

105TH CONGRESS  
1ST SESSION

# H. R. 2199

To reform the financing of Federal elections.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 17, 1997

Mr. TIERNEY (for himself, Ms. KAPTUR, Mr. MILLER of California, Mr. NADLER, Mr. DEFAZIO, Mr. LEWIS of Georgia, Mr. GEJDENSON, Ms. MCKINNEY, Mr. WEYGAND, Mr. KIND, Mr. MEEHAN, Mr. DELAHUNT, Mr. FORD, Mr. HINCHEY, Mr. SANDERS, Mr. KUCINICH, Mr. McDERMOTT, Mr. MARKEY, Mr. OLVER, Mr. BLUMENAUER, Mr. BARRETT of Wisconsin, Mr. BLAGOJEVICH, Mr. JACKSON of Illinois, Ms. ESHOO, Ms. PELOSI, Mr. MORAN of Virginia, and Ms. DELAURO) introduced the following bill; which was referred to the Committee on House Oversight, and in addition to the Committees on Commerce, and Government Reform and Oversight, 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

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## A BILL

To reform the financing of Federal elections.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Clean Money, Clean Elections Act”.

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

Sec. 1. Short title; table of contents.

TITLE I—CLEAN MONEY FINANCING OF HOUSE ELECTION  
CAMPAIGNS

Sec. 101. Findings and declarations.

Sec. 102. Eligibility requirements and benefits of clean money financing of  
House election campaigns.

“TITLE V—CLEAN MONEY FINANCING OF HOUSE ELECTION  
CAMPAIGNS

“Sec. 501. Definitions.

“Sec. 502. Eligibility for clean money.

“Sec. 503. Requirements applicable to clean money candidates.

“Sec. 504. Seed money.

“Sec. 505. Certification by Commission.

“Sec. 506. Benefits for clean money candidates.

“Sec. 507. Administration of clean money.

“Sec. 508. Expenditures made from funds other than clean money.

“Sec. 509. Authorization of appropriations.

Sec. 103. Reporting requirements for expenditures of private money candidates.

Sec. 104. Transition rule for current election cycle.

TITLE II—INDEPENDENT EXPENDITURES; COORDINATED  
POLITICAL PARTY EXPENDITURES

Sec. 201. Reporting requirements for independent expenditures.

Sec. 202. Definition of independent expenditure.

Sec. 203. Limit on expenditures by political party committees.

Sec. 204. Party independent expenditures and other coordinated expenditures.

TITLE III—VOTER INFORMATION

Sec. 301. Free broadcast time.

Sec. 302. Broadcast rates and preemption.

Sec. 303. Campaign advertising.

Sec. 304. Limit on Congressional use of the franking privilege.

TITLE IV—SOFT MONEY OF POLITICAL PARTY COMMITTEES

Sec. 401. Soft money of political party committees.

Sec. 402. State party grassroots funds.

Sec. 403. Reporting requirements.

TITLE V—RESTRUCTURING AND STRENGTHENING OF THE  
FEDERAL ELECTION COMMISSION

Sec. 501. Appointment and terms of Commissioners.

Sec. 502. Audits.

Sec. 503. Authority to seek injunction.

Sec. 504. Standard for investigation.

Sec. 505. Petition for certiorari.

Sec. 506. Expedited procedures.

Sec. 507. Filing of reports using computers and facsimile machines.

Sec. 508. Power to issue subpoena without signature of chairperson.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Severability.  
Sec. 602. Review of constitutional issues.  
Sec. 603. Effective date.

1 **TITLE I—CLEAN MONEY FINANC-**  
2 **ING OF HOUSE ELECTION**  
3 **CAMPAIGNS**

4 **SEC. 101. FINDINGS AND DECLARATIONS.**

5 (a) UNDERMINING OF DEMOCRACY BY CAMPAIGN  
6 CONTRIBUTIONS FROM PRIVATE SOURCES.—The Con-  
7 gress finds and declares that the current system of pri-  
8 vately financed campaigns for election to the House of  
9 Representatives has the capacity, and is often perceived  
10 by the public, to undermine democracy in the United  
11 States by—

12 (1) violating the democratic principle of “one  
13 person, one vote” and diminishing the meaning of  
14 the right to vote by allowing monied interests to  
15 have a disproportionate and unfair influence within  
16 the political process;

17 (2) diminishing or giving the appearance of di-  
18 minishing a Member of the House of Representa-  
19 tives’ accountability to constituents by compelling  
20 legislators to be accountable to the major contribu-  
21 tors who finance their election campaigns;

22 (3) creating a conflict of interest, perceived or  
23 real, by encouraging Members to take money from

1 private interests that are directly affected by Federal  
2 legislation;

3 (4) imposing large, unwarranted costs on tax-  
4 payers through legislative and regulatory outcomes  
5 shaped by unequal access to lawmakers for cam-  
6 paign contributors;

7 (5) driving up the cost of election campaigns,  
8 making it difficult for qualified candidates without  
9 personal fortunes or access to campaign contribu-  
10 tions from monied individuals and interest groups to  
11 mount competitive House of Representatives election  
12 campaigns;

13 (6) disadvantaging challengers, because large  
14 campaign contributors tend to give their money to  
15 incumbent Members, thus causing House of Rep-  
16 resentatives elections to be less competitive; and

17 (7) burdening incumbents with a preoccupation  
18 with fundraising and thus decreasing the time avail-  
19 able to carry out their public responsibilities.

20 (b) ENHANCEMENT OF DEMOCRACY BY PROVIDING  
21 CLEAN MONEY.—Congress finds and declares that provid-  
22 ing the option of the replacement of private campaign con-  
23 tributions with clean money financing for all primary, run-  
24 off, and general elections to the House of Representatives  
25 would enhance American democracy by—

1           (1) helping to eliminate access to wealth as a  
2           determinant of a citizen’s influence within the politi-  
3           cal process and to restore meaning to the principle  
4           of “one person, one vote”;

5           (2) increasing the public’s confidence in the ac-  
6           countability of Members to the constituents who  
7           elect them;

8           (3) eliminating the potentially inherent conflict  
9           of interest caused by the private financing of the  
10          election campaigns of public officials, thus restoring  
11          public confidence in the fairness of the electoral and  
12          legislative processes;

13          (4) reversing the escalating cost of elections  
14          and saving taxpayers billions of dollars that are (or  
15          that are perceived to be) currently misspent due to  
16          legislative and regulatory agendas skewed by the in-  
17          fluence of contributions;

18          (5) creating a more level playing field for in-  
19          cumbents and challengers, creating genuine opportu-  
20          nities for all Americans to run for the House of Rep-  
21          resentatives, and encouraging more competitive elec-  
22          tions; and

23          (6) freeing Members from the constant pre-  
24          occupation with raising money, and allowing them  
25          more time to carry out their public responsibilities.

1 **SEC. 102. ELIGIBILITY REQUIREMENTS AND BENEFITS OF**  
 2 **CLEAN MONEY FINANCING OF HOUSE ELEC-**  
 3 **TION CAMPAIGNS.**

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

7 **“TITLE V—CLEAN MONEY FI-**  
 8 **NANCING OF HOUSE ELEC-**  
 9 **TION CAMPAIGNS**

10 **“SEC. 501. DEFINITIONS.**

11 “In this title:

12 “(1) **ALLOWABLE CONTRIBUTION.**—The term  
 13 ‘allowable contribution’ means a qualifying contribu-  
 14 tion or seed money contribution.

15 “(2) **CLEAN MONEY.**—The term ‘clean money’  
 16 means funds that are made available by the Com-  
 17 mission to a clean money candidate under this title.

18 “(3) **CLEAN MONEY CANDIDATE.**—The term  
 19 ‘clean money candidate’ means a candidate for Mem-  
 20 ber of or Delegate or Resident Commissioner to the  
 21 Congress who is certified under section 505 as being  
 22 eligible to receive clean money.

23 “(4) **CLEAN MONEY QUALIFYING PERIOD.**—The  
 24 term ‘clean money qualifying period’ means the pe-  
 25 riod beginning on the date that is 180 days before  
 26 the date of the primary election and ending on the

1 date that is 30 days before the date of the general  
2 election. In the event of a special election, the clean  
3 money qualifying period shall begin on the earlier  
4 date of either the date that is 180 days before the  
5 date of the special election or on the date of an-  
6 nouncement of such special election date if same as  
7 within 180 days of the date of the special election.  
8 It shall end on the date that is 30 days before the  
9 date of the special election.

10 “(5) GENERAL ELECTION PERIOD.—The term  
11 ‘general election period’ means, with respect to a  
12 candidate, the period beginning on the day after the  
13 date of the primary or primary runoff election for  
14 the specific office that the candidate is seeking,  
15 whichever is later, and ending on the earlier of—

16 “(A) the date of the general election; or

17 “(B) the date on which the candidate with-  
18 draws from the campaign or otherwise ceases  
19 actively to seek election.

20 “(6) GENERAL RUNOFF ELECTION PERIOD.—  
21 The term ‘general runoff election period’ means,  
22 with respect to a candidate, the period beginning on  
23 the day following the date of the last general election  
24 for the specific office that the candidate is seeking

1 and ending on the date of the runoff election for  
2 that office.

3 “(7) HOUSE OF REPRESENTATIVES ELECTION  
4 FUND.—The term ‘House of Representatives Elec-  
5 tion Fund’ means the fund established by section  
6 507(a).

7 “(8) IMMEDIATE FAMILY.—The term ‘imme-  
8 diate family’ means—

9 “(A) a candidate’s spouse;

10 “(B) a child, stepchild, parent, grand-  
11 parent, brother, half-brother, sister, or half-sis-  
12 ter of the candidate or the candidate’s spouse;  
13 and

14 “(C) the spouse of any person described in  
15 subparagraph (B).

16 “(9) MAJOR PARTY CANDIDATE.—The term  
17 ‘major party candidate’ means a candidate of a po-  
18 litical party of which a candidate for Member of or  
19 Delegate or Resident Commissioner to the Congress,  
20 for President, or for Governor in the preceding 5  
21 years received, as a candidate of that party, 25 per-  
22 cent or more of the total number of popular votes  
23 received in the State (or Congressional district, if  
24 applicable) by all candidates for the same office.



1           “(10) PERSONAL FUNDS.—The term ‘personal  
2 funds’ means an amount that is derived from—

3           “(A) the personal funds of the candidate  
4 or a member of the candidate’s immediate fam-  
5 ily; and

6           “(B) proceeds of indebtedness incurred by  
7 the candidate or a member of the candidate’s  
8 immediate family.

9           “(11) PERSONAL USE.—

10           “(A) IN GENERAL.—The term ‘personal  
11 use’ means the use of funds to fulfill a commit-  
12 ment, obligation, or expense of a person that  
13 would exist irrespective of the candidate’s elec-  
14 tion campaign or individual’s duties as a holder  
15 of Federal office.

16           “(B) INCLUSIONS.—The term ‘personal  
17 use’ includes, but is not limited to—

18           “(i) a home mortgage, rent, or utility  
19 payment;

20           “(ii) a clothing purchase;

21           “(iii) a noncampaign-related auto-  
22 mobile expense;

23           “(iv) a country club membership;

24           “(v) a vacation or other noncampaign-  
25 related trip;

1 “(vi) a household food item;

2 “(vii) a tuition payment;

3 “(viii) admission to a sporting event,  
4 concert, theater, or other form of enter-  
5 tainment not associated with an election  
6 campaign; and

7 “(ix) dues, fees, and other payments  
8 to a health club or recreational facility.

9 “(12) PRIMARY ELECTION PERIOD.—The term  
10 ‘primary election period’ means the period beginning  
11 on the date that is 90 days before the date of the  
12 primary election and ending on the date of the pri-  
13 mary election. In the event of a special primary elec-  
14 tion, if applicable, the term ‘primary election period’  
15 means the period beginning on the date that is the  
16 longer of 90 days before the date of such special pri-  
17 mary election, or the date of establishment by the  
18 appropriate election authority of the special primary  
19 election date and ending on the date of the special  
20 primary election.

21 “(13) PRIMARY RUNOFF ELECTION PERIOD.—  
22 The term ‘primary runoff election period’ means,  
23 with respect to a candidate, the period beginning on  
24 the day following the date of the last primary elec-  
25 tion for the specific office that the candidate is seek-

1 ing and ending on the date of the runoff election for  
2 that office.

3 “(14) PRIVATE MONEY CANDIDATE.—The term  
4 ‘private money candidate’ means a candidate for  
5 Member of or Delegate or Resident Commissioner to  
6 the Congress other than a clean money candidate.

7 “(15) QUALIFYING CONTRIBUTION.—The term  
8 ‘qualifying contribution’ means a contribution that—

9 “(A) is in the amount of \$5 exactly;

10 “(B) is made by an individual who is reg-  
11 istered to vote in the candidate’s State;

12 “(C) is made during the clean money  
13 qualifying period; and

14 “(D) meets the requirements of section  
15 502(a)(2)(D).

16 “(16) SEED MONEY CONTRIBUTION.—The term  
17 ‘seed money contribution’ means a contribution (or  
18 contributions in the aggregate made by any 1 per-  
19 son) of not more than \$100.

20 “(17) STATE.—The term ‘State’ includes the  
21 District of Columbia, Puerto Rico, the Virgin Is-  
22 lands, American Samoa, and Guam.

23 **“SEC. 502. ELIGIBILITY FOR CLEAN MONEY.**

24 “(a) PRIMARY ELECTION PERIOD AND PRIMARY  
25 RUNOFF ELECTION PERIOD.—

1           “(1) IN GENERAL.—A candidate qualifies as a  
2 clean money candidate during the primary election  
3 period and primary runoff election period if the can-  
4 didate files with the Commission a declaration,  
5 signed by the candidate and the treasurer of the  
6 candidate’s principal campaign committee, that the  
7 candidate—

8           “(A) has complied and will comply with all  
9 of the requirements of this title;

10           “(B) will not run in the general election as  
11 a private money candidate; and

12           “(C) meets the qualifying contribution re-  
13 quirement of paragraph (2).

14           “(2) QUALIFYING CONTRIBUTION REQUIRE-  
15 MENT.—

16           “(A) MAJOR PARTY CANDIDATES AND CER-  
17 TAIN INDEPENDENT CANDIDATES.—The re-  
18 quirement of this paragraph is met if, during  
19 the clean money qualifying period, a major  
20 party candidate (or an independent candidate  
21 who meets the minimum vote percentage re-  
22 quired for a major party candidate under sec-  
23 tion 501(9)) receives 1,500 qualifying contribu-  
24 tions.

1           “(B) OTHER CANDIDATES.—The require-  
2           ment of this paragraph is met if, during the  
3           clean money qualifying period, a candidate who  
4           is not described in subparagraph (A) receives a  
5           number of qualifying contributions that is at  
6           least 150 percent of the number of qualifying  
7           contributions that a candidate described in sub-  
8           paragraph (A) in the same election is required  
9           to receive under subparagraph (A).

10           “(C) RECEIPT OF QUALIFYING CONTRIBU-  
11           TION.—A qualifying contribution shall—

12                   “(i) be accompanied by the contribu-  
13                   tor’s name and home address;

14                   “(ii) be accompanied by a signed  
15                   statement that the contributor understands  
16                   the purpose of the qualifying contribution;

17                   “(iii) be made by a personal check or  
18                   money order payable to the House of Rep-  
19                   resentatives Election Fund or by cash; and

20                   “(iv) be acknowledged by a receipt  
21                   that is sent to the contributor with a copy  
22                   kept by the candidate for the Commission  
23                   and a copy kept by the candidate for the  
24                   election authorities in the candidate’s  
25                   State.

1           “(D) DEPOSIT OF QUALIFYING CONTRIBU-  
2           TIONS IN HOUSE OF REPRESENTATIVES ELEC-  
3           TION FUND.—

4                   “(i) IN GENERAL.—Not later than the  
5                   date that is 1 day after the date on which  
6                   the candidate is certified under section  
7                   505, a candidate shall remit all qualifying  
8                   contributions to the Commission for de-  
9                   posit in the House of Representatives Elec-  
10                  tion Fund.

11                   “(ii) CANDIDATES THAT ARE NOT  
12                   CERTIFIED.—Not later than the last day of  
13                   the clean money qualifying period, a can-  
14                   didate who has received qualifying con-  
15                   tributions and is not certified under section  
16                   505 shall remit all qualifying contributions  
17                   to the Commission for deposit in the  
18                   House of Representatives Election Fund.

19                   “(3) TIME TO FILE DECLARATION.—A declara-  
20                   tion under paragraph (1) shall be filed by a can-  
21                   didate not later than the date that is 30 days before  
22                   the date of the primary election. With respect to any  
23                   special primary election, a declaration under para-  
24                   graph (1) shall be filed by a candidate not later than

1 the date that is 30 days before the special primary  
2 election.

3 “(b) GENERAL ELECTION PERIOD.—

4 “(1) IN GENERAL.—A candidate qualifies as a  
5 clean money candidate during the general election  
6 period if—

7 “(A)(i) the candidate qualified as a clean  
8 money candidate during the primary election  
9 period (and primary runoff election period, if  
10 applicable); or

11 “(ii) the candidate files with the Commis-  
12 sion a declaration, signed by the candidate and  
13 the treasurer of the candidate’s principal com-  
14 mittee, that the candidate—

15 “(I) has complied and will comply  
16 with all the requirements of this title; and

17 “(II) meets the qualifying contribu-  
18 tion requirement of subsection (a)(2);

19 “(B) the candidate files with the Commis-  
20 sion a written agreement between the candidate  
21 and the candidate’s political party in which the  
22 political party agrees not to make any expendi-  
23 tures in connection with the general election of  
24 the candidate in excess of the limit in section  
25 315(d)(3)(C); and

1           “(C) the candidate’s party nominated the  
2           candidate to be placed on the ballot for the gen-  
3           eral election or the candidate qualified to be  
4           placed on the ballot as an independent can-  
5           didate, and the candidate is qualified under  
6           State law to be on the ballot.

7           “(2) TIME TO FILE DECLARATION OR STATE-  
8           MENT.—A declaration or statement required to be  
9           filed under paragraph (1) shall be filed by a can-  
10          didate not later than the date that is 30 days before  
11          the date of the general election. With respect to any  
12          special general election, a declaration or statement  
13          required to be filed under paragraph (1) shall be  
14          filed by a candidate not later than the date that is  
15          30 days before the date of the special general elec-  
16          tion.

17          “(c) GENERAL RUNOFF ELECTION PERIOD.—A can-  
18          didate qualifies as a clean money candidate during the  
19          general runoff election period if the candidate qualified as  
20          a clean money candidate during the general election pe-  
21          riod.

22          **“SEC. 503. REQUIREMENTS APPLICABLE TO CLEAN MONEY**  
23                  **CANDIDATES.**

24          “(a) CONTRIBUTIONS AND EXPENDITURES.—



1           “(1) PROHIBITION OF PRIVATE CONTRIBU-  
2           TIONS.—Except as otherwise provided in this title,  
3           during the election cycle of a clean money candidate,  
4           the candidate shall not accept contributions other  
5           than clean money from any source.

6           “(2) PROHIBITION OF EXPENDITURES FROM  
7           PRIVATE SOURCES.—Except as otherwise provided in  
8           this title, during the election cycle of a clean money  
9           candidate, the candidate shall not make expenditures  
10          from any amounts other than clean money amounts.

11          “(b) USE OF PERSONAL FUNDS.—

12           “(1) IN GENERAL.—A clean money candidate  
13           shall not use personal funds to make an expenditure  
14           except as provided in paragraph (2).

15           “(2) EXCEPTIONS.—A seed money contribution  
16           or qualifying contribution from the candidate or a  
17           member of the candidate’s immediate family shall  
18           not be considered to be use of personal funds.

19          **“SEC. 504. SEED MONEY.**

20           “(a) SEED MONEY LIMIT.—A clean money candidate  
21           may accept seed money contributions in an aggregate  
22           amount not exceeding \$35,000.

23           “(b) CONTRIBUTION LIMIT.—Except as provided in  
24           section 502(a)(2), a clean money candidate shall not ac-

1 cept a contribution from any person except a seed money  
2 contribution (as defined in section 501).

3 “(c) RECORDS.—A clean money candidate shall  
4 maintain a record of the contributor’s name, street ad-  
5 dress, and amount of the contribution.

6 “(d) USE OF SEED MONEY.—

7 “(1) IN GENERAL.—A clean money candidate  
8 may expend seed money for any election campaign-  
9 related costs, including costs to open an office, fund  
10 a grassroots campaign, or hold community meetings.

11 “(2) PROHIBITED USES.—A clean money can-  
12 didate shall not expend seed money for—

13 “(A) a television or radio broadcast; or

14 “(B) personal use.

15 “(e) REPORT.—Unless a seed money contribution or  
16 expenditure made with a seed money contribution has  
17 been reported previously under section 304, a clean money  
18 candidate shall file with the Commission a report disclos-  
19 ing all seed money contributions and expenditures not  
20 later than 48 hours after—

21 “(1) the earliest date on which the Commission  
22 makes funds available to the candidate for an elec-  
23 tion period under paragraph (1) or (2) of section  
24 506(b); or

1           “(2) the end of the clean money qualifying  
2       period,  
3       whichever occurs first.

4           “(f) TIME TO ACCEPT SEED MONEY CONTRIBU-  
5       TIONS.—A clean money candidate may accept seed money  
6       contributions for an election from the day after the date  
7       of the previous general election for the office to which the  
8       candidate is seeking election through the earliest date on  
9       which the Commission makes funds available to the can-  
10      didate for an election period under paragraph (1) or (2)  
11      of section 506(b).

12          “(g) DEPOSIT OF UNSPENT SEED MONEY CON-  
13      TRIBUTIONS.—A clean money candidate shall remit any  
14      unspent seed money to the Commission, for deposit in the  
15      House of Representatives Election Fund, not later than  
16      the earliest date on which the Commission makes funds  
17      available to the candidate for an election period under  
18      paragraph (1) or (2) of section 506(b).

19          “(h) NOT CONSIDERED AN EXPENDITURE.—An ex-  
20      penditure made with seed money shall not be treated as  
21      an expenditure for purposes of section 506(f)(2).

22      **“SEC. 505. CERTIFICATION BY COMMISSION.**

23          “(a) IN GENERAL.—Not later than 5 days after a  
24      candidate files a declaration under section 502, the Com-  
25      mission shall—

1           “(1) determine whether the candidate meets the  
2           eligibility requirements of section 502; and

3           “(2) certify whether or not the candidate is a  
4           clean money candidate.

5           “(b) REVOCATION OF CERTIFICATION.—The Com-  
6           mission may revoke a certification under subsection (a)  
7           if a candidate fails to comply with this title.

8           “(c) REPAYMENT OF BENEFITS.—If certification is  
9           revoked under subsection (b), the candidate shall repay  
10          to the House of Representatives Election Fund an amount  
11          equal to the value of benefits received under this title.

12          **“SEC. 506. BENEFITS FOR CLEAN MONEY CANDIDATES.**

13          “(a) IN GENERAL.—A clean money candidate shall  
14          be entitled to—

15                 “(1) a clean money amount for each election  
16                 period to make or obligate to make expenditures  
17                 during the election period for which the clean money  
18                 is provided, as provided in subsection (c);

19                 “(2) media benefits under section 315 of the  
20                 Communications Act of 1934 (47 U.S.C. 315); and

21                 “(3) an aggregate amount of increase in the  
22                 clean money amount in response to certain inde-  
23                 pendent expenditures and expenditures of a private  
24                 money candidate under subsection (d) that, in the

1 aggregate, are in excess of 125 percent of the clean  
2 money amount of the clean money candidate.

3 “(b) PAYMENT OF CLEAN MONEY AMOUNT.—

4 “(1) PRIMARY ELECTION.—The Commission  
5 shall make funds available to a clean money can-  
6 didate on the later of—

7 “(A) the date on which the candidate is  
8 certified as a clean money candidate under sec-  
9 tion 505; or

10 “(B) the date on which the primary elec-  
11 tion period begins.

12 “(2) GENERAL ELECTION.—The Commission  
13 shall make funds available to a clean money can-  
14 didate not later than 48 hours after—

15 “(A) certification of the primary election  
16 or primary runoff election result; or

17 “(B) the date on which the candidate is  
18 certified as a clean money candidate under sec-  
19 tion 505 for the general election,

20 whichever occurs first.

21 “(3) RUNOFF ELECTION.—The Commission  
22 shall make funds available to a clean money can-  
23 didate not later than 48 hours after the certification  
24 of the primary or general election result (as applica-  
25 ble).

1       “(c) CLEAN MONEY AMOUNTS.—

2               “(1) IN GENERAL.—Except as provided in para-  
3 graph (2), the clean money amount paid to a clean  
4 money candidate with respect to an election shall be  
5 equal to the applicable percentage of 80 percent of  
6 the base amount for the election cycle involved, ex-  
7 cept that in no event may the amount determined  
8 under this subsection for a clean money candidate  
9 for an election cycle be less than the amount deter-  
10 mined under this subsection for the candidate for  
11 the previous election cycle.

12               “(2) REDUCTION FOR UNCONTESTED ELEC-  
13 TIONS.—If a clean money candidate has no opposi-  
14 tion in an election for which a payment is made  
15 under this section, the clean money amount paid  
16 shall be 40 percent of the amount otherwise deter-  
17 mined under paragraph (1).

18               “(3) DEFINITIONS.—

19                       “(A) APPLICABLE PERCENTAGE.—In this  
20 subsection, the ‘applicable percentage’ is as fol-  
21 lows:

22                               “(i) 25 percent, in the case of a can-  
23 didate in a primary election who is not a  
24 major party candidate.

1           “(ii) 40 percent, in the case of a  
2           major party candidate in a primary elec-  
3           tion.

4           “(iii) 60 percent, in the case of any  
5           candidate in a general election.

6           “(B) BASE AMOUNT.—In this subsection,  
7           the term ‘base amount’ means (with respect to  
8           an election cycle) the national average of all  
9           amounts expended by winning candidates dur-  
10          ing the 3 most recent general elections for  
11          Member of, or Delegate or Resident Commis-  
12          sioner to, the Congress preceding the election  
13          cycle involved.

14          “(d) MATCHING FUNDS IN RESPONSE TO INDEPEND-  
15          ENT EXPENDITURES AND EXPENDITURES OF PRIVATE  
16          MONEY CANDIDATES.—

17                 “(1) IN GENERAL.—If the Commission—

18                         “(A) receives notification under—

19                                 “(i) subparagraphs (A) or (B) of sec-  
20                                 tion 304(c)(2) that a person has made or  
21                                 obligated to make an independent expendi-  
22                                 ture in an aggregate amount of \$1,000 or  
23                                 more in an election period or that a person  
24                                 has made or obligated to make an inde-  
25                                 pendent expenditure in an aggregate

1 amount of \$500 or more during the 20  
2 days preceding the date of an election in  
3 support of another candidate or against a  
4 clean money candidate; or

5 “(ii) section 304(d)(1) that a private  
6 money candidate has made or obligated to  
7 make expenditures in an aggregate amount  
8 in excess of 100 percent of the amount of  
9 clean money provided to a clean money  
10 candidate who is an opponent of the pri-  
11 vate money candidate in the same election;  
12 and

13 “(B) determines that the aggregate  
14 amount of expenditures reported under sub-  
15 paragraph (A) in an election period is in excess  
16 of 125 percent of the amount of clean money  
17 provided to a clean money candidate who is an  
18 opponent of the private money candidate in the  
19 same election or against whom the independent  
20 expenditure is made,

21 the Commission shall make available to the clean  
22 money candidate, not later than 24 hours after re-  
23 ceiving a notification under subparagraph (A), an  
24 aggregate amount of increase in clean money in an  
25 amount equal to the aggregate amount of expendi-



1 tures that is in excess of 125 percent of the amount  
2 of clean money provided to the clean money can-  
3 didate as determined under subparagraph (B).

4 “(2) CLEAN MONEY CANDIDATES OPPOSED BY  
5 MORE THAN 1 PRIVATE MONEY CANDIDATE.—For  
6 purposes of paragraph (1), if a clean money can-  
7 didate is opposed by more than 1 private money can-  
8 didate in the same election, the Commission shall  
9 take into account only the amount of expenditures of  
10 the private money candidate that expends, in the ag-  
11 gregate, the greatest amount (as determined each  
12 time notification is received under section  
13 304(d)(1)).

14 “(3) CLEAN MONEY CANDIDATES OPPOSED BY  
15 CLEAN MONEY CANDIDATES.—If a clean money can-  
16 didate is opposed by a clean money candidate, the  
17 increase in clean money amounts under paragraph  
18 (1) shall be made available to the clean money can-  
19 didate if independent expenditures are made against  
20 the clean money candidate or in behalf of the oppos-  
21 ing clean money candidate in the same manner as  
22 the increase would be made available for a clean  
23 money candidate who is opposed by a private money  
24 candidate.

1       “(e) LIMITS ON MATCHING FUNDS.—The aggregate  
2 amount of clean money that a clean money candidate re-  
3 ceives to match independent expenditures and the expendi-  
4 tures of private money candidates under subsection (d)  
5 shall not exceed 200 percent of the clean money amount  
6 that the clean money candidate receives under subsection  
7 (c).

8       “(f) EXPENDITURES MADE WITH CLEAN MONEY  
9 AMOUNTS.—

10           “(1) IN GENERAL.—The clean money amount  
11 received by a clean money candidate shall be used  
12 only for the purpose of making or obligating to make  
13 expenditures during the election period for which the  
14 clean money is provided.

15           “(2) EXPENDITURES IN EXCESS OF CLEAN  
16 MONEY AMOUNT.—A clean money candidate shall  
17 not make expenditures or incur obligations in excess  
18 of the clean money amount.

19           “(3) PROHIBITED USES.—The clean money  
20 amount received by a clean money candidate shall  
21 not be—

22                   “(A) converted to a personal use; or

23                   “(B) used in violation of law.

24           “(4) REPAYMENT; CIVIL PENALTIES.—

1           “(A) If the Commission determines that  
2           any benefit made available to a clean money  
3           candidate under this title was not used as pro-  
4           vided for in this title, or that a clean money  
5           candidate has violated any of the spending lim-  
6           its or dates for remission of funds contained in  
7           this Act, the Commission shall so notify the  
8           candidate and the candidate shall pay to the  
9           House of Representatives’ Election Fund an  
10          amount equal to the amount of benefits so  
11          used, or the amount spent in excess of the lim-  
12          its or the amount not timely remitted, as appro-  
13          priate.

14          “(B) Any action by the Commission in ac-  
15          cordance with this section shall not preclude en-  
16          forcement proceedings by the Commission in ac-  
17          cordance with section 309(a), including a refer-  
18          ral by the Commission to the Attorney General  
19          in the case of an apparent knowing and willful  
20          violation of this title.

21          “(g) REMITTING OF CLEAN MONEY AMOUNTS.—Not  
22          later than the date that is 14 days after the last day of  
23          the applicable election period, a clean money candidate  
24          shall remit any unspent clean money amount to the Com-

1 mission for deposit in the House of Representatives Elec-  
2 tion Fund.

3 **“SEC. 507. ADMINISTRATION OF CLEAN MONEY.**

4 “(a) HOUSE OF REPRESENTATIVES ELECTION  
5 FUND.—

6 “(1) ESTABLISHMENT.—There is established in  
7 the Treasury a fund to be known as the ‘House of  
8 Representatives Election Fund’.

9 “(2) DEPOSITS.—The Commission shall deposit  
10 unspent seed money contributions, qualifying con-  
11 tributions, penalty amounts received under this title,  
12 and amounts appropriated for clean money financing  
13 in the House of Representatives Election Fund.

14 “(3) FUNDS.—The Commission shall withdraw  
15 the clean money amount for a clean money can-  
16 didate from the House of Representatives Election  
17 Fund.

18 “(b) REGULATIONS.—The Commission shall promul-  
19 gate regulations to—

20 “(1) effectively and efficiently monitor and en-  
21 force the limits on use of private money by clean  
22 money candidates;

23 “(2) effectively and efficiently monitor use of  
24 publicly financed amounts under this title; and

1           “(3) enable clean money candidates to monitor  
2           expenditures and comply with the requirements of  
3           this title.

4   **“SEC. 508. EXPENDITURES MADE FROM FUNDS OTHER**  
5                           **THAN CLEAN MONEY.**

6           “If a clean money candidate makes an expenditure  
7           using funds other than funds provided under this title, the  
8           Commission shall assess a civil penalty against the can-  
9           didate in an amount that is not more than 10 times the  
10          amount of the expenditure.

11   **“SEC. 509. AUTHORIZATION OF APPROPRIATIONS.**

12          “There are authorized to be appropriated to the  
13          House of Representatives Election Fund such sums as are  
14          necessary to carry out this title.”.

15   **SEC. 103. REPORTING REQUIREMENTS FOR EXPENDITURES**  
16                           **OF PRIVATE MONEY CANDIDATES.**

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

20          “(d) PRIVATE MONEY CANDIDATES.—

21                  “(1) EXPENDITURES IN EXCESS OF CLEAN  
22                  MONEY AMOUNTS.—Not later than 48 hours after  
23                  making or obligating to make an expenditure, a pri-  
24                  vate money candidate (as defined in section 501)  
25                  that makes or obligates to make expenditures, in an

1 aggregate amount in excess of 100 percent of the  
2 amount of clean money provided to a clean money  
3 candidate (as defined in section 501), during an  
4 election period (as defined by section 501) who is an  
5 opponent of the clean money candidate shall file  
6 with the Commission a report stating the amount of  
7 each expenditure (in increments of an aggregate  
8 amount of \$100) made or obligated to be made.

9 “(2) PLACE OF FILING; NOTIFICATION.—

10 “(A) PLACE OF FILING.—A report under  
11 this subsection shall be filed with the Commis-  
12 sion.

13 “(B) NOTIFICATION OF CLEAN MONEY  
14 CANDIDATES.—Not later than 24 hours after  
15 receipt of a report under this subsection, the  
16 Commission shall notify each clean money can-  
17 didate seeking nomination for election to, or  
18 election to, the office in question, of the receipt  
19 of the report.

20 “(3) DETERMINATIONS BY THE COMMISSION.—

21 “(A) IN GENERAL.—The Commission may,  
22 on a request of a candidate or on its own initia-  
23 tive, make a determination that a private  
24 money candidate has made, or has obligated to

1           make, expenditures in excess of the applicable  
2           amount in paragraph (1).

3           “(B) NOTIFICATION.—In the case of such  
4           a determination, the Commission shall notify  
5           each clean money candidate seeking nomination  
6           for election to, or election to, the office in ques-  
7           tion, of the making of the determination not  
8           later than 24 hours after making the deter-  
9           mination.

10           “(C) TIME TO COMPLY WITH REQUEST  
11           FOR DETERMINATION.—A determination made  
12           at the request of a candidate shall be made not  
13           later than 48 hours after the date of the re-  
14           quest.”.

15 **SEC. 104. TRANSITION RULE FOR CURRENT ELECTION**  
16 **CYCLE.**

17           (a) IN GENERAL.—During the election cycle in effect  
18           on the date of enactment of this Act, a candidate may  
19           be certified as a clean money candidate (as defined in sec-  
20           tion 501 of the Federal Election Campaign Act of 1971  
21           (2 U.S.C. 431)), notwithstanding the acceptance of con-  
22           tributions or making of expenditures from private funds  
23           before the date of enactment that would, absent this sec-  
24           tion, disqualify the candidate as a clean money candidate.

1 (b) PRIVATE FUNDS.—A candidate may be certified  
 2 as a clean money candidate only if any private funds ac-  
 3 cepted and not expended before the date of enactment of  
 4 this Act are—

5 (1) returned to the contributor; or

6 (2) submitted to the Federal Election Commis-  
 7 sion for deposit in the House of Representatives  
 8 Election Fund (as defined in section 501 of the Fed-  
 9 eral Election Campaign Act of 1971 (2 U.S.C.  
 10 431)).

11 **TITLE II—INDEPENDENT EX-**  
 12 **PENDITURES; COORDINATED**  
 13 **POLITICAL PARTY EXPENDI-**  
 14 **TURES**

15 **SEC. 201. REPORTING REQUIREMENTS FOR INDEPENDENT**  
 16 **EXPENDITURES.**

17 (a) INDEPENDENT EXPENDITURES.—Section 304(c)  
 18 of the Federal Election Campaign Act of 1971 (2 U.S.C.  
 19 434(c)) is amended—

20 (1) by striking “(c)(1) Every person” and in-  
 21 serting the following:

22 “(c) INDEPENDENT EXPENDITURES.—

23 “(1) IN GENERAL.—

24 “(A) REQUIRED FILING.—Except as pro-  
 25 vided in paragraph (2), every person”;



1           (2) in paragraph (2), by redesignating subpara-  
2           graphs (A), (B), and (C) as clauses (i), (ii), and  
3           (iii), respectively, and adjusting the margins accord-  
4           ingly;

5           (3) by redesignating paragraphs (2) and (3) as  
6           subparagraphs (B) and (C), respectively, and adjust-  
7           ing the margins accordingly;

8           (4) by adding at the end the following:

9           “(2) HOUSE OF REPRESENTATIVES ELECTIONS  
10          WITH A CLEAN MONEY CANDIDATE.—

11           “(A) INDEPENDENT EXPENDITURES MORE  
12          THAN 20 DAYS BEFORE AN ELECTION.—

13           “(i) IN GENERAL.—Not later than 48  
14          hours after making an independent ex-  
15          penditure, more than 20 days before the  
16          date of an election, in support of an oppo-  
17          nent of or in opposition to a clean money  
18          candidate (as defined in section 501), a  
19          person that makes independent expendi-  
20          tures in an aggregate amount in excess of  
21          \$1,000 during an election period (as de-  
22          fined in section 501) shall file with the  
23          Commission a statement containing the in-  
24          formation described in clause (ii).

1           “(ii) CONTENTS OF STATEMENT.—A  
2           statement under subparagraph (A) shall  
3           include a certification, under penalty of  
4           perjury, that contains the information re-  
5           quired by subsection (b)(6)(B)(iii).

6           “(iii) ADDITIONAL STATEMENTS.—An  
7           additional statement shall be filed for each  
8           aggregate of independent expenditures that  
9           exceeds \$1,000.

10          “(B) INDEPENDENT EXPENDITURES DUR-  
11          ING THE 20 DAYS PRECEDING AN ELECTION.—  
12          Not later than 24 hours after making or obli-  
13          gating to make an independent expenditure in  
14          support of an opponent of or in opposition to a  
15          clean money candidate in an aggregate amount  
16          in excess of \$500, during the 20 days preceding  
17          the date of an election, a person that makes or  
18          obligates to make the independent expenditure  
19          shall file with the Commission a statement stat-  
20          ing the amount of each independent expenditure  
21          made or obligated to be made.

22          “(C) PLACE OF FILING; NOTIFICATION.—

23                 “(i) PLACE OF FILING.—A report or  
24                 statement under this paragraph shall be  
25                 filed with the Commission.

1           “(ii) NOTIFICATION OF CLEAN MONEY  
2 CANDIDATES.—Not later than 24 hours,  
3 but excluding the time from 5:00 p.m. Fri-  
4 day through and until 9:00 a.m. the follow-  
5 ing Monday, and legal holidays after re-  
6 ceipt of a statement under this paragraph,  
7 the Commission shall notify each clean  
8 money candidate seeking nomination for  
9 election to, or election to, the office in  
10 question of the receipt of a statement.

11           “(D) DETERMINATION BY THE COMMIS-  
12 SION.—

13           “(i) IN GENERAL.—The Commission  
14 may, on request of a candidate or on its  
15 own initiative, make a determination that a  
16 person has made or obligated to make  
17 independent expenditures with respect to a  
18 candidate that in the aggregate exceed the  
19 applicable amount under subparagraph  
20 (A).

21           “(ii) NOTIFICATION.—Not later than  
22 24 hours after making a determination  
23 under clause (i), the Commission shall no-  
24 tify each clean money candidate in the

1 election of the making of the determina-  
2 tion.

3 “(iii) TIME TO COMPLY WITH RE-  
4 QUEST FOR DETERMINATION.—A deter-  
5 mination made at the request of a can-  
6 didate shall be made not later than 48  
7 hours after the date of the request.”.

8 **SEC. 202. DEFINITION OF INDEPENDENT EXPENDITURE.**

9 (a) IN GENERAL.—Section 301 of the Federal Elec-  
10 tion Campaign Act of 1971 (2 U.S.C. 431) is amended  
11 by striking paragraph (17) and inserting the following:

12 “(17) INDEPENDENT EXPENDITURE.—

13 “(A) IN GENERAL.—The term “independ-  
14 ent expenditure” means an expenditure made  
15 by a person other than a candidate or can-  
16 didate’s authorized committee—

17 “(i) that is made for a communication  
18 that contains express advocacy; and

19 “(ii) is made without the participation  
20 or cooperation of and without coordination  
21 with a candidate (within the meaning of  
22 section 301(8)(A)(iii)).

23 “(B) EXPRESS ADVOCACY.—The term ‘ex-  
24 press advocacy’ means a communication that is  
25 made through a broadcast medium, newspaper,

1 magazine, billboard, direct mail, or similar type  
2 of communication and that—

3 “(i) advocates the election or defeat of  
4 a clearly identified candidate, including  
5 any communication that—

6 “(I) contains a phrase such as  
7 ‘vote for’, ‘re-elect’, ‘support’, ‘cast  
8 your ballot for’, ‘(name of candidate)  
9 for Congress’, ‘(name of candidate) in  
10 (year involved)’, ‘vote against’, ‘de-  
11 feat’, ‘reject’, ‘put a stop to (name of  
12 candidate)’, ‘send (name of candidate)  
13 home’; or

14 “(II) contains campaign slogans  
15 or individual words that in context  
16 can have no reasonable meaning other  
17 than to recommend the election or de-  
18 feat of 1 or more clearly identified  
19 candidates; or

20 “(ii)(I) refers to a clearly identified  
21 candidate;

22 “(II) is made not more than 60 days  
23 before the date of a general election; and

1                   “(III) is not solely devoted to a pend-  
2                   ing legislative issue before an open session  
3                   of Congress.”.

4           (b) DEFINITION APPLICABLE WHEN PROVISION NOT  
5 IN EFFECT.—For purposes of the Federal Election Cam-  
6 paign Act of 1971, during any period beginning after the  
7 effective date of this Act in which the definition, or any  
8 part of the definition, under section 301(17)(B) of that  
9 Act (as added by subsection (a)) is not in effect, the defini-  
10 tion of “express advocacy” shall mean, in addition to the  
11 part of the definition that is in effect, a communication  
12 that clearly identifies a candidate and taken as a whole  
13 and with limited reference to external events, such as  
14 proximity to an election, expresses unmistakable support  
15 for or opposition to 1 or more clearly identified candidates.

16 **SEC. 203. LIMIT ON EXPENDITURES BY POLITICAL PARTY**  
17 **COMMITTEES.**

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

20                   (1) in subparagraph (A)—

21                           (A) in the matter preceding clause (i), by  
22                           striking “in the case” and inserting “except as  
23                           provided in subparagraph (C), in the case”, and

24                           (B) by striking “and” at the end;

25                   (2) in subparagraph (B)—

1 (A) by striking “in the case” and inserting  
 2 “except as provided in subparagraph (C), in the  
 3 case”, and

4 (B) by striking the period at the end and  
 5 inserting “; and”; and

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

7 “(C) in the case of an election to the office of  
 8 Representative in or Delegate or Resident Commis-  
 9 sioner to the Congress in which 1 or more can-  
 10 didates is a clean money candidate (as defined in  
 11 section 501), 10 percent of the amount of clean  
 12 money that a clean money candidate is eligible to re-  
 13 ceive for the general election period.”.

14 **SEC. 204. PARTY INDEPENDENT EXPENDITURES AND**  
 15 **OTHER COORDINATED EXPENDITURES.**

16 (a) DETERMINATION TO MAKE COORDINATED EX-  
 17 PENDITURES.—Section 315(d) of the Federal Election  
 18 Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended—

19 (1) in paragraph (1)—

20 (A) by inserting “coordinated” after  
 21 “make”; and

22 (B) by striking “(2) and (3)” and inserting  
 23 “(2), (3), and (4)”; and

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

1           “(4)(A) Before a committee of a political party  
2 makes a coordinated expenditure in connection with  
3 a general election campaign for Federal office in ex-  
4 cess of \$5,000, the committee shall file with the  
5 Commission a certification, signed by the treasurer,  
6 that the committee has not made and will not make  
7 any independent expenditures in connection with  
8 that campaign for Federal office. A party committee  
9 that determines to make a coordinated expenditure  
10 shall not make any transfer of funds in the same  
11 election cycle to, or receive any transfer of funds in  
12 the same election cycle from, any other party com-  
13 mittee that determines to make independent expend-  
14 itures in connection with the same campaign for  
15 Federal office.

16           “(B) A committee of a political party shall be  
17 considered to be in coordination with a candidate of  
18 the party if the committee—

19                   “(i) makes a payment for a communication  
20 or anything of value in coordination with the  
21 candidate, as described in section  
22 301(8)(A)(iii);

23                   “(ii) makes a coordinated expenditure  
24 under this subsection on behalf of the can-  
25 didate;



1           “(iii) participates in joint fundraising with  
2           the candidate or in any way solicits or receives  
3           a contribution on behalf of the candidate;

4           “(iv) communicates with the candidate, or  
5           an agent of the candidate (including a pollster,  
6           media consultant, vendor, advisor, or staff  
7           member), acting on behalf of the candidate,  
8           about advertising, message, allocation of re-  
9           sources, fundraising, or other campaign matters  
10          related to the candidate’s campaign, including  
11          campaign operations, staffing, tactics or strat-  
12          egy; or

13          “(v) provides in-kind services, polling data,  
14          or anything of value to the candidate.

15          “(C) For purposes of this paragraph, all politi-  
16          cal committees established and maintained by a na-  
17          tional political party (including all congressional  
18          campaign committees) and all political committees  
19          established by State political parties shall be consid-  
20          ered to be a single political committee.

21          “(D) For purposes of subparagraph (A), any  
22          coordination between a committee of a political party  
23          and a candidate of the party after the candidate has  
24          filed a statement of candidacy constitutes coordina-  
25          tion for the period beginning with the filing of the

1 statement of candidacy and ending at the end of the  
2 election cycle.”.

3 (b) DEFINITIONS.—

4 (1) AMENDMENT OF DEFINITION OF CONTRIBU-  
5 TION.—Section 301(8) of the Federal Election Cam-  
6 paign Act of 1971 (2 U.S.C. 431(8)) is amended—

7 (A) in subparagraph (A)—

8 (i) by striking “or” at the end of  
9 clause (i);

10 (ii) by striking the period at the end  
11 of clause (ii) and inserting “; or”; and

12 (iii) by adding at the end the follow-  
13 ing:

14 “(iii) a payment made for a commu-  
15 nication or anything of value that is for  
16 the purpose of influencing an election for  
17 Federal office and that is made in coordi-  
18 nation with a candidate (as defined in sub-  
19 paragraph (C)).”; and

20 (B) by adding at the end the following:

21 “(C) For the purposes of subparagraph  
22 (A)(iii), the term ‘payment made in coordina-  
23 tion with a candidate’ includes—

24 “(i) a payment made by a person in  
25 cooperation, consultation, or concert with,

1 at the request or suggestion of, or pursu-  
2 ant to any general or particular under-  
3 standing with a candidate, the candidate's  
4 authorized committee, or an agent acting  
5 on behalf of a candidate or authorized  
6 committee;

7 “(ii) a payment made by a person for  
8 the dissemination, distribution, or republi-  
9 cation, in whole or in part, of any broad-  
10 cast or any written, graphic, or other form  
11 of campaign material prepared by a can-  
12 didate, a candidate's authorized committee,  
13 or an agent of a candidate or authorized  
14 committee (not including a communication  
15 described in paragraph (9)(B)(i) or a com-  
16 munication that expressly advocates the  
17 candidate's defeat);

18 “(iii) a payment made based on infor-  
19 mation about a candidate's plans, projects,  
20 or needs provided to the person making the  
21 payment by the candidate or the can-  
22 didate's agent who provides the informa-  
23 tion with a view toward having the pay-  
24 ment made;

1           “(iv) a payment made by a person if,  
2           in the same election cycle in which the pay-  
3           ment is made, the person making the pay-  
4           ment is serving or has served as a member,  
5           employee, fundraiser, or agent of the can-  
6           didate’s authorized committee in an execu-  
7           tive or policymaking position;

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

19          “(vi) a payment made by a person if  
20          the person making the payment retains the  
21          professional services of an individual or  
22          person who has provided or is providing  
23          campaign-related services in the same elec-  
24          tion cycle to a candidate in connection with  
25          the candidate’s pursuit of nomination for

1 election, or election, to Federal office, in-  
2 cluding services relating to the candidate's  
3 decision to seek Federal office, and the  
4 payment is for services of which the pur-  
5 pose is to influence that candidate's elec-  
6 tion.

7 “(D) For purposes of subparagraph  
8 (C)(vi), the term ‘professional services’ includes  
9 services in support of a candidate’s pursuit of  
10 nomination for election, or election, to Federal  
11 office such as polling, media advice, direct mail,  
12 fundraising, or campaign research.”.

13 (2) DEFINITION OF CONTRIBUTION IN SECTION  
14 315(a)(7).—Section 315(a)(7) of the Federal Elec-  
15 tion Campaign Act of 1971 (2 U.S.C. 441a(a)(7)) is  
16 amended by striking paragraph (B) and inserting  
17 the following:

18 “(B)(i) Except as provided in clause (ii), a pay-  
19 ment made in coordination with a candidate (as de-  
20 scribed in section 301(8)(A)(iii)) shall be considered  
21 to be a contribution to the candidate, and, for the  
22 purposes of any provision of this Act that imposes  
23 a limitation on the making of expenditures by a can-  
24 didate, shall be treated as an expenditure by the  
25 candidate for purposes of this paragraph.

1           “(ii) In the case of a clean money candidate (as  
2           defined in section 501), a payment made in coordi-  
3           nation with a candidate by a committee of a political  
4           party shall not be treated as a contribution to the  
5           candidate for purposes of section 503(b)(1) or an ex-  
6           penditure made by the candidate for purposes of sec-  
7           tion 503(b)(2).”.

8           (c) MEANING OF CONTRIBUTION OR EXPENDITURE  
9           FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2)  
10          of the Federal Election Campaign Act of 1971 (2 U.S.C.  
11          441b(b)(2)) is amended by striking “shall include” and  
12          inserting “includes a contribution or expenditure (as those  
13          terms are defined in section 301) and also includes”.

## 14          **TITLE III—VOTER INFORMATION**

### 15          **SEC. 301. FREE BROADCAST TIME.**

16          Section 315 of the Communications Act of 1934 (47  
17          U.S.C. 315) is amended—

18                 (1) in subsection (a), in the third sentence, by  
19                 striking “within the meaning of this subsection” and  
20                 inserting “within the meaning of this subsection or  
21                 subsection (c)”;

22                 (2) by redesignating subsections (c) and (d) as  
23                 subsections (d) and (e), respectively;

24                 (3) by inserting after subsection (b) the follow-  
25                 ing:

1 “(c) FREE BROADCAST TIME.—

2 “(1) AMOUNT OF TIME.—A clean money can-  
3 didate shall be entitled to receive—

4 “(A) 30 minutes of free broadcast time  
5 during each of the primary election period and  
6 the primary runoff election period; and

7 “(B) 75 minutes of free broadcast time  
8 during the general election period and general  
9 runoff election period.

10 “(2) TIME DURING WHICH THE BROADCAST IS  
11 SHOWN.—The broadcast time under paragraph (1)  
12 shall be—

13 “(A) with respect to a television broadcast,  
14 the time between 6:00 p.m. and 10:00 p.m. on  
15 any day that falls on Monday through Friday;

16 “(B) with respect to a radio broadcast, the  
17 time between 7:00 a.m. and 9:30 a.m. or be-  
18 tween 4:30 p.m. and 7:00 p.m. on any day that  
19 falls on Monday through Friday; or

20 “(C) with respect to any broadcast, such  
21 other time to which the candidate and broad-  
22 caster may agree.

23 “(3) MAXIMUM REQUIRED OF ANY STATION.—  
24 The amount of free broadcast time that any 1 sta-  
25 tion is required to make available to any 1 clean

1 money candidate during each of the primary election  
2 period, primary runoff election period, and general  
3 election period shall not exceed 15 minutes.”; and

4 (4) in subsection (d) (as redesignated by para-  
5 graph (1))—

6 (A) by striking “and” at the end of para-  
7 graph (1);

8 (B) by striking the period at the end of  
9 paragraph (2) and inserting a semicolon, and  
10 by redesignating that paragraph as paragraph  
11 (4);

12 (C) by inserting after paragraph (1) the  
13 following:

14 “(2) the term ‘clean money candidate’ has the  
15 meaning given in section 501 of the Federal Election  
16 Campaign Act of 1971;

17 “(3) the terms ‘general election period’ and  
18 ‘general runoff election period’ have the meaning  
19 given in section 501 of the Federal Election Cam-  
20 paign Act of 1971;”; and

21 (D) by adding at the end the following:

22 “(5) the term ‘primary election period’ has the  
23 meaning given in section 501 of the Federal Election  
24 Campaign Act of 1971;



1           “(6) the term ‘private money candidate’ has the  
2 meaning given in section 501 of the Federal Election  
3 Campaign Act of 1971; and

4           “(7) the term ‘primary runoff election period’  
5 has the meaning given in section 501 of the Federal  
6 Election Campaign Act of 1971.”.

7 **SEC. 302. BROADCAST RATES AND PREEMPTION.**

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

10           (1) by redesignating paragraphs (1) and (2) as  
11 subparagraphs (A) and (B), respectively, and adjust-  
12 ing the margins accordingly;

13           (2) by striking “The charges” and inserting the  
14 following:

15           “(1) IN GENERAL.—Except as provided in para-  
16 graph (2), the charges”; and

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

18           “(2) CLEAN MONEY CANDIDATES.—In the case  
19 of a clean money candidate, the charges for the use  
20 of a television broadcasting station shall not exceed  
21 50 percent of the lowest charge described in para-  
22 graph (1)(A) during—

23           “(A) the 30 days preceding the date of a  
24 primary or primary runoff election in which the  
25 candidate is opposed; and

1           “(B) the 60 days preceding the date of a  
2           general or special election in which the can-  
3           didate is opposed.

4           “(3) OTHER HOUSE CANDIDATES.—In the case  
5           of a candidate for election for Member of, or Dele-  
6           gate or Resident Commissioner to, the Congress who  
7           is not a clean money candidate, paragraph (1)(A)  
8           shall not apply.

9           “(4) RATE CARDS.—A licensee shall provide to  
10          a candidate for Member of or Delegate or Resident  
11          Commissioner to the Congress a rate card that dis-  
12          closes—

13                 “(A) the rate charged under this sub-  
14                 section; and

15                 “(B) the method that the licensee uses to  
16                 determine the rate charged under this sub-  
17                 section.”.

18          (b) PREEMPTION.—Section 315 of the Communica-  
19          tions Act of 1934 (47 U.S.C. 315) (as amended by section  
20          301) is amended—

21                 (1) by redesignating subsections (d) and (e) as  
22                 subsections (e) and (f), respectively; and

23                 (2) by inserting after subsection (c) the follow-  
24                 ing:

25                 “(d) PREEMPTION.—

1           “(1) IN GENERAL.—Except as provided in para-  
2           graph (2), a licensee shall not preempt the use of a  
3           broadcasting station by a legally qualified candidate  
4           for Member of or Delegate or Resident Commis-  
5           sioner to the Congress who has purchased and paid  
6           for such use.

7           “(2) CIRCUMSTANCES BEYOND CONTROL OF LI-  
8           CENSEE.—If a program to be broadcast by a broad-  
9           casting station is preempted because of cir-  
10          cumstances beyond the control of the broadcasting  
11          station, any candidate advertising spot scheduled to  
12          be broadcast during that program may also be pre-  
13          empted.”.

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

17                 (1) by striking “or repeated”;

18                 (2) by inserting “or cable system” after “broad-  
19          casting station”; and

20                 (3) by striking “his candidacy” and inserting  
21          “the candidacy of the candidate, under the same  
22          terms, conditions, and business practices as apply to  
23          the most favored advertiser of the licensee”.

1 **SEC. 303. CAMPAIGN ADVERTISING.**

2 (a) CONTENTS OF CAMPAIGN ADVERTISEMENTS.—

3 Section 318 of the Federal Election Campaign Act of  
4 1971 (2 U.S.C. 441d) is amended—

5 (1) in subsection (a)—

6 (A) in the matter preceding paragraph

7 (1)—

8 (i) by striking “Whenever” and insert-  
9 ing “Whenever a political committee makes  
10 a disbursement for the purpose of financ-  
11 ing any communication through any broad-  
12 casting station, newspaper, magazine, out-  
13 door advertising facility, mailing, or any  
14 other type of general public political adver-  
15 tising, or whenever”; and

16 (ii) by striking “direct”; and

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

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

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

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

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

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

4           “(d)(1) Any broadcast or cablecast communication  
5           described in subsection (a)(1) or subsection (a)(2) shall  
6           include, in addition to the requirements of those sub-  
7           sections, an audio statement that identifies the candidate  
8           and states that the candidate has approved the commu-  
9           nication.

10          “(2) If a broadcast or cablecast communication de-  
11          scribed in paragraph (1) is broadcast or cablecast by  
12          means of television, the communication shall include, in  
13          addition to the audio statement under paragraph (1), a  
14          written statement which appears at the end of the commu-  
15          nication in a clearly readable manner with a reasonable  
16          degree of color contrast between the background and the  
17          printed statement, for a period of at least 4 seconds.

18          “(e) Any broadcast or cablecast communication de-  
19          scribed in subsection (a)(3) shall include, in addition to  
20          the requirements of those subsections, in a clearly spoken  
21          manner, the following statement: ‘\_\_\_\_\_ is  
22          responsible for the content of this advertisement.’ (with  
23          the blank to be filled in with the name of the political  
24          committee or other person paying for the communication  
25          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 (b) REPORTING REQUIREMENTS FOR ISSUE ADVER-  
7 TISEMENTS.—Section 304 of the Federal Election Cam-  
8 paign Act of 1971 (2 U.S.C. 434) (as amended by section  
9 103) is amended by adding at the end the following:

10 “(e) ISSUE ADVERTISEMENTS.—

11 “(1) IN GENERAL.—A person that makes or ob-  
12 ligates to make a disbursement to purchase an issue  
13 advertisement shall file a report with the Commis-  
14 sion not later than 48 hours after making or obligat-  
15 ing to make the disbursement, containing the follow-  
16 ing information—

17 “(A) the amount of the disbursement;

18 “(B) the information required under sub-  
19 section (b)(3)(A) for each person that makes a  
20 contribution, in an aggregate amount of \$1,000  
21 or greater in a calendar year, to the person who  
22 makes the disbursement;

23 “(C) the name and address of the person  
24 making the disbursement; and

1           “(D) the purpose of the issue advertise-  
2           ment.

3           “(2) DEFINITION OF ISSUE ADVERTISEMENT.—

4           In this subsection, the term ‘issue advertisement’  
5           means a communication through a broadcasting sta-  
6           tion, newspaper, magazine, outdoor advertising facil-  
7           ity, mailing, or any other type of general public po-  
8           litical advertising—

9           “(A) the purchase of which is not an inde-  
10          pendent expenditure or a contribution;

11          “(B) that contains the name or likeness of  
12          a candidate for Member of or Delegate or Resi-  
13          dent Commissioner to the Congress;

14          “(C) that is communicated during an elec-  
15          tion year; and

16          “(D) that recommends a position on a po-  
17          litical issue.”.

18   **SEC. 304. LIMIT ON CONGRESSIONAL USE OF THE FRANK-**  
19                           **ING PRIVILEGE.**

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

23          “(A)(i) Except as provided in clause (ii), a Member  
24          of Congress shall not mail any mass mailing as franked  
25          mail during the period which begins on the first day of

1 the primary election period (as described in section  
2 501(12) of the Federal Election Campaign Act of 1971)  
3 and ends on the date of the general election for that office  
4 (other than any portion of such period between the date  
5 of the primary election and the first day of the general  
6 election period), unless the Member has made a public an-  
7 nouncement that the Member will not be a candidate for  
8 reelection in that year or for election to any other Federal  
9 office.

10 “(ii) A Member of Congress may mail a mass mailing  
11 as franked mail if—

12 “(I) the purpose of the mailing is to commu-  
13 nicate information about a public meeting; and

14 “(II) the content of the mailed matter includes  
15 only the Representative’s name, and the date, time,  
16 and place of the public meeting.”.

## 17 **TITLE IV—SOFT MONEY OF** 18 **POLITICAL PARTY COMMITTEES**

### 19 **SEC. 401. SOFT MONEY OF POLITICAL PARTY COMMITTEES.**

20 Title III of the Federal Election Campaign Act of  
21 1971 (2 U.S.C. 431 et seq.) is amended by adding at the  
22 end the following:

### 23 **“SEC. 324. SOFT MONEY OF PARTY COMMITTEES.**

24 “(a) NATIONAL COMMITTEES.—A national commit-  
25 tee of a political party (including a national congressional



1 campaign committee of a political party but not including  
2 an entity regulated under subsection (b)) shall not solicit  
3 or receive any contributions, donations, or transfers of  
4 funds, or spend any funds, that are not subject to the limi-  
5 tations, prohibitions, and reporting requirements of this  
6 Act.

7 “(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

8 “(1) IN GENERAL.—A State, district, or local  
9 committee of a political party shall not expend or  
10 disburse any amount during a calendar year in  
11 which a Federal election is held for any activity that  
12 might affect the outcome of a Federal election, in-  
13 cluding but not limited to voter registration or get-  
14 out-the-vote activities and/or generic campaign ac-  
15 tivities unless the amount is subject to the limita-  
16 tions, prohibitions, and reporting requirements of  
17 this Act.

18 “(2) ACTIVITY EXCLUDED FROM PARAGRAPH

19 (1).—

20 “(A) IN GENERAL.—Paragraph (1) shall  
21 not apply to an expenditure or disbursement  
22 made by a State, district, or local committee of  
23 a political party for—

24 “(i) a contribution to a candidate for  
25 State or local office if the contribution is

1 not designated or otherwise earmarked to  
2 pay for an activity described in paragraph  
3 (1);

4 “(ii) the costs of a State, district, or  
5 local political convention;

6 “(iii) the non-Federal share of a  
7 State, district, or local party committee’s  
8 administrative and overhead expenses (but  
9 not including the compensation in any  
10 month of any individual who spends more  
11 than 20 percent of the individual’s time on  
12 activities during the month that may affect  
13 the outcome of a Federal election), except  
14 that for purposes of this paragraph, the  
15 non-Federal share of a party committee’s  
16 administrative and overhead expenses shall  
17 be determined by applying the ratio of the  
18 non-Federal disbursements to the total  
19 Federal expenditures and non-Federal dis-  
20 bursements made by the committee during  
21 the previous presidential election year to  
22 the committee’s administrative and over-  
23 head expenses in the election year in ques-  
24 tion;

1           “(iv) the costs of grassroots campaign  
2 materials, including buttons, bumper stick-  
3 ers, and yard signs that name or depict  
4 only a candidate for State or local office;  
5 and

6           “(v) the cost of any campaign activity  
7 conducted solely on behalf of a clearly  
8 identified candidate for State or local of-  
9 fice, if the candidate activity is not an ac-  
10 tivity described in paragraph (1).

11           “(B) FUNDRAISING COSTS.—A national,  
12 State, district, or local committee of a political  
13 party shall not expend any amount to raise  
14 funds that are used, in whole or in part, to pay  
15 the costs of an activity described in paragraph  
16 (1) unless the amount is subject to the limita-  
17 tions, prohibitions, and reporting requirements  
18 of this Act.

19           “(c) TAX-EXEMPT ORGANIZATIONS.—A national,  
20 State, district, or local committee of a political party (in-  
21 cluding a national congressional campaign committee of  
22 a political party) shall not solicit any funds for or make  
23 any donations to an organization that is exempt from Fed-  
24 eral taxation under section 501(a) of the Internal Revenue

1 Code of 1986 and that is described in section 501(e) of  
2 such Code.

3 “(d) CANDIDATES.—

4 “(1) IN GENERAL.—A candidate, individual  
5 holding Federal office, or agent of a candidate or in-  
6 dividual holding Federal office shall not—

7 “(A) solicit, receive, transfer, or spend  
8 funds in connection with an election for Federal  
9 office unless the funds are subject to the limita-  
10 tions, prohibitions, and reporting requirements  
11 of this Act;

12 “(B) solicit, receive, or transfer funds that  
13 are to be expended in connection with any elec-  
14 tion other than a Federal election unless the  
15 funds—

16 “(i) are not in excess of the amounts  
17 permitted with respect to contributions to  
18 candidates and political committees under  
19 section 315(a) (1) and (2); and

20 “(ii) are not from sources prohibited  
21 by this Act from making contributions with  
22 respect to an election for Federal office; or

23 “(C) solicit, receive, or transfer any funds  
24 on behalf of any person that are not subject to  
25 the limitations, prohibitions, and reporting re-

1            requirements of this Act if the funds are for use  
2            in financing any campaign-related activity or  
3            any communication that refers to a clearly iden-  
4            tified candidate for Federal office.

5            “(2) EXCEPTION.—Paragraph (1) does not  
6            apply to the solicitation or receipt of funds by an in-  
7            dividual who is a candidate for a State or local office  
8            if the solicitation or receipt of funds is permitted  
9            under State law for the individual’s State or local  
10           campaign committee.

11           “(e) DEFINITION OF COMMITTEE.—In this section,  
12           the term ‘committee of a political party’ includes an entity  
13           that is directly or indirectly established, financed, main-  
14           tained, or controlled by a party committee or its agent,  
15           an entity acting on behalf of a party committee, and an  
16           officer or agent acting on behalf of any such committee  
17           or entity.”.

18           **SEC. 402. STATE PARTY GRASSROOTS FUNDS.**

19           (a)            INDIVIDUAL            CONTRIBUTIONS.—Section  
20           315(a)(1) of the Federal Election Campaign Act of 1971  
21           (2 U.S.C. 441a(a)(1)) is amended—

22                    (1) in subparagraph (B) by striking “or” at the  
23                    end;

24                    (2) by redesignating subparagraph (C) as sub-  
25                    paragraph (D); and

1           (3) by inserting after subparagraph (B) the fol-  
2           lowing:

3           “(C) to—

4                   “(i) a State Party Grassroots Fund estab-  
5                   lished and maintained by a State committee of  
6                   a political party in any calendar year which, in  
7                   the aggregate, exceed \$20,000;

8                   “(ii) any other political committee estab-  
9                   lished and maintained by a State committee of  
10                  a political party in any calendar year which, in  
11                  the aggregate, exceed \$5,000;

12           except that the aggregate contributions described in  
13           this subparagraph that may be made by a person to  
14           the State Party Grassroots Fund and all committees  
15           of a State Committee of a political party in any  
16           State in any calendar year shall not exceed \$20,000;  
17           or”.

18           (b) LIMITS.—

19                   (1) IN GENERAL.—Section 315(a) of the Fed-  
20                   eral Election Campaign Act of 1971 (2 U.S.C.  
21                   441a(a)) is amended by striking paragraph (3) and  
22                   inserting the following:

23                   “(3) OVERALL LIMITS.—

1           “(A) INDIVIDUAL LIMIT.—No individual  
2 shall make contributions during any calendar  
3 year that, in the aggregate, exceed \$25,000.

4           “(B) CALENDAR YEAR.—No individual  
5 shall make contributions during any calendar  
6 year—

7                   “(i) to all candidates and their au-  
8 thorized political committees that, in the  
9 aggregate, exceed \$25,000; or

10                   “(ii) to all political committees estab-  
11 lished and maintained by State committees  
12 of a political party that, in the aggregate,  
13 exceed \$20,000.

14           “(C) NONELECTION YEARS.—For purposes  
15 of subparagraph (B)(i), any contribution made  
16 to a candidate or the candidate’s authorized po-  
17 litical committees in a year other than the cal-  
18 endar year in which the election is held with re-  
19 spect to which the contribution is made shall be  
20 treated as being made during the calendar year  
21 in which the election is held.”.

22           (c) DEFINITIONS.—Section 301 of the Federal Elec-  
23 tion Campaign Act of 1970 (2 U.S.C. 431) is amended  
24 by adding at the end the following:

1           “(20) The term ‘generic campaign activity’  
2 means a campaign activity that promotes a political  
3 party and does not refer to any particular Federal  
4 or non-Federal candidate.

5           “(21) The term ‘State Party Grassroots Fund’  
6 means a separate segregated fund established and  
7 maintained by a State committee of a political party  
8 solely for purposes of making expenditures and other  
9 disbursements described in section 326(d).”.

10       (d) STATE PARTY GRASSROOTS FUNDS.—Title III of  
11 the Federal Election Campaign Act of 1971 (2 U.S.C. 431  
12 et seq.) (as amended by section 401) is amended by adding  
13 at the end the following:

14 **“SEC. 325. STATE PARTY GRASSROOTS FUNDS.**

15       “(a) IN GENERAL.—A State committee of a political  
16 party shall only make disbursements and expenditures  
17 from the committee’s State Party Grassroots Fund that  
18 are described in subsection (d).

19       “(b) TRANSFERS.—

20           “(1) IN GENERAL.—Notwithstanding section  
21 315(a)(4), a State committee of a political party  
22 shall not transfer any funds from the committee’s  
23 State Party Grassroots Fund to any other State  
24 Party Grassroots Fund or to any other political com-  
25 mittee, except as provided in paragraph (2).



1           “(2) EXCEPTION.—A committee of a political  
2 party may transfer funds from the committee’s  
3 State Party Grassroots Fund to a district or local  
4 committee of the same political party in the same  
5 State if the district or local committee—

6                   “(A) has established a separate segregated  
7 fund for the purposes described in subsection  
8 (d); and

9                   “(B) uses the transferred funds solely for  
10 those purposes.

11           “(c) AMOUNTS RECEIVED BY GRASSROOTS FUNDS  
12 FROM STATE AND LOCAL CANDIDATE COMMITTEES.—

13                   “(1) IN GENERAL.—Any amount received by a  
14 State Party Grassroots Fund from a State or local  
15 candidate committee for expenditures described in  
16 subsection (d) that are for the benefit of that can-  
17 didate shall be treated as meeting the requirements  
18 of 324(b)(1) and section 304(d) if—

19                   “(A) the amount is derived from funds  
20 which meet the requirements of this Act with  
21 respect to any limitation or prohibition as to  
22 source or dollar amount specified in section  
23 315(a) (1)(A) and (2)(A)(i); and

24                   “(B) the State or local candidate commit-  
25 tee—

1           “(i) maintains, in the account from  
2           which payment is made, records of the  
3           sources and amounts of funds for purposes  
4           of determining whether those requirements  
5           are met; and

6           “(ii) certifies that the requirements  
7           were met.

8           “(2) DETERMINATION OF COMPLIANCE.—For  
9           purposes of paragraph (1)(A), in determining wheth-  
10          er the funds transferred meet the requirements of  
11          this Act described in paragraph (1)(A)—

12           “(A) a State or local candidate commit-  
13          tee’s cash on hand shall be treated as consisting  
14          of the funds most recently received by the com-  
15          mittee; and

16           “(B) the committee must be able to dem-  
17          onstrate that its cash on hand contains funds  
18          meeting those requirements sufficient to cover  
19          the transferred funds.

20          “(3) REPORTING.—Notwithstanding paragraph  
21          (1), any State Party Grassroots Fund that receives  
22          a transfer described in paragraph (1) from a State  
23          or local candidate committee shall be required to  
24          meet the reporting requirements of this Act, and  
25          shall submit to the Commission all certifications re-

1       ceived, with respect to receipt of the transfer from  
2       the candidate committee.

3       “(d) DISBURSEMENTS AND EXPENDITURES.—A  
4 State committee of a political party may make disburse-  
5 ments and expenditures from its State Party Grassroots  
6 Fund only for—

7           “(1) any generic campaign activity;

8           “(2) payments described in clauses (v), (ix),  
9       and (xi) of paragraph (8)(B) and clauses (iv), (viii),  
10       and (ix) of paragraph (9)(B) of section 301;

11          “(3) subject to the limitations of section  
12       315(d), payments described in clause (xii) of para-  
13       graph (8)(B), and clause (ix) of paragraph (9)(B),  
14       of section 301 on behalf of candidates other than for  
15       President and Vice President;

16          “(4) voter registration; and

17          “(5) development and maintenance of voter files  
18       during an even-numbered calendar year.

19       “(e) DEFINITION.—In this section, the term ‘State  
20 or local candidate committee’ means a committee estab-  
21 lished, financed, maintained, or controlled by a candidate  
22 for other than Federal office.”.

23 **SEC. 403. REPORTING REQUIREMENTS.**

24       (a) REPORTING REQUIREMENTS.—Section 304 of the  
25 Federal Election Campaign Act of 1971 (2 U.S.C. 434)

1 (as amended by section 303(b)) is amended by adding at  
2 the end the following:

3 “(f) POLITICAL COMMITTEES.—

4 “(1) NATIONAL AND CONGRESSIONAL POLITI-  
5 CAL COMMITTEES.—The national committee of a po-  
6 litical party, any congressional campaign committee  
7 of a political party, and any subordinate committee  
8 of either, shall report all receipts and disbursements  
9 during the reporting period, whether or not in con-  
10 nection with an election for Federal office.

11 “(2) OTHER POLITICAL COMMITTEES TO WHICH  
12 SECTION 324 APPLIES.—A political committee to  
13 which section 324(b)(1) applies shall report all re-  
14 cepts and disbursements made for activities de-  
15 scribed in section 324(b) (1) and (2)(A)(iii).

16 “(3) OTHER POLITICAL COMMITTEES.—Any po-  
17 litical committee to which paragraph (1) or (2) does  
18 not apply shall report any receipts or disbursements  
19 that are used in connection with a Federal election.

20 “(4) ITEMIZATION.—If a political committee  
21 has receipts or disbursements to which this sub-  
22 section applies from any person aggregating in ex-  
23 cess of \$200 for any calendar year, the political  
24 committee shall separately itemize its reporting for

1 the person in the same manner as required in para-  
2 graphs (3)(A), (5), and (6) of subsection (b).

3 “(5) REPORTING PERIODS.—Reports required  
4 to be filed under this subsection shall be filed for the  
5 same time periods as reports are required for politi-  
6 cal committees under subsection (a).”.

7 (b) BUILDING FUND EXCEPTION TO THE DEFINI-  
8 TION OF CONTRIBUTION.—Section 301(8) of the Federal  
9 Election Campaign Act of 1971 (2 U.S.C. 431(8)) is  
10 amended—

11 (1) by striking clause (viii); and

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

14 (c) REPORTS BY STATE COMMITTEES.—Section 304  
15 of the Federal Election Campaign Act of 1971 (2 U.S.C.  
16 434) (as amended by subsection (a)) is amended by adding  
17 at the end the following:

18 “(g) FILING OF STATE REPORTS.—In lieu of any re-  
19 port required to be filed by this Act, the Commission may  
20 allow a State committee of a political party to file with  
21 the Commission a report required to be filed under State  
22 law if the Commission determines that such reports con-  
23 tain substantially the same information.”.

24 (d) OTHER REPORTING REQUIREMENTS.—

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

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

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

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

9                   “(J) in the case of an authorized commit-  
10          tee, disbursements for the primary election, the  
11          general election, and any other election in which  
12          the candidate participates;”.

13          (2)    NAMES        AND        ADDRESSES.—Section  
14          304(b)(5)(A) of the Federal Election Campaign Act  
15          of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by  
16          striking “operating expense” and inserting “operat-  
17          ing expenditure, and the election to which the oper-  
18          ating expenditure relates”.

1 **TITLE V—RESTRUCTURING AND**  
2 **STRENGTHENING OF THE**  
3 **FEDERAL ELECTION COMMIS-**  
4 **SION**

5 **SEC. 501. APPOINTMENT AND TERMS OF COMMISSIONERS.**

6 (a) IN GENERAL.—Section 306(a) of the Federal  
7 Election Campaign Act of 1971 (2 U.S.C. 437e(a)) is  
8 amended—

9 (1) in paragraph (1)—

10 (A) by striking “(1) There is established”  
11 and inserting “(1)(A) There is established”;

12 (B) by striking the second sentence and in-  
13 serting the following:

14 “(B) COMPOSITION OF COMMISSION.—The Commis-  
15 sion is composed of 6 members appointed by the Presi-  
16 dent, by and with the advice and consent of the United  
17 States Senate, and 1 member appointed by the President  
18 from among persons recommended by the Commission as  
19 provided in subparagraph (D).”;

20 (C) by striking “No more than” and in-  
21 serting the following:

22 “(C) PARTY AFFILIATION.—Not more than”; and

23 (D) by adding at the end the following:

24 “(D) NOMINATION BY COMMISSION OF ADDITIONAL  
25 MEMBER.—

1           “(i) IN GENERAL.—The members of the Com-  
2 mission shall recommend to the President, by a vote  
3 of 4 members, 3 persons for the appointment to the  
4 Commission.

5           “(ii) VACANCY.—On vacancy of the position of  
6 the member appointed under this subparagraph, a  
7 member shall be appointed to fill the vacancy in the  
8 same manner as provided in clause (i).”;

9           (2) in paragraph (2)(A) by striking “terms of  
10 6 years” and inserting “not more than 1 term of 6  
11 years;”; and

12           (3) in paragraphs (3) and (4), by striking  
13 “(other than the Secretary of the Senate and the  
14 Clerk of the House of Representatives)”.

15           (b) TRANSITION RULE.—Not later than 90 days after  
16 the date of enactment of this Act, the Commission shall  
17 recommend persons for appointment under section  
18 306(a)(1)(D) of the Federal Election Campaign Act of  
19 1971, as added by section 501(a)(1)(D) of this Act.

20 **SEC. 502. AUDITS.**

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

24           (1) by inserting “(1)” before “The Commis-  
25 sion”; and



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

2 “(2) RANDOM AUDITS.—

3 “(A) IN GENERAL.—Notwithstanding para-  
4 graph (1), after every primary, general, and  
5 runoff election, the Commission may conduct  
6 random audits and investigations to ensure vol-  
7 untary compliance with this Act.

8 “(B) SELECTION OF SUBJECTS.—The sub-  
9 jects of audits and investigations under this  
10 paragraph shall be selected on the basis of im-  
11 partial criteria established by a vote of at least  
12 4 members of the Commission.

13 “(C) EXCLUSION.—This paragraph does  
14 not apply to an authorized committee of a can-  
15 didate for President or Vice President subject  
16 to audit under chapter 95 or 96 of the Internal  
17 Revenue Code of 1986.”.

18 **SEC. 503. AUTHORITY TO SEEK INJUNCTION.**

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

21 (1) by adding at the end the following:

22 “(13) AUTHORITY TO SEEK INJUNCTION.—

23 “(A) IN GENERAL.—If, at any time in a pro-  
24 ceeding described in paragraph (1), (2), (3), or (4),  
25 the Commission believes that—

1           “(i) there is a substantial likelihood that a  
2 violation of this Act is occurring or is about to  
3 occur;

4           “(ii) the failure to act expeditiously will re-  
5 sult in irreparable harm to a party affected by  
6 the potential violation;

7           “(iii) expeditious action will not cause  
8 undue harm or prejudice to the interests of oth-  
9 ers; and

10           “(iv) the public interest would be best  
11 served by the issuance of an injunction;

12 the Commission may initiate a civil action for a tem-  
13 porary restraining order or preliminary injunction  
14 pending the outcome of proceedings under para-  
15 graphs (1), (2), (3), and (4).

16           “(B) VENUE.—An action under subparagraph  
17 (A) shall be brought in the United States district  
18 court for the district in which the defendant resides,  
19 transacts business, or may be found, or in which the  
20 violation is occurring, has occurred, or is about to  
21 occur.”;

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

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

1 **SEC. 504. STANDARD FOR INVESTIGATION.**

2 Section 309(a)(2) of the Federal Election Campaign  
3 Act of 1971 (2 U.S.C. 437f(a)(2)) is amended by striking  
4 “reason to believe that” and inserting “reason to open an  
5 investigation on whether”.

6 **SEC. 505. PETITION FOR CERTIORARI.**

7 Section 307(a)(6) of the Federal Election Campaign  
8 Act of 1971 (2 U.S.C. 437d(a)) is amended by inserting  
9 “(including a proceeding before the Supreme Court on cer-  
10 tiorari)” after “appeal”.

11 **SEC. 506. EXPEDITED PROCEDURES.**

12 Section 309(a) of the Federal Election Campaign Act  
13 of 1971 (2 U.S.C. 437g(a)) (as amended by section 503)  
14 is amended by adding at the end the following:

15 “(14) EXPEDITED PROCEDURE.—

16 “(A) 60 DAYS BEFORE A GENERAL ELEC-  
17 TION.—If the complaint in a proceeding was  
18 filed within 60 days before the date of a general  
19 election, the Commission may take action de-  
20 scribed in this subparagraph.

21 “(B) RESOLUTION BEFORE AN ELEC-  
22 TION.—If the Commission determines, on the  
23 basis of facts alleged in the complaint and other  
24 facts available to the Commission, that there is  
25 clear and convincing evidence that a violation of  
26 this Act has occurred, is occurring, or is about

1 to occur and it appears that the requirements  
2 for relief stated in clauses (ii), (iii), and (iv) of  
3 paragraph (13)(A) are met, the Commission  
4 may—

5 “(i) order expedited proceedings,  
6 shortening the time periods for proceedings  
7 under paragraphs (1), (2), (3), and (4) as  
8 necessary to allow the matter to be re-  
9 solved in sufficient time before the election  
10 to avoid harm or prejudice to the interests  
11 of the parties; or

12 “(ii) if the Commission determines  
13 that there is insufficient time to conduct  
14 proceedings before the election, imme-  
15 diately seek relief under paragraph  
16 (13)(A).

17 “(C) MERITLESS COMPLAINTS.—If the  
18 Commission determines, on the basis of facts  
19 alleged in the complaint and other facts avail-  
20 able to the Commission, that the complaint is  
21 clearly without merit, the Commission may—

22 “(i) order expedited proceedings,  
23 shortening the time periods for proceedings  
24 under paragraphs (1), (2), (3), and (4) as  
25 necessary to allow the matter to be re-

1           solved in sufficient time before the election  
2           to avoid harm or prejudice to the interests  
3           of the parties; or

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

8 **SEC. 507. FILING OF REPORTS USING COMPUTERS AND**  
9 **FACSIMILE MACHINES.**

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

13                   “(5) FILING OF REPORTS USING COMPUTERS  
14         AND FACSIMILE MACHINES.—

15                   “(A) COMPUTERS.—The Commission shall  
16         issue a regulation under which a person re-  
17         quired to file a designation, statement, or re-  
18         port under this Act—

19                           “(i) is required to maintain and file  
20         the designation, statement, or report for  
21         any calendar year in electronic form acces-  
22         sible by computers if the person has, or  
23         has reason to expect to have, aggregate  
24         contributions or expenditures in excess of a

1 threshold amount determined by the Com-  
2 mission; and

3 “(ii) may maintain and file the des-  
4 ignation, statement, or report in that man-  
5 ner if not required to do so under a regula-  
6 tion under clause (i).

7 “(B) FACSIMILE MACHINES.—The Com-  
8 mission shall prescribe a regulation that allows  
9 a person to file a designation, statement, or re-  
10 port required by this Act through the use of a  
11 facsimile machine.

12 “(C) VERIFICATION.—In a regulation  
13 under this paragraph, the Commission shall  
14 provide methods (other than requiring a signa-  
15 ture on the document being filed) for verifying  
16 a designation, statement, or report. Any docu-  
17 ment verified under any of the methods shall be  
18 treated for all purposes (including penalties for  
19 perjury) in the same manner as a document  
20 verified by signature.

21 “(D) COMPATIBILITY OF SYSTEMS.—The  
22 Secretary of the Senate shall ensure that any  
23 computer or other system that the Secretary  
24 may develop and maintain to receive designa-  
25 tions, statements, and reports in the forms re-

1           required or permitted under this paragraph is  
2           compatible with any system that the Commis-  
3           sion may develop and maintain.”.

4 **SEC. 508. POWER TO ISSUE SUBPOENA WITHOUT SIGNA-**  
5 **TURE OF CHAIRPERSON.**

6           Section 307(a)(3) of the Federal Election Campaign  
7 Act of 1971 (2 U.S.C. 437d(a)(3)) is amended by striking  
8 “, signed by the chairman or the vice chairman,”.

9           **TITLE VI—MISCELLANEOUS**  
10           **PROVISIONS**

11 **SEC. 601. SEVERABILITY.**

12           If any provision of this Act or amendment made by  
13 this Act, or the application of a provision or amendment  
14 to any person or circumstance, is held to be unconstitu-  
15 tional, the remainder of this Act and amendments made  
16 by this Act, and the application of the provisions and  
17 amendment to any person or circumstance, shall not be  
18 affected by the holding.

19 **SEC. 602. REVIEW OF CONSTITUTIONAL ISSUES.**

20           An appeal may be taken directly to the Supreme  
21 Court of the United States from any final judgment, de-  
22 cree, or order issued by any court ruling on the constitu-  
23 tionality of any provision of this Act or amendment made  
24 by this Act.

1 **SEC. 603. EFFECTIVE DATE.**

2       This Act and the amendments made by this Act shall  
3 take effect on January 1, 1998.

○