Testimony of

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On the Executive Branch Reform Act of 2007

Before the

Committee on Oversight and Government Reform

United States House of Representatives

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Chairman Waxman, Ranking Member Davis and members of the Committee.

Democracy 21 appreciates the opportunity to testify in support of the Executive Branch Reform Act of 2007. It is our understanding that this legislation will be similar to the Executive Branch Reform Act of 2006 and our comments are based on that legislation and the Committee report that accompanied it last year.

Consideration of the issues involved in this legislation comes during a period when the American public has been deeply concerned about corruption and ethics problems in Washington.

For example, exit polls on Election Day made clear that the corruption and ethics scandals in Congress were at the top of voter concerns. According to *CNN* (November 8, 2006):

> When asked which issue was extremely important to their vote, more voters said corruption and ethics in government than any other issue, including the war, according to national exit polls.

Government integrity reforms matter. They can change the way people act and the way business is done in Washington.

Government integrity reforms have worked.

The financial disclosure requirements for members of Congress and Executive Branch officials have served to minimize the cases of federal officeholders using their public office for personal financial gain.

The congressional rules preventing Members from practicing professions for profit, limiting their outside earned income and banning honoraria fees have served to prevent conflicts of interest and the misuse of public office for personal financial gain.

The opportunities to enact basic integrity reforms are often cyclical in nature. They come when government integrity and ethics problems have gotten out-of-control.

We are in such a period.

This Congress is off to an excellent start in beginning to address these problems.

In January, the House by a near unanimous vote passed landmark ethics rules reforms. The Senate followed by passing similarly strong ethics rules and important reforms to the lobbying laws.

The House is expected to consider its own lobbying reform legislation in March and we urge House members to adopt reforms as strong as the Senate- passed measures.

There are other important government integrity reform efforts that will be made in this Congress to establish a professional, nonpartisan ethics enforcement entity to help enforce congressional ethics rules and to reform the campaign finance laws.

While most of the ethics and lobbying reforms passed, to date, in this Congress focus on activities involving Congress, the legislation pending before this Committee appropriately addresses the need for additional government integrity reforms to be adopted dealing with the Executive Branch.

The Committee recognized this last year when it reported the Executive Branch Reform Act of 2006 by a unanimous vote of 32 to 0.

This vote apparently reflected the views of Republicans and Democrats alike on the Committee that this was consensus legislation to strengthen the government integrity rules that apply to Executive Branch officials and to provide the public with relevant information about Executive Branch activities to which they are entitled.

We would like to focus our comments on three sections of this legislation.

First, the legislation amends the Ethics in Government Act to require Executive Branch officials to record and file with the Office of Government Ethics a report on "significant contacts" the official has with any private party relating to an official government action.

According to the Committee report on last year's legislation:

> H.R 5512 would bring transparency to meetings between the private sector and executive branch officials by requiring all political appointees and senior officials in federal agencies and the White House to report the contacts they have with private parties seeking to influence official government action. The reports, which would be filed quarterly and maintained on a searchable database at the Office of Government Ethics, must disclose the dates of meetings, the parties involved, and the subject matter discussed.

This reform would bring sunlight to the process of lobbying Executive Branch officials. It would ensure that the public is informed about the organizations, lobbyists or other persons that are meeting with Executive Branch officials to advocate their views, the clients represented by lobbyists, and the subject of the meetings. It would provide the public with a much clearer picture of the efforts being undertaken to influence Executive Branch decisions.

The legislation before the Committee would require the Director of OGE to make the contact reports available for public inspection and copying. We urge the Committee to improve public access to this information by requiring that the information be made available on the Internet in a fully searchable and sortable database.

The availability of these disclosure reports only in the form of paper copies located in Washington would significantly constrain the ability of the public and the media to have access to the information in a useful and timely manner.

There is no good reason for failing to make these reports available to the public on the Internet so that they can be reviewed by any citizen with access to a computer.

Second, the legislation would extend the "cooling off" period in section 207 of Title 18 from one year to two years. This would prohibit former Executive Branch officials from lobbying their government offices on official matters for two years after leaving government service.

The Committee should also consider expanding the scope of this revolving door provision by restricting the ability of Executive Branch officials to engage in "lobbying activities," not just "lobbying contacts" of their former government offices during the two year period. This additional limitation would prevent officials from designing and supervising efforts to lobby their former agencies.

The legislation also would establish "reverse" revolving door provisions, relating to conflicts that Executive Branch officials have based on their employment prior to entering government service.

According to the Committee report on last year's legislation:

> H.R. 5112 would close the revolving door between the private sector and government by deeming lawyers, lobbyists and executives appointed to high government positions to have a prohibited conflict of interest if they take official actions affecting their former clients or employers within 2 years of entering

> government. No conflict-of-interest waivers could be granted without the approval of the Office of Government Ethics.

This provision addresses the issue of government officials taking government actions that benefit their former employers and clients. This reform is needed to address another side of the revolving door problem — circumstances where lobbyists, contractors and others come into the government from the private sector and then use their official position to benefit their former clients or employers.

The absence of a provision to cover these circumstances has been a missing link in revolving-door requirements for government officials that would be addressed by this legislation.

Third, the legislation would extend the revolving door restrictions to government contractors. According to the Committee report on last year's legislation:

> H.R. 5112 would close the revolving door between contractors and government. For the first time, executives who worked for private contractors would be barred from awarding contracts to their former employers when they enter government. The bill also clarifies the current law governing when government procurement officials could be hired by companies which hold federal contracts.

This provision also represents an important advance by recognizing the potential for conflicts of interest and the appearance of conflicts of interest where Executive Branch officials come to the government from private companies and play a role in awarding contracts to their former employers.

In conclusion, we support the legislation discussed above and believe it willl make necessary and valuable improvements in the ethics and conflict of interest rules that apply to Executive Branch officials.

The decision by the Committee last year to report this legislation unanimously demonstrated overwhelming bipartisan approval for the bill. We urge the Committee to take similar action this year and report the legislation on a bipartisan, consensus basis for timely action on the House floor.

Thanks you again for the opportunity to testify.