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**Campaign Finance Bills Including
McCain-Feingold [3]**

105TH CONGRESS
1ST SESSION

H. R. _____

IN THE HOUSE OF REPRESENTATIVES

Mr. SHAYS (for himself, Mr. MEEHAN, and Mrs. ROUKEMA) introduced the following bill; which was referred to the Committee on

A BILL

To amend the Federal Election Campaign Act of 1971 to reform the financing of Federal elections, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Bipartisan Campaign
5 Reform Act of 1997".

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents of this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.

TITLE I—HOUSE OF REPRESENTATIVES ELECTION SPENDING LIMITS AND BENEFITS

- Sec. 101. House of Representatives election spending limits and benefits.
- Sec. 102. Broadcast rates and preemption.
- Sec. 103. Reduced postage rates.
- Sec. 104. Contribution limit for eligible House of Representatives candidates.
- Sec. 105. Reporting requirements.

TITLE II—REDUCTION OF SPECIAL INTEREST INFLUENCE

Subtitle A—Limitations on Political Action Committees and Large Contributions of Individuals

- Sec. 201. Limitations on activities of political action committees in Federal elections.
- Sec. 202. Aggregate limit on large contributions.

Subtitle B—Provisions Relating to Soft Money of Political Parties

- Sec. 211. Soft money of political parties.
- Sec. 212. Increase in contribution limit for individual contributions to national political parties.
- Sec. 212. Increase in contribution limits for contributions to State parties.
- Sec. 213. Reporting requirements.
- Sec. 214. Building fund exception to the definition of the term "contribution".

Subtitle C—Soft Money of Persons Other Than Political Parties

- Sec. 221. Soft money of persons other than political parties.

Subtitle D—Contributions

- Sec. 231. Contributions through intermediaries and conduits.

Subtitle E—Additional Prohibitions on Contributions

- Sec. 241. Prohibition of contributions by noncitizens and other individuals not qualified to vote.

Subtitle F—Coordinated and Independent Expenditures

- Sec. 251. Clarification of definitions relating to independent expenditures.
- Sec. 252. Treatment of coordinated expenditures as contributions.
- Sec. 253. Treatment of certain party expenditures and communications containing express advocacy as expenditures.
- Sec. 254. Reporting requirements for certain independent expenditures.

TITLE III—ENFORCEMENT AND DISCLOSURE

- Sec. 301. Audits.
- Sec. 302. Change in certain reporting from a calendar year basis to an election cycle basis.
- Sec. 303. Disclosure of personal and consulting services.
- Sec. 304. Independent litigation authority.
- Sec. 305. Term limits for Federal Election Commission.
- Sec. 306. Authority to seek injunction.
- Sec. 307. Expedited procedures.
- Sec. 308. Increase in penalty for knowing and willful violations.

Sec. 309. Mandatory electronic filing and preservation of Federal election commission reports.

TITLE IV—MISCELLANEOUS PROVISIONS

- Sec. 401. Restrictions on use of campaign funds for personal purposes.
 Sec. 402. Campaign advertising amendments.
 Sec. 403. Use of candidates' names.
 Sec. 404. Reporting requirements.
 Sec. 405. Simultaneous registration of candidate and candidate's principal campaign committee.
 Sec. 406. Insolvent political committees.
 Sec. 407. Regulations relating to use of non-Federal money.
 Sec. 408. Ban on franking for unsolicited mass mailings mailed during election year.
 Sec. 409. Intent of congress.
 Sec. 410. Severability.
 Sec. 411. Expedited review of constitutional issues.
 Sec. 412. Effective date.
 Sec. 413. Regulations.

1 **TITLE I—HOUSE OF REPRESENT-** 2 **ATIVES ELECTION SPENDING** 3 **LIMITS AND BENEFITS**

4 **SEC. 101. HOUSE OF REPRESENTATIVES ELECTION SPEND-** 5 **ING LIMITS AND BENEFITS.**

6 The Federal Election Campaign Act of 1971 is
 7 amended by adding at the end the following new title:

8 **“TITLE V—SPENDING LIMITS** 9 **AND BENEFITS FOR HOUSE** 10 **OF REPRESENTATIVES ELEC-** 11 **TION CAMPAIGNS**

12 **“SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.**

13 “(a) IN GENERAL.—For purposes of this title, a can-
 14 didate is an eligible House of Representatives candidate
 15 if the Commission has certified, pursuant to section 504,
 16 that the candidate—

1 “(1) meets the election cycle filing requirements
2 of subsection (b); and

3 “(2) meets the threshold contribution require-
4 ments of subsection (c).

5 “(b) FILING REQUIREMENTS.—

6 “(1) IN GENERAL.—The requirements of this
7 subsection are met if the candidate files with the
8 Commission under penalty of perjury a declaration
9 that—

10 “(A) the candidate and the candidate’s au-
11 thorized committees—

12 “(i) will not exceed the expenditure
13 limits under section 502(a), (b), and (c),

14 “(ii) will not accept contributions in
15 excess of the election cycle expenditure
16 limit, reduced by any amounts transferred
17 to this election cycle from a preceding elec-
18 tion cycle,

19 “(iii) will not, in the event of a runoff
20 election, accept contributions in excess of
21 the runoff expenditure limit, reduced by
22 any amounts transferred to this election
23 cycle from a preceding election cycle,

24 “(iv) will not accept any contributions
25 in violation of section 315, and

1 “(v) will comply with the requirement
2 that, by the end of the election cycle, not
3 less than 60 percent of the total dollar
4 amount of all contributions from individ-
5 uals to the candidate or the candidate’s
6 authorized committees (including any ex-
7 penditures, contributions, or loans made by
8 the candidate) shall come from individuals
9 legally residing in the candidate’s State;
10 and

11 “(B) the candidate intends to make use of
12 the benefits provided under section 503.

13 “(2) DEADLINE FOR FILING DECLARATION.—

14 The declaration under paragraph (1) shall be filed
15 the date the candidate files as a candidate for the
16 primary election. In the case of a candidate who is
17 not eligible to participate in a primary election but
18 qualifies for the general election ballot under State
19 law, the declaration under paragraph (1) shall be
20 filed not later than the date the candidate qualifies
21 for the general election ballot under State law.”.

22 “(3) NOTIFICATION.—A candidate who—

23 “(A) files a declaration pursuant to sub-
24 section (b)(1) of this Act; and

1 “(B) subsequently acts in a manner incon-
2 sistent with any of the limitations or require-
3 ments of the declaration filed under subsection
4 (b)(1) shall file a notification regarding such
5 acts with the Commission not later than 24
6 hours after the first such act inconsistent with
7 any of the limitations or requirements and shall
8 at the same time notify all other candidates for
9 the same office by sending a copy of the notifi-
10 cation filed with the Commission by certified
11 mail, return receipt requested.

12 “(c) THRESHOLD CONTRIBUTION REQUIREMENTS.—

13 “(1) IN GENERAL.—The requirements of this
14 subsection are met if the candidate and the can-
15 didate’s authorized committees have received allow-
16 able contributions during the applicable period in an
17 amount equal to 10 percent of the election cycle ex-
18 penditure limit under section 502(b), and file with
19 the Commission under penalty of perjury a state-
20 ment with supporting materials demonstrating that
21 this requirement has been met.

22 “(2) DEFINITIONS.—For purposes of this sec-
23 tion—

24 “(A) the term ‘allowable contributions’
25 means contributions that are made as gifts of

1 money by an individual pursuant to a written
2 instrument identifying such individual as the
3 contributor, except that—

4 “(i) such term shall not include con-
5 tributions from individuals residing outside
6 the candidate’s State to the extent such
7 contributions exceed 40 percent of the
8 amount set forth in paragraph (1),

9 “(ii) no more than \$200 of any con-
10 tribution from an individual shall be taken
11 into account; and

12 “(iii) such term shall not include any
13 contribution of an intermediary or conduit
14 within the meaning of section 301(a)(8);
15 and

16 “(B) the term ‘applicable period’ means—

17 “(i) the period beginning on January
18 1 of the calendar year preceding the cal-
19 endar year of the general election involved
20 and ending on the date of the general elec-
21 tion; or

22 “(ii) in the case of a special election
23 for the office of Representative in, or Dele-
24 gate or Resident Commissioner to, the
25 Congress, the period beginning on the date

1 the vacancy in such office occurs and end-
2 ing on the date of the general election.

3 **“SEC. 502. LIMITATION ON EXPENDITURES.**

4 “(a) **LIMITATION ON USE OF PERSONAL FUNDS.—**

5 “(1) **IN GENERAL.—**The aggregate amount of
6 expenditures that may be made during an election
7 cycle by an eligible House of Representatives can-
8 didate or such candidate’s authorized committees
9 from the sources described in paragraph (2) shall
10 not exceed 10 percent of the election cycle expendi-
11 ture limit under subsection (b).

12 “(2) **SOURCES.—**A source is described in this
13 subsection if it is—

14 “(A) personal funds of the candidate and
15 members of the candidate’s immediate family;
16 or

17 “(B) personal loans incurred by the can-
18 didate and members of the candidate’s imme-
19 diate family.

20 “(b) **ELECTION CYCLE EXPENDITURE LIMIT.—**

21 “(1) **IN GENERAL.—**Except as otherwise pro-
22 vided in this title, the aggregate amount of expendi-
23 tures for an election cycle by an eligible House of
24 Representatives candidate and the candidate’s au-
25 thorized committees shall not exceed \$600,000.

1 “(2) INDEXING.—The amount under paragraph
2 (1) shall be increased as of the beginning of each
3 calendar year based on the increase in the price
4 index determined under section 315(c), except that
5 the base period shall be calendar year 1997.

6 “(c) RUNOFF EXPENDITURE LIMITS.—The aggregate
7 amount of expenditures for a runoff election by an
8 eligible House of Representatives candidate and the candidate’s
9 authorized committees shall not exceed 20 percent
10 of the election cycle expenditure limit under subsection
11 (b).

12 “(d) PAYMENT OF TAXES.—The limitation under
13 subsection (b) shall not apply to any expenditure for Federal,
14 State, or local taxes with respect to earnings on contributions
15 raised.

16 “(e) CONTESTED PRIMARY.—If, as determined by the
17 Commission, an eligible House of Representatives candidate in a
18 contested primary wins that primary election by a margin of 10
19 percent or less, the limitation contained in subsection (b)(1) shall
20 be increased by 30 percent for such candidate, and such candidate
21 shall be entitled to raise additional contributions not to exceed
22 this amount.

23 “(f) COMPLYING CANDIDATES RUNNING AGAINST
24 NONCOMPLYING CANDIDATES.—

1 “(1) If in the case of an election with more
2 than one candidate where any candidate either—

3 “(A) fails to be certified as an eligible can-
4 didate by the Commission and has expended
5 personal funds in excess of 10 percent of the
6 election cycle limits contained in subsection (b)
7 or has received contributions or expended per-
8 sonal funds which in the aggregate exceed 70
9 percent of the election cycle limits contained in
10 subsection (b), or

11 “(B) violates the limitations on expendi-
12 tures of this Act, any eligible House of Rep-
13 resentatives candidate in that election shall be
14 permitted to raise additional contributions up to
15 an amount equal to 50 percent of the election
16 cycle limit contained in subsection (b).

17 “(2) If the candidate who has failed to be cer-
18 tified as an eligible candidate or who has violated
19 the limitations on expenditures of this Act has re-
20 ceived contributions or expended personal funds
21 which, in the aggregate, exceed 120 percent of the
22 election cycle limits contained in this section, any eli-
23 gible House of Representatives candidate in that

1 election shall be permitted to raise additional con-
2 tributions up to an amount equal to 100 percent of
3 the election cycle limit contained in subsection (b).

4 “(3) In the event a noncomplying candidate as
5 defined in subparagraphs (A) or (B) of paragraph
6 (1) spends an amount equal to 105 percent of the
7 election cycle limit contained in subsection (b), the
8 election cycle limit contained in subsection (b) for an
9 eligible House of Representatives candidate in such
10 election shall be increased by 50 percent. In the
11 event a noncomplying candidate spends an amount
12 equal to 155 percent of the election cycle limit con-
13 tained in subsection (b), the election cycle limit in
14 subsection (b) for an eligible House of Representa-
15 tives candidate in such election shall be increased by
16 100 percent.

17 “(g) RESPONDING TO INDEPENDENT EXPENDI-
18 TURES.—In the event an eligible House of Representatives
19 candidate is notified pursuant to section 304(c)(4) by the
20 Commission that independent expenditures totaling in the
21 aggregate \$25,000 or more have been made in the same
22 election in favor of another candidate or against such eligi-
23 ble candidate, such eligible candidate shall be permitted
24 to spend an amount equal to the amount of such independ-
25 ent expenditures, without such expenditures being subject

1 to such eligible candidates's election cycle expenditure
2 limit in subsection (b), as may be modified by subsection
3 (c), (e), or (f).

4 **"SEC. 503. BENEFITS ELIGIBLE CANDIDATES ENTITLED TO**
5 **RECEIVE.**

6 "For any election in which an eligible House of Rep-
7 resentatives candidate has at least one opponent who has
8 qualified for the ballot and who has raised in contributions
9 or expended in personal funds an amount equal to 10 per-
10 cent of the election cycle limit in section 502(b), such eligi-
11 ble candidate shall be entitled to receive—

12 "(1) the broadcast media rates provided under
13 section 315(b) of the Communications Act of 1934;
14 and

15 "(2) the reduced postage rates provided in sec-
16 tion 3626(e) of title 39, United States Code.

17 **"SEC. 504. CERTIFICATION BY COMMISSION.**

18 "(a) IN GENERAL.—The Commission shall determine
19 whether a candidate has met the requirements of this title
20 and, based upon that determination, shall issue a certifi-
21 cation stating whether or not such candidate is eligible to
22 receive benefits under this title.

23 "(b) CERTIFICATION.—

24 "(1) ISSUANCE OF CERTIFICATION.—Upon re-
25 ceipt of the declaration required under section

1 501(b) and the statement required under section
2 501(e), and such other information as the Commis-
3 sion may by regulation require, the Commission
4 shall determine if such candidate meets the eligi-
5 bility requirements in section 501 and, if so, shall
6 certify the candidate's eligibility for the benefits re-
7 ferred to in section 503.

8 “(2) REVOCATION.—The Commission shall re-
9 voke such certification if, based on relevant informa-
10 tion submitted in such form and manner as the
11 Commission may require or based on relevant infor-
12 mation that otherwise comes to its attention, it de-
13 termines a candidate—

14 “(A) violates any of the expenditure limits
15 under this title by making an aggregate amount
16 of expenditures that exceeds such limits by 5
17 percent or more;

18 “(B) uses a benefit made available to the
19 candidate under this title in a manner not pro-
20 vided for under this title; or

21 “(C) fails to continue to meet the require-
22 ments of this title.

1 “(3) TERMINATION OF BENEFITS.—A candidate
2 whose certification has been revoked under para-
3 graph (2) shall be ineligible for any further benefits
4 under this title for the duration of the election cycle.

5 “(c) DETERMINATION BY COMMISSION.—All deter-
6 minations (including certifications under this section)
7 made by the Commission under this title shall be final,
8 except to the extent that they are subject to examination
9 and audit by the Commission under section 505 and sub-
10 ject to judicial review.

11 “SEC. 505. REPAYMENTS; ADDITIONAL CIVIL PENALTIES.

12 “(a) REQUIRING REPAYMENT.—If the Commission
13 revokes the certification of a candidate as an eligible
14 House of Representatives candidate, the Commission shall
15 so notify the candidate and the candidate shall pay to the
16 provider of such benefits received an amount equal to the
17 difference between the amount the candidate paid for such
18 benefits and the amount the candidate would have paid
19 for such benefits if the candidate were not an eligible can-
20 didate under this title.

21 “(b) CIVIL PENALTIES.—

22 “(1) LOW AMOUNT OF EXCESS EXPENDI-
23 TURES.—Any eligible House of Representatives can-
24 didate who makes expenditures that exceed a limita-
25 tion under this title by 2.5 percent or less shall pay

1 to the Commission an amount equal to the amount
2 of the excess expenditures.

3 “(2) MEDIUM AMOUNT OF EXCESS EXPENDI-
4 TURES.—Any eligible House of Representatives can-
5 didate who makes expenditures that exceed a limita-
6 tion under this title by more than 2.5 percent and
7 less than 5 percent shall pay to the Commission an
8 amount equal to 3 times the amount of the excess
9 expenditures.

10 “(3) LARGE AMOUNT OF EXCESS EXPENDI-
11 TURES.—Any eligible House of Representatives can-
12 didate who makes expenditures that exceed a limita-
13 tion under this title by 5 percent or more shall pay
14 to the Commission an amount equal to 3 times the
15 amount of the excess expenditures plus a civil pen-
16 alty to be imposed pursuant to the procedures of
17 section 309.”.

18 **SEC. 102. BROADCAST RATES AND PREEMPTION.**

19 (a) BROADCAST RATES.—Section 315(b) of the Com-
20 munications Act of 1934 (47 U.S.C. 315(b)) is amended—

21 (1) by striking “(b) The charges” and inserting
22 “(b)(1) The charges”;

23 (2) by redesignating paragraphs (1) and (2) as
24 subparagraphs (A) and (B), respectively;

25 (3) in paragraph (1)(A), as redesignated—

1 (A) by striking "forty-five" and inserting
2 "30"; and

3 (B) by striking "lowest unit charge of the
4 station for the same class and amount of time
5 for the same period" and inserting "lowest
6 charge of the station for the same amount of
7 time for the same period on the same date";
8 and

9 (4) by adding at the end the following new
10 paragraph:

11 "(2) In the case of an eligible House of Representa-
12 tives candidate (as described in section 501(a) of the Fed-
13 eral Election Campaign Act of 1971), the charges for the
14 use of a television or radio broadcasting station during
15 the 30-day period and 60-day period referred to in para-
16 graph (1)(A) shall not exceed 50 percent of the lowest
17 charge described in paragraph (1)(A)."

18 (b) PREEMPTION; ACCESS.—Section 315 of such Act
19 (47 U.S.C. 315) is amended—

20 (1) by redesignating subsections (c) and (d) as
21 subsections (d) and (e), respectively; and

22 (2) by inserting immediately after subsection
23 (b) the following subsection:

1 “(c)(1) Except as provided in paragraph (2), a li-
2 censee shall not preempt the use, during any period speci-
3 fied in subsection (b)(1)(A), of a broadcasting station by
4 an eligible House of Representatives candidate who has
5 purchased and paid for such use pursuant to subsection
6 (b)(2).

7 “(2) If a program to be broadcast by a broadcasting
8 station is preempted because of circumstances beyond the
9 control of the broadcasting station, any candidate adver-
10 tising spot scheduled to be broadcast during that program
11 may also be preempted.”.

12 (c) REVOCATION OF LICENSE FOR FAILURE TO PER-
13 MIT ACCESS.—Section 312(a)(7) of the Communications
14 Act of 1934 (47 U.S.C. 312(a)(7)) is amended—

15 (1) by inserting “or cable system” after “broad-
16 casting station”; and

17 (2) by striking “his candidacy” and inserting
18 “the candidacy of such person, under the same
19 terms, conditions, and business practices as apply to
20 its most favored advertiser”.

21 (d) JURISDICTION OVER TAKINGS CHALLENGE TO
22 BROADCAST RATES.—The United States Court of Federal
23 Claims shall have exclusive jurisdiction over any action
24 challenging the constitutionality of the broadcast media
25 rates required to be offered to political candidates under

1 section 503(1) of the Federal Election Campaign Act of
2 1971 and section 315(b) of the Communications Act of
3 1934. Money damages shall be the sole and exclusive rem-
4 edy in such cases, and only individuals or entities suffering
5 actual financial injury shall have standing to maintain
6 such an action.

7 (e) CONDITION OF RENEWAL OR NEW LICENSE.—
8 Section 307 of the Communications Act of 1934 (47
9 U.S.C. 307) is amended by adding the following: “The
10 continuation of an existing license, the renewal of an ex-
11 piring license, and the issuance of a new license shall be
12 expressly conditioned on the agreement by the licensee to
13 abide by the provisions of section 503(1) of the Federal
14 Election Campaign Act of 1971 and section 315(b) of this
15 Act. The Commission shall take such action as it deems
16 appropriate to assure compliance with this requirement.”.

17 (f) REGULATIONS.—The Federal Communications
18 Commission, in consultation with the Federal Communica-
19 tions Commission, shall issue regulations to modify the re-
20 quirements of section 315 of the Communications Act of
21 1934 (as amended by subsection (a)) in any cases where
22 a licensee establishes that such requirements would impose
23 significant economic hardship.

24 (g) EFFECTIVE DATE.—The amendments made by
25 this section shall apply to the general elections occurring

1 after the expiration of the 60-day period which begins on
2 the date of the enactment of this Act (and the election
3 cycles relating thereto).

4 **SEC. 103. REDUCED POSTAGE RATES.**

5 (a) **IN GENERAL.**—Section 3626(e) of title 39, Unit-
6 ed States Code, is amended—

7 (1) by redesignating paragraph (2) as para-
8 graph (3);

9 (2) in paragraph (3) (as so redesignated)—

10 (A) in subparagraph (A)—

11 (i) by striking “and the National” and
12 inserting “the National”; and

13 (ii) by inserting before the semicolon
14 the following: “, and, subject to paragraph
15 (2), the principal campaign committee of
16 an eligible House of Representatives can-
17 didate;”;

18 (B) in subparagraph (B), by striking
19 “and” after the semicolon;

20 (C) in subparagraph (C), by striking the
21 period and inserting a semicolon; and

22 (D) by adding after subparagraph (C) the
23 following new subparagraphs:

1 “(D) the term ‘principal campaign committee’
2 has the meaning given such term in section 301 of
3 the Federal Election Campaign Act of 1971;

4 “(E) the term ‘eligible House of Representa-
5 tives candidate’ has the meaning given such term in
6 section 501(a) of the Federal Election Campaign
7 Act of 1971; and

8 “(F) the term ‘voting age population’ has the
9 meaning given such term in section 315(e) of the
10 Federal Election Campaign Act of 1971.”; and

11 (3) by adding after paragraph (1) the following
12 new paragraph:

13 “(2) In the case of mail sent by the principal cam-
14 paign committee of an eligible House of Representatives
15 candidate, paragraph (1) shall not apply, with respect to
16 any election, except—

17 “(A) if the mail is sent to an individual in the
18 voting age population of the congressional district
19 involved; and

20 “(B) with respect to any individual under sub-
21 paragraph (A), to the extent of not to exceed 3
22 pieces of mail.”.

1 SEC. 104. CONTRIBUTION LIMIT FOR ELIGIBLE HOUSE OF
2 REPRESENTATIVES CANDIDATES.

3 Section 315(a)(1) of the Federal Election Campaign
4 Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

5 (1) by inserting “except as provided in subpara-
6 graph (B),” before “to” in subparagraph (A);

7 (2) by redesignating subparagraphs (B) and
8 (C) as subparagraphs (C) and (D), respectively; and

9 (3) by inserting immediately after subpara-
10 graph (A) the following new subparagraph:

11 “(B) to any eligible House of Representa-
12 tives candidate under title V and the authorized
13 political committees of such candidate with re-
14 spect to any general election for the office of
15 Representative in, or Delegate or Resident
16 Commissioner to, the Congress, which, in the
17 aggregate, exceed \$2,000, if—

18 “ (i) any other candidate in the elec-
19 tion is a candidate who is not an eligible
20 House of Representatives candidate under
21 title V and for whom one of the following
22 applies:

23 “(I) The candidate expends per-
24 sonal funds in excess of 25 percent of
25 the applicable expenditure limit with

1 respect to the election under section
2 502.

3 “(II) The sum of the aggregate
4 amount of the contributions the can-
5 didate has received and the amount of
6 personal funds the candidate has ex-
7 pended exceeds 50 percent of the ap-
8 plicable expenditure limit with respect
9 to the election under section 502; or

10 “(ii) any other candidate in the elec-
11 tion is an eligible House of Representatives
12 candidate under title V who expends more
13 than the applicable expenditure limit with
14 respect to the election under section 502.”.

15 **SEC. 105. REPORTING REQUIREMENTS.**

16 Section 304 of the Federal Election Campaign Act
17 of 1971 (2 U.S.C. 434) is amended by adding at the end
18 the following new subsections:

19 “(d)(1) The principal campaign committee of any
20 candidate for election as Representative in, or Delegate
21 or Resident Commissioner to, the Congress shall report
22 to the Commission if the amount of personal funds ex-
23 pended by the candidate with respect to a general election
24 exceeds the limitation described in section 502(a) and if
25 the amount of personal funds expended by the candidate

1 with respect to a general election cycle exceeds 25 percent
2 of the applicable expenditure limit with respect to the elec-
3 tion under section 502.

4 “(2) Any report under paragraph (1) shall be submit-
5 ted within 48 hours of the date on which the amount of
6 personal funds expended exceeds the amount requiring the
7 submission of the report (or, if such date occurs after the
8 20th day, but more than 24 hours before the election in-
9 volved, within 24 hours of such date).

10 “(3) Within 48 hours of receiving any report under
11 this subsection with respect to a candidate in a general
12 election (or within 24 hours in the case of a report re-
13 quired to be submitted to the Commission within 24
14 hours), the Commission shall notify each candidate in the
15 election who is an eligible House of Representatives can-
16 didate under title V of the report.

17 “(4) In this subsection, the term ‘personal funds’
18 means personal funds of a candidate, the funds of the can-
19 didate’s immediate family, and personal loans incurred by
20 the candidate and the candidate’s immediate family.

21 “(e)(1) Except as provided in paragraph (4), the
22 principal campaign committee of any candidate for elec-
23 tion as Representative in, or Delegate or Resident Com-
24 missioner to, the Congress shall report to the Commission
25 if the sum of the aggregate amount of the contributions

1 the candidate has received and the amount of personal
2 funds the candidate has expended with respect to a gen-
3 eral election exceeds 50 percent of the applicable expendi-
4 ture limit with respect to the election under section 502,
5 if such sum exceeds 70 percent of such limit, and if such
6 sum exceeds 120 percent of such limit.

7 “(2) Any report under paragraph (1) shall be submit-
8 ted within 48 hours of the date on which the sum of the
9 candidate’s contributions and personal funds expended ex-
10 ceeds the amount requiring the submission of the report
11 (or, if such date occurs after the 20th day, but more than
12 24 hours before the election involved, within 24 hours of
13 such date).

14 “(3) Within 48 hours of receiving any report under
15 this subsection with respect to a candidate in a general
16 election (or within 24 hours in the case of a report re-
17 quired to be submitted to the Commission within 24
18 hours), the Commission shall notify each candidate in the
19 election who is an eligible House of Representatives can-
20 didate under title V of the report.

21 “(4) Paragraph (1) shall not apply to the principal
22 campaign committee of any candidate who is an eligible
23 House of Representatives candidate under title V.

1 “(5) In this subsection, the term ‘personal funds’
2 means personal funds of a candidate, the funds of the can-
3 didate’s immediate family, and personal loans incurred by
4 the candidate and the candidate’s immediate family.

5 “(f)(1) The principal campaign committee of any can-
6 didate for election as Representative in, or Delegate or
7 Resident Commissioner to, the Congress shall report to
8 the Commission if the aggregate amount of funds ex-
9 pended by the candidate with respect to a general election
10 exceeds 105 percent of the applicable expenditure limit
11 with respect to the election under section 502 and if such
12 amount exceeds 155 percent of such limit.

13 “(2) Any report under paragraph (1) shall be submit-
14 ted within 48 hours of the date on which the amount of
15 funds expended exceeds the amount requiring the submis-
16 sion of the report (or, if such date occurs after the 20th
17 day, but more than 24 hours before the election involved,
18 within 24 hours of such date).

19 “(3) Within 48 hours of receiving any report under
20 this subsection with respect to a candidate in a general
21 election (or within 24 hours in the case of a report re-
22 quired to be submitted to the Commission within 24
23 hours), the Commission shall notify each candidate in the
24 election who is an eligible House of Representatives can-
25 didate under title V of the report.”.

1 an eligible House of Representatives candidate
2 under title V; or

3 “(ii) which, in the aggregate, exceed the
4 maximum amount which an individual may con-
5 tribute to the candidate and the candidate’s au-
6 thorized political committees with respect to the
7 election under paragraph (1)(A);”.

8 (2) RETURN OF CERTAIN EXCESS CONTRIBU-
9 TIONS.—Section 315(f) of such Act (2 U.S.C.
10 441a(f)) is amended—

11 (A) by striking “(f)” and inserting
12 “(f)(1)”; and

13 (B) by adding at the end the following new
14 paragraph:

15 “(2) A candidate (or authorized committees of such
16 candidate) who receives a contribution from a multican-
17 didate political committee in excess of the amount allowed
18 under subsection (a)(2)(A)(i) shall return the amount of
19 such excess contribution to the contributor.”.

20 (b) PROHIBITION OF LEADERSHIP COMMITTEES.—
21 Section 302(e) of the Federal Election Campaign Act of
22 1971 (2 U.S.C. 432(e)) is amended—

23 (1) by amending paragraph (3) to read as fol-
24 lows:

1 “(3) No political committee that supports or has sup-
2 ported more than one candidate may be designated as an
3 authorized committee, except that—

4 “(A) a candidate for the office of President
5 nominated by a political party may designate the na-
6 tional committee of such political party as the can-
7 didate’s principal campaign committee, but only if
8 that national committee maintains separate books of
9 account with respect to its functions as a principal
10 campaign committee; and

11 “(B) a candidate may designate a political com-
12 mittee established solely for the purpose of joint
13 fundraising by such candidates as an authorized
14 committee.”; and

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

17 “(6)(A) A candidate for Federal office or any individ-
18 ual holding Federal office may not directly or indirectly
19 establish, finance, maintain, or control any Federal or
20 non-Federal political committee other than a principal
21 campaign committee of the candidate, authorized commit-
22 tee, party committee, or other political committee des-
23 igned in accordance with paragraph (3). A candidate for
24 more than one Federal office may designate a separate
25 principal campaign committee for each Federal office.

1 This paragraph shall not preclude a Federal officeholder
2 who is a candidate for State or local office from establish-
3 ing, financing, maintaining, or controlling a political com-
4 mittee for election of the individual to such State or local
5 office.

6 “(B) For one year after the effective date of this
7 paragraph, any political committee established before such
8 date but which is prohibited under subparagraph (A) may
9 continue to make contributions. At the end of that period
10 such political committee shall disburse all funds by one
11 or more of the following means:

12 “(i) Making contributions to an entity qualified
13 under section 501(c)(3) of the Internal Revenue
14 Code of 1986 that is not established, maintained, fi-
15 nanced, or controlled directly or indirectly by any
16 candidate for Federal office or any individual hold-
17 ing Federal office.

18 “(ii) Making a contribution to the treasury of
19 the United States.

20 “(iii) Making contributions to the national,
21 State, or local committees of a political party.

22 “(iv) Making contributions not to exceed
23 \$1,000 to candidates for elective office.”.

1 **SEC. 202. AGGREGATE LIMIT ON LARGE CONTRIBUTIONS.**

2 Title III of the Federal Election Campaign Act of
3 1971 (2 U.S.C. 431 et seq.) is amended by adding at the
4 end the following new section:

5 “AGGREGATE LIMIT ON LARGE CONTRIBUTIONS FOR
6 HOUSE CANDIDATES

7 “SEC. 323. (a) IN GENERAL.—It shall be unlawful
8 for a candidate for election for the office of Representative
9 in, or Delegate or Resident Commissioner to, the Congress
10 (or the authorized committees of such candidate) to accept
11 any contribution from an individual in excess of \$250 to
12 the extent that the acceptance of such contribution will
13 cause the aggregate amount of contributions from individ-
14 uals in excess of \$250 received by the candidate and the
15 candidate’s authorized committees to exceed an amount
16 equal to 25 percent of the applicable election cycle spend-
17 ing limit with respect to the election under section 502,
18 without regard to whether or not the candidate is an eligi-
19 ble House of Representatives candidate under title V.

20 “(b) EXCEPTION FOR CERTAIN CANDIDATES.—The
21 restrictions of subsection (a) shall not apply to any can-
22 didate with respect to whom section 315(a)(1)(B) (as
23 added by section 104 of the Bipartisan Campaign Finance
24 Reform Act of 1997) applies.”

1 **Subtitle B—Provisions Relating to**
2 **Soft Money of Political Parties**

3 **SEC. 211. SOFT MONEY OF POLITICAL PARTIES.**

4 Title III of the Federal Election Campaign Act of
5 1971 (2 U.S.C. 431 et seq.), as amended by section 202,
6 is further amended by adding at the end the following new
7 section:

8 “SOFT MONEY OF POLITICAL PARTIES

9 “SEC. 324. (a) NATIONAL PARTIES.—A national
10 committee of a political party, including the national con-
11 gressional campaign committees of a political party, and
12 any officers or agents of such party committees, shall not
13 solicit or receive any contributions, donations, or transfers
14 of funds, or spend any funds, not subject to the limita-
15 tions, prohibitions, and reporting requirements of this Act.
16 This subsection shall apply to any entity that is estab-
17 lished, financed, maintained, or controlled (directly or in-
18 directly) by, or acting on behalf of, a national committee
19 of a political party, including the national congressional
20 campaign committees of a political party, and any officers
21 or agents of such party committees.

22 “(b) EXPENDITURES BY STATE OR LOCAL PAR-
23 TIES.—

24 “(1) IN GENERAL.—Any amount expended or
25 disbursed by a State, district, or local committee of

1 a political party during a calendar year in which a
2 Federal election is held, for any activity which may
3 affect the outcome of a Federal election, including
4 but not limited to any voter registration and get-out-
5 the-vote activity, any generic campaign activity, and
6 any communication that identifies a Federal can-
7 didate (regardless of whether a State or local can-
8 didate is also mentioned or identified) shall be made
9 from funds subject to the limitations, prohibitions
10 and reporting requirements of this Act.

11 “(2) EXCEPTIONS.—Paragraph (1) shall not
12 apply to expenditures or disbursements made by a
13 State, district or local committee of a political party
14 for—

15 “(A) a contribution to a candidate other
16 than for Federal office, provided that such con-
17 tribution is not designated or otherwise ear-
18 marked to pay for activities described in para-
19 graph (1);

20 “(B) the costs of a State, district, or local
21 political convention;

22 “(C) the non-Federal share of a State, dis-
23 trict or local party committee’s administrative
24 and overhead expenses (but not including the
25 compensation in any month of any individual

1 who spends more than 20 percent of his or her
2 time on activity during such month which may
3 affect the outcome of a Federal election), as de-
4 termined by applying the ratio of the non-Fed-
5 eral disbursements to the total Federal expendi-
6 tures and non-Federal disbursements made by
7 the committee during the previous presidential
8 election year to the committee's administrative
9 and overhead expenses in the election year in
10 question;

11 “(D) the costs of grassroots campaign ma-
12 terials, including buttons, bumper stickers, and
13 yard signs, which materials solely name or de-
14 pict a State or local candidate; or

15 “(E) the cost of any campaign activity con-
16 ducted solely on behalf of a clearly identified
17 State or local candidate, provided that such ac-
18 tivity is not a get out the vote activity or any
19 other activity covered by paragraph (1).

20 “(3) AMOUNTS EXPENDED FOR FUNDRAISING
21 TO FINANCE ACTIVITIES.—Any amount spent by a
22 national, State, district or local committee or entity
23 of a political party to raise funds that are used, in
24 whole or in part, to pay the costs of any activity cov-
25 ered by paragraph (1) shall be made from funds

1 subject to the limitations, prohibitions, and reporting
2 requirements of this Act. This paragraph shall apply
3 to any entity that is established, financed, main-
4 tained, or controlled (directly or indirectly) by, or
5 acting on behalf of, a State, district or local commit-
6 tee of a political party or any agent or officer of
7 such party committee in the same manner as it ap-
8 plies to that committee.

9 “(c) PROHIBITING SOLICITATION OR DONATION OF
10 FUNDS FROM NONPROFIT ORGANIZATIONS.—No na-
11 tional, State, district or local committee of a political
12 party, including any entity described in subsection (a) or
13 subsection (b)(3) and any agent or officer of such an en-
14 tity, shall solicit any funds for or make any donations to
15 any organization that is exempt from Federal taxation
16 under section 501(c) of the Internal Revenue Code of
17 1986.

18 “(d) ALL CANDIDATES.—

19 “(1) IN GENERAL.—No candidate for Federal
20 office, individual holding Federal office, or any agent
21 of such candidate or officeholder, may solicit or re-
22 ceive—

23 “(A) any funds in connection with any
24 Federal election unless such funds are subject

1 to the limitations, prohibitions and reporting re-
2 quirements of this Act;

3 “(B) any funds that are to be expended in
4 connection with any election for other than a
5 Federal election unless such funds are not in
6 excess of the amounts permitted with respect to
7 contributions to Federal candidates and politi-
8 cal committees under section 315(a)(1) and (2),
9 and are not from sources prohibited from mak-
10 ing contributions by this Act with respect to
11 election for Federal office; or

12 “(C) any funds on behalf of any person
13 which are not subject to the limitations, prohi-
14 bitions, and reporting requirements of this Act
15 if such funds are for the purpose of financing
16 any activity on behalf of a candidate for elec-
17 tion for Federal office or any communication
18 which refers to a clearly identified candidate for
19 election for Federal office.

20 “(2) EXCEPTION FOR CERTAIN ACTIVITIES.—
21 Paragraph (1) shall not apply to the solicitation or
22 receipt of funds by an individual who is a candidate
23 for a non-Federal office if such activity is permitted
24 under State law for such individual’s non-Federal
25 campaign committee.”

1 “(e) PROHIBITING FUNDRAISING ACTIVITIES FOR
2 CERTAIN NONPROFIT ORGANIZATIONS.—

3 “(1) IN GENERAL.—No candidate for Federal
4 office or individual holding Federal office may raise
5 funds for any organization described in section
6 501(c) of the Internal Revenue Code of 1986 if the
7 activities of the organization include voter registra-
8 tion or get-out-the-vote campaigns.

9 “(2) CERTAIN INDIVIDUALS TREATED AS
10 HOLDING FEDERAL OFFICE.—For purposes of this
11 paragraph, the term ‘individual holding Federal of-
12 fice’ includes any individual who holds a position de-
13 scribed in level I of the Executive Schedule under
14 5312 of title 5, United States Code.”.

15 **SEC. 212. INCREASE IN CONTRIBUTION LIMIT FOR INDIVID-**
16 **UAL CONTRIBUTIONS TO NATIONAL POLITI-**
17 **CAL PARTIES.**

18 **SEC. 212. INCREASE IN CONTRIBUTION LIMITS FOR CON-**
19 **TRIBUTIONS TO STATE PARTIES.**

20 Section 315(a)(1)(B) of the Federal Election Cam-
21 paign Act of 1971 (2 U.S.C. 441a(a)(1)(B)) is amended
22 by striking “\$20,000” and inserting the following:
23 “\$20,000 (or, in the case of an individual, \$25,000)”.

1 **SEC. 213. REPORTING REQUIREMENTS.**

2 (a) **REPORTING REQUIREMENTS.**—Section 304 of the
3 Federal Election Campaign Act of 1971 (2 U.S.C. 434),
4 as amended by section 105, is further amended by adding
5 at the end the following new subsection:

6 “(g)(1) A political committee other than a national
7 committee of a political party, any congressional campaign
8 committee of a political party, and any subordinate com-
9 mittee of either, to which section 324(b)(1) applies shall
10 report all receipts and disbursements.

11 “(2) Any political committee other than the commit-
12 tees of a political party shall report any receipts or dis-
13 bursements that are used in connection with a Federal
14 election.

15 “(3) If a political committee has receipts or disburse-
16 ments to which this subsection applies from any person
17 aggregating in excess of \$200 for any calendar year, the
18 political committee shall separately itemize its reporting
19 for such person in the same manner as required in sub-
20 section (b)(3)(A), (5), or (6).

21 “(4) Reports required to be filed under this sub-
22 section shall be filed for the same time periods required
23 for political committees under subsection (a).”

24 (b) **REPORTS BY STATE COMMITTEES.**—Section 304
25 of the Federal Election Campaign Act of 1971 (2 U.S.C.
26 434), as amended by section 105 and subsection (a), is

1 further amended by adding at the end the following new
2 subsection:

3 “(h) In lieu of any report required to be filed by this
4 Act, the Commission may allow a State committee of a
5 political party to file with the Commission a report re-
6 quired to be filed under State law if the Commission deter-
7 mines such reports contain substantially the same infor-
8 mation.”.

9 (c) OTHER REPORTING REQUIREMENTS.—

10 (1) AUTHORIZED COMMITTEES.—Section
11 304(b)(4) of the Federal Election Campaign Act of
12 1971 (2 U.S.C. 434(b)(4)) is amended—

13 (A) by striking “and” at the end of sub-
14 paragraph (H);

15 (B) by inserting “and” at the end of sub-
16 paragraph (I); and

17 (C) by adding at the end the following new
18 subparagraph:

19 “(J) in the case of an authorized commit-
20 tee, disbursements for the primary election, the
21 general election, and any other election in which
22 the candidate participates;”.

23 (2) NAMES AND ADDRESSES.—Section
24 304(b)(5)(A) of the Federal Election Campaign Act
25 of 1971 (2 U.S.C. 434(b)(5)(A)) is amended—

1 (A) by striking “within the calendar year”;

2 and

3 (B) by inserting “, and the election to
4 which the operating expenditure relates” after
5 “operating expenditure”.

6 **SEC. 214. BUILDING FUND EXCEPTION TO THE DEFINITION**
7 **OF THE TERM “CONTRIBUTION”.**

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

10 (1) by striking out clause (viii); and

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

13 **Subtitle C—Soft Money of Persons**
14 **Other Than Political Parties**

15 **SEC. 221. SOFT MONEY OF PERSONS OTHER THAN POLITI-**
16 **CAL PARTIES.**

17 Section 304 of the Federal Election Campaign Act
18 of 1971 (2 U.S.C. 434), as amended by sections 105,
19 213(a), and 213(c), is further amended by adding at the
20 end the following new subsection:

21 “(i)(1)(A)(i) If any person to which section 324 does
22 not apply makes (or obligates to make) disbursements for
23 activities described in section 324(b)(1) in excess of
24 \$2,000, such person shall file a statement—

1 “(I) within 48 hours after the disbursements
2 (or obligations) are made; or

3 “(II) in the case of disbursements (or obliga-
4 tions) that are required to be made within 20 days
5 of the election, within 24 hours after such disburse-
6 ment (or obligations) are made.

7 “(ii) An additional statement shall be filed each time
8 additional disbursements aggregating \$2,000 are made (or
9 obligated to be made) by a person described in clause (i).

10 “(B) This paragraph shall not apply to—

11 “(i) a candidate or a candidate’s authorized
12 committees; or

13 “(ii) an independent expenditure (as defined in
14 section 301(17)).

15 “(2) Any statement under this section shall be filed
16 with the Commission and shall contain such information
17 as the Commission shall prescribe, including whether the
18 disbursement is in support of, or in opposition to, 1 or
19 more candidates or any political party.”

20 **Subtitle D—Contributions**

21 SEC. 231. CONTRIBUTIONS THROUGH INTERMEDIARIES 22 AND CONDUITS.

23 Section 315(a)(8) of the Federal Election Campaign
24 Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read
25 as follows:

1 “(ii) the intermediary or conduit is—

2 “(I) a political committee, a po-
3 litical party, or an officer, employee,
4 or agent of either;

5 “(II) a person whose activities
6 are required to be reported under the
7 Lobbying Disclosure Act of 1995, the
8 Foreign Agents Registration Act of
9 1938 (22 U.S.C. 611 et seq.), or a
10 person whose activities are required to
11 be reported pursuant to any successor
12 Federal law which requires reporting
13 on the activities of person who is a
14 lobbyist or foreign agent;

15 “(III) a person who is prohibited
16 from making contributions under sec-
17 tion 316 or a partnership; or

18 “(IV) an officer, employee, or
19 agent of a person described in sub-
20 clause (II) or (III) acting on behalf of
21 such person.

22 “(C) The term ‘contributions arranged to
23 be made’ includes—

24 “(i)(I) contributions delivered directly
25 or indirectly to a particular candidate or

1 the candidate's authorized committee or
2 agent by the person who facilitated the
3 contribution; and

4 "(II) contributions made directly or
5 indirectly to a particular candidate or the
6 candidate's authorized committee or agent
7 that are provided at an event sponsored by
8 an intermediary or conduit described in
9 subparagraph (B).

10 "(ii) The term 'acting on behalf of
11 such person' includes the following activi-
12 ties by an officer, employee, or agent of a
13 person described in subparagraph
14 (B)(ii)(II) or (III):

15 "(I) Soliciting the making of a
16 contribution to a particular candidate
17 in the name of such a person;

18 "(II) Soliciting the making of a
19 contribution to a particular candidate
20 using other than incidental resources
21 of such a person; and

22 "(III) Soliciting contributions for
23 a particular candidate by directing a
24 significant portion of the solicitations
25 to other officers, employees, or agents

1 of such a person or the person's
2 spouse.

3 “(D) This subsection shall not prohibit—

4 “(i) fundraising efforts for the benefit
5 of a candidate that are conducted by an
6 other candidate or Federal officeholder; or

7 “(ii) the solicitation by an individual
8 using the individual's resources and acting
9 in the individual's own name of contribu-
10 tions from other persons in a manner not
11 described in subparagraphs (B) and (C).”.

12 **Subtitle E—Additional Prohibitions**
13 **on Contributions**

14 **SEC. 241. PROHIBITION OF CONTRIBUTIONS BY NONCITI-**
15 **ZENS AND OTHER INDIVIDUALS NOT QUALI-**
16 **FIED TO VOTE.**

17 (a) PROHIBITION.—Section 319 of the Federal Elec-
18 tion Campaign Act of 1971 (2 U.S.C. 441e) is amended—

19 (1) in the heading, by adding “AND INDIVID-
20 UALS NOT QUALIFIED TO REGISTER TO
21 VOTE” at the end; and

22 (2) in subsection (a)—

23 (A) by striking “(a)” and inserting
24 “(a)(1)”; and

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

3 “(2) It shall be unlawful for an individual who
4 is not qualified to register to vote in a Federal elec-
5 tion to make a contribution, or to promise expressly
6 or impliedly to make a contribution, in connection
7 with a Federal election, or for any person to solicit,
8 accept, or receive a contribution in connection with
9 a Federal election from an individual who is not
10 qualified to register to vote in a Federal election.”.

11 (b) INCLUSION IN DEFINITION OF IDENTIFICA-
12 TION.—Section 301(13) of such Act (2 U.S.C. 431(13))
13 is amended—

14 (1) in subparagraph (A), by striking “em-
15 ployer;” and inserting “employer, together with an
16 affirmation that the individual is an individual who
17 is not prohibited by section 319 from making a con-
18 tribution” after “employer”; and

19 (2) in subparagraph (B) by inserting “and an
20 affirmation that the person is a person that is not
21 prohibited by section 319 from making a contribu-
22 tion” after “such person”.

1 **Subtitle F—Coordinated and**
2 **Independent Expenditures**

3 **SEC. 251. CLARIFICATION OF DEFINITIONS RELATING TO**
4 **INDEPENDENT EXPENDITURES.**

5 (a) DEFINITION OF “INDEPENDENT EXPENDI-
6 TURE”.—Section 301(17) of the Federal Election Cam-
7 paign Act of 1971 (2 U.S.C. 431(17)) is amended to read
8 as follows:

9 “(17)(A) The term ‘independent expenditure’ means
10 an expenditure that—

11 “(i) contains express advocacy; and

12 “(ii) is made without the participation or co-
13 operation of, or without consultation with, or with-
14 out coordination with a candidate or a candidate’s
15 authorized committee or agent (within the meaning
16 of section 301(8)(A)(iii).

17 “(B) The term ‘independent expenditure’ does not in-
18 clude an expenditure or payment made in coordination
19 with a candidate (within the meaning of section
20 301(8)(A)(iii)).”.

21 (b) DEFINITION OF “EXPRESS ADVOCACY”.—Section
22 301 of such Act (2 U.S.C. 431) is amended by adding
23 at the end the following:

24 “(20)(A) Subject to subparagraph (B), the term ‘ex-
25 press advocacy’ includes—

1 “(i) a communication that conveys a message
2 that advocates the election or defeat of a clearly
3 identified candidate for Federal office by using an
4 expression such as ‘vote for,’ ‘elect,’ ‘support,’ ‘vote
5 against,’ ‘defeat,’ ‘reject,’ ‘(name of candidate) for
6 Congress’, ‘vote pro-life,’ or ‘vote pro-choice’, accom-
7 panied by a listing or picture of a clearly identified
8 candidate described as ‘pro-life’ or ‘pro-choice,’ ‘re-
9 ject the incumbent’, or a similar expression;

10 “(ii) a communication that is made through a
11 broadcast medium, newspaper, magazine, billboard,
12 direct mail, or similar type of general public commu-
13 nication or political advertising that refers to a
14 clearly identified candidate, that a reasonable person
15 would understand as advocating the election or de-
16 feat of the candidate, and that is made within 30
17 days before the date of a primary election (and is
18 targeted to the State in which the primary is occur-
19 ring), or 60 days before a general election; or

20 “(iii) a communication that is made through a
21 broadcast medium, newspaper, magazine, billboard,
22 direct mail, or similar type of general public commu-
23 nication or political advertising that refers to a
24 clearly identified candidate, that a reasonable person

1 would understand as advocating the election or de-
2 feat of a candidate, that is made before the date
3 that is 30 days before the date of a primary election,
4 or 60 days before the date of a general election, and
5 that is made for the purpose of advocating the elec-
6 tion or defeat of the candidate, as shown by 1 or
7 more factors such as a statement or action by the
8 person making the communication, the targeting or
9 placement of the communication, or the use by the
10 person making the communication of polling, demo-
11 graphic, or other similar data relating to the can-
12 didate's campaign or election.

13 “(B) The term ‘express advocacy’ does not include
14 the publication or distribution of a communication that
15 is limited solely to providing information about the voting
16 record of elected officials on legislative matters and that
17 a reasonable person would not understand as advocating
18 the election or defeat of a particular candidate.”.

19 **SEC. 252. TREATMENT OF COORDINATED EXPENDITURES**
20 **AS CONTRIBUTIONS.**

21 (a) IN GENERAL.—Section 301(8) of the Federal
22 Election Campaign Act of 1971 (2 U.S.C. 431(8)) is
23 amended—

24 (1) in subparagraph (A)—

1 (A) by striking "or" at the end of clause
2 (i);

3 (B) by striking the period at the end of
4 clause (ii) and inserting "; or"; and

5 (C) by adding at the end the following:

6 "(iii) a payment made for a commu-
7 nication or anything of value that is for
8 the purpose of influencing an election for
9 Federal office and that is a payment made
10 in coordination with a candidate."; and

11 (2) by adding at the end the following:

12 "(C) For the purposes of subparagraph
13 (A)(iii), the term 'payment made in coordina-
14 tion with a candidate' includes—

15 "(i) a payment made by a person in
16 cooperation, consultation, or concert with,
17 at the request or suggestion of, or pursu-
18 ant to any general or particular under-
19 standing with a candidate, the candidate's
20 authorized committee, or an agent acting
21 on behalf of a candidate or authorized
22 committee;

1 “(ii) a payment made by a person for
2 the dissemination, distribution, or republi-
3 cation, in whole or in part, of any broad-
4 cast or any written, graphic, or other form
5 of campaign material prepared by a can-
6 didate, a candidate’s authorized committee,
7 or an agent of a candidate or authorized
8 committee (not including a communication
9 described in subparagraph (B)(i) or a com-
10 munication that expressly advocates the
11 candidate’s defeat);

12 “(iii) a payment made based on infor-
13 mation about a candidate’s plans, projects,
14 or needs provided to the person making the
15 payment by the candidate or the can-
16 didate’s agent who provides the informa-
17 tion with a view toward having the pay-
18 ment made;

19 “(iv) a payment made by a person if,
20 in the same election cycle in which the pay-
21 ment is made, the person making the pay-
22 ment is serving or has served as a member,
23 employee, fundraiser, or agent of the can-
24 didate’s authorized committee in an execu-
25 tive or policymaking position;

1 “(v) a payment made by a person if
2 the person making the payment has served
3 in any formal policy or advisory position
4 with the candidate’s campaign or has par-
5 ticipated in strategic or policymaking dis-
6 cussions with the candidate’s campaign re-
7 lating to the candidate’s pursuit of nomi-
8 nation for election, or election, to Federal
9 office, in the same election cycle as the
10 election cycle in which the payment is
11 made; and

12 “(vi) a payment made by a person if,
13 in the same election cycle, the person mak-
14 ing the payment retains the professional
15 services of any individual or person who
16 has provided or is providing campaign-re-
17 lated services in the same election cycle to
18 a candidate in connection with the can-
19 didate’s pursuit of nomination for election,
20 or election, to Federal office, including
21 services relating to the candidate’s decision
22 to seek Federal office, and the professional
23 is retained to work on activities relating to
24 that candidate’s campaign.

1 “(D) For purposes of subparagraph
2 (C)(vi), the term ‘professional services’ includes
3 services in support of a candidate’s pursuit of
4 nomination for election, or election, to Federal
5 office such as polling, media advice, direct mail,
6 fundraising, or campaign research.

7 (b) APPLICATION FOR PURPOSES OF CONTRIBUTION
8 LIMITS.—Section 315(a)(7)(B) of such Act (2 U.S.C.
9 441a(a)(7)(B)) is amended to read as follows:

10 “(B) Payments made in coordination with
11 a candidate, as described in section
12 301(8)(A)(iii), shall be considered to be con-
13 tributions to such candidate, and in the case of
14 limitations on expenditures, shall be treated as
15 expenditures for purposes of this paragraph.

16 (c) APPLICATION FOR PURPOSES OF CONTRIBUTIONS
17 OF CORPORATIONS AND LABOR ORGANIZATIONS.—Sec-
18 tion 316(b)(2) of such Act (2 U.S.C. 441b(b)) is amended
19 by striking “shall include” and inserting “includes a con-
20 tribution or expenditure, as those terms are defined in sec-
21 tion 301, and also includes”.

1 SEC. 253. TREATMENT OF CERTAIN PARTY EXPENDITURES
2 AND COMMUNICATIONS CONTAINING EX-
3 PRESS ADVOCACY AS EXPENDITURES.

4 Section 301(9)(A) of the Federal Election Campaign
5 Act of 1971 (2 U.S.C. 431(9)(A)) is amended—

6 (1) by striking “and” at the end of clause (i);

7 (2) by striking the period at the end of clause
8 (ii) and inserting a semicolon; and

9 (3) by adding at the end the following:

10 “(iii) any payment during an election
11 year (or within 60 days before a special
12 election in a nonelection year) for a com-
13 munication that is made through any
14 broadcast medium, newspaper, magazine,
15 billboard, direct mail, or similar type of
16 general public communication or political
17 advertising by a national, State, district, or
18 local committee of a political party, includ-
19 ing a congressional campaign committee of
20 a party, that refers to a clearly identified
21 candidate; and

22 “(iv) any payment for a communica-
23 tion that contains express advocacy.”

1 SEC. 254. REPORTING REQUIREMENTS FOR CERTAIN INDE-
2 PENDENT EXPENDITURES.

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

5 (1) in paragraph (2), by striking the undesig-
6 nated matter after subparagraph (C);

7 (2) by redesignating paragraph (3) as para-
8 graph (7); and

9 (3) by inserting after paragraph (2), as amend-
10 ed by paragraph (1), the following new paragraphs:

11 “(3)(A) Any person (including a political committee)
12 making independent expenditures as defined in section
13 301(17) and (18) with respect to a candidate in an elec-
14 tion aggregating \$1,000 or more made after the 20th day,
15 but more than 24 hours, before the election shall file a
16 report within 24 hours after such independent expendi-
17 tures are made. An additional report shall be filed each
18 time independent expenditures aggregating \$1,000 are
19 made with respect to the same candidate after the latest
20 report filed under this subparagraph.

21 “(B) Any person (including a political committee)
22 making independent expenditures with respect to a can-
23 didate in an election aggregating \$10,000 or more made
24 at any time up to and including the 20th day before the
25 election shall file a report within 48 hours after such inde-
26 pendent expenditures are made. An additional report shall

1 be filed each time independent expenditures aggregating
2 \$10,000 are made with respect to the same candidate
3 after the latest report filed under this paragraph.

4 “(C) A report under subparagraph (A) or (B) shall
5 be filed with the Commission and shall identify each can-
6 didate whom the expenditure is actually intended to sup-
7 port or to oppose. Not later than 2 business days after
8 the Commission receives a report, the Commission shall
9 transmit a copy of the report to each candidate seeking
10 nomination or election to that office.

11 “(D) For purposes of this section, an independent ex-
12 penditure shall be considered to have been made upon the
13 making of any payment or the taking of any action to
14 incur an obligation for payment.

15 “(4) The Commission may, upon a request of a can-
16 didate or on its own initiative, make its own determination
17 that a person, including a political committee, has made,
18 or has incurred obligations to make, independent expendi-
19 tures with respect to any candidate in any election which
20 in the aggregate exceed the applicable amounts under
21 paragraph (3). The Commission shall notify each can-
22 didate in such election of such determination made within
23 2 business days after making it. Any determination made
24 at the request of a candidate shall be made within 48
25 hours of the request.

1 “(5) In the event that independent expenditures to-
2 taling in the aggregate \$25,000 have been made in the
3 same election in favor of another candidate or against an
4 eligible House of Representatives candidate under title V,
5 the Commission shall, within 2 business days, notify the
6 eligible candidate that such candidate is entitled under
7 section 502(g) to raise additional contributions equaling
8 the amount of such independent expenditures. At such
9 time as the aggregate amount the independent expendi-
10 tures referred to in the preceding sentence, combined with
11 the expenditures of all other candidates in such election,
12 equals 100 percent of the applicable expenditure limit with
13 respect to the election under section 502, the Commission
14 shall, within 2 business days, notify the eligible candidate
15 that such candidate is entitled under section 502(g) to
16 make the expenditures provided for in section 502(g).

17 “(6)(A) A person who reserves broadcast time the
18 payment for which would constitute an independent ex-
19 penditure within the meaning of section 301(17) shall at
20 the time of the reservation—

21 “(i) inform the broadcast licensee that payment
22 for the broadcast time will constitute an independent
23 expenditure;

24 “(ii) inform the broadcast licensee of the names
25 of all candidates for the office to which the proposed

1 broadcast relates and state whether the message to
2 be broadcast is intended to be made in support of
3 or in opposition to each such candidate; and

4 “(iii) provide the broadcast licensee a copy of
5 the report described in paragraph (3).

6 “(B) For purposes of this paragraph, the term
7 ‘broadcast’ includes any cablecast.

8 “(C) A licensee who is informed as described in sub-
9 paragraph (A) shall—

10 “(i) notify each such candidate described in
11 subparagraph (A)(ii) of the proposed making of the
12 independent expenditure; and

13 “(ii) allow any such candidate (other than a
14 candidate for whose benefit the independent expendi-
15 ture is made) to purchase the same amount of
16 broadcast time immediately after the broadcast time
17 paid for by the independent expenditure, at the cost
18 specified in section 315(b) of the Communications
19 Act of 1934, as amended by section 102 of the Bi-
20 partisan Campaign Reform Act of 1997.”.

1 **TITLE III—ENFORCEMENT AND**
2 **DISCLOSURE**

3 **SEC. 301. AUDITS.**

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

7 (1) by inserting “(1)” before “The Commis-
8 sion”; and

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

11 “(2) Notwithstanding paragraph (1), the Commission
12 may conduct random audits and investigations to ensure
13 voluntary compliance with this Act. The subjects of such
14 audits and investigations shall be selected on the basis of
15 criteria established by vote of at least 4 members of the
16 Commission to ensure impartiality in the selection process.
17 This paragraph does not apply to an authorized committee
18 of a candidate for President or Vice President subject to
19 audit under chapter 95 or 96 of the Internal Revenue
20 Code of 1986.”.

21 (b) **EXTENSION OF PERIOD DURING WHICH CAM-**
22 **PAIGN AUDITS MAY BE BEGUN.**—Section 311(b) of the
23 Federal Election Campaign Act of 1971 (2 U.S.C. 438(b))
24 is amended by striking out “6 months” and inserting in
25 lieu thereof “12 months”.

1 SEC. 302. CHANGE IN CERTAIN REPORTING FROM A CAL-
2 ENDAR YEAR BASIS TO AN ELECTION CYCLE
3 BASIS.

4 (a) IN GENERAL.—Paragraphs (2), (3), (4), (6), and
5 (7) of section 304(b) of the Federal Election Campaign
6 Act of 1971 (2 U.S.C. 434(b)(2)–(7)) are amended by in-
7 serting “(election cycle, in the case of an authorized com-
8 mittee of a candidate for Federal office)” after “calendar
9 year” each place it appears.

10 (b) ELECTION CYCLE DEFINED.—Section 301 of
11 such Act (2 U.S.C. 431), as amended by section 251(b),
12 is amended by adding at the end the following:

13 “(21) The term ‘election cycle’ means—

14 “(A) in the case of a candidate or the au-
15 thorized committees of a candidate, the period
16 beginning on the day after the date of the most
17 recent general election for the specific office or
18 seat that the candidate seeks and ending on the
19 date of the next general election for that office
20 or seat; and

21 “(B) in the case of all other persons, the
22 period beginning on the first day following the
23 date of the last general election and ending on
24 the date of the next general election.”.

1 SEC. 303. DISCLOSURE OF PERSONAL AND CONSULTING
2 SERVICES.

3 (a) REPORTING BY POLITICAL COMMITTEES.—Sec-
4 tion 304(b)(5)(A) of the Federal Election Campaign Act
5 of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by adding
6 before the semicolon at the end the following: “, except
7 that if a person to whom an expenditure is made by a
8 candidate or the candidate’s authorized committees is
9 merely providing personal or consulting services and is in
10 turn making expenditures to other persons (not including
11 its owners or employees) who provide goods or services to
12 the candidate or the candidate’s authorized committees,
13 the name and address of such other person, together with
14 the date, amount, and purpose of such expenditure shall
15 also be disclosed”.

16 (b) RECORDKEEPING AND REPORTING BY PERSONS
17 TO WHOM EXPENDITURES ARE PASSED THROUGH.—Sec-
18 tion 302 of the Federal Election Campaign Act of 1971
19 (2 U.S.C. 432) is amended by adding at the end the fol-
20 lowing new subsection:

21 “(j) The person described in section 304(b)(5)(A)
22 who is providing personal or consulting services and who
23 is in turn making expenditures to other persons (not in-
24 cluding employees) for goods or services provided to a can-
25 didate shall maintain records of and shall provide to a po-
26 litical committee the information necessary to enable the

1 political committee to report the information described in
2 section 304(b)(5)(A).”.

3 **SEC. 304. INDEPENDENT LITIGATION AUTHORITY.**

4 Section 306(f)(4) of the Federal Election Campaign
5 Act of 1971 (2 U.S.C. 437c(f)(4)) is amended to read as
6 follows:

7 “(4)(A) Notwithstanding the provisions of para-
8 graph (2) or of any other provision of law, the Com-
9 mission is authorized to appear on its own behalf in
10 any action related to the exercise of its statutory du-
11 ties or powers in any court as either a party or as
12 amicus curiae, either—

13 “(i) by attorneys employed in its office, or

14 “(ii) by counsel whom it may appoint, on
15 a temporary basis as may be necessary for such
16 purpose, without regard to the provisions of
17 title 5, United States Code, governing appoint-
18 ments in the competitive service, and whose
19 compensation it may fix without regard to the
20 provisions of chapter 51 and subchapter III of
21 chapter 53 of such title, and whose compensa-
22 tion shall be paid out of any funds otherwise
23 available to pay the compensation of employees
24 of the Commission.

1 “(B) The authority granted under subpara-
2 graph (A) includes the power to appeal from, and
3 petition the Supreme Court for certiorari to review,
4 judgments or decrees entered with respect to actions
5 in which the Commission appears pursuant to the
6 authority provided in this section.”.

7 **SEC. 305. TERM LIMITS FOR FEDERAL ELECTION COMMIS-**
8 **SION.**

9 Section 306 of the Federal Election Campaign Act
10 of 1971 (2 U.S.C. 437c(a)(2)(A)) is amended by striking
11 “terms” and inserting in lieu thereof “no more than one
12 term”.

13 **SEC. 306. AUTHORITY TO SEEK INJUNCTION.**

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

16 (1) by adding at the end the following new
17 paragraph:

18 “(13)(A) If, at any time in a proceeding described
19 in paragraph (1), (2), (3), or (4), the Commission believes
20 that—

21 “(i) there is a substantial likelihood that a vio-
22 lation of this Act is occurring or is about to occur;

23 “(ii) the failure to act expeditiously will result
24 in irreparable harm to a party affected by the poten-
25 tial violation;

1 “(iii) expeditious action will not cause undue
2 harm or prejudice to the interests of others; and

3 “(iv) the public interest would be best served by
4 the issuance of an injunction,

5 the Commission may initiate a civil action for a temporary
6 restraining order or a temporary injunction pending the
7 outcome of the proceedings described in paragraphs (1),
8 (2), (3), and (4).

9 “(B) An action under subparagraph (A) shall be
10 brought in the United States district court for the district
11 in which the defendant resides, transacts business, or may
12 be found, or in which the violation is occurring, has oc-
13 curred, or is about to occur.”;

14 (2) in paragraph (7), by striking “(5) or (6)”
15 and inserting “(5), (6), or (13)”;

16 (3) in paragraph (11), by striking “(6)” and in-
17 serting “(6) or (13)”.

18 **SEC. 307. EXPEDITED PROCEDURES.**

19 Section 309(a) of Federal Election Campaign Act of
20 1971 (2 U.S.C. 437g(a)), as amended by section 306, is
21 further amended by adding at the end the following new
22 paragraph:

23 “(14)(A) If the complaint in a proceeding was filed
24 within 60 days immediately preceding a general election,

1 the Commission may take action described in this sub-
2 paragraph.

3 “(B) If the Commission determines, on the basis of
4 facts alleged in the complaint and other facts available to
5 it, that there is clear and convincing evidence that a viola-
6 tion of this Act has occurred, is occurring, or is about to
7 occur and it appears that the requirements for relief stat-
8 ed in paragraph (13)(A) (ii), (iii), and (iv) are met, the
9 Commission may—

10 “(i) order expedited proceedings, shortening the
11 time periods for proceedings under paragraphs (1),
12 (2), (3), and (4) as necessary to allow the matter to
13 be resolved in sufficient time before the election to
14 avoid harm or prejudice to the interests of the par-
15 ties; or

16 “(ii) if the Commission determines that there is
17 insufficient time to conduct proceedings before the
18 election, immediately seek relief under paragraph
19 (13)(A).

20 “(C) If the Commission determines, on the basis of
21 facts alleged in the complaint and other facts available to
22 it, that the complaint is clearly without merit, the Com-
23 mission may—

24 “(i) order expedited proceedings, shortening the
25 time periods for proceedings under paragraphs (1),

1 (2), (3), and (4) as necessary to allow the matter to
2 be resolved in sufficient time before the election to
3 avoid harm or prejudice to the interests of the par-
4 ties; or

5 “(ii) if the Commission determines that there is
6 insufficient time to conduct proceedings before the
7 election, summarily dismiss the complaint.”

8 **SEC. 308. INCREASE IN PENALTY FOR KNOWING AND WILL-**
9 **FUL VIOLATIONS.**

10 (a) VIOLATION UNDER CONCILIATION AGREE-
11 MENT.—Section 308(a)(5)(B) of the Federal Election
12 Campaign Act of 1971 (2 U.S.C. 437g(a)(5)(B)) is
13 amended by striking “the greater of \$10,000 or an
14 amount equal to 200 percent” and inserting “the greater
15 of \$15,000 or an amount equal to 300 percent”.

16 (b) VIOLATION UNDER CIVIL ACTION.—Section
17 308(a)(6)(B) of such Act (2 U.S.C. 437g(a)(6)(C)) is
18 amended by striking “the greater of \$10,000 or an
19 amount equal to 200 percent” and inserting “the greater
20 of \$15,000 or an amount equal to 300 percent”.

1 SEC. 309. MANDATORY ELECTRONIC FILING AND PRESER-
2 VATION OF FEDERAL ELECTION COMMISSION
3 REPORTS.

4 (a) IN GENERAL.—Subsection 304(a)(11)(A) of the
5 Federal Election Campaign Act of 1971 (2 U.S.C.
6 434(a)(11)(A)) is amended—

7 (1) by striking out “permit reports required by”
8 and inserting in lieu thereof “require reports
9 under”; and

10 (2) by adding at the end the following new sen-
11 tences: “With respect to reports of amounts of con-
12 tributions, amounts of expenditures, or other dollar
13 amounts, the Commission may provide for excep-
14 tions to the requirement of the preceding sentence in
15 the case of small amounts, the levels of which the
16 Commission shall prescribe by regulation. Such ex-
17 ceptions shall permit filing and preservation by
18 means of electronic format or method by persons to
19 whom the exceptions apply.”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 subsection (a) shall apply with respect to reports for peri-
22 ods beginning after the expiration of the 60-day period
23 which begins on the date of the enactment of this Act.

1 **TITLE IV—MISCELLANEOUS**
2 **PROVISIONS**

3 **SEC. 401. RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR**
4 **PERSONAL PURPOSES.**

5 (a) RESTRICTIONS ON USE OF CAMPAIGN FUNDS.—
6 Title III of the Federal Election Campaign Act of 1971
7 (2 U.S.C. 431 et seq.), as amended by sections 202 and
8 211, is further amended by adding at the end the following
9 new section:

10 “RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR
11 PERSONAL PURPOSES

12 “SEC. 325. (a) IN GENERAL.—An individual who re-
13 ceives contributions as a candidate for Federal office—

14 “(1) shall use such contributions only for legiti-
15 mate and verifiable campaign expenses; and

16 “(2) shall not use such contributions for any in-
17 herently personal purpose.

18 “(b) DEFINITIONS.—As used in this subsection—

19 “(1) the term ‘campaign expenses’ means ex-
20 penses attributable solely to bona fide campaign pur-
21 poses; and

22 “(2) the term ‘inherently personal purpose’
23 means a purpose that, by its nature, confers a per-
24 sonal benefit, including a home mortgage, rent, or
25 utility payment, clothing purchase, noncampaign

1 automobile expense, country club membership, vaca-
2 tion, or trip of a noncampaign nature, household
3 food items, tuition payments, admission to a sport-
4 ing event, concert, theater, or other form of enter-
5 tainment not associated with a campaign, dues, fees,
6 or contributions to a health club or recreational fa-
7 cility, and any other inherently personal living ex-
8 pense as determined under the regulations promul-
9 gated pursuant to section 301(b) of the Bipartisan
10 Clean Congress Act of 1997.”.

11 (b) REGULATIONS.—Not later than 90 days after the
12 date of enactment of this Act, the Federal Election Com-
13 mission shall promulgate regulations consistent with this
14 Act to implement subsection (a). Such regulations shall
15 apply to all contributions possessed by an individual on
16 the date of enactment of this Act.

17 **SEC. 402. CAMPAIGN ADVERTISING AMENDMENTS.**

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

20 (1) in subsection (a)—

21 (A) in the matter preceding paragraph

22 (1)—

23 (i) by striking “Whenever” and insert-
24 ing “Whenever a political committee makes

1 a disbursement for the purpose of financ-
2 ing any communication through any broad-
3 casting station, newspaper, magazine, out-
4 door advertising facility, mailing, phone
5 bank or any other type of general public
6 political advertising, or whenever”;

7 (ii) by striking “an expenditure” and
8 inserting “a disbursement”; and

9 (iii) by striking “direct”; and

10 (B) in paragraph (3), by inserting “and
11 permanent street address” after “name”; and

12 (2) by adding at the end the following new sub-
13 sections:

14 “(c) Any printed communication described in sub-
15 section (a) shall be—

16 “(1) of sufficient type size to be clearly read-
17 able by the recipient of the communication;

18 “(2) contained in a printed box set apart from
19 the other contents of the communication; and

20 “(3) consist of a reasonable degree of color con-
21 trast between the background and the printed state-
22 ment.

23 “(d)(1) Any broadcast or cablecast communication
24 described in subsection (a)(1) or subsection (a)(2) shall

1 include, in addition to the requirements of those sub-
2 sections, an audio statement by the candidate that identi-
3 fies the candidate and states that the candidate is respon-
4 sible for the content of the advertisement.

5 “(2) If a broadcast or cablecast communication de-
6 scribed in paragraph (1) is broadcast or cablecast by
7 means of television, the communication shall include, in
8 addition to the audio statement under paragraph (1), a
9 written statement which—

10 “(A) appears at the end of the communication
11 in a clearly readable manner with a reasonable de-
12 gree of color contrast between the background and
13 the printed statement, for a period of at least 4 sec-
14 onds; and

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

17 “(e) Any broadcast or cablecast communication de-
18 scribed in subsection (a)(3) shall include, in addition to
19 the requirements of those subsections, in a clearly spoken
20 manner, the following statement: ‘_____ is
21 responsible for the content of this advertisement.’ (with
22 the blank to be filled in with the name of the political
23 committee or other person paying for the communication
24 and the name of any connected organization of the payor).

1 If broadcast or cablecast by means of television, the state-
2 ment shall also appear in a clearly readable manner with
3 a reasonable degree of color contrast between the back-
4 ground and the printed statement, for a period of at least
5 4 seconds.”.

6 **SEC. 403. USE OF CANDIDATES' NAMES.**

7 Section 302(e)(4) of the Federal Election Campaign
8 Act of 1971 (2 U.S.C. 432(e)(4)) is amended to read as
9 follows:

10 “(4)(A) The name of each authorized committee shall
11 include the name of the candidate who authorized the com-
12 mittee under paragraph (1).

13 “(B) A political committee which is not an authorized
14 committee may not—

15 “(i) include the name of any candidate in its
16 name; or

17 “(ii) except in the case of a national, State, or
18 local party committee, use the name of any can-
19 didate in any activity on behalf of such committee
20 in such a context as to suggest that the committee
21 is an authorized committee of the candidate or that
22 the use of the candidate’s name has been authorized
23 by the candidate.”.

1 SEC. 404. REPORTING REQUIREMENTS.

2 (a) OPTION TO FILE MONTHLY REPORTS.—Section
3 304(a)(2) of the Federal Election Campaign Act of 1971
4 (2 U.S.C. 434(a)(2)) is amended—

5 (1) in subparagraph (A) by striking “and” at
6 the end;

7 (2) in subparagraph (B) by striking the period
8 at the end and inserting “; and”; and

9 (3) by inserting the following new subparagraph
10 at the end:

11 “(C) in lieu of the reports required by subpara-
12 graphs (A) and (B), the treasurer may file monthly
13 reports in all calendar years, which shall be filed no
14 later than the 20th day after the last day of the
15 month and shall be complete as of the last day of
16 the month, except that, in lieu of filing the reports
17 otherwise due in November and December of any
18 year in which a regularly scheduled general election
19 is held, a pre-primary election report and a pre-gen-
20 eral election report shall be filed in accordance with
21 subparagraph (A)(i), a post-general election report
22 shall be filed in accordance with subparagraph
23 (A)(ii), and a year end report shall be filed no later
24 than January 31 of the following calendar year.”

25 (b) POLITICAL COMMITTEES.—Section 304(a)(4) of
26 the Federal Election Campaign Act of 1971 (2 U.S.C.

1 434(a)(4)) is amended in subparagraph (A)(i) by inserting
2 “, and except that if at any time during the election year
3 a committee receives contributions in excess of \$100,000
4 or makes disbursements in excess of \$100,000, monthly
5 reports on the 20th day of each month after the month
6 in which that amount of contributions is first received or
7 that amount of disbursements is first anticipated to be
8 made during that year” before the semicolon.

9 (c) INCOMPLETE OR FALSE CONTRIBUTOR INFORMA-
10 TION.—Section 302(i) of the Federal Election Campaign
11 Act of 1971 (2 U.S.C. 432(i)) is amended—

12 (1) by inserting “(1)” after “(i)”;

13 (2) by striking “submit” and inserting “re-
14 port”; and

15 (3) by adding at the end the following new
16 paragraph:

17 “(2) A treasurer shall be considered to have used best
18 efforts under this section only if—

19 “(A) all written solicitations include a clear and
20 conspicuous request for the contributor’s identifica-
21 tion and inform the contributor of the committee’s
22 obligation to report the identification in a statement
23 prescribed by the Commission;

24 “(B) the treasurer makes at least 1 additional
25 request for the contributor’s identification for each

1 contribution received that aggregates in excess of
2 \$200 per calendar year and which does not contain
3 all of the information required by this Act; and

4 “(C) the treasurer reports all information in the
5 committee’s possession regarding contributor identi-
6 fications.”.

7 (d) WAIVER.—Section 304 of the Federal Election
8 Campaign Act of 1971 (2 U.S.C. 434), as amended by
9 sections 105, 213(a), 213(c), and 221, is further amended
10 by adding at the end the following new subsection:

11 “(j) The Commission may relieve any category of po-
12 litical committees of the obligation to file 1 or more re-
13 ports required by this section, or may change the due
14 dates of such reports, if it determines that such action
15 is consistent with the purposes of this Act. The Commis-
16 sion may waive requirements to file reports in accordance
17 with this subsection through a rule of general applicability
18 or, in a specific case, may waive or extend the due date
19 of a report by notifying all political committees affected.”.

20 **SEC. 405. SIMULTANEOUS REGISTRATION OF CANDIDATE**
21 **AND CANDIDATE’S PRINCIPAL CAMPAIGN**
22 **COMMITTEE.**

23 Section 303(a) of the Federal Election Campaign Act
24 of 1971 (2 U.S.C. 433(a)) is amended in the first sentence

1 by striking "no later than 10 days after designation" and
2 inserting "on the date of its designation".

3 **SEC. 406. INSOLVENT POLITICAL COMMITTEES.**

4 Section 303(d) of the Federal Election Campaign Act
5 of 1971 (2 U.S.C. 433(d)) is amended by adding at the
6 end the following new paragraph:

7 "(3) Proceedings by the Commission under para-
8 graph (2) constitute the sole means, to the exclusion of
9 proceeding under title 11, United States Code, by which
10 a political committee that is determined by the Commis-
11 sion to be insolvent may compromise its debts, liquidate
12 its assets, and terminate its existence."

13 **SEC. 407. REGULATIONS RELATING TO USE OF NON-FED-**
14 **ERAL MONEY.**

15 Section 306 of the Federal Election Campaign Act
16 of 1971 (2 U.S.C. 437c) is amended by adding at the end
17 the following new subsection:

18 "(g) The Commission shall promulgate regulations to
19 prohibit devices or arrangements which have the purpose
20 or effect of undermining or evading the provisions of this
21 Act restricting the use of non-Federal money to affect
22 Federal elections."

1 SEC. 408. BAN ON FRANKING FOR UNSOLICITED MASS
2 MAILINGS MAILED DURING ELECTION YEAR.

3 (a) IN GENERAL.—Section 3210(a)(6)(A) of title 39,
4 United States Code, is amended—

5 (1) in clause (i), by striking “fewer than 60
6 days” and all that follows through “or runoff)” and
7 inserting “during the year in which the date of any
8 election occurs”; and

9 (2) in clause (ii)(II), by striking “fewer than 90
10 days” and all that follows through “or runoff)” and
11 inserting “during the year in which the date of any
12 election occurs”.

13 (b) ADDITIONAL MAILINGS EXEMPT FROM TREAT-
14 MENT AS MASS MAILINGS.—Section 3210(a)(6)(E) of title
15 39, United States Code, is amended—

16 (1) in clause (i), by striking the semicolon at
17 the end and inserting the following: “, together with
18 a single follow-up to any such direct response, if it
19 is made before the end of the Congress in which the
20 direct response was made and if it occurs within 6
21 weeks after any significant congressional action (as
22 defined by the House Commission on Congressional
23 Mailing Standards) on the subject matter involved;”;

24 (2) in clause (ii), by striking “or” at the end;

25 (3) in clause (iii) by striking the period at the
26 end and inserting “; or”; and

1 (4) by adding at the end the following new
2 clause:

3 “(iv) any mailing described in clause (iv) or (v)
4 of section 6(b)(1)(B) of the Legislative Branch Ap-
5 propriations Act, 1995, subject to the same restric-
6 tion as specified in such clause (iv) with respect to
7 a Member of the Senate.”.

8 **SEC. 409. INTENT OF CONGRESS.**

9 It is the intent of Congress that any funds realized
10 by section 409 shall be designated to pay for reduced post-
11 age rates for eligible House of Representatives candidates
12 under section 3626(e) of title 39, United States Code (as
13 amended by section 103).

14 **SEC. 410. SEVERABILITY.**

15 If any provision of this Act, an amendment made by
16 this Act, or the application of such provision or amend-
17 ment to any other person or circumstance is held to be
18 unconstitutional, the remainder of this Act, the amend-
19 ments made by this Act, and the application of the provi-
20 sions of such to any other person or circumstance shall
21 not be affected thereby.

22 **SEC. 411. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.**

23 (a) **DIRECT APPEAL TO SUPREME COURT.**—An ap-
24 peal may be taken directly to the Supreme Court of the

1 United States from any interlocutory order or final judg-
2 ment, decree, or order issued by any court ruling on the
3 constitutionality of any provision of this Act or amend-
4 ment made by this Act.

5 (b) ACCEPTANCE AND EXPEDITION.—The Supreme
6 Court shall, if it has not previously ruled on the question
7 addressed in the ruling below, accept jurisdiction over, ad-
8 vance on the docket, and expedite the appeal to the great-
9 est extent possible.

10 **SEC. 412. EFFECTIVE DATE.**

11 Except as otherwise provided in this Act, the amend-
12 ments made by, and the provisions of, this Act shall take
13 effect 60 days after the date of the enactment of this Act.

14 **SEC. 413. REGULATIONS.**

15 The Federal Election Commission shall prescribe any
16 regulations required to carry out this Act not later than
17 9 months after the effective date of this Act.