By Mr. JONES:
H.R. 3882. A bill to amend the Internal Revenue Code of 1986 to provide that a member of the Armed Forces of the United States shall be treated as using a principal residence while on extended active duty; to the Committee on Ways and Means.

By Mr. LEWIS of Kentucky:
H.R. 3883. A bill to revise the boundary of the ABRAHAM Lincoln Birthplace National Historic Site to include Knob Creek Farm, and for other purposes; to the Committee on Resources.

By Mr. NADLER (for himself, Mrs. MALONEY of New York, Mr. MANTON, Mr. HINCHEY, Mr. TOWNS, Mr. LAFALCE, and Mr. SCHUMER):
H.R. 3884. A bill to provide for the disposition of Governors Island, New York; to the Committee on Government Reform and Oversight, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. RIVERS:
H.R. 3885. A bill to waive interest and penalties for failures to file schedule D of Form 1040 with a timely filed return for 1997; to the Committee on Ways and Means.

By Mr. RYUN (for himself, Mr. STUMP, Mr. SAXTON, Mr. TIAHRT, Mr. DICKEY, Mr. SNOWBARGER, Mr. WAMP, and Ms. DANNER):
H.R. 3886. A bill to prohibit the export of missile equipment and technology to the People's Republic of China; to the Committee on International Relations.

By Mr. STUPAK (for himself, Mr. BARRETT of Wisconsin, Mr. BROWN of Ohio, Mr. HOLDEN, Mr. KIND of Wisconsin, Mr. LUTHER, Mr. VENTO, Mr. SABO, Mrs. THURMAN, Mr. BONIOR, Mr. QUINN, Mr. OBEY, Mr. JOHNSON of Wisconsin, Ms. STABENOW, Mr. KUCINICH, and Ms. RIVERS):
H.R. 3887. A bill to prohibit oil and gas drilling in the Great Lakes; to the Committee on Resources.

By Mr. TAUZIN (for himself, Mr. BASS, Mr. GOODLATTE, Mr. GILLMOR, Mr. BURR of North Carolina, Mr. SKEEN, Mr. FRANKS of New Jersey, and Mr. BACHUS):
H.R. 3888. A bill to amend the Communications Act of 1934 to improve the protection of consumers against ''slamming'' by telecommunications carriers, and for other purposes; to the Committee on Commerce.

By Mr. UPTON:
H.R. 3889. A bill to amend the Federal Food, Drug, and Cosmetic Act to strengthen controls over tobacco; to the Committee on Commerce.

By Mr. DELAY:
H.J. Res. 119. A joint resolution proposing an amendment to the Constitution of the United States to limit campaign spending; to the Committee on the Judiciary.

By Mr. BLUNT (for himself, Mr. GILMAN, Mr. GALLEGLY, Mr. MICA, Mr. BURTON of Indiana, Mr. PITTS, and Mr. BRADY):
H. Con. Res. 277. Concurrent resolution concerning the New Tribes Mission hostage crisis; to the Committee on International Relations.

By Mr. DELAY:
H. Res. 432. A resolution expressing the sense of the House of Representatives concerning the President's assertions of executive privilege; to the Committee on the Judiciary.

By Mr. SOLOMON:
H. Res. 433. A resolution calling upon the President of the United States to urge full cooperation by his former political appointees and friends and their associates with congressional investigations; to the Committee on the Judiciary.

By Mr. FAZIO of California:
H. Res. 434. A resolution designating minority membership on certain standing committees of the House; considered and agreed to.

By Mr. LINDER (for himself, Mr. CHAMBLISS, and Mr. DEAL of Georgia):
H. Res. 437. A resolution commending Jack Elrod for his contributions to the United States; to the Committee on Resources.

By Mr. RYUN (for himself, Mr. BLILEY, Mr. MILLER of Florida, Mr. HOSTETTLER, Mr. KING of New York, Mr. INGLIS of South Carolina, Mr. PETERSON of Pennsylvania, Mr. STARK, Mr. PAPPAS, Mr. HILLEARY, Mrs. CUBIN, Mrs. FOWLER, Mr. STUMP, Mr. SAXTON, Mr. TIAHRT, Mr. DICKEY, Mr. SNOWBARGER, Mr. WAMP, and Ms. DANNER):
H. Res. 438. A resolution expressing the sense of the House regarding the transfer to the People's Republic of China of technology that can be used in the development of strategic nuclear missiles; to the Committee on International Relations.

By Mr. UNDERWOOD:
H. Res. 439. A resolution concerning India's recent detonation of 5 nuclear devices; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 26: Mr. OBEY and Mr. GORDON.
H.R. 59: Mrs. BONO.
H.R. 65: Mr. SESSIONS.
H.R. 303: Mr. SESSIONS.
H.R. 306: Ms. ROS-LEHTINEN and Mr. PICKETT.
H.R. 1126: Mr. BRYANT, Mr. BONIOR, Mrs. MORELLA, and Mr. MOAKLEY.
H.R. 1159: Mr. OLVER.
H.R. 1165: Mrs. CAPPS.
H.R. 1173: Mr. BERRY and Mrs. ROUKEMA.
H.R. 1241: Mr. SHERMAN.
H.R. 1356: Mr. KENNEDY of Rhode Island.
H.R. 1376: Ms. BROWN of Florida, Mr. FATTAH, Mr. RODRIGUEZ, Mr. MALONEY of Connecticut, Mrs. MCCARTHY of New York, and Mr. OWENS.
H.R. 1378: Mr. BLILEY.
H.R. 1382: Mrs. KENNELLY of Connecticut and Mr. NEAL of Massachusetts.
H.R. 1671: Mr. FRANK of Massachusetts.
H.R. 1689: Mr. BERRY, Mr. BAESLER, Mr. SISISKY, and Mrs. BONO.
H.R. 1736: Ms. LOFGREN.
H.R. 1766: Mr. BUNNING of Kentucky, Mr. BURR of North Carolina, Mr. GRAHAM, Mr. HUNTER, Mr. KENNEDY of Rhode Island, Mr. LIVINGSTON, MS. MCCARTHY of Missouri, Ms. MCKINNEY, Mr. MOLLOHAN, Mr. PETERSON of Pennsylvania, Mr. REYES, Mr. ROGERS, Mr. SAWYER, Mr. SHIMKUS, and Mr. WEYGAND,
H.R. 2009: Mr. SANDERS, Mr. SHAW, Mr. MOAKLEY, and Mr. MCHALE.
H.R. 2023: Mr. WYNN.
H.R. 2088: Mr. FROST.
H.R. 2202: Mr. JEFFERSON.
H.R. 2450: Mr. COBURN.
H.R. 2537: Mr. MCINTOSH.
H.R. 2538: Mr. LAZIO of New York.
H.R. 2719: Mrs. TAUSCHER.
H.R. 2727: Mr. HALL of Texas, Mr. HEFNER, Mr. ENGLISH of Pennsylvania, and Mr. GOODLING.
H.R. 2804: Mr. SCHUMER, Ms. STABENOW, and Ms. DELAURO.
H.R. 2819: Mr. SHAYS, Mr. WEYGAND, and Mr. HUTCHINSON.
H.R. 2821: Mr. SMITH of Michigan.
H.R. 2855: Mr. UNDERWOOD, Mr. PASCRELL, and Mr. BAESLER.
H.R. 3048: Ms. SANCHEZ.
H.R. 3093: Mr. OWENS.
H.R. 3166: Mr. PACKARD.
H.R. 3205: Ms. EDDIE BERNICE JOHNSON of Texas and Mr. MCINTYRE.
H.R. 3274: Mr. BRYANT.
H.R. 3283: Mr. SANDLIN.
H.R. 3290: Mr. UPTON, Mr. HASTINGS of Washington, and Mr. BLUMENAUER.
H.R. 3396: Mr. YOUNG of Florida, Mr. FOLEY, Mr. WYNN, and Mr. GREENWOOD.
H.R. 3435: Ms. DANNER, Ms. MCCARTHY of Missouri, Mr. HILL, Ms. DELAURO, Mr. HUTCHINSON, Mr. KLUG, Mr. DOYLE, Mr. CLYBURN, and Mr. HUNTER.
H.R. 3466: Ms. FURSE.
H.R. 3494: Mr. PAPPAS.
H.R. 3514: Mr. DEUTSCH.
H.R. 3561: Mr. ALLEN.
H.R. 3566: Mr. GREENWOOD.
H.R. 3567: Mr. MCNULTY, Mr. MANTON, Mr. GEKAS, and Ms. RIVERS.
H.R. 3572: Mr. HOBSON, Mr. TALENT, Mr. HALL of Ohio, Mr. KUCINICH, Mr. CLEMENT, Mr. LATOURETTE, Mr. WELDON of Florida, and Mr. PRICE of North Carolina.
H.R. 3610: Mr. BUNNING of Kentucky, Mr. MALONEY of Connecticut, Mr. BOUCHER, Mr. WHITFIELD, Mr. SHAYS, Mr. WYNN, and Mr. GOODLING.
H.R. 3613: Mr. BRYANT, Mr. GILMAN, and Mrs. MORELLA.
H.R. 3636: Mr. SABO, Mr. BARRETT of Wisconsin, and Mr. MCHALE.
H.R. 3637: Mr. HILLIARD, Ms. LOFGREN, Mr. FROST, and Mr. SCHUMER.
H.R. 3650: Mr. ARMEY, Mrs. EMERSON, Mr. GILMAN, and Mr. OWENS.
H.R. 3680: Mr. PETERSON of Pennsylvania, Mr. KNOLLENBERG, Mr. SHAYS, Mr. CALLAHAN, Mr. HOEKSTRA, and Mr. NORWOOD.
H.R. 3783: Mr. ENGLISH of Pennsylvania and Mr. KIM.
H.R. 3807: Mr. ADERHOLT, Mr. BALLENGER, Mr. BARCIA of Michigan, Mr. BURTON of Indiana, Mr. BUYER, Mr. CALLAHAN, Mr. COLLINS, Mr. COOKSEY, Mr. CRAPO, Mr. DICKEY, Mr. ENGLISH of Pennsylvania, Mr. EVERETT, Mr. HUTCHINSON, Mr. SAM JOHNSON, Mr. KIM, Mr. LAHOOD, Mr. MCHUGH, Mr. MANZULLO, Mr. MORAN of Kansas, Mr. NETHERCUTT, Mr. QUINN, Mr. SENSENBRENNER, and Mr. SHIMKUS.
H.R. 3822: Mr. NEUMANN.
H.R. 3841: Mr. KENNEDY of Massachusetts.
H. Con. Res. 47: Ms. DANNER, Mr. CALVERT, Mr. MCINTYRE, and Mr. BONIOR.
H. Con. Res. 203: Mr. SPRATT.
H. Con. Res. 210: Mr. NEAL of Massachusetts and Ms. STABENOW.
H. Con. Res. 214: Mr. DUNCAN, Mr. BLILEY, and Mr. DAVIS of Virginia.
H. Con. Res. 271: Ms. WOOLSEY.
H. Res. 247: Mr. MCGOVERN.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3760: Mr. DAVIS of Illinois.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

[Submitted May 13, 1998]

H.R. 2183

OFFERED BY: MR. BASS

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Campaign Reform Act of 1998''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

''SEC. 323. SOFT MONEY OF POLITICAL PARTIES.

''(a) NATIONAL COMMITTEES.—

''(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) and any officers or agents of such party committees, shall not solicit, receive, or direct to another person a contribution, donation, or transfer of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.—This subsection shall apply to an entity that is directly or indirectly established, financed, maintained, or controlled by a national committee of a political party (including a national congressional campaign committee of a political party), or an entity acting on behalf of a national committee, and an officer or agent acting on behalf of any such committee or entity.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

''(1) IN GENERAL.—An amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity) for Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); and

''(iii) a communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and is made for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, provided the campaign activity is not a Federal election activity described in subparagraph (A);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention;

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office;

''(v) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of an individual who spends more than 20 percent of the individual's time on Federal election activity) as determined by a regulation promulgated by the Commission to determine the non-Federal share of a State, district, or local party committee's administrative and overhead expenses; and

''(vi) the cost of constructing or purchasing an office facility or equipment for a State, district or local committee.

''(c) FUNDRAISING COSTS.—An amount spent by a national, State, district, or local committee of a political party, by an entity that is established, financed, maintained, or controlled by a national, State, district, or local committee of a political party, or by an agent or officer of any such committee or entity, to raise funds that are used, in whole or in part, to pay the costs of a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party, an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, an agent acting on behalf of any such party committee, and an officer or agent acting on behalf of any such party committee or entity), shall not solicit any funds for, or make or direct any donations to, an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application to the Secretary of the Internal Revenue Service for determination of tax-exemption under such section).

''(e) CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, or agent of a candidate or individual holding Federal office shall not solicit, receive, direct, transfer, or spend funds for a Federal election activity on behalf of such candidate, individual, agent or any other person, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) STATE LAW.—Paragraph (1) does not apply to the solicitation or receipt of funds by an individual who is a candidate for a State or local office if the solicitation or receipt of funds is permitted under State law for any activity other than a Federal election activity.

''(3) FUNDRAISING EVENTS.—Paragraph (1) does not apply in the case of a candidate who attends, speaks, or is a featured guest at a fundraising event sponsored by a State, district, or local committee of a political party.''.

SEC. 102. INCREASED CONTRIBUTION LIMITS FOR STATE COMMITTEES OF POLITICAL PARTIES AND AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUALS.

(a) CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year that, in the aggregate, exceed $10,000''.

(b) AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUAL.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking ''$25,000'' and inserting ''$30,000''.

SEC. 103. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 203) is amended by inserting after subsection (d) the following:

''(e) POLITICAL COMMITTEES.—

''(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any national congressional

campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—A political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in subparagraphs (A) and (B)(v) of section 323(b)(2).

''(3) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

''(4) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).''.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xiv) as clauses (viii) through (xiii), respectively.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

SEC. 201. DEFINITIONS.

(a) DEFINITION OF INDEPENDENT EXPENDITURE.—Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

''(17) INDEPENDENT EXPENDITURE.—

''(A) IN GENERAL.—The term 'independent expenditure' means an expenditure by a person—

''(i) for a communication that is express advocacy; and

''(ii) that is not provided in coordination with a candidate or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent.''.

(b) DEFINITION OF EXPRESS ADVOCACY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

''(20) EXPRESS ADVOCACY.—

''(A) IN GENERAL.—The term 'express advocacy' means a communication that advocates the election or defeat of a candidate by—

''(i) containing a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to advocate the election or defeat of 1 or more clearly identified candidates;

''(ii) referring to 1 or more clearly identified candidates in a paid advertisement that is broadcast by a radio broadcast station or a television broadcast station within 60 calendar days preceding the date of an election of the candidate and that appears in the State in which the election is occurring, except that with respect to a candidate for the office of Vice President or President, the time period is within 60 calendar days preceding the date of a general election; or

''(iii) expressing unmistakable and unambiguous support for or opposition to 1 or more clearly identified candidates when taken as a whole and with limited reference to external events, such as proximity to an election.

''(B) VOTING RECORD AND VOTING GUIDE EXCEPTION.—The term 'express advocacy' does not include a printed communication that—

''(i) presents information in an educational manner solely about the voting record or position on a campaign issue of 2 or more candidates;

''(ii) that is not made in coordination with a candidate, political party, or agent of the candidate or party; or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent; and

''(iii) does not contain a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', or 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of 1 or more clearly identified candidates.''.

(c) DEFINITION OF EXPENDITURE.—Section 301(9)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)) is amended—

(1) in clause (i), by striking ''and'' at the end;

(2) in clause (ii), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(iii) a payment for a communication that is express advocacy; and

''(iv) a payment made by a person for a communication that—

''(I) refers to a clearly identified candidate;

''(II) is provided in coordination with the candidate, the candidate's agent, or the political party of the candidate; and

''(III) is for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).''.

SEC. 202. CIVIL PENALTY.

Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(A)—

(i) in clause (i), by striking ''clause (ii)'' and inserting ''clauses (ii) and (iii)''; and

(ii) by adding at the end the following:

''(iii) If the Commission determines by an affirmative vote of 4 of its members that there is probable cause to believe that a person has made a knowing and willful violation of section 304(c), the Commission shall not enter into a conciliation agreement under this paragraph and may institute a civil action for relief under paragraph (6)(A).''; and

(B) in paragraph (6)(B), by inserting ''(except an action instituted in connection with a knowing and willful violation of section 304(c))'' after ''subparagraph (A)''; and

(2) in subsection (d)(1)—

(A) in subparagraph (A), by striking ''Any person'' and inserting ''Except as provided in subparagraph (D), any person''; and

(B) by adding at the end the following:

''(D) In the case of a knowing and willful violation of section 304(c) that involves the reporting of an independent expenditure, the violation shall not be subject to this subsection.''.

SEC. 203. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) of subsection (c) as subsection (f); and

(3) by inserting after subsection (c)(2) (as amended by paragraph (1)) the following:

''(d) TIME FOR REPORTING CERTAIN EXPENDITURES.—

''(1) EXPENDITURES AGGREGATING $1,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

''(2) EXPENDITURES AGGREGATING $10,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

''(3) PLACE OF FILING; CONTENTS.—A report under this subsection—

''(A) shall be filed with the Commission; and

''(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.''.

SEC. 204. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking ''and (3)'' and inserting '', (3), and (4)''; and

(2) by adding at the end the following:

''(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

''(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, a committee of the political party shall not make both expenditures under this subsection and independent expenditures (as defined in section 301(17)) with respect to the candidate during the election cycle.

''(B) CERTIFICATION.—Before making a coordinated expenditure under this subsection with respect to a candidate, a committee of a political party shall file with the Commission a certification, signed by the treasurer of the committee, that the committee has not and shall not make any independent expenditure with respect to the candidate during the same election cycle.

''(C) APPLICATION.—For the purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

''(D) TRANSFERS.—A committee of a political party that submits a certification under subparagraph (B) with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.''.

SEC. 205. COORDINATION WITH CANDIDATES.

(a) DEFINITION OF COORDINATION WITH CANDIDATES.—

(1) SECTION 301(8).—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(A) in subparagraph (A)—

(i) by striking ''or'' at the end of clause (i);

(ii) by striking the period at the end of clause (ii) and inserting ''; or''; and

(iii) by adding at the end the following:

''(iii) anything of value provided by a person in coordination with a candidate for the purpose of influencing a Federal election, regardless of whether the value being provided is a communication that is express advocacy, in which such candidate seeks nomination or election to Federal office.''; and

(B) by adding at the end the following:

''(C) The term 'provided in coordination with a candidate' includes—

''(i) a payment made by a person in cooperation, consultation, or concert with, at the request or suggestion of, or pursuant to any general or particular understanding with a candidate, the candidate's authorized committee, or an agent acting on behalf of a candidate or authorized committee;

''(ii) a payment made by a person for the production, dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign material prepared by a candidate, a candidate's authorized committee, or an agent of a candidate or authorized committee (not including a communication described in paragraph (9)(B)(i) or a communication that expressly advocates the candidate's defeat);

''(iii) a payment made by a person based on information about a candidate's plans, projects, or needs provided to the person making the payment by the candidate or the candidate's agent who provides the information with the intent that the payment be made;

''(iv) a payment made by a person if, in the same election cycle in which the payment is made, the person making the payment is serving or has served as a member, employee, fundraiser, or agent of the candidate's authorized committee in an executive or policymaking position;

''(v) a payment made by a person if the person making the payment has served in any formal policymaking or advisory position with the candidate's campaign or has participated in formal strategic or formal policymaking discussions with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made;

''(vi) a payment made by a person if, in the same election cycle, the person making the payment retains the professional services of any person that has provided or is providing campaign-related services in the same election cycle to a candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including services relating to the candidate's decision to seek Federal office, and the person retained is retained to work on activities relating to that candidate's campaign;

''(vii) a payment made by a person who has engaged in a coordinated activity with a candidate described in clauses (i) through (vi) for a communication that clearly refers to the candidate and is for the purpose of influencing an election (regardless of whether the communication is express advocacy);

''(viii) direct participation by a person in fundraising activities with the candidate or in the solicitation or receipt of contributions on behalf of the candidate;

''(ix) communication by a person with the candidate or an agent of the candidate, occurring after the declaration of candidacy (including a pollster, media consultant, vendor, advisor, or staff member), acting on behalf of the candidate, about advertising message, allocation of resources, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics, or strategy; or

''(x) the provision of in-kind professional services or polling data to the candidate or candidate's agent.

''(D) For purposes of subparagraph (C), the term 'professional services' includes services in support of a candidate's pursuit of nomination for election, or election, to Federal office such as polling, media advice, direct mail, fundraising, or campaign research.

''(E) For purposes of subparagraph (C), all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.''.

(2) SECTION 315(a)(7).—Section 315(a)(7) (2 U.S.C. 441a(a)(7)) is amended by striking subparagraph (B) and inserting the following:

''(B) a thing of value provided in coordination with a candidate, as described in section 301(8)(A)(iii), shall be considered to be a contribution to the candidate, and in the case of a limitation on expenditures, shall be treated as an expenditure by the candidate.

(b) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by striking ''shall include'' and inserting ''includes a contribution or expenditure, as those terms are defined in section 301, and also includes''.

TITLE III—DISCLOSURE

SEC. 301. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 302(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following:

''(11)(A) The Commission shall promulgate a regulation under which a person required to file a designation, statement, or report under this Act—

''(i) is required to maintain and file a designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

''(ii) may maintain and file a designation, statement, or report in electronic form or an alternative form, including the use of a facsimile machine, if not required to do so under the regulation promulgated under clause (i).

''(B) The Commission shall make a designation, statement, report, or notification that is filed electronically with the Commission accessible to the public on the Internet not later than 24 hours after the designation, statement, report, or notification is received by the Commission.

''(C) In promulgating a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulation. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.''.

SEC. 302. PROHIBITION OF DEPOSIT OF CONTRIBUTIONS WITH INCOMPLETE CONTRIBUTOR INFORMATION.

Section 302 of Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following:

''(j) DEPOSIT OF CONTRIBUTIONS.—The treasurer of a candidate's authorized committee shall not deposit, except in an escrow account, or otherwise negotiate a contribution from a person who makes an aggregate amount of contributions in excess of $200 during a calendar year unless the treasurer verifies that the information required by this section with respect to the contributor is complete.''.

SEC. 303. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—

(1) by inserting ''(1) IN GENERAL.—'' before ''The Commission''; and

(2) by adding at the end the following:

''(2) RANDOM AUDITS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act. The selection of any candidate for a random audit or investigation shall be based on criteria adopted by a vote of at least 4 members of the Commission.

''(B) LIMITATION.—The Commission shall not conduct an audit or investigation of a candidate's authorized committee under subparagraph (A) until the candidate is no longer a candidate for the office sought by the candidate in an election cycle.

''(C) APPLICABILITY.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986.''.

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by striking ''6 months'' and inserting ''12 months''.

SEC. 304. REPORTING REQUIREMENTS FOR CONTRIBUTIONS OF $50 OR MORE.

Section 304(b)(3)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(3)(A)) is amended—

(1) by striking ''$200'' and inserting ''$50''; and

(2) by striking the semicolon and inserting '', except that in the case of a person who makes contributions aggregating at least $50 but not more than $200 during the calendar year, the identification need include only the name and address of the person;''.

SEC. 305. USE OF CANDIDATES' NAMES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by striking paragraph (4) and inserting the following:

''(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

''(B) A political committee that is not an authorized committee shall not—

''(i) include the name of any candidate in its name; or

''(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of the committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.''.

SEC. 306. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting after ''SEC. 322.'' the following: ''(a) IN GENERAL.—''; and

(2) by adding at the end the following:

''(b) SOLICITATION OF CONTRIBUTIONS.—No person shall solicit contributions by falsely representing himself or herself as a candidate or as a representative of a candidate, a political committee, or a political party.''.

SEC. 307. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434)

(as amended by section 103(c) and section 203) is amended by adding at the end the following:

''(g) DISBURSEMENTS OF PERSONS OTHER THAN POLITICAL PARTIES.—

''(1) IN GENERAL.—A person, other than a political committee or a person described in section 501(d) of the Internal Revenue Code of 1986, that makes an aggregate amount of disbursements in excess of $50,000 during a calendar year for activities described in paragraph (2) shall file a statement with the Commission—

''(A) on a monthly basis as described in subsection (a)(4)(B); or

''(B) in the case of disbursements that are made within 20 days of an election, within 24 hours after the disbursements are made.

''(2) ACTIVITY.—The activity described in this paragraph is—

''(A) Federal election activity;

''(B) an activity described in section 316(b)(2)(A) that expresses support for or opposition to a candidate for Federal office or a political party; and

''(C) an activity described in subparagraph (C) of section 316(b)(2).

''(3) APPLICABILITY.—This subsection does not apply to—

''(A) a candidate or a candidate's authorized committees; or

''(B) an independent expenditure.

''(4) CONTENTS.—A statement under this section shall contain such information about the disbursements made during the reporting period as the Commission shall prescribe, including—

''(A) the aggregate amount of disbursements made;

''(B) the name and address of the person or entity to whom a disbursement is made in an aggregate amount in excess of $200;

''(C) the date made, amount, and purpose of the disbursement; and

''(D) if applicable, whether the disbursement was in support of, or in opposition to, a candidate or a political party, and the name of the candidate or the political party.''.

(b) DEFINITION OF GENERIC CAMPAIGN ACTIVITY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 201(b)) is further amended by adding at the end the following:

''(21) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means an activity that promotes a political party and does not promote a candidate or non-Federal candidate.''.

SEC. 308. CAMPAIGN ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever'';

(ii) by striking ''an expenditure'' and inserting ''a disbursement''; and

(iii) by striking ''direct''; and

(B) in paragraph (3), by inserting ''and permanent street address'' after ''name''; and

(2) by adding at the end the following:

''(c) Any printed communication described in subsection (a) shall—

''(1) be of sufficient type size to be clearly readable by the recipient of the communication;

''(2) be contained in a printed box set apart from the other contents of the communication; and

''(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

''(d)(1) Any broadcast or cablecast communication described in paragraphs (1) or (2) of subsection (a) shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

''(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement that—

''(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

''(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

''(e) Any broadcast or cablecast communication described in paragraph (3) of subsection (a) shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following statement: '_____ is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If broadcast or cablecast by means of television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''.

TITLE IV—PERSONAL WEALTH OPTION

SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 101) is amended by adding at the end the following:

''SEC. 324. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

''(a) ELIGIBLE HOUSE CANDIDATE.—

''(1) PRIMARY ELECTION.—

''(A) DECLARATION.—A candidate is an eligible primary election House candidate if the candidate files with the Commission a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

''(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than the date on which the candidate files with the appropriate State officer as a candidate for the primary election.

''(2) GENERAL ELECTION.—

''(A) DECLARATION.—A candidate is an eligible general election House candidate if the candidate files with the Commission—

''(i) a declaration under penalty of perjury, with supporting documentation as required by the Commission, that the candidate and the candidate's authorized committees did not exceed the personal funds expenditure limit in connection with the primary election; and

''(ii) a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

''(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than 7 days after the earlier of—

''(i) the date on which the candidate qualifies for the general election ballot under State law; or

''(ii) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

''(b) PERSONAL FUNDS EXPENDITURE LIMIT.—

''(1) IN GENERAL.—The aggregate amount of expenditures that may be made in connection with an election by an eligible House candidate or the candidate's authorized committees from the sources described in paragraph (2) shall not exceed $50,000.

''(2) SOURCES.—A source is described in this paragraph if the source is—

''(A) personal funds of the candidate and members of the candidate's immediate family; or

''(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

''(c) CERTIFICATION BY THE COMMISSION.—

''(1) IN GENERAL.—The Commission shall determine whether a candidate has met the requirements of this section and, based on the determination, issue a certification stating whether the candidate is an eligible House candidate.

''(2) TIME FOR CERTIFICATION.—Not later than 7 business days after a candidate files a declaration under paragraph (1) or (2) of subsection (a), the Commission shall certify whether the candidate is an eligible House candidate.

''(3) REVOCATION.—The Commission shall revoke a certification under paragraph (1), based on information submitted in such form and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate violates the personal funds expenditure limit.

''(4) DETERMINATIONS BY COMMISSION.—A determination made by the Commission under this subsection shall be final, except to the extent that the determination is subject to examination and audit by the Commission and to judicial review.

''(d) PENALTY.—If the Commission revokes the certification of an eligible House candidate—

''(1) the Commission shall notify the candidate of the revocation; and

''(2) the candidate and a candidate's authorized committees shall pay to the Commission an amount equal to the amount of expenditures made by a national committee of a political party or a State committee of a political party in connection with the general election campaign of the candidate under section 315(d).''.

SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) (as amended by section 204) is amended by adding at the end the following:

''(5) This subsection does not apply to expenditures made in connection with the general election campaign of a candidate for the House of Representatives who is not an eligible House candidate (as defined in section 324(a)).''.

TITLE V—MISCELLANEOUS

SEC. 501. PROHIBITING INVOLUNTARY USE OF FUNDS OF EMPLOYEES OF CORPORATIONS AND OTHER EMPLOYERS AND MEMBERS OF UNIONS AND ORGANIZATIONS FOR POLITICAL ACTIVITIES.

(a) IN GENERAL.—Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

''(c)(1)(A) Except with the separate, prior, written, voluntary authorization of the individual involved, it shall be unlawful—

''(i) for any national bank or corporation described in this section to collect from or assess a stockholder or employee any portion

of any dues, initiation fee, or other payment made as a condition of employment which will be used for political activity in which the national bank or corporation is engaged; and

''(ii) for any labor organization described in this section to collect from or assess a member or nonmember any portion of any dues, initiation fee, or other payment which will be used for political activity in which the labor organization is engaged.

''(B) An authorization described in subparagraph (A) shall remain in effect until revoked and may be revoked at any time. Each entity collecting from or assessing amounts from an individual with an authorization in effect under such subparagraph shall provide the individual with a statement that the individual may at any time revoke the authorization.

''(2)(A) Prior to the beginning of any 12-month period (as determined by the corporation), each corporation described in this section shall provide each of its shareholders with a notice containing the following:

''(i) The proposed aggregate amount for disbursements for political activities by the corporation for the period.

''(ii) The individual's applicable percentage and applicable pro rata amount for the period.

''(iii) A form that the individual may complete and return to the corporation to indicate the individual's objection to the disbursement of amounts for political activities during the period.

''(B) It shall be unlawful for a corporation to which subparagraph (A) applies to make disbursements for political activities during the 12-month period described in such subparagraph in an amount greater than—

''(i) the proposed aggregate amount for such disbursements for the period, as specified in the notice provided under subparagraph (A); reduced by

''(ii) the sum of the applicable pro rata amounts for such period of all shareholders who return the form described in subparagraph (A)(iii) to the corporation prior to the beginning of the period.

''(C) In this paragraph, the following definitions shall apply:

''(i) The term 'applicable percentage' means, with respect to a shareholder of a corporation, the amount (expressed as a percentage) equal to the number of shares of the corporation (within a particular class or type of stock) owned by the shareholder at the time the notice described in subparagraph (A) is provided, divided by the aggregate number of such shares owned by all shareholders of the corporation at such time.

''(ii) The term 'applicable pro rata amount' means, with respect to a shareholder for a 12-month period, the product of the shareholder's applicable percentage for the period and the proposed aggregate amount for disbursements for political activities by the corporation for the period, as specified in the notice provided under subparagraph (A).

''(3) For purposes of this subsection, the term 'political activity' means any activity carried out for the purpose of influencing (in whole or in part) any election for Federal office, influencing the consideration or outcome of any Federal legislation or the issuance or outcome of any Federal regulations, or educating individuals about candidates for election for Federal office or any Federal legislation, law, or regulations.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to amounts collected or assessed on or after the date of the enactment of this Act.

SEC. 502. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

''SEC. 313. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

''(a) PERMITTED USES.—A contribution accepted by a candidate, and any other amount received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

''(1) for expenditures in connection with the campaign for Federal office of the candidate or individual;

''(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

''(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

''(4) for transfers to a national, State, or local committee of a political party.

''(b) PROHIBITED USE.—

''(1) IN GENERAL.—A contribution or amount described in subsection (a) shall not be converted by any person to personal use.

''(2) CONVERSION.—For the purposes of paragraph (1), a contribution or amount shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal officeholder, including—

''(A) a home mortgage, rent, or utility payment;

''(B) a clothing purchase;

''(C) a noncampaign-related automobile expense;

''(D) a country club membership;

''(E) a vacation or other noncampaign-related trip;

''(F) a household food item;

''(G) a tuition payment;

''(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

''(I) dues, fees, and other payments to a health club or recreational facility.''.

SEC. 503. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

Section 3210(a)(6) of title 39, United States Code, is amended by striking subparagraph (A) and inserting the following:

''(A) A Member of Congress shall not mail any mass mailing as franked mail during a year in which there will be an election for the seat held by the Member during the period between January 1 of that year and the date of the general election for that Office, unless the Member has made a public announcement that the Member will not be a candidate for reelection to that year or for election to any other Federal office.''.

SEC. 504. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—

''(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value for a political committee or a candidate for Federal, State or local office from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value for a political committee or candidate for Federal, State or local office, while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

''(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both.''; and

(2) by inserting in subsection (b) after ''Congress'' ''or Executive Office of the President''.

SEC. 505. PENALTIES FOR KNOWING AND WILLFUL VIOLATIONS.

(a) INCREASED PENALTIES.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraphs (5)(A), (6)(A), and (6)(B), by striking ''$5,000'' and inserting ''$10,000''; and

(2) in paragraphs (5)(B) and (6)(C), by striking ''$10,000 or an amount equal to 200 percent'' and inserting ''$20,000 or an amount equal to 300 percent''.

(b) EQUITABLE REMEDIES.—Section 309(a)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking the period at the end and inserting '', and may include equitable remedies or penalties, including disgorgement of funds to the Treasury or community service requirements (including requirements to participate in public education programs).''.

(c) AUTOMATIC PENALTY FOR LATE FILING.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

''(13) LTY FOR LATE FILING.—

''(A) IN GENERAL.—

''(i) MONETARY PENALTIES.—The Commission shall establish a schedule of mandatory monetary penalties that shall be imposed by the Commission for failure to meet a time requirement for filing under section 304.

''(ii) REQUIRED FILING.—In addition to imposing a penalty, the Commission may require a report that has not been filed within the time requirements of section 304 to be filed by a specific date.

''(iii) PROCEDURE.—A penalty or filing requirement imposed under this paragraph shall not be subject to paragraph (1), (2), (3), (4), (5), or (12).

''(B) FILING AN EXCEPTION.—

''(i) TIME TO FILE.—A political committee shall have 30 days after the imposition of a penalty or filing requirement by the Commission under this paragraph in which to file an exception with the Commission.

''(ii) TIME FOR COMMISSION TO RULE.—Within 30 days after receiving an exception, the Commission shall make a determination that is a final agency action subject to exclusive review by the United States Court of Appeals for the District of Columbia Circuit under section 706 of title 5, United States Code, upon petition filed in that court by the political committee or treasurer that is the subject of the agency action, if the petition is filed within 30 days after the date of the Commission action for which review is sought.'';

(2) in paragraph (5)(D)—

(A) by inserting after the first sentence the following: ''In any case in which a penalty or filing requirement imposed on a political committee or treasurer under paragraph (13) has not been satisfied, the Commission may institute a civil action for enforcement under paragraph (6)(A).''; and

(B) by inserting before the period at the end of the last sentence the following: ''or has failed to pay a penalty or meet a filing requirement imposed under paragraph (13)''; and

(3) in paragraph (6)(A), by striking ''paragraph (4)(A)'' and inserting ''paragraph (4)(A) or (13)''.

SEC. 506. STRENGTHENING FOREIGN MONEY BAN.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: ''CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS''; and

(2) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—It shall be unlawful for—

''(1) a foreign national, directly or indirectly, to make—

''(A) a donation of money or other thing of value, or to promise expressly or impliedly to make a donation, in connection with a Federal, State, or local election to a political committee or a candidate for Federal office; or

''(ii) a contribution or donation to a committee of a political party; or

''(B) for a person to solicit, accept, or receive such contribution or donation from a foreign national.''.

SEC. 507. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by sections 101 and 401) is amended by adding at the end the following:

''SEC. 325. PROHIBITION OF CONTRIBUTIONS BY MINORS.

An individual who is 17 years old or younger shall not make a contribution to a candidate or a contribution or donation to a committee of a political party.''.

SEC. 508. EXPEDITED PROCEDURES.

(a) IN GENERAL.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 505(c)) is amended by adding at the end the following:

''(14)(A) If the complaint in a proceeding was filed within 60 days preceding the date of a general election, the Commission may take action described in this subparagraph.

''(B) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur, the Commission may order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties.

''(C) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.''.

(b) REFERRAL TO ATTORNEY GENERAL.—Section 309(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking subparagraph (C) and inserting the following:

''(C) The Commission may at any time, by an affirmative vote of at least 4 of its members, refer a possible violation of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986, to the Attorney General of the United States, without regard to any limitation set forth in this section.''.

SEC. 509. INITIATION OF ENFORCEMENT PROCEEDING.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking ''reason to believe that'' and inserting ''reason to investigate whether''.

TITLE VI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

SEC. 601. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 602. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 603. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act take effect January 1, 1999.

SEC. 604. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act and the amendments made by this Act not later than 270 days after the effective date of this Act.

H.R. 2183

OFFERED BY MR. CAMPBELL

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 2: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Can't Vote, Can't Contribute Campaign Reform Act of 1998''.

TITLE I—LIMITATIONS ON CONTRIBUTIONS

SEC. 101. LIMITATION ON AMOUNT OF CONTRIBUTIONS TO CANDIDATES BY INDIVIDUALS NOT ELIGIBLE TO VOTE IN STATE OR DISTRICT INVOLVED.

Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(A)) is amended by striking ''in the aggregate, exceed $1,000;'' and inserting the following: ''in the aggregate—

''(i) in the case of contributions made to a candidate for election for Senator or for Representative in or Delegate or Resident Commissioner to the Congress by an individual who is not eligible to vote in the State or Congressional district involved (as the case may be) at the time the contribution is made (other than an individual who would be eligible to vote at such time but for the failure of the individual to register to vote), exceed $100; or

''(ii) in the case of any other contributions, exceed $1,000;''.

SEC. 102. BAN ON ACCEPTANCE OF CONTRIBUTIONS MADE BY NONPARTY POLITICAL ACTION COMMITTEES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

''(i)(1) Notwithstanding any other provision of this Act, no candidate for election for Federal office may accept any contribution from a political action committee.

''(2) In this subsection, the term 'political action committee' means any political committee which is not—

''(A) the principal campaign committee of a candidate; or

''(B) a national, State, local, or district committee of a political party, including any subordinate committee thereof.''.

TITLE II—ENSURING VOLUNTARINESS OF CONTRIBUTIONS OF CORPORATIONS, UNIONS, AND OTHER MEMBERSHIP ORGANIZATIONS

SEC. 201. PROHIBITING INVOLUNTARY USE OF FUNDS OF EMPLOYEES OF CORPORATIONS AND OTHER EMPLOYERS AND MEMBERS OF UNIONS AND ORGANIZATIONS FOR POLITICAL ACTIVITIES.

(a) IN GENERAL.—Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

''(c)(1)(A) Except with the separate, prior, written, voluntary authorization of the individual involved, it shall be unlawful—

''(i) for any national bank or corporation described in this section (other than a corporation exempt from Federal taxation under section 501(c) of the Internal Revenue Code of 1986) to collect from or assess a stockholder or employee any portion of any dues, initiation fee, or other payment made as a condition of employment which will be used for political activity in which the national bank or corporation is engaged; and

''(ii) for any labor organization described in this section to collect from or assess a member or nonmember any portion of any dues, initiation fee, or other payment which will be used for political activity in which the labor organization is engaged.

''(B) An authorization described in subparagraph (A) shall remain in effect until revoked and may be revoked at any time. Each entity collecting from or assessing amounts from an individual with an authorization in effect under such subparagraph shall provide the individual with a statement that the individual may at any time revoke the authorization.

''(2)(A) Prior to the beginning of any 12-month period (as determined by the corporation), each corporation to which paragraph (1) applies shall provide each of its shareholders with a notice containing the following:

''(i) The proposed aggregate amount for disbursements for political activities by the corporation for the period.

''(ii) The individual's applicable percentage and applicable pro rata amount for the period.

''(iii) A form that the individual may complete and return to the corporation to indicate the individual's objection to or approval of the disbursement of amounts for political activities during the period.

''(B) It shall be unlawful for a corporation to which subparagraph (A) applies to make disbursements for political activities during the 12-month period described in such subparagraph in an amount greater than the sum of the applicable pro rata amounts for such period of all shareholders who return the form described in subparagraph (A)(iii) to the corporation prior to the beginning of the period and indicate their approval of such disbursements.

''(C) In this paragraph, the following definitions shall apply:

''(i) The term 'applicable percentage' means, with respect to a shareholder of a corporation, the amount (expressed as a percentage) equal to the number of shares of the corporation (within a particular class or type of stock) owned by the shareholder at the time the notice described in subparagraph (A) is provided, divided by the aggregate number of such shares owned by all shareholders of the corporation at such time.

''(ii) The term 'applicable pro rata amount' means, with respect to a shareholder for a 12-month period, the product of the shareholder's applicable percentage for the period and

the proposed aggregate amount for disbursements for political activities by the corporation for the period, as specified in the notice provided under subparagraph (A).

''(3) For purposes of this subsection, the term 'political activity' means any activity carried out for the purpose of influencing (in whole or in part) any election for Federal office, influencing the consideration or outcome of any Federal legislation or the issuance or outcome of any Federal regulations, or educating individuals about candidates for election for Federal office or any Federal legislation, law, or regulations.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to amounts collected or assessed on or after the date of the enactment of this Act.

TITLE III—RESTRICTIONS ON SOFT MONEY

SEC. 301. BAN ON SOFT MONEY OF NATIONAL POLITICAL PARTIES AND CANDIDATES; BAN ON USE OF SOFT MONEY BY STATE POLITICAL PARTIES FOR FEDERAL ELECTION ACTIVITY.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

''RESTRICTIONS ON USE OF SOFT MONEY BY POLITICAL PARTIES AND CANDIDATES

''SEC. 323. (a) BAN ON USE BY NATIONAL PARTIES.—

''(1) IN GENERAL.—No political committee of a national political party may solicit, receive, or direct any contributions, donations, or transfers of funds, or spend any funds, which are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.—Paragraph (1) shall apply to any entity which is established, financed, maintained, or controlled (directly or indirectly) by, or which acts on behalf of, a political committee of a national political party, including any national congressional campaign committee of such a party and any officer or agent of such an entity or committee.

''(b) CANDIDATES.—

''(1) IN GENERAL.—No candidate for Federal office, individual holding Federal office, or any agent of such a candidate or officeholder may solicit, receive, or direct—

''(A) any funds in connection with any Federal election unless the funds are subject to the limitations, prohibitions and reporting requirements of this Act;

''(B) any funds that are to be expended in connection with any election for other than a Federal office unless the funds are not in excess of the applicable amounts permitted with respect to contributions to candidates and political committees under paragraphs (1) and (2) of section 315(a), and are not from sources prohibited from making contributions by this Act with respect to elections for Federal office; or

''(C) any funds on behalf of any person which are not subject to the limitations, prohibitions, and reporting requirements of this Act if such funds are for the purpose of financing any activity on behalf of a candidate for election for Federal office or any communication which refers to a clearly identified candidate for election for Federal office.

''(2) EXCEPTION FOR CERTAIN ACTIVITIES.—Paragraph (1) shall not apply to—

''(A) the solicitation, receipt, or direction of funds by an individual who is a candidate for a non-Federal office if such activity is permitted under State law for such individual's non-Federal campaign committee; or

''(B) the attendance by an individual who holds Federal office at a fundraising event for a State or local committee of a political party of the State which the individual represents as a Federal officeholder, if the event is held in such State.

''(c) STATE PARTIES.—

''(1) IN GENERAL.—Any payment by a State committee of a political party for a mixed political activity—

''(A) shall be subject to limitation and reporting under this Act as if such payment were an expenditure; and

''(B) may be paid only from an account that is subject to the requirements of this Act.

''(2) MIXED POLITICAL ACTIVITY DEFINED.—As used in this section, the term 'mixed political activity' means, with respect to a payment by a State committee of a political party, an activity (such as a voter registration program, a get-out-the-vote drive, or general political advertising) that is both for the purpose of influencing an election for Federal office and for any purpose unrelated to influencing an election for Federal office.

''(d) PROHIBITING TRANSFERS OF NON-FEDERAL FUNDS BETWEEN STATE PARTIES.—A State committee of a political party may not transfer any funds to a State committee of a political party of another State unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(e) APPLICABILITY TO FUNDS FROM ALL SOURCES.—This section shall apply with respect to funds of any individual, corporation, labor organization, or other person.''.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply with respect to elections occurring after January 1999.

H.R. 2183

OFFERED BY: MR. OBEY

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 3: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; FINDING.

(a) SHORT TITLE.—This Act may be cited as the ''Let the Public Decide Campaign Finance Reform Act''.

(b) FINDING.—The Congress finds that the existing system of private political contributions has become a fundamental threat to the integrity of the national election process and that the provisions contained in this Act are necessary to prevent the corruption of the public's faith in the Nation's system of governance.

TITLE I—EXPENDITURE LIMITATIONS AND PUBLIC FINANCING FOR HOUSE OF REPRESENTATIVES GENERAL ELECTIONS

SEC. 101. NEW TITLE OF FEDERAL ELECTION CAMPAIGN ACT OF 1971.

The Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new title:

''TITLE V—EXPENDITURE LIMITATIONS AND PUBLIC FINANCING FOR HOUSE OF REPRESENTATIVES GENERAL ELECTIONS

''SEC. 501. LIMITATION ON EXPENDITURES IN HOUSE OF REPRESENTATIVES GENERAL ELECTIONS.

''A candidate in a House of Representatives general election may not make expenditures other than as provided in this title.

''SEC. 502. SOURCES OF AMOUNTS FOR EXPENDITURES BY CANDIDATES IN HOUSE OF REPRESENTATIVES GENERAL ELECTIONS.

''The only sources of amounts for expenditures by candidates in House of Representatives general elections shall be—

''(1) the Grassroots Good Citizenship Fund, under section 505; and

''(2) additional amounts from State and national party committees under section 506.

''SEC. 503. DISTRICT LIMITATION ON EXPENDITURES BY MAJOR PARTY CANDIDATES.

''(a) IN GENERAL.—Except as provided in section 506, the maximum amounts of expenditures by major party candidates in House of Representatives general elections shall be based on the median household income of the districts involved, as provided for in subsections (b) and (c).

''(b) MAXIMUM FOR WEALTHIEST DISTRICT.—In the congressional district with the highest median household income, maximum combined expenditures for all major party candidates with respect to a House of Representatives general election shall be a total of $1,000,000.

''(c) MAXIMUM FOR OTHER DISTRICTS.—In each congressional district, other than the district referred to in subsection (b), the maximum combined expenditures for all major party candidates with respect to a House of Representatives general election shall be an amount equal to—

''(1) the maximum amount referred to in subsection (b), less

''(2) the amount equal to—

''(A) ⅔ of the percentage difference between the median household income of the district involved and the median household income of the district referred to in subsection (b), times

''(B) the maximum amount referred to in subsection (b).

''(d) ALLOCATION.—The maximum expenditure for a major party candidate in a congressional district shall be 50 percent of the maximum amount under subsection (b) or (c), as applicable.

''SEC. 504. DISTRICT LIMITATION ON EXPENDITURES BY THIRD PARTY AND INDEPENDENT CANDIDATES.

''(a) IN GENERAL.—Except as provided in section 506, the maximum amounts of expenditures by third party and independent candidates in House of Representatives general elections shall be the amount allocated under subsection (b).

''(b) ALLOCATION.—The maximum expenditure for a third party or independent candidate in a congressional district shall be—

''(1) the amount that bears the same ratio to the maximum amount under subsection (b) or (c) of section 503, as applicable, as the total popular vote in the district for candidates of the third party or for all independent candidates (as the case may be) bears to the total popular vote for all candidates in the 5 preceding general elections; or

''(2) in the case of a candidate in a district in which no third party or independent candidates (as the case may be) received votes in the 5 preceding general elections, the amount corresponding to the number of signatures presented to and verified by the Commission according to the following table:

''20,000 signatures	$75,000
30,000 signatures	100,000
40,000 signatures	150,000
50,000 signatures	200,000

''SEC. 505. GRASSROOTS GOOD CITIZENSHIP FUND.

''(a) CREATION OF FUND.—There is established in the Treasury a trust fund to be known as the 'Grassroots Good Citizenship Fund', consisting of such amounts as may be credited to such fund as provided in this section.

''(b) DISTRICT ACCOUNTS.—There shall be established within the Grassroots Good Citizenship Fund an account for each congressional district. The accounts so established shall be administered by the Commission for the purpose of distributing amounts under this title.

''(c) PAYMENTS TO CANDIDATES.—Subject to subsection (d), the Commission shall pay to each candidate from the Grassroots Good Citizenship Fund the maximum amount calculated for such candidate under section 503 or 504.

''(d) INSUFFICIENT AMOUNTS.—If, as determined by the Commission, there are insufficient amounts in the Grassroots Good Citizenship Fund for payments under subsection (c), the Commission may reduce payments to candidates so that each candidate receives a pro rata portion of the amounts that are available.

''(e) TRANSFERS TO FUND.—There are hereby credited to the Grassroots Good Citizenship Fund amounts equivalent to the amounts designated under section 6097 of the Internal Revenue Code of 1986.

''(f) EXPENDITURES.—Amounts in the Grassroots Good Citizenship Fund shall be available for the purpose of providing amounts for expenditure by candidates in House of Representatives general elections in accordance with this title.

''SEC. 506. ADDITIONAL AMOUNTS FROM STATE AND NATIONAL PARTY COMMITTEES.

''(a) CONTRIBUTIONS.—In addition to amounts made available under section 503 or 504, in the case of a candidate in a House of Representatives general election who is the candidate of a political party, the State and national committees of that political party may make contributions to the candidate totaling not more than 5 percent of the maximum expenditure applicable to the candidate under section 503 or section 504.

''(b) EXPENDITURES.—A House of Representatives candidate who is the candidate of a political party may make expenditures of the amounts received under subsection (a).

''SEC. 507. PUBLIC SERVICE ANNOUNCEMENTS.

''(a) IN GENERAL.—Beginning on January 15, and continuing through April 15 of each year, the Commission shall carry out a program, utilizing broadcast announcements and other appropriate means, to inform the public of the existence and purpose of the Grassroots Good Citizenship Fund and the role that individual citizens can play in the election process by voluntarily contributing to the fund. The announcements shall be broadcast during prime time viewing hours in 30-second advertising segments equivalent to 200 gross rating points per network per week. The Commission shall ensure that the maximum number of taxpayers shall be exposed to these announcements. Television networks, as defined by the Federal Communications Commission, shall provide the broadcast time under this section as part of their obligations in the public interest under the Communications Act of 1934. The Federal Election Commission shall encourage broadcast outlets other than the above mentioned television networks including radio to provide similar announcements.

''(b) GROSS RATING POINT.—The term 'gross rating point' is a measure of the total gross weight delivered. It is the sum of the ratings for individual programs. Since a household rating period is 1 percent of the coverage base, 200 gross rating points means 2 messages a week per average household.

''SEC. 508. DEFINITIONS.

''As used in this title—

''(1) the term 'House of Representatives candidate' means a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress;

''(2) the term 'median household income' means, with respect to a congressional district, the median household income of that district, as determined by the Commission, using the most current data from the Bureau of the Census;

''(3) the term 'major party' means, with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office;

''(4) the term 'third party' means with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, less than 25 percent of the total number of popular votes received by all candidates for such office;

''(5) the term 'independent candidate' means, with respect to a House of Representatives general election, a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress who is not the candidate of a major party or a third party; and

''(6) the term 'House of Representatives general election' means a general election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.''.

TITLE II—AMENDMENTS TO INTERNAL REVENUE CODE OF 1986

SEC. 201. DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR GRASSROOTS GOOD CITIZENSHIP FUND.

(a) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to returns and records) is amended by adding at the end the following:

''PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR GRASSROOTS GOOD CITIZENSHIP FUND

''Sec. 6097. Designation of overpayments for Grassroots Good Citizenship Fund.

''SEC. 6097. DESIGNATION OF OVERPAYMENTS FOR GRASSROOTS GOOD CITIZENSHIP FUND.

''(a) IN GENERAL.—With respect to each taxpayer's return for the taxable year of the tax imposed by chapter 1, such taxpayer may designate that—

''(1) a specified portion (not less than $1 or more than $10,000, and not less than $1 or more than $20,000 in the case of a joint return) of any overpayment of tax for such taxable year, and

''(2) any contribution which the taxpayer includes with such return,

shall be paid over to the Grassroots Good Citizenship Fund under section 505 of the Federal Election Campaign Act of 1971.

''(b) MANNER AND TIME OF DESIGNATION.—A designation under subsection (a) may be made with respect to any taxable year only at the time of filing the return of tax imposed by chapter 1 for such taxable year. Such designation shall be made on the 1st page of the return.

''(c) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this title, any portion of an overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the last date prescribed for filing the return of tax imposed by chapter 1 (determined without regard to extensions) or, if later, the date the return is filed.''

(b) CLERICAL AMENDMENT.—The table of parts for such subchapter A is amended by adding at the end thereof the following new item:

''Part IX. Designation of overpayments and contributions for certain purposes relating to House of Representatives elections.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 202. INCREASE IN CORPORATE INCOME TAX ON TAXABLE INCOME ABOVE $10,000,000.

(a) IN GENERAL.—Paragraph (4) of subsection (b) of section 11 of the Internal Revenue Code of 1986 is amended by striking ''35 percent'' and inserting ''35.1 percent''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

(c) USE OF AMOUNTS RECEIVED.—Amounts received by reason of the amendment made by subsection (a) shall be paid over to the Grassroots Good Citizenship Fund under section 505 of the Federal Election Campaign Act of 1971.

TITLE III—BAN ON USE OF SOFT MONEY BY HOUSE CANDIDATES

SEC. 301. BAN ON USE OF SOFT MONEY BY HOUSE CANDIDATES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

''BAN ON USE OF NON-REGULATED FUNDS BY HOUSE CANDIDATES

''SEC. 323. (a) IN GENERAL.—No funds may be solicited, disbursed, or otherwise used with respect to any House of Representatives election unless the funds are subject to the limitations and prohibitions of this Act.

''(b) HOUSE OF REPRESENTATIVES ELECTION DEFINED.—In this section, the term 'House of Representatives election' means any election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.''.

TITLE IV—INDEPENDENT EXPENDITURES

SEC. 401. BAN ON INDEPENDENT EXPENDITURES IN HOUSE OF REPRESENTATIVES ELECTIONS.

(a) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection;

''(i) No person may make any independent expenditure with respect to an election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.''.

(b) CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.—

(1) IN GENERAL.—Section 301 of such Act (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following new paragraphs:

''(17) The term 'independent expenditure' means an expenditure for a communication (other than a communication which is described in clause (i) or clause (iii) of paragraph (9)(B) or which would be described in such clause if the communication were otherwise treated as an expenditure under this title)—

''(A) which is made during the 90-day period ending on the date of a general election for Federal office and which identifies a candidate for election for such office by name, image, or likeness; or

''(B) which contains express advocacy and is made without the participation or cooperation of, or consultation with, a candidate or a candidate's representative.

''(18) The term 'express advocacy' means, when a communication is taken as a whole and with limited reference to external events, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party, or a suggestion to take action with respect to an election, such as to vote for or against, make contributions

to, or participate in campaign activity, or an expression which would reasonably be construed as intending to influence the outcome of an election.''.

(2) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of such Act (2 U.S.C. 431(8)(A)) is amended—

(A) in clause (i), by striking ''or'' after the semicolon at the end;

(B) in clause (ii), by striking the period at the end and inserting ''; or''; and

(C) by adding at the end the following new clause:

''(iii) any payment or other transaction referred to in paragraph (17)(A) that does not qualify as an independent expenditure under paragraph (17)(B).''.

SEC. 402. BAN ON USE OF SOFT MONEY FOR CERTAIN EXPENDITURES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 301, is further amended by adding at the end the following new section:

''BAN ON USE OF NON-FEDERAL FUNDS FOR CERTAIN EXPENDITURES

''SEC. 324. (a) IN GENERAL.—No person may disburse any funds for any expenditure described in subsection (b) unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) EXPENDITURES DESCRIBED.—The expenditures described in this subsection are as follows:

''(1) An expenditure made by an authorized committee of a candidate for Federal office or a political committee of a political party.

''(2) An expenditure made by a person who, during the election cycle, has made a contribution to a candidate, where the expenditure is in support of that candidate or in opposition to another candidate for the same office.

''(3) An expenditure made by a person, or a political committee established, maintained or controlled by such person, who is required to register, under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act (22 U.S.C. 611) or any successor Federal law requiring a person who is a lobbyist or foreign agent to register.

''(4) An expenditure made by a person who, during the election cycle, has communicated with or received information from a candidate or a representative of that candidate regarding activities that have the purpose of influencing that candidate's election to Federal office, where the expenditure is in support of that candidate or in opposition to another candidate for that office.

''(5) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

''(A) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

''(B) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.''.

TITLE V—PROVISIONS RELATING TO HOUSE OF REPRESENTATIVES PRIMARY ELECTIONS

SEC. 501. LIMITATION ON EXPENDITURES IN HOUSE OF REPRESENTATIVES ELECTIONS OTHER THAN GENERAL ELECTIONS.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 401, is further amended by adding at the end the following new subsection:

''(j)(1) The maximum expenditures for a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in any election other than a general election may not exceed ⅓ of the maximum applicable to the candidate in a general election under title V.

''(2) For purposes of limitations under this Act, any expenditure by a candidate referred to in paragraph (1), including an expenditure for the preparation, production, or presentation of communications through electronic media or in written form, shall, regardless of when the expenditure is made, be attributed to the appropriate general election, unless such expenditure is made solely for an election other than a general election.''.

SEC. 502. LIMITATION ON ACCEPTANCE OF LARGE DONOR MULTICANDIDATE POLITICAL COMMITTEE CONTRIBUTIONS BY HOUSE OF REPRESENTATIVES CANDIDATES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by sections 401 and 501, is further amended by adding at the end the following new subsection:

''(k)(1) A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, and the authorized political committees of such candidate, may not, with respect to an election other than a general election, accept contributions from large donor multicandidate political committees in excess of 20 percent of the maximum amount which the candidate may expend with respect to the election under subsection (j).

''(2) In paragraph (1), the term 'large donor multicandidate political committee' means a multicandidate political committee that accepts contributions totaling more than $200 from any single source in a calendar year.''.

TITLE VI—CONSIDERATION OF CONSTITUTIONAL AMENDMENT

SEC. 601. EXPEDITED CONSIDERATION OF CONSTITUTIONAL AMENDMENT.

(a) IN GENERAL.—If any provision of this Act or any amendment made by this Act is found unconstitutional by the Supreme Court, the provisions of section 2908 (other than subsection (a)) of the Defense Base Closure and Realignment Act of 1990 shall apply to the consideration of a joint resolution described in section 602 in the same manner as such provisions apply to a joint resolution described in section 2908(a) of such Act.

(b) SPECIAL RULES.—For purposes of applying subsection (a) with respect to such provisions, the following rules shall apply:

(1) Any reference to the Committee on Armed Services of the House of Representatives shall be deemed a reference to the Committee on the Judiciary of the House of Representatives and any reference to the Committee on Armed Services of the Senate shall be deemed a reference to the Committee on the Judiciary of the Senate.

(2) Any reference to the date on which the President transmits a report shall be deemed a reference to the date on which the Supreme Court finds a provision of this Act or an amendment made by this Act unconstitutional.

SEC. 602. CONSTITUTIONAL AMENDMENT DESCRIBED.

For purposes of section 601, a joint resolution described in this section is a joint resolution proposing the following text as an amendment to the Constitution of the United States:

''ARTICLE —

''SECTION 1. Congress may provide for reasonable restrictions on contributions and expenditures in campaigns for election for Federal office as necessary to protect the integrity of the electoral process.

''SEC. 2. Congress shall have power to enforce this article by appropriate legislation. No legislation enacted to enforce this article shall apply with respect to any election held after the last day of the year of the third Presidential election held after the date of the enactment of the legislation, unless the period in which such legislation is in effect is extended by an Act of Congress which is signed into law by the President.''.

H.R. 2183

OFFERED BY: MR. OBEY

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 4: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; FINDING.

(a) SHORT TITLE.—This Act may be cited as the ''Let the Public Decide Campaign Finance Reform Act''.

(b) FINDING.—The Congress finds that the existing system of private political contributions has become a fundamental threat to the integrity of the national election process and that the provisions contained in this Act are necessary to prevent the corruption of the public's faith in the Nation's system of governance.

TITLE I—VOLUNTARY EXPENDITURE LIMITATIONS AND PUBLIC FINANCING FOR HOUSE OF REPRESENTATIVES GENERAL ELECTIONS

SEC. 101. NEW TITLE OF FEDERAL ELECTION CAMPAIGN ACT OF 1971.

The Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new title:

''TITLE V—VOLUNTARY EXPENDITURE LIMITATIONS AND PUBLIC FINANCING FOR HOUSE OF REPRESENTATIVES GENERAL ELECTIONS

''Subtitle A—Public Financing for Certified House Candidates

''SEC. 501. PUBLIC FINANCING FOR CERTIFIED HOUSE CANDIDATES.

''A certified House candidate in a House of Representatives general election shall be entitled to payments from the Grassroots Good Citizenship Fund under section 521.

''SEC. 502. PROCEDURES FOR CERTIFICATION.

''(a) IN GENERAL.—The Commission shall certify that a candidate initially meets the requirements for a certified House candidate under if the candidate submits to the Commission in writing a statement with the following information and assurances:

''(1) An agreement to obtain and furnish to the Commission such evidence as it may request to ensure that the candidate meets the requirements relating to limitations on expenditures under subtitle B.

''(2) An agreement to keep and furnish to the Commission such records, books, and other information as it may request.

''(3) An agreement to audit and examination by the Commission and to the payment of any amounts found to be paid erroneously to the candidate under this title.

''(4) Such other information and assurances as the Commission may require.

''(b) AUTHORITY OF COMMISSION TO REJECT OR REVOKE CERTIFICATION.—The Commission may reject a candidate's application for treatment as a certified House candidate or revoke a candidate's status as a certified House candidate if the candidate knowingly and willfully violates or has violated any of the applicable requirements of this title with respect to the election involved or any previous election.

''Subtitle B—Limitations on Expenditures by Certified House Candidates

''SEC. 511. LIMITATION ON EXPENDITURES.

''A certified House candidate in a House of Representatives general election may not make expenditures other than as provided in this subtitle.

''SEC. 512. SOURCES OF AMOUNTS FOR EXPENDITURES BY CERTIFIED HOUSE CANDIDATES.

''The only sources of amounts for expenditures by certified House candidates in House

of Representatives general elections shall be—

''(1) the Grassroots Good Citizenship Fund, under section 521; and

''(2) additional amounts from State and national party committees under section 522.

''SEC. 513. DISTRICT LIMITATION ON EXPENDITURES BY MAJOR PARTY CANDIDATES.

''(a) IN GENERAL.—Except as provided in section 515 and section 522, the maximum amounts of expenditures by certified House candidates in House of Representatives general elections who are major party candidates shall be based on the median household income of the districts involved, as provided for in subsections (b) and (c).

''(b) MAXIMUM FOR WEALTHIEST DISTRICT.—In the congressional district with the highest median household income, maximum combined expenditures for all certified House candidates who are major party candidates with respect to a House of Representatives general election shall be a total of $1,000,000.

''(c) MAXIMUM FOR OTHER DISTRICTS.—In each congressional district, other than the district referred to in subsection (b), the maximum combined expenditures for all certified House candidates who are major party candidates with respect to a House of Representatives general election shall be an amount equal to—

''(1) the maximum amount referred to in subsection (b), less

''(2) the amount equal to—

''(A) ⅔ of the percentage difference between the median household income of the district involved and the median household income of the district referred to in subsection (b), times

''(B) the maximum amount referred to in subsection (b).

''(d) ALLOCATION.—The maximum expenditure for a certified House candidate who is a major party candidate in a congressional district shall be 50 percent of the maximum amount under subsection (b) or (c), as applicable.

''SEC. 514. DISTRICT LIMITATION ON EXPENDITURES BY THIRD PARTY AND INDEPENDENT CANDIDATES.

''(a) IN GENERAL.—Except as provided in section 515 and section 522, the maximum amounts of expenditures by certified House candidates who are third party and independent candidates in House of Representatives general elections shall be the amount allocated under subsection (b).

''(b) ALLOCATION.—The maximum expenditure for a certified House candidate who is a third party or independent candidate in a congressional district shall be—

''(1) the amount that bears the same ratio to the maximum amount under subsection (b) or (c) of section 503, as applicable, as the total popular vote in the district for candidates of the third party or for all independent candidates (as the case may be) bears to the total popular vote for all candidates in the 5 preceding general elections; or

''(2) in the case of a candidate in a district in which no third party or independent candidates (as the case may be) received votes in the 5 preceding general elections, the amount corresponding to the number of signatures presented to and verified by the Commission according to the following table:

''20,000 signatures	$75,000
30,000 signatures	100,000
40,000 signatures	150,000
50,000 signatures	200,000

''SEC. 515. INCREASE IN AMOUNT FOR CANDIDATES WITH NONPARTICIPATING OPPONENT.

''In the case of a certified House candidate in a House of Representatives general election with an opponent who is a major party candidate who is not a certified House candidate, the amount otherwise provided in section 513 or section 514 (as the case may be) shall be increased by 100 percent.

''Subtitle C—Payments to Certified House Candidates

''SEC. 521. GRASSROOTS GOOD CITIZENSHIP FUND.

''(a) CREATION OF FUND.—There is established in the Treasury a trust fund to be known as the 'Grassroots Good Citizenship Fund', consisting of such amounts as may be credited to such fund as provided in this section.

''(b) DISTRICT ACCOUNTS.—There shall be established within the Grassroots Good Citizenship Fund an account for each congressional district. The accounts so established shall be administered by the Commission for the purpose of distributing amounts under this title.

''(c) PAYMENTS TO CANDIDATES.—Subject to subsection (d), the Commission shall pay to each certified House candidate from the Grassroots Good Citizenship Fund the maximum amount calculated for such candidate under section 513 or 514.

''(d) INSUFFICIENT AMOUNTS.—If, as determined by the Commission, there are insufficient amounts in the Grassroots Good Citizenship Fund for payments under subsection (c), the Commission may reduce payments to certified House candidates so that each candidate receives a pro rata portion of the amounts that are available.

''(e) TRANSFERS TO FUND.—There are hereby credited to the Grassroots Good Citizenship Fund amounts equivalent to the amounts designated under section 6097 of the Internal Revenue Code of 1986.

''(f) EXPENDITURES.—Amounts in the Grassroots Good Citizenship Fund shall be available for the purpose of providing amounts for expenditure by certified House candidates in House of Representatives general elections in accordance with this title.

''SEC. 522. ADDITIONAL AMOUNTS FROM STATE AND NATIONAL PARTY COMMITTEES.

''(a) CONTRIBUTIONS.—In addition to amounts made available under section 521, in the case of a certified House candidate in a House of Representatives general election who is the candidate of a political party, the State and national committees of that political party may make contributions to the candidate totaling not more than 5 percent of the maximum expenditure applicable to the candidate under section 513 or section 514.

''(b) EXPENDITURES.—A certified House candidate who is the candidate of a political party may make expenditures of the amounts received under subsection (a).

''Subtitle D—Miscellaneous Provisions

''SEC. 531. PUBLIC SERVICE ANNOUNCEMENTS.

''(a) IN GENERAL.—Beginning on January 15, and continuing through April 15 of each year, the Commission shall carry out a program, utilizing broadcast announcements and other appropriate means, to inform the public of the existence and purpose of the Grassroots Good Citizenship Fund and the role that individual citizens can play in the election process by voluntarily contributing to the fund. The announcements shall be broadcast during prime time viewing hours in 30-second advertising segments equivalent to 200 gross rating points per network per week. The Commission shall ensure that the maximum number of taxpayers shall be exposed to these announcements. Television networks, as defined by the Federal Communications Commission, shall provide the broadcast time under this section as part of their obligations in the public interest under the Communications Act of 1934. The Federal Election Commission shall encourage broadcast outlets other than the above mentioned television networks including radio to provide similar announcements.

''(b) GROSS RATING POINT.—The term 'gross rating point' is a measure of the total gross weight delivered. It is the sum of the ratings for individual programs. Since a household rating period is 1 percent of the coverage base, 200 gross rating points means 2 messages a week per average household.

''SEC. 532. DEFINITIONS.

''As used in this title—

''(1) the term 'certified House candidate' means, with respect to a House of Representatives general election, a candidate in such election who is certified by the Commission under subtitle A as meeting the requirements for receiving public financing under this title;

''(2) the term 'median household income' means, with respect to a congressional district, the median household income of that district, as determined by the Commission, using the most current data from the Bureau of the Census;

''(3) the term 'major party' means, with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office;

''(4) the term 'third party' means with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, less than 25 percent of the total number of popular votes received by all candidates for such office;

''(5) the term 'independent candidate' means, with respect to a House of Representatives general election, a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress who is not the candidate of a major party or a third party; and

''(6) the term 'House of Representatives general election' means a general election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.''.

TITLE II—AMENDMENTS TO INTERNAL REVENUE CODE OF 1986

SEC. 201. DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR GRASSROOTS GOOD CITIZENSHIP FUND.

(a) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to returns and records) is amended by adding at the end the following:

''PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR GRASSROOTS GOOD CITIZENSHIP FUND

''Sec. 6097. Designation of overpayments for Grassroots Good Citizenship Fund.

''SEC. 6097. DESIGNATION OF OVERPAYMENTS FOR GRASSROOTS GOOD CITIZENSHIP FUND.

''(a) IN GENERAL.—With respect to each taxpayer's return for the taxable year of the tax imposed by chapter 1, such taxpayer may designate that—

''(1) a specified portion (not less than $1 or more than $10,000, and not less than $1 or more than $20,000 in the case of a joint return) of any overpayment of tax for such taxable year, and

''(2) any contribution which the taxpayer includes with such return,

shall be paid over to the Grassroots Good Citizenship Fund under section 521 of the Federal Election Campaign Act of 1971.

''(b) MANNER AND TIME OF DESIGNATION.—A designation under subsection (a) may be made with respect to any taxable year only at the time of filing the return of tax imposed by chapter 1 for such taxable year. Such designation shall be made on the 1st page of the return.

''(c) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this title, any portion of an overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the last date prescribed for filing the return of tax imposed by chapter 1 (determined without regard to extensions) or, if later, the date the return is filed.''

(b) CLERICAL AMENDMENT.—The table of parts for such subchapter A is amended by adding at the end thereof the following new item:

''Part IX. Designation of overpayments and contributions for certain purposes relating to House of Representatives elections.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 202. INCREASE IN CORPORATE INCOME TAX ON TAXABLE INCOME ABOVE $10,000,000.

(a) IN GENERAL.—Paragraph (4) of subsection (b) of section 11 of the Internal Revenue Code of 1986 is amended by striking ''35 percent'' and inserting ''35.1 percent''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

(c) USE OF AMOUNTS RECEIVED.—Amounts received by reason of the amendment made by subsection (a) shall be paid over to the Grassroots Good Citizenship Fund under section 521 of the Federal Election Campaign Act of 1971.

TITLE III—BAN ON USE OF SOFT MONEY BY HOUSE CANDIDATES

SEC. 301. BAN ON USE OF SOFT MONEY BY HOUSE CANDIDATES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

''BAN ON USE OF NON-REGULATED FUNDS BY HOUSE CANDIDATES

''SEC. 323. (a) IN GENERAL.—No funds may be solicited, disbursed, or otherwise used with respect to any House of Representatives election unless the funds are subject to the limitations and prohibitions of this Act.

''(b) HOUSE OF REPRESENTATIVES ELECTION DEFINED.—In this section, the term 'House of Representatives election' means any election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.''.

TITLE IV—INDEPENDENT EXPENDITURES

SEC. 401. BAN ON INDEPENDENT EXPENDITURES IN HOUSE OF REPRESENTATIVES ELECTIONS.

(a) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection;

''(i) No person may make any independent expenditure with respect to an election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.''.

(b) CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.—

(1) IN GENERAL.—Section 301 of such Act (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following new paragraphs:

''(17) The term 'independent expenditure' means an expenditure for a communication (other than a communication which is described in clause (i) or clause (iii) of paragraph (9)(B) or which would be described in such clause if the communication were otherwise treated as an expenditure under this title)—

''(A) which is made during the 90-day period ending on the date of a general election for Federal office and which identifies a candidate for election for such office by name, image, or likeness; or

''(B) which contains express advocacy and is made without the participation or cooperation of, or consultation with, a candidate or a candidate's representative.

''(18) The term 'express advocacy' means, when a communication is taken as a whole and with limited reference to external events, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party, or a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity, or an expression which would reasonably be construed as intending to influence the outcome of an election.''.

(2) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of such Act (2 U.S.C. 431(8)(A)) is amended—

(A) in clause (i), by striking ''or'' after the semicolon at the end;

(B) in clause (ii), by striking the period at the end and inserting ''; or''; and

(C) by adding at the end the following new clause:

''(iii) any payment or other transaction referred to in paragraph (17)(A) that does not qualify as an independent expenditure under paragraph (17)(B).''.

SEC. 402. BAN ON USE OF SOFT MONEY FOR CERTAIN EXPENDITURES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 301, is further amended by adding at the end the following new section:

''BAN ON USE OF NON-FEDERAL FUNDS FOR CERTAIN EXPENDITURES

''SEC. 324. (a) IN GENERAL.—No person may disburse any funds for any expenditure described in subsection (b) unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) EXPENDITURES DESCRIBED.—The expenditures described in this subsection are as follows:

''(1) An expenditure made by an authorized committee of a candidate for Federal office or a political committee of a political party.

''(2) An expenditure made by a person who, during the election cycle, has made a contribution to a candidate, where the expenditure is in support of that candidate or in opposition to another candidate for the same office.

''(3) An expenditure made by a person, or a political committee established, maintained or controlled by such person, who is required to register, under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act (22 U.S.C. 611) or any successor Federal law requiring a person who is a lobbyist or foreign agent to register.

''(4) An expenditure made by a person who, during the election cycle, has communicated with or received information from a candidate or a representative of that candidate regarding activities that have the purpose of influencing that candidate's election to Federal office, where the expenditure is in support of that candidate or in opposition to another candidate for that office.

''(5) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

''(A) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

''(B) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.''.

TITLE V—LIMITATIONS ON ACCEPTANCE OF LARGE DONOR PAC CONTRIBUTIONS IN HOUSE OF REPRESENTATIVES PRIMARY ELECTIONS

SEC. 501. LIMITATION ON ACCEPTANCE OF LARGE DONOR MULTICANDIDATE POLITICAL COMMITTEE CONTRIBUTIONS BY HOUSE OF REPRESENTATIVES CANDIDATES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 401, is further amended by adding at the end the following new subsection:

''(j)(1) A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress who is not a certified House candidate under title V (and the authorized political committees of such candidate) may not, with respect to an election other than a general election, accept contributions from large donor multicandidate political committees in excess of 20 percent of the maximum amount which a certified House candidate may expend with respect to the general election under title V.

''(2) In paragraph (1), the term 'large donor multicandidate political committee' means a multicandidate political committee that accepts contributions totaling more than $200 from any single source in a calendar year.''.

TITLE VI—CONSIDERATION OF CONSTITUTIONAL AMENDMENT

SEC. 601. EXPEDITED CONSIDERATION OF CONSTITUTIONAL AMENDMENT.

(a) IN GENERAL.—If any provision of this Act or any amendment made by this Act is found unconstitutional by the Supreme Court, the provisions of section 2908 (other than subsection (a)) of the Defense Base Closure and Realignment Act of 1990 shall apply to the consideration of a joint resolution described in section 602 in the same manner as such provisions apply to a joint resolution described in section 2908(a) of such Act.

(b) SPECIAL RULES.—For purposes of applying subsection (a) with respect to such provisions, the following rules shall apply:

(1) Any reference to the Committee on Armed Services of the House of Representatives shall be deemed a reference to the Committee on the Judiciary of the House of Representatives and any reference to the Committee on Armed Services of the Senate shall be deemed a reference to the Committee on the Judiciary of the Senate.

(2) Any reference to the date on which the President transmits a report shall be deemed a reference to the date on which the Supreme Court finds a provision of this Act or an amendment made by this Act unconstitutional.

SEC. 602. CONSTITUTIONAL AMENDMENT DESCRIBED.

For purposes of section 601, a joint resolution described in this section is a joint resolution proposing the following text as an amendment to the Constitution of the United States:

''ARTICLE—

''SECTION 1. In campaigns for election for Federal office, as necessary to protect the integrity of the electoral process, Congress may provide for reasonable restrictions on the making of independent expenditures for public communications made during the 90-day period ending on the date of a general

election and on the making of expenditures for public communications which contain express advocacy.

''SEC. 2. Nothing in clause 1 may be construed to affect the validity of any restrictions on expenditures in campaigns for election for Federal office which are in effect prior to the adoption of this article.

''SEC. 3. Congress shall have power to enforce this article by appropriate legislation. No legislation enacted to enforce this article shall apply with respect to any election held after the last day of the year of the third Presidential election held after the date of the enactment of the legislation, unless the period in which such legislation is in effect is extended by an Act of Congress which is signed into law by the President.''.

[Submitted May 14, 1998]

H.R. 2183

OFFERED BY: MR. DOOLITTLE

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 5: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Citizen Legislature and Political Freedom Act''.

SEC. 2. REMOVAL OF LIMITATIONS ON FEDERAL ELECTION CAMPAIGN CONTRIBUTIONS.

Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

''(9) The limitations established under this subsection shall not apply to contributions made during calendar years beginning after 1998.''

SEC. 3. TERMINATION OF TAXPAYER FINANCING OF PRESIDENTIAL ELECTION CAMPAIGNS.

(a) TERMINATION OF DESIGNATION OF INCOME TAX PAYMENTS.—Section 6096 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(d) TERMINATION.—This section shall not apply to taxable years beginning after December 31, 1997.''

(b) TERMINATION OF FUND AND ACCOUNT.—

(1) TERMINATION OF PRESIDENTIAL ELECTION CAMPAIGN FUND.—

(A) IN GENERAL.—Chapter 95 of subtitle H of such Code is amended by adding at the end the following new section:

''SEC. 9014. TERMINATION.

''The provisions of this chapter shall not apply with respect to any presidential election (or any presidential nominating convention) after December 31, 1998, or to any candidate in such an election.''

(B) TRANSFER OF EXCESS FUNDS TO GENERAL FUND.—Section 9006 of such Code is amended by adding at the end the following new subsection:

''(d) TRANSFER OF FUNDS REMAINING AFTER 1998.—The Secretary shall transfer all amounts in the fund after December 31, 1998, to the general fund of the Treasury.''

(2) TERMINATION OF ACCOUNT.—Chapter 96 of subtitle H of such Code is amended by adding at the end the following new section:

''SEC. 9043. TERMINATION.

''The provisions of this chapter shall not apply to any candidate with respect to any presidential election after December 31, 1998.''

(c) CLERICAL AMENDMENTS.—

(1) The table of sections for chapter 95 of subtitle H of such Code is amended by adding at the end the following new item:

''Sec. 9014. Termination.''

(2) The table of sections for chapter 96 of subtitle H of such Code is amended by adding at the end the following new item:

''Sec. 9043. Termination.''

SEC. 4. DISCLOSURE REQUIREMENTS FOR CERTAIN SOFT MONEY EXPENDITURES OF POLITICAL PARTIES.

(a) TRANSFERS OF FUNDS BY NATIONAL POLITICAL PARTIES.—Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) by striking ''and'' at the end of subparagraph (H);

(2) by adding ''and'' at the end of subparagraph (I); and

(3) by adding at the end the following new subparagraph:

''(J) in the case of a political committee of a national political party, all funds transferred to any political committee of a State or local political party, without regard to whether or not the funds are otherwise treated as contributions or expenditures under this title;''.

(b) DISCLOSURE BY STATE AND LOCAL POLITICAL PARTIES OF INFORMATION REPORTED UNDER STATE LAW.—Section 304 of such Act (2 U.S.C. 434) is amended by adding at the end the following new subsection:

''(d) If a political committee of a State or local political party is required under a State or local law, rule, or regulation to submit a report on its disbursements to an entity of the State or local government, the committee shall file a copy of the report with the Commission at the time it submits the report to such an entity.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 1999.

SEC. 5. PROMOTING EXPEDITED AVAILABILITY OF FEC REPORTS.

(a) MANDATORY ELECTRONIC FILING.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking ''permit reports required by'' and inserting ''require reports under''.

(b) REQUIRING REPORTS FOR ALL CONTRIBUTIONS MADE TO ANY POLITICAL COMMITTEE WITHIN 90 DAYS OF ELECTION; REQUIRING REPORTS TO BE MADE WITHIN 24 HOURS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended to read as follows:

''(6)(A) Each political committee shall notify the Secretary or the Commission, and the Secretary of State, as appropriate, in writing, of any contribution received by the committee during the period which begins on the 90th day before an election and ends at the time the polls close for such election. This notification shall be made within 24 hours (or, if earlier, by midnight of the day on which the contribution is deposited) after the receipt of such contribution and shall include the name of the candidate involved (as appropriate) and the office sought by the candidate, the indentification of the contributor, and the date of receipt and amount of the contribution.

''(B) The notification required under this paragraph shall be in addition to all other reporting requirements under this Act.''.

(c) INCREASING ELECTRONIC DISCLOSURE.—Section 304 of such Act (2 U.S.C. 434(a)), as amended by section 4(b), is further amended by adding at the end the following new subsection:

''(e)(1) The Commission shall make the information contained in the reports submitted under this section available on the Internet and publicly available at the offices of the Commission as soon as practicable (but in no case later than 24 hours) after the information is received by the Commission.

''(2) In this subsection, the term 'Internet' means the international computer network of both Federal and non-Federal interoperable packet-switched data networks.''.

(d) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to reports for periods beginning on or after January 1, 1999.

SEC. 6. WAIVER OF "BEST EFFORTS" EXCEPTION FOR INFORMATION ON IDENTIFICATION OF CONTRIBUTORS.

(a) IN GENERAL.—Section 302(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(i)) is amended—

(1) by striking ''(i) When the treasurer'' and inserting ''(i)(1) Except as provided in paragraph (2), when the treasurer''; and

(2) by adding at the end the following new paragraph:

''(2) Paragraph (1) shall not apply with respect to information regarding the identification of any person who makes a contribution or contributions aggregating more than $200 during a calendar year (as required to be provided under subsection (c)(3)).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to persons making contributions for elections occurring after January 1999.

H.R. 2183

OFFERED BY: MR. DOOLITTLE

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 6: Strike all after the enacting clause and insert the following:

SECTION 1. TERMINATION OF TAXPAYER FINANCING OF PRESIDENTIAL ELECTION CAMPAIGNS.

(a) TERMINATION OF DESIGNATION OF INCOME TAX PAYMENTS.—Section 6096 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(d) TERMINATION.—This section shall not apply to taxable years beginning after December 31, 1997.''

(b) TERMINATION OF FUND AND ACCOUNT.—

(1) TERMINATION OF PRESIDENTIAL ELECTION CAMPAIGN FUND.—

(A) IN GENERAL.—Chapter 95 of subtitle H of such Code is amended by adding at the end the following new section:

''SEC. 9014. TERMINATION.

''The provisions of this chapter shall not apply with respect to any presidential election (or any presidential nominating convention) after December 31, 1998, or to any candidate in such an election.''

(b) TRANSFER OF EXCESS FUNDS TO GENERAL FUND.—Section 9006 of such Code is amended by adding at the end the following new subsection:

''(d) TRANSFER OF FUNDS REMAINING AFTER 1998.—The Secretary shall transfer all amounts in the fund after December 31, 1998, to the general fund of the Treasury.''

(2) TERMINATION OF ACCOUNT.—Chapter 96 of subtitle H of such Code is amended by adding a the end the following new section:

''SEC. 9043. TERMINATION.

''The provisions of this chapter shall not apply to any candidate with respect to any presidential election after December 31, 1998.''

(c) CLERICAL AMENDMENTS.—

(1) Table of sections for chapter 95 of subtitle H of such Code is amended by adding at the end the following new item:

''Sec. 09014. Termination.''

(2) The table of sections for chapter 96 of subtitle H of such Code is amended by adding at the end the following new item:

''Sec. 9043. Termination.''

Amend the title so as to read: ''A bill to amend the Internal Revenue Code of 1986 to terminate public financing of presidential election campaigns.''.

H.R. 2183

OFFERED BY: MR. FARR OF CALIFORNIA

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 7: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''American Political Reform Act''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE I—CONGRESSIONAL CAMPAIGN SPENDING LIMITS AND BENEFITS

Subtitle A—Election Campaign Spending Limits and Benefits

SEC. 101. SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—The Federal Election Campaign Act of 1971 is amended by adding at the end the following new title:

''TITLE V—ELECTION SPENDING LIMITS AND BENEFITS

''TITLE V—ELECTION SPENDING LIMITS AND BENEFITS

''Subtitle A—Election Campaigns for the House of Representatives

''SEC. 501. EXPENDITURE LIMITATIONS.

''(a) IN GENERAL.—An eligible House of Representatives candidate may not, in an election cycle, make expenditures aggregating more than $600,000.

''(b) RUNOFF ELECTION AND SPECIAL ELECTION AMOUNTS.—

''(1) RUNOFF ELECTION AMOUNT.—If an eligible House of Representatives candidate is a candidate in a runoff election, the candidate may make additional expenditures aggregating not more than $200,000 in the election cycle.

''(2) SPECIAL ELECTION AMOUNT.—An eligible House of Representatives candidate who is a candidate in a special election may make expenditures aggregating not more than $600,000 with respect to the special election.

''(c) CLOSELY CONTESTED PRIMARY.—If, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 20 percentage points or less, the candidate may make additional expenditures aggregating not more than $200,000 in the election cycle.

''(d) EXCEPTIONS TO LIMITATIONS.—

''(1) NONPARTICIPATING OPPONENT.—The limitations imposed by subsections (a) and (b) do not apply in the case of an eligible House of Representatives candidate if any other general election candidate seeking nomination or election to that office—

''(A) is not an eligible House of Representatives candidate; and

''(B) makes expenditures in excess of 30 percent of the limitation under subsection (a).

''(2) INDEPENDENT EXPENDITURES AGAINST ELIGIBLE CANDIDATE.—The limitations imposed by subsections (a) and (b) do not apply in the case of an eligible House of Representatives candidate if the total amount of independent expenditures made during the election cycle on behalf of candidates opposing such eligible candidate exceeds $15,000.

''(3) CONTINUED ELIGIBILITY FOR BENEFITS.—An eligible House of Representatives candidate referred to in paragraph (1) or paragraph (2) shall continue to be eligible for all benefits under this title.

''(e) EXEMPTION FOR LEGAL COSTS AND TAXES.—

''(1) IN GENERAL.—Any costs incurred by an eligible House of Representatives candidate or his or her authorized committee, or a Federal officeholder, for qualified legal services, for Federal, State, or local income taxes on earnings of a candidate's authorized committees, or to comply with section 512 shall not be considered in the computation of amounts subject to limitation under this section.

''(2) QUALIFIED LEGAL SERVICES.—For purposes of this subsection, the term 'qualified legal services' means—

''(A) any legal service performed on behalf of an authorized committee; or

''(B) any legal service performed on behalf of a candidate or Federal officeholder in connection with his or her duties or activities as a candidate or Federal officeholder.

''(f) EXEMPTION FOR FUNDRAISING OR ACCOUNTING COSTS.—Any costs incurred by an eligible House of Representatives candidate or his or her authorized committee in connection with the solicitation of contributions on behalf of such candidate, or for accounting services to ensure compliance with this Act, shall not be considered in the computation of amounts subject to expenditure limitation under subsection (a) to the extent that the aggregate of such costs does not exceed 10 percent of the expenditure limitation under subsection (a).

''(g) INDEXING.—The dollar amounts specified in subsections (a), (b), and (c) shall be adjusted at the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1996.

''(h) RECALL ACTIONS.—The limitations of this section do not apply in the case of any recall action held pursuant to State law.

''SEC. 502. PERSONAL CONTRIBUTION LIMITATIONS.

''(a) PERSONAL CONTRIBUTIONS.—An eligible House of Representatives candidate may not, with respect to an election cycle, make contributions or loans to the candidate's own campaign totaling more than $50,000 from the personal funds of the candidate. Contributions from the personal funds of a candidate may not qualify for certification for voter benefits under this title.

''(b) LIMITATION EXCEPTION.—The limitation imposed by subsection (a) does not apply—

''(1) in the case of an eligible House of Representatives candidate if any other general election candidate for that office makes contributions or loans to the candidate's own campaign totaling more than $50,000 from the personal funds of the candidate; or

''(2) with respect to any contribution or loan used for costs described in section 501 (e) or (f).

''(c) AGGREGATION.—For purposes of subsection (a), any contribution or loan to a candidate's campaign by a member of a candidate's immediate family shall be treated as made by the candidate.

''SEC. 503. DEFINITION.

''As used in this title, the term 'benefits' means, with respect to an eligible House of Representatives candidate, reduced charges for use of a broadcasting station under section 315 of the Communications Act of 1934 (47 U.S.C. 315) and eligibility for nonprofit third-class bulk rates of postage under section 3626(e) of title 39, United States Code.

''Subtitle B—Administrative Provisions

''SEC. 511. CERTIFICATIONS BY COMMISSION.

''(a) GENERAL ELIGIBILITY.—The Commission shall certify whether a candidate is eligible to receive benefits under subtitle A. The initial determination shall be based on the candidate's filings under this title. Any subsequent determination shall be based on relevant additional information submitted in such form and manner as the Commission may require.

''(b) CERTIFICATION OF BENEFITS.—

''(1) DEADLINE FOR RESPONSE TO REQUESTS.—The Commission shall respond to a candidate's request for certification for eligibility to receive benefits under this section not later than 5 business days after the candidate submits the request.

''(2) REQUESTS.—Any request for certification submitted by a candidate shall contain—

''(A) such information and be made in accordance with such procedures as the Commission may provide by regulation; and

''(B) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirement of this title.

''(3) PARTIAL CERTIFICATION.—If the Commission determines that any portion of a request does not meet the requirement for certification, the Commission shall withhold the certification for that portion only and inform the candidate as to how the request may be corrected.

''(4) CERTIFICATION WITHHELD.—The Commission may withhold certification if it determines that a candidate who is otherwise eligible has engaged in a pattern of activity indicating that the candidate's filings under this title cannot be relied upon.

''(c) WITHDRAWAL OF CERTIFICATION.—If the Commission determines that a candidate who is certified as an eligible House of Representatives candidate pursuant to this section has made expenditures in excess of any limit under subtitle A or otherwise no longer meets the requirements for certification under this title, the Commission shall revoke the candidate's certification.

''SEC. 512. EXAMINATION AND AUDITS; REPAYMENTS AND CIVIL PENALTIES.

''(a) EXAMINATIONS AND AUDITS.—

''(1) GENERAL ELECTIONS.—After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 5 percent of the eligible House of Representatives candidates, as designated by the Commission through the use of an appropriate statistical method of random selection, to determine whether such candidates have complied with the conditions of eligibility and other requirements of this title. The Commission shall conduct an examination and audit of the accounts of all candidates for election to an office where any eligible candidate for the office is selected for examination and audit.

''(2) SPECIAL ELECTION.—After each special election involving an eligible candidate, the Commission shall conduct an examination and audit of the campaign accounts of all candidates in the election to determine whether the candidates have complied with the conditions of eligibility and other requirements of this Act.

''(3) AFFIRMATIVE VOTE.—The Commission may conduct an examination and audit of the campaign accounts of any eligible House of Representatives candidate in a general election if the Commission determines that there exists reason to believe whether such candidate may have violated any provision of this title.

''(b) NOTIFICATION OF EXCESS EXPENDITURES.—If the Commission determines that any eligible candidate who has received benefits under this title has made expenditures in excess of any limit under subtitle A, the Commission shall notify the candidate.

''(c) CIVIL PENALTIES.—

''(1) EXCESS EXPENDITURES.—

''(A) LOW AMOUNT OF EXCESS EXPENDITURES.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subtitle A by 2.5 percent or less shall pay to the Commission an amount equal to the amount of the excess expenditures.

''(B) MEDIUM AMOUNT OF EXCESS EXPENDITURES.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subtitle A by more than 2.5 percent and less than 5 percent shall pay to the Commission an amount equal to three times the amount of the excess expenditures.

''(C) LARGE AMOUNT OF EXCESS EXPENDITURES.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subtitle A by 5 percent or more shall pay to the Commission an amount equal to three times the amount of the excess expenditures plus, if the Commission determines such excess expenditures were knowing and willful, a civil penalty in an amount determined by the Commission.

''(2) MISUSED BENEFITS OF CANDIDATES.—If the Commission determines that an eligible House of Representatives candidate used any benefit received under this title in a manner not provided for in this title, the Commission may assess a civil penalty against such candidate in an amount not greater than 200 percent of the amount involved.

''(d) LIMIT ON PERIOD FOR NOTIFICATION.—No notification shall be made by the Commission under this section with respect to an election more than 3 years after the date of such election.

''SEC. 513. JUDICIAL REVIEW.

''(a) JUDICIAL REVIEW.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

''(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

''(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

''SEC. 514. REPORTS TO CONGRESS; CERTIFICATIONS; REGULATIONS.

''(a) REPORTS.—The Commission shall, as soon as practicable after each election, submit a full report to the House of Representatives setting forth—

''(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

''(2) the benefits certified by the Commission as available to each eligible candidate under this title; and

''(3) the names of any candidates against whom penalties were imposed under section 512, together with the amount of each such penalty and the reasons for its imposition.

''(b) DETERMINATIONS BY COMMISSION.—Subject to sections 512 and 513, all determinations (including certifications under section 511) made by the Commission under this title shall be final and conclusive.

''(c) RULES AND REGULATIONS.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (d), to conduct such audits, examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

''(d) REPORT OF PROPOSED REGULATIONS.—The Commission shall submit to the House of Representatives a report containing a detailed explanation and justification of each rule and regulation of the Commission under this title. No such rule, regulation, or form may take effect until a period of 60 legislative days has elapsed after the report is received. As used in this subsection, the terms 'rule' and 'regulation' mean a provision or series of interrelated provisions stating a single, separable rule of law.

''SEC. 515. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF ELIGIBLE CANDIDATES.

''No eligible House of Representatives candidate may receive benefits under subtitle A unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies.''.

Subtitle B—Limitations on Contributions to House of Representatives Candidates

SEC. 121. LIMITATIONS ON POLITICAL COMMITTEES.

(a) MULTICANDIDATE POLITICAL COMMITTEES.—Section 315(a)(2)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)(A)) is amended by striking out ''with respect'' and all that follows through ''$5,000,'' and inserting in lieu thereof: ''which, in the aggregate, exceed $5,000 with respect to an election for Federal office or $8,000 with respect to an election cycle (not including a runoff election);''.

(b) CANDIDATE'S COMMITTEES.—(1) Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

''(9) For the purposes of the limitations provided by paragraphs (1) and (2), any political committee which is established or financed or maintained or controlled by any candidate or Federal officeholder shall be deemed to be an authorized committee of such candidate or officeholder. Nothing in this paragraph shall be construed to permit the establishment, financing, maintenance, or control of any committee which is prohibited by paragraph (3) or (6) of section 302(e).''

(2) Section 302(e)(3) of such Act (2 U.S.C. 432(e)(3)) is amended to read as follows:

''(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

''(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

''(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee.''

(c) EFFECTIVE DATES.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to elections (and the election cycles relating thereto) occurring after December 31, 1998.

(2) In applying the amendments made by this section, there shall not be taken into account—

(A) contributions made or received before January 1, 1999; or

(B) contributions made to, or received by, a candidate on or after January 1, 1999, to the extent such contributions are not greater than the excess (if any) of—

(i) such contributions received by any opponent of the candidate before January 1, 1999, over

(ii) such contributions received by the candidate before January 1, 1999.

SEC. 122. LIMITATIONS ON POLITICAL COMMITTEE AND LARGE DONOR CONTRIBUTIONS THAT MAY BE ACCEPTED BY HOUSE OF REPRESENTATIVES CANDIDATES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

''(i) LIMITATIONS ON CONTRIBUTIONS ACCEPTED BY HOUSE OF REPRESENTATIVES CANDIDATE.—

''(1) POLITICAL COMMITTEES.—A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not, with respect to an election cycle, accept contributions from political committees aggregating in excess of $200,000.

''(2) PERSONS OTHER THAN POLITICAL COMMITTEES.—A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not, with respect to an election cycle, accept contributions aggregating in excess of $200,000 from persons other than political committees whose contributions total more than $200.

''(3) CONTESTED PRIMARIES.—In addition to the contributions under paragraphs (1) and (2), if a House of Representatives candidate in a contested primary election wins that primary election by a margin of 20 percentage points or less, the candidate may accept contributions of—

''(A) not more than $66,600 from political committees; and

''(B) not more than $66,600 from persons referred to in paragraph (2).

''(4) RUNOFF ELECTIONS.—In addition to the contributions under paragraphs (1) and (2), a House of Representatives candidate who is a candidate in a runoff election may accept contributions of (A) not more than $100,000 from political committees; and (B) not more than $100,000 from persons referred to in paragraph (2).

''(5) EXEMPTION FOR CERTAIN COSTS.—Any amount—

''(A) accepted by a House of Representatives candidate; and

''(B) used for costs incurred under section 501 (e) and (f),

shall not be considered in the computation of amounts subject to limitation under this subsection.

''(6) TRANSFER PROVISION.—The limitations imposed by this subsection shall apply without regard to amounts transferred from previous election cycles or other authorized committees of the same candidate. Candidates shall not be required to seek the redesignation of contributions in order to transfer such contributions to a later election cycle.

''(7) INDEXATION OF AMOUNTS.—The dollar amounts specified in this subsection shall be adjusted at the beginning of each calendar year based on the increase in the price index determined under subsection (c), except that, for the purposes of such adjustment, the base period shall be calendar year 1996.''

Subtitle C—Related Provisions

SEC. 131. REPORTING REQUIREMENTS.

Title III of the Federal Election Campaign Act of 1971 is amended by adding after section 304 the following new section:

''REPORTING REQUIREMENTS FOR HOUSE CANDIDATES

''SEC. 304A. A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress who—

''(1) makes contributions in excess of $50,000 of personal funds of the candidate to the authorized committee of the candidate; or

''(2) makes expenditures in excess of 50 percent and 100 percent of the limitation under section 501(a);

shall report that the threshold has been reached to the Commission not later than 48 hours after reaching the threshold. The Commission shall transmit a copy to each other candidate for election to the same office within 48 hours of receipt.''

SEC. 132. REGISTRATION AS ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATE.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by adding at the end the following new paragraphs:

''(6)(A) In the case of a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, who desires to be an eligible House of Representatives candidate, a declaration of participation of the candidate to abide by the limits specified in sections 315(i), 501, and 502 and provide the information required under section 503(b)(4) shall be included in the designation required to be filed under paragraph (1).

''(B) A declaration of participation that is included in a statement of candidacy may not thereafter be revoked.''

SEC. 133. DEFINITIONS.

(a) IN GENERAL.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking paragraph (19) and inserting the following new paragraphs:

''(19) The term 'election cycle' means—

''(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the most recent general election for the specific office or seat which such candidate seeks and ending on the date of the next general election for such office or seat; or

''(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next general election.

''(20) The term 'general election' means any election which will directly result in the election of a person to a Federal office.

''(21) The term 'general election period' means, with respect to any candidate, the period beginning on the day after the date of the primary or runoff election for the specific office the candidate is seeking, whichever is later, and ending on the earlier of—

''(A) the date of such general election; or

''(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

''(22) The term 'immediate family' means—

''(A) a candidate's spouse;

''(B) a child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate or the candidate's spouse; and

''(C) the spouse of any person described in subparagraph (B).

''(23) The term 'primary election' means an election which may result in the selection of a candidate for the ballot in a general election for a Federal office.

''(24) The term 'primary election period' means, with respect to any candidate, the period beginning on the day following the date of the last election for the specific office the candidate is seeking and ending on the earlier of—

''(A) the date of the first primary election for that office following the last general election for that office; or

''(B) the date on which the candidate withdraws from the election or otherwise ceases actively to seek election.

''(25) The term 'runoff election' means an election held after a primary election which is prescribed by applicable State law as the means for deciding which candidate will be on the ballot in the general election for a Federal office.

''(26) The term 'runoff election period' means, with respect to any candidate, the period beginning on the day following the date of the last primary election for the specific office such candidate is seeking and ending on the date of the runoff election for such office.

''(27) The term 'special election' means any election (whether primary, runoff, or general) for Federal office held by reason of a vacancy in the office arising before the end of the term of the office.

''(28) The term 'special election period' means, with respect to any candidate for any Federal office, the period beginning on the date the vacancy described in paragraph (28) occurs and ending on the earlier of—

''(A) the date the election resulting in the election of a person to the office occurs; or

''(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

''(29) The term 'eligible House of Representatives candidate' means a candidate for election to the office of Representative in, or Delegate or Resident Commissioner to, the Congress, who, as determined by the Commission under section 511, is eligible to receive benefits under subtitle A of title V by reason of filing a declaration of participation under section 302(e) and complying with the continuing eligibility requirements under section 511.''

(b) IDENTIFICATION.—Section 301(13)(A) of such Act (2 U.S.C. 431(13)(A)) is amended by striking ''mailing address'' and inserting ''permanent residence address''.

Subtitle D—Tax on Excess Political Expenditures of Certain Congressional Campaign Funds

SEC. 141. TAX TREATMENT OF CERTAIN CAMPAIGN FUNDS.

(a) GENERAL RULE.—Chapter 41 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new subchapter:

''Subchapter B—Excess Political Expenditures of Certain Congressional Campaign Funds

''Sec. 4915. Tax on excess political expenditures of certain campaign funds.

"SEC. 4915. TAX ON EXCESS POLITICAL EXPENDITURES OF CERTAIN CAMPAIGN FUNDS.

''(a) IMPOSITION OF TAX.—If any applicable campaign fund has excess political expenditures for any election cycle, there is hereby imposed on such excess political expenditures a tax equal to the amount of such excess political expenditures multiplied by the highest rate of tax specified in section 11(b). Such tax shall be imposed for the taxable year of such fund in which such election cycle ends.

''(b) APPLICABLE CAMPAIGN FUND.—For purposes of this section, the term 'applicable campaign fund' means any political organization if—

''(1) such organization is designated by a candidate for election or nomination to the House of Representatives as such candidate's principal campaign committee for purposes of section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)), and

''(2) such candidate has made contributions to such political organization during the election cycle in excess of the contribution limitation which would have been applicable under section 501(a) or 512(a) of such Act, whichever is applicable, if an election under such section had been made.

''(c) EXCESS POLITICAL EXPENDITURES.—

''(1) IN GENERAL.—For purposes of this section, the term 'excess political expenditures' means, with respect to any election cycle, the excess (if any) of the political expenditures incurred by the applicable campaign fund during such cycle, over, in the case of a House of Representatives candidate, the expenditure ceiling which would have been applicable under subtitle B of title V of such Act if an election under such subtitle had been made.

''(2) SPECIAL RULE FOR DETERMINING AMOUNT OF EXPENDITURES.—For purposes of paragraph (1), in determining the amount of political expenditures incurred by an applicable campaign fund, there shall be excluded any such expenditure which would not have been subject to the expenditure limitations of title V of the Federal Election Campaign Act of 1971 had such limitations been applicable, other than any such expenditure which would have been exempt from such limitations under section 501(e) or 501(f) of such Act.

''(d) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) ELECTION CYCLE.—The term 'election cycle' has the meaning given such term by section 301 of the Federal Election Campaign Act of 1971.

''(2) POLITICAL ORGANIZATION.—The term 'political organization' has the meaning given to such term by section 527(e)(1).

''(3) CERTAIN RULES MADE APPLICABLE.—Rules similar to the rules of section 4911(e)(4) shall apply.''

(b) CLERICAL AMENDMENTS.—

(1) Chapter 41 of such Code is amended by striking the chapter heading and inserting the following:

"CHAPTER 41—LOBBYING AND POLITICAL EXPENDITURES OF CERTAIN ORGANIZATIONS

''Subchapter A. Public charities.

''Subchapter B. Excess political expenditures of certain campaign funds.

"Subchapter A—Public Charities".

(2) The table of sections for subtitle D of such Code is amended by striking the item relating to chapter 41 and inserting the following:

''Chapter 41. Lobbying and political expenditures of certain organizations.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

TITLE II—INDEPENDENT EXPENDITURES

SEC. 201. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURE DEFINITION AMENDMENT.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

''(17)(A) The term 'independent expenditure' means an expenditure that—

''(i) contains express advocacy; and

''(ii) is made without the participation or cooperation of and without consultation with a candidate or a candidate's representative.

''(B) The following shall not be considered an independent expenditure:

''(i) An expenditure made by an authorized committee of a candidate for Federal office.

''(ii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure.

''(iii) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

''(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

''(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.

''(iv) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office. For purposes of this clause, the term 'professional services' shall include any services (other than legal and accounting services solely for purposes of ensuring compliance with any Federal law) in support of any candidate's or candidates' pursuit of nomination for election, or election, to Federal office.
For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person.

''(18)(A) The term 'express advocacy' means, when a communication is taken as a whole and with limited reference to external events, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party.

''(B) The term 'expression of support for or opposition to' includes a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity, or to refrain from taking action.''.

(b) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of such Act (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking ''or'' after the semicolon at the end;

(2) in clause (ii), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following new clause:

''(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that is not an independent expenditure under paragraph (17).''.

SEC. 202. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(c)) is amended—

(1) in paragraph (2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) as paragraph (9); and

(3) by inserting after paragraph (2), as amended by paragraph (1), the following new paragraphs:

''(3)(A) Any person (including a political committee) making independent expenditures (including those described in subsection (b)(6)(B)(iii)) with respect to a candidate in an election aggregating $1,000 or more made after the 20th day, but more than 24 hours, before the election shall file a report within 24 hours after such independent expenditures are made. An additional report shall be filed each time independent expenditures aggregating $1,000 are made with respect to the same candidate after the latest report filed under this subparagraph.

''(B) Any person (including a political committee) making independent expenditures with respect to a candidate in an election aggregating $2,500 or more made at any time up to and including the 20th day before the election shall file a report within 48 hours after such independent expenditures are made. An additional report shall be filed each time independent expenditures aggregating $2,500 are made with respect to the same candidate after the latest report filed under this paragraph.

''(C) A report under subparagraph (A) or (B) shall be filed with the Commission and the Secretary of State of the State involved, and shall identify each candidate whom the expenditure is actually intended to support or to oppose. Not later than 48 hours after the Commission receives a report, the Commission shall transmit a copy of the report to each candidate seeking nomination or election to that office.

''(D) For purposes of this section, an independent expenditure shall be considered to have been made upon the making of any payment or the taking of any action to incur an obligation for payment.

''(4)(A) If any person (including a political committee) intends to make independent expenditures with respect to a candidate in an election totaling $2,500 or more during the 20 days before an election, such person shall file a report no later than the 20th day before the election.

''(B) A report under subparagraph (A) shall be filed with the Commission and the Secretary of State of the State involved, and shall identify each candidate whom the expenditure is actually intended to support or to oppose. Not later than 48 hours after the Commission receives a report under this paragraph, the Commission shall transmit a copy of the statement to each candidate identified.

''(5) The Commission may, upon a request of a candidate or on its own initiative, make its own determination that a person has made, or has incurred obligations to make, independent expenditures with respect to any candidate in any election which in the aggregate exceed the applicable amounts under paragraph (3) or (4). The Commission shall notify each candidate in such election of such determination within 48 hours after making it. Any determination made at the request of a candidate shall be made within 48 hours of the request.

''(6) At the time at which an eligible House of Representatives candidate is notified under paragraph (3), (4), or (5) with respect to expenditures during a general election period, the Commission shall certify eligibility to receive benefits under section 504(a)(3)(B) or section 513(f).

''(7)(A) A person that makes a reservation of broadcast time to which section 315(a) of the Communications Act of 1947 (47 U.S.C. 315(a)) applies, the payment for which would constitute an independent expenditure, shall at the time of reservation—

''(i) inform the broadcast licensee that payment for the broadcast time will constitute an independent expenditure;

''(ii) inform the broadcast licensee of the names of all candidates for the office to which the proposed broadcast relates and state whether the message to be broadcast is intended to be made in support of or in opposition to each such candidate;

''(iii) transmit to all candidates for the office to which the proposed broadcast relates a script or tape recording of the communication, or an accurate summary of the communication if a script or tape recording is not available.''.

TITLE III—CONTRIBUTIONS AND EXPENDITURES BY POLITICAL PARTY COMMITTEES

SEC. 301. DEFINITIONS.

(a) CONTRIBUTION AND EXPENDITURE EXCEPTIONS.—(1) Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(A) in clause (x)—

(i) by striking ''and'' at the end of subclause (2),

(ii) by inserting ''and'' at the end of subclause (3), and

(iii) by adding at the end the following new subclause:

''(4) such activities are conducted solely by, and any materials are prepared for distribution and mailing and are distributed (if other than by mailing) solely by, volunteers;'';

(B) in clause (xi), by striking ''That'' and all that follows through ''Act;'' and inserting ''That—

''(1) such payments are made from contributions subject to the limitations and prohibitions of this Act; and

''(2) such activities are conducted solely by, and any materials are prepared for distribution and mailing and are distributed (if other than by mailing) solely by, volunteers;'' and

(C) in clause (xii)—

(i) by inserting ''in connection with volunteer activities'' after ''such committee'',

(ii) by striking ''for President and Vice President'',

(iii) by striking ''and'' at the end of subclause (2),

(iv) by inserting ''and'' at the end of subclause (3), and

(v) by adding at the end the following new subclause:

''(4) such activities are conducted solely by, and any materials are prepared for distribution and mailing and are distributed (if other than by mailing) solely by, volunteers;''.

(2) Section 301(9)(B) of such Act (2 U.S.C. 431(9)(B)) is amended—

(A) in clause (viii)—

(i) by striking ''and'' at the end of subclause (2),

(ii) by inserting ''and'' at the end of subclause (3), and

(iii) by adding at the end the following new subclause:

''(4) such activities are conducted solely by, and any materials are prepared for distribution and mailing and are distributed (if other than by mailing) solely by, volunteers;''; and

(B) in clause (ix)—

(i) by inserting ''in connection with volunteer activities'' after ''such committee'',

(ii) by striking ''for President or Vice President'', and

(iii) by striking ''and'' at the end of subclause (2), by inserting ''and'' at the end of subclause (3), and by adding at the end the following new subclause:

''(4) such activities are conducted solely by, and any materials are prepared for distribution and are distributed (if other than by mailing) solely by, volunteers;''.

(b) GENERIC ACTIVITIES; STATE PARTY GRASSROOTS FUND.—Section 301 of such Act (2 U.S.C. 431), as amended by section 133, is further amended by adding at the end the following new paragraphs:

''(30) The term 'generic campaign activity' means a campaign activity that promotes a political party rather than any particular Federal or non-Federal candidate.

''(31) The term 'State Party Grassroots Fund' means a separate segregated fund established and maintained by a State committee of a political party solely for purposes of making expenditures and other disbursements described in section 324(d).''.

SEC. 302. CONTRIBUTIONS TO POLITICAL PARTY COMMITTEES.

(a) INDIVIDUAL CONTRIBUTIONS TO STATE PARTY.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) by striking ''or'' at the end of subparagraph (B);

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following new subparagraph:

''(C) to—

''(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $20,000; or

''(ii) any other political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $5,000,

except that the aggregate contributions described in this subparagraph which may be made by a person to the State Party Grassroots Fund and all committees of a State committee of a political party in any State in any calendar year shall not exceed $20,000; or''.

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Section 315(a)(2) of such Act (2 U.S.C. 441a(a)(2)) is amended—

(1) by striking ''or'' at the end of subparagraph (B);

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following new subparagraph:

''(C) to—

''(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $15,000; or

''(ii) to any other political committee established and maintained by a State committee of a political party which, in the aggregate, exceed $5,000,

except that the aggregate contributions described in this subparagraph which may be made by a multicandidate political committee to the State Party Grassroots Fund and all committees of a State committee of a political party in any State in any calendar year shall not exceed $15,000; or''.

(c) OVERALL LIMIT.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended to read as follows:

''(3)(A) No individual shall make contributions during any election cycle which, in the aggregate, exceed $100,000.

''(B) No individual shall make contributions during any calendar year—

''(i) to all candidates and their authorized political committees which, in the aggregate, exceed $25,000; or

''(ii) to all political committees established and maintained by State committees of a political party which, in the aggregate, exceed $20,000.

''(C) For purposes of subparagraph (B)(i), any contribution made to a candidate or the candidate's authorized political committees in a year other than the calendar year in which the election is held with respect to which such contribution is made shall be treated as made during the calendar year in which the election is held.''.

(d) PRESIDENTIAL CANDIDATE COMMITTEE TRANSFERS.—(1) Section 315(b)(1) of such Act (2 U.S.C. 441a(b)(1)) is amended to read as follows:

''(B) in the case of a campaign for election to such office, an amount equal to the sum of—

''(i) $20,000,000, plus

''(ii) the amounts transferred by the candidate and the authorized committees of the candidate to the national committee of the candidate's political party for distribution to State Party Grassroots Funds.

In no event shall the amount under subparagraph (B)(ii) exceed 2 cents multiplied by the voting age population of the United States (as certified under subsection (e)). The Commission may require reporting of the transfers described in subparagraph (B)(ii), may conduct an examination and audit of any such transfer, and may require the return of the transferred amounts to the Presidential Election Campaign Fund if not used for the appropriate purpose.''

(2) Subparagraph (A) of section 9002(11) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''or'' at the end of clause (ii); and

(B) in clause (iii), by striking ''offices,'' and inserting the following: ''offices, or (iv) consisting of a transfer to the national committee of the political party of a candidate for the office of President or Vice President for distribution to State Party Grassroots Funds (as defined in the Federal Election Campaign Act of 1971) to the extent such transfers do not exceed the amount determined under section 315(b)(1)(B)(ii) of such Act,''.

SEC. 303. INCREASE IN THE AMOUNT THAT MULTICANDIDATE POLITICAL COMMITTEES MAY CONTRIBUTE TO NATIONAL POLITICAL PARTY COMMITTEES.

Section 315(a)(2)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)(B)) is amended by striking ''$15,000'' and inserting ''$25,000''.

SEC. 304. MERCHANDISING AND AFFINITY CARDS.

Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

''(c) Notwithstanding the provisions of this section or any other provision of this Act to the contrary, an amount received from a corporation (including a State-chartered or national bank) by any political committee (other than a separate segregated fund established under section 316(b)(2)(C)) shall be deemed to meet the limitations and prohibitions of this Act if such amount represents a commission or royalty on the sale of goods or services, or on the issuance of credit cards, by such corporation and if—

''(1) such goods, services, or credit cards are promoted by or in the name of the political committee as a means of contributing to or supporting the political committee and are offered to consumers using the name of the political committee or using a message, design, or device created and owned by the political committee, or both;

''(2) the corporation is in the business of merchandising such goods or services, or of issuing such credit cards;

''(3) the royalty or commission has been offered by the corporation to the political committee in the ordinary course of the corporation's business and on the same terms and conditions as those on which such corporation offers royalties or commissions to nonpolitical entities;

''(4) all revenue on which the commission or royalty is based represents, or results from, sales to or fees paid by individual consumers in the ordinary course of retail transactions;

''(5) the costs of any unsold inventory of goods are ultimately borne by the political committee in accordance with rules to be prescribed by the Commission; and

''(6) except for any royalty or commission permitted to be paid by this subsection, no goods, services, or anything else of value is provided by such corporation to the political committee, except that such corporation may advance or finance costs or extend credit in connection with the manufacture and distribution of goods, provision of services, or issuance of credit cards pursuant to this subsection if and to the extent such advance, financing, or extension is undertaken in the ordinary course of the corporation's business and is undertaken on similar terms by such corporation in its transactions with nonpolitical entities in like circumstances.''

SEC. 305. PROVISIONS RELATING TO NATIONAL, STATE, AND LOCAL PARTY COMMITTEES.

(a) SOFT MONEY OF COMMITTEES OF POLITICAL PARTIES.—Title III of the Federal Election Campaign Act of 1971 is amended by inserting after section 323 the following new section:

''POLITICAL PARTY COMMITTEES

''SEC. 324. (a) LIMITATIONS ON NATIONAL COMMITTEE.—(1) A national committee of a political party and the congressional campaign committees of a political party may not solicit or accept contributions or transfers not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) Paragraph (1) shall not apply to contributions—

''(A) that—

''(i) are to be transferred to a State committee of a political party and are used solely for activities described in clauses (xi) through (xvii) of paragraph (9)(B) of section 301; or

''(ii) are described in section 301(8)(B)(viii); and

''(B) with respect to which contributors have been notified that the funds will be used solely for the purposes described in subparagraph (A).

''(b) ACTIVITIES SUBJECT TO THIS ACT.—Any amount solicited, received, expended, or disbursed directly or indirectly by a national, State, district, or local committee of a political party with respect to any of the following activities shall be subject to the limitations, prohibitions, and reporting requirements of this Act:

''(1)(A) Any get-out-the-vote activity conducted during a calendar year in which an election for the office of President is held.

''(B) Any other get-out-the-vote activity unless subsection (c)(2) applies to the activity.

''(2) Any generic campaign activity.

''(3) Any activity that identifies or promotes a Federal candidate, regardless of whether—

''(A) a State or local candidate is also identified or promoted; or

''(B) any portion of the funds disbursed constitutes a contribution or expenditure under this Act.

''(4) Voter registration.

''(5) Development and maintenance of voter files during an even-numbered calendar year.

''(6) Any other activity that—

''(A) significantly affects a Federal election, or

''(B) is not otherwise described in section 301(9)(B)(xvii).

Any amount spent to raise funds that are used, in whole or in part, in connection with activities described in the preceding paragraphs shall be subject to the limitations, prohibitions, and reporting requirements of this Act.

''(c) GET-OUT-THE-VOTE ACTIVITIES BY STATE, DISTRICT, AND LOCAL COMMITTEES OF POLITICAL PARTIES.—(1) Except as provided in paragraph (2), any get-out-the-vote activity for a State or local candidate, or for a ballot measure, which is conducted by a State, district, or local committee of a political party shall be subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) Paragraph (1) shall not apply to any activity which the State committee of a political party certifies to the Commission is an activity which—

''(A) is conducted during a calendar year other than a calendar year in which an election for the office of President is held,

''(B) is exclusively on behalf of (and specifically identifies only) one or more State or local candidates or ballot measures, and

''(C) does not include any effort or means used to identify or turn out those identified to be supporters of any Federal candidate (including any activity that is undertaken in coordination with, or on behalf of, a candidate for Federal office).

''(d) STATE PARTY GRASSROOTS FUNDS.—(1) A State committee of a political party may make disbursements and expenditures from its State Party Grassroots Fund only for—

''(A) any generic campaign activity;

''(B) payments described in clauses (v), (x), and (xii) of paragraph (8)(B) and clauses (iv), (viii), and (ix) of paragraph (9)(B) of section 301;

''(C) subject to the limitations of section 315(d), payments described in clause (xii) of paragraph (8)(B), and clause (ix) of paragraph (9)(B), of section 301 on behalf of candidates other than for President and Vice President;

''(D) voter registration; and

''(E) development and maintenance of voter files during an even-numbered calendar year.

''(2) Notwithstanding section 315(a)(4), no funds may be transferred by a State committee of a political party from its State Party Grassroots Fund to any other State Party Grassroots Fund or to any other political committee, except a transfer may be made to a district or local committee of the same political party in the same State if such district or local committee—

''(A) has established a separate segregated fund for the purposes described in paragraph (1); and

''(B) uses the transferred funds solely for those purposes.

''(e) AMOUNTS RECEIVED BY GRASSROOTS FUND FROM STATE AND LOCAL CANDIDATE COMMITTEES.—(1) Any amount received by a State Party Grassroots Fund from a State or local candidate committee for expenditures described in subsection (b) that are for the benefit of that candidate shall be treated as meeting the requirements of subsection (b) and section 304(e) if—

''(A) such amount is derived from funds which meet the requirements of this Act with respect to any limitation or prohibition as to source or dollar amount specified in section 315(a) (1)(A) and (2)(A); and

''(B) the State or local candidate committee—

''(i) maintains, in the account from which payment is made, records of the sources and amounts of funds for purposes of determining whether such requirements are met; and

''(ii) certifies that such requirements were met.

''(2) For purposes of paragraph (1)(A), in determining whether the funds transferred meet the requirements of this Act described in such paragraph—

''(A) a State or local candidate committee's cash on hand shall be treated as consisting of the funds most recently received by the committee, and

''(B) the committee must be able to demonstrate that its cash on hand contains sufficient funds meeting such requirements as are necessary to cover the transferred funds.

''(3) Notwithstanding paragraph (1), any State Party Grassroots Fund receiving any transfer described in paragraph (1) from a State or local candidate committee shall be required to meet the reporting requirements of this Act, and shall submit to the Commission all certifications received, with respect to receipt of the transfer from such candidate committee.

''(4) For purposes of this subsection, a State or local candidate committee is a committee established, financed, maintained, or controlled by a candidate for other than Federal office.

''(f) RELATED ENTITIES.—The provisions of this Act shall apply to any entity that is established, financed, or maintained by a national committee or State committee of a political party in the same manner as they apply to the national or State committee.''

(b) CONTRIBUTIONS AND EXPENDITURES.—

(1) CONTRIBUTIONS.—Section 301(8)(B) of such Act (2 U.S.C. 431(8)(B)) is amended—

(A) in clause (viii), by inserting after ''Federal office'' the following: '', or any amounts received by the committees of any national political party to support the operation of a television and radio broadcast facility'';

(B) by striking ''and'' at the end of clause (xiii);

(C) by striking clause (xiv); and

(D) by adding at the end the following new clauses:

''(xiv) any amount contributed to a candidate for other than Federal office;

''(xv) any amount received or expended to pay the costs of a State or local political convention;

''(xvi) any payment for campaign activities that are exclusively on behalf of (and specifically identify only) State or local candidates and do not identify any Federal candidate, and that are not activities described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1);

''(xvii) any payment for administrative expenses of a State or local committee of a political party, including expenses for—

''(I) overhead, including party meetings;

''(II) staff (other than individuals devoting a significant amount of their time to elections for Federal office and individuals engaged in conducting get-out-the-vote activities for a Federal election); and

''(III) conducting party elections or caucuses;

''(xviii) any payment for research pertaining solely to State and local candidates and issues;

''(xix) any payment for development and maintenance of voter files other than during the 1-year period ending on the date during an even-numbered calendar year on which regularly scheduled general elections for Federal office occur; and

''(xx) any payment for any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office and which is not an activity described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1).''.

(2) EXPENDITURES.—Section 301(9)(B) of such Act (2 U.S.C. 431(9)(B)) is amended—

(A) by striking ''and'' at the end of clause (ix);

(B) by striking the period at the end of clause (x) and inserting a semicolon; and

(C) by adding at the end the following new clauses:

''(xi) any amount contributed to a candidate for other than Federal office;

''(xii) any amount received or expended to pay the costs of a State or local political convention;

''(xiii) any payment for campaign activities that are exclusively on behalf of (and specifically identify only) State or local candidates and do not identify any Federal candidate, and that are not activities described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1);

''(xiv) any payment for administrative expenses of a State or local committee of a political party, including expenses for—

''(I) overhead, including party meetings;

''(II) staff (other than individuals devoting a significant amount of their time to elections for Federal office and individuals engaged in conducting get-out-the-vote activities for a Federal election); and

''(III) conducting party elections or caucuses;

''(xv) any payment for research pertaining solely to State and local candidates and issues;

''(xvi) any payment for development and maintenance of voter files other than during the 1-year period ending on the date during an even-numbered calendar year on which regularly scheduled general elections for Federal office occur; and

''(xvii) any payment for any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office and which is not an activity described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1).''.

(c) LIMITATION APPLIED AT NATIONAL LEVEL; PERMITTING COMMITTEES TO MATCH INDEPENDENT EXPENDITURES MADE ON OPPONENT'S BEHALF.—Section 315(d) of such Act (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (3), by striking ''The national committee'' and inserting ''Subject to paragraph (4), the national committee''; and

(2) by adding at the end the following new paragraph:

''(4)(A) Notwithstanding paragraph (3), the applicable congressional campaign committee of a political party shall make the expenditures described in such paragraph which are authorized to be made by a national or State committee with respect to a candidate in any State unless it allocates all or a portion of such expenditures to either or both of such committees.

''(B) For purposes of paragraph (3), in determining the amount of expenditures of a national or State committee of a political party in connection with the general election campaign of a candidate for election to the office of Representative, Delegate, or Resident Commissioner, there shall be excluded an amount equal to the total amount of independent expenditures made during the campaign on behalf of candidates opposing the candidate.''.

(d) LIMITATIONS APPLY FOR ENTIRE ELECTION CYCLE.—Section 315(d)(1) of such Act (2 U.S.C. 441a(d)(1)) is amended by adding at the end the following new sentence: ''Each limitation under the following paragraphs shall apply to the entire election cycle for an office.''.

SEC. 306. RESTRICTIONS ON FUNDRAISING BY CANDIDATES AND OFFICEHOLDERS.

(a) STATE FUNDRAISING ACTIVITIES.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 122, is further amended by adding at the end the following new subsection:

''(j) LIMITATIONS ON FUNDRAISING ACTIVITIES OF FEDERAL CANDIDATES AND OFFICEHOLDERS AND CERTAIN POLITICAL COMMITTEES.—(1) For purposes of this Act, a candidate for Federal office, an individual holding Federal office, or any agent of the candidate or individual may not solicit funds to, or receive funds on behalf of, any Federal or non-Federal candidate or political committee—

''(A) which are to be expended in connection with any election for Federal office unless such funds are subject to the limitations, prohibitions, and requirements of this Act; or

''(B) which are to be expended in connection with any election for other than Federal office unless such funds are not in excess of amounts permitted with respect to Federal candidates and political committees under subsections (a) (1) and (2), and are not from sources prohibited by such subsections with respect to elections to Federal office.

''(2)(A) The aggregate amount which a person described in subparagraph (B) may solicit from a multicandidate political committee for State committees described in subsection (a)(1)(C) (including subordinate committees) for any calendar year shall not exceed the dollar amount in effect under subsection (a)(2)(B) for the calendar year.

''(B) A person is described in this subparagraph if such person is a candidate for Federal office, an individual holding Federal office, an agent of such a candidate or individual, or any national, State, district, or local committee of a political party (including a subordinate committee) and any agent of such a committee.

''(3) The appearance or participation by a candidate for Federal office or individual holding Federal office in any fundraising event conducted by a committee of a political party or a candidate for other than Federal office shall not be treated as a solicitation for purposes of paragraph (1) if such candidate or individual does not solicit or receive, or make disbursements from, any funds resulting from such activity.

''(4) Paragraph (1) shall not apply to the solicitation or receipt of funds, or disbursements, by an individual who is a candidate for other than Federal office if such activity is permitted under State law.

''(5) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual—

''(A) holds a Federal office; or

''(B) holds a position described in level I of the Executive Schedule under section 5312 of title 5, United States Code.''.

(b) TAX-EXEMPT ORGANIZATIONS.—Section 315 of such Act (2 U.S.C. 441a), as amended by section 122 and subsection (a), is further amended by adding at the end the following new subsection:

''(k) TAX-EXEMPT ORGANIZATIONS.—(1) If an individual is a candidate for, or holds, Federal office during any period, such individual may not during such period solicit contributions to, or on behalf of, any organization which is described in section 501(c) of the Internal Revenue Code of 1986 if—

''(A) the organization is established, maintained, or controlled by such individual; and

''(B) a significant portion of the activities of such organization include voter registration or get-out-the-vote campaigns.

''(2) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual—

''(A) holds a Federal office; or

''(B) holds a position described in level I of the Executive Schedule under section 5312 of title 5, United States Code.''.

SEC. 307. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

''(d) POLITICAL COMMITTEES.—(1) The national committee of a political party and any congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

''(2) A State, district, or local committee of a political party to which section 324 applies shall report all receipts and disbursements for the reporting period, including separate schedules for receipts and disbursements for State Grassroots Funds.

''(3) Any political committee shall include in its report under paragraph (1) or (2) the amount of any transfer described in section 324(d)(2) and shall itemize such amounts to the extent required by section 304(b)(3)(A).

''(4) The Commission may prescribe regulations to require any political committee to which paragraph (1) or (2) does not apply to report any receipts or disbursements used in connection with a Federal election, including those which are also used, directly or indirectly, to affect a State or local election.

''(5) If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as subsection (b) (3)(A), (5), or (6).

''(6) Reports required to be filed by this subsection shall be filed for the same time periods required for political committees under subsection (a).''.

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of such Act (2 U.S.C. 431(8)) is amended by inserting at the end the following new subparagraph:

''(C) The exclusion provided in clause (viii) of subparagraph (B) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions aggregating in excess of $200 (and disbursements therefrom) shall be reported.''.

(c) REPORTS BY STATE COMMITTEES.—Section 304 of such Act (2 U.S.C. 434), as amended by subsection (a), is further amended by adding at the end the following new subsection:

''(e) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.''.

(d) OTHER REPORTING REQUIREMENTS.—

(1) AUTHORIZED COMMITTEES.—Section 304(b)(4) of such Act (2 U.S.C. 434(b)(4)) is amended—

(A) by striking ''and'' at the end of subparagraph (H);

(B) by adding ''and'' at the end of subparagraph (I); and

(C) by adding at the end the following new subparagraph:

''(J) in the case of an authorized committee, disbursements for the primary election, the general election, and any other election in which the candidate participates;''.

(2) NAMES AND ADDRESSES.—Section 304(b)(5)(A) of such Act (2 U.S.C. 434(b)(5)(A)) is amended—

(A) by striking ''within the calendar year'', and

(B) by inserting '', and the election to which the operating expenditure relates'' after ''operating expenditure''.

TITLE IV—CONTRIBUTIONS

SEC. 401. RESTRICTIONS ON BUNDLING.

Section 315(a)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read as follows:

''(8)(A) No person, either directly or indirectly, may act as a conduit or intermediary for any contribution to a candidate.

''(B)(i) Nothing in this section shall prohibit—

''(I) joint fundraising conducted in accordance with rules prescribed by the Commission by 2 or more candidates; or

''(II) fundraising for the benefit of a candidate that is conducted by another candidate.

''(ii) No other person may conduct or otherwise participate in joint fundraising activities with or on behalf of any candidate.

''(C) The term 'conduit or intermediary' means a person who transmits a contribution to a candidate or candidate's committee or representative from another person, except that—

''(i) a House of Representatives candidate or representative of a House of Representatives candidate is not a conduit or intermediary for the purpose of transmitting contributions to the candidate's principal campaign committee or authorized committee;

''(ii) a professional fundraiser is not a conduit or intermediary, if the fundraiser is compensated for fundraising services at the usual and customary rate;

''(iii) a volunteer hosting a fundraising event at the volunteer's home, in accordance with section 301(8)(b), is not a conduit or intermediary for the purposes of that event; and

''(iv) an individual is not a conduit or intermediary for the purpose of transmitting a contribution from the individual's spouse.

For purposes of this section a conduit or intermediary transmits a contribution when receiving or otherwise taking possession of the contribution and forwarding it directly to the candidate or the candidate's committee or representative.

''(D) For purposes of this section, the term 'representative'—

''(i) shall mean a person who is expressly authorized by the candidate to engage in fundraising, and who, in the case of an individual, is not acting as an officer, employee, or agent of any other person;

''(ii) shall not include—

''(I) a political committee with a connected organization;

''(II) a political party;

''(III) a partnership or sole proprietorship;

''(IV) an organization prohibited from making contributions under section 316; or

''(V) a person required to register under the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.).

''(E) For purposes of this section, the term 'acting as an officer, employee, or agent of any other person' includes the following activities by a salaried officer, employee, or paid agent of a person described in subparagraph (D)(ii)(IV):

''(i) Soliciting contributions to a particular candidate in the name of, or by using the name of, such a person.

''(ii) Soliciting contributions to a particular candidate using other than the incidental resources of such a person.

''(iii) Soliciting contributions to a particular candidate under the direction or control of other salaried officers, employees, or paid agents of such a person.

For purposes of this subparagraph, the term 'agent' shall include any person (other than individual members of an organization described in subparagraph (b)(4)(C) of section 316) acting on authority or under the direction of such organization.''.

SEC. 402. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING AGE.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by sections 122 and 306, is further amended by adding at the end the following new subsection:

''(l) For purposes of this section, any contribution by an individual who—

''(1) is a dependent of another individual; and

''(2) has not, as of the time of such contribution, attained the legal age for voting for elections to Federal office in the State in which such individual resides,

shall be treated as having been made by such other individual. If such individual is the dependent of another individual and such other individual's spouse, the contribution shall be allocated among such individuals in the manner determined by them.''.

SEC. 403. PROHIBITION OF ACCEPTANCE BY A CANDIDATE OF CASH CONTRIBUTIONS FROM ANY ONE PERSON AGGREGATING MORE THAN $100.

Section 321 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441g) is amended by inserting '', and no candidate or authorized committee of a candidate shall accept from any one person,'' after ''make''.

SEC. 404. CONTRIBUTIONS TO CANDIDATES FROM STATE AND LOCAL COMMITTEES OF POLITICAL PARTIES TO BE AGGREGATED.

Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)), as amended by section 121, is further amended by adding at the end the following new paragraph:

''(10) Notwithstanding paragraph (5)(B), a candidate for Federal office may not accept, with respect to an election, any contribution from a State or local committee of a political party (including any subordinate committee of such committee) if such contribution, when added to the total of contributions previously accepted from all such committees of that political party, exceeds a limitation on contributions to a candidate under this section.''.

SEC. 405. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting after ''SEC. 322.'' the following: ''(a)''; and

(2) by adding at the end the following:

''(b) No person shall solicit contributions by falsely representing himself or herself as a candidate or as a representative of a candidate, a political committee, or a political party.''.

SEC. 406. LIMITED EXCLUSION OF ADVANCES BY CAMPAIGN WORKERS FROM THE DEFINITION OF THE TERM "CONTRIBUTION".

Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)), as amended by section 305, is amended—

(1) in clause (xix), by striking ''and'' after the semicolon at the end;

(2) in clause (xx), by striking the period at the end and inserting: ''; and''; and

(3) by adding at the end the following new clause:

''(xxi) any advance voluntarily made on behalf of an authorized committee of a candidate by an individual in the normal course of such individual's responsibilities as a volunteer for, or employee of, the committee, if the advance is reimbursed by the committee within 10 days after the date on which the advance is made, and the value of advances on behalf of a committee does not exceed $500 with respect to an election.''.

SEC. 407. AMENDMENT TO SECTION 316 OF THE FEDERAL ELECTION CAMPAIGN ACT OF 1971.

Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended—

(1) by striking ''(2) For'' and inserting ''(2)(A) Except as provided in subparagraph (B), for'';

(2) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively; and

(3) by adding at the end the following:

''(B) Payments by a corporation or labor organization for candidate debates, voter guides, or voting records directed to the general public shall be considered contributions unless—

''(i) in the case of a candidate debate, the organization staging the debate is either an organization described in section 301 (9)(B)(i) whose broadcasts, cablecasts, or publications are supported by commercial advertising, subscriptions, or sales to the public, including a noncommercial educational broadcaster, or a nonprofit organization exempt from Federal taxation under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986 that does not endorse, support, or oppose candidates or political parties, and any such debate features at least 2 candidates competing for election to that office;

''(ii) in the case of a voter guide, the guide is prepared and distributed by a corporation or labor organization and consists of questions posed to at least two candidates for election to that office; and

''(iii) in the case of a voting record, the record is prepared and distributed by a corporation or labor organization at the end of a session of Congress and consists solely of votes by all Members of Congress in that session on one or more issues;

except that such payments shall be treated as contributions if any communication made by a corporation or labor organization in connection with the candidate debate, voter guide, or voting record contains express advocacy, or any structure or format of the candidate debate, voter guide, or voting record, or any preparation or distribution of any such guide or record, reflects a purpose of influencing the election of a particular candidate.''.

SEC. 408. PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended by adding at the end the following new subsection:

''(c) A foreign national shall not directly or indirectly direct, control, influence, or participate in any person's election-related activities, such as the making of contributions or expenditures in connection with elections for any local, State, or Federal office or the administration of a political committee.''.

TITLE V—REPORTING REQUIREMENTS

SEC. 501. CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.

Paragraphs (2), (3), (4), (6), and (7) of section 304(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b) (2)–(7)) are each amended by inserting ''(election cycle, in the case of an authorized committee of a candidate for Federal office)'' after ''calendar year'' each place it appears.

SEC. 502. DISCLOSURE OF PERSONAL AND CONSULTING SERVICES.

(a) REPORTING BY POLITICAL COMMITTEES.—Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end the following: '', except that if a person to whom an expenditure is made by a candidate or the candidate's authorized committees is merely providing personal or consulting services and is in turn making expenditures to other persons (not including its owners or employees) who provide goods or services to the candidate or the candidate's authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed''.

(b) RECORDKEEPING AND REPORTING BY PERSONS TO WHOM EXPENDITURES ARE PASSED

THROUGH.—Section 302 of such Act (2 U.S.C. 432) is amended by adding at the end the following new subsection:

''(j) The person described in section 304(b)(5)(A) who is providing personal or consulting services and who is in turn making expenditures to other persons (not including employees) for goods or services provided to a candidate shall maintain records of and shall provide to a political committee the information necessary to enable the political committee to report the information described in section 304(b)(5)(A).''.

SEC. 503. POLITICAL COMMITTEES OTHER THAN CANDIDATE COMMITTEES.

Section 303(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 433(b)) is amended—

(1) in paragraph (2), by inserting '', and if the organization or committee is incorporated, the State of incorporation'' after ''committee''; and

(2) by striking the ''name and address of the treasurer'' in paragraph (4) and inserting ''the names and addresses of any officers (including the treasurer)''.

SEC. 504. USE OF CANDIDATES' NAMES.

Section 302(e)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)(4)) is amended to read as follows:

''(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

''(B) A political committee that is not an authorized committee shall not—

''(i) include the name of any candidate in its name, or

''(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of such committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.''.

SEC. 505. REPORTING REQUIREMENTS.

(a) FILING ON THE 20TH DAY OF A MONTH.—Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended—

(1) in paragraph (2)(A)(iii), by striking ''15th'' and inserting ''20th'';

(2) in paragraph (3)(B)(ii), by striking ''15th'' and inserting ''20th'';

(3) in paragraph (4)(A)(i), by striking ''15th'' and inserting ''20th''; and

(4) in paragraph (8), by striking ''15th'' and inserting ''20th''.

(b) OPTION TO FILE MONTHLY REPORTS.—Section 304(a)(2) of such Act (2 U.S.C. 434(a)(2)) is amended—

(1) in subparagraph (A), by striking ''and'' at the end;

(2) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(3) by inserting the following new subparagraph at the end:

''(C) in lieu of the reports required by subparagraphs (A) and (B), the treasurer may file monthly reports in all calendar years, which shall be filed no later than the 20th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of any year in which a regularly scheduled general election is held, a pre-primary election report and a pre-general election report shall be filed in accordance with subparagraph (A)(i), a post-general election report shall be filed in accordance with subparagraph (A)(ii), and a year end report shall be filed no later than January 31 of the following calendar year.''.

(c) POLITICAL COMMITTEES.—Section 304(a)(4) of such Act (2 U.S.C. 434(a)(4)) is amended in subparagraph (A)(i) by inserting '', and except that if at any time during the election year a committee receives contributions in excess of $100,000 ($10,000 in the case of a multicandidate political committee), or makes disbursements in excess of $100,000 ($10,000 in the case of a multicandidate political committee), monthly reports on the 20th day of each month after the month in which that amount of contributions is first received or that amount of disbursements is first anticipated to be made during that year'' before the semicolon.

(d) INCOMPLETE OR FALSE CONTRIBUTOR INFORMATION.—Section 302(i) of such Act (2 U.S.C. 432(i)) is amended—

(1) by inserting ''(1)'' after ''(i)'';

(2) by striking ''submit'' and inserting ''report''; and

(3) by adding at the end the following new paragraph:

''(2) A treasurer shall be considered to have used best efforts under this section only if—

''(A) all written solicitations include a clear and conspicuous request for the contributor's identification and inform the contributor of the committee's obligation to report the identification in a statement prescribed by the Commission;

''(B) the treasurer makes at least 1 additional request for the contributor's identification for each contribution received that aggregates in excess of $200 per calendar year and which does not contain all of the information required by this Act; and

''(C) the treasurer reports all information in the committee's possession regarding contributor identifications.''.

(e) WAIVER.—Section 304 of such Act (2 U.S.C. 434), as amended by section 307, is further amended by adding at the end the following new subsection:

''(f) WAIVER.—The Commission may relieve any category of political committees of the obligation to file 1 or more reports required by this section, or may change the due dates of such reports, if it determines that such action is consistent with the purposes of this Act. The Commission may waive requirements to file reports in accordance with this subsection through a rule of general applicability or, in a specific case, may waive or extend the due date of a report by notifying all political committees affected.''.

SEC. 506. SIMULTANEOUS REGISTRATION OF CANDIDATE AND CANDIDATE'S PRINCIPAL CAMPAIGN COMMITTEE.

Section 303(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 433(a)) is amended in the first sentence by striking ''no later than 10 days after designation'' and inserting ''on the date of its designation''.

SEC. 507. REPORTING ON GENERAL CAMPAIGN ACTIVITIES OF PERSONS OTHER THAN POLITICAL PARTIES.

(a) REPORTING REQUIREMENT.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by sections 307 and 505, is further amended by adding at the end the following new subsection:

''(g) CERTAIN COMMUNICATIONS BY CORPORATIONS AND LABOR ORGANIZATIONS.—(1) Any person making disbursements to pay the cost of applicable communication activities aggregating $5,000 or more with respect to a candidate in an election after the 20th day, but more than 24 hours, before the election shall file a report of such disbursements within 24 hours after such disbursements are made.

''(2) Any person making disbursements to pay the cost of applicable communications activities aggregating $5,000 or more with respect to a candidate in an election at any time up to and including the 20th day before the election shall file a report within 48 hours after such disbursements are made.

''(3) Any person required to file a report under paragraph (1) or (2) which also makes disbursements to pay the cost directly attributable to a get-out-the-vote campaign described in section 316(b)(2)(B) aggregating $25,000 or more with respect to an election shall file a report within 48 hours after such disbursements are made.

''(4) An additional report shall be filed each time additional disbursements described in paragraph (1), (2), or (3), whichever is applicable, aggregating $10,000 are made with respect to the same candidate in the same election as the initial report filed under this subsection. Each such report shall be filed within 48 hours after the disbursements are made.

''(5) For purposes of this subsection, the term 'applicable communication activities' means activities which are covered by the exception to section 301(9)(B)(iii).

''(6) Any statement under this subsection—

''(A) shall be filed in the case of—

''(i) disbursements relating to candidates for the House of Representatives, with the Clerk of the House of Representatives and the Secretary of State of the State involved, and

''(ii) any other disbursements, with the Commission, and

''(B) shall contain such information as the Commission shall prescribe.''

(b) CONFORMING AMENDMENT.—Section 301(9)(B) of such Act (2 U.S.C. 431(9)(B)) is amended by inserting ''and shall, if such costs exceeds the amount described in paragraph (1), (2), or (4) of section 304(g), be reported in the manner provided in section 304(g)'' before the semicolon at the end of clause (iii).

TITLE VI—BROADCAST RATES AND CAMPAIGN ADVERTISING

SEC. 601. BROADCAST RATES AND CAMPAIGN ADVERTISING.

(a) BROADCAST RATES.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by amending subsection (b) to read as follows:

''(b)(1) Except as provided in paragraph (2), the charges made for the use of a broadcasting station by a person who is a legally qualified candidate for public office in connection with the person's campaign for nomination for election, or election, to public office shall not exceed the charges made for comparable use of such station by other users thereof.

''(2) In the case of an eligible House of Representatives candidate, during the 30 days preceding the date of the primary or primary runoff election and during the 60 days preceding the date of a general or special election in which the person is a candidate, the charges made for the use of a broadcasting station by the candidate shall not exceed 50 percent of the lowest unit charge of the station for the same class and amount of time for the same period.'';

(2) by redesignating subsections (c) and (d) as subsections (f) and (g), respectively;

(3) by inserting after subsection (b) the following new subsections:

''(c)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period specified in subsection (b)(1)(A), of a broadcast station by a legally qualified candidate for public office who has purchased and paid for such use pursuant to subsection (b)(1)(A).

''(2) If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.

''(d) If any person makes an independent expenditure through a communication on a broadcasting station that expressly advocates the defeat of an eligible House of Representatives candidate, or the election of an

eligible House of Representatives candidate (regardless of whether such opponent is an eligible candidate), the licensee, as applicable, shall, not later than 5 business days after the date on which the communication is made (or not later than 24 hours after the communication is made if the communication occurs not more than 2 weeks before the date of the election), transmit to the candidate—

''(1) a statement of the date and time on which the communication was made;

''(2) a script or tape recording of the communication, or an accurate summary of the communication if a script or tape recording is not available; and

''(3) an offer of an equal opportunity for the candidate to use the broadcasting station to respond to the communication without having to pay for the use in advance.

''(e) A licensee that endorses a candidate for Federal office in an editorial shall, within the time period stated in subsection (d), provide to all other candidates for election to the same office—

''(1) a statement of the date and time of the communication;

''(2) a script or tape recording of the communication, or an accurate summary of the communication if a script or tape recording is not available; and

''(3) an offer of an equal opportunity for the candidate or spokesperson for the candidate to use the broadcasting station to respond to the communication.''; and

(4) in subsection (f), as redesignated by paragraph (2)—

(A) by striking ''and'' at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting ''; and''; and

(C) by adding at the end the following new paragraph:

''(3) the terms 'eligible House of Representatives candidate' and 'independent expenditure' have the meanings stated in section 301 of the Federal Election Campaign Act of 1971.''.

(b) REVOCATION OF LICENSE FOR FAILURE TO PERMIT ACCESS.—Section 312(a)(7) of such Act (47 U.S.C. 312(a)(7)) is amended—

(1) by striking ''or repeated'';

(2) by inserting ''or cable system'' after ''broadcasting station''; and

(3) by striking ''his candidacy'' and inserting ''his or her candidacy, under the same terms, conditions, and business practices as apply to its most favored advertiser''.

(c) MEETING REQUIREMENTS FOR RATES AS CONDITION OF GRANTING OR RENEWAL OF LICENSE.—Section 307 of such Act (47 U.S.C. 307) is amended by adding at the end the following new subsection:

''(f) The continuation of an existing license, the renewal of an expiring license, and the issuance of a new license shall be expressly conditioned on the agreement by the licensee or the applicant to meet the requirements of section 315(b), except that the Commission may waive this condition in the case of a licensee or applicant who demonstrates (in accordance with such criteria as the Commission may establish in consultation with the Federal Election Commission) that meeting such requirements will impose a significant financial hardship.''.

SEC. 602. CAMPAIGN ADVERTISING AMENDMENTS.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in the matter before paragraph (1) of subsection (a), by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever'';

(2) in the matter before paragraph (1) of subsection (a), by striking ''an expenditure'' and inserting ''a disbursement'';

(3) in the matter before paragraph (1) of subsection (a), by striking ''direct'';

(4) in paragraph (3) of subsection (a), by inserting after ''name'' the following ''and permanent street address''; and

(5) by adding at the end the following new subsections:

''(c) Any printed communication described in subsection (a) shall be—

''(1) of sufficient type size to be clearly readable by the recipient of the communication;

''(2) contained in a printed box set apart from the other contents of the communication; and

''(3) consist of a reasonable degree of color contrast between the background and the printed statement.

''(d)(1) Any communication described in subsection (a)(1) or (a)(2) that is provided to and distributed by any broadcasting station or cable system (as such terms are defined in sections 315 and 602, respectively, of the Federal Communications Act of 1934) shall include, in addition to the requirements of subsections (a)(1) and (a)(2), an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

''(2) If a communication described in paragraph (1) contains any visual images, the communication shall include a written statement which contains the same information as the audio statement and which—

''(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

''(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

''(e)(1) Any communication described in subsection (a)(3) that is provided to and distributed by any broadcasting station or cable system described in subsection (d)(1) shall include, in addition to the requirements of that subsection, in a clearly spoken manner, the following statement: ' is responsible for the content of this advertisement.'; with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor.

''(2) If the communication described in paragraph (1) contains visual images, the communication shall include a written statement which contains the same information as the audio statement and which appears in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement for a period of at least 4 seconds.''.

SEC. 603. ELIGIBILITY FOR NONPROFIT THIRD-CLASS BULK RATES OF POSTAGE.

Paragraph (2) of section 3626(e) of title 39, United States Code, is amended—

(1) in subparagraph (A) by striking ''Committee, and the'' and inserting ''Committee, the'', and by striking ''Committee;'' and inserting ''Committee, and a qualified campaign committee;'';

(2) by striking ''and'' at the end of subparagraph (B);

(3) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(4) by adding at the end the following:

''(D) the term 'qualified campaign committee' means the campaign committee of an eligible House of Representatives candidate; and

''(E) the term 'eligible House of Representatives candidate' has the meaning given that term in section 301 of the Federal Election Campaign Act of 1971.''.

TITLE VII—MISCELLANEOUS

SEC. 701. PROHIBITION OF LEADERSHIP COMMITTEES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended—

(1) by amending paragraph (3) to read as follows:

''(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

''(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

''(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee.''; and

(2) by adding at the end the following new paragraph:

''(6)(A) A candidate for Federal office or any individual holding Federal office may not establish, finance, maintain, or control any Federal or non-Federal political committee other than a principal campaign committee of the candidate, authorized committee, party committee, or other political committee designated in accordance with paragraph (3). A candidate for more than one Federal office may designate a separate principal campaign committee for each Federal office. This paragraph shall not preclude a Federal officeholder who is a candidate for State or local office from establishing, financing, maintaining, or controlling a political committee for election of the individual to such State or local office.

''(B) For 2 years after the effective date of this paragraph, any political committee established before such date but which is prohibited under subparagraph (A) may continue to make contributions. At the end of that period such political committee shall disburse all funds by one or more of the following means: making contributions to an entity qualified under section 501(c)(3) of the Internal Revenue Code of 1986; making a contribution to the treasury of the United States; contributing to the national, State or local committees of a political party; or making contributions not to exceed $1,000 to candidates for elective office.''.

SEC. 702. APPEARANCE BY FEDERAL ELECTION COMMISSION AS AMICI CURIAE.

Section 306(f) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(f)) is amended by striking out paragraph (4) and inserting in lieu thereof the following new paragraph:

''(4)(A) Notwithstanding the provisions of paragraph (2), or of any other provision of law, the Commission is authorized to appear on its own behalf in any action related to the exercise of its statutory duties or powers in any court as either a party or as amicus curiae, either—

''(i) by attorneys employed in its office, or

''(ii) by counsel whom it may appoint, on a temporary basis as may be necessary for such purpose, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title. The compensation of counsel so appointed on a temporary basis shall be paid out of any funds otherwise available to pay the compensation of employees of the Commission.

''(B) The authority granted under subparagraph (A) includes the power to appeal from, and petition the Supreme Court for certiorari to review, judgments or decrees entered

with respect to actions in which the Commission appears pursuant to the authority provided in this section.''.

SEC. 703. PROHIBITING SOLICITATION OF CONTRIBUTIONS BY MEMBERS IN HALL OF THE HOUSE OF REPRESENTATIVES.

(a) IN GENERAL.—A Member of the House of Representatives may not solicit or accept campaign contributions in the Hall of the House of Representatives, rooms leading thereto, or the cloakrooms.

(b) DEFINITION.—In subsection (a), the term ''Member of the House of Representatives'' means a Representative in, or a Delegate or Resident Commissioner to, Congress.

(c) EXERCISE OF RULEMAKING AUTHORITY.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives, and as such this section is deemed a part of the rules of the House of Representatives and supersedes other rules only to the extent inconsistent therewith; and

(2) with full recognition of the constitutional right of the House of Representatives to change the rule at any time, in the same manner and to the same extent as in the case of any other rule of the House of Representatives.

TITLE VIII—EFFECTIVE DATES; AUTHORIZATIONS

SEC. 801. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on the date of the enactment of this Act, but shall not apply with respect to activities in connection with any election occurring before January 1, 1999.

SEC. 802. SEVERABILITY.

(a) IN GENERAL.—Except as otherwise provided in this section, if any provision of this Act (including any amendment made by this Act), or the application of any such provision to any person or circumstance, is held invalid, the validity of any other provision of this Act, or the application of such provision to other persons and circumstances, shall not be affected thereby.

(b) EXCEPTIONS.—If any provision of subtitle A of title V of the Federal Election Campaign Act of 1971 (as added by title I) is held to be invalid, all provisions of such subtitle, and the amendment made by section 122, shall be treated as invalid.

SEC. 803. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court finding any provision of this Act or amendment made by this Act to be unconstitutional.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

SEC. 804. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out the provisions of this Act within 12 months after the effective date of this Act.

H.R. 2183

OFFERED BY: MR. HUTCHINSON

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 8: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Bipartisan Campaign Integrity Act of 1998''.

TITLE I—SOFT MONEY AND CONTRIBUTIONS AND EXPENDITURES OF POLITICAL PARTIES

SEC. 101. BAN ON SOFT MONEY OF NATIONAL POLITICAL PARTIES AND CANDIDATES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

''BAN ON USE OF SOFT MONEY BY NATIONAL POLITICAL PARTIES AND CANDIDATES

''SEC. 323. (a) NATIONAL PARTIES.—A national committee of a political party, including the national congressional campaign committees of a political party, and any officers or agents of such party committees, may not solicit, receive, or direct any contributions, donations, or transfers of funds, or spend any funds, which are not subject to the limitations, prohibitions, and reporting requirements of this Act. This subsection shall apply to any entity that is established, financed, maintained, or controlled (directly or indirectly) by, or acting on behalf of, a national committee of a political party, including the national congressional campaign committees of a political party, and any officers or agents of such party committees.

''(b) CANDIDATES.—

''(1) IN GENERAL.—No candidate for Federal office, individual holding Federal office, or any agent of such candidate or officeholder may solicit, receive, or direct—

''(A) any funds in connection with any Federal election unless such funds are subject to the limitations, prohibitions and reporting requirements of this Act;

''(B) any funds that are to be expended in connection with any election for other than a Federal office unless such funds are not in excess of the amounts permitted with respect to contributions to Federal candidates and political committees under section 315(a)(1) and (2), and are not from sources prohibited from making contributions by this Act with respect to elections for Federal office; or

''(C) any funds on behalf of any person which are not subject to the limitations, prohibitions, and reporting requirements of this Act if such funds are for the purpose of financing any activity on behalf of a candidate for election for Federal office or any communication which refers to a clearly identified candidate for election for Federal office.

''(2) EXCEPTION FOR CERTAIN ACTIVITIES.—Paragraph (1) shall not apply to—

''(A) the solicitation or receipt of funds by an individual who is a candidate for a non-Federal office if such activity is permitted under State law for such individual's non-Federal campaign committee; or

''(B) the attendance by an individual who holds Federal office or is a candidate for election for Federal office at a fundraising event for a State or local committee of a political party of the State which the individual represents or seeks to represent as a Federal officeholder, if the event is held in such State.

''(c) PROHIBITING TRANSFERS OF NON-FEDERAL FUNDS BETWEEN STATE PARTIES.—A State committee of a political party may not transfer any funds to a State committee of a political party of another State unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) APPLICABILITY TO FUNDS FROM ALL SOURCES.—This section shall apply with respect to funds of any individual, corporation, labor organization, or other person.''.

SEC. 102. INCREASE IN AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS TO POLITICAL PARTIES.

(a) IN GENERAL.—The first sentence of section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking ''in any calendar year'' and inserting the following: ''to political committees of political parties, or contributions aggregating more than $25,000 to any other persons, in any calendar year''.

(b) CONFORMING AMENDMENT.—Section 315(a)(1)(B) of such Act (2 U.S.C. 441a(a)(1)(B)) is amended by striking ''$20,000'' and inserting ''$25,000''.

SEC. 103. REPEAL OF LIMITATIONS ON AMOUNT OF COORDINATED EXPENDITURES BY POLITICAL PARTIES.

(a) IN GENERAL.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by striking paragraphs (2) and (3).

(b) CONFORMING AMENDMENTS.—Section 315(d)(1) of such Act (2 U.S.C. 441a(d)(1)) is amended—

(1) by striking ''(d)(1)'' and inserting ''(d)''; and

(2) by striking '', subject to the limitations contained in paragraphs (2) and (3) of this subsection''.

SEC. 104. INCREASE IN LIMIT ON CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES TO NATIONAL POLITICAL PARTIES.

Section 315(a)(2)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)(B)) is amended by striking ''$15,000'' and inserting ''$20,000''.

TITLE II—INDEXING CONTRIBUTION LIMITS

SEC. 201. INDEXING CONTRIBUTION LIMITS.

Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended by adding at the end the following new paragraph:

''(3)(A) The amount of each limitation established under subsection (a) shall be adjusted as follows:

''(i) For calendar year 1999, each such amount shall be equal to the amount described in such subsection, increased (in a compounded manner) by the percentage increase in the price index (as defined in subsection (c)(2)) for each of the years 1997 through 1998.

''(ii) For calendar year 2003 and each fourth subsequent year, each such amount shall be equal to the amount for the fourth previous year (as adjusted under this subparagraph), increased (in a compounded manner) by the percentage increase in the price index for each of the four previous years.

''(B) In the case of any amount adjusted under this subparagraph which is not a multiple of $100, the amount shall be rounded to the nearest multiple of $100.''.

TITLE III—EXPANDING DISCLOSURE OF CAMPAIGN FINANCE INFORMATION

SEC. 301. DISCLOSURE OF CERTAIN COMMUNICATIONS.

(a) IN GENERAL.—Any person who expends an aggregate amount of funds during a calendar year in excess of $25,000 for communications described in subsection (b) relating to a single candidate for election for Federal office (or an aggregate amount of funds during a calendar year in excess of $100,000 for all such communications relating to all such candidates) shall file a report describing the amount expended for such communications, together with the person's address and phone number (or, if appropriate, the address and phone number of the person's principal officer).

(b) COMMUNICATIONS DESCRIBED.—A communication described in this subsection is any communication which is broadcast to the general public through radio or television and which mentions or includes (by name, representation, or likeness) any candidate for election for Senator or for Representative in (or Delegate or Resident Commissioner to) the Congress, other than any

communication which would be described in clause (i), (iii), or (v) of section 301(9)(B) of the Federal Election Campaign Act of 1971 if the payment were an expenditure under such section.

(c) DEADLINE FOR FILING.—A person shall file a report required under subsection (a) not later than 7 days after the person first expends the applicable amount of funds described in such subsection, except that in the case of a person who first expends such an amount within 10 days of an election, the report shall be filed not later than 24 hours after the person first expends such amount. For purposes of the previous sentence, the term ''election'' shall have the meaning given such term in section 301(1) of the Federal Election Campaign Act of 1971.

(d) PLACE OF SUBMISSION.—Reports required under subsection (a) shall be submitted—

(1) to the Clerk of the House of Representatives, in the case of a communication involving a candidate for election for Representative in (or Delegate or Resident Commissioner to) the Congress; and

(2) to the Secretary of the Senate, in the case of a communication involving a candidate for election for Senator.

(e) PENALTIES.—Whoever knowingly fails to—

(1) remedy a defective filing within 60 days after notice of such a defect by the Secretary of the Senate or the Clerk of the House of Representatives; or

(2) comply with any other provision of this section,

shall, upon proof of such knowing violation by a preponderance of the evidence, be subject to a civil fine of not more than $50,000, depending on the extent and gravity of the violation.

SEC. 302. REQUIRING MONTHLY FILING OF REPORTS.

(a) PRINCIPAL CAMPAIGN COMMITTEES.—Section 304(a)(2)(A)(iii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(2)(A)(iii)) is amended to read as follows:

''(iii) monthly reports, which shall be filed no later than the 20th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of the year, a pre-general election report shall be filed in accordance with clause (i), a post-general election report shall be filed in accordance with clause (ii), and a year end report shall be filed no later than January 31 of the following calendar year.''.

(b) OTHER POLITICAL COMMITTEES.—Section 304(a)(4) of such Act (2 U.S.C. 434(a)(4)) is amended to read as follows:

''(4)(A) In a calendar year in which a regularly scheduled general election is held, all political committees other than authorized committees of a candidate shall file—

''(i) monthly reports, which shall be filed no later than the 20th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of the year, a pre-general election report shall be filed in accordance with clause (ii), a post-general election report shall be filed in accordance with clause (iii), and a year end report shall be filed no later than January 31 of the following calendar year;

''(ii) a pre-election report, which shall be filed no later than the 12th day before (or posted by registered or certified mail no later than the 15th day before) any election in which the committee makes a contribution to or expenditure on behalf of a candidate in such election, and which shall be complete as of the 20th day before the election; and

''(iii) a post-general election report, which shall be filed no later than the 30th day after the general election and which shall be complete as of the 20th day after such general election.

''(B) In any other calendar year, all political committees other than authorized committees of a candidate shall file a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31 and a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year.''.

(c) CONFORMING AMENDMENTS.—(1) Section 304(a) of such Act (2 U.S.C. 434(a)) is amended by striking paragraph (8).

(2) Section 309(b) of such Act (2 U.S.C. 437g(b)) is amended by striking ''for the calendar quarter'' and inserting ''for the month''.

SEC. 303. MANDATORY ELECTRONIC FILING FOR CERTAIN REPORTS.

(a) IN GENERAL.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking the period at the end and inserting the following: '', except that the Commission shall require the reports to be filed and preserved by such means, format, or method, unless the aggregate amount of contributions or expenditures (as the case may be) reported by the committee in all reports filed with respect to the election involved (taking into account the period covered by the report) is less than $50,000.''.

(b) PROVIDING STANDARDIZED SOFTWARE PACKAGE.—Section 304(a)(11) of such Act (2 U.S.C. 434(a)(11)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following new subparagraph:

''(C) The Commission shall make available without charge a standardized package of software to enable persons filing reports by electronic means to meet the requirements of this paragraph.''.

SEC. 304. WAIVER OF "BEST EFFORTS" EXCEPTION FOR INFORMATION ON OCCUPATION OF INDIVIDUAL CONTRIBUTORS.

Section 302(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(i)) is amended—

(1) by striking ''(i) When the treasurer'' and inserting ''(i)(1) Except as provided in paragraph (2), when the treasurer''; and

(2) by adding at the end the following new paragraph:

''(2) Paragraph (1) shall not apply with respect to information regarding the occupation or the name of the employer of any individual who makes a contribution or contributions aggregating more than $200 during a calendar year (as required to be provided under subsection (c)(3)).''.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

This Act and the amendments made by this Act shall apply with respect to elections occurring after January 1999.

H.R. 2183

OFFERED BY MR. PAUL

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 9: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Voter Freedom Act of 1998''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress makes the following findings:

(1) Voting participation in the United States is lower than in any other advanced industrialized democracy.

(2) The rights of eligible citizens to seek election to office, vote for candidates of their choice and associate for the purpose of taking part in elections, including the right to create and develop new political parties, are fundamental in a democracy. The rights of citizens to participate in the election process, provided in and derived from the first and fourteenth amendments to the Constitution, have consistently been promoted and protected by the Federal Government. These rights include the right to cast an effective vote and the right to associate for the advancement of political beliefs, which includes the ''constitutional right . . . to create and develop new political parties.'' Norman v. Reed, 502 U.S. 279, 112 S.Ct. 699 (1992). It is the duty of the Federal Government to see that these rights are not impaired in elections for Federal office.

(3) Certain restrictions on access to the ballot impair the ability of citizens to exercise these rights and have a direct and damaging effect on citizens' participation in the electoral process.

(4) Many States unduly restrict access to the ballot by nonmajor party candidates and nonmajor political parties by means of such devices as excessive petition signature requirements, insufficient petitioning periods, unconstitutionally early petition filing deadlines, petition signature distribution criteria, and limitations on eligibility to circulate and sign petitions.

(5) Many States require political parties to poll an unduly high number of votes or to register an unduly high number of voters as a precondition for remaining on the ballot.

(6) In 1983, the Supreme Court ruled unconstitutional an Ohio law requiring a nonmajor party candidate for President to qualify for the general election ballot earlier than major party candidates. This Supreme Court decision, Anderson v. Celebrezze, 460 U.S. 780 (1983) has been followed by many lower courts in challenges by nonmajor parties and candidates to early petition filing deadlines. See, e.g., Stoddard v. Quinn, 593 F. Supp. 300 (D.Me. 1984); Cripps v. Seneca County Board of Elections, 629 F. Supp. 1335 (N.D.Oh. 1985); Libertarian Party of Nevada v. Swackhamer, 638 F. Supp. 565 (D. Nev. 1986); Cromer v. State of South Carolina, 917 F.2d 819 (4th Cir. 1990); New Alliance Party of Alabama v. Hand, 933 F. 2d 1568 (11th Cir. 1991).

(7) In 1996, 34 States required nonmajor party candidates for President to qualify for the ballot before the second major party national convention (Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, and Wyoming). Twenty-six of these States required nonmajor party candidates to qualify before the first major party national convention (Arizona, California, Colorado, Connecticut Florida, Georgia, Illinois, Indiana, Kansas, Maine, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Hampshire, New Jersey, North Carolina, Oklahoma, Pennsylvania, South Carolina, South Dakota, Texas, Washington, and West Virginia).

(8) Under present law, in 1996, nonmajor party candidates for President were required to obtain at least 701,089 petition signatures to be listed on the ballots of all 50 States and the District of Columbia—28 times more signatures than the 25,500 required of Democratic Party candidates and 13 times more signatures than the 54,250 required of Republican Party candidates. To be listed on the

ballot in all 50 States and the District of Columbia with a party label, nonmajor party candidates for President were required to obtain approximately 651,475 petition signatures and 89,186 registrants. Thirty-two of the 41 States that hold Presidential primaries required no signatures of major party candidates for President (Arkansas, California, Colorado, Connecticut, Florida, Georgia, Idaho, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia, Wisconsin). Only three States required no signatures of nonmajor party candidates for President (Arkansas, Colorado, and Louisiana; Colorado and Louisiana, however, required a $500 filing fee).

(9) Under present law, the number of petition signatures required by the States to list a major party candidate for Senate on the ballot in 1996 ranged from zero to 15,000. The number of petition signatures required to list a nonmajor party candidate for Senate ranged from zero to 196,788. Thirty-one States required no signatures of major party candidates for Senate (Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, Texas, Utah, Washington, West Virginia, Wyoming). Only one State required no signatures of nonmajor party candidates for Senate, provided they were willing to be listed on the ballot without a party label (Louisiana, although a $600 filing fee was required, and to run with a party label, a candidate was required to register 111,121 voters into his or her party).

(10) Under present law, the number of petition signatures required by the States to list a major party candidate for Congress on the ballot in 1996 ranged from zero to 2,000. The number of petition signatures required to list a nonmajor party candidate for Congress ranged from zero to 13,653. Thirty-one States required no signatures of major party candidates for Congress (Alabama, Alaska, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Kansas, Kentucky, Louisiana, Maryland, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, Texas, Utah, Washington, West Virginia, Wyoming). Only one State required no signatures of nonmajor party candidates for Congress, provided they are willing to be listed on the ballot without a party label (Louisiana, although a $600 filing fee was required).

(11) Under present law, in 1996, eight States required additional signatures to list a nonmajor party candidate for President on the ballot with a party label (Alabama, Arizona, Idaho, Kansas, Nebraska, North Dakota, Ohio, Tennessee). Thirteen States required additional signatures to list a nonmajor party candidate for Senate or Congress on the ballot with a party label (Alabama, Arizona, Arkansas, California, Idaho, Hawaii, Kansas, Louisiana, North Dakota, Nebraska, Ohio, Oregon, Tennessee). Two of these States (Ohio and Tennessee) required 5,000 signatures and 25 signatures, respectively, to list a nonmajor party candidate for President or Senate on the ballot in 1996, but required 33,463 signatures and 37,179 signatures, respectively, to list the candidate on the ballot with her or his party label. One State (California) required a nonmajor party to have 89,006 registrants in order to have its candidate for President listed on the ballot with a party label.

(12) Under present law, in 1996 one State (California) required nonmajor party candidates for President or Senate to obtain 147,238 signatures in 105 days, but required major party candidates for Senate to obtain only 65 signatures in 105 days, and required no signatures of major party candidates for President. Another State (Texas) required nonmajor party candidates for President or Senate to obtain 43,963 signatures in 75 days, and required no signatures of major party candidates for President or Senate.

(13) Under present law, in 1996, seven States required nonmajor party candidates for President or Senate to collect a certain number or percentage of their petition signatures in each congressional district or in a specified number of congressional districts (Michigan, Missouri, Nebraska, New Hampshire, New York, North Carolina, Virginia). Only three of these States impose a like requirement on major party candidates for President or Senate (Michigan, New York, Virginia).

(14) Under present law, in 1996, 20 States restricted the circulation of petitions for nonmajor party candidates to residents of those States (California, Colorado, Connecticut, District of Columbia, Idaho, Illinois, Kansas, Michigan, Missouri, Nebraska, Nevada, New Jersey, New York, Ohio, Pennsylvania, South Dakota, Texas, Virginia, West Virginia, Wisconsin). Two States restricted the circulation of petitions for nonmajor party candidates to the county or congressional district where the circulator lives (Kansas and Virginia).

(15) Under present law, in 1996, three States prohibited people who voted in a primary election from signing petitions for nonmajor party candidates (Nebraska, New York, Texas, West Virginia). Twelve States restricted the signing of petitions to people who indicate intent to support or vote for the candidate or party (California, Delaware, Hawaii, Illinois, Indiana, Maryland, New Jersey, New York, North Carolina, Ohio, Oregon, Utah). Five of these 12 States required no petitions of major party candidates (Delaware, Maryland, North Carolina, Oregon, Utah), and only one of the six remaining States restricted the signing of petitions for major party candidates to people who indicate intent to support or vote for the candidate or party (New Jersey).

(16) In two States (Louisiana and Maryland), no nonmajor party candidate for Senate has qualified for the ballot since those States' ballot access laws have been in effect.

(17) In two States (Georgia and Louisiana), no nonmajor party candidate for the United States House of Representatives has qualified for the ballot since those States' ballot access laws have been in effect.

(18) Restrictions on the ability of citizens to exercise the rights identified in this subsection have disproportionately impaired participation in the electoral process by various groups, including racial minorities.

(19) The establishment of fair and uniform national standards for access to the ballot in elections for Federal office would remove barriers to the participation of citizens in the electoral process and thereby facilitate such participation and maximize the rights identified in this subsection.

(20) The Congress has authority, under the provisions of the Constitution of the United States in sections 4 and 8 of article I, section 1 of article II, article VI, the thirteenth, fourteenth, and fifteenth amendments, and other provisions of the Constitution of the United States, to protect and promote the exercise of the rights identified in this subsection.

(b) PURPOSES.—The purposes of this Act are—

(1) to establish fair and uniform standards regulating access to the ballot by eligible citizens who desire to seek election to Federal office and political parties, bodies, and groups which desire to take part in elections for Federal office; and

(2) to maximize the participation of eligible citizens in elections for Federal office.

SEC. 3. BALLOT ACCESS RIGHTS.

(a) IN GENERAL.—An individual shall have the right to be placed as a candidate on, and to have such individual's political party, body, or group affiliation in connection with such candidacy placed on, a ballot or similar voting materials to be used in a Federal election, if—

(1) such individual presents a petition stating in substance that its signers desire such individual's name and political party, body or group affiliation, if any, to be placed on the ballot or other similar voting materials to be used in the Federal election with respect to which such rights are to be exercised;

(2) with respect to a Federal election for the office of President, Vice President, or Senator, such petition has a number of signatures of persons qualified to vote for such office equal to one-tenth of one percent of the number of persons who voted in the most recent previous Federal election for such office in the State, or 1,000 signatures, whichever is greater;

(3) with respect to a Federal election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, such petition has a number of signatures of persons qualified to vote for such office equal to one-half of one percent of the number of persons who voted in the most recent previous Federal election for such office, or, if there was no previous Federal election for such office, 1,000 signatures;

(4) with respect to a Federal election the date of which was fixed 345 or more days in advance, such petition was circulated during a period beginning on the 345th day and ending on the 75th day before the date of the election; and

(5) with respect to a Federal election the date of which was fixed less than 345 days in advance, such petition was circulated during a period established by the State holding the election, or, if no such period was established, during a period beginning on the day after the date the election was scheduled and ending on the tenth day before the date of the election, provided, however, that the number of signatures required under paragraph (2) or (3) shall be reduced by 1/270 for each day less than 270 in such period.

(b) SPECIAL RULE.—An individual shall have the right to be placed as a candidate on, and to have such individual's political party, body, or group affiliation in connection with such candidacy placed on, a ballot or similar voting materials to be used in a Federal election, without having to satisfy any requirement relating to a petition under subsection (a), if that or another individual, as a candidate of that political party, body, or group, received one percent of the votes cast in the most recent general Federal election for President or Senator in the State.

(c) SAVINGS PROVISION.—Subsections (a) and (b) shall not apply with respect to any State that provides by law for greater ballot access rights than the ballot access rights provided for under such subsections.

SEC. 4. RULEMAKING.

The Attorney General shall make rules to carry out this Act.

SEC. 5. GENERAL DEFINITIONS.

As used in this Act—

(1) the term ''Federal election'' means a general or special election for the office of—

(A) President or Vice President;

(B) Senator; or

(C) Representative in, or Delegate or Resident Commissioner to, the Congress;

(2) the term ''State'' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any other territory or possession of the United States;

(3) the term ''individual'' means an individual who has the qualifications required by law of a person who holds the office for which such individual seeks to be a candidate;

(4) the term ''petition'' includes a petition which conforms to section 3(a)(1) and upon which signers' addresses and/or printed names are required to be placed;

(5) the term ''signer'' means a person whose signature appears on a petition and who can be identified as a person qualified to vote for an individual for whom the petition is circulated, and includes a person who requests another to sign a petition on his or her behalf at the time when, and at the place where, the request is made;

(6) the term ''signature'' includes the incomplete name of a signer, the name of a signer containing abbreviations such as first or middle initial, and the name of a signer preceded or followed by titles such as ''Mr.'', ''Ms.'', ''Dr.'', ''Jr.'', or ''III''; and

(7) the term ''address'' means the address which a signer uses for purposes of registration and voting.

Amend the title so as to read: ''A bill to enforce the guarantees of the first, fourteenth, and fifteenth amendments to the Constitution of the United States by prohibiting certain devices used to deny the right to participate in certain elections.''.

H.R. 2183

OFFERED BY: MR. PAUL

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 10: Strike all after the enacting clause and insert the folowing:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Freedom Debate Act of 1998''.

SEC. 2. REQUIREMENT THAT CANDIDATES WHO RECEIVE CAMPAIGN FINANCING FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND AGREE NOT TO PARTICIPATE IN MULTICANDIDATE FORUMS THAT EXCLUDE CANDIDATES WITH BROAD-BASED PUBLIC SUPPORT.

(a) IN GENERAL.—In addition to the requirements under subtitle H of the Internal Revenue Code of 1986, in order to be eligible to receive payments from the Presidential Election Campaign Fund, a candidate shall agree in writing not to appear in any multicandidate forum with respect to the election involved unless the following individuals are invited to participate in the multicandidate forum:

(1) Each other eligible candidate under such subtitle.

(2) Each individual who is qualified in at least 40 States for the ballot for the office involved.

(b) ENFORCEMENT.—If the Federal Election Commission determines that a candidate—

(1) has received payments from the Presidential Election Campaign Fund; and

(2) has violated the agreement referred to in subsection (a);

the candidate shall pay to the Treasury an amount equal to the amount of the payments so made.

(c) DEFINITION.—As used in this Act, the term ''multicandidate forum'' means a meeting—

(1) consisting of a moderated reciprocal discussion of issues among candidates for the same office; and

(2) to which any other person has access in person or through an electronic medium.

Amend the title so as to read: ''A bill to require that candidates who receive campaign financing from the Presidential Election Campaign Fund agree not to participate in multicandidate forums that exclude candidates who have broad-based public support.''.

H.R. 2183

OFFERED BY: MR. PETERSON OF MINNESOTA

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 11: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Public Financing of House of Representatives Elections Act of 1998''.

SEC. 2. ESTABLISHMENT OF THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to Trust Fund Code) is amended by adding at the end the following new section:

''SEC. 9511. HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND.

''(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'House of Representatives Campaign Trust Fund', consisting of such amounts as may be appropriated or credited to such trust fund as provided in this section.

''(b) TRANSFER TO FUND OF AMOUNTS DESIGNATED BY INDIVIDUALS.—There is hereby appropriated to the House of Representatives Campaign Trust Fund amounts equivalent to the amounts designated under section 6097.

''(c) EXPENDITURE FROM FUND FOR PRIMARY ELECTIONS.—

''(1) IN GENERAL.—Amounts in the House of Representatives Campaign Trust Fund shall be available to provide payments with respect to a primary election to qualified House candidates under title V of the Federal Election Campaign Act of 1971.

''(2) AMOUNT.—Payments from the Fund shall be made, in such manner as the Federal Election Commission may prescribed by regulation, to each qualified House candidate in a primary election in an amount equal to the aggregate total of the first $200 in contributions from individuals.

''(d) EXPENDITURE FROM FUND FOR GENERAL ELECTIONS.—

''(1) IN GENERAL.—Amounts in the House of Representatives Campaign Trust Fund shall be available to provide payments with respect to a general election to qualified House candidates under title V of the Federal Election Campaign Act of 1971.

''(2) AMOUNT.—Payments from the Fund shall be made, in such manner as the Federal Election Commission may prescribed by regulation, to each qualified House candidate in a general election in an amount determined as follows:

''(A) In the case of a major party candidate, $500,000.

''(B) In the case of a third party or independent candidate, an amount that bears the same ratio to $1,000,000 as the total popular vote in the district for candidates of the third party or for all independent candidates (as the case may be) bears to the total popular vote for all candidates in the 5 preceding general elections.

''(3) DEFINITIONS.—In this paragraph—

''(A) the term 'major party' means, with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office;

''(B) the term 'third party' means with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, less than 25 percent of the total number of popular votes received by all candidates for such office; and

''(C) the term 'independent candidate' means, with respect to a House of Representatives general election, a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress who is not the candidate of a major party or a third party.

''(e) LIMITATION ON TOTAL AMOUNT OF PAYMENTS.—The aggregate amount of payments made from the Fund to any candidate with respect to an election cycle may not exceed 50 percent of the expenditure limit applicable with respect to the cycle under subtitle B of title V of the Federal Election Campaign Act of 1971.

''(f) REPAYMENT OF TRUST FUND FROM EXCESS FUNDS.—(1) If at the conclusion of a primary election or general election in which a candidate who has received payments from the House of Representatives Campaign Trust Fund under this section has excess campaign funds attributable to that election, such candidate shall within thirty days refund to the trust fund the amount of the excess campaign funds which equals the pro rata share that payments provided to such candidate from the trust fund accounted for of such candidate's total aggregated receipts from all sources with respect to such election.

''(2) In no case shall the amount of refund required under paragraph (1) exceed the total aggregated payments provided to such candidate from the Trust Fund with respect to that election.

''(g) INDEXING OF AMOUNTS.—Each of the amounts provided in this section shall be subject to indexing in the same manner as amounts described in title V of the Federal Election Campaign Act of 1971.''.

(b) CLERICAL AMENDMENT.—The table of sections for such subchapter A is amended by adding at the end the following new item:

''Sec. 9511. House of Representatives Campaign Trust Fund.''.

SEC. 3. PUBLIC FINANCING FOR HOUSE CANDIDATES AGREEING TO LIMIT EXPENDITURES.

(a) IN GENERAL.—The Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new title:

''TITLE V—VOLUNTARY EXPENDITURE LIMITATIONS AND PUBLIC FINANCING FOR HOUSE OF REPRESENTATIVES GENERAL ELECTIONS

''Subtitle A—Public Financing for Qualified House Candidates

''SEC. 501. PUBLIC FINANCING FOR QUALIFIED HOUSE CANDIDATES.

''A qualified House candidate in a House of Representatives election shall be entitled to payments from the House of Representatives Campaign Trust Fund under subchapter A of chapter 61 of the Internal Revenue Code of 1986.

''SEC. 502. PROCEDURES FOR CERTIFICATION.

''(a) IN GENERAL.—The Commission shall certify that a candidate initially meets the requirements for a qualified House candidate under if the candidate submits to the Commission in writing a statement with the following information and assurances:

''(1) An agreement to obtain and furnish to the Commission such evidence as it may request to ensure that the candidate meets the requirements relating to limitations on expenditures under subtitle B.

''(2) An agreement to obtain and furnish to the Commission such evidence as it may request to ensure that the candidate meets the requirements relating to the receipt of matching contributions under subtitle C.

''(3) An agreement to keep and furnish to the Commission such records, books, and other information as it may request.

''(4) An agreement to audit and examination by the Commission and to the payment of any amounts found to be paid erroneously to the candidate under this title.

''(5) Such other information and assurances as the Commission may require.

''(b) AUTHORITY OF COMMISSION TO REJECT OR REVOKE CERTIFICATION.—The Commission may reject a candidate's application for treatment as a qualified House candidate or revoke a candidate's status as a qualified House candidate if the candidate knowingly and willfully violates or has violated any of the applicable requirements of this title with respect to the election involved or any previous election.

''Subtitle B—Limitations on Expenditures by Qualified House Candidates

''SEC. 511. LIMITATION ON EXPENDITURES.

''(a) IN GENERAL.—Except as provided in subsection (b), a qualified House candidate in a House of Representatives election may not make expenditures with respect to the election cycle involved in excess of $750,000, of which not more than $250,000 may be expended with respect to any primary election occurring within the cycle.

''(b) EXCEPTIONS.—

''(1) NONPARTICIPATING OPPONENT.—In the case of a qualified House candidate with an opponent who is not a qualified House candidate, the amount otherwise provided in subsection (a) shall be increased by the amount by which the amount expended by the opponent exceeds the amount under subsection (a).

''(2) CLOSELY CONTESTED PRIMARY.—In the case of a qualified House candidate in a general election who won the primary involved by a margin of 10 percentage points or less, the amount otherwise provided under subsection (a) shall be increased by 20 percent.

''(3) RUNOFF ELECTION.—In the case of a qualified House candidate in a runoff election, the amount otherwise provided under subsection (a) shall be increased by 20 percent.

''SEC. 512. SOURCES OF AMOUNTS FOR EXPENDITURES BY QUALIFIED HOUSE CANDIDATES.

''The only sources of amounts for expenditures by qualified House candidates in House of Representatives general elections shall be the House of Representatives Campaign Trust Fund under subchapter A of chapter 61 of the Internal Revenue Code of 1986, except that in the case of a primary election, the candidate may expend an amount not in excess of 50 percent of the applicable expenditure limit from matching contributions described in section 521.

''Subtitle C—Matching Contribution Requirement for Primary Elections

''SEC. 521. REQUIRING MATCHING INDIVIDUAL CONTRIBUTIONS FOR PRIMARY ELECTIONS.

''With respect to a primary election, a qualified House candidate shall report to the Commission that the candidate and the authorized committees of the candidate have received contributions totaling at least $25,000 in contributions of $200 or less from individual contributors.

''Subtitle D—Miscellaneous Provisions

''SEC. 531. QUALIFIED HOUSE CANDIDATE DEFINED.

''In this title, the term 'qualified House candidate' means, with respect to an election for the office of Representative in or Delegate or Resident Commissioner to the House of Representatives, a candidate in such election who is certified by the Commission under subtitle A as meeting the requirements for receiving public financing under this title.

''SEC. 532. INDEXING OF AMOUNTS.

''The Commission shall issue regulations providing for the biennial indexing of the amounts provided in this title.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to elections occurring after December 1998.

SEC. 4. DESIGNATION OF INCOME TAX PAYMENTS TO THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to returns and records) is amended by adding at the end the following new part:

''PART IX—DESIGNATION OF INCOME TAX PAYMENTS TO BE USED FOR THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND

''Sec. 6097. Designation by individuals.

''SEC. 6097. DESIGNATION BY INDIVIDUALS.

''(a) IN GENERAL.—Every individual whose adjusted income tax liability for the taxable year is $5 or more may designate that $5 shall be paid over to the House of Representatives Campaign Trust Fund.

''(b) ADJUSTED INCOME TAX LIABILITY.—For purposes of this section, the adjusted income tax liability of an individual is the tax liability of such individual (as determined under subsection (b) of section 6096) for the taxable year reduced by the amount designated under section 6096 (relating to designation of income tax payments to Presidential Election Campaign Fund) for such taxable year.

''(c) JOINT RETURNS.—In the case of a joint return showing adjusted income tax liability of $5 or more, each spouse may designate that $10 shall be paid over to the House of Representatives Campaign Trust Fund.

''(d) MANNER AND TIME OF DESIGNATION.—Subsection (c) of section 6096 shall apply to the manner and time of the designation under this section.''.

(b) CLERICAL AMENDMENT.—The table of parts for such subchapter A is amended by adding at the end the following new item:

''Part IX. Designation of income tax payments to be used for the House of Representatives Campaign Trust Fund.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

H.R. 2183

OFFERED BY: MR. BOB SCHAFFER OF COLORADO

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 12: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Paycheck Protection Act''.

SEC. 2. PROHIBITING INVOLUNTARY ASSESSMENT OF EMPLOYEE FUNDS FOR POLITICAL ACTIVITIES.

(a) IN GENERAL.—Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

''(c)(1) Except with the separate, prior, written, voluntary authorization of each individual, it shall be unlawful—

''(A) for any national bank or corporation described in this section to collect from or assess its stockholders or employees any dues, initiation fee, or other payment as a condition of employment if any part of such dues, fee, or payment will be used for political activity in which the national bank or corporation is engaged; and

''(B) for any labor organization described in this section to collect from or assess its members or nonmembers any dues, initiation fee, or other payment if any part of such dues, fee, or payment will be used for political activity in which the labor organization is engaged.

''(2) An authorization described in paragraph (1) shall remain in effect until revoked and may be revoked at any time. Each entity collecting from or assessing amounts from an individual with an authorization in effect under such paragraph shall provide the individual with a statement that the individual may at any time revoke the authorization.

''(3) For purposes of this subsection, the term 'political activity' means any activity carried out for the purpose of influencing (in whole or in part) any election for Federal office, or educating individuals about candidates for election for Federal office.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to amounts collected or assessed on or after the date of the enactment of this Act.

Amend the title so as to read: ''A Bill to protect individuals from having money involuntarily collected and used for political activities by a corporation or labor organization.''.

H.R. 2183

OFFERED BY: MR. SHAYS

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 13: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Bipartisan Campaign Reform Act of 1998''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

''SEC. 323. SOFT MONEY OF POLITICAL PARTIES.

''(a) NATIONAL COMMITTEES.—

''(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) and any officers or agents of such party committees, shall not solicit, receive, or direct to another person a contribution, donation, or transfer of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.—This subsection shall apply to an entity that is directly or indirectly established, financed, maintained, or controlled by a national committee of a political party (including a national congressional campaign committee of a political party), or an entity acting on behalf of a national committee, and an officer or agent acting on behalf of any such committee or entity.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

''(1) IN GENERAL.—An amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity) for Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); and

''(iii) a communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and is made for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, provided the campaign activity is not a Federal election activity described in subparagraph (A);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention;

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office;

''(v) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of an individual who spends more than 20 percent of the individual's time on Federal election activity) as determined by a regulation promulgated by the Commission to determine the non-Federal share of a State, district, or local party committee's administrative and overhead expenses; and

''(vi) the cost of constructing or purchasing an office facility or equipment for a State, district or local committee.

''(c) FUNDRAISING COSTS.—An amount spent by a national, State, district, or local committee of a political party, by an entity that is established, financed, maintained, or controlled by a national, State, district, or local committee of a political party, or by an agent or officer of any such committee or entity, to raise funds that are used, in whole or in part, to pay the costs of a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party, an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, an agent acting on behalf of any such party committee, and an officer or agent acting on behalf of any such party committee or entity), shall not solicit any funds for, or make or direct any donations to, an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application to the Commissioner of the Internal Revenue Service for determination of tax-exemption under such section).

''(e) CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, or agent of a candidate or individual holding Federal office shall not solicit, receive, direct, transfer, or spend funds for a Federal election activity on behalf of such candidate, individual, agent or any other person, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) STATE LAW.—Paragraph (1) does not apply to the solicitation or receipt of funds by an individual who is a candidate for a State or local office if the solicitation or receipt of funds is permitted under State law for any activity other than a Federal election activity.

''(3) FUNDRAISING EVENTS.—Paragraph (1) does not apply in the case of a candidate who attends, speaks, or is a featured guest at a fundraising event sponsored by a State, district, or local committee of a political party.''.

SEC. 102. INCREASED CONTRIBUTION LIMITS FOR STATE COMMITTEES OF POLITICAL PARTIES AND AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUALS.

(a) CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year that, in the aggregate, exceed $10,000''.

(b) AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUAL.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking ''$25,000'' and inserting ''$30,000''.

SEC. 103. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 203) is amended by inserting after subsection (d) the following:

''(e) POLITICAL COMMITTEES.—

''(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—A political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in paragraphs (2)(A) and (3)(B)(v) of section 323(b).

''(3) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

''(4) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).''.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xiv) as clauses (viii) through (xiii), respectively.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

SEC. 201. DEFINITIONS.

(a) DEFINITION OF INDEPENDENT EXPENDITURE.—Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

''(17) INDEPENDENT EXPENDITURE.—

''(A) IN GENERAL.—The term 'independent expenditure' means an expenditure by a person—

''(i) for a communication that is express advocacy; and

''(ii) that is not provided in coordination with a candidate or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent.''.

(b) DEFINITION OF EXPRESS ADVOCACY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

''(20) EXPRESS ADVOCACY.—

''(A) IN GENERAL.—The term 'express advocacy' means a communication that advocates the election or defeat of a candidate by—

''(i) containing a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to advocate the election or defeat of 1 or more clearly identified candidates;

''(ii) referring to 1 or more clearly identified candidates in a paid advertisement that is transmitted through radio or television within 60 calendar days preceding the date of an election of the candidate and that appears in the State in which the election is occurring, except that with respect to a candidate for the office of Vice President or President, the time period is within 60 calendar days preceding the date of a general election; or

''(iii) expressing unmistakable and unambiguous support for or opposition to 1 or more clearly identified candidates when taken as a whole and with limited reference to external events, such as proximity to an election.

''(B) VOTING RECORD AND VOTING GUIDE EXCEPTION.—The term 'express advocacy' does not include a printed communication that—

''(i) presents information in an educational manner solely about the voting record or position on a campaign issue of 2 or more candidates;

''(ii) that is not made in coordination with a candidate, political party, or agent of the candidate or party; or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent;

''(iii) does not contain a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', or 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of 1 or more clearly identified candidates.''.

(c) DEFINITION OF EXPENDITURE.—Section 301(9)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)) is amended—

(1) in clause (i), by striking ''and'' at the end;

(2) in clause (ii), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(iii) a payment for a communication that is express advocacy; and

''(iv) a payment made by a person for a communication that—

''(I) refers to a clearly identified candidate;

''(II) is provided in coordination with the candidate, the candidate's agent, or the political party of the candidate; and

''(III) is for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).''.

SEC. 202. CIVIL PENALTY.

Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(A)—

(i) in clause (i), by striking ''clause (ii)'' and inserting ''clauses (ii) and (iii)''; and

(ii) by adding at the end the following:

''(iii) If the Commission determines by an affirmative vote of 4 of its members that there is probable cause to believe that a person has made a knowing and willful violation of section 304(c), the Commission shall not enter into a conciliation agreement under this paragraph and may institute a civil action for relief under paragraph (6)(A).''; and

(B) in paragraph (6)(B), by inserting ''(except an action instituted in connection with a knowing and willful violation of section 304(c))'' after ''subparagraph (A)''; and

(2) in subsection (d)(1)—

(A) in subparagraph (A), by striking ''Any person'' and inserting ''Except as provided in subparagraph (D), any person''; and

(B) by adding at the end the following:

''(D) In the case of a knowing and willful violation of section 304(c) that involves the reporting of an independent expenditure, the violation shall not be subject to this subsection.''.

SEC. 203. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) of subsection (c) as subsection (f); and

(3) by inserting after subsection (c)(2) (as amended by paragraph (1)) the following:

''(d) TIME FOR REPORTING CERTAIN EXPENDITURES.—

''(1) EXPENDITURES AGGREGATING $1,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

''(2) EXPENDITURES AGGREGATING $10,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

''(3) PLACE OF FILING; CONTENTS.—A report under this subsection—

''(A) shall be filed with the Commission; and

''(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.''.

SEC. 204. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking ''and (3)'' and inserting '', (3), and (4)''; and

(2) by adding at the end the following:

''(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

''(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, a committee of the political party shall not make both expenditures under this subsection and independent expenditures (as defined in section 301(17)) with respect to the candidate during the election cycle.

''(B) CERTIFICATION.—Before making a coordinated expenditure under this subsection with respect to a candidate, a committee of a political party shall file with the Commission a certification, signed by the treasurer of the committee, that the committee has not and shall not make any independent expenditure with respect to the candidate during the same election cycle.

''(C) APPLICATION.—For the purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

''(D) TRANSFERS.—A committee of a political party that submits a certification under subparagraph (B) with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.''.

SEC. 205. COORDINATION WITH CANDIDATES.

(a) DEFINITION OF COORDINATION WITH CANDIDATES.—

(1) SECTION 301(8).—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(A) in subparagraph (A)—

(i) by striking ''or'' at the end of clause (i);

(ii) by striking the period at the end of clause (ii) and inserting ''; or''; and

(iii) by adding at the end the following:

''(iii) anything of value provided by a person in coordination with a candidate for the purpose of influencing a Federal election, regardless of whether the value being provided is a communication that is express advocacy, in which such candidate seeks nomination or election to Federal office.''; and

(B) by adding at the end the following:

''(C) The term 'provided in coordination with a candidate' includes—

''(i) a payment made by a person in cooperation, consultation, or concert with, at the request or suggestion of, or pursuant to any general or particular understanding with a candidate, the candidate's authorized committee, or an agent acting on behalf of a candidate or authorized committee;

''(ii) a payment made by a person for the production, dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign material prepared by a candidate, a candidate's authorized committee, or an agent of a candidate or authorized committee (not including a communication described in paragraph (9)(B)(i) or a communication that expressly advocates the candidate's defeat);

''(iii) a payment made by a person based on information about a candidate's plans, projects, or needs provided to the person making the payment by the candidate or the candidate's agent who provides the information with the intent that the payment be made;

''(iv) a payment made by a person if, in the same election cycle in which the payment is made, the person making the payment is serving or has served as a member, employee, fundraiser, or agent of the candidate's authorized committee in an executive or policymaking position;

''(v) a payment made by a person if the person making the payment has served in

any formal policy making or advisory position with the candidate's campaign or has participated in formal strategic or formal policymaking discussions with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made;

''(vi) a payment made by a person if, in the same election cycle, the person making the payment retains the professional services of any person that has provided or is providing campaign-related services in the same election cycle to a candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including services relating to the candidate's decision to seek Federal office, and the person retained is retained to work on activities relating to that candidate's campaign;

''(vii) a payment made by a person who has engaged in a coordinated activity with a candidate described in clauses (i) through (vi) for a communication that clearly refers to the candidate and is for the purpose of influencing an election (regardless of whether the communication is express advocacy);

''(viii) direct participation by a person in fundraising activities with the candidate or in the solicitation or receipt of contributions on behalf of the candidate;

''(ix) communication by a person with the candidate or an agent of the candidate, occurring after the declaration of candidacy (including a pollster, media consultant, vendor, advisor, or staff member), acting on behalf of the candidate, about advertising message, allocation of resources, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics, or strategy; or

''(x) the provision of in-kind professional services or polling data to the candidate or candidate's agent.

''(D) For purposes of subparagraph (C), the term 'professional services' includes services in support of a candidate's pursuit of nomination for election, or election, to Federal office such as polling, media advice, direct mail, fundraising, or campaign research.

''(E) For purposes of subparagraph (C), all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.''.

(2) SECTION 315(a)(7).—Section 315(a)(7) (2 U.S.C. 441a(a)(7)) is amended by striking subparagraph (B) and inserting the following:

''(B) a thing of value provided in coordination with a candidate, as described in section 301(8)(A)(iii), shall be considered to be a contribution to the candidate, and in the case of a limitation on expenditures, shall be treated as an expenditure by the candidate.

(b) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by striking ''shall include'' and inserting ''includes a contribution or expenditure, as those terms are defined in section 301, and also includes''.

TITLE III—DISCLOSURE

SEC. 301. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 302(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following:

''(11)(A) The Commission shall promulgate a regulation under which a person required to file a designation, statement, or report under this Act—

''(i) is required to maintain and file a designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

''(ii) may maintain and file a designation, statement, or report in electronic form or an alternative form, including the use of a facsimile machine, if not required to do so under the regulation promulgated under clause (i).

''(B) The Commission shall make a designation, statement, report, or notification that is filed electronically with the Commission accessible to the public on the Internet not later than 24 hours after the designation, statement, report, or notification is received by the Commission.

''(C) In promulgating a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulation. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.''.

SEC. 302. PROHIBITION OF DEPOSIT OF CONTRIBUTIONS WITH INCOMPLETE CONTRIBUTOR INFORMATION.

Section 302 of Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following:

''(j) DEPOSIT OF CONTRIBUTIONS.—The treasurer of a candidate's authorized committee shall not deposit, except in an escrow account, or otherwise negotiate a contribution from a person who makes an aggregate amount of contributions in excess of $200 during a calendar year unless the treasurer verifies that the information required by this section with respect to the contributor is complete.''.

SEC. 303. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—

(1) by inserting ''(1) IN GENERAL.—'' before ''The Commission''; and

(2) by adding at the end the following:

''(2) RANDOM AUDITS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act. The selection of any candidate for a random audit or investigation shall be based on criteria adopted by a vote of at least 4 members of the Commission.

''(B) LIMITATION.—The Commission shall not conduct an audit or investigation of a candidate's authorized committee under subparagraph (A) until the candidate is no longer a candidate for the office sought by the candidate in an election cycle.

''(C) APPLICABILITY.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986.''.

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by striking ''6 months'' and inserting ''12 months''.

SEC. 304. REPORTING REQUIREMENTS FOR CONTRIBUTIONS OF $50 OR MORE.

Section 304(b)(3)(A) of the Federal Election Campaign Act at 1971 (2 U.S.C. 434(b)(3)(A) is amended—

(1) by striking ''$200'' and inserting ''$50''; and

(2) by striking the semicolon and inserting '', except that in the case of a person who makes contributions aggregating at least $50 but not more than $200 during the calendar year, the identification need include only the name and address of the person;''.

SEC. 305. USE OF CANDIDATES' NAMES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by striking paragraph (4) and inserting the following:

''(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

''(B) A political committee that is not an authorized committee shall not—

''(i) include the name of any candidate in its name; or

''(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of the committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.''.

SEC. 306. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting after ''SEC. 322.'' the following: ''(a) IN GENERAL.—''; and

(2) by adding at the end the following:

''(b) SOLICITATION OF CONTRIBUTIONS.—No person shall solicit contributions by falsely representing himself or herself as a candidate or as a representative of a candidate, a political committee, or a political party.''.

SEC. 307. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 103(c) and section 203) is amended by adding at the end the following:

''(g) DISBURSEMENTS OF PERSONS OTHER THAN POLITICAL PARTIES.—

''(1) IN GENERAL.—A person, other than a political committee or a person described in section 501(d) of the Internal Revenue Code of 1986, that makes an aggregate amount of disbursements in excess of $50,000 during a calendar year for activities described in paragraph (2) shall file a statement with the Commission—

''(A) on a monthly basis as described in subsection (a)(4)(B); or

''(B) in the case of disbursements that are made within 20 days of an election, within 24 hours after the disbursements are made.

''(2) ACTIVITY.—The activity described in this paragraph is—

''(A) Federal election activity;

''(B) an activity described in section 316(b)(2)(A) that expresses support for or opposition to a candidate for Federal office or a political party; and

''(C) an activity described in subparagraph (C) of section 316(b)(2).

''(3) APPLICABILITY.—This subsection does not apply to—

''(A) a candidate or a candidate's authorized committees; or

''(B) an independent expenditure.

''(4) CONTENTS.—A statement under this section shall contain such information about the disbursements made during the reporting period as the Commission shall prescribe, including—

''(A) the aggregate amount of disbursements made;

''(B) the name and address of the person or entity to whom a disbursement is made in an aggregate amount in excess of $200;

''(C) the date made, amount, and purpose of the disbursement; and

''(D) if applicable, whether the disbursement was in support of, or in opposition to,

a candidate or a political party, and the name of the candidate or the political party.''.

(b) DEFINITION OF GENERIC CAMPAIGN ACTIVITY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 201(b)) is further amended by adding at the end the following:

''(21) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means an activity that promotes a political party and does not promote a candidate or non-Federal candidate.''.

SEC. 308. CAMPAIGN ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever'';

(ii) by striking ''an expenditure'' and inserting ''a disbursement''; and

(iii) by striking ''direct''; and

(B) in paragraph (3), by inserting ''and permanent street address'' after ''name''; and

(2) by adding at the end the following:

''(c) Any printed communication described in subsection (a) shall—

''(1) be of sufficient type size to be clearly readable by the recipient of the communication;

''(2) be contained in a printed box set apart from the other contents of the communication; and

''(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

''(d)(1) Any communication described in paragraphs (1) or (2) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

''(2) If a communication described in paragraph (1) is transmitted through television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement that—

''(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

''(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

''(e) Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following statement: '_____ is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''.

TITLE IV—PERSONAL WEALTH OPTION

SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 101) is amended by adding at the end the following:

''SEC. 324. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

''(a) ELIGIBLE CONGRESSIONAL CANDIDATE.—

''(1) PRIMARY ELECTION.—

''(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible primary election Congressional candidate if the candidate files with the Commission a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

''(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than the date on which the candidate files with the appropriate State officer as a candidate for the primary election.

''(2) GENERAL ELECTION.—

''(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible general election Congressional candidate if the candidate files with the Commission—

''(i) a declaration under penalty of perjury, with supporting documentation as required by the Commission, that the candidate and the candidate's authorized committees did not exceed the personal funds expenditure limit in connection with the primary election; and

''(ii) a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

''(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than 7 days after the earlier of—

''(i) the date on which the candidate qualifies for the general election ballot under State law; or

''(ii) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

''(b) PERSONAL FUNDS EXPENDITURE LIMIT.—

''(1) IN GENERAL.—The aggregate amount of expenditures that may be made in connection with an election by an eligible Congressional candidate or the candidate's authorized committees from the sources described in paragraph (2) shall not exceed $50,000.

''(2) SOURCES.—A source is described in this paragraph if the source is—

''(A) personal funds of the candidate and members of the candidate's immediate family; or

''(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

''(c) CERTIFICATION BY THE COMMISSION.—

''(1) IN GENERAL.—The Commission shall determine whether a candidate has met the requirements of this section and, based on the determination, issue a certification stating whether the candidate is an eligible Congressional candidate.

''(2) TIME FOR CERTIFICATION.—Not later than 7 business days after a candidate files a declaration under paragraph (1) or (2) of subsection (a), the Commission shall certify whether the candidate is an eligible Congressional candidate.

''(3) REVOCATION.—The Commission shall revoke a certification under paragraph (1), based on information submitted in such form and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate violates the personal funds expenditure limit.

''(4) DETERMINATIONS BY COMMISSION.—A determination made by the Commission under this subsection shall be final, except to the extent that the determination is subject to examination and audit by the Commission and to judicial review.

''(d) PENALTY.—If the Commission revokes the certification of an eligible Congressional candidate—

''(1) the Commission shall notify the candidate of the revocation; and

''(2) the candidate and a candidate's authorized committees shall pay to the Commission an amount equal to the amount of expenditures made by a national committee of a political party or a State committee of a political party in connection with the general election campaign of the candidate under section 315(d).''.

SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) (as amended by section 204) is amended by adding at the end the following:

''(5) This subsection does not apply to expenditures made in connection with the general election campaign of a candidate for Senator or Representative in or Delegate or Resident Commissioner to the Congress who is not an eligible Congressional candidate (as defined in section 324(a)).''.

TITLE V—MISCELLANEOUS

SEC. 501. CODIFICATION OF BECK DECISION.

Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended by adding at the end the following new subsection:

''(h) NONUNION MEMBER PAYMENTS TO LABOR ORGANIZATION.—

''(1) IN GENERAL.—It shall be an unfair labor practice for any labor organization which receives a payment from an employee pursuant to an agreement that requires employees who are not members of the organization to make payments to such organization in lieu of organization dues or fees not to establish and implement the objection procedure described in paragraph (2).

''(2) OBJECTION PROCEDURE.—The objection procedure required under paragraph (1) shall meet the following requirements:

''(A) The labor organization shall annually provide to employees who are covered by such agreement but are not members of the organization—

''(i) reasonable personal notice of the objection procedure, the employees eligible to invoke the procedure, and the time, place, and manner for filing an objection; and

''(ii) reasonable opportunity to file an objection to paying for organization expenditures supporting political activities unrelated to collective bargaining, including but not limited to the opportunity to file such objection by mail.

''(B) If an employee who is not a member of the labor organization files an objection under the procedure in subparagraph (A), such organization shall—

''(i) reduce the payments in lieu of organization dues or fees by such employee by an amount which reasonably reflects the ratio that the organization's expenditures supporting political activities unrelated to collective bargaining bears to such organization's total expenditures;

''(ii) provide such employee with a reasonable explanation of the organization's calculation of such reduction, including calculating the amount of organization expenditures supporting political activities unrelated to collective bargaining.

''(3) DEFINITION.—In this subsection, the term 'expenditures supporting political activities unrelated to collective bargaining' means expenditures in connection with a Federal, State, or local election or in connection with efforts to influence legislation unrelated to collective bargaining.''.

SEC. 502. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

''SEC. 313. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

''(a) PERMITTED USES.—A contribution accepted by a candidate, and any other amount received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

''(1) for expenditures in connection with the campaign for Federal office of the candidate or individual;

''(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

''(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

''(4) for transfers to a national, State, or local committee of a political party.

''(b) PROHIBITED USE.—

''(1) IN GENERAL.—A contribution or amount described in subsection (a) shall not be converted by any person to personal use.

''(2) CONVERSION.—For the purposes of paragraph (1), a contribution or amount shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal officeholder, including—

''(A) a home mortgage, rent, or utility payment;

''(B) a clothing purchase;

''(C) a noncampaign-related automobile expense;

''(D) a country club membership;

''(E) a vacation or other noncampaign-related trip;

''(F) a household food item;

''(G) a tuition payment;

''(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

''(I) dues, fees, and other payments to a health club or recreational facility.''.

SEC. 503. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

Section 3210(a)(6) of title 39, United States Code, is amended by striking subparagraph (A) and inserting the following:

''(A) A Member of Congress shall not mail any mass mailing as franked mail during the 180-day period which ends on the date of the general election for the office held by the Member or during the 90-day period which ends on the date of any primary election for that office, unless the Member has made a public announcement that the Member will not be a candidate for reelection during that year or for election to any other Federal office.''.

SEC. 504. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—

''(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value for a political committee or a candidate for Federal, State or local office from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value for a political committee or candidate for Federal, State or local office, while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

''(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both.''; and

(2) by inserting in subsection (b) after ''Congress'' ''or Executive Office of the President''.

SEC. 505. PENALTIES FOR KNOWING AND WILLFUL VIOLATIONS.

(a) INCREASED PENALTIES.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraphs (5)(A), (6)(A), and (6)(B), by striking ''$5,000'' and inserting ''$10,000''; and

(2) in paragraphs (5)(B) and (6)(C), by striking ''$10,000 or an amount equal to 200 percent'' and inserting ''$20,000 or an amount equal to 300 percent''.

(b) EQUITABLE REMEDIES.—Section 309(a)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking the period at the end and inserting '', and may include equitable remedies or penalties, including disgorgement of funds to the Treasury or community service requirements (including requirements to participate in public education programs).''.

(c) AUTOMATIC PENALTY FOR LATE FILING.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

''(13) PENALTY FOR LATE FILING.—

''(A) IN GENERAL.—

''(i) MONETARY PENALTIES.—The Commission shall establish a schedule of mandatory monetary penalties that shall be imposed by the Commission for failure to meet a time requirement for filing under section 304.

''(ii) REQUIRED FILING.—In addition to imposing a penalty, the Commission may require a report that has not been filed within the time requirements of section 304 to be filed by a specific date.

''(iii) PROCEDURE.—A penalty or filing requirement imposed under this paragraph shall not be subject to paragraph (1), (2), (3), (4), (5), or (12).

''(B) FILING AN EXCEPTION.—

''(i) TIME TO FILE.—A political committee shall have 30 days after the imposition of a penalty or filing requirement by the Commission under this paragraph in which to file an exception with the Commission.

''(ii) TIME FOR COMMISSION TO RULE.—Within 30 days after receiving an exception, the Commission shall make a determination that is a final agency action subject to exclusive review by the United States Court of Appeals for the District of Columbia Circuit under section 706 of title 5, United States Code, upon petition filed in that court by the political committee or treasurer that is the subject of the agency action, if the petition is filed within 30 days after the date of the Commission action for which review is sought.'';

(2) in paragraph (5)(D)—

(A) by inserting after the first sentence the following: ''In any case in which a penalty or filing requirement imposed on a political committee or treasurer under paragraph (13) has not been satisfied, the Commission may institute a civil action for enforcement under paragraph (6)(A).''; and

(B) by inserting before the period at the end of the last sentence the following: ''or has failed to pay a penalty or meet a filing requirement imposed under paragraph (13)''; and

(3) in paragraph (6)(A), by striking ''paragraph (4)(A)'' and inserting ''paragraph (4)(A) or (13)''.

SEC. 506. STRENGTHENING FOREIGN MONEY BAN.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: ''CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS''; and

(2) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—It shall be unlawful for—

''(1) a foreign national, directly or indirectly, to make—

''(A) a donation of money or other thing of value, or to promise expressly or impliedly to make a donation, in connection with a Federal, State, or local election to a political committee or a candidate for Federal office, or

''(B) a contribution or donation to a committee of a political party; or

''(2) a person to solicit, accept, or receive a contribution or donation described in paragraph (1)(A) from a foreign national.''.

SEC. 507. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by sections 101 and 401) is amended by adding at the end the following:

''SEC. 325. PROHIBITION OF CONTRIBUTIONS BY MINORS.

An individual who is 17 years old or younger shall not make a contribution to a candidate or a contribution or donation to a committee of a political party.''.

SEC. 508. EXPEDITED PROCEDURES.

(a) IN GENERAL.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 505(c)) is amended by adding at the end the following:

''(14)(A) If the complaint in a proceeding was filed within 60 days preceding the date of a general election, the Commission may take action described in this subparagraph.

''(B) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur, the Commission may order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties.

''(C) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.''.

(b) REFERRAL TO ATTORNEY GENERAL.—Section 309(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking subparagraph (C) and inserting the following:

''(C) The Commission may at any time, by an affirmative vote of at least 4 of its members, refer a possible violation of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986, to the Attorney General of the United States, without regard to any limitation set forth in this section.''.

SEC. 509. INITIATION OF ENFORCEMENT PROCEEDING.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking ''reason to believe that'' and inserting ''reason to investigate whether''.

TITLE VI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

SEC. 601. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 602. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 603. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act take effect January 1, 1999.

SEC. 604. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act and the amendments made by this Act not later than 180 days after the date of the enactment of this Act.

H.R. 2183

OFFERED BY: MR. SNOWBARGER

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 14: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Fair Elections and Political Accountability Act''.

SEC. 2. REMOVAL OF LIMITATIONS ON FEDERAL ELECTION CAMPAIGN CONTRIBUTIONS.

Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

''(9) The limitations established under this subsection shall not apply to contributions made during calendar years beginning after 1998.''.

SEC. 3. PROMOTING EXPEDITED AVAILABILITY OF FEC REPORTS; LOWERING THRESHOLD FOR COLLECTION AND DISCLOSURE OF IDENTIFICATION OF CONTRIBUTORS.

(a) MANDATORY ELECTRONIC FILING.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking ''permit reports required by'' and inserting ''require reports under''.

(b) REQUIRING REPORTS FOR CERTAIN CONTRIBUTIONS MADE TO ANY POLITICAL COMMITTEE WITHIN 60 DAYS OF ELECTION; REQUIRING REPORTS TO BE MADE WITHIN 48 HOURS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended to read as follows:

''(6)(A) Each political committee shall notify the Secretary or the Commission, and the Secretary of State, as appropriate, in writing, of any contribution in an aggregate amount equal to or greater than $100 which is received by the committee during the period which begins on the 60th day before an election and ends at the time the polls close for such election. This notification shall be made not later than midnight of the day on which the contribution is deposited (but in no event later than 48 hours after receipt) and shall include the name of the candidate involved (as appropriate) and the office sought by the candidate, the identification of the contributor, and the date of receipt and amount of the contribution.

''(B) If a political committee returns a contribution for which notification is made under subparagraph (A), the committee shall notify the Secretary or the Commission, and the Secretary of State (as appropriate).

''(C) The notifications required under this paragraph shall be in addition to all other reporting requirements under this Act.''.

(c) INCREASING ELECTRONIC DISCLOSURE.—Section 304 of such Act (2 U.S.C. 434(a)) is amended by adding at the end the following new subsection:

''(d)(1) The Commission shall make the information contained in the reports submitted under this section available on the Internet and publicly available at the offices of the Commission as soon as practicable (but in no case later than 24 hours) after the information is received by the Commission.

''(2) In this subsection, the term 'Internet' means the international computer network of both Federal and non-Federal interoperable packet-switched data networks.''.

(d) LOWERING THRESHOLD FOR COLLECTION AND DISCLOSURE OF IDENTIFICATION OF CONTRIBUTORS.—

(1) REPORTING REQUIREMENTS.—Section 304(b)(3) of such Act (2 U.S.C. 434(b)(3)) is amended—

(A) in subparagraph (A), by striking ''whose contribution or contributions have an aggregate amount or value in excess of $200 within the calendar year, or in any lesser amount if the reporting committee should so elect,''; and

(B) in subparagraphs (F) and (G), by striking ''in an aggregate amount or value in excess of $200'' each place it appears.

(2) INFORMATION REQUIRED TO BE FORWARDED TO POLITICAL COMMITTEES.—Section 302(b) of such Act (2 U.S.C. 432(b)) is amended—

(A) in paragraph (1), by striking ''and if the amount of the contribution is in excess of $50'' and inserting ''together with''; and

(B) in paragraph (2), by striking ''shall—'' and all that follows and inserting the following: ''shall forward to the treasurer such contribution, the name and address of the person making the contribution, and the date of receipt of the contribution, no later than 10 days after receiving the contribution.''.

(3) INFORMATION REQUIRED TO BE KEPT BY POLITICAL COMMITTEES.—Section 302(c) of such Act (2 U.S.C. 432(c)) is amended—

(A) by striking paragraph (2); and

(B) in paragraph (3), by striking ''or contributions aggregating more than $200''.

(e) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to reports for periods beginning on or after January 1, 1999.

SEC. 4. PROHIBITING CONTRIBUTIONS BY FOREIGN NATIONALS AND INDIVIDUALS NOT QUALIFIED TO REGISTER TO VOTE IN FEDERAL ELECTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended to read as follows:

''CONTRIBUTIONS BY FOREIGN NATIONALS AND INDIVIDUALS NOT QUALIFIED TO REGISTER TO VOTE IN FEDERAL ELECTIONS

''SEC. 319. (a) FOREIGN NATIONALS.—

''(1) IN GENERAL.—It shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national.

''(2) DEFINITION.—As used in this subsection, the term 'foreign national' means a foreign principal, as defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)).

''(b) INDIVIDUALS NOT QUALIFIED TO REGISTER TO VOTE IN FEDERAL ELECTIONS.—

''(1) PROHIBITING CONTRIBUTIONS.—It shall be unlawful for any individual who is not qualified to register to vote in an election for Federal office directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office.

''(2) PROHIBITING SOLICITATION OR ACCEPTANCE OF CONTRIBUTIONS.—It shall be unlawful for any person to knowingly solicit, accept, or receive any contribution of money or other thing of value from an individual who is not qualified to register to vote in an election for Federal office.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 1999.

SEC. 5. FUNDING OF POLITICAL ACTIVITIES BY CORPORATIONS AND LABOR ORGANIZATIONS.

(a) PROHIBITING DONATION OF FUNDS TO POLITICAL PARTIES.—

(1) IN GENERAL.—Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

''(c)(1) No national bank, corporation, or labor organization described in this section may make any payment of any gift, subscription, loan, advance, or deposit of money or anything of value to any political committee established and maintained by a political party (including a congressional campaign committee of a political party) in support of the committee's activities.

''(2) Paragraph (1) shall not apply to a contribution or expenditure made by a separate segregated fund of a corporation or labor organization described in subsection (b)(2)(C).''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to elections occurring after January 1999.

(b) PROHIBITING INVOLUNTARY ASSESSMENT OF EMPLOYEE FUNDS FOR POLITICAL ACTIVITIES.—

(1) IN GENERAL.—Section 316 of such Act (2 U.S.C. 441b), as amended by subsection (a), is further amended by adding at the end the following new subsection:

''(d)(1) Except with the separate, prior, written, voluntary authorization of the individual involved, it shall be unlawful—

''(A) for any national bank or corporation described in this section to collect from or assess its stockholders any dues, initiation fee, or other payment, or collect from or assess its employees any dues, initiation fee, or other payment as a condition of employment, if any part of such dues, fee, or payment will be used for Federal campaign activity in which the national bank or corporation is engaged; and

''(B) for any labor organization described in this section to collect from or assess its members or nonmembers any dues, initiation fee, or other payment if any part of such dues, fee, or payment will be used for Federal campaign activity in which the labor organization is engaged.

''(2) An authorization described in paragraph (1) shall remain in effect until revoked

and may be revoked at any time. Each entity collecting from or assessing amounts from an individual with an authorization in effect under such paragraph shall provide the individual with a statement that the individual may at any time revoke the authorization.

''(3) For purposes of this subsection, the term 'Federal campaign activity' means any activity carried out for the purpose of influencing (in whole or in part) any election for Federal office or educating individuals about candidates for election for Federal office, except that such term does not include the making of any communication provided by a corporation to its employees and their families or by a labor organization to its members and their families on any subject.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to amounts collected or assessed on or after the date of the enactment of this Act.

SEC. 6. PROHIBITING CONTRIBUTIONS DURING SIX MONTHS FOLLOWING GENERAL ELECTION.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

''PROHIBITING CONTRIBUTIONS DURING SIX MONTHS FOLLOWING GENERAL ELECTION

''SEC. 323. (a) IN GENERAL.—No person may make any contribution with respect to an election for Federal office to any political committee of a candidate for election for such office during the 180-day period which begins on the date of the previous regularly scheduled general election for such office, unless the election is a runoff or special election.

''(b) EXCEPTION FOR CONTRIBUTIONS IN CONNECTION WITH EXPENSES OF PREVIOUS ELECTION.—Subsection (a) shall not apply with respect to a contribution made solely in connection with the expenses of an election held prior to the date on which the contribution is made.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 1999.

SEC. 7. INCREASE IN AUTHORIZATION OF APPROPRIATIONS FOR FEDERAL ELECTION COMMISSION.

Section 314 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439c) is amended by adding at the end the following new sentence: ''There are authorized to be appropriated to the Commission $60,000,000 for each of the fiscal years 1999, 2000, and 2001, of which not less than $28,350,000 shall be used during each such fiscal year for enforcement activities.''.

SEC. 8. ENHANCING ENFORCEMENT OF CAMPAIGN FINANCE LAW.

(a) MANDATORY IMPRISONMENT FOR CRIMINAL CONDUCT.—Section 309(d)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended—

(1) in the first sentence, by striking ''shall be fined, or imprisoned for not more than one year, or both'' and inserting ''shall be imprisoned for not fewer than 1 year and not more than 10 years''; and

(2) by striking the second sentence.

(b) CONCURRENT AUTHORITY OF ATTORNEY GENERAL TO BRING CRIMINAL ACTIONS.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

''(4) In addition to the authority to bring cases referred pursuant to subsection (a)(5), the Attorney General may at any time bring a criminal action for a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to actions brought with respect to elections occurring after January 1999.

H.R. 2183

OFFERED BY: MR. TIERNEY

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 15: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Clean Money, Clean Elections Act''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

TITLE I—CLEAN MONEY FINANCING OF HOUSE ELECTION CAMPAIGNS

SEC. 101. FINDINGS AND DECLARATIONS.

(a) UNDERMINING OF DEMOCRACY BY CAMPAIGN CONTRIBUTIONS FROM PRIVATE SOURCES.—The Congress finds and declares that the current system of privately financed campaigns for election to the House of Representatives has the capacity, and is often perceived by the public, to undermine democracy in the United States by—

(1) violating the democratic principle of ''one person, one vote'' and diminishing the meaning of the right to vote by allowing monied interests to have a disproportionate and unfair influence within the political process;

(2) diminishing or giving the appearance of diminishing a Member of the House of Representatives's accountability to constituents by compelling legislators to be accountable to the major contributors who finance their election campaigns;

(3) creating a conflict of interest, perceived or real, by encouraging Members to take money from private interests that are directly affected by Federal legislation;

(4) imposing large, unwarranted costs on taxpayers through legislative and regulatory outcomes shaped by unequal access to lawmakers for campaign contributors;

(5) driving up the cost of election campaigns, making it difficult for qualified candidates without personal fortunes or access to campaign contributions from monied individuals and interest groups to mount competitive House of Representatives election campaigns;

(6) disadvantaging challengers, because large campaign contributors tend to give their money to incumbent Members, thus causing House of Representatives elections to be less competitive; and

(7) burdening incumbents with a preoccupation with fundraising and thus decreasing the time available to carry out their public responsibilities.

(b) ENHANCEMENT OF DEMOCRACY BY PROVIDING CLEAN MONEY.—Congress finds and declares that providing the option of the replacement of private campaign contributions with clean money financing for all primary, runoff, and general elections to the House of Representatives would enhance American democracy by—

(1) helping to eliminate access to wealth as a determinant of a citizen's influence within the political process and to restore meaning to the principle of ''one person, one vote'';

(2) increasing the public's confidence in the accountability of Members to the constituents who elect them;

(3) eliminating the potentially inherent conflict of interest caused by the private financing of the election campaigns of public officials, thus restoring public confidence in the fairness of the electoral and legislative processes;

(4) reversing the escalating cost of elections and saving taxpayers billions of dollars that are (or that are perceived to be) currently misspent due to legislative and regulatory agendas skewed by the influence of contributions;

(5) creating a more level playing field for incumbents and challengers, creating genuine opportunities for all Americans to run for the House of Representatives, and encouraging more competitive elections; and

(6) freeing Members from the constant preoccupation with raising money, and allowing them more time to carry out their public responsibilities.

SEC. 102. ELIGIBILITY REQUIREMENTS AND BENEFITS OF CLEAN MONEY FINANCING OF HOUSE ELECTION CAMPAIGNS.

The Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

''TITLE V—CLEAN MONEY FINANCING OF HOUSE ELECTION CAMPAIGNS

''SEC. 501. DEFINITIONS.

''In this title:

''(1) ALLOWABLE CONTRIBUTION.—The term 'allowable contribution' means a qualifying contribution or seed money contribution.

''(2) CLEAN MONEY.—The term 'clean money' means funds that are made available by the Commission to a clean money candidate under this title.

''(3) CLEAN MONEY CANDIDATE.—The term 'clean money candidate' means a candidate for Member of or Delegate or Resident Commissioner to the Congress who is certified under section 505 as being eligible to receive clean money.

''(4) CLEAN MONEY QUALIFYING PERIOD.—The term 'clean money qualifying period' means the period beginning on the date that is 180 days before the date of the primary election and ending on the date that is 30 days before the date of the general election. In the event of a special election, the clean money qualifying period shall begin on the earlier date of either the date that is 180 days before the date of the special election or on the date of announcement of such special election date if same as within 180 days of the date of the special election. It shall end on the date that is 30 days before the date of the special election.

''(5) GENERAL ELECTION PERIOD.—The term 'general election period' means, with respect to a candidate, the period beginning on the day after the date of the primary or primary runoff election for the specific office that the candidate is seeking, whichever is later, and ending on the earlier of—

''(A) the date of the general election; or

''(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

''(6) GENERAL RUNOFF ELECTION PERIOD.—The term 'general runoff election period' means, with respect to a candidate, the period beginning on the day following the date of the last general election for the specific office that the candidate is seeking and ending on the date of the runoff election for that office.

''(7) HOUSE OF REPRESENTATIVES ELECTION FUND.—The term 'House of Representatives Election Fund' means the fund established by section 507(a).

''(8) IMMEDIATE FAMILY.—The term 'immediate family' means—

''(A) a candidate's spouse;

''(B) a child, stepchild, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate or the candidate's spouse; and

''(C) the spouse of any person described in subparagraph (B).

''(9) MAJOR PARTY CANDIDATE.—The term 'major party candidate' means a candidate of a political party of which a candidate for Member of or Delegate or Resident Commissioner to the Congress, for President, or for Governor in the preceding 5 years received, as a candidate of that party, 25 percent or more of the total number of popular votes received in the State (or Congressional district, if applicable) by all candidates for the same office.

''(10) PERSONAL FUNDS.—The term 'personal funds' means an amount that is derived from—

''(A) the personal funds of the candidate or a member of the candidate's immediate family; and

''(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

''(11) PERSONAL USE.—

''(A) IN GENERAL.—The term 'personal use' means the use of funds to fulfill a commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal office.

''(B) INCLUSIONS.—The term 'personal use' includes, but is not limited to—

''(i) a home mortgage, rent, or utility payment;

''(ii) a clothing purchase;

''(iii) a noncampaign-related automobile expense;

''(iv) a country club membership;

''(v) a vacation or other noncampaign-related trip;

''(vi) a household food item;

''(vii) a tuition payment;

''(viii) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

''(ix) dues, fees, and other payments to a health club or recreational facility.

''(12) PRIMARY ELECTION PERIOD.—The term 'primary election period' means the period beginning on the date that is 90 days before the date of the primary election and ending on the date of the primary election. In the event of a special primary election, if applicable, the term 'primary election period' means the period beginning on the date that is the longer of 90 days before the date of such special primary election, or the date of establishment by the appropriate election authority of the special primary election date and ending on the date of the special primary election.

''(13) PRIMARY RUNOFF ELECTION PERIOD.—The term 'primary runoff election period' means, with respect to a candidate, the period beginning on the day following the date of the last primary election for the specific office that the candidate is seeking and ending on the date of the runoff election for that office.

''(14) PRIVATE MONEY CANDIDATE.—The term 'private money candidate' means a candidate for Member of or Delegate or Resident Commissioner to the Congress other than a clean money candidate.

''(15) QUALIFYING CONTRIBUTION.—The term 'qualifying contribution' means a contribution that—

''(A) is in the amount of $5 exactly;

''(B) is made by an individual who is registered to vote in the candidate's State;

''(C) is made during the clean money qualifying period; and

''(D) meets the requirements of section 502(a)(2)(D).

''(16) SEED MONEY CONTRIBUTION.—The term 'seed money contribution' means a contribution (or contributions in the aggregate made by any 1 person) of not more than $100.

''(17) STATE.—The term 'State' includes the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, and Guam.

''SEC. 502. ELIGIBILITY FOR CLEAN MONEY.

''(a) PRIMARY ELECTION PERIOD AND PRIMARY RUNOFF ELECTION PERIOD.—

''(1) IN GENERAL.—A candidate qualifies as a clean money candidate during the primary election period and primary runoff election period if the candidate files with the Commission a declaration, signed by the candidate and the treasurer of the candidate's principal campaign committee, that the candidate—

''(A) has complied and will comply with all of the requirements of this title;

''(B) will not run in the general election as a private money candidate; and

''(C) meets the qualifying contribution requirement of paragraph (2).

''(2) QUALIFYING CONTRIBUTION REQUIREMENT.—

''(A) MAJOR PARTY CANDIDATES AND CERTAIN INDEPENDENT CANDIDATES.—The requirement of this paragraph is met if, during the clean money qualifying period, a major party candidate (or an independent candidate who meets the minimum vote percentage required for a major party candidate under section 501(9)) receives 1,500 qualifying contributions.

''(B) OTHER CANDIDATES.—The requirement of this paragraph is met if, during the clean money qualifying period, a candidate who is not described in subparagraph (A) receives a number of qualifying contributions that is at least 150 percent of the number of qualifying contributions that a candidate described in subparagraph (A) in the same election is required to receive under subparagraph (A).

''(C) RECEIPT OF QUALIFYING CONTRIBUTION.—A qualifying contribution shall—

''(i) be accompanied by the contributor's name and home address;

''(ii) be accompanied by a signed statement that the contributor understands the purpose of the qualifying contribution;

''(iii) be made by a personal check or money order payable to the House of Representatives Election Fund or by cash; and

''(iv) be acknowledged by a receipt that is sent to the contributor with a copy kept by the candidate for the Commission and a copy kept by the candidate for the election authorities in the candidate's State.

''(D) DEPOSIT OF QUALIFYING CONTRIBUTIONS IN HOUSE OF REPRESENTATIVES ELECTION FUND.—

''(i) IN GENERAL.—Not later than the date that is 1 day after the date on which the candidate is certified under section 505, a candidate shall remit all qualifying contributions to the Commission for deposit in the House of Representatives Election Fund.

''(ii) CANDIDATES THAT ARE NOT CERTIFIED.—Not later than the last day of the clean money qualifying period, a candidate who has received qualifying contributions and is not certified under section 505 shall remit all qualifying contributions to the Commission for deposit in the House of Representatives Election Fund.

''(3) TIME TO FILE DECLARATION.—A declaration under paragraph (1) shall be filed by a candidate not later than the date that is 30 days before the date of the primary election. With respect to any special primary election, a declaration under paragraph (1) shall be filed by a candidate not later than the date that is 30 days before the special primary election.

''(b) GENERAL ELECTION PERIOD.—

''(1) IN GENERAL.—A candidate qualifies as a clean money candidate during the general election period if—

''(A)(i) the candidate qualified as a clean money candidate during the primary election period (and primary runoff election period, if applicable); or

''(ii) the candidate files with the Commission a declaration, signed by the candidate and the treasurer of the candidate's principal committee, that the candidate—

''(I) has complied and will comply with all the requirements of this title; and

''(II) meets the qualifying contribution requirement of subsection (a)(2);

''(B) the candidate files with the Commission a written agreement between the candidate and the candidate's political party in which the political party agrees not to make any expenditures in connection with the general election of the candidate in excess of the limit in section 315(d)(3)(C); and

''(C) the candidate's party nominated the candidate to be placed on the ballot for the general election or the candidate qualified to be placed on the ballot as an independent candidate, and the candidate is qualified under State law to be on the ballot.

''(2) TIME TO FILE DECLARATION OR STATEMENT.—A declaration or statement required to be filed under paragraph (1) shall be filed by a candidate not later than the date that is 30 days before the date of the general election. With respect to any special general

election, a declaration or statement required to be filed under paragraph (1) shall be filed by a candidate not later than the date that is 30 days before the date of the special general election.

''(c) GENERAL RUNOFF ELECTION PERIOD.—A candidate qualifies as a clean money candidate during the general runoff election period if the candidate qualified as a clean money candidate during the general election period.

''SEC. 503. REQUIREMENTS APPLICABLE TO CLEAN MONEY CANDIDATES.

''(a) CONTRIBUTIONS AND EXPENDITURES.—

''(1) PROHIBITION OF PRIVATE CONTRIBUTIONS.—Except as otherwise provided in this title, during the election cycle of a clean money candidate, the candidate shall not accept contributions other than clean money from any source.

''(2) PROHIBITION OF EXPENDITURES FROM PRIVATE SOURCES.—Except as otherwise provided in this title, during the election cycle of a clean money candidate, the candidate shall not make expenditures from any amounts other than clean money amounts.

''(b) USE OF PERSONAL FUNDS.—

''(1) IN GENERAL.—A clean money candidate shall not use personal funds to make an expenditure except as provided in paragraph (2).

''(2) EXCEPTIONS.—A seed money contribution or qualifying contribution from the candidate or a member of the candidate's immediate family shall not be considered to be use of personal funds.

''SEC. 504. SEED MONEY.

''(a) SEED MONEY LIMIT.—A clean money candidate may accept seed money contributions in an aggregate amount not exceeding $35,000.

''(b) CONTRIBUTION LIMIT.—Except as provided in section 502(a)(2), a clean money candidate shall not accept a contribution from any person except a seed money contribution (as defined in section 501).

''(c) RECORDS.—A clean money candidate shall maintain a record of the contributor's name, street address, and amount of the contribution.

''(d) USE OF SEED MONEY.—

''(1) IN GENERAL.—A clean money candidate may expend seed money for any election campaign-related costs, including costs to open an office, fund a grassroots campaign, or hold community meetings.

''(2) PROHIBITED USES.—A clean money candidate shall not expend seed money for—

''(A) a television or radio broadcast; or

''(B) personal use.

''(e) REPORT.—Unless a seed money contribution or expenditure made with a seed money contribution has been reported previously under section 304, a clean money candidate shall file with the Commission a report disclosing all seed money contributions and expenditures not later than 48 hours after—

''(1) the earliest date on which the Commission makes funds available to the candidate for an election period under paragraph (1) or (2) of section 506(b); or

''(2) the end of the clean money qualifying period,

whichever occurs first.

''(f) TIME TO ACCEPT SEED MONEY CONTRIBUTIONS.—A clean money candidate may accept seed money contributions for an election from the day after the date of the previous general election for the office to which the candidate is seeking election through the earliest date on which the Commission makes funds available to the candidate for an election period under paragraph (1) or (2) of section 506(b).

''(g) DEPOSIT OF UNSPENT SEED MONEY CONTRIBUTIONS.—A clean money candidate shall remit any unspent seed money to the Commission, for deposit in the House of Representatives Election Fund, not later than the earliest date on which the Commission makes funds available to the candidate for an election period under paragraph (1) or (2) of section 506(b).

''(h) NOT CONSIDERED AN EXPENDITURE.—An expenditure made with seed money shall not be treated as an expenditure for purposes of section 506(f)(2).

''SEC. 505. CERTIFICATION BY COMMISSION.

''(a) IN GENERAL.—Not later than 5 days after a candidate files a declaration under section 502, the Commission shall—

''(1) determine whether the candidate meets the eligibility requirements of section 502; and

''(2) certify whether or not the candidate is a clean money candidate.

''(b) REVOCATION OF CERTIFICATION.—The Commission may revoke a certification under subsection (a) if a candidate fails to comply with this title.

''(c) REPAYMENT OF BENEFITS.—If certification is revoked under subsection (b), the candidate shall repay to the House of Representatives Election Fund an amount equal to the value of benefits received under this title.

''SEC. 506. BENEFITS FOR CLEAN MONEY CANDIDATES.

''(a) IN GENERAL.—A clean money candidate shall be entitled to—

''(1) a clean money amount for each election period to make or obligate to make expenditures during the election period for which the clean money is provided, as provided in subsection (c);

''(2) media benefits under section 315 of the Communications Act of 1934 (47 U.S.C. 315); and

''(3) an aggregate amount of increase in the clean money amount in response to certain independent expenditures and expenditures of a private money candidate under subsection (d) that, in the aggregate, are in excess of 125 percent of the clean money amount of the clean money candidate.

''(b) PAYMENT OF CLEAN MONEY AMOUNT.—

''(1) PRIMARY ELECTION.—The Commission shall make funds available to a clean money candidate on the later of—

''(A) the date on which the candidate is certified as a clean money candidate under section 505; or

''(B) the date on which the primary election period begins.

''(2) GENERAL ELECTION.—The Commission shall make funds available to a clean money candidate not later than 48 hours after—

''(A) certification of the primary election or primary runoff election result; or

''(B) the date on which the candidate is certified as a clean money candidate under section 505 for the general election,

whichever occurs first.

''(3) RUNOFF ELECTION.—The Commission shall make funds available to a clean money candidate not later than 48 hours after the certification of the primary or general election result (as applicable).

''(c) CLEAN MONEY AMOUNTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the clean money amount paid to a clean money candidate with respect to an election shall be equal to the applicable percentage of 80 percent of the base amount for the election cycle involved, except that in no event may the amount determined under this subsection for a clean money candidate for an election cycle be less than the amount determined under this subsection for the candidate for the previous election cycle.

''(2) REDUCTION FOR UNCONTESTED ELECTIONS.—If a clean money candidate has no opposition in an election for which a payment is made under this section, the clean money amount paid shall be 40 percent of the amount otherwise determined under paragraph (1).

''(3) DEFINITIONS.—

''(A) APPLICABLE PERCENTAGE.—In this subsection, the 'applicable percentage' is as follows:

''(i) 25 percent, in the case of a candidate in a primary election who is not a major party candidate.

''(ii) 40 percent, in the case of a major party candidate in a primary election.

''(iii) 60 percent, in the case of any candidate in a general election.

''(B) BASE AMOUNT.—In this subsection, the term 'base amount' means (with respect to an election cycle) the national average of all amounts expended by winning candidates during the 3 most recent general elections for Member of, or Delegate or Resident Commissioner to, the Congress preceding the election cycle involved.

''(d) MATCHING FUNDS IN RESPONSE TO INDEPENDENT EXPENDITURES AND EXPENDITURES OF PRIVATE MONEY CANDIDATES.—

''(1) IN GENERAL.—If the Commission—

''(A) receives notification under—

''(i) subparagraphs (A) or (B) of section 304(c)(2) that a person has made or obligated to make an independent expenditure in an aggregate amount of $1,000 or more in an election period or that a person has made or obligated to make an independent expenditure in an aggregate amount of $500 or more during the 20 days preceding the date of an election in support of another candidate or against a clean money candidate; or

''(ii) section 304(d)(1) that a private money candidate has made or obligated to make expenditures in an aggregate amount in excess of 100 percent of the amount of clean money provided to a clean money candidate who is an opponent of the private money candidate in the same election; and

''(B) determines that the aggregate amount of expenditures reported under subparagraph (A) in an election period is in excess of 125 percent of the amount of clean money provided to a clean money candidate who is an opponent of the private money candidate in the same election or against whom the independent expenditure is made,

the Commission shall make available to the clean money candidate, not later than 24 hours after receiving a notification under subparagraph (A), an aggregate amount of increase in clean money in an amount equal to the aggregate amount of expenditures that is in excess of 125 percent of the amount of clean money provided to the clean money candidate as determined under subparagraph (B).

''(2) CLEAN MONEY CANDIDATES OPPOSED BY MORE THAN 1 PRIVATE MONEY CANDIDATE.—For purposes of paragraph (1), if a clean money candidate is opposed by more than 1 private money candidate in the same election, the Commission shall take into account only the amount of expenditures of the private money candidate that expends, in the aggregate, the greatest amount (as determined each time notification is received under section 304(d)(1)).

''(3) CLEAN MONEY CANDIDATES OPPOSED BY CLEAN MONEY CANDIDATES.—If a clean money candidate is opposed by a clean money candidate, the increase in clean money amounts under paragraph (1) shall be made available to the clean money candidate if independent expenditures are made against the clean money candidate or in behalf of the opposing clean money candidate in the same manner as the increase would be made available for a clean money candidate who is opposed by a private money candidate.

''(e) LIMITS ON MATCHING FUNDS.—The aggregate amount of clean money that a clean

money candidate receives to match independent expenditures and the expenditures of private money candidates under subsection (d) shall not exceed 200 percent of the clean money amount that the clean money candidate receives under subsection (c).

''(f) EXPENDITURES MADE WITH CLEAN MONEY AMOUNTS.—

''(1) IN GENERAL.—The clean money amount received by a clean money candidate shall be used only for the purpose of making or obligating to make expenditures during the election period for which the clean money is provided.

''(2) EXPENDITURES IN EXCESS OF CLEAN MONEY AMOUNT.—A clean money candidate shall not make expenditures or incur obligations in excess of the clean money amount.

''(3) PROHIBITED USES.—The clean money amount received by a clean money candidate shall not be—

''(A) converted to a personal use; or

''(B) used in violation of law.

''(4) REPAYMENT; CIVIL PENALTIES.—

''(A) If the Commission determines that any benefit made available to a clean money candidate under this title was not used as provided for in this title, or that a clean money candidate has violated any of the spending limits or dates for remission of funds contained in this Act, the Commission shall so notify the candidate and the candidate shall pay to the House of Representatives' Election Fund an amount equal to the amount of benefits so used, or the amount spent in excess of the limits or the amount not timely remitted, as appropriate.

''(B) Any action by the Commission in accordance with this section shall not preclude enforcement proceedings by the Commission in accordance with section 309(a), including a referral by the Commission to the Attorney General in the case of an apparent knowing and willful violation of this title.

''(g) REMITTING OF CLEAN MONEY AMOUNTS.—Not later than the date that is 14 days after the last day of the applicable election period, a clean money candidate shall remit any unspent clean money amount to the Commission for deposit in the House of Representatives Election Fund.

''SEC. 507. ADMINISTRATION OF CLEAN MONEY.

''(a) HOUSE OF REPRESENTATIVES ELECTION FUND.—

''(1) ESTABLISHMENT.—There is established in the Treasury a fund to be known as the 'House of Representatives Election Fund'.

''(2) DEPOSITS.—The Commission shall deposit unspent seed money contributions, qualifying contributions, penalty amounts received under this title, and amounts appropriated for clean money financing in the House of Representatives Election Fund.

''(3) FUNDS.—The Commission shall withdraw the clean money amount for a clean money candidate from the House of Representatives Election Fund.

''(b) REGULATIONS.—The Commission shall promulgate regulations to—

''(1) effectively and efficiently monitor and enforce the limits on use of private money by clean money candidates;

''(2) effectively and efficiently monitor use of publicly financed amounts under this title; and

''(3) enable clean money candidates to monitor expenditures and comply with the requirements of this title.

''SEC. 508. EXPENDITURES MADE FROM FUNDS OTHER THAN CLEAN MONEY.

''If a clean money candidate makes an expenditure using funds other than funds provided under this title, the Commission shall assess a civil penalty against the candidate in an amount that is not more than 10 times the amount of the expenditure.

''SEC. 509. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to the House of Representatives Election Fund such sums as are necessary to carry out this title.''.

SEC. 103. REPORTING REQUIREMENTS FOR EXPENDITURES OF PRIVATE MONEY CANDIDATES.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following:

''(d) PRIVATE MONEY CANDIDATES.—

''(1) EXPENDITURES IN EXCESS OF CLEAN MONEY AMOUNTS.—Not later than 48 hours after making or obligating to make an expenditure, a private money candidate (as defined in section 501) that makes or obligates to make expenditures, in an aggregate amount in excess of 100 percent of the amount of clean money provided to a clean money candidate (as defined in section 501), during an election period (as defined by section 501) who is an opponent of the clean money candidate shall file with the Commission a report stating the amount of each expenditure (in increments of an aggregate amount of $100) made or obligated to be made.

''(2) PLACE OF FILING; NOTIFICATION.—

''(A) PLACE OF FILING.—A report under this subsection shall be filed with the Commission.

''(B) NOTIFICATION OF CLEAN MONEY CANDIDATES.—Not later than 24 hours after receipt of a report under this subsection, the Commission shall notify each clean money candidate seeking nomination for election to, or election to, the office in question, of the receipt of the report.

''(3) DETERMINATIONS BY THE COMMISSION.—

''(A) IN GENERAL.—The Commission may, on a request of a candidate or on its own initiative, make a determination that a private money candidate has made, or has obligated to make, expenditures in excess of the applicable amount in paragraph (1).

''(B) NOTIFICATION.—In the case of such a determination, the Commission shall notify each clean money candidate seeking nomination for election to, or election to, the office in question, of the making of the determination not later than 24 hours after making the determination.

''(C) TIME TO COMPLY WITH REQUEST FOR DETERMINATION.—A determination made at the request of a candidate shall be made not later than 48 hours after the date of the request.''.

SEC. 104. TRANSITION RULE FOR CURRENT ELECTION CYCLE.

(a) IN GENERAL.—During the election cycle in effect on the date of enactment of this Act, a candidate may be certified as a clean money candidate (as defined in section 501 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431)), notwithstanding the acceptance of contributions or making of expenditures from private funds before the date of enactment that would, absent this section, disqualify the candidate as a clean money candidate.

(b) PRIVATE FUNDS.—A candidate may be certified as a clean money candidate only if any private funds accepted and not expended before the date of enactment of this Act are—

(1) returned to the contributor; or

(2) submitted to the Federal Election Commission for deposit in the House of Representatives Election Fund (as defined in section 501 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431)).

TITLE II—INDEPENDENT EXPENDITURES; COORDINATED POLITICAL PARTY EXPENDITURES

SEC. 201. REPORTING REQUIREMENTS FOR INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURES.—Section 304(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(c)) is amended—

(1) by striking ''(c)(1) Every person'' and inserting the following:

''(c) INDEPENDENT EXPENDITURES.—

''(1) IN GENERAL.—

''(A) REQUIRED FILING.—Except as provided in paragraph (2), every person'';

(2) in paragraph (2), by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and adjusting the margins accordingly;

(3) by redesignating paragraphs (2) and (3) as subparagraphs (B) and (C), respectively, and adjusting the margins accordingly;

(4) by adding at the end the following:

''(2) HOUSE OF REPRESENTATIVES ELECTIONS WITH A CLEAN MONEY CANDIDATE.—

''(A) INDEPENDENT EXPENDITURES MORE THAN 20 DAYS BEFORE AN ELECTION.—

''(i) IN GENERAL.—Not later than 48 hours after making an independent expenditure, more than 20 days before the date of an election, in support of an opponent of or in opposition to a clean money candidate (as defined in section 501), a person that makes independent expenditures in an aggregate amount in excess of $1,000 during an election period (as defined in section 501) shall file with the Commission a statement containing the information described in clause (ii).

''(ii) CONTENTS OF STATEMENT.—A statement under subparagraph (A) shall include a certification, under penalty of perjury, that contains the information required by subsection (b)(6)(B)(iii).

''(iii) ADDITIONAL STATEMENTS.—An additional statement shall be filed for each aggregate of independent expenditures that exceeds $1,000.

''(B) INDEPENDENT EXPENDITURES DURING THE 20 DAYS PRECEDING AN ELECTION.—Not later than 24 hours after making or obligating to make an independent expenditure in support of an opponent of or in opposition to a clean money candidate in an aggregate amount in excess of $500, during the 20 days preceding the date of an election, a person that makes or obligates to make the independent expenditure shall file with the Commission a statement stating the amount of each independent expenditure made or obligated to be made.

''(C) PLACE OF FILING; NOTIFICATION.—

''(i) PLACE OF FILING.—A report or statement under this paragraph shall be filed with the Commission.

''(ii) NOTIFICATION OF CLEAN MONEY CANDIDATES.—Not later than 24 hours, but excluding the time from 5:00 p.m. Friday through and until 9:00 a.m. the following Monday, and legal holidays after receipt of a statement under this paragraph, the Commission shall notify each clean money candidate seeking nomination for election to, or election to, the office in question of the receipt of a statement.

''(D) DETERMINATION BY THE COMMISSION.—

''(i) IN GENERAL.—The Commission may, on request of a candidate or on its own initiative, make a determination that a person has made or obligated to make independent expenditures with respect to a candidate that in the aggregate exceed the applicable amount under subparagraph (A).

''(ii) NOTIFICATION.—Not later than 24 hours after making a determination under clause (i), the Commission shall notify each clean money candidate in the election of the making of the determination.

''(iii) TIME TO COMPLY WITH REQUEST FOR DETERMINATION.—A determination made at

the request of a candidate shall be made not later than 48 hours after the date of the request.''.

SEC. 202. DEFINITION OF INDEPENDENT EXPENDITURE.

(a) IN GENERAL.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

''(17) INDEPENDENT EXPENDITURE.—

''(A) IN GENERAL.—The term ''independent expenditure'' means an expenditure made by a person other than a candidate or candidate's authorized committee—

''(i) that is made for a communication that contains express advocacy; and

''(ii) is made without the participation or cooperation of and without coordination with a candidate (within the meaning of section 301(8)(A)(iii)).

''(B) EXPRESS ADVOCACY.—The term 'express advocacy' means a communication that is made through a broadcast medium, newspaper, magazine, billboard, direct mail, or similar type of communication and that—

''(i) advocates the election or defeat of a clearly identified candidate, including any communication that—

''(I) contains a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in (year involved)', 'vote against', 'defeat', 'reject', 'put a stop to (name of candidate)', 'send (name of candidate) home'; or

''(II) contains campaign slogans or individual words that in context can have no reasonable meaning other than to recommend the election or defeat of 1 or more clearly identified candidates; or

''(ii)(I) refers to a clearly identified candidate;

''(II) is made not more than 60 days before the date of a general election; and

''(III) is not solely devoted to a pending legislative issue before an open session of Congress.''.

(b) DEFINITION APPLICABLE WHEN PROVISION NOT IN EFFECT.—For purposes of the Federal Election Campaign Act of 1971, during any period beginning after the effective date of this Act in which the definition, or any part of the definition, under section 301(17)(B) of that Act (as added by subsection (a)) is not in effect, the definition of ''express advocacy'' shall mean, in addition to the part of the definition that is in effect, a communication that clearly identifies a candidate and taken as a whole and with limited reference to external events, such as proximity to an election, expresses unmistakable support for or opposition to 1 or more clearly identified candidates.

SEC. 203. LIMIT ON EXPENDITURES BY POLITICAL PARTY COMMITTEES.

Section 315(d)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)(3)) is amended—

(1) in subparagraph (A)—

(A) in the matter preceding clause (i), by striking ''in the case'' and inserting ''except as provided in subparagraph (C), in the case'', and

(B) by striking ''and'' at the end;

(2) in subparagraph (B)—

(A) by striking ''in the case'' and inserting ''except as provided in subparagraph (C), in the case'', and

(B) by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(C) in the case of an election to the office of Representative in or Delegate or Resident Commissioner to the Congress in which 1 or more candidates is a clean money candidate (as defined in section 501), 10 percent of the amount of clean money that a clean money candidate is eligible to receive for the general election period.''.

SEC. 204. PARTY INDEPENDENT EXPENDITURES AND OTHER COORDINATED EXPENDITURES.

(a) DETERMINATION TO MAKE COORDINATED EXPENDITURES.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1)—

(A) by inserting ''coordinated'' after ''make''; and

(B) by striking ''(2) and (3)'' and inserting ''(2), (3), and (4)''; and

(2) by adding at the end the following:

''(4)(A) Before a committee of a political party makes a coordinated expenditure in connection with a general election campaign for Federal office in excess of $5,000, the committee shall file with the Commission a certification, signed by the treasurer, that the committee has not made and will not make any independent expenditures in connection with that campaign for Federal office. A party committee that determines to make a coordinated expenditure shall not make any transfer of funds in the same election cycle to, or receive any transfer of funds in the same election cycle from, any other party committee that determines to make independent expenditures in connection with the same campaign for Federal office.

''(B) A committee of a political party shall be considered to be in coordination with a candidate of the party if the committee—

''(i) makes a payment for a communication or anything of value in coordination with the candidate, as described in section 301(8)(A)(iii);

''(ii) makes a coordinated expenditure under this subsection on behalf of the candidate;

''(iii) participates in joint fundraising with the candidate or in any way solicits or receives a contribution on behalf of the candidate;

''(iv) communicates with the candidate, or an agent of the candidate (including a pollster, media consultant, vendor, advisor, or staff member), acting on behalf of the candidate, about advertising, message, allocation of resources, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics or strategy; or

''(v) provides in-kind services, polling data, or anything of value to the candidate.

''(C) For purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established by State political parties shall be considered to be a single political committee.

''(D) For purposes of subparagraph (A), any coordination between a committee of a political party and a candidate of the party after the candidate has filed a statement of candidacy constitutes coordination for the period beginning with the filing of the statement of candidacy and ending at the end of the election cycle.''.

(b) DEFINITIONS.—

(1) AMENDMENT OF DEFINITION OF CONTRIBUTION.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(A) in subparagraph (A)—

(i) by striking ''or'' at the end of clause (i);

(ii) by striking the period at the end of clause (ii) and inserting ''; or''; and

(iii) by adding at the end the following:

''(iii) a payment made for a communication or anything of value that is for the purpose of influencing an election for Federal office and that is made in coordination with a candidate (as defined in subparagraph (C)).''; and

(B) by adding at the end the following:

''(C) For the purposes of subparagraph (A)(iii), the term 'payment made in coordination with a candidate' includes—

''(i) a payment made by a person in cooperation, consultation, or concert with, at the request or suggestion of, or pursuant to any general or particular understanding with a candidate, the candidate's authorized committee, or an agent acting on behalf of a candidate or authorized committee;

''(ii) a payment made by a person for the dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign material prepared by a candidate, a candidate's authorized committee, or an agent of a candidate or authorized committee (not including a communication described in paragraph (9)(B)(i) or a communication that expressly advocates the candidate's defeat);

''(iii) a payment made based on information about a candidate's plans, projects, or needs provided to the person making the payment by the candidate or the candidate's agent who provides the information with a view toward having the payment made;

''(iv) a payment made by a person if, in the same election cycle in which the payment is made, the person making the payment is serving or has served as a member, employee, fundraiser, or agent of the candidate's authorized committee in an executive or policymaking position;

''(v) a payment made by a person if the person making the payment has served in any formal policy or advisory position with the candidate's campaign or has participated in strategic or policymaking discussions with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made; and

''(vi) a payment made by a person if the person making the payment retains the professional services of an individual or person who has provided or is providing campaign-related services in the same election cycle to a candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including services relating to the candidate's decision to seek Federal office, and the payment is for services of which the purpose is to influence that candidate's election.

''(D) For purposes of subparagraph (C)(vi), the term 'professional services' includes services in support of a candidate's pursuit of nomination for election, or election, to Federal office such as polling, media advice, direct mail, fundraising, or campaign research.''.

(2) DEFINITION OF CONTRIBUTION IN SECTION 315(a)(7).—Section 315(a)(7) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)) is amended by striking paragraph (B) and inserting the following:

''(B)(i) Except as provided in clause (ii), a payment made in coordination with a candidate (as described in section 301(8)(A)(iii)) shall be considered to be a contribution to the candidate, and, for the purposes of any provision of this Act that imposes a limitation on the making of expenditures by a candidate, shall be treated as an expenditure by the candidate for purposes of this paragraph.

''(ii) In the case of a clean money candidate (as defined in section 501), a payment made in coordination with a candidate by a committee of a political party shall not be treated as a contribution to the candidate for purposes of section 503(b)(1) or an expenditure made by the candidate for purposes of section 503(b)(2).''.

(c) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election

Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by striking ''shall include'' and inserting ''includes a contribution or expenditure (as those terms are defined in section 301) and also includes''.

TITLE III—VOTER INFORMATION

SEC. 301. FREE BROADCAST TIME.

Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) in subsection (a), in the third sentence, by striking ''within the meaning of this subsection'' and inserting ''within the meaning of this subsection or subsection (c)'';

(2) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(3) by inserting after subsection (b) the following:

''(c) FREE BROADCAST TIME.—

''(1) AMOUNT OF TIME.—A clean money candidate shall be entitled to receive—

''(A) 30 minutes of free broadcast time during each of the primary election period and the primary runoff election period; and

''(B) 75 minutes of free broadcast time during the general election period and general runoff election period.

''(2) TIME DURING WHICH THE BROADCAST IS SHOWN.—The broadcast time under paragraph (1) shall be—

''(A) with respect to a television broadcast, the time between 6:00 p.m. and 10:00 p.m. on any day that falls on Monday through Friday;

''(B) with respect to a radio broadcast, the time between 7:00 a.m. and 9:30 a.m. or between 4:30 p.m. and 7:00 p.m. on any day that falls on Monday through Friday; or

''(C) with respect to any broadcast, such other time to which the candidate and broadcaster may agree.

''(3) MAXIMUM REQUIRED OF ANY STATION.—The amount of free broadcast time that any 1 station is required to make available to any 1 clean money candidate during each of the primary election period, primary runoff election period, and general election period shall not exceed 15 minutes.''; and

(4) in subsection (d) (as redesignated by paragraph (1))—

(A) by striking ''and'' at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting a semicolon, and by redesignating that paragraph as paragraph (4);

(C) by inserting after paragraph (1) the following:

''(2) the term 'clean money candidate' has the meaning given in section 501 of the Federal Election Campaign Act of 1971;

''(3) the terms 'general election period' and 'general runoff election period' have the meaning given in section 501 of the Federal Election Campaign Act of 1971;''; and

(D) by adding at the end the following:

''(5) the term 'primary election period' has the meaning given in section 501 of the Federal Election Campaign Act of 1971;

''(6) the term 'private money candidate' has the meaning given in section 501 of the Federal Election Campaign Act of 1971; and

''(7) the term 'primary runoff election period' has the meaning given in section 501 of the Federal Election Campaign Act of 1971.''.

SEC. 302. BROADCAST RATES AND PREEMPTION.

(a) BROADCAST RATES.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and adjusting the margins accordingly;

(2) by striking ''The charges'' and inserting the following:

''(1) IN GENERAL.—Except as provided in paragraph (2), the charges''; and

(3) by adding at the end the following:

''(2) CLEAN MONEY CANDIDATES.—In the case of a clean money candidate, the charges for the use of a television broadcasting station shall not exceed 50 percent of the lowest charge described in paragraph (1)(A) during—

''(A) the 30 days preceding the date of a primary or primary runoff election in which the candidate is opposed; and

''(B) the 60 days preceding the date of a general or special election in which the candidate is opposed.

''(3) OTHER HOUSE CANDIDATES.—In the case of a candidate for election for Member of, or Delegate or Resident Commissioner to, the Congress who is not a clean money candidate, paragraph (1)(A) shall not apply.

''(4) RATE CARDS.—A licensee shall provide to a candidate for Member of or Delegate or Resident Commissioner to the Congress a rate card that discloses—

''(A) the rate charged under this subsection; and

''(B) the method that the licensee uses to determine the rate charged under this subsection.''.

(b) PREEMPTION.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) (as amended by section 301) is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c) the following:

''(d) PREEMPTION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), a licensee shall not preempt the use of a broadcasting station by a legally qualified candidate for Member of or Delegate or Resident Commissioner to the Congress who has purchased and paid for such use.

''(2) CIRCUMSTANCES BEYOND CONTROL OF LICENSEE.—If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.''.

(c) REVOCATION OF LICENSE FOR FAILURE TO PERMIT ACCESS.—Section 312(a)(7) of the Communications Act of 1934 (47 U.S.C. 312(a)(7)) is amended—

(1) by striking ''or repeated'';

(2) by inserting ''or cable system'' after ''broadcasting station''; and

(3) by striking ''his candidacy'' and inserting ''the candidacy of the candidate, under the same terms, conditions, and business practices as apply to the most favored advertiser of the licensee''.

SEC. 303. CAMPAIGN ADVERTISING.

(a) CONTENTS OF CAMPAIGN ADVERTISEMENTS.—Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever''; and

(ii) by striking ''direct''; and

(B) in paragraph (3), by inserting ''and permanent street address'' after ''name''; and

(2) by adding at the end the following:

''(c) Any printed communication described in subsection (a) shall be—

''(1) of sufficient type size to be clearly readable by the recipient of the communication;

''(2) contained in a printed box set apart from the other contents of the communication; and

''(3) consist of a reasonable degree of color contrast between the background and the printed statement.

''(d)(1) Any broadcast or cablecast communication described in subsection (a)(1) or subsection (a)(2) shall include, in addition to the requirements of those subsections, an audio statement that identifies the candidate and states that the candidate has approved the communication.

''(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement which appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.

''(e) Any broadcast or cablecast communication described in subsection (a)(3) shall include, in addition to the requirements of those subsections, in a clearly spoken manner, the following statement: '_____ is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If broadcast or cablecast by means of television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''.

(b) REPORTING REQUIREMENTS FOR ISSUE ADVERTISEMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 103) is amended by adding at the end the following:

''(e) ISSUE ADVERTISEMENTS.—

''(1) IN GENERAL.—A person that makes or obligates to make a disbursement to purchase an issue advertisement shall file a report with the Commission not later than 48 hours after making or obligating to make the disbursement, containing the following information—

''(A) the amount of the disbursement;

''(B) the information required under subsection (b)(3)(A) for each person that makes a contribution, in an aggregate amount of $1,000 or greater in a calendar year, to the person who makes the disbursement;

''(C) the name and address of the person making the disbursement; and

''(D) the purpose of the issue advertisement.

''(2) DEFINITION OF ISSUE ADVERTISEMENT.—In this subsection, the term 'issue advertisement' means a communication through a broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising—

''(A) the purchase of which is not an independent expenditure or a contribution;

''(B) that contains the name or likeness of a candidate for Member of or Delegate or Resident Commissioner to the Congress;

''(C) that is communicated during an election year; and

''(D) that recommends a position on a political issue.''.

SEC. 304. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

Section 3210(a)(6) of title 39, United States Code, is amended by striking subparagraph (A) and inserting the following:

''(A)(i) Except as provided in clause (ii), a Member of Congress shall not mail any mass mailing as franked mail during the period which begins on the first day of the primary election period (as described in section 501(12) of the Federal Election Campaign Act of 1971) and ends on the date of the general election for that office (other than any portion of such period between the date of the

primary election and the first day of the general election period), unless the Member has made a public announcement that the Member will not be a candidate for reelection in that year or for election to any other Federal office.

''(ii) A Member of Congress may mail a mass mailing as franked mail if—

''(I) the purpose of the mailing is to communicate information about a public meeting; and

''(II) the content of the mailed matter includes only the Representative's name, and the date, time, and place of the public meeting.''.

TITLE IV—SOFT MONEY OF POLITICAL PARTY COMMITTEES

SEC. 401. SOFT MONEY OF POLITICAL PARTY COMMITTEES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

''SEC. 324. SOFT MONEY OF PARTY COMMITTEES.

''(a) NATIONAL COMMITTEES.—A national committee of a political party (including a national congressional campaign committee of a political party but not including an entity regulated under subsection (b)) shall not solicit or receive any contributions, donations, or transfers of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

''(1) IN GENERAL.—A State, district, or local committee of a political party shall not expend or disburse any amount during a calendar year in which a Federal election is held for any activity that might affect the outcome of a Federal election, including but not limited to voter registration or get-out-the-vote activities and/or generic campaign activities unless the amount is subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) ACTIVITY EXCLUDED FROM PARAGRAPH (1).—

''(A) IN GENERAL.—Paragraph (1) shall not apply to an expenditure or disbursement made by a State, district, or local committee of a political party for—

''(i) a contribution to a candidate for State or local office if the contribution is not designated or otherwise earmarked to pay for an activity described in paragraph (1);

''(ii) the costs of a State, district, or local political convention;

''(iii) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of any individual who spends more than 20 percent of the individual's time on activities during the month that may affect the outcome of a Federal election), except that for purposes of this paragraph, the non-Federal share of a party committee's administrative and overhead expenses shall be determined by applying the ratio of the non-Federal disbursements to the total Federal expenditures and non-Federal disbursements made by the committee during the previous presidential election year to the committee's administrative and overhead expenses in the election year in question;

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs that name or depict only a candidate for State or local office; and

''(v) the cost of any campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, if the candidate activity is not an activity described in paragraph (1).

''(B) FUNDRAISING COSTS.—A national, State, district, or local committee of a political party shall not expend any amount to raise funds that are used, in whole or in part, to pay the costs of an activity described in paragraph (1) unless the amount is subject to the limitations, prohibitions, and reporting requirements of this Act.

''(c) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party) shall not solicit any funds for or make any donations to an organization that is exempt from Federal taxation under section 501(a) of the Internal Revenue Code of 1986 and that is described in section 501(c) of such Code.

''(d) CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, or agent of a candidate or individual holding Federal office shall not—

''(A) solicit, receive, transfer, or spend funds in connection with an election for Federal office unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act;

''(B) solicit, receive, or transfer funds that are to be expended in connection with any election other than a Federal election unless the funds—

''(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under section 315(a) (1) and (2); and

''(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office; or

''(C) solicit, receive, or transfer any funds on behalf of any person that are not subject to the limitations, prohibitions, and reporting requirements of this Act if the funds are for use in financing any campaign-related activity or any communication that refers to a clearly identified candidate for Federal office.

''(2) EXCEPTION.—Paragraph (1) does not apply to the solicitation or receipt of funds by an individual who is a candidate for a State or local office if the solicitation or receipt of funds is permitted under State law for the individual's State or local campaign committee.

''(e) DEFINITION OF COMMITTEE.—In this section, the term 'committee of a political party' includes an entity that is directly or indirectly established, financed, maintained, or controlled by a party committee or its agent, an entity acting on behalf of a party committee, and an officer or agent acting on behalf of any such committee or entity.''.

SEC. 402. STATE PARTY GRASSROOTS FUNDS.

(a) INDIVIDUAL CONTRIBUTIONS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B) by striking ''or'' at the end;

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following:

''(C) to—

''(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $20,000;

''(ii) any other political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $5,000;

except that the aggregate contributions described in this subparagraph that may be made by a person to the State Party Grassroots Fund and all committees of a State Committee of a political party in any State in any calendar year shall not exceed $20,000; or''.

(b) LIMITS.—

(1) IN GENERAL.—Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by striking paragraph (3) and inserting the following:

''(3) OVERALL LIMITS.—

''(A) INDIVIDUAL LIMIT.—No individual shall make contributions during any calendar year that, in the aggregate, exceed $25,000.

''(B) CALENDAR YEAR.—No individual shall make contributions during any calendar year—

''(i) to all candidates and their authorized political committees that, in the aggregate, exceed $25,000; or

''(ii) to all political committees established and maintained by State committees of a political party that, in the aggregate, exceed $20,000.

''(C) NONELECTION YEARS.—For purposes of subparagraph (B)(i), any contribution made to a candidate or the candidate's authorized political committees in a year other than the calendar year in which the election is held with respect to which the contribution is made shall be treated as being made during the calendar year in which the election is held.''.

(c) DEFINITIONS.—Section 301 of the Federal Election Campaign Act of 1970 (2 U.S.C. 431) is amended by adding at the end the following:

''(20) The term 'generic campaign activity' means a campaign activity that promotes a political party and does not refer to any particular Federal or non-Federal candidate.

''(21) The term 'State Party Grassroots Fund' means a separate segregated fund established and maintained by a State committee of a political party solely for purposes of making expenditures and other disbursements described in section 326(d).''.

(d) STATE PARTY GRASSROOTS FUNDS.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 401) is amended by adding at the end the following:

''SEC. 325. STATE PARTY GRASSROOTS FUNDS.

''(a) IN GENERAL.—A State committee of a political party shall only make disbursements and expenditures from the committee's State Party Grassroots Fund that are described in subsection (d).

''(b) TRANSFERS.—

''(1) IN GENERAL.—Notwithstanding section 315(a)(4), a State committee of a political party shall not transfer any funds from the committee's State Party Grassroots Fund to any other State Party Grassroots Fund or to any other political committee, except as provided in paragraph (2).

''(2) EXCEPTION.—A committee of a political party may transfer funds from the committee's State Party Grassroots Fund to a district or local committee of the same political party in the same State if the district or local committee—

''(A) has established a separate segregated fund for the purposes described in subsection (d); and

''(B) uses the transferred funds solely for those purposes.

''(c) AMOUNTS RECEIVED BY GRASSROOTS FUNDS FROM STATE AND LOCAL CANDIDATE COMMITTEES.—

''(1) IN GENERAL.—Any amount received by a State Party Grassroots Fund from a State or local candidate committee for expenditures described in subsection (d) that are for the benefit of that candidate shall be treated as meeting the requirements of 324(b)(1) and section 304(d) if—

''(A) the amount is derived from funds which meet the requirements of this Act with respect to any limitation or prohibition as to source or dollar amount specified in section 315(a) (1)(A) and (2)(A)(i); and

''(B) the State or local candidate committee—

''(i) maintains, in the account from which payment is made, records of the sources and amounts of funds for purposes of determining whether those requirements are met; and

''(ii) certifies that the requirements were met.

''(2) DETERMINATION OF COMPLIANCE.—For purposes of paragraph (1)(A), in determining whether the funds transferred meet the requirements of this Act described in paragraph (1)(A)—

''(A) a State or local candidate committee's cash on hand shall be treated as consisting of the funds most recently received by the committee; and

''(B) the committee must be able to demonstrate that its cash on hand contains funds meeting those requirements sufficient to cover the transferred funds.

''(3) REPORTING.—Notwithstanding paragraph (1), any State Party Grassroots Fund that receives a transfer described in paragraph (1) from a State or local candidate committee shall be required to meet the reporting requirements of this Act, and shall submit to the Commission all certifications received, with respect to receipt of the transfer from the candidate committee.

''(d) DISBURSEMENTS AND EXPENDITURES.—A State committee of a political party may make disbursements and expenditures from its State Party Grassroots Fund only for—

''(1) any generic campaign activity;

''(2) payments described in clauses (v), (ix), and (xi) of paragraph (8)(B) and clauses (iv), (viii), and (ix) of paragraph (9)(B) of section 301;

''(3) subject to the limitations of section 315(d), payments described in clause (xii) of paragraph (8)(B), and clause (ix) of paragraph (9)(B), of section 301 on behalf of candidates other than for President and Vice President;

''(4) voter registration; and

''(5) development and maintenance of voter files during an even-numbered calendar year.

''(e) DEFINITION.—In this section, the term 'State or local candidate committee' means a committee established, financed, maintained, or controlled by a candidate for other than Federal office.''.

SEC. 403. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 303(b)) is amended by adding at the end the following:

''(f) POLITICAL COMMITTEES.—

''(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 324 APPLIES.—A political committee to which section 324(b)(1) applies shall report all receipts and disbursements made for activities described in section 324(b) (1) and (2)(A)(iii).

''(3) OTHER POLITICAL COMMITTEES.—Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements that are used in connection with a Federal election.

''(4) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for the person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

''(5) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods as reports are required for political committees under subsection (a).''.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xiv) as clauses (viii) through (xiii), respectively.

(c) REPORTS BY STATE COMMITTEES.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by subsection (a)) is amended by adding at the end the following:

''(g) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines that such reports contain substantially the same information.''.

(d) OTHER REPORTING REQUIREMENTS.—

(1) AUTHORIZED COMMITTEES.—Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(A) by striking ''and'' at the end of subparagraph (H);

(B) by inserting ''and'' at the end of subparagraph (I); and

(C) by adding at the end the following:

''(J) in the case of an authorized committee, disbursements for the primary election, the general election, and any other election in which the candidate participates;''.

(2) NAMES AND ADDRESSES.—Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by striking ''operating expense'' and inserting ''operating expenditure, and the election to which the operating expenditure relates''.

TITLE V—RESTRUCTURING AND STRENGTHENING OF THE FEDERAL ELECTION COMMISSION

SEC. 501. APPOINTMENT AND TERMS OF COMMISSIONERS.

(a) IN GENERAL.—Section 306(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(a)) is amended—

(1) in paragraph (1)—

(A) by striking ''(1) There is established'' and inserting ''(1)(A) There is established'';

(B) by striking the second sentence and inserting the following:

''(B) COMPOSITION OF COMMISSION.—The Commission is composed of 6 members appointed by the President, by and with the advice and consent of the United States Senate, and 1 member appointed by the President from among persons recommended by the Commission as provided in subparagraph (D).'';

(C) by striking ''No more than'' and inserting the following:

''(C) PARTY AFFILIATION.—Not more than''; and

(D) by adding at the end the following:

''(D) NOMINATION BY COMMISSION OF ADDITIONAL MEMBER.—

''(i) IN GENERAL.—The members of the Commission shall recommend to the President, by a vote of 4 members, 3 persons for the appointment to the Commission.

''(ii) VACANCY.—On vacancy of the position of the member appointed under this subparagraph, a member shall be appointed to fill the vacancy in the same manner as provided in clause (i).''; and

(2) in paragraphs (3) and (4), by striking ''(other than the Secretary of the Senate and the Clerk of the House of Representatives)''.

(b) TRANSITION RULE.—Not later than 90 days after the date of enactment of this Act, the Commission shall recommend persons for appointment under section 306(a)(1)(D) of the Federal Election Campaign Act of 1971, as added by subsection (a)(1)(D).

SEC. 502. AUDITS.

(a) RANDOM AUDIT.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—

(1) by inserting ''(1)'' before ''The Commission''; and

(2) by adding at the end the following:

''(2) RANDOM AUDITS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), after every primary, general, and runoff election, the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act.

''(B) SELECTION OF SUBJECTS.—The subjects of audits and investigations under this paragraph shall be selected on the basis of impartial criteria established by a vote of at least 4 members of the Commission.

''(C) EXCLUSION.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under chapter 95 or 96 of the Internal Revenue Code of 1986.''.

SEC. 503. AUTHORITY TO SEEK INJUNCTION.

Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

''(13) AUTHORITY TO SEEK INJUNCTION.—

''(A) IN GENERAL.—If, at any time in a proceeding described in paragraph (1), (2), (3), or (4), the Commission believes that—

''(i) there is a substantial likelihood that a violation of this Act is occurring or is about to occur;

''(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

''(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

''(iv) the public interest would be best served by the issuance of an injunction;

the Commission may initiate a civil action for a temporary restraining order or preliminary injunction pending the outcome of proceedings under paragraphs (1), (2), (3), and (4).

''(B) VENUE.—An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found, or in which the violation is occurring, has occurred, or is about to occur.'';

(2) in paragraph (7), by striking ''(5) or (6)'' and inserting ''(5), (6), or (13)''; and

(3) in paragraph (11), by striking ''(6)'' and inserting ''(6) or (13)''.

SEC. 504. STANDARD FOR INVESTIGATION.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437f(a)(2)) is amended by striking ''reason to believe that'' and inserting ''reason to open an investigation on whether''.

SEC. 505. PETITION FOR CERTIORARI.

Section 307(a)(6) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437d(a)) is amended by inserting ''(including a proceeding before the Supreme Court on certiorari)'' after ''appeal''.

SEC. 506. EXPEDITED PROCEDURES.

Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 503) is amended by adding at the end the following:

''(14) EXPEDITED PROCEDURE.—

''(A) 60 DAYS BEFORE A GENERAL ELECTION.—If the complaint in a proceeding was filed within 60 days before the date of a general election, the Commission may take action described in this subparagraph.

''(B) RESOLUTION BEFORE AN ELECTION.—If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that

there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur and it appears that the requirements for relief stated in clauses (ii), (iii), and (iv) of paragraph (13)(A) are met, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, immediately seek relief under paragraph (13)(A).

''(C) MERITLESS COMPLAINTS.—If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.''.

SEC. 507. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 302(g) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(g)) is amended by adding at the end the following:

''(5) FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.—

''(A) COMPUTERS.—The Commission shall issue a regulation under which a person required to file a designation, statement, or report under this Act—

''(i) is required to maintain and file the designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

''(ii) may maintain and file the designation, statement, or report in that manner if not required to do so under a regulation under clause (i).

''(B) FACSIMILE MACHINES.—The Commission shall prescribe a regulation that allows a person to file a designation, statement, or report required by this Act through the use of a facsimile machine.

''(C) VERIFICATION.—In a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying a designation, statement, or report. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.

''(D) COMPATIBILITY OF SYSTEMS.—The Secretary of the Senate shall ensure that any computer or other system that the Secretary may develop and maintain to receive designations, statements, and reports in the forms required or permitted under this paragraph is compatible with any system that the Commission may develop and maintain.''.

SEC. 508. POWER TO ISSUE SUBPOENA WITHOUT SIGNATURE OF CHAIRPERSON.

Section 307(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437d(a)(3)) is amended by striking '', signed by the chairman or the vice chairman,''.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 602. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 603. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on January 1, 1999.

H.R. 2183

OFFERED BY MR. WHITE OF WASHINGTON

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 16: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Independent Commission on Campaign Finance Reform Act of 1998''.

SEC. 2. ESTABLISHMENT AND PURPOSE OF COMMISSION.

There is established a commission to be known as the ''Independent Commission on Campaign Finance Reform'' (referred to in this Act as the ''Commission''). The purposes of the Commission are to study the laws relating to the financing of political activity and to report and recommend legislation to reform those laws.

SEC. 3. MEMBERSHIP OF COMMISSION.

(a) COMPOSITION.—The Commission shall be composed of 12 members appointed within 15 days after the date of the enactment of this Act by the President from among individuals who are not incumbent Members of Congress and who are specially qualified to serve on the Commission by reason of education, training, or experience.

(b) APPOINTMENT.—

(1) IN GENERAL.—Members shall be appointed as follows:

(A) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the Speaker of the House of Representatives.

(B) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the majority leader of the Senate.

(C) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the House of Representatives.

(D) 3 members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(2) FAILURE TO SUBMIT LIST OF NOMINEES.—If an official described in any of the subparagraphs of paragraph (1) fails to submit a list of nominees to the President during the 15-day period which begins on the date of the enactment of this Act—

(A) such subparagraph shall no longer apply; and

(B) the President shall appoint 3 members (one of whom shall be a political independent) who meet the requirements described in subsection (a) and such other criteria as the President may apply.

(3) POLITICAL INDEPENDENT DEFINED.—In this subsection, the term ''political independent'' means an individual who at no time after January 1992—

(A) has held elective office as a member of the Democratic or Republican party;

(B) has received any wages or salary from the Democratic or Republican party or from a Democratic or Republican party office-holder or candidate; or

(C) has provided substantial volunteer services or made any substantial contribution to the Democratic or Republican party or to a Democratic or Republican party office-holder or candidate.

(c) CHAIRMAN.—At the time of the appointment, the President shall designate one member of the Commission as Chairman of the Commission.

(d) TERMS.—The members of the Commission shall serve for the life of the Commission.

(e) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(f) POLITICAL AFFILIATION.—Not more than 4 members of the Commission may be of the same political party.

SEC. 4. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this Act, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. In carrying out the preceding sentence, the Commission shall ensure that a substantial number of its meetings are open meetings, with significant opportunities for testimony from members of the general public.

(b) QUORUM.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings. The approval of at least 9 members of the Commission is required when approving all or a portion of the recommended legislation. Any member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this section.

SEC. 5. ADMINISTRATIVE PROVISIONS.

(a) PAY AND TRAVEL EXPENSES OF MEMBERS.—(1) Each member of the Commission shall be paid at a rate equal to the daily equivalent of the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of duties vested in the Commission.

(2) Members of the Commission shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(b) STAFF DIRECTOR.—The Commission shall, without regard to section 5311(b) of title 5, United States Code, appoint a staff director, who shall be paid at the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(c) STAFF OF COMMISSION; SERVICES.—

(1) IN GENERAL.—With the approval of the Commission, the staff director of the Commission may appoint and fix the pay of additional personnel. The Director may make such appointments without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and any personnel so appointed may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum annual rate of basic pay payable for grade GS–15 of the General Schedule under section 5332 of title 5, United States Code.

(2) EXPERTS AND CONSULTANTS.—The Commission may procure by contract the temporary or intermittent services of experts or consultants pursuant to section 3109 of title 5, United States Code.

SEC. 6. REPORT AND RECOMMENDED LEGISLATION.

(a) REPORT.—Not later than the expiration of the 180-day period which begins on the date on which the second session of the One Hundred Fifth Congress adjourns sine die, the Commission shall submit to the President, the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate a report of the activities of the Commission.

(b) RECOMMENDATIONS; DRAFT OF LEGISLATION.—The report under subsection (a) shall include any recommendations for changes in the laws (including regulations) governing the financing of political activity, including any changes in the rules of the Senate or the House of Representatives, to which 9 or more members of the Commission may agree, together with drafts of—

(1) any legislation (including technical and conforming provisions) recommended by the Commission to implement such recommendations; and

(2) any proposed amendment to the Constitution recommended by the Commission as necessary to implement such recommendations, except that if the Commission includes such a proposed amendment in its report, it shall also include recommendations (and drafts) for legislation which may be implemented prior to the adoption of such proposed amendment.

(c) GOALS OF RECOMMENDATIONS AND LEGISLATION.—In making recommendations and preparing drafts of legislation under this section, the Commission shall consider the following to be its primary goals:

(1) Encouraging fair and open Federal elections which provide voters with meaningful information about candidates and issues.

(2) Eliminating the disproportionate influence of special interest financing of Federal elections.

(3) Creating a more equitable electoral system for challengers and incumbents.

SEC. 7. EXPEDITED CONGRESSIONAL CONSIDERATION OF LEGISLATION.

(a) IN GENERAL.—If any legislation is introduced the substance of which implements a recommendation of the Commission submitted under section 6(b) (including a joint resolution proposing an amendment to the Constitution), subject to subsection (b), the provisions of section 2908 (other than subsection (a)) of the Defense Base Closure and Realignment Act of 1990 shall apply to the consideration of the legislation in the same manner as such provisions apply to a joint resolution described in section 2908(a) of such Act.

(b) SPECIAL RULES.—For purposes of applying subsection (a) with respect to such provisions, the following rules shall apply:

(1) Any reference to the Committee on Armed Services of the House of Representatives shall be deemed a reference to the Committee on House Oversight of the House of Representatives and any reference to the Committee on Armed Services of the Senate shall be deemed a reference to the Committee on Rules and Administration of the Senate.

(2) Any reference to the date on which the President transmits a report shall be deemed a reference to the date on which the recommendation involved is submitted under section 6(b).

(3) Notwithstanding subsection (d)(2) of section 2908 of such Act—

(A) debate on the legislation in the House of Representatives, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation;

(B) debate on the legislation in the Senate, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation; and

(C) debate in the Senate on any single debatable motion and appeal in connection with the legislation shall be limited to not more than 1 hour, divided equally between the mover and the manager of the bill (except that in the event the manager of the bill is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee), and the majority and minority leader may each allot additional time from time under such leader's control to any Senator during the consideration of any debatable motion or appeal.

SEC. 8. TERMINATION.

The Commission shall cease to exist 90 days after the date of the submission of its report under section 6.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as are necessary to carry out its duties under this Act.

Amend the title so as to read: ''A bill to establish the Independent Commission on Campaign Finance Reform to recommend reforms in the laws relating to the financing of political activity.''.