIREMENTS.—Sec-  
24 tion 1352(b) of title 31, United States Code, is amended—

1 (1) in paragraph (2) by striking subparagraphs  
2 (A), (B), and (C) and inserting the following:

3 “(A) the name of any registrant under the  
4 Lobbying Disclosure Act of 1995 who has made  
5 lobbying contacts on behalf of the person with  
6 respect to that Federal contract, grant, loan, or  
7 cooperative agreement; and

8 “(B) a certification that the person making  
9 the declaration has not made, and will not  
10 make, any payment prohibited by subsection  
11 (a).”;

12 (2) in paragraph (3) by striking all that follows  
13 “loan shall contain” and inserting “the name of any  
14 registrant under the Lobbying Disclosure Act of  
15 1995 who has made lobbying contacts on behalf of  
16 the person in connection with that loan insurance or  
17 guarantee.”; and

18 (3) by striking paragraph (6) and redesignating  
19 paragraph (7) as paragraph (6).

20 (b) REMOVAL OF OBSOLETE REPORTING REQUIRE-  
21 MENT.—Section 1352 of title 31, United States Code, is  
22 further amended—

23 (1) by striking subsection (d); and

1           (2) by redesignating subsections (e), (f), (g),  
2           and (h) as subsections (d), (e), (f), and (g), respec-  
3           tively.

4 **SEC. 11. REPEAL OF CERTAIN LOBBYING PROVISIONS.**

5           (a) REPEAL OF THE FEDERAL REGULATION OF LOB-  
6 BYING ACT.—The Federal Regulation of Lobbying Act (2  
7 U.S.C. 261 et seq.) is repealed.

8           (b) REPEAL OF PROVISIONS RELATING TO HOUSING  
9 LOBBYIST ACTIVITIES.—

10           (1) Section 13 of the Department of Housing  
11           and Urban Development Act (42 U.S.C. 3537b) is  
12           repealed.

13           (2) Section 536(d) of the Housing Act of 1949  
14           (42 U.S.C. 1490p(d)) is repealed.

15 **SEC. 12. CONFORMING AMENDMENTS TO OTHER STATUTES.**

16           (a) AMENDMENT TO COMPETITIVENESS POLICY  
17 COUNCIL ACT.—Section 5206(e) of the Competitiveness  
18 Policy Council Act (15 U.S.C. 4804(e)) is amended by in-  
19 serting “or a lobbyist for a foreign entity (as the terms  
20 ‘lobbyist’ and ‘foreign entity’ are defined under section 3  
21 of the Lobbying Disclosure Act of 1995)” after “an agent  
22 for a foreign principal”.

23           (b) AMENDMENTS TO TITLE 18, UNITED STATES  
24 CODE.—Section 219(a) of title 18, United States Code,  
25 is amended—



1 ficial shall, on the request of the official at the time of  
2 the lobbying contact—

3 (1) state whether the person or entity is reg-  
4 istered under this Act and identify the client on  
5 whose behalf the lobbying contact is made; and

6 (2) state whether such client is a foreign entity  
7 and identify any foreign entity required to be dis-  
8 closed under section 4(b)(4) that has a direct inter-  
9 est in the outcome of the lobbying activity.

10 (b) WRITTEN LOBBYING CONTACTS.—Any person or  
11 entity registered under this Act that makes a written lob-  
12 bing contact (including an electronic communication)  
13 with a covered legislative branch official or a covered exec-  
14 utive branch official shall—

15 (1) if the client on whose behalf the lobbying  
16 contact was made is a foreign entity, identify such  
17 client, state that the client is considered a foreign  
18 entity under this Act, and state whether the person  
19 making the lobbying contact is registered on behalf  
20 of that client under section 4; and

21 (2) identify any other foreign entity identified  
22 pursuant to section 4(b)(4) that has a direct interest  
23 in the outcome of the lobbying activity.

24 (c) IDENTIFICATION AS COVERED OFFICIAL.—Upon  
25 request by a person or entity making a lobbying contact,

1 the individual who is contacted or the office employing  
2 that individual shall indicate whether or not the individual  
3 is a covered legislative branch official or a covered execu-  
4 tive branch official.

5 **SEC. 15. ESTIMATES BASED ON TAX REPORTING SYSTEM.**

6 (a) ENTITIES COVERED BY SECTION 6033(b) OF THE  
7 INTERNAL REVENUE CODE OF 1986.—A registrant that  
8 is required to report and does report lobbying expenditures  
9 pursuant to section 6033(b)(8) of the Internal Revenue  
10 Code of 1986 may—

11 (1) make a good faith estimate (by category of  
12 dollar value) of applicable amounts that would be re-  
13 quired to be disclosed under such section for the ap-  
14 propriate semiannual period to meet the require-  
15 ments of sections 4(a)(3), 5(a)(2), and 5(b)(4); and

16 (2) in lieu of using the definition of “lobbying  
17 activities” in section 3(8) of this Act, consider as  
18 lobbying activities only those activities that are influ-  
19 encing legislation as defined in section 4911(d) of  
20 the Internal Revenue Code of 1986.

21 (b) ENTITIES COVERED BY SECTION 162(e) OF THE  
22 INTERNAL REVENUE CODE OF 1986.—A registrant that  
23 is subject to section 162(e) of the Internal Revenue Code  
24 of 1986 may—

1           (1) make a good faith estimate (by category of  
2           dollar value) of applicable amounts that would not  
3           be deductible pursuant to such section for the appro-  
4           priate semiannual period to meet the requirements  
5           of sections 4(a)(3), 5(a)(2), and 5(b)(4); and

6           (2) in lieu of using the definition of “lobbying  
7           activities” in section 3(8) of this Act, consider as  
8           lobbying activities only those activities, the costs of  
9           which are not deductible pursuant to section 162(e)  
10          of the Internal Revenue Code of 1986.

11          (c) DISCLOSURE OF ESTIMATE.—Any registrant that  
12          elects to make estimates required by this Act under the  
13          procedures authorized by subsection (a) or (b) for report-  
14          ing or threshold purposes shall—

15                (1) inform the Secretary of the Senate and the  
16                Clerk of the House of Representatives that the reg-  
17                istrant has elected to make its estimates under such  
18                procedures; and

19                (2) make all such estimates, in a given calendar  
20                year, under such procedures.

21          (d) STUDY.—Not later than March 31, 1997, the  
22          Comptroller General of the United States shall review re-  
23          porting by registrants under subsections (a) and (b) and  
24          report to the Congress—

1           (1) the differences between the definition of  
2           “lobbying activities” in section 3(8) and the defini-  
3           tions of “lobbying expenditures”, “influencing legis-  
4           lation”, and related terms in sections 162(e) and  
5           4911 of the Internal Revenue Code of 1986, as each  
6           are implemented by regulations;

7           (2) the impact that any such differences may  
8           have on filing and reporting under this Act pursuant  
9           to this subsection; and

10           (3) any changes to this Act or to the appro-  
11           priate sections of the Internal Revenue Code of 1986  
12           that the Comptroller General may recommend to  
13           harmonize the definitions.

14 **SEC. 16. REPEAL OF THE RAMSPECK ACT.**

15           (a) REPEAL.—Subsection (c) of section 3304 of title  
16 5, United States Code, is repealed.

17           (b) REDESIGNATION.—Subsection (d) of section 3304  
18 of title 5, United States Code, is redesignated as sub-  
19 section (c).

20           (c) EFFECTIVE DATE.—The repeal and amendment  
21 made by this section shall take effect 2 years after the  
22 date of the enactment of this Act.

1 **SEC. 17. EXCEPTED SERVICE AND OTHER EXPERIENCE**  
2 **CONSIDERATIONS FOR COMPETITIVE SERV-**  
3 **ICE APPOINTMENTS.**

4 (a) **IN GENERAL.**—Section 3304 of title 5, United  
5 States Code (as amended by section 2 of this Act) is fur-  
6 ther amended by adding at the end thereof the following  
7 new subsection:

8 “(d) The Office of Personnel Management shall pro-  
9 mulgate regulations on the manner and extent that experi-  
10 ence of an individual in a position other than the competi-  
11 tive service, such as the excepted service (as defined under  
12 section 2103) in the legislative or judicial branch, or in  
13 any private or nonprofit enterprise, may be considered in  
14 making appointments to a position in the competitive serv-  
15 ice (as defined under section 2102). In promulgating such  
16 regulations OPM shall not grant any preference based on  
17 the fact of service in the legislative or judicial branch. The  
18 regulations shall be consistent with the principles of equi-  
19 table competition and merit based appointments.”.

20 (b) **EFFECTIVE DATE.**—The amendment made by  
21 this section shall take effect 2 years after the date of the  
22 enactment of this Act, except the Office of Personnel Man-  
23 agement shall—

24 (1) conduct a study on excepted service consid-  
25 erations for competitive service appointments relat-  
26 ing to such amendment; and

1           (2) take all necessary actions for the regula-  
2           tions described under such amendment to take effect  
3           as final regulations on the effective date of this sec-  
4           tion.

5   **SEC. 18. EXEMPT ORGANIZATIONS.**

6           An organization described in section 501(c)(4) of the  
7   Internal Revenue Code of 1986 which engages in lobbying  
8   activities shall not be eligible for the receipt of Federal  
9   funds constituting an award, grant, contract, loan, or any  
10   other form.

11   **SEC. 19. AMENDMENT TO THE FOREIGN AGENTS REGISTRA-**  
12                           **TION ACT (PUBLIC LAW 75-583).**

13           Strike section 11 of the Foreign Agents Registration  
14   Act of 1938, as amended, and insert in lieu thereof the  
15   following:

16           “SECTION 11. REPORTS TO THE CONGRESS.—The  
17   Attorney General shall every six months report to the Con-  
18   gress concerning administration of this Act, including reg-  
19   istrations filed pursuant to the Act, and the nature,  
20   sources and content of political propaganda disseminated  
21   and distributed.”.

22   **SEC. 20. DISCLOSURE OF THE VALUE OF ASSETS UNDER**  
23                           **THE ETHICS IN GOVERNMENT ACT OF 1978.**

24           (a) INCOME.—Section 102(a)(1)(B) of the Ethics in  
25   Government Act of 1978 is amended—

1 (1) in clause (vii) by striking “or”; and

2 (2) by striking clause (viii) and inserting the  
3 following:

4 “(viii) greater than \$1,000,000 but not  
5 more than \$5,000,000, or

6 “(ix) greater than \$5,000,000.”.

7 (b) ASSETS AND LIABILITIES.—Section 102(d)(1) of  
8 the Ethics in Government Act of 1978 is amended—

9 (1) in subparagraph (F) by striking “and”; and

10 (2) by striking subparagraph (G) and inserting  
11 the following:

12 “(G) greater than \$1,000,000 but not  
13 more than \$5,000,000;

14 “(H) greater than \$5,000,000 but not  
15 more than \$25,000,000;

16 “(I) greater than \$25,000,000 but not  
17 more than \$50,000,000; and

18 “(J) greater than \$50,000,000.”.

19 (c) EXCEPTION.—Section 102(e)(1) of the Ethics in  
20 Government Act of 1978 is amended by adding after sub-  
21 paragraph (E) the following:

22 “(F) For purposes of this section, cat-  
23 egories with amounts or values greater than  
24 \$1,000,000 set forth in sections 102(a)(1)(B)  
25 and 102(d)(1) shall apply to the income, assets,

1 or liabilities of spouses and dependent children  
2 only if the income, assets, or liabilities are held  
3 jointly with the reporting individual. All other  
4 income, assets, or liabilities of the spouse or de-  
5 pendent children required to be reported under  
6 this section in an amount or value greater than  
7 \$1,000,000 shall be categorized only as an  
8 amount or value greater than \$1,000,000.”.

9 **SEC. 21. BAN ON TRADE REPRESENTATIVE REPRESENTING**  
10 **OR ADVISING FOREIGN ENTITIES.**

11 (a) REPRESENTING AFTER SERVICE.—Section  
12 207(f)(2) of title 18, United States Code, is amended by—

13 (1) inserting “or Deputy United States Trade  
14 Representative” after “is the United States Trade  
15 Representative”; and

16 (2) striking “within 3 years” and inserting “at  
17 any time”.

18 (b) LIMITATION ON APPOINTMENT AS UNITED  
19 STATES TRADE REPRESENTATIVE AND DEPUTY UNITED  
20 STATES TRADE REPRESENTATIVE.—Section 141(b) of the  
21 Trade Act of 1974 (19 U.S.C. 2171(b)) is amended by  
22 adding at the end the following new paragraph:

23 “(3) LIMITATION ON APPOINTMENTS.—A per-  
24 son who has directly represented, aided, or advised  
25 a foreign entity (as defined by section 207(f)(3) of

1 title 18, United States Code) in any trade negotia-  
2 tion, or trade dispute, with the United States may  
3 not be appointed as United States Trade Represent-  
4 ative or as a Deputy United States Trade Rep-  
5 resentative.”.

6 (c) EFFECTIVE DATE.—The amendments made by  
7 this section shall apply with respect to an individual ap-  
8 pointed as United States Trade Representative or as a  
9 Deputy United States Trade Representative on or after  
10 the date of enactment of this Act.

11 **SEC. 22. FINANCIAL DISCLOSURE OF INTEREST IN QUALI-**  
12 **FIED BLIND TRUST.**

13 (a) IN GENERAL.—Section 102(a) of the Ethics in  
14 Government Act of 1978 is amended by adding at the end  
15 thereof the following:

16 “(8) The category of the total cash value of any  
17 interest of the reporting individual in a qualified  
18 blind trust, unless the trust instrument was executed  
19 prior to July 24, 1995 and precludes the beneficiary  
20 from receiving information on the total cash value of  
21 any interest in the qualified blind trust.”.

22 (b) CONFORMING AMENDMENT.—Section 102(d)(1)  
23 of the Ethics in Government Act of 1978 is amended by  
24 striking “and (5)” and inserting “(5), and (8)”.

25 (c) EFFECTIVE DATE.—

1           (1) IN GENERAL.—Except as provided in para-  
2 graph (2), the amendment made by this section shall  
3 apply with respect to reports filed under title I of  
4 the Ethics in Government Act of 1978 for calendar  
5 year 1996 and thereafter.

6 **SEC. 23. SENSE OF THE SENATE THAT LOBBYING EXPENSES**  
7 **SHOULD REMAIN NONDEDUCTIBLE.**

8           (a) FINDINGS.—The Senate finds that ordinary  
9 Americans generally are not allowed to deduct the costs  
10 of communicating with their elected representatives.

11          (b) SENSE OF THE SENATE.—It is the sense of the  
12 Senate that lobbying expenses should not be tax deduct-  
13 ible.

14 **SEC. 24. EFFECTIVE DATES.**

15          (a) Except as otherwise provided in this section, this  
16 Act and the amendments made by this Act shall take ef-  
17 fect on January 1, 1996.

18          (b) The repeals and amendments made under sec-  
19 tions 13, 14, 15, and 16 shall take effect as provided  
20 under subsection (a), except that such repeals and amend-  
21 ments—

22               (1) shall not affect any proceeding or suit com-  
23 menced before the effective date under subsection  
24 (a), and in all such proceedings or suits, proceedings  
25 shall be had, appeals taken, and judgments rendered

1 in the same manner and with the same effect as if  
2 this Act had not been enacted; and

3 (2) shall not affect the requirements of Federal  
4 agencies to compile, publish, and retain information  
5 filed or received before the effective date of such re-  
6 peals and amendments.

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