



Committee On Finance

Max Baucus, Ranking Member

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BAUCUS AMENDMENT SETS RULES FOR MEMBERS' CHARITIES

Senator wants more disclosure of donations to charities controlled by members, family; rule changes would also prohibit personal gain from charity organizations

Washington, DC – An amendment to be introduced today by U.S. Senator Max Baucus (D-Mont.), Ranking Member of the Senate Finance Committee, will establish important ethics rules regarding charities controlled by members of Congress or by their families. The Baucus amendment to S. 2349, The Legislative Transparency and Accountability Act of 2006, would require disclosure of donations of more than \$200 to any such charity. Baucus's amendment also would prohibit members of Congress from profiting personally from any such charity.

"Members of Congress and their families should do all the charitable work they can, but there must not be even a hint of impropriety in those efforts," said Baucus. **"This amendment will make sure that organizations meant for good don't become magnets for unethical behavior."**

In addition to the donation disclosure requirement, the Baucus amendment would amend Senate conflict-of-interest rules to ensure that members do not profit personally from charities they or their families control. It would do so with the following prohibitions:

- Members, their spouses or their staff may not receive compensation from the charity.
- An individual or firm may not receive money from a charity if they have financial ties to a member's political action committee.
- The charity may not pay for a member's travel expenses if the senator or congressman is engaging in fundraising activities.
- Funds may not be transferred to another charity to pay for a member's travel.

Under the terms of the amendment, the Senate Ethics Committee could waive the rule in limited cases for charities that are substantially influenced by family members of the Senator, but that do not personally or politically benefit the Senator. For instance, if a Senator's spouse sought a paid position with a charity that is supported primarily by the general public, the Ethics Committee might review that case and waive the Baucus rules on disclosure and compensation.

Penalties for violating any rule of the Baucus amendment include censure and/or expulsion.

"The privilege of serving in Congress comes with a responsibility to remain above reproach," said Baucus. **"It's my hope that this amendment will be part of real ethics reform that reminds members of Congress, and all who work and deal with them, of the right ways to do the people's business."**

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