Grass-Roots Lobby Disclosure Draws Fire

By Tory Newmyer
ROLL CALL STAFF

As House Democrats try to jump-start their stalled effort at overhauling lobbying laws, they are running into a storm of opposition over a proposal that would for the first time force the public disclosure of grass-roots lobbying campaigns.

Bipartisan opposition to the change — ginned up by a coalition of socially conservative groups and the American Civil Liberties Union — helped bury it in the Senate earlier this year. And now the coalition, operating under the banner of the Free Speech Coalition Inc., could be on the verge of a victory in the House.

Aides and lobbyists close to the issue said the measure is unlikely to appear in a lobbying reform bill House Democratic leaders are expected to unveil as soon as this week.

Those close to the situation stressed that talks remain fluid. House Democratic leaders met Tuesday afternoon to discuss the bill. It was unclear at press time what, if anything, they resolved.

“This is all a work in progress,” said Rep. Chris Van Hollen (D-Md.).

House leadership aides say they are aiming to mark up the measure as soon as next week and get the bill to the floor soon after.

To step up pressure on their colleagues to adopt the grass-roots provision, Reps. Marty Meehan (D-Mass.) and Christopher Shays (R-Conn.) this week introduced pared-down language as a stand-alone bill. If their proposal is not included in the broader overhaul, Meehan is likely to offer it as an amendment when the House Judiciary Committee marks up the overall lobby reform bill in the coming weeks.

“They’re going to have to vote on it one way or another,” said Meredith McGeehe of the Campaign Legal Center, one of several watchdog groups pushing for grass-roots disclosure.

“There’s no doubt this is a tough one.”

The measure is one of three that has thrown progress on a House bill into the lurch. Staffers for Speaker Nancy Pelosi (D-Calif.) and the House Judiciary Committee, who have taken the lead in drafting the bill, also are struggling with provisions requiring disclosure of checks lobbyists bundle for candidates and extending and expanding revolving-door restrictions for lobbyists fresh off jobs on Capitol Hill.

But while these measures were included in See GRASS ROOTS, page 10
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a bill Senators approved nearly unanimously this year, upping the pressure on House Democrats to follow suit, the grass-roots proposal was scuttled from the Senate bill after an amendment to strike it was approved, 55 to 43.

That means if House lawmakers decide to add the provision, it could become a flashpoint in conference negotiations and later, when the bill heads to the Senate for final approval.

Backers of the measure argue the new House language has been narrowed to answer criticisms of the broader proposal defeated in the Senate. While the Senate bill would have required membership organizations to disclose whom they hire to help them conduct grass-roots lobbying campaigns, the House version focuses on the firms themselves.

The language of the Meehan-Shays proposal was not yet available at press time Tuesday, but a House aide said the bill closely tracks an approach Meehan outlined earlier this year. The bill requires lobbying firms to register as grass-roots advocates if they receive more than $100,000 a quarter for stirring public communications with Congress. Firms that register must disclose individual clients paying more than $50,000 over that period, the aide said.

Reform advocates said they are stressing that the provision has been significantly tailored since it sank in the Senate, and argue that any reform package would be incomplete without the measure.

"I can’t even comprehend any objection to having for-profit businesses report fees they earn trying to influence Congress on important pieces of legislation," said Craig Holman of Public Citizen.

Opponents can: the First Amendment. They say that even in its pared-down form, the proposal would impose undue reporting requirements on small groups and citizen activists. The result, they argue, could be a chill on constitutionally protected free speech. "It is dangerous to democracy to have incumbent politicians regulating who speaks to their constituents about what Congress is doing," said Douglas Johnson, legislative director for the National Right to Life Committee.

Sharp elbows are flying in the debate. Mark Fitzgibbons of American Target Advertising, a direct-mailing firm that likely would have to report its fees under the proposed reporting requirements, last month circulated a draft letter to Pelosi demanding a "formal investigation into the leak of grass-roots legislative language to privileged, insider lobbyists, but the refusal to disclose that language to the public, whose rights would be violated."

Fitzgibbons, who posted the letter on a site called GrassrootsFreedom.com, said he believes detailed memos released by reform groups in recent months show they had access to Meehan’s reform language that was denied the opposition groups. A Meehan aide said no language existed until last week, and a detailed breakdown of the lawmaker’s concept was shared with both sides. Reform advocates also denied any leak.

With the debate at a critical point, opposition groups are targeting moderate Democrats — mostly in the Blue Dog and New Democrat coalitions — who align with their conservative social agendas. Besides anti-abortion Democrats, coalition members are hoping to win support from gun-rights advocates in the party, thanks to pressure from the National Rifle Association.

The hope, those close to the effort say, is to create enough division among members of the caucus that leaders keep any grass-roots provision out of the broader bill in order to preserve a winning vote.

The opposition groups have history on their side as they press their case. Both chambers passed lobbying reform measures in 1976, 1978 and 1994, only to see the bills die in conference negotiations over disagreements about grass-roots disclosure requirements.

Thomas Susman, a lobbying law expert, said while the make-up of the two sides bickering the issue are largely unchanged after 30 years, the scope of the debate has narrowed. "In the 1970s, they really did have more pervasive and intrusive reporting requirements," he said.

And, he pointed out, grass-roots lobbying was a major factor in the Jack Abramoff scandal, which touched off the wave of reform efforts last year and helped restore Democrats to the majority in the fall. Abramoff helped his partner Michael Scanlon, who has since pleaded guilty to bribery, to collect $66 million in just three years for grass-roots efforts on behalf of tribal clients, according to Senate records.

Reform groups are trying to head off the opposition by furiously scheduling meetings with the same moderate Democrats and leadership.

"I’ve dealt with this issue for 20 years, and it always runs into the same buzz saw of opposition from the NRA and the right-to-life folks," McGee said. "We’re telling leadership: If you really try to appease all the voices in the caucus, the result will be a lowest common denominator bill, and then you won’t have lived up to your reform promises."