



Ethics & Lobbying Reform

Claire McCaskill's 15-Point Plan To Make Sure Washington Works For *US*

Missourians would be hard-pressed to name another multi-billion dollar industry that operates in the shadows of our government and has a greater influence on legislation and public policy than the lobbying industry. While the *Washington Post* reports that the number of D.C.-based lobbyists has doubled since President Bush was elected, there is no real measure of how their influence has grown. For far too long, this industry has been allowed to operate in virtual secrecy, relying on Congress' fear of its own exposure. The current scandal engulfing the culture of corruption in Washington is only the most recent example of how corrupt the corridors of power have become. Congress must take immediate action to reform the ethics process, strengthen existing rules, and find innovative new ways to return the faith of the American people that their legislators do, in fact, work for *them*.

As Missouri State Auditor, Claire McCaskill serves as an independent watchdog for Missouri's taxpayers, rooting out waste, fraud, and abuse to ensure that citizens are receiving the government they deserve. Building on her work in the Auditor's office, McCaskill believes that regular Missourians deserve an honest accounting of the ways in which this industry seeks to influence their legislators and their lives. In order to bring these activities into the light of day and hold our elected officials accountable for their actions, Claire combined her own principles with ideas from pro-reform groups and existing legislative ideas to develop this 15-point plan to remind our elected officials who they work for and bring openness and accountability back to the decisions they make. The McCaskill Ethics & Lobbying Reform Plan will:

- **Create an Independent Ethics Commission**
- **Ban all gifts and travel paid for by lobbyists**
- **Increase disclosure and improve reporting by lobbyists**
- **Break the link between Congressional service and lobbying influence**
- **Shut down “pay-to-play” schemes like the “K Street Project”**

Create an Independent Ethics Commission

For too long, Washington has relied upon an outdated notion of peer review when it comes to ethics rules. The fox is guarding the henhouse. As Auditor, Claire McCaskill exposed Missouri's woeful monitoring of lobbyist activities in an audit of the Missouri

Ethics Commission. In the audit, she criticized the commission for not making public lobbyist information as easy to read and research as other states.

She chided the commission for not penalizing lobbyists who did not file -- or filed late -- their required monthly expenditure reports. In addition, although the commission is charged with auditing lobbyist reports, McCaskill's team found no routine audits occurred unless someone complained. Building on her work as Auditor and her belief that accountability and transparency are vital components of the system in which lobbyists operate, she believes we need a fair, firm process that ensures Members live by their own rules. The McCaskill plan directs the Rules Committee to create an Independent Ethics Commission designed to be the nerve center for all lobbying and ethics related issues. The Commission should be empowered with auditory and investigative powers, and all findings will be presented to the ethics committees in Congress and the Department of Justice. In addition to serving as a watchdog, this commission will play several key roles in making sure that ethics laws governing the Capitol remain up to date and enforceable.

The commission will:

- **Regularly Review Current Ethics Rules.** The last meaningful ethics reform was passed almost a decade ago. The Commission should appoint a bi-partisan committee to review the ethics laws in place. This Committee will form once every two years to review existing ethics laws and procedures, including: processes by which complaints are filed; transparency; enforcement; what more needs to be done to keep up with technology.
- **Conduct Random Auditing of Lobbying Reports.** This Commission will also be empowered to conduct random audits of lobbying reports and subsequently publish a list of filers who submitted late or incomplete reports, or failed to report.
- **Require Ethics Training.** The Commission will also determine a process whereby all Congressional employees complete annual ethics training. Members will be required to complete two days of training every four years.

Ban All Gifts and Travel Claire McCaskill believes that when lawmakers make decisions affecting all Missourians, those decisions should be based on serving our needs, not those of a lobbyist seeking to advance a special interest agenda. For too long, Congress has granted only lip service to the gift ban which restricts the value of gifts and entertainment members and their staffs can accept from lobbyists. That's why the McCaskill Plan will:

Stop Privately-Funded Travel for Legislators and their Staffs. Travel gifts often take lobbyists to inappropriate destinations, including opulent resorts and luxury hotels. Because these gifts are privately financed, the public is often unaware of them. Elected officials should allow their travel to be publicly financed. The transparency of public funding will cut down on unnecessary trips.

Stop Member-Lobbyist Gift Giving. Registered lobbyists should be barred from giving gifts to members of Congress and their staffs. Members and their staffs should also be barred from accepting gifts from registered lobbyists. The current limit of \$50 gifts from a single source encourages lobbyists to establish gift-giving relationships with legislators and should be eliminated.

Increase Disclosure and Improve Reporting by Lobbyists

Greater transparency is needed in the lobbying process. Currently, lobbying reports are filed with the Clerk of the House and Secretary of the Senate, two offices that lack the enforcement power necessary to ensure that reports are filed on time and accurately. They were only meant to serve as clearinghouses for the filings. This plan shifts these duties and new powers to the newly created Independent Ethics Commission as a way of building the trust of the American people that these contacts and activities take place in the light of day, giving them a more accurate view of the role lobbying plays in public policy and legislative decisions. The McCaskill plan will:

- **Move Responsibility of Tracking Lobbyists Disclosures to Independent Ethics Commission.** Move the responsibility for receiving and accounting for lobby disclosure forms from the Clerk of the House and Secretary of the Senate to the newly created Independent Ethics Commission. This new office should also be given the authority to enforce the Lobby Disclosure Act, and to make lobby reports publicly available.
- **Increase the Number of Reporting Periods.** We must ensure the timely release of information by requiring lobbying disclosures to be filed quarterly rather than semi-annually. Lobbyists must now only file disclosure reports twice a year. By the time lobbyists file a report, they could influence legislation that is passed and signed into law with the public knowing nothing about their involvement.
- **Make Lobbyist Disclosure Reports Available Online and Easier to Read.** Mandate electronic filing of quarterly lobby disclosure reports, available online and searchable, with a sortable database that lets the public know the name of the lobbyists, the official who was lobbied, and what specific legislation was discussed. Lobbyists should be required to report every substantive conversation they have with a Member of Congress. They should disclose the date and issue area discussed in each conversation.
- **Real-Time Electronic Disclosure: Establish A “48-Hour Rule.”** By requiring lobbyists to report contact with Members of Congress within 48 hours, the lobbying business will be subject to greater oversight and accountability. Transparency of contact between lobbyists and Members and their staffs will allow the public to understand the flow of money in Washington.

Break the Link Between Congressional Service and Lobbying Influence

Under current rules, former Members have too much influence in Congress and more time is needed to assure that no one is "repaid" for work done while still in Congress. The McCaskill Plan would take the following steps to address these issues:

- **Expand The Definition Of Lobbying.** Expand the definition of lobbying to include providing strategic advice on legislation, Members of Congress, and the legislative process. Currently, Members are now allowed to plan lobbying strategy and indirectly lobby their former colleagues. The only difference is that they don't go to the meetings. Expanding the definition of lobbying will capture those Members of Congress who join lobbying/law firms and who do not register as lobbyists.
- **Break the Revolving Door.** Our elected officials should not look at their time spent representing us as a stepping stone to more lucrative world of lobbying. This plan would extend the moratorium on taking jobs as lobbyists for members of Congress and seniors from one year to five years, removing the temptation for Members to use their elected jobs as currency for their next job.
- **Strip Special Privileges for Members-turned-Lobbyists.** Lobbyists should not be allowed to have special privileges in Washington. Currently, they are allowed access to the floor, dining room, and gymnasium.
- **Disclose Negotiation Of Future Employment.** Require Members to report negotiation of future employment with any corporation, organization or other entity that has legislative issues pending before Congress. At the very least, the public ought to know when a Member of Congress or congressional staffers are discussing future jobs with the very special interests they are supposed to oversee.
- **Prohibit Lobbyists From Taking Campaign Positions With Members.** Lobbyists like Jack Abramoff raise campaign funds to position themselves as power brokers with elected officials. Lobbyists commonly become fundraisers and use their connections to drag money into their candidate's coffers. The Center for Public Integrity cited that 79 Members of congress named lobbyists to serve as treasurers of their campaign committees.

Shut Down "Pay-To-Play" Schemes Like the "K Street Project"

The "K Street Project" is an effort spearheaded by Tom DeLay and Jack Abramoff to influence the hiring decisions of trade associations and lobbying firms in order to give jobs to loyal Members and their staffs once they left their jobs on Capitol Hill.

According to the *Washington Post*, the number of DC lobbyists has doubled since President Bush's election, and activities like the "K Street Project" help ensure that these jobs are filled by loyal Republicans. For example, a 2003 *Washington Post* article reported that an RNC official bragged "that 33 of 36 top-level Washington positions he is monitoring went to Republicans." The "Project" regularly met to decide who trade associations and lobbying firms should hire. According to reports, firms that refuse to comply are punished.

In August of 2006, the *Wall Street Journal* reported that Republicans were upset that the Motion Picture Association of America hired Democrat Dan Glickman to head the group and that they retaliated by removing movie industry tax breaks from a tax bill before the Congress. In 2002, the Senate Ethics Committee sent a letter to all senators warning that the conduct of the "K Street Project" could be a violation of Senate ethics rules. However, as in what is unfortunately an all too common occurrence, the Ethics Committee has done nothing to put teeth behind that warning.

- **Prohibit "Pay-to-Play" Schemes.** The "K Street Project" is an appalling abuse of power. Members of Congress and their staff should be prohibited from using threats or coercion to influence the hiring decisions of lobbying firms, interest groups, or other private entities.

Paid for by McCaskill for Missouri