

system and its effect on the legislative process change dramatically -- and not for the better. Federal lobbyists, the interests we represent, and legislators increasingly operate in a legislative environment that is far too dominated by the campaign finance process, and its excesses are like a cancer eating away at our democratic system.

3. I am not an ivory-tower liberal, nor do I naively believe we can or should seek to end the influence of all money on politics. I have engaged in many activities most reformers abhor, including: (1) making thousands of dollars in personal political contributions over the years, (2) raising thousands of dollars, including "soft money," for candidates and for both political parties, and (3) counseling clients on how to use their money and "issue ads" legally to influence the legislative and political process. I readily admit that I will continue, and perhaps even expand, my own campaign finance activities -- just as will many of my colleagues -- unless the rules are changed. But in this declaration, I will attempt to begin to illustrate how certain of these practices undermine the democratic process, and at the very least, create in the minds of many citizens the appearance of corruption or improper influence.

4. Broadly described, lobbying is the attempt to influence or sway a public official toward a desired action. Government officials are continuously making public policy decisions that affect the vital interests of individuals, corporations, labor organizations, religious groups, charitable institutions and other interests. In order to make informed policy judgments, public officials need to receive factual information from, and know the views of, affected interests. Interests have a legitimate and constitutionally protected right to advocate their views to public officials and lobbyists help provide information and convey their clients' positions. In doing so they perform an important service and play an integral role in our nation's democratic process.

5. In my experience, however, this type of basic involvement in the legislative process is alone insufficient to be effective in many instances in lobbying endeavors. To have true political clout, the giving and raising of campaign money for candidates and political parties is often critically important. Most federal elected officials have extremely expensive reelection campaigns. The costs of most federal campaigns today is especially high due to the expense of

broadcast media advertising, and officials know that they are often likely to face serious reelection risks unless they can raise large sums of money to pay for competitive levels of advertising.

6. It is overly simplistic and inaccurate to say that legislative outcomes are generally “purchased” by campaign contributions or expenditures. But there can be no doubt that political contributions serve at least two important political goals: securing access and building relationships.

7. Large donations often may help gain access to key decision makers, and may help ensure that the positions of a lobbyist’s client are at least considered. Those who are able to provide the largest sums of money are often more likely to have more consideration given to their views. Not only does it help provide a foot in the door into a federal elected official’s office and a chance to make the donor’s pitch, but also it naturally may tend to foster a more sympathetic hearing.

8. Sophisticated political donors – particularly lobbyists, PAC directors, and other political insiders acting on behalf of specific interest groups – are not in the business of dispensing their money purely on ideological or charitable grounds. Rather, these political donors typically are trying to wisely invest their resources to maximize political return. Sophisticated donors do not show up one day with a contribution, hoping for a favorable vote the next day. Instead, they build longer term relationships. The donor seeks to convey to the member that he or she is a friend and a supporter who can be trusted to help the federal elected official when he or she is needed. Presumably, most federal elected officials recognize that continued financial support from the donor often may be contingent upon the donor feeling that he or she has received a fair hearing and some degree of consideration or support.

9. The donor’s hope is that when it comes time for the federal elected official to make political decisions, he or she will help those who have supported them if possible. Of course, a candidate for whom one has raised money will not always act as the contributor wants; however, that candidate-turned-elected-official may exercise political discretion in favor of those

who have “helped” them often enough to make the political support worthwhile from the donor’s perspective.

10. Together, access and relationships help provide meaningful influence. Academics might refer to this as the “norm of reciprocity.” Overly zealous reformers might call it “cozy backroom dealing.” But the simple truth is that it is human nature for people to try if possible to help the people who help them; and in politics, help often involves money and exercising political discretion.

11. In Washington, D.C., tens of thousands of men and women now are professional lobbyists and represent virtually every type of interest. Most are honest, hard working and ethical. Many are largely focused on monitoring developments, and they may have little or no direct participation in the campaign finance process. Others are much more active in advocating positions, and many of them are likely to be more involved in campaign finance activities. Many of these lobbyists operate in a relatively narrow circle. They work discreet issues that are handled in specific committees, and they naturally target most of their campaign contribution activities on key members of these relevant committees. But, even for the latter group, giving or raising political money, albeit important, typically is but one of numerous activities that they use to gain political influence.

12. The amount of influence that a lobbyist has is often directly correlated to the amount of money that he or she and his or her clients infuse into the political system. Some lobbyists help raise large “soft money” donations and/or host many fundraising events for key legislators. Some simply represent a single client with very deep pockets and can easily reach into large corporate or union funds for “soft money” donations or other allowable expenditures that may influence legislative actions. Those who are most heavily involved in giving and raising campaign finance money are frequently, and not surprisingly, the lobbyists with the most political clout.

13. Often, corporate clients seek their lobbyists’ advice concerning how their money is best spent, whether it be by contributing their PAC’s hard money directly to candidates,

donating soft money to the political parties, or funding independent expenditures such as broadcast “issue ads.” Although the answer for each client will depend upon various circumstances, including the goals that client is working to achieve, unregulated expenditures – whether soft money donations to the parties or issue ad campaigns – can sometimes generate far more influence than direct campaign contributions.

14. For example, a properly channeled \$100,000 corporate soft money donation to the national Republican or Democratic congressional campaign committees can get the corporate donor more benefit than several smaller hard dollar contributions by that corporation’s PAC. Although the donations are technically being made to political party committees, savvy donors are likely to carefully choose which elected officials can take credit for their contributions. If a Committee Chairman or senior member of the House or Senate Leadership calls and asks for a large contribution to his or her party’s national House or Senate campaign committee, and the lobbyist’s client is able to do so, the key elected official who is credited with bringing in the contribution, and possibly other senior officials, are likely to remember the donation and to recognize that such big donors’ interests merit careful consideration. Of course, parties with legislative interests also may give “soft money” to benefit a less senior federal elected official. The official may benefit by having the money go, for example, to his or her state party to be used for election related activity that will nonetheless help the officeholder in his or her campaign. Or, the donation might help fulfill fundraising commitments that the officeholder has made to his or her party or party committee. The official is likely to remember the helpful larger donation and donor.

15. From the perspective of many lobbyists’ clients, a large soft money donation funded by the corporate treasury is relatively easy. By contrast, it usually takes a great deal of effort for the corporation to raise \$100,000 in “hard money” in smaller, legally limited individual increments.

16. Today, many lobbyists often host a number of fundraisers. This phenomenon started with a few prominent lobbyists, but in recent years it has become very widespread within

the lobbying community. Whereas the political parties periodically organize “gala” events in large ballrooms filled with hundreds of donors, lobbyists now often prefer attending smaller events hosted by other lobbyists, with only ten or fifteen people participating, all sitting at a dinner or breakfast table with the invited guest elected official. This type event allows lobbyists a better opportunity to build more personal relationships and to exchange views.

17. Another practice used to secure influence in Washington is for an interest group to run so called “issue ads.” “Issue ads” run in close proximity to elections may influence the outcome of the election. Moreover, such ads may influence the elected official who is seeking reelection to come out in support of or opposition to particular legislation due to the response local voters have to the ads. These ads are noticed by the elected officials on whose behalf, or against whom, these ads are run. An effective advertising campaign may have far more effect on a member than a direct campaign contribution or even a large soft money donation to his or her political party that is used for political purposes in his or her district or state. These ads often have the effect of showing an elected official that a lobbyist’s particular issue can have consequences at the ballot box. Given how useful “issue ads” can be in creating political clout with candidates, it is laughable to have a system that prohibits corporations and labor unions from giving even a penny to a candidate, but allows them to funnel millions into positive or negative advertising campaigns that may influence election outcomes and that many candidates are likely to be influenced by.

18. In contrast to large soft money donations and the funding of “issue ads,” single, individual “hard money” contributions of \$250, \$500, or even \$1,000, made directly to candidates’ campaign funds typically have relatively little impact on the legislative process. Because candidates for Congress regularly raise hundreds of thousands, if not millions, of dollars each election cycle, relatively small individual donations lack the same potential for truly corrupting influence. Even at double or triple current levels, each hard money contribution is a tiny drop in a very large bucket. Putting limits on soft money is likely to create more pressure to give larger individual contributions, but at least those contributions will be capped and will have

to come from individuals' own pocketbooks rather than being drawn with ease out of a corporate or union treasury.

19. Overall, today's levels of political contributions and expenditures are undercutting the integrity of our legislative process. There is an ever-increasing and seemingly insatiable bipartisan demand for more contributions, both "hard" and "soft" dollars. The Federal Election Commission has reported that overall Senate and House candidates raised a record \$908.3 million during the 1999-2000 election cycle, up 37 percent from the 1997-1998 cycle. The Republican and Democratic parties also raised at least \$1.2 billion in hard and soft money, double what they raised in the prior cycle. These numbers are more than statistics reported by a federal bureaucracy. I see the effect of these numbers on a day-to-day basis as elected officials are forced to keep up with the money chase. Today, most legislators have to spend a great deal of time that should be devoted to their legislative duties seeking campaign contributions.

20. Ironically, congressional lobbyists in general are better, more professional, more ethical and represent more diverse interests than in the past. Our elected officials today also are generally honest, hard-working and well-meaning. But millions of Americans are convinced that lobbyists and the interests we represent are unprincipled "sleaze balls" who, in effect, use great sums of money to bribe a corrupt Congress.

21. Many citizens believe that using money to try to influence decisions is inherently wrong, unethical and unfair. While recognizing citizen's concerns, I disagree; I find little problem with political interests seeking to influence elected officials through legally limited personal contributions and expenditures at moderate levels, provided this is publicly disclosed and not done on a quid-pro-quo basis.

22. Some lobbyists continue to support the present campaign finance system for a variety of reasons, including in some cases because their own abilities to influence decisions, and their economic livelihoods, are far more dependent on using political contributions and expenditures than on the merits of their causes. But some, like me, believe that the restraints on campaign finance contained in the Bipartisan Campaign Reform Act are both allowable, and

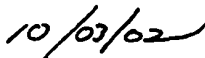
necessary.

23. Campaign-related contributions and expenditures at today's excessive levels, however, increasingly have a disproportionate influence on certain legislative actions. Unlimited "soft" money donations and "issue ad" spending in particular are making a joke of contribution limits and are allowing some of the wealthiest interests far too much power and influence. The prevailing system, which permitted unlimited soft money contributions, and which was legally permissible until the latest federal campaign law reforms, has provided the opportunity for a small number of very wealthy individuals, corporations, and labor unions to gain what I consider undue access and political influence.

Pursuant to 28 U.S.C. 1746, I declare under penalty of perjury that the foregoing is true and correct.



Wright H. Andrews



Date