



OFFICE OF THE CHAIRMAN

FEDERAL ELECTION COMMISSION
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AGENDA ITEM
For Meeting of: 05-13-04

SUBMITTED LATE

MEMORANDUM

To: The Commission
From: Chairman Bradley A. Smith *BAS*
Date: May 10, 2004
Re: Senator McCain's Comments from the Congressional Record

Senator McCain requested that his comments from the Senate floor on April 28, 2004 regarding the FEC's hearing on § 527 groups be added to the record for the Rulemaking on Political Committee Status. However, the request was denied because the period for comments had closed on April 9, 2004. As a courtesy to Senator McCain, I would like to submit his comments for the record.

Mr. President, 300 Republicans stood over on the steps of the Capitol in late September 1994 and said: No money, no mandates. If we break our promise, throw us out.

I thought we were the party on this side of the aisle of no Federal unfunded mandates. That was a big movement back then. Everybody got fired up about it. I heard it. I was running around the country trying to offer myself for higher office, which the people rejected. I know the great Contract with America was no more unfunded mandates. I remember Senator Dole saying when he was majority leader the first act on the part of the Senate was no more unfunded mandates. In fact, this unfunded mandate might be so large that according to CBO's letter to us, they cannot calculate how much it will be, although they know it is enough to make it an unfunded Federal mandate.

Why would we do that? Why don't we do what Texas did? Texas did a very direct thing. They said the first \$25 you pay every month is exempt from State and local taxes. It could be \$30, it could be \$35, it could be \$40. Then we won't have any argument about definition. We would not have to worry about whether we were subsidizing companies instead of consumers, and we would actually be giving a benefit to the individual American—maybe there will be 100 million of them 1 day—who subscribe to high-speed Internet access, and we say no State and local taxes at all, none on you.

The States have asked us to do that, and we have not done it. I don't know why. That also is an unfunded mandate, but it is not much money. The way we are doing it is a lot of money. It is at least hundreds of millions of State dollars a year, and the way this latest bill is written, it could be billions a year of State and local revenues.

I thought the National Governors Association letter was thoughtful and respectful and acknowledged the hard work all sides have done on this issue. That is why it is such a hard issue, maybe, because it ought to be easy. It ought to be a small amount of money and a fairly simple issue. But it has been written into a complex issue with the possibility that it might run a Mack truck through State and local budgets.

The National Governors Association yesterday suggested the proposal by the Senator from Arizona falls short of their hope of balancing the interests of State sovereignty and State responsibility with the desire for keeping high-speed Internet access free of excessive taxation. They talked about the specific issues I suggested in my letter to the chairman earlier this week and that formed the basis for amendments I have filed.

One, the definition. Instead of using the definition of the original moratorium in 1996, the one we all agreed to in 1996 and 2000, instead of saying let's do

that permanently or do that again, they have cooked up a new definition. This definition is the one that runs the risk of costing State and local governments so much. That is one.

Second, the language—and this may be inadvertent and if it is, maybe I can ask the Senator from Arizona if there is a way we can agree on how to fix it. If we agree we do not intend to keep States from continuing to collect State and local taxes on telephone services, even telephone calls made over the Internet, then we ought to get that issue off the table, and surely we can find somebody who can write that in a sentence to which we can all agree.

Then there is the term. I applaud the leadership of those Senators on the Commerce Committee who want to address this issue. I think if we go 4 years, which is better than permanent, but if we go 3 or 4 years, we run the risk of freezing into the law provisions that will be much harder for the Commerce Committee and the full Senate to change. Then there is the question of the so-called grandfather act which allows States already collecting taxes to keep doing that.

Those are all the issues we have here. One is the definition, one is telephone, one is term, and one is grandfather. That is tantalizingly close, it would seem to me, but the one that makes the most difference is the definition, which means for the first time, States will not be allowed to apply business taxes to the high-speed Internet industry in the same way they normally would other businesses for the first time. They are not collecting these taxes.

The other issue is the language, we believe, in the latest draft and certainly the language in the House bill runs the substantial risk of over time costing the States up to \$10 billion a year in sales taxes, and the House bill another \$7 billion in business taxes now collected on telephone services.

I do not want to overstate that point. That is not going to happen tomorrow. It is going to gradually happen as telephone calls are made over the Internet.

So that would be my hope since we have narrowed it down to that, and one of them may not be an issue at all, but that is pretty close. I do not know much more that I can say about it except—well, I can say a whole lot more about it. I have stacks of stuff and I will be glad to stick around and talk about it if anybody wants to. I do have the hearing I am expected to chair at 3, but I would say to the distinguished chairman from Arizona that I hope he understands I am not persisting in this just for the purpose of being obstinate. I feel very deeply, from my background as Governor, that it is important for us to respect the ability of State and local governments to fund their programs.

Since I left the Governor's office in Tennessee in 1987, Federal funding for education has gone from 50 cents out of every dollar to 40 cents. Most of that has gone to higher education. Our

chances for job growth and a high standard of living depend to a great extent on the ability of State and local governments to properly fund colleges and universities and create schools our children can attend.

Any time we take away resources from State and local governments, that does not sound like the Republican Party. President Reagan was giving resources to State and local governments. President Eisenhower was giving resources to State and local governments. Last year, we sent a welfare check to State and local governments of \$20 billion, and this year we are talking about taking back up to at least \$10 billion a year. That is my objection.

We could have a separate debate about whether the subsidy is warranted and, if it is, well, we could pay for it from here. But surely we would not send the bill to State and local governments.

THE PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I look forward to discussions with the Senator from Tennessee and the Senator from Delaware. As they know, we have a meeting with Secretary Rumsfeld in 407 in about 20 minutes, and we are going to go back on the bill at 4. I would be glad to have discussions. Meanwhile, I hope there would be some amendments proposed by the opponents of the legislation, and we could dispose of them as we did yesterday with the Senator from Texas, who came forward with an amendment and we debated it. Unfortunately, neither the Senator from Tennessee, nor the Senator from Delaware, nor the Senator from Ohio have chosen to do so.

Usually, I like to do business by amendments, debates, and votes. That is the way we usually like to move forward legislatively.

I look forward to that opportunity and also engaging in any discussions which the Senator would like. I want to assure him I am very confident in the sincerity of his views on this issue and his commitment to the issue. I understand his background as a very successful Governor of the great State of Tennessee which gives him a perspective for which I am greatly appreciative.

We are still in morning business?

THE PRESIDING OFFICER. The Senator is correct.

Mr. MCCAIN. I ask unanimous consent that I be allowed to finish my statement, which I hope will be done by 2:55. If not, I ask unanimous consent to finish my complete statement.

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

THE FEDERAL ELECTION COMMISSION CHAIRMAN MUST GO

Mr. MCCAIN. Mr. President, I was in Arizona recently, and by chance I watched C-SPAN airing the Federal Election Commission hearing on the issue of 527s. Let me assure my colleagues, it was both eye-opening and appalling.

Once in a while, we have a public debate in Washington that serves as a perfect metaphor for the cynical way in which business is sometimes done here. The argument over whether and when the Federal Election Commission should regulate new soft money fundraising groups provides us with one of those moments. In it, we can see how badly our election watchdog has served the public and the urgent need to fix it.

The Chairman of the Federal Election Commission, Bradley Smith, claims apparently some moral superiority on the issue of 527s because as a Republican he stands in opposition to the Republican Party's effort to ensure 527 groups comply with the law. While some may look upon his views as principles, I can only conclude that they again illustrate the same unfitness to serve on the Federal Election Commission he has shown since he was appointed 5 years ago.

Despite claims that his contempt for the Federal elections laws was merely that of an academic commentator and that he would uphold the laws as passed by Congress if confirmed, Mr. Smith has made no secret since arriving at the FEC of his disdain for the Federal Election Campaign Act of 1974, as well as the Bipartisan Campaign Reform Act of 2002. He has done so once again in the pending rulemaking.

Even after the Supreme Court decision in *McConnell v. FEC*, Mr. Smith has gone out of his way to criticize the Court's decision and the law he is supposed to enforce. In one public speech he said:

Now and then the Supreme Court issues a decision that cries out to the public, "We do not know what we are doing." *McConnell* is such a decision.

Further evidence of Mr. Smith's predilection can be found in an article in the May 3 edition of *National Review* in which he writes:

Campaign reform passed Congress and was upheld by the Supreme Court because groups hostile to freedom spent hundreds of millions of dollars to create an intellectual climate in which free political participation was viewed as a threat to democracy.

This is perhaps the most inflammatory and inappropriate comment I have ever seen by an individual who is supposed to be enforcing existing law, affirmed in its constitutionality by the Supreme Court of the United States of America. To assert that proreform groups had somehow brainwashed Congress and the Supreme Court is simply pathetic and solidifies my belief that Mr. Smith cannot administer our campaign finance laws in good faith because he is incapable of putting his sworn duties above his personal opinion.

By the way, his treatment of Mr. Nobel, a witness before the FEC, was as bullying and as cowardly as I have ever seen anyone conduct themselves in our Nation's Capital and clearly was an abuse of his authority as Chairman of the Commission.

Mr. Smith's views on the constitutionality of the Nation's campaign fi-

nance laws have been repeatedly rejected by the Supreme Court. Mr. Smith was dead wrong in his views that the Federal Election Campaign Act and its restrictions on contributions were unconstitutional, and Mr. Smith was dead wrong in his views that BCRA was unconstitutional. Mr. Smith seems to be incapable of accepting the fact that the Supreme Court of the United States, not Mr. Smith, is the last word on the constitutionality of campaign laws and that it is his job as an FEC Commissioner to carry out, not thwart, the Supreme Court's mandate.

I do not deny that Mr. Smith is entitled to his personal views on the issue of regulating 527s. I am saying, however, that he is failing to fulfill his duties as the chairman of a Federal agency and one who is sworn to uphold and enforce the law. Just as we would not tolerate the appointment of a pacifist to be Chairman of the Joint Chiefs of Staff or the Director of the FBI who believes the whole Penal Code should be null and void, so we should not accept a Chairman of the FEC who opposes campaign laws upheld as constitutional by the U.S. Supreme Court.

Knowing of his opposition to the laws he was sworn to uphold, I cannot fathom why Mr. Smith would have even accepted his current position in the first place, certainly now that the Supreme Court has proven him wrong and upheld the constitutionality of a law that he stated was "clearly unconstitutional." It makes no sense. It makes no sense for him to be charged with enforcing a law he so publicly opposes on policy and legal grounds.

I know if I were in Mr. Smith's shoes, I would do the honorable thing and resign if I was so determined to carry on a crusade against Federal regulation of campaign finance. I would leave the FEC position to be filled by someone who believed in the job.

If any of my colleagues think I am exaggerating about these FEC hearings, by the way, they should get a tape from C-SPAN and look at it themselves. It was shocking.

One very troubling aspect of the hearings was the way in which some Commissioners and antireform witnesses joined in a chorus of complaint that "no one knew what Congress intended to do" when it passed FECA in 1974 and BCRA in 2002.

One witness testified that it took Congress 7 years to figure out what to do about soft money. I am somewhat amazed by such a statement because anyone who was in Washington during those 7 years knows that the main component of our bill—from the very beginning—was a ban on soft money. You can't get much more definitive than a ban. What did take 7 years was convincing our opponents to allow a vote on the measure, and when we finally got our vote, we had clear majorities in both Houses.

Some of the lawyers who testified that no one knows what Congress in-

tended to do in these bills were the very same lawyers who spent years urging Members to vote against BCRA, and argued its unconstitutionality before the Supreme Court. Give me a break. As witnesses to Congressional intent, they have zero credibility. Let me be clear on this: Senator FEINGOLD and I repeatedly told the FEC exactly what we intended to accomplish with our legislation, and the legislative history of FECA from 1974 is equally as clear. The only confusion in this area has been with the FEC itself and those Commissioners who just simply didn't like the actions taken by Congress.

The Commission's hearings centered on the issue of regulation of so-called "527 groups" that are raising and spending millions of dollars in soft money in the current presidential election. These groups readily admit that their intended purpose is to influence the outcome of Federal elections. FECA has long required these groups to register as Federal political committees and comply with Federal campaign finance limits. Unfortunately, because the FEC has misinterpreted and undermined the law, we find ourselves in this unenforced regulatory limbo today. The 1974 law requires that any group with a "major purpose" of influencing a Federal election, and which spends more than \$1,000 doing so, must use the same limited hard money contributions as the political parties and the candidates themselves. In recent years though, the FEC slouched into the feckless and unjustified position of not enforcing the law in the case of groups which avoided the "magic words" of "express advocacy" but were set up and operated to influence Federal elections. Then, in *McConnell*, the Supreme Court itself made clear what many of us already knew—that the Constitution did not require an "express advocacy" standard, and that such a standard is "functionally meaningless." That's the words of The United States Supreme Court.

But here we are, with these groups openly flouting the law and openly spending soft money for the express purpose of influencing the presidential election while the FEC sits on its hands once again. Like the emperor with no clothes, those Commissioners just do not know what to do now that the Supreme Court has removed their "express advocacy is required by the Constitution" rationale for failing to regulate political activity by the 527 political organizations. As a result, these organizations remain busy soliciting and spending millions for the avowed purpose of influencing Federal elections.

That the FEC's lack of action undermines the law isn't just my opinion. The Supreme Court confirmed this in its recent decision upholding the soft money ban. In *McConnell v. FEC*, the Supreme Court stated, in no uncertain terms, how we ended up in the soft money crisis to begin with. The Justices placed the blame squarely at the

doors of the FEC, concluding that the agency had eroded the prohibitions on union and corporate spending, and the limits on individual contributions through years of bad rulings and rulemakings, including its formulas for allocation of party expenses between Federal and non-Federal accounts. Regarding the allocation regulations for parties, the Supreme Court stated in *McConnell* that the FEC had "subverted" the law, issued regulations that "permitted more than Congress had ever intended", and "invited widespread circumvention of FECA's limits on contributions." That is a damning indictment of the behavior and performance of the Federal Election Commission.

Based on the recent hearings, it seems entirely possible that the FEC will once again abdicate its statutory responsibilities and refuse to end this new soft money scheme—or at least put off any action until the Presidential election is over. In fact, FEC Vice-chair Ellen Weintraub recently opposed a rulemaking on 527 activity saying that:

At this stage in the election cycle, it is unprecedented for the FEC to contemplate changes to the very definitions of terms as fundamental as "expenditure" and "political committee" . . . sowing uncertainty during an election year.

Ms. Weintraub further stated:

I will not be rushed to make hasty decisions, with far-reaching implications, at the behest of those who see in our hurried action their short-term political gain.

Ms. Weintraub has no business looking at the election calendar. That is none of her business. What is her business is to enforce existing law according to the law in the U.S. Supreme Court upholding its constitutionality. It should not matter to Ms. Weintraub whether we are in an even numbered year, an odd numbered year, fall, spring, winter, or summer. This is an incredible statement, as to how politics affects a Federal commission that is supposed to rule on laws, not on political campaigns.

Of course, it is not that complicated. All the FEC needs to do now is simply enforce existing Federal law as written by Congress in 1974 and interpreted by the Supreme Court in a number of cases, including the *McConnell* case. It defies the whole purpose of the FEC, to say it should not properly enforce the law in the middle of an election year because such enforcement might affect that election. We want the law enforced. I have never heard of a regulatory agency that has any reference whatsoever to political campaigns.

The fact the FEC has neglected to properly enforce the law correctly in the past is not a reason or justification for the Commission to continue failing to properly enforce the law, now that the Supreme Court has made clear the FEC was wrong. If the FEC fails to act now, the FEC will simply be treading the same destructive path it has followed for a generation.

We know systemic campaign finance abuses have usually begun when one political party decides to push the envelope and the FEC declines to act, leading the other party to adopt the same illegal tactics. In 1988, one party invented the use of soft money to promote their Presidential campaign, evading campaign finance rules. The Commission let them get away with this. This is well documented. The other party followed.

In 1996, the soft money scheme was raised to an art form and the Commission did nothing. You have to ask whether the Commission has learned anything about the consequences of its failure to properly enforce the law. History proves it is imperative that the Commission act now. If it does not, we can rest assured both parties will soon be trying to out-raise each other in this venue, and a whole new soft money scheme will have blossomed.

By the way, the reality is if these soft money 527s are allowed to stand—they are now, we know, largely funded by Democrats. Who in the world doesn't understand if you allow this to stand, then the Republicans will do the same thing, and understandably so? Just as in 1988 one party was allowed to do it, so the other party was able to as well.

Much of the controversy at the Commission has been ginned up by an artfully crafted misinformation campaign designed to persuade the nonprofit community—the 501(c)s—that any FEC action to rein in 527s would have the unintended consequence of limiting their own advocacy efforts. It is true certain campaign finance rules for spending by nonprofits are different than they are for political groups like 527s. There is no immediate campaign finance regulatory problem with the 501(c) groups. I repeat, there is no immediate campaign finance regulatory problem with the 501(c) groups as there is with the 527 groups, and no need—no need to address 501(c) groups in this rulemaking.

Some have suggested the agency do what Congress did when it passed BCRA: Issue a ruling but make the change effective after the election.

What these critics fail to recognize, however, is that Congress was creating an entirely new set of election rules in BCRA. All that is required here is for the FEC to properly enforce law that has been on the books for 30 years, and to abandon its wrong interpretations of the law as made clear in the *McConnell* decision. To issue new regulations now and make them effective after the 2004 election would be for the FEC to say that "we know the law has been wrongly interpreted for years but we are going to allow that to continue for the rest of this year, and then next year, we will start interpreting that law correctly." This is simply not rational and it is an abdication of their responsibilities.

Finally, it is essential that the FEC act quickly to fix its absurd allocation

rules, which govern the mix of soft and hard money a political committee can spend when it is supporting both State and Federal candidates. It is clear that a number of the current crop of 527s exist only to defeat President Bush. But through the absurd FEC allocation formulas, if these same entities also claim to be working in state elections, they could use soft money for 98 percent of their expenditures—a complete end-run around the soft money ban in Federal races.

Despite all the evidence, I am still hopeful the Commissioners will summon the political will to do the right thing now. There are some commissioners who want to do the right thing. I want them to step forward and do it. But even if they do, the agency's structural problems will be the same as they ever were. By unfortunate custom, three Republicans and three Democrats are chosen by their party leadership, usually with the express purpose of protecting their party's interests, rather than enforcing the law. It takes four votes for the Commission to take action—a requirement that has been a recipe for deadlock and bipartisan collusion and gave birth to the soft money problem we're trying to put behind us.

Last month I testified before the Senate Rules Committee on the issue of 527s. During my testimony I stated that one of the problems the FEC faces today is that some Commissioners, and in particular Chairman Smith, refuse to accept the Supreme Court's conclusions in the area of campaign financing. A decision by the FEC to abdicate its responsibility at this politically inconvenient moment will only provide further evidence that it is time to start over. If the Commission has become too hopelessly politicized to do its job, then we must replace it with an agency that will.

The FEC's current difficulty in dealing with an issue as straightforward as these 527 organizations spending soft money to influence the 2004 Federal elections, and the 3-3 ties at the Commission when it recently considered an advisory opinion on this issue, are only the most recent examples of the need for fundamental FEC reform. With my fellow BCRA sponsors, I have introduced legislation that would scrap the FEC and start over, using a new organizational structure and administrative law judges to avoid deadlocks and take some of the politics out of the process. Whether we adopt this or some other basic reform, it is time for a watchdog with some bite.

I thank the President for his patience as I ran over the previously agreed-to time.

This is a very serious issue. We are not going to give up on it. We didn't work for 7 years to get campaign finance reform done and upheld by the U.S. Supreme Court to have a group of six people down there who are so politicized that they refuse to enforce a law which was passed by this Congress in overwhelming numbers, finally, and upheld by the U.S. Supreme Court.

I want to tell them and all of those other people I watched on OSPAN who are trying to undermine this law that we will not let you get away with it. American politics and the political process is too sacred for me to allow these stooges of special interests around this town to prevail and prevent us from restoring faith and confidence in the American people and their electoral system.

Again, I appreciate the patience of the Presiding Officer.

I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 4 p.m.

Thereupon, the Senate, at 3:04 p.m., recessed until 4 p.m. and reassembled when called to order by the Presiding Officer (Mr. CORNYN).

INTERNET TAX NONDISCRIMINATION ACT

The PRESIDING OFFICER. The Senate will resume consideration of S. 150. Mr. REID. 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. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ANOTHER WEEK, ANOTHER CLOTURE VOTE

Mr. BYRD. Mr. President, our country is facing record budget and trade deficits. We are in a war of our President's choosing that is not, to put it mildly, going as well as had been expected. Millions of Americans are without health care and millions more worry about the security of their jobs.

These are troubled times and many issues clamor for the attention of the Senate. Yet what is the response of the Senate, the world's greatest deliberative body? Are we debating strategies to quell the violence in Iraq and bring our soldiers home? No. Are we considering plans to shore up Social Security and Medicare? No. Is the Senate deliberating on how to make America's workforce more competitive? No. Is the Senate grappling with reauthorizing welfare reform or the highway bill? No.

This great deliberative body which was forged by the Founding Fathers in the Great Compromise of July 16, 1787, has become a factory that manufactures sound-bite votes that make great fodder for 30-second political ads but which do very little to address the many challenges facing this country. If this continues, I fear that the Senate will be little more than an insignificant arm of the political parties, and we may as well lower the flag that flies over this Capitol and wave the white flag of surrender in its place.

Have we lost the will to legislate? Is the current leadership afraid to allow the Senate to work its will? The Republican leadership seems to feel that their slim majority gives them a blank check to impose their exclusive agenda. Let me be clear. It does not. The Senate, by its very existence, embodies a core tenet in American democracy; namely, the principle that the minority—the minority, the Democrats as of now, the minority—has rights. The Republican leadership is fast making the committee process a thing of the past. Furthermore, the leadership has done everything in its power to prevent Democratic Senators from getting votes on their amendments.

The United States is faced with a trade deficit that has mushroomed to an all-time high for the third year in a row. Adding to that unfortunate situation, in August 2002, the World Trade Organization authorized the European Union to impose up to \$4 billion in trade sanctions against the United States if provisions of the Tax Code were not repealed. How about that?

The distinguished Republican leader brought up the Foreign Sales Corporation legislation to address this situation only after the sanctions were in place. After votes on only two amendments, the majority wanted to shut down the amendment process—shut it down. Many reasons were given, but the truth is that they did not want to vote on an amendment dealing with overtime rules for American workers. Yes, the American workers. While American companies are losing their competitive edge, the "my way or the highway" approach of the leadership has delayed a final resolution on this bill.

In the past, cloture was a rarely used procedural tool. When I came to this Senate, it was rarely used—only once in a while. Not so today. Cloture is routinely filed in an attempt to limit non-germane amendments. Instead of the phrase, "another day, another dollar," the Senate operates in an atmosphere of "another week, another cloture vote."

Last November, we had three cloture votes in one day. What great hopes the leadership must have had for the first two votes to schedule three in a row. How can such a move be seen as anything more than political scorekeeping?

This Senate has spent an extraordinary amount of time and energy and effort on President Bush's judicial nominees. In fact, last November the Senate set aside the VA-HUD appropriations bill to hold an overnight marathon stunt—something to watch indeed, something to watch. What a sham. The majority actually set aside substantive legislation to conduct a circus—a circus—on the floor of the Senate.

The VA-HUD appropriations bill was never completed. Instead, it was rolled into the Omnibus appropriations bill, as has become the unfortunate custom

in recent years. We have had 17 cloture votes on 6 controversial and problematic nominees. The response of the Republican leadership and the administration has not been to address the fundamental underlying concerns raised by various Senators. Oh, no, no negotiation. Instead, they choose the course of holding cloture vote after cloture vote and then bash Democratic Senators as obstructionist. And just for good measure, the President, who has had 96 percent of his judges confirmed, moved two of these divisive nominees on to the bench in recess appointments.

Now, I do not pretend that the conflict over judicial nominees began in this Senate or with the President, but I will state that this Senate leadership and this President have worked in concert to further politicize the process by which we select members of the judiciary.

And it is not just with judicial nominees that the Republican leadership is doing the White House's bidding. The Republican leadership is controlled by this White House—controlled by this White House. Rather than have a legislative branch which drafts a bill and then sends it to the President to sign or veto, this Republican leadership in the Senate and in the House has allowed this President to control both ends of Pennsylvania Avenue.

During the conference on the Omnibus appropriations bill, the Republican majority allowed this White House to assert itself and put in provisions that had been rejected by one or both Houses. Specifically, the provision to allow increased concentration of media ownership had been rejected by both the House and the Senate. However, it was included in the bill at the behest of the White House. Shameful. Yes, shameful.

The House and the Senate were both on record as opposing overtime regulations proposed by the Bush administration. Nevertheless, at the urging of the Bush White House, language to block implementation of these regulations was dropped from the conference report—dropped from the conference report.

Another example of allowing the Bush White House to dictate the legislation produced by the Congress is the highway bill. Here is a bill that is important to every State and every person in the Union. Every Senator's State will benefit from this bill. The transportation bills passed the House and the Senate by wide bipartisan majorities, majorities that could easily override a veto. Yet we are stalled because the Bush White House is demanding that the cost of the highway bill be significantly lower than what was passed by both Houses of Congress.

This White House, under the Bush administration, has threatened a veto if the cost of the bill is over its chosen number. What is meant by "its"? Under the White House's chosen number: Big daddy down at the White House, big daddy.