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2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5074
FACSIMILE (202) 225-3974
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October 22, 2004

The Honorable William H. Frist, M.D.,
United States Senate Majority Leader
461 Dirksen Senate Office Building
Washington, DC 20510

The Honorable J. Dennis Hastert
Speaker of the House of Representatives
235 Cannon House Office Building
Washington, DC 20515

Dear Senator Frist and Mr. Speaker:

I am writing to urge you to reject any effort to use the 9/11 legislation now in conference as a vehicle for undermining financial disclosure requirements for members of Congress and senior Administration officials.

Under the Ethics in Government Act, members of Congress and senior Administration officials must fill out annual financial disclosure reports listing the value of their assets. There are ten asset categories, beginning at \$1,000 and ending at \$50 million and above. These financial disclosure requirements serve an essential good-government purpose. They allow the public to judge potential conflicts of interest and to assess how proposed legislative changes, such as the elimination of taxes on dividends or estates, would affect members and Administration officials.

The House-passed bill (H.R. 10) undermined these reporting requirements for a narrow class of extremely wealthy officials. Section 5043 of the bill provided that national security officials and nominees for national security positions would no longer have to disclose the value of any assets over \$2.5 million. Specifically, it repealed the requirement under existing law that these officials report assets over \$5 million, \$25 million, and \$50 million. The primary justification provided for this change was that it was too burdensome for wealthy officials to comply with the reporting requirements.

This provision is unwise, and Democratic members sought unsuccessfully to strike it from the House bill. But now there is a danger that it will be expanded.

The Honorable William H. Frist, M.D.
The Honorable J. Dennis Hastert
October 22, 2004
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I have learned that there may be an effort to use the 9/11 conference to extend section 5043 to cover members of Congress and senior Administration officials throughout the executive branch. This cynical effort to exempt members and high-ranking officials from financial disclosure requirements should be categorically rejected.

This Congress has had an abysmal record on ethical issues. At the beginning of the Congress, House Republicans overturned the ban on all-expense-paid trips sponsored by charities, and they relaxed the gift ban to allow lobbyists to spend more money on meals for members and staff. The end of the session saw the Republican majority leader receive unprecedented admonishments for attempted bribes, improper fundraising, and using federal resources to advance partisan objectives.

We should not compound this regrettable record by a last-minute effort to use the 9/11 legislation to repeal financial disclosure requirements.

Sincerely,

A handwritten signature in black ink that reads "Henry A. Waxman". The signature is written in a cursive, slightly slanted style.

Henry A. Waxman
Ranking Minority Member