



Revolving Door Scandals Plague Government Congress Should Enact Enhanced Protections

Federal laws prohibit high-ranking executive branch officials, members of Congress and senior congressional staffers from lobbying their former colleagues for one year after leaving public service.

But developments in recent years have shown this restriction to be ineffective in achieving its goal of preventing government employees from cashing in on their public service.

First, the one-year cooling-off period is too brief, as it does not even cover a full congressional session. Second, while federal law prohibits ex-employees from making direct lobbying *contacts* with their former colleagues during the cooling-off period, it permits them to engage in lobbying *activities*. The distinction is important. Former officials may develop lobbying strategies, supervise other lobbyists and even register as lobbyists immediately after leaving public service. They simply cannot pick up the telephone and call their former colleagues officially on behalf of a client. In a culture as cozy as Washington's, this line is too fine.

Legislation passed by the Senate in January rightly addressed these loopholes by:

- 1) Extending the cooling-off period from one year to two;
- 2) Prohibiting lobbying *activities*, as well as lobbying *contacts*, during the cooling off period; and
- 3) Requiring public officials to publicly disclose negotiations for private sector jobs that may pose a conflict-of-interest job vis a vis their current positions.

It is essential that the House match the Senate's efforts to slow the revolving door in the comprehensive lobbying reform bill it is now considering.

Public Citizen Research Illustrates Need to Slow the Revolving Door

- Of members of Congress who left office between 1998 and 2004, 43 percent went on to become lobbyists – **42 percent of ex-House members and 50 percent of ex-senators.**¹
- By July 2005, only six months after the end of the 108th Congress, 18 departed members from that Congress had announced accepting jobs with lobbying firms. Four actually registered as federal lobbyists within their first year of leaving Congress.² **This fact**

highlights the need to ban *all* lobbying activities, not just explicit lobbying contacts, during the cooling-off period.

- Of 952 lobbyists representing drug companies, HMOs or industry-funded groups in 2003 (the year the Medicare prescription drug bill was passed), 431 were previously employed by the federal government, either in the executive branch or Congress. **Of these, 30 were former U.S. senators or representatives.**³
- **Conflict-of-interest rules governing future job negotiations for public officials are weak and generally unenforced.** Members of Congress and congressional staffers are not prohibited from negotiating future employment with industries that have business pending before Congress, nor must they disclose such negotiations. In the executive branch, waivers from the conflict-of-interest rules that restrict such employment negotiations are routinely granted and kept confidential.⁴
- **The ineffectiveness of conflict-of-interest rules on job negotiations was illustrated in the case of Tom Scully,** the former chief administrator for the Centers for Medicare and Medicaid Services (CMS) and the Bush administration's lead negotiator on the prescription drug bill. Scully began negotiating with half a dozen potential employers while still haggling with Congress over the Medicare legislation. Scully eventually accepted jobs with the lobbying firm Alston & Bird, where he promptly signed up at least a dozen new health care clients, including Abbott Laboratories and Aventis Pharmaceuticals.⁵

The Bottom Line

Revolving door restrictions are designed to:

- 1) Discourage public officials from “cashing in” on public service while in office; and
- 2) Reduce the potential for corruption by wealthy special interest groups that seek to exchange lucrative future employment for legislative favors.

The current one-year cooling off period on retired public officials' lobbying of former colleagues and the lax restrictions on private-sector job negotiations by federal employees have proven ineffective.

It is vital to the public interest that the “cooling off” period is extended from one year to two years, that ex-government employees are completely banned from lobbying during their cooling-off periods, and that public officials be required to make prompt, public disclosure of their discussions with prospective private sector employers.

We urge the House to pass these measures and urge members of the anticipated House-Senate conference committee to ensure that they are included in the final reform bill.

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¹ “Congressional Revolving Doors: The Journey from Congress to K Street,” Public Citizen, July 2005.

² Public Citizen analysis of lobbying disclosure records filed with the secretary of the Senate.

³ The Medicare Drug War, “An Army of Nearly 1,000 Lobbyists Pushes a Medicare Law that Puts Drug Company and HMO Profits Ahead of Patients and Taxpayers,” Public Citizen, June 2004.

⁴ A Matter of Trust: How the Revolving Door Undermines Public Confidence in Government – and What to Do About It,” Revolving Door Working Group, October 2005.

⁵ The Medicare Drug War, “An Army of Nearly 1,000 Lobbyists Pushes a Medicare Law that Puts Drug Company and HMO Profits Ahead of Patients and Taxpayers,” Public Citizen, June 2004.