

Representative Lloyd Doggett (TX-25)
Testimony before the House Rules Committee
Stealth Lobbyist Disclosure Act, H.R. 1302
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While requiring lobbyists to disclose certain information about the clients for whom they are working, the 1995 Lobbyist Disclosure Act provides that – in the case of a coalition or association that employs or retains other persons to conduct lobbying activities – the client is the *coalition or association* and not its individual members. This provision protects the identity of legitimate nonprofit and professional membership organizations.

Usually lobbyists are eager to identify their clients and their relationship to a Member's district. On some controversial issues, however, some lobbyists have avoided disclosure by reporting a vaguely named coalition as their sole client. When this happens, it is impossible to tell on whose behalf lobbying was really done.

Unfortunately, in over 600 instances, groups have taken advantage of this well-intentioned provision and began organizing themselves into informal "coalitions" to hide their identity and avoid reporting on lobbyist disclosure forms. Complete membership lists were available for approximately 16% of the identified lobbying coalitions. By using the lobbying loophole, they can lobby on controversial issues and keep their identity secret from their shareholders, their employees, the public and lawmakers.

For example, the "Section 877 Coalition," spent almost a million dollars seeking to prevent Congress from tightening tax laws applying to wealthy individuals who renounced their American citizenship. Initially, its members were unknown.

H.R. 1302, the *Stealth Lobbyist Disclosure Act* amends the definition of "client" to require disclosure of the members of a coalition, who actually pay the lobbyist's fees. Contributors to a "coalition" of less than \$1,000 per six-month reporting period are exempt as are 501(c) tax exempt organizations with substantial nonlobbying activities.

This proposal does not require disclosure of membership lists for groups like the National Rifle Association or the Christian Coalition, but seeks only to reveal those who are actually making substantial payments to a lobbyist.

In short, lobbyists today receive checks from clients and while some report the name of the client appearing on the check, others bundle checks from different clients and report only the name of a coalition they dream up. My bill lifts this veil of secrecy.