

AMENDING THE RULES OF THE HOUSE OF
REPRESENTATIVES TO PROVIDE FOR GIFT REFORM

NOVEMBER 14, 1995.—Referred to the House Calendar and ordered to be printed

Mr. SOLOMON, from the Committee on Rules,
submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H. Res. 250]

The Committee on Rules, to whom was referred the resolution (H. Res. 250) to amend the Rules of the House of Representatives to provide for gift reform, having considered the same, report favorably thereon with amendments and recommend that the resolution as amended be adopted.

The amendments (stated in terms of the page and line numbers of the introduced resolution) are as follows:

Page 1, line 3, strike “LI” and insert “LII”.

Page 2, line 1, strike “LI” and insert “LII”.

Page 3, line 20, insert “lawful” before “contribution” and beginning in line 21 strike “limited as prescribed by section 301(8)(B) of such Act,”.

Page 4, line 2, strike “5” and insert “16”.

Page 5, line 14, insert “transportation,” before “and”.

Page 9, line 9, strike “solely”.

Page 10, beginning in line 17, strike “an” and all that follows through line 18 and insert “the event.”.

Page 11, line 15, strike “an individual” and insert “a private source”.

Page 17, line 19, insert “, other than as otherwise provided by law,” before “if”.

PURPOSE OF THE RESOLUTION

The purpose of this resolution is to enhance, in a bipartisan fashion, public trust in the institution of Congress by limiting, through rules of the House, the acceptance of gifts, meals and travel by Members, officers and employees of the House of Representatives.

SUMMARY OF THE RESOLUTION

The resolution substitutes gift provisions for obsolete provisions of rule LII of the Rules of the House of Representatives (Application of Certain Laws) and supersedes clause 4 of House Rule XLIII (the House gift rule). It prohibits a House Member, officer or employee from knowingly accepting a gift (including meals and entertainment) which he or she reasonably and in good faith believes to have a value of \$50 or more and a cumulative value from one source during a calendar year of \$100 or more. (Currently, Members, officers and employees of the House and their spouses and dependents are allowed to accept gifts totaling up to \$250 from any one person in a calendar year, but gifts under \$100 are exempt from the aggregate). No gift with a value below \$10 shall count toward the \$100 annual limit.

The resolution provides exceptions for gifts from family members and close personal friends, but requires a waiver from the Committee on Standards of Official Conduct for any gift exceeding \$250 from a close personal friend. Exceptions are also provided for a series of items, including those of nominal value, informational materials, awards or prizes, training, inheritances, personal hospitality, plaques or trophies, and food or refreshments not part of a meal.

Reimbursed travel expenses to events that are substantially recreational (including charity events) are prohibited under the resolution. Also prohibited are the acceptance of contributions from lobbyists to legal defense funds or charities maintained or controlled by Members, officers or employees of the House, as well as acceptance of free recreational activities collateral to an event unless all attendees have access.

Reimbursed travel expenses to events in connection with official duties are permitted under the resolution if paid by a person other than a registered lobbyist or agent of a foreign government. The resolution also permits the current practice of designating or recommending contributions to charities in lieu of honoraria to Members, officers and employees of the House, but requires disclosure of such designations or recommendations to the Clerk of the House within 30 days if the charitable contribution is provided by lobbyists.

The resolution also: requires prior authorization for travel by staff; requires disclosure for travel by Members and staff within 30 days; provides for enforcement by the Committee on Standards of Official Conduct; provides for acceptance of gifts to the House by the Committee on House Oversight; and becomes effective January 1, 1996.

COMMITTEE CONSIDERATION

H. Res. 250 was introduced in the House of Representatives on October 30, 1995. On Wednesday, November 1, 1995, the Commit-

tee held a briefing on the resolution for Committee Members and staff. On Thursday, November 2, 1995, the Committee held a public hearing on H. Res. 250 in which Members of the House provided testimony on the resolution. Testimony was provided by Hon. Enid Waldholtz of Utah (sponsor of the resolution), Hon. Christopher Shays of Connecticut, Hon. Thomas Barrett of Wisconsin, Hon. Dan Burton of Indiana, Hon. Bill Brewster of Oklahoma, Hon. George Miller of California, Hon. John Bryant of Texas, Hon. Vic Fazio of California, Hon. Rosa DeLauro of Connecticut, Hon. Scott Klug of Wisconsin, and Hon. Mike Castle of Delaware. Written testimony was also submitted by Hon. Peter Hoekstra of Michigan.

A second public hearing on H. Res. 250, which included outside witnesses, was held on Tuesday, November 7. Testimony was provided by Hon. Nancy Johnson of Connecticut, Chairman of the Committee on Standards of Official Conduct; Dr. Thomas Mann, Director of the Government Studies Program at the Brookings Institution; Mr. David Mason, Vice President of Government Relations for the Heritage Foundation; Dr. James Thurber, Director of the Center for Congressional and Presidential Studies of American University; Ms. Joan Claybrook, President of Public Citizen; Ms. Ann McBride, President of Common Cause; Mr. Wright Andrews, President of the American League of Lobbyists; and Mr. Richard Brown, Founder and Chairman Emeritus of the Leukemia Research Fund.

At the November 7 hearing, the Committee also received the following letter from the chairman and ranking minority member of the Committee on Standards of Official Conduct recommending improvements in the resolution:

COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT,
Washington, DC, November 7, 1995.

Hon. GERALD B.H. SOLOMON,
*Chairman, Committee on Rules,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: Thank you for the opportunity to comment on H. Res. 250, a proposal to amend the House gift rule. The goals of this resolution are laudable, and we commend the sponsors for their efforts. As chairman and ranking member of the Committee charged with enforcing the gift rule, we hope that the House can adopt a rule that establishes clear, comprehensible guidelines which affirm the commitment of all Members to uphold the highest ethical standards. Toward that end, we have the following suggestions, based on discussions within the Committee, which we feel will add to the clarity and enforceability of the rule, without delaying its implementation. Although we have couched our suggestions as recommendations for changing the language of the rule, some of these issues could be equally well addressed through clarifying report language.

First, while the Committee would not wish to impose onerous or time-consuming recordkeeping requirements, neither would we wish to discourage Members from keeping track of the gifts that they receive. Indeed, we believe that unless each Member adopts a system for doing so, the rule will be impossible to comply with

or to enforce. Currently, the gift rule is silent on the subject of recordkeeping and the Committee informally advises Members to keep track. We believe that strikes the appropriate balance. Thus, we recommend deleting the last sentence of paragraph 1(a)(2) on page 2 of H. Res. 250 (lines 12–15).

Second, it would be unfair and unnecessary to hold Members accountable for the acceptance of gifts by persons outside their households. Thus, we recommend substituting “spouse or dependent child” for “family member” on page 2, line 23, and deleting “or a gift to any other individual based on that individual’s relationship with the Member, officer, or employee,” on page 2, line 24–page 3, line 1.

Third, we believe that all lawful contributions towards state or local campaigns should be exempt, just as contributions for federal campaigns are. Thus, we recommend adding the word “lawful” before “contribution” on page 3, line 20, and deleting “limited as prescribed by section 301(8)(B) of such Act” on lines 21–22.

Fourth, since the acceptance of training is limited not only by the gift rule, but by Rule 45 (precluding private subsidies of congressional operations), we recommend adding at the end of the sentence concluding on page 7, line 10, “and is approved by the Committee on Standards of Official Conduct.”

Fifth, the Committee believes the rule gives no guidance, nor can we, as to when it would or would not be “appropriate to assist in the representation of the House” to accept expenses for an accompanying family member of other individual when a Member or employee participates at a widely-attended event or a speaking engagement, fact-finding or similar event in connection with one’s duties as an officeholder. We believe that it is generally appropriate to accept an unsolicited offer from a sponsor to cover the costs of one accompanying individual, as is permitted under the current House rule. Therefore, we recommend striking the words “if” through “Representatives” on page 10, lines 9–12, and the words “subject” through “Representatives” on page 14, lines 17–23.

Sixth, it is the consensus of the Committee that Members should not have greater latitude to raise funds for the non-charitable entities organized under section 501(c)(4) of the Tax Code than they have for the charitable entities organized under section 501(c)(3). Therefore, we recommend either that you delete paragraph (b) at lines 9–17 of page 15, or that you add an analogous provision deeming contributions to entities organized under section 501(c)(4) of the Tax Code by lobbyists at the recommendation of Members, officers, or employees to be prohibited gifts.

Seventh, exception 16, exempting “anything which is paid for by the Federal Government, by a State or local government, or secured by the Government under a Government contract” is considerably broader than the current gift rule exception for “food, lodging, transportation, and entertainment provided on an official basis by Federal, state, and local governments or political subdivisions thereof.” There does not appear to be any need to expand this exemption; thus, we recommend a return to the current language.

Finally, we recommend the following technical amendments, which we believe to be the result of drafting errors, to effectuate what we believe to be the real intent behind the various provisions.

On page 4, line 2: substitute section "109(16)" for "109(5)."

On page 5, line 14: add "transportation," after "lodging" (this would conform with the executive branch rule).

On page 9, line 9: delete the word "solely" (which suggests that the recipient could not keep the commemorative item).

On page 11, line 15: substitute "a person" or "a private source" for "an individual" (as written, the provision suggests that associations, foundations, corporations and other entities could no longer fund travel).

We hope that you will accept these suggestions in the spirit in which they are being offered, not as reasons to abandon or postpone gift reform, but as ideas for fine-tuning a commendable proposal. Thank you again for the opportunity to comment.

Sincerely,

NANCY L. JOHNSON,
Chairman.

JIM McDERMOTT,
Ranking Democratic Member.

On Tuesday, November 14, the Committee met to mark up H. Res. 250. The Committee favorably reported H. Res. 250 as amended by the Committee by a nonrecord vote. During the markup 9 amendments to H. Res. 250 were agreed to.

BACKGROUND

Prior to January 1, 1990, Members, officers and employees of the House of Representatives were prohibited from accepting gifts from persons with a direct interest in legislation. This prohibition was contained in clause 4 (gift rule) of House Rule XLIII (Code of Official Conduct). However, this rule was considered to be impractical and unworkable.

On November 30, 1989, President Bush signed into law the Ethics Reform Act of 1989 (Public Law 101-94). The new law raised the salaries (while prohibiting acceptance of honorarium) of top officials in all three branches of the Federal Government and placed tighter ethics restrictions on such officials. In the House, the legislation (H.R. 3660) was the product of the Bipartisan Task Force on Ethics co-chaired by Representatives Vic Fazio (D-CA) and Lynn Martin (R-IL).

The 1989 Ethics Reform Act made several changes in House Rules and ethics committee advisory opinions (regulations) relating to gifts and non-governmental travel. These included:

Amending clause 4 (gift rule) of House Rule XLIII (Code of Conduct) to prohibit Members, officers or employees of the House from directly or indirectly accepting gifts of more than minimal value—defined as individual gifts of more than \$75 in fair market value that aggregate to more than \$200 a year—received from any person (other than personal hospitality or gifts from a relative, including a fiancé or fiancée), except to the extent permitted by written waiver granted by the Committee on Standards of Official Conduct in exceptional circumstances;

Directing the Committee on Standards of Official Conduct to amend its advisory opinions relating to acceptance of gifts: (1)

To prohibit lodging received as personal hospitality in excess of 30 days in any calendar year from any individual unless a written waiver is granted by the Committee, and requiring the Member, officer or employee to ensure that it was in fact personal and not corporate financed or claimed as a business expense; and (2) to exempt gifts of food and beverages consumed that are not in connection with gifts of lodging from coverage under the gift rule ("local meals exemption");

Directing the Committee on Standards of Official Conduct to amend its advisory opinions to limit reimbursable travel expenses in connection with speaking engagements and similar events (fact-finding for educational purposes and substantial participation events, including charity events) to no more than four consecutive days for domestic events and seven consecutive days (excluding travel days) in the case of foreign travel, and to permit the Member or employee to be accompanied by a spouse or other family member; and

Amending House Rule XLIV, "Financial Disclosure," by incorporating by reference the provisions of Title I of the Ethics Reform Act ("Financial Disclosure Requirements of Federal Personnel") as a rule of the House as it pertains to Members, officers or employees of the House, including requirements for including on annual financial disclosure statements any gifts received in excess of the amount permissible (which would either be illegal or permitted by virtue of a waiver from the Ethics Committee), and any reimbursable travel expenses from private sources for speaking engagements and related types of events (fact-finding or substantial participation).

The Legislative Branch Appropriations Act for fiscal year 1992 further amended clause 4 of House Rule XLIII. Effective January 1, 1992, it forbids a Member, officer or employee of the House from accepting gifts of more than \$250 in the aggregate in any one year from any one source, with only gifts of more than \$100 counting toward the aggregate.

In the 103rd Congress, the House passed legislation (S. 349) banning lobbyists from giving, and Members of Congress from accepting, most gifts and other benefits, including meals and trips. The House agreed to the conference report on S. 349 on September 29, 1994, by a vote of 306–112 after narrowly approving the rule under which the bill was considered. However, a filibuster in the Senate prevented the measure from becoming law.

In the 104th Congress, several proposals have been introduced in the House and Senate in the form of resolutions seeking to implement gift reform. On July 25, the Senate passed S. Res. 158 by a vote of 98–0 without the benefit of committee hearings or a committee report. S. Res. 158 change Senate rules that limit the value of gifts Senators may receive from lobbyists and others. Specifically it:

Places a \$50 limit on the value of individual gifts, including meals and entertainment, that Senators and staff can accept; a \$100 annual limit on cumulative gifts from any one source; and a requirement that gifts worth \$10 or more be counted toward the annual limit;

Permits Senators and staff to accept unlimited gifts from family members and close personal friends;

Prohibits Senators and staff from accepting free travel to so-called charity events that are substantially recreational;

Prohibits Senators and staff from accepting lobbyists' contributions to charities maintained or controlled by a Senator or staff;

Permits Senators and staff to continue to designate charities to which lobbyists may contribute up to \$2,000 in lieu of paying a speaking fee; and

Exempts campaign contributions, pensions and similar benefits, informational materials, items of nominal value, and gifts for which a waiver is approved by the Senate Ethics Committee.

In the House, gift ban language was introduced by the Democratic leadership as an amendment to H. Res. 6, which established the rules of the House for the 104th Congress. The amendment was defeated because it was inconsistent with the reforms contained in H. Res. 6. The provisions of the amendment were subsequently introduced as H. Res. 40 by Representative John Bryant (D-TX). It is similar to the gift reform provisions of S. 349 (103rd Congress) in terms of gifts that Members may accept. H. Res. 40 also includes a new section relating to restrictions on acceptance of royalty income by Members.

H. Res. 66, a resolution to amend the Rules of the House to ban gifts, was introduced by a group of Republican freshmen Members led by Representative Linda Smith of Washington. This proposal is also included in H.R. 2702, the Clean Congress Act. Finally, a group of bipartisan Members, led by Representative Enid Waldholtz of Utah, introduced H. Res. 134. This group also introduced H. Res. 214 on September 6, and H. Res. 250 on October 30. Both resolutions are practically identical to S. Res. 158 as approved by the Senate.

NEED FOR THE RESOLUTION

It is recognized that the vast majority of Members, officers and employees of the House of Representatives conduct the business of the House with honesty, integrity and in the highest of ethical standards. As Representative Waldholtz noted in testimony before the Committee, "the vast majority of our colleagues are not only honest and hard-working, but are certainly not becoming wealthy through their service in the Congress, either through the benefits that they receive here or through what they receive from lobbyists or from anyone else."

This theme was echoed by Dr. Thomas Mann of the Brookings Institution. "I do not believe Congress is a corrupt institution, awash in special interest influence purchased through gifts, meals, junkets, and PAC contributions," Mann said in testimony before the Committee. "Nor do I believe that the House has in the past ignored concerns about illegal or unethical gratuities. The rules and expectations regarding gifts and travel outlined in Chapter 2 of the House Ethics Manual are not unreasonable; indeed, compared with the restrictions imposed on legislators in other democracies, they are quite stringent. In any case editorial writers and

television newsmagazine producers have been egregiously unfair in fanning the flames of public outrage over privately-funded meals and travel."

Nevertheless, the need to strengthen the gift restrictions in House rules remains compelling, for three reasons. First, public opinion holds Congress as an institution in low esteem. Much of the rationale for the historic decline in public trust in the institution is due to a perception that special interest groups maintain undue influence over the legislative process, and Members of Congress are granted perquisites and privileges unavailable to average Americans. As Representative Mike Castle stated in testimony before the Committee, "given the low regard that Americans have for Congress, we must set higher standards for ourselves."

Second, there is a recognition that Congress has fallen behind the executive branch in the area of gift reform. For example, executive branch employees are permitted to accept unsolicited gifts having a market value of \$20 or less per occasion, provided that the aggregate market value of individual gifts received from any one person shall not exceed \$50 in a calendar year.

Third, the Senate has already enacted a comprehensive gift ban rule. "Now that the Senate has voted to end these abuses, there is no excuse for the House not to follow suit," explained Ms. Ann McBride of Common Cause in testimony before the Committee.

As a result of the need to respond to the changing ethical landscape confronting public officials, there is substantial support both inside and outside of Congress for further limiting gifts to Members and staff by lobbyists and other interests. But in doing so, it is the desire of proponents of tighter gift restrictions that they be achieved without onerous recordkeeping requirements, with appreciation for the fact that Members of Congress have a different relationship with the public than that of executive branch officials, and in a way that ensures that Members are not inadvertently and unfairly entangled in excessive or confusing guidelines. For these reasons, the Committee does not believe that an alternative proposal to simply require full disclosure of all gifts, regardless of value or relevance to official business, is a practical solution. Such a wide disclosure requirement would be a recordkeeping and compliance nightmare, and would only serve to further undermine public confidence in Congress by unfairly tainting appropriate activities.

Gift reform in and of itself is not seen by proponents of the resolution as a panacea that will restore public confidence in the integrity of Congress. As Representative Beilenson explained at a Committee hearing: "The unfortunate and sad truth is that if we were to do this and ban all gifts under 5 cents and reduce our salaries to \$2,500 a year and not pay for our trips to our district but require Members to hitchhike back home every single weekend * * * we probably wouldn't be held in much higher esteem by the public back home."

Nor is H. Res. 250, and its substantially identical Senate counterpart (S. Res. 158) seen as the ideal way to address gift reform in the House. "H. Res. 250 is not the resolution Public Citizen would have drafted," Ms. Joan Claybrook of Public Citizen explained in testimony before the Committee. However, it is "a vast improvement over the current rule, addressing the gift and travel

practices that we believe are inappropriate for public officials and offer the most opportunity for abuse. It also fairly addresses Members' legitimate concerns about recordkeeping, inadvertent violations, and having rules that interfere with their necessary interaction with constituents and the general public." Furthermore, she noted, "The more differences there are between the chambers, the more difficult it will be for lobbyists and the general public to understand what is permissible and what is not in a given circumstance."

It should be noted that sensible gift reform is proposed as part of a broader effort to improve institutional accountability and integrity, control the political activities of interest groups and lobbyists (without undermining the necessary role of lobbyists in the policy process), and level the playing field between Washington, D.C.-based interest groups and individual citizens in a Member's home district. That effort includes campaign finance reform, re-writing the ineffective Federal lobbying disclosure statutes to reflect the true nature of lobbyist and interest group activities, and limiting the political activities of non-profit groups that use Federal funds to inappropriately further their political agendas. Gift reform is also part of a continuing reform effort that began on January 4, 1995. As Mr. David Mason of the Heritage Foundation noted in testimony before the Committee: "Revising the rules on gifts is just one more piece of progress added to that made already by the House this year in areas such as franking, floor procedure, committee structure, employment practices, your own budget, and financial controls."

ANALYSIS OF RESOLUTION

Section 1 of the resolution amends rule LII of the Rules of the House of Representatives to prohibit a House Member, officer or employee from knowingly accepting a gift, except as otherwise provided in the resolution. Existing rule LII (Application of Certain Laws) became obsolete on January 23, 1995, when President Clinton signed into law the Congressional Accountability Act (P.L. 104-1), which established in statute an Office of Compliance to apply Federal employment laws to Congress. The coverage of that law becomes effective one year after the date of enactment (January 23, 1996), with certain exceptions. In the interim, the House continues to be governed in this area by rule LI (Employment Practices).

Clause 1(a) of the resolution permits a Member, officer or employee of the House to accept a gift (other than cash or cash equivalent) which he or she reasonably and in good faith believes to have a value of less than \$50 and a cumulative value from any one source during a calendar year of less than \$100. The resolution further provides that no gift with a value below \$10 shall count towards the \$100 annual limit.

Regulations established by the Committee on Standards of Official Conduct with respect to the present gift rule (clause 4 of rule XLIII) allow a recipient of a gift to "buy down" the value of an otherwise excessive gift to bring it within acceptable limits, but not with respect to the threshold whereby the value of the gift does not count toward the cumulative annual limit. The Committee intends that such buy downs continue to be allowed with respect to the \$50

per gift limit and the \$100 cumulative annual limit from any one source, but not with respect to the \$10 threshold whereby the value of the gift does not count toward the cumulative annual limit.

A division of the cost of a gift by more than one person to avoid the limits established in clause 1(a) is also prohibited by this resolution. For example, if a lobbyist and his or her client split the cost of a meal to bring it under the \$50 threshold, the meal would be treated as one gift from either the lobbyist or client. However, if 10 personal friends (as determined in paragraph (4)(B) of clause 1(c)) want to chip in \$30 apiece to buy a recipient a birthday present, a division of the cost would be permitted (see House Ethics Manual, pages 57 and 58).

No formal recordkeeping is required by the resolution, but a good faith effort is required to comply with the gift limit thresholds. Therefore, the Committee recommends that gift recipients establish an informal and voluntary process by which the value of accepted gifts can be recorded.

Clause 1(b) defines a gift as any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value, including gifts of services, training, transportation, lodging, and meals. Gifts to family members of Members, officers and employees of the House, or gifts to other individuals, are considered to be gifts if they are given with the knowledge and acquiescence of the Member, officer or employee, and the Member, officer or employee has reason to believe the gift was given because of that individual's official position. If food and refreshment is offered to a recipient Member, officer or employee and to the recipient's spouse at the same time and place concurrently, only the cost of the food and refreshment provided to the Member, officer or employee is treated as a gift.

Other exemptions to the gift restrictions are outlined in clause 1(c). Anything for which the Member, officer or employee pays market value, or does not use and promptly returns to the donor is exempt. Campaign contributions, contributions to a legal defense fund unless from a registered lobbyist or foreign agent, gifts provided on the basis of personal friendship, and gifts from other Members, officers and employees of the Senate or House of Representatives, are exempt as well.

Food, refreshments, lodging, transportation and other benefits are exempt from the gift restrictions if they result from outside business or employment activities (such as a family business), are customarily provided by a prospective employer in connection with a bona fide employment discussion, or are provided by a political organization in connection with a political fund raiser or campaign event. This provision also allows Members, officers and employees of the House to accept food, refreshments, lodging and other benefits resulting from outside activities that are not related to official duties (such as activities that are religious in nature) so long as the benefits are not motivated by the official position of the recipient and are customarily provided to others engaged in similar activities. For example, if a Member, officer or employee serves on the Board of a non-profit hospital in his or her district, and the Board holds its annual meeting, the Member, officer or employee may ac-

cept any meals, lodging and other benefits which are provided to other Board members in this circumstance.

The gift restrictions do not apply to pensions and other employee benefits provided by a former employer, or to informational materials, such as books, magazine subscriptions, articles and videotapes. As currently interpreted by the Committee on Standards of Official Conduct (House Ethics Manual, April 1992, page 32), "the 'subscription' exemption is intended to ensure Members access to information sources or reference tools useful in the conduct of official duties. However, an additional courtesy copy of a publication, sent to a Member's home, would be deemed a gift because the Members would be receiving a benefit not generally available to the public." It is the intent of the Committee that this interpretation continue with respect to the exemption in paragraph (9) of clause 1(c).

The gift restrictions do not apply to personal hospitality from someone other than a registered lobbyist or foreign agent. Personal hospitality is defined in the Ethics in Government Act as "hospitality extended for a nonbusiness purpose by an individual, not a corporation, at the personal residence of that individual or his family or on property or facilities owned by that individual or his family." The provision is not intended to prohibit "personal hospitality" by registered lobbyists if the lobbyist qualifies under the "personal friends" exemption in paragraph (4)(A) of clause 1(c).

The gift restrictions also do not apply to:

- Awards or prizes given to competitors in contests open to the public, including random drawings;

- Honorary degrees and other non-monetary awards presented in recognition of public service (and associated food, refreshments and entertainment provided in the presentation of such degrees and awards);

- Donations of home state (promotional or consumable) products of minimal value;

- Training (including food and refreshments furnished to all attendees as an integral part of the training), if such training is in the interest of the House of Representatives and accords with other House rules as determined by the Committee on Standards of Official Conduct;

- Bequests, inheritances and other transfers at death;

- Any item which is authorized by the Foreign Gifts and Decorations Act;

- Anything paid for by the Federal government, or state or local governments (but not their registered lobbyists);

- Free attendance at a widely attended event;

- Other gifts offered to the general public or to a group in which membership is unrelated to congressional employment;

- Plaques, trophies or other commemorative items;

- Anything for which, in an unusual case, a waiver is granted by the Committee on Standards of Official Conduct;

- Food and refreshments of nominal value not offered as part of a meal (reception food); and

- Items of nominal value, such as a greeting card, baseball cap or a T-shirt.

Clause 1(d) defines the conditions under which a Member, officer or employee of the House may accept an offer of free attendance at a widely attended event (such as a convention, conference, symposium, forum, panel discussion, dinner, viewing, or reception), the value of which exceeds the limits established in clause 1(a).

The term "free attendance" includes waivers of conference fees, local transportation, food, refreshments, entertainment, and instructional materials provided by the sponsors of the event (but not by a registered lobbyist or foreign agent). However, such items may not be provided collateral to the event. The term "free attendance" does not include necessary transportation, lodging, and related expenses. The reimbursement rules for these items are defined in clause 2 of the resolution.

In 5 CFR 2635.204 (standards of ethical conduct for employees of the executive branch), "A gathering is widely attended if, for example, it is open to members from throughout a given industry or profession or if those in attendance represent a range of persons interested in a given matter." It is the intent of the Committee that the term "widely attended" closely parallel that for executive branch employees for purposes of this resolution.

To participate in, and receive free attendance at, a widely attended event, a Member, officer or employee of the House must be presenting information related to Congress or matters before Congress, or performing a ceremonial function appropriate to that individual's position. Acceptance of "free attendance" is permitted for a spouse or an "accompanying individual" if such attendance is appropriate to assist in the representation of the House.

Similarly, an offer of free attendance to a charitable event may be accepted from the sponsor of the event (including local transportation, food, refreshments and entertainment integral to the event), but not from a registered lobbyist or foreign agent. However, reimbursement for transportation and lodging may not be accepted in connection with such an event.

The term "charitable event" applies to an event the primary purpose of which is to raise money for, or otherwise promote, a charitable purpose. The Committee believes that Members, officers and employees should be allowed to lend their names to legitimate charitable enterprises and otherwise promote charitable goals. The term "sponsor of the event" refers to the person, entity, or entities that are primarily responsible for organizing the event. An individual who simply contributes money to an event is not considered to be a sponsor of the event.

The provision for "free attendance at a widely attended event" is not designed to allow a Member, officer or employee to accept meals, lodging and other benefits that are provided without some connection to that person's official duties. For an event to be related to official duties, such event must not be merely for the personal pleasure or entertainment of Members or employees.

In clause 1(e), Members, officers and employees of the House are permitted to accept unlimited gifts from family members and close personal friends. A waiver must be obtained from the Committee on Standards of Official Conduct for gifts worth more than \$250 from close personal friends. No such waiver is required for gifts from relatives. However, such gifts from family members and close

personal friends must be paid for by the individual and not by the employer of the individual.

Factors to be considered in determining whether a gift is motivated by a family relationship or personal friendship include the relationship between the individual giving the item and the individual receiving the item; whether the item was purchased by the individual who gave the item; and whether the individual who gave the item also at the same time gave the same or similar item to other Members, officers or employees. A gift is not considered to be motivated by personal friendship if the individual giving the gift seeks reimbursement from an employer or a client, or seeks to deduct the gift as a business expense on his or her tax returns.

In the event that returning a prohibited gift to the donor is not practical, clause 1(f) permits Members, officers and employees to discard prohibited gifts or to donate them to an appropriate charity.

The Committee believes that Members of Congress cannot effectively communicate with the public if travel is not permitted outside of Washington, D.C., or one's congressional district. With public travel budgets increasingly constrained, the Committee believes that Members, officers and employees should be permitted to accept private reimbursement for travel expenses in certain circumstances. Consequently, the reimbursement rules for necessary transportation, lodging, and related expenses are established in clause 2 of the resolution.

Reimbursement for necessary travel expenses (such as airfare and lodging) for fact-finding trips, meetings and speeches, other than from a registered lobbyist or foreign agent, are not considered to be a gift when accepted for events related to official business. There must be some connection between the event and the official duties of a Member, officer or employee of the House, and the recipient must substantially participate in the event. The payor must also be directly associated with the event.

Private reimbursement of travel expenses incurred in connection with charitable golf, tennis or ski tournaments, or similar recreational events, would be prohibited. All travel and related expenses that are reimbursed by a non-congressional entity must be publicly disclosed within 30 days after the travel is completed. Presently, section 102(a)(2) of the Ethics in Government Act of 1978 requires Members and highly-paid officers and employees of the House to disclose annually all privately reimbursed travel and a description and value of all gifts aggregating \$250 or more annually from any one source (see rule XLIV of the Rules of the House).

Clause 2(b) requires employees of the House to receive signed, advance authorization for privately reimbursed travel from the Member or officer under whose direct supervision the employee works (which also must be filed with the Clerk of the House within 30 days after the travel is completed). The advance authorization must include: the name of the employee; the name of the person who will make the reimbursement; the time, place, and purpose of the travel; and a determination that the travel is in connection with the duties of the Member, officer or employee as an officeholder and would not create the appearance that the employer is using public office for private gain.

Clause 2(c) sets forth the requirements for disclosure of expenses reimbursed. They include good faith estimates of total transportation, lodging, meal and other expenses; a determination that such expenses are necessary; and, in the case of a Member or officer, a determination that the travel was in connection with the duties of that individual as an officeholder and would not create the appearance that the individual is using public office for private gain. In the case of an employee, the disclosure must be signed by the Member or officer under whose supervision the employee works.

Clause 2(d) defines the term "necessary transportation, lodging, and related expenses." The travel related to an eligible meeting, speaking engagement, fact-finding trip or similar event in connection with the official duties of the Member, officer or employee of the House shall not exceed 3 days for domestic travel or 7 days exclusive of travel time for travel to areas outside the United States, unless otherwise approved by the Committee on Standards of Official Conduct. These time limits may not be circumvented by different sponsors providing expenses to a single event. However, "stacking" is permitted where the two events are clearly independent, and travelers may extend trips at their own expense and on their own time.

Expenses must be reasonable and they do not include recreation and entertainment paid for unless it is provided to all attendees regardless of congressional employment. Travel expenses for a spouse or dependent may be accepted if such attendance is appropriate to assist in representing the House of Representatives.

Clause 2(e) requires the Clerk of the House to make disclosures of reimbursement available to the public as soon as possible after they are received. The Committee also intends that the Clerk of the House be required to publish an annual report summarizing travel expenses reimbursed during the previous year.

Clause 3 imposes special restrictions on gifts from registered lobbyists and foreign agents, subject to the value thresholds of \$50 per gift and \$100 in the aggregate annually from any one source. A Member, officer or employee of the House may not accept gifts from lobbyists or foreign agents for legal defense funds; as gifts of personal hospitality; as transportation or lodging expenses for a fact-finding trip, conference or other event, including charity events; to any entity controlled or maintained by a Member, officer or employee; as charitable contributions recommended by the Member, officer or employee; or as a donation to an official conference or retreat.

Clause 4 exempts from the gift limits charitable contributions made in lieu of honorarium, by a registered lobbyist. However, it requires the Member, officer or employee to report the contribution within 30 days of its designation or recommendation to the Clerk of the House. The report shall include: the name and address of the registered lobbyist who is making the contribution in lieu of honoraria; the date and amount of the contribution; and the name and address of the charitable organization designated or recommended by the Member, officer or employee. The Clerk of the House is required to make such information public as soon as possible after it is received.

Clause 5 defines “registered lobbyist” to mean a lobbyist registered under the Federal Regulation of Lobbying Act or any successor statute. It defines a “foreign agent” to mean an agent of a foreign principal registered under the Foreign Agents Registration Act.

Clause 6 authorizes the Committee on Standards of Official Conduct to interpret and enforce rule LII, and to issue guidance on any matter contained in this rule.

Section 2 of the resolution authorizes the Committee on House Oversight, on behalf of the House, to accept a gift if it does not involve any duty, burden, or condition, or is not made dependent upon some future performance by the House.

Section 3 provides that the resolution and the amendment made by the resolution shall take effect on and be effective for calendar years beginning January 1, 1996.

MATTERS REQUIRED UNDER THE RULES OF THE HOUSE

COMMITTEE VOTE

Clause 2(l)(2)(B) of rule XI requires each committee report to accompany any bill or resolution of a public character, ordered to be reported, to include the total number of votes cast for and against on each rollcall vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against. On November 14, 1995, the Committee ordered H. Res. 250, as amended, reported to the House, by a nonrecord vote, a quorum being present.

COMMITTEE COST ESTIMATE

Clause 2(l)(3)(B) of rule XI requires each committee report that accompanies a measure providing new budget authority, new spending authority, or new credit authority or changing revenues or tax expenditures to contain a cost estimate, as required by section 308(a)(1) of the Congressional Budget Act of 1974, as amended and, when practicable with respect to estimates of new budget authority, a comparison of the total estimated funding level for the relevant program (or programs) to the appropriate levels under current law. Clause 7(a) of rule XIII requires committees to include their own cost estimates in certain committee reports, which include, when practicable, a comparison of the total estimated funding level for the relevant program (or programs) with the appropriate levels under current law.

No cost estimate is required under this section because the resolution does not provide new budget authority, new spending authority, or new credit authority, nor does the resolution provide an increase or decrease in tax expenditures.

CONGRESSIONAL BUDGET OFFICE ESTIMATES

Clause 2(l)(3)(C) of rule XI requires each Committee to include a cost estimate prepared by the Director of the Congressional Budget Office, pursuant to section 403 of the Congressional Budget Act of 1974, if the cost estimate is timely submitted. No cost estimate was received from the Director of the Congressional Budget Office.

INFLATION IMPACT STATEMENT

Clause 2(l)(4) of rule XI requires each committee report on a bill or joint resolution of a public character to include an analytical statement describing what impact enactment of the measure would have on prices and costs in the operation of the national economy. The Committee has determined that the resolution has no inflationary impact on the nation's economy.

OVERSIGHT FINDINGS

Clause 2(l)(3)(A) of rule XI requires each committee report to contain oversight findings and recommendations required pursuant to clause 2(b)(1) of rule X. The Committee has no oversight findings.

OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE
ON GOVERNMENT REFORM AND OVERSIGHT

Clause 2(l)(3)(D) of rule XI requires each committee report to contain a summary of the oversight findings and recommendations made by the Government Reform and Oversight Committee pursuant to clause 4(c)(2) of rule X, whenever such findings have been timely submitted. The Committee on Rules has received no such findings or recommendations from the Committee on Government Reform and Oversight.

COMPARATIVE PRINT

Clause 4(d) of rule XI requires that, whenever the Committee on Rules reports a resolution amending or repealing the Rules of the House of Representatives, the accompanying report must contain a comparative print showing the changes in existing rules proposes to be made by the resolution.

Changes in existing Rules of the House of Representatives made by the resolution, as reported, are shown as follows (existing rules proposed to be omitted are enclosed in black brackets, new matter is printed in italic, existing rules in which no change is proposed is shown in roman):

RULES OF THE HOUSE OF REPRESENTATIVES

* * * * *

RULE X

ESTABLISHMENT AND JURISDICTION OF STANDING COMMITTEES

The Committees and Their Jurisdiction

* * * * *

Additional Functions of Committees

4. (a) * * *

* * * * *

(d) The Committee on House Oversight shall have the function of—

(1) examining all bills, amendments, and joint resolutions after passage by the House and, in cooperation with the Senate, examining all bills and joint resolutions which shall have passed both Houses to see that they are correctly enrolled, forthwith presenting those which originated in the House to the President of the United States in person after their signature by the Speaker of the House and the President of the Senate and reporting the fact and date of such presentation to the House; [and]

(2) providing policy direction for, and oversight of, the Clerk, Sergeant-at-Arms, Chief Administrative Officer, and Inspector General[.]; and

(3) *accepting a gift, other than as otherwise provided by law, if the gift does not involve any duty, burden, or condition, or is not made dependent upon some future performance by the House of Representatives and promulgating regulations to carry out this paragraph.*

* * * * *

[RULE LII

[APPLICATION OF CERTAIN LAWS

[1. There is established an Office of Compliance which shall have a Board of Directors consisting of 5 individuals appointed jointly by the Speaker and the minority leader. Appointments of the first 5 members of the Board of Directors shall be completed not later than 120 days after the beginning of the One Hundred Fourth Congress.

[2. (a) The Office of Compliance shall carry out the duties and functions set forth in sections 2 through 16 of House Resolution 578, One Hundred Third Congress, including the issuance of regulations, to implement the requirements of the following laws to the House of Representatives:

[(1) The Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.), effective at the beginning of the second session of the One Hundred Fourth Congress.

[(2) Title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.), effective at the beginning of the second session of the One Hundred Fourth Congress.

[(3) The Americans With Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), effective at the beginning of the second session of the One Hundred Fourth Congress.

[(4) The Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.) (including remedies available to private employees), effective at the beginning of the second session of the One Hundred Fourth Congress.

[(5) Titles I and V of the Family and Medical Leave Act of 1993 (29 U.S.C. 2611 et seq.), effective at the beginning of the second session of the One Hundred Fourth Congress.

[(6) The Occupational Safety and Health Act of 1970 (other than section 19) (29 U.S.C. 651 et seq.) (subject to paragraph (c)), effective at the beginning of the One Hundred Fifth Congress.

[(7) Chapter 71 (relating to Federal labor management relations) of title 5, United States Code, effective at the beginning of the One Hundred Fifth Congress.

[(8) The Employee Polygraph Protection Act of 1988 (29 U.S.C. 2001 et seq.), effective at the beginning of the second session of the One Hundred Fourth Congress, except that this Act shall not apply to the United States Capitol Police.

[(9) The Worker Adjustment and Retraining Notification Act (29 U.S.C. 2101 et seq.), effective at the beginning of the second session of the One Hundred Fourth Congress.

[(10) The Rehabilitation Act of 1973 (29 U.S.C. 791), effective at the beginning of the second session of the One Hundred Fourth Congress.

[(b) Any provision of Federal law shall, to the extent that it relates to the terms and conditions of employment (including hiring, promotion or demotion, salary and wages, overtime compensation, benefits, work assignments or reassignments, termination, protection from discrimination in personnel actions, health and safety of employees, and family and medical leave) of employees apply to the House in accordance with this rule.

[(c) The House shall comply with the Occupational Safety and Health Act of 1970 as follows: If a citation of a violation of such Act is received, action to abate the violation shall take place as soon as possible, but no later than the fiscal year following the fiscal year in which the citation is issued, subject to the availability of funds appropriated for that purpose after the receipt of the citation.

[3. (a)(1) The Chairperson of the Board of Directors of the Office shall appoint, may establish the compensation of, and may terminate, subject to the approval of the Board of Directors, an Executive Director (referred to in this rule as the "executive director"). The compensation of the executive director may not exceed the compensation for level V of the Executive Schedule under section 5316 of title 5, United States Code. The executive director shall be an individual with training or expertise in the application of the laws referred to in clause 2. The appointment of the first executive director shall be completed no later than 120 days after the initial appointment of the Board of Directors.

[(2) The executive director may not be an individual who holds or may have held the position of Member of the House of Representatives or Senator. The executive director may not be an individual who holds the position of employee of the House or the Senate but the executive director may be an individual who held such a position at least 4 years before appointment as executive director. The term of office of the executive director shall be a single term of 5 years.

[(b)(1)(A) No individual who engages in, or is otherwise employed in, lobbying of the Congress and who is required under the Federal Regulation of Lobbying Act to register with the Secretary of the Senate or the Clerk shall be considered eligible for appointment to, or service on, the Board of Directors.

[(B) No member of the Board of Directors may hold or may have held the position of Member of the House of Representatives or Senator, may hold the position of employee of the House or Senate,

or may have held such a position within 4 years of the date of appointment.

[(2) If during a term of office a member of the Board of Directors engages in an activity described in subparagraph (1)(A), such position shall be declared vacant and a successor shall be selected in accordance with paragraph (a)(1).

[(3) A vacancy in the Board of Directors shall be filled in the manner in which the original appointment was made.

[(c)(1) Except as provided in subparagraph (2), membership on the Board of Directors shall be for 5 years. A member shall only be eligible for appointment for a single term of office.

[(2) Of the members first appointed to the Board of Directors—

[(A) 1 shall have a term of office of 3 years,

[(B) 2 shall have a term of office of 4 years, and

[(C) 2 shall have a term of office of 5 years,

as designated at the time of appointment by the persons specified in paragraph (a)(1).

[(3) Any member of the Board of Directors may be removed from office by a majority decision of the appointing authorities described in paragraph (a)(1) and only for—

[(A) disability that substantially prevents the member from carrying out the duties of the member,

[(B) incompetence,

[(C) neglect of duty,

[(D) malfeasance, or

[(E) a felony or conduct involving moral turpitude.

[(d) The Chairperson of the Board of Directors shall be appointed from the members of the Board of Directors by the members of the Board.]

RULE LII

GIFT RULE

1. (a)(1) *No Member, officer, or employee of the House of Representatives shall knowingly accept a gift except as provided in this rule.*

(2) *A Member, officer, or employee may accept a gift (other than cash or cash equivalent) which the Member, officer, or employee reasonably and in good faith believes to have a value of less than \$50, and a cumulative value from one source during a calendar year of less than \$100. No gift with a value below \$10 shall count toward the \$100 annual limit. No formal recordkeeping is required by this subparagraph, but a Member, officer, or employee shall make a good faith effort to comply with this subparagraph.*

(b)(1) *For the purpose of this rule, the term "gift" means any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. The term includes gifts of services, training, transportation, lodging, and meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.*

(2)(A) *A gift to a family member of a Member, officer, or employee, or a gift to any other individual based on that individual's relationship with the Member, officer, or employee, shall be considered a gift to the Member, officer, or employee if it is given with the knowl-*

edge and acquiescence of the Member, officer, or employee and the Member, officer, or employee has reason to believe the gift was given because of the official position of the Member, officer, or employee.

(B) If food or refreshment is provided at the same time and place to both a Member, officer, or employee and the spouse or dependent thereof, only the food or refreshment provided to the Member, officer, or employee shall be treated as a gift for purposes of this rule.

(c) The restrictions in paragraph (a) shall not apply to the following:

(1) Anything for which the Member, officer, or employee pays the market value, or does not use and promptly returns to the donor.

(2) A contribution, as defined in section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) that is lawfully made under that Act, a lawful contribution for election to a State or local government office or attendance at a fund-raising event sponsored by a political organization described in section 527(e) of the Internal Revenue Code of 1986.

(3) A gift from a relative as described in section 109(16) of title I of the Ethics in Government Act of 1978 (Public Law 95-521).

(4)(A) Anything provided by an individual on the basis of a personal friendship unless the Member, officer, or employee has reason to believe that, under the circumstances, the gift was provided because of the official position of the Member, officer, or employee and not because of the personal friendship.

(B) In determining whether a gift is provided on the basis of personal friendship, the Member, officer, or employee shall consider the circumstances under which the gift was offered, such as:

(i) The history of the relationship between the individual giving the gift and the recipient of the gift, including any previous exchange of gifts between such individuals.

(ii) Whether to the actual knowledge of the Member, officer, or employee the individual who gave the gift personally paid for the gift or sought a tax deduction or business reimbursement for the gift.

(iii) Whether to the actual knowledge of the Member, officer, or employee the individual who gave the gift also at the same time gave the same or similar gifts to other Members, officers, or employees.

(5) Except as provided in clause 3(c), a contribution or other payment to a legal expense fund established for the benefit of a Member, officer, or employee that is otherwise lawfully made in accordance with the restrictions and disclosure requirements of the Committee on Standards of Official Conduct.

(6) Any gift from another Member, officer, or employee of the Senate or the House of Representatives.

(7) Food, refreshments, lodging, transportation, and other benefits—

(A) resulting from the outside business or employment activities (or other outside activities that are not connected to the duties of the Member, officer, or employee as an officeholder) of the Member, officer, or employee, or the spouse of

the Member, officer, or employee, if such benefits have not been offered or enhanced because of the official position of the Member, officer, or employee and are customarily provided to others in similar circumstances;

(B) customarily provided by a prospective employer in connection with bona fide employment discussions; or

(C) provided by a political organization described in section 527(e) of the Internal Revenue Code of 1986 in connection with a fundraising or campaign event sponsored by such an organization.

(8) Pension and other benefits resulting from continued participation in an employee welfare and benefits plan maintained by a former employer.

(9) Informational materials that are sent to the office of the Member, officer, or employee in the form of books, articles, periodicals, other written materials, audiotapes, videotapes, or other forms of communication.

(10) Awards or prizes which are given to competitors in contests or events open to the public, including random drawings.

(11) Honorary degrees (and associated travel, food, refreshments, and entertainment) and other bona fide, nonmonetary awards presented in recognition of public service (and associated food, refreshments, and entertainment provided in the presentation of such degrees and awards).

(12) Donations of products from the State that the Member represents that are intended primarily for promotional purposes, such as display or free distribution, and are of minimal value to any individual recipient.

(13) Training (including food and refreshments furnished to all attendees as an integral part of the training) provided to a Member, officer, or employee, if such training is in the interest of the House of Representatives.

(14) Bequests, inheritances, and other transfers at death.

(15) Any item, the receipt of which is authorized by the Foreign Gifts and Decorations Act, the Mutual Educational and Cultural Exchange Act, or any other statute.

(16) Anything which is paid for by the Federal Government, by a State or local government, or secured by the Government under a Government contract.

(17) A gift of personal hospitality (as defined in section 109(14) of the Ethics in Government Act) of an individual other than a registered lobbyist or agent of a foreign principal.

(18) Free attendance at a widely attended event permitted pursuant to paragraph (d).

(19) Opportunities and benefits which are—

(A) available to the public or to a class consisting of all Federal employees, whether or not restricted on the basis of geographic consideration;

(B) offered to members of a group or class in which membership is unrelated to congressional employment;

(C) offered to members of an organization, such as an employees' association or congressional credit union, in which membership is related to congressional employment

and similar opportunities are available to large segments of the public through organizations of similar size;

(D) offered to any group or class that is not defined in a manner that specifically discriminates among Government employees on the basis of branch of Government or type of responsibility, or on a basis that favors those of higher rank or rate of pay;

(E) in the form of loans from banks and other financial institutions on terms generally available to the public; or

(F) in the form of reduced membership or other fees for participation in organization activities offered to all Government employees by professional organizations if the only restrictions on membership relate to professional qualifications.

(20) A plaque, trophy, or other item that is substantially commemorative in nature and which is intended for presentation.

(21) Anything for which, in an unusual case, a waiver is granted by the Committee on Standards of Official Conduct.

(22) Food or refreshments of a nominal value offered other than as a part of a meal.

(23) An item of nominal value such as a greeting card, baseball cap, or a T-shirt.

(d)(1) A Member, officer, or employee may accept an offer of free attendance at a widely attended convention, conference, symposium, forum, panel discussion, dinner, viewing, reception, or similar event, provided by the sponsor of the event, if—

(A) the Member, officer, or employee participates in the event as a speaker or a panel participant, by presenting information related to Congress or matters before Congress, or by performing a ceremonial function appropriate to the Member's, officer's, or employee's official position; or

(B) attendance at the event is appropriate to the performance of the official duties or representative function of the Member, officer, or employee.

(2) A Member, officer, or employee who attends an event described in subparagraph (1) may accept a sponsor's unsolicited offer of free attendance at the event for an accompanying individual if others in attendance will generally be similarly accompanied or if such attendance is appropriate to assist in the representation of the House of Representatives.

(3) A Member, officer, or employee, or the spouse or dependent thereof, may accept a sponsor's unsolicited offer of free attendance at a charity event, except that reimbursement for transportation and lodging may not be accepted in connection with the event.

(4) For purposes of this paragraph, the term "free attendance" may include waiver of all or part of a conference or other fee, the provision of local transportation, or the provision of food, refreshments, entertainment, and instructional materials furnished to all attendees as an integral part of the event. The term does not include entertainment collateral to the event, nor does it include food or refreshments taken other than in a group setting with all or substantially all other attendees.

(e) No Member, officer, or employee may accept a gift the value of which exceeds \$250 on the basis of the personal friendship excep-

tion in paragraph (c)(4) unless the Committee on Standards of Official Conduct issues a written determination that such exception applies. No determination under this paragraph is required for gifts given on the basis of the family relationship exception.

(f) When it is not practicable to return a tangible item because it is perishable, the item may, at the discretion of the recipient, be given to an appropriate charity or destroyed.

2. (a)(1) A reimbursement (including payment in kind) to a Member, officer, or employee from a private source other than a registered lobbyist or agent of a foreign principal for necessary transportation, lodging and related expenses for travel to a meeting, speaking engagement, factfinding trip or similar event in connection with the duties of the Member, officer, or employee as an officeholder shall be deemed to be a reimbursement to the House of Representatives and not a gift prohibited by this rule, if the Member, officer, or employee—

(A) in the case of an employee, receives advance authorization, from the Member or officer under whose direct supervision the employee works, to accept reimbursement, and

(B) discloses the expenses reimbursed or to be reimbursed and the authorization to the Clerk of the House of Representatives within 30 days after the travel is completed.

(2) For purposes of paragraph (a)(1), events, the activities of which are substantially recreational in nature, shall not be considered to be in connection with the duties of a Member, officer, or employee as an officeholder.

(b) Each advance authorization to accept reimbursement shall be signed by the Member or officer under whose direct supervision the employee works and shall include—

(1) the name of the employee;

(2) the name of the person who will make the reimbursement;

(3) the time, place, and purpose of the travel; and

(4) a determination that the travel is in connection with the duties of the employee as an officeholder and would not create the appearance that the employee is using public office for private gain.

(c) Each disclosure made under paragraph (a)(1) of expenses reimbursed or to be reimbursed shall be signed by the Member or officer (in the case of travel by that Member or officer) or by the Member or officer under whose direct supervision the employee works (in the case of travel by an employee) and shall include—

(1) a good faith estimate of total transportation expenses reimbursed or to be reimbursed;

(2) a good faith estimate of total lodging expenses reimbursed or to be reimbursed;

(3) a good faith estimate of total meal expenses reimbursed or to be reimbursed;

(4) a good faith estimate of the total of other expenses reimbursed or to be reimbursed;

(5) a determination that all such expenses are necessary transportation, lodging, and related expenses as defined in paragraph (d); and

(6) in the case of a reimbursement to a Member or officer, a determination that the travel was in connection with the duties

of the Member or officer as an officeholder and would not create the appearance that the Member or officer is using public office for private gain.

(d) For the purposes of this clause, the term “necessary transportation, lodging, and related expenses”—

(1) includes reasonable expenses that are necessary for travel for a period not exceeding 3 days exclusive of travel time within the United States or 7 days exclusive of travel time outside of the United States unless approved in advance by the Committee on Standards of Official Conduct;

(2) is limited to reasonable expenditures for transportation, lodging, conference fees and materials, and food and refreshments, including reimbursement for necessary transportation, whether or not such transportation occurs within the periods described in subparagraph (1);

(3) does not include expenditures for recreational activities, nor does it include entertainment other than that provided to all attendees as an integral part of the event, except for activities or entertainment otherwise permissible under this rule; and

(4) may include travel expenses incurred on behalf of either the spouse or a child of the Member, officer, or employee, subject to a determination signed by the Member or officer (or in the case of an employee, the Member or officer under whose direct supervision the employee works) that the attendance of the spouse or child is appropriate to assist in the representation of the House of Representatives.

(e) The Clerk of the House of Representatives shall make available to the public all advance authorizations and disclosures of reimbursement filed pursuant to paragraph (a) as soon as possible after they are received.

3. A gift prohibited by clause 1(a) includes the following:

(a) Anything provided by a registered lobbyist or an agent of a foreign principal to an entity that is maintained or controlled by a Member, officer, or employee.

(b) A charitable contribution (as defined in section 170(c) of the Internal Revenue Code of 1986) made by a registered lobbyist or an agent of a foreign principal on the basis of a designation, recommendation, or other specification of a Member, officer, or employee (not including a mass mailing or other solicitation directed to a broad category of persons or entities), other than a charitable contribution permitted by clause 4.

(c) A contribution or other payment by a registered lobbyist or an agent of a foreign principal to a legal expense fund established for the benefit of a Member, officer, or employee.

(d) A financial contribution or expenditure made by a registered lobbyist or an agent of a foreign principal relating to a conference, retreat, or similar event, sponsored by or affiliated with an official congressional organization, for or on behalf of Members, officers, or employees.

4. (a) A charitable contribution (as defined in section 170(c) of the Internal Revenue Code of 1986) made by a registered lobbyist or an agent of a foreign principal in lieu of an honorarium to a Member, officer, or employee shall not be considered a gift under this rule if it is reported as provided in paragraph (b).

(b) A Member, officer, or employee who designates or recommends a contribution to a charitable organization in lieu of honoraria described in paragraph (a) shall report within 30 days after such designation or recommendation to the Clerk of the House of Representatives—

(1) the name and address of the registered lobbyist who is making the contribution in lieu of honoraria;

(2) the date and amount of the contribution; and

(3) the name and address of the charitable organization designated or recommended by the Member.

The Clerk of the House of Representatives shall make public information received pursuant to this paragraph as soon as possible after it is received.

5. For purposes of this rule—

(a) the term “registered lobbyist” means a lobbyist registered under the Federal Regulation of Lobbying Act or any successor statute; and

(b) the term “agent of a foreign principal” means an agent of a foreign principal registered under the Foreign Agents Registration Act.

6. All the provisions of this rule shall be interpreted and enforced solely by the Committee on Standards of Official Conduct. The Committee on Standards of Official Conduct is authorized to issue guidance on any matter contained in this rule.

* * * * *

VIEWS OF COMMITTEE MEMBERS

Clause 2(l)(5) of rule XI requires each committee to afford a three day opportunity for members of the committee to file additional, minority, or dissenting views and to include the views in its report. Although neither requirement applies to the Committee, the Committee always makes the maximum effort to provide its members with such an opportunity. The following views were submitted:

MINORITY VIEWS

We support the passage of H. Res. 250, as introduced. Since the first day of this Congress, Democrats have sought to reform the rules relating to the acceptance of gifts. But our support for gift reform has been, and remains, inextricably linked to lobby reform. These issues were considered and passed twice by the House of Representatives in the 103rd Congress. We have, in the eleven months of the 104th Congress, sought time and again to bring these issues to the full House for consideration.

We have pursued these reforms as part of a long-term effort to improve Congressional accountability. We sincerely believe that the men and women who serve in this institution do so not for personal gain, but rather, in the hopes of making a contribution to our great Nation. Unfortunately, that message has gotten lost. Rightly or wrongly, the issue of special-interest influence has cast a shadow over this body. We must act decisively to assure the American electorate that we are here to do the people's business, not to take vacations to exotic locales or dine in fancy restaurants. In order to move in that direction, House Democrats have on six separate votes attempted to bring up this issue. See appendix.

Our efforts have, however, met strong resistance from the Republican leadership. Republican freshmen who support this issue have, in spite of their numbers, also met this resistance. In the eleven months that have passed since the beginning of the "reform" Congress, the House has not been given the opportunity to take action on these issues. While we welcome this long overdue consideration of gift reform, we must take the opportunity to point out our belief that had it not been for the continued pressure of Democrats committed to pursuing this issue—as well as the closely-linked issues of lobby and campaign reform—to completion, it is doubtful that the issue would have been addressed by the Republican leadership.

We would also like to point out that it is commendable that the resolution has been sponsored by a Republican freshman Member. This is not an issue, however, that belongs to any individual Member or any political party. This is a bipartisan issue and effort. Democrats have taken a leadership role in pressing for reform and continue to press for greater accountability of the part of elected officials. We remain committed to the entire reform package and urge the Republican leadership to bring lobby reform to the House as soon as possible.

We urge such action because we believe that without significant reform of lobby disclosure laws, the reform of the gift rule will be but a meaningless gesture. The proposal brought to the Rules Committee does indeed lower the value of gifts which may be accepted by Members, officers and employees of the House. This proposal also imposes significant new disclosure for travel, not only the associated costs, but also a determination of how such travel relates

to the duties of Members as office holders. It restricts gift giving by lobbyists but unless we also change the definition of "lobbyist" this is an insignificant reform. But the most far-reaching, and seemingly controversial, provision relates to Members' participation in recreational charity events—the infamous golf, tennis, and ski vacations. As introduced, H. Res. 250 prohibits Members and staff from accepting free travel to and lodging at these events. We can no longer afford, as an institution, to be seen as willing to accept free vacations. Any weakening of this provision should be strongly opposed by any Member who professes the desire to reform this institution.

Prior to 1968, the Rules of the House of Representatives contained no provision regulating the acceptance of gifts from domestic sources. But the issue of undue influence by special interests long before and since has continued to color the public's perception of how business gets done in Washington. In spite of several significant reforms since 1968, most notably in 1989 when a bipartisan package of amendments banned honoraria and placed strict limits on the acceptance of gifts, the public's view of this institution has not improved. There are a myriad of reasons for this phenomenon—not the least of which is the institution-bashing that has littered the political landscape with such abandon in recent years—but the bottom line is that it is the responsibility of each and every Member of this body to do whatever is required to assure the American people that this institution exists to serve them, not just the moneyed special interests.

Consequently, we endorse H. Res. 250 as it was introduced. We understand the concerns of Members that the provisions of this proposed rule might be easily misunderstood or misinterpreted. But it is our view that if in order to address those concerns this proposal is weakened, the only alternative would be a vote on a total and complete ban on the acceptance of gifts of any kind.

JOE MOAKLEY.
MARTIN FROST.
ANTHONY BEILENSON.
TONY P. HALL.

APPENDIX

VOTES OF GIFT BAN AND LOBBY REFORM IN THE 104TH CONGRESS

January 4, 1995—ordering the previous question on the rule (H. Res. 5) for consideration of opening day rules package to consider gift ban reform (232–199).

January 4, 1995—Bonior motion to recommit the rule (H. Res. 5) for consideration of the opening day rules package to the Rules Committee with instructions to adopt gift ban reform (195–235).

June 20, 1995—ordering the previous question on the rule (H. Res. 169) for Legislative Branch Appropriations to make in order the Baldacchi amendment on gift ban reform (232–196).

June 22, 1995—Miller motion to recommit the Legislative Branch Appropriations (H.R. 1854) bill to add gift ban reform (186–240).

September 6, 1995—ordering the previous question on the rule (H. Res. 206) for Legislative Branch Appropriations Conference Report to add Senate-passed gift ban and lobby reform legislation (228–179).

October 31, 1995—ordering the previous question on the rule (Res. 239) for second Legislative Branch Appropriations bill to add Waldholtz gift ban bill and McHale lobby reform bill (235–184).

