

105TH CONGRESS
1ST SESSION

S. 25

To reform the financing of Federal elections.

IN THE SENATE OF THE UNITED STATES

JANUARY 21, 1997

Mr. MCCAIN (for himself, Mr. FEINGOLD, Mr. THOMPSON, Mr. WELLSTONE, Mr. GRAHAM, Mr. KERREY, Mr. DODD, Mr. KERRY, Mr. BINGAMAN, Mr. GLENN, Mrs. MURRAY, Mr. KOHL, Mr. WYDEN, Ms. MOSELEY-BRAUN, Mr. REID, Mr. FORD, Mr. LEAHY, Mr. CLELAND, Mr. JOHNSON, and Mr. DURBIN) introduced the following bill; which was read twice and referred to the Committee on Rules and Administration

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 “Bipartisan Campaign Reform Act of 1997”.

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—SENATE ELECTION SPENDING LIMITS AND BENEFITS

Sec. 101. Senate election spending limits and benefits.

Sec. 102. Free broadcast time.

- Sec. 103. Broadcast rates and preemption.
- Sec. 104. Reduced postage rates.
- Sec. 105. Contribution limit for eligible Senate candidates.
- Sec. 106. Reporting requirement for Senate candidates.

TITLE II—REDUCTION OF SPECIAL INTEREST INFLUENCE

Subtitle A—Political Action Committees

- Sec. 201. Ban on political action committee contributions to Federal candidates.

Subtitle B—Provisions Relating to Soft Money of Political Party Committees

- Sec. 211. Soft money of political party committee.
- Sec. 212. State party grassroots funds.
- Sec. 213. Reporting requirements.

Subtitle C—Soft Money of Persons Other Than Political Parties

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

Subtitle D—Contributions

- Sec. 231. Contributions through intermediaries and conduits.

Subtitle E—Independent Expenditures

- Sec. 241. Reporting requirements for certain independent expenditures.

TITLE III—ENFORCEMENT

- Sec. 301. Filing of reports using computers and facsimile machines.
- Sec. 302. Audits.
- Sec. 303. Authority to seek injunction.
- Sec. 304. Reporting requirements for contributions of \$50 or more.
- Sec. 305. Increase in penalty for knowing and willful violations.
- Sec. 306. Prohibition of contributions by individuals not qualified to vote.
- Sec. 307. Use of candidates' names.
- Sec. 308. Prohibition of false representation to solicit contributions.
- Sec. 309. Expedited procedures.

TITLE IV—MISCELLANEOUS

- Sec. 401. Use of contributed amounts for certain purposes.
- Sec. 402. Campaign advertising.
- Sec. 403. Limit on congressional use of the franking privilege.
- Sec. 404. Party independent expenditures.
- Sec. 405. Coordinated expenditures; independent expenditures.
- Sec. 406. Express advocacy.

TITLE V—CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

- Sec. 501. Severability.
- Sec. 502. Review of constitutional issues.
- Sec. 503. Effective date.
- Sec. 504. Regulations.

1 **TITLE I—SENATE ELECTION**
 2 **SPENDING LIMITS AND BENE-**
 3 **FITS**

4 **SEC. 101. SENATE ELECTION SPENDING LIMITS AND BENE-**
 5 **FITS.**

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

9 **“TITLE V—SPENDING LIMITS**
 10 **AND BENEFITS FOR SENATE**
 11 **ELECTION CAMPAIGNS**

12 **“SEC. 501. DEFINITIONS.**

13 “In this title:

14 “(1) ELIGIBLE SENATE CANDIDATE.—The term
 15 ‘eligible Senate candidate’ means a candidate who
 16 the Commission has certified under section 505 as
 17 an eligible primary election Senate candidate or as
 18 an eligible general election Senate candidate.

19 “(2) GENERAL ELECTION EXPENDITURE
 20 LIMIT.—The term ‘general election expenditure
 21 limit’, with respect to an eligible Senate candidate,
 22 means the limit applicable to the eligible Senate can-
 23 didate under section 503(d).

24 “(3) OUT-OF-STATE RESIDENT CONTRIBUTION
 25 LIMIT.—The term ‘out-of-State resident contribution

1 limit', with respect to an eligible Senate candidate,
 2 means the limit applicable to the candidate under
 3 section 502(e).

4 “(4) PERSONAL FUNDS EXPENDITURE LIMIT.—
 5 The term ‘personal funds expenditure limit’ means
 6 the limit stated in section 503(a).

7 “(5) PRIMARY ELECTION EXPENDITURE
 8 LIMIT.—The term ‘primary election expenditure
 9 limit’, with respect to an eligible Senate candidate,
 10 means the limit applicable to the eligible Senate can-
 11 didate under section 503(b).

12 “(6) RUNOFF ELECTION EXPENDITURE
 13 LIMIT.—The term ‘runoff election expenditure limit’,
 14 with respect to an eligible Senate candidate, means
 15 the limit applicable to the eligible Senate candidate
 16 under section 503(c).

17 **“SEC. 502. ELIGIBLE SENATE CANDIDATES.**

18 “(a) IN GENERAL.—A candidate is—

19 “(1) an eligible primary election Senate can-
 20 didate if the Commission certifies under section 505
 21 that the candidate—

22 “(A) has met the primary election filing re-
 23 quirement of subsection (b); and

24 “(B) has met the threshold contribution
 25 requirement of subsection (d); and

1 “(2) an eligible general election Senate can-
2 didate if the Commission certifies under section 505
3 that the candidate—

4 “(A) has met the general election filing re-
5 quirement of subsection (c); and

6 “(B) has been certified as an eligible pri-
7 mary election Senate candidate.

8 “(b) PRIMARY ELECTION FILING REQUIREMENT.—

9 “(1) IN GENERAL.—The requirement of this
10 subsection is met if the candidate files with the
11 Commission a declaration that—

12 “(A) the candidate and the candidate’s au-
13 thorized committees—

14 “(i)(I) will not exceed the personal
15 funds expenditure limit, primary election
16 expenditure limit, runoff election expendi-
17 ture limit, or general election expenditure
18 limit; and

19 “(II) will accept only amounts of con-
20 tributions for the primary election, any
21 runoff election, and the general election
22 that do not exceed the primary election ex-
23 penditure limit, runoff election expenditure
24 limit, and general election expenditure
25 limit (reduced by any amount transferred

1 to the current election cycle from a preced-
2 ing election); and

3 “(ii) will not accept contributions for
4 the primary election, any runoff election,
5 or the general election that would cause
6 the candidate to exceed the out-of-State
7 resident contribution limit; and

8 “(B) at least 1 other candidate has quali-
9 fied for the same primary election ballot under
10 the law of the candidate’s State.

11 “(2) DEADLINE FOR FILING GENERAL ELEC-
12 TION DECLARATION.—The declaration under para-
13 graph (1) shall be filed not later than 7 days after
14 the earlier of—

15 “(A) the date on which the candidate
16 qualifies for the general election ballot under
17 State law; or

18 “(B) if under State law, a primary or run-
19 off election to qualify for the general election
20 ballot occurs after September 1, the date on
21 which the candidate wins the primary or runoff
22 election.

23 “(d) THRESHOLD CONTRIBUTION REQUIREMENT.—

24 “(1) IN GENERAL.—The requirement of this
25 subsection is met—

1 “(A) if the candidate and the candidate’s
2 authorized committees have received allowable
3 contributions during the applicable period in an
4 amount at least equal to the lesser of—

5 “(i) 10 percent of the general election
6 expenditure limit; or

7 “(ii) \$250,000; and

8 “(B) the candidate files with the Commis-
9 sion a statement under penalty of perjury that
10 the requirement of subparagraph (A) has been
11 met, with supporting materials demonstrating
12 that the requirement has been met.

13 “(2) DEFINITIONS.—In this subsection:

14 “(A) ALLOWABLE CONTRIBUTION.—

15 “(i) IN GENERAL.—The term ‘allow-
16 able contribution’ means a contribution
17 that is made as a gift of money by an indi-
18 vidual pursuant to a written instrument
19 identifying the individual as the contribu-
20 tor.

21 “(ii) EXCLUSIONS.—The term ‘allow-
22 able contribution’ does not include a con-
23 tribution from—

1 “(I) an individual residing out-
 2 side the candidate’s State to the ex-
 3 tent that acceptance of the contribu-
 4 tion would bring a candidate out of
 5 compliance with subsection (e); or

6 “(II) a source described in sec-
 7 tion 503(a)(2).

8 “(B) APPLICABLE PERIOD.—The term ‘ap-
 9 plicable period’ means—

10 “(i) the period beginning on January
 11 1 of the calendar year preceding the cal-
 12 endar year of a general election and ending
 13 on the date on which the declaration under
 14 subsection (b) is filed by the candidate; or

15 “(ii) in the case of a special election
 16 for the office of United States Senator, the
 17 period beginning on the date on which the
 18 vacancy in the office occurs and ending on
 19 the date of the general election.

20 “(e) OUT-OF-STATE RESIDENT CONTRIBUTION
 21 LIMIT.—

22 “(1) REQUIREMENT.—

23 “(A) IN GENERAL.—The requirement of
 24 this subsection is met if at least 60 percent of
 25 the total amount of contributions accepted by

1 the candidate and the candidate’s authorized
2 committees are from individuals who are legal
3 residents of the candidate’s State.

4 “(B) SPECIAL RULE FOR SMALL
5 STATES.—In the case of a candidate to which
6 the general election expenditure limit under sec-
7 tion 503(d)(1)(B)(i) applies, the requirement of
8 this subsection is met if, at the option of the
9 candidate—

10 “(i) at least 60 percent of the total
11 amount of contributions accepted by the
12 candidate and the candidate’s authorized
13 committees are from individuals who are
14 legal residents of the candidate’s State; or

15 “(ii) at least 60 percent of the num-
16 ber of individuals whose names are re-
17 ported to the Commission as individuals
18 from whom the candidate and the can-
19 didate’s authorized committees accept con-
20 tributions are legal residents of the can-
21 didate’s State.

22 “(2) PERSONAL FUNDS.—For purposes of para-
23 graph (1), amounts consisting of funds from sources

1 described in section 503(a) shall be treated as con-
 2 tributions from individuals residing outside the can-
 3 didate's State.

4 “(3) TIME FOR MEETING REQUIREMENT.—The
 5 aggregate amount of contributions received by an el-
 6 igible Senate candidate as of the end of each report-
 7 ing period under section 304 shall meet the require-
 8 ment of paragraph (1).

9 “(4) REPORTING REQUIREMENTS.—In addition
 10 to information required to be reported under section
 11 304, a candidate that elects to comply with the re-
 12 quirements of paragraph (1)(B)(ii) shall include in
 13 each report required to be filed under section 304
 14 the name and address of and the amount of con-
 15 tributions made by each individual that, during the
 16 calendar year in which the reporting period occurs,
 17 makes contributions aggregating \$20 or more.

18 **“SEC. 503. EXPENDITURE LIMITS.**

19 “(a) PERSONAL FUNDS EXPENDITURE LIMIT.—

20 “(1) IN GENERAL.—The aggregate amount of
 21 expenditures that may be made during an election
 22 cycle by an eligible Senate candidate or the can-
 23 didate's authorized committees from the sources de-
 24 scribed in paragraph (2) shall not exceed the lesser
 25 of—

1 “(A) 10 percent of the general election ex-
2 penditure limit; or

3 “(B) \$250,000.

4 “(2) SOURCES.—A source is described in this
5 paragraph if the source is—

6 “(A) personal funds of the candidate and
7 members of the candidate’s immediate family;

8 or

9 “(B) proceeds of indebtedness incurred by
10 the candidate or a member of the candidate’s
11 immediate family.

12 “(b) PRIMARY ELECTION EXPENDITURE LIMIT.—

13 The aggregate amount of expenditures for a primary elec-
14 tion by an eligible primary election Senate candidate and
15 the candidate’s authorized committees shall not exceed the
16 lesser of—

17 “(1) 67 percent of the general election expendi-
18 ture limit; or

19 “(2) \$2,750,000.

20 “(c) RUNOFF ELECTION EXPENDITURE LIMIT.—The

21 aggregate amount of expenditures for a runoff election by
22 an eligible primary election Senate candidate and the can-
23 didate’s authorized committees shall not exceed 20 percent
24 of the general election expenditure limit.

25 “(d) GENERAL ELECTION EXPENDITURE LIMIT.—

1 “(1) IN GENERAL.—Except as otherwise pro-
2 vided in this title, the aggregate amount of expendi-
3 tures for a general election by an eligible general
4 election Senate candidate and the candidate’s au-
5 thorized committees shall not exceed the lesser of—

6 “(A) \$5,500,000; or

7 “(B) the greater of—

8 “(i) \$950,000; or

9 “(ii) \$400,000; plus

10 “(I) 30 cents multiplied by the

11 voting age population not in excess of

12 4,000,000; and

13 “(II) 25 cents multiplied by the

14 voting age population in excess of

15 4,000,000.

16 “(2) EXCEPTION.—In the case of an eligible
17 Senate candidate in a State that has not more than
18 1 transmitter for a commercial Very High Fre-
19 quency (VHF) television station licensed to operate
20 in that State, paragraph (1)(B)(ii) shall be applied
21 by substituting—

22 “(A) ‘80 cents’ for ‘30 cents’ in subclause

23 (I); and

24 “(B) ‘70 cents’ for ‘25 cents’ in subclause

25 (II).

1 “(e) EXCEPTIONS FOR COMPLYING CANDIDATES
2 RUNNING AGAINST NONCOMPLYING CANDIDATES.—

3 “(1) FUNDRAISING IN ANTICIPATION OF IN-
4 CREASE.—Notwithstanding any other provision of
5 this title, if any opponent of an eligible Senate can-
6 didate is a noneligible candidate who—

7 “(A) has received contributions; or

8 “(B) has made expenditures from a source
9 described in subsection (a);

10 in an aggregate amount equal to 50 percent of the
11 primary election expenditure limit, runoff election
12 expenditure limit, or general election expenditure
13 limit, the eligible Senate candidate may accept con-
14 tributions in excess of the primary election expendi-
15 ture limit, runoff election expenditure limit, or gen-
16 eral election expenditure limit (as the case may be)
17 so long as the eligible Senate candidate does not
18 make any expenditures with such excess contribu-
19 tions before becoming entitled to an increase in the
20 limit under paragraph (2) or (3).

21 “(2) 50 PERCENT INCREASE.—If any opponent
22 of an eligible Senate candidate is a noneligible can-
23 didate who has made expenditures in an aggregate
24 amount equal to 105 percent of the primary election
25 expenditure limit, runoff election expenditure limit,

1 or general election expenditure limit, the primary
2 election expenditure limit, runoff election expendi-
3 ture limit, or general election expenditure limit (as
4 the case may be of the eligible Senate candidate)
5 shall be increased by 50 percent.

6 “(3) 100 PERCENT INCREASE.—If any oppo-
7 nent of an eligible Senate candidate is a noneligible
8 candidate who has made expenditures in an aggre-
9 gate amount equal to 155 percent of the primary
10 election expenditure limit, runoff election expendi-
11 ture limit, or general election expenditure limit, the
12 primary election expenditure limit, runoff election
13 expenditure limit, or general election expenditure
14 limit (as the case may be of the eligible Senate can-
15 didate) shall be increased by 100 percent.

16 “(f) EXPENDITURES IN RESPONSE TO INDEPENDENT
17 EXPENDITURES.—If an eligible Senate candidate is noti-
18 fied by the Commission under section 304(c)(4) that inde-
19 pendent expenditures in an aggregate amount of \$10,000
20 or more have been made in the same election in support
21 of another candidate or against the eligible Senate can-
22 didate, the eligible Senate candidate shall be permitted to
23 spend an amount equal to the amount of the independent

1 expenditures, and any such expenditures shall not be sub-
2 ject to any limit applicable under this title to the eligible
3 candidate for the election.

4 “(g) INDEXING.—The amounts under subsections
5 (b)(1) and (d)(1) shall be increased as of the beginning
6 of each calendar year based on the increase in the price
7 index determined under section 315(c), except that the
8 base period shall be calendar year 1997.

9 “(h) PAYMENT OF TAXES.—The primary election ex-
10 penditure limit, runoff election expenditure limit, and gen-
11 eral election expenditure limit shall not apply to any ex-
12 penditure for Federal, State, or local taxes with respect
13 to earnings on contributions raised.

14 “(i) NOTICE OF FAILURE TO COMPLY WITH RE-
15 QUIREMENTS.—A candidate who filed a declaration under
16 section 502 and subsequently acts in a manner that is in-
17 consistent with any of the statements made in the declara-
18 tion shall, not later than 24 hours after the first of the
19 acts—

20 “(1) file with the Commission a notice describ-
21 ing those acts; and

22 “(2) notify all other candidates for the same of-
23 fice by sending a copy of the notice by certified mail,
24 return receipt requested.

1 **“SEC. 504. BENEFITS FOR ELIGIBLE CANDIDATES.**

2 “If an eligible Senate candidate has an opponent who
3 has qualified for the ballot and who has received contribu-
4 tions (or expended funds from a source described in sec-
5 tion 503(a)(2)) in an amount equal to 10 percent or more
6 of the applicable expenditure limit, the eligible Senate can-
7 didate shall be entitled to—

8 “(1) the broadcast media rates provided under
9 section 315(b) of the Communications Act of 1934;

10 “(2) the free broadcast time provided under
11 section 315(c) of the Communications Act of 1934;
12 and

13 “(3) the reduced postage rates provided in sec-
14 tion 3626(e) of title 39, United States Code.

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

16 “(a) IN GENERAL.—The Commission shall determine
17 whether a candidate has met the requirements of this title
18 and, based on the determination, issue a certification stat-
19 ing whether the candidate is an eligible Senate candidate
20 entitled to receive benefits under this title.

21 “(b) CERTIFICATION.—

22 “(1) PRIMARY ELECTION.—Not later than 7
23 business days after a candidate files a declaration
24 under section 502(b), the Commission shall deter-
25 mine whether the candidate meets the eligibility re-
26 quirements of section 502(b)(1) and, if so, certify

1 that the candidate is an eligible primary election
2 Senate candidate entitled to receive benefits under
3 this title.

4 “(2) GENERAL ELECTION.—Not later than 7
5 business days after a candidate files a declaration
6 under section 502(c), the Commission shall deter-
7 mine whether the candidate meets the eligibility re-
8 quirement of section 502(c)(1), and, if so, certify
9 that the candidate is an eligible general election Sen-
10 ate candidate entitled to receive benefits under this
11 title.

12 “(c) REVOCATION.—

13 “(1) IN GENERAL.—The Commission shall re-
14 voke a certification under subsection (a), based on
15 information submitted in such form and manner as
16 the Commission may require or on information that
17 comes to the Commission by other means, if the
18 Commission determines that a candidate—

19 “(A) violates any of the expenditure limits
20 contained in this title by making an aggregate
21 amount of expenditures that exceeds any appli-
22 cable expenditure limit by 5 percent or more;

23 “(B) uses a benefit made available to a
24 candidate under this title in a manner not pro-
25 vided for in this title; or

1 “(C) fails to continue to meet the require-
2 ment of this title.

3 “(2) NO FURTHER BENEFITS.—A candidate
4 whose certification has been revoked shall be ineli-
5 gible for any further benefits made available under
6 this title for the duration of the election cycle.

7 “(d) DETERMINATIONS BY COMMISSION.—A deter-
8 mination (including a certification under subsection (a))
9 made by the Commission under this title shall be final,
10 except to the extent that the determination is subject to
11 examination and audit by the Commission under section
12 506 and to judicial review.

13 **“SEC. 506. MISUSE OF BENEFITS.**

14 “(a) MISUSE OF BENEFITS.—If the Commission re-
15 vokes the certification of an eligible Senate candidate, the
16 Commission shall so notify the candidate, and the can-
17 didate shall pay to the provider of any benefit received
18 by the candidate under this title an amount equal to the
19 difference between the amount the candidate paid for such
20 benefit and the amount the candidate would have paid for
21 the benefit if the candidate were not an eligible Senate
22 candidate.

23 “(b) CIVIL PENALTIES.—

24 “(1) LOW AMOUNT OF EXCESS EXPENDI-
25 TURES.—Any eligible Senate candidate who makes

1 expenditures that exceed a limitation under this title
2 by 2.5 percent or less shall pay to the Commission
3 an amount equal to the amount of the excess ex-
4 penditures.

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

11 “(3) LARGE AMOUNT OF EXCESS EXPENDI-
12 TURES.—Any eligible Senate candidate who makes
13 expenditures that exceed a limitation under this title
14 by 5 percent or more shall pay to the Commission
15 an amount equal to 3 times the amount of the ex-
16 cess expenditures plus a civil penalty to be imposed
17 pursuant to section 309.”

18 (b) EXPENDITURES MADE BEFORE EFFECTIVE
19 DATE.—An expenditure shall not be counted as an ex-
20 penditure for purposes of the expenditure limits contained
21 in the amendment made by subsection (a) if the expendi-
22 ture is made before the date that is 60 days after the date
23 of enactment of this Act.

1 **SEC. 102. FREE BROADCAST TIME.**

2 (a) IN GENERAL.—Section 315 of the Communica-
3 tions Act of 1934 (47 U.S.C. 315) is amended—

4 (1) in the third sentence of subsection (a) by
5 striking “within the meaning of this subsection” and
6 inserting “within the meaning of this subsection and
7 subsection (c)”;

8 (2) by redesignating subsections (c) and (d) as
9 subsections (d) and (e), respectively;

10 (3) by inserting after subsection (b) the follow-
11 ing:

12 “(c) FREE BROADCAST TIME.—

13 “(1) IN GENERAL.—Except as provided in para-
14 graph (3), each eligible Senate candidate who has
15 qualified for the general election ballot as a can-
16 didate of a major or minor party shall be entitled to
17 receive a total of 30 minutes of free broadcast time
18 from broadcasting stations within the candidate’s
19 State or an adjacent State.

20 “(2) TIME.—

21 “(A) PRIME TIME.—Unless a candidate
22 elects otherwise, the broadcast time made avail-
23 able under this subsection shall be between 6:00
24 p.m. and 10:00 p.m. on any day that falls on
25 Monday through Friday.

1 “(B) LENGTH OF BROADCAST.—Except as
2 otherwise provided in this Act, a candidate may
3 use such time as the candidate elects, but time
4 may not be used in lengths of less than 30 sec-
5 onds or more than 5 minutes.

6 “(C) MAXIMUM REQUIRED OF ANY ONE
7 STATION.—A candidate may not request that
8 more than 15 minutes of free broadcast time be
9 aired by any one broadcasting station.

10 “(3) MORE THAN 2 CANDIDATES.—In the case
11 of an election among more than 2 candidates de-
12 scribed in paragraph (1), only 60 minutes of broad-
13 cast time shall be available for all such candidates,
14 and broadcast time shall be allocated as follows:

15 “(A) MINOR PARTY CANDIDATES.—The
16 amount of broadcast time that shall be provided
17 to the candidate of a minor party shall be equal
18 to 60 minutes multiplied by the percentage of
19 the number of popular votes received by the
20 candidate of that party in the preceding general
21 election for the Senate in the State (or if sub-
22 section (e)(4)(B) applies, the percentage deter-
23 mined under that subsection).

1 “(B) MAJOR PARTY CANDIDATES.—The
 2 amount of broadcast time remaining after as-
 3 signment of broadcast time to minor party can-
 4 didates under clause (i) shall be allocated equal-
 5 ly between the major party candidates.

6 “(4) ONLY 1 CANDIDATE.—In the case of an
 7 election in which only 1 candidate qualifies to be on
 8 the general election ballot, no time shall be required
 9 to be provided by a broadcasting station under this
 10 subsection.

11 “(5) EXEMPTION.—The Federal Election Com-
 12 mission shall by regulation establish a procedure to
 13 exempt from the requirements of this subsection—

14 “(A) licensees the signals of which are
 15 broadcast substantially nationwide; and

16 “(B) licensees that establish that the re-
 17 quirements of this subsection would impose a
 18 significant economic hardship on the licens-
 19 ees.”; and

20 (4) in subsection (d) (as redesignated by para-
 21 graph (2))—

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

24 (B) by striking the period at the end of
 25 paragraph (2) and inserting a semicolon; and

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

2 “(3) the term ‘major party’ means, with respect
3 to an election for the United States Senate in a
4 State, a political party whose candidate for the Unit-
5 ed States Senate in the preceding general election
6 for the Senate in that State received, as a candidate
7 of that party, 25 percent or more of the number of
8 popular votes received by all candidates for the Sen-
9 ate;

10 “(4) the term ‘minor party’ means, with respect
11 to an election for the United States Senate in a
12 State, a political party—

13 “(A) whose candidate for the United
14 States Senate in the preceding general election
15 for the Senate in that State received 5 percent
16 or more but less than 25 percent of the number
17 of popular votes received by all candidates for
18 the Senate; or

19 “(B) whose candidate for the United
20 States Senate in the current general election for
21 the Senate in that State has obtained the signa-
22 tures of at least 5 percent of the State’s reg-
23 istered voters, as determined by the chief voter
24 registration official of the State, in support of

1 a petition for an allocation of free broadcast
2 time under this subsection; and

3 “(5) the term ‘Senate election cycle’ means,
4 with respect to an election to a seat in the United
5 States Senate, the 6-year period ending on the date
6 of the general election for that seat.”.

7 (d) EFFECTIVE DATE.—The amendments made by
8 this section shall take effect on the date that is 60 days
9 after the date of enactment of this Act.

10 **SEC. 103. BROADCAST RATES AND PREEMPTION.**

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

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

15 “(b) BROADCAST MEDIA RATES.—

16 “(1) IN GENERAL.—The charges”;

17 (2) by redesignating paragraphs (1) and (2) as
18 subparagraphs (A) and (B), respectively, and adjust-
19 ing the margins accordingly;

20 (3) in paragraph (1)(A) (as redesignated by
21 paragraph (2))—

22 (A) by striking “forty-five” and inserting
23 “30”; and

24 (B) by striking “lowest unit charge of the
25 station for the same class and amount of time

1 for the same period” and inserting “lowest
2 charge of the station for the same amount of
3 time for the same period on the same date”;
4 and

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

6 “(2) SENATE CANDIDATES.—

7 “(A) ELIGIBLE SENATE CANDIDATES.—In
8 the case of an eligible Senate candidate (within
9 the meaning of section 501 of the Federal Elec-
10 tion Campaign Act), the charges for the use of
11 a television broadcasting station during the 30-
12 day period and 60-day period referred to in
13 paragraph (1)(A) shall not exceed 50 percent of
14 the lowest charge described in paragraph
15 (1)(A).

16 “(B) NONELIGIBLE SENATE CAN-
17 DIDATES.—In the case of a candidate for the
18 United States Senate who is not an eligible
19 Senate candidate, paragraph (1)(A) shall not
20 apply.”.

21 (b) PREEMPTION; ACCESS.—Section 315 of the Com-
22 munications Act of 1934 (47 U.S.C. 315), as amended by
23 section 102(a), is amended—

1 (1) by redesignating subsections (d) and (e) (as
2 redesignated by section 102(a)(2)), as subsections
3 (e) and (f), respectively; and

4 (2) by inserting after subsection (c) the follow-
5 ing:

6 “(d) PREEMPTION.—

7 “(1) IN GENERAL.—Except as provided in para-
8 graph (2), a licensee shall not preempt the use, dur-
9 ing any period specified in subsection (b)(1)(A), of
10 a broadcasting station by an eligible Senate can-
11 didate who has purchased and paid for such use
12 pursuant to subsection (b)(2).

13 “(2) CIRCUMSTANCES BEYOND CONTROL OF LI-
14 CENSEE.—If a program to be broadcast by a broad-
15 casting station is preempted because of cir-
16 cumstances beyond the control of the broadcasting
17 station, any candidate advertising spot scheduled to
18 be broadcast during that program may also be pre-
19 empted.”.

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

23 (1) by striking “or repeated”;

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

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

5 (d) **EFFECTIVE DATE.**—The amendments made by
6 this section shall take effect on the date that is 60 days
7 after the date of enactment of this Act.

8 **SEC. 104. REDUCED POSTAGE RATES.**

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

11 (1) in paragraph (2)—

12 (A) in subparagraph (A)—

13 (i) by striking “and the National” and
14 inserting “the National”; and

15 (ii) by inserting before the semicolon
16 the following: “, and, subject to paragraph
17 (3), the principal campaign committee of
18 an eligible Senate candidate;”;

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

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

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

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

3 “(B) if the general election expenditure limit,
4 primary election expenditure limit, or runoff limit
5 election expenditure limit applicable to an eligible
6 Senate candidate has been increased under section
7 503(d), to the eligible Senate candidate and the au-
8 thorized political committees of the candidate with
9 respect to any election for the office of United
10 States Senator, which, in the aggregate, exceed
11 \$2,000;”.

12 **SEC. 106. REPORTING REQUIREMENT FOR SENATE CAN-**
13 **DIDATES.**

14 (a) CONTRIBUTIONS BY IN-STATE RESIDENTS.—Sec-
15 tion 304(b)(2) of the Federal Election Campaign Act of
16 1971 (2 U.S.C. 434(b)(2)) is amended—

17 (1) by striking “and” at the end of subpara-
18 graph (J);

19 (2) by striking the period at the end of sub-
20 paragraph (K) and inserting “; and”; and

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

22 “(L) in the case of an eligible Senate can-
23 didate, the total amount of contributions from
24 individuals who are residents of the State in
25 which the candidate seeks office.”.

1 (b) REPORTS BY SENATE CANDIDATES.—Section
2 304 of the Federal Election Campaign Act of 1971 (2
3 U.S.C. 434) (as amended by section 221) is amended by
4 adding at the end the following:

5 “(h) SENATE CANDIDATES.—

6 “(1) EXPENDITURES OF PERSONAL FUNDS.—

7 “(A) IN GENERAL.—A candidate for the
8 Senate who during an election cycle makes ex-
9 penditures from sources described in section
10 503(a)(2) in excess of the personal funds ex-
11 penditure limit under 503(a) shall report the
12 expenditures to the Commission within 48
13 hours after the expenditures have been made.

14 “(B) ADDITIONAL REPORTS.—A candidate
15 shall file an additional report within 48 hours
16 after the date on which the candidate makes ex-
17 penditures for the general election from sources
18 described in section 503(a)(2) that in the ag-
19 gregate exceed 25 percent of the general elec-
20 tion expenditure limit.

21 “(2) EXPENDITURES OF PERSONAL FUNDS BY
22 A SENATE CANDIDATE WHO IS NOT AN ELIGIBLE
23 CANDIDATE.—

24 “(A) IN GENERAL.—A primary election
25 Senate candidate or general election Senate

1 candidate who is not certified as an eligible can-
2 didate under section 505 and who has received
3 contributions or made expenditures from
4 sources described in section 503(a)(2) in an ag-
5 gregate amount that exceeds 50 percent of the
6 general election expenditure limit shall file a re-
7 port with the Commission within 48 hours after
8 that amount of contributions have been received
9 or expenditures have been made.

10 “(B) ADDITIONAL REPORTS.—A primary
11 election Senate candidate or general election
12 Senate candidate shall file an additional report
13 within 48 hours after the candidate has re-
14 ceived contributions or made expenditures from
15 sources described in section 503(a)(2) in an ag-
16 gregate amount that exceeds 105 percent or
17 155 percent of the applicable expenditure limits.

18 “(3) NOTIFICATION.—Within 48 hours after a
19 report is filed under paragraph (1) or (2), the Com-
20 mission shall notify each eligible Senate candidate in
21 the election of the filing.

22 “(4) REPORT AND NOTIFICATION REQUIRE-
23 MENTS WITHIN 20 DAYS OF AN ELECTION.—

24 “(A) REPORTS.—If any act which requires
25 the filing of any report under paragraphs (1) or

1 (2) occurs after the 20th day, but more than 24
 2 hours before an election, the report shall be
 3 filed by the candidate within 24 hours of the
 4 occurrence of the act.

5 “(B) NOTIFICATION.—For any such report
 6 filed under this subsection, the Commission
 7 shall notify the appropriate eligible Senate can-
 8 didate within 24 hours after the filing of such
 9 report.

10 **TITLE II—REDUCTION OF**
 11 **SPECIAL INTEREST INFLUENCE**
 12 **Subtitle A—Political Action**
 13 **Committees**

14 **SEC. 201. BAN ON POLITICAL ACTION COMMITTEE CON-**
 15 **TRIBUTIONS TO FEDERAL CANDIDATES.**

16 (a) IN GENERAL.—Title III of the Federal Election
 17 Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended
 18 by adding at the end the following:

19 **“SEC. 324. BAN ON POLITICAL ACTION COMMITTEE CON-**
 20 **TRIBUTIONS TO FEDERAL CANDIDATES.**

21 “Notwithstanding any other provision of this Act, no
 22 person other than an individual or a political committee
 23 may make a contribution to a candidate or candidate’s au-
 24 thorized committee.”.

25 (b) DEFINITION OF POLITICAL COMMITTEE.—

1 (1) SECTION 301(4).—Section 301(4) of the
2 Federal Election Campaign Act of 1971 (2 U.S.C.
3 431(4)) is amended to read as follows:

4 “(4) The term ‘political committee’ means—

5 “(A) the principal campaign committee of
6 a candidate;

7 “(B) any national, State, or district com-
8 mittee of a political party, including any subor-
9 dinate committee thereof;

10 “(C) any local committee of a political
11 party that—

12 “(i) receives contributions aggregating
13 in excess of \$5,000 during a calendar year;

14 “(ii) makes payments exempted from
15 the definition of contribution or expendi-
16 ture under paragraph (8) or (9) aggregat-
17 ing in excess of \$5,000 during a calendar
18 year; or

19 “(iii) makes contributions or expendi-
20 tures aggregating in excess of \$1,000 dur-
21 ing a calendar year; and

22 “(D) any committee jointly established by
23 a principal campaign committee and any com-
24 mittee described in subparagraph (B) or (C) for

1 the purpose of conducting joint fundraising ac-
2 tivities.”.

3 (2) SECTION 316(b)(2).—Section 316(b)(2) of
4 the Federal Election Campaign Act of 1971 (2
5 U.S.C. 441b(b)(2)) is amended—

6 (A) by inserting “or” after “subject;”;

7 (B) by striking “and their families; and”
8 and inserting “and their families.”; and

9 (C) by striking subparagraph (C).

10 (c) CANDIDATE’S COMMITTEES.—

11 (1) CONTRIBUTIONS TO AUTHORIZED COMMIT-
12 TEE.—Section 315(a) of the Federal Election Cam-
13 paign Act of 1971 (2 U.S.C. 441a(a)) is amended by
14 adding at the end the following:

15 “(9) For the purposes of the limitations pro-
16 vided by paragraphs (1) and (2), any political com-
17 mittee that is established, financed, maintained, or
18 controlled, directly or indirectly, by any candidate or
19 Federal officeholder shall be deemed to be an au-
20 thorized committee of such candidate or office-
21 holder.”.

22 (2) DESIGNATION OF AUTHORIZED COMMIT-
23 TEE.—Section 302(e)(3) of the Federal Election
24 Campaign Act of 1971 (2 U.S.C. 432) is amended

1 by striking paragraph (3) and inserting the follow-
2 ing:

3 “(3) No political committee that supports, or
4 has supported, more than one candidate may be des-
5 ignated as an authorized committee, except that—

6 “(A) a candidate for the office of President
7 nominated by a political party may designate
8 the national committee of such political party
9 as the candidate’s principal campaign commit-
10 tee, if that national committee maintains sepa-
11 rate books of account with respect to its func-
12 tions as a principal campaign committee; and

13 “(B) a candidate may designate a political
14 committee established solely for the purpose of
15 joint fundraising by such candidates as an au-
16 thorized committee.”.

17 (d) RULES APPLICABLE WHEN BAN NOT IN EF-
18 FECT.—For purposes of the Federal Election Campaign
19 Act of 1971 (2 U.S.C. 431 et seq.), during any period
20 beginning after the effective date in which the limitation
21 under section 324 (as added by subsection (a)) is not in
22 effect—

23 (1) the amendments made by subsections (a),
24 (b), and (c) shall not be in effect; and

1 (2)(A) it shall be unlawful for a candidate for
2 election, or nomination for election, to the Senate or
3 an authorized committee of a Senate candidate to
4 accept a contribution from a multicandidate political
5 committee or an intermediary or conduit (within the
6 meaning of paragraph (8)), to the extent that the
7 making or accepting of the contribution would cause
8 the aggregate amount of contributions received by
9 the candidate and the candidate's authorized com-
10 mittees from multicandidate political committees,
11 intermediaries, and conduits to exceed 20 percent of
12 the primary election expenditure limit, runoff elec-
13 tion expenditure limit, or general election expendi-
14 ture limit (as those terms are defined in section
15 501) that is applicable (or, if the candidate were an
16 eligible Senate candidate (as defined in section 501),
17 would be applicable) to the candidate, and a can-
18 didate shall return to the contributor the excess of
19 any contributions received over the amount of con-
20 tributions allowed to be accepted under this subpara-
21 graph; and

22 (B) it shall be unlawful for a political commit-
23 tee, intermediary, or conduit to make a contribution
24 to any candidate or an authorized committee of a
25 candidate that, in the aggregate, exceeds the amount

1 that an individual is permitted, under section
 2 315(a), to make directly to the candidate and can-
 3 didate’s authorized committees.

4 **Subtitle B—Provisions Relating to**
 5 **Soft Money of Political Party**
 6 **Committees**

7 **SEC. 211. SOFT MONEY OF POLITICAL PARTY COMMITTEE.**

8 Title III of the Federal Election Campaign Act of
 9 1971 (2 U.S.C. 431 et seq.) (as amended by section 201)
 10 is amended by adding at the end the following:

11 **“SEC. 325. SOFT MONEY OF PARTY COMMITTEES.**

12 “(a) NATIONAL COMMITTEES.—A national commit-
 13 tee of a political party (including a national congressional
 14 campaign committee of a political party), an entity that
 15 is directly or indirectly established, financed, maintained,
 16 or controlled by a national committee or its agent, an en-
 17 tity acting on behalf of a national committee, and an offi-
 18 cer or agent acting on behalf of any such committee or
 19 entity (but not including an entity regulated under sub-
 20 section (b)) shall not solicit or receive any contributions,
 21 donations, or transfers of funds, or spend any funds, that
 22 are not subject to the limitations, prohibitions, and report-
 23 ing requirements of this Act.

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

1 “(1) IN GENERAL.—Any amount that is ex-
2 pended or disbursed by a State, district, or local
3 committee of a political party (including an entity
4 that is directly or indirectly established, financed,
5 maintained, or controlled by a State, district, or
6 local committee of a political party and an officer or
7 agent acting on behalf of any such committee or en-
8 tity) during a calendar year in which a Federal elec-
9 tion is held, for any activity that might affect the
10 outcome of a Federal election, including any voter
11 registration or get-out-the-vote activity, any generic
12 campaign activity, and any communication that re-
13 fers to a candidate (regardless of whether a can-
14 didate for State or local office is also mentioned or
15 identified) shall be made from funds subject to the
16 limitations, prohibitions, and reporting requirements
17 of 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 activity 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.—Any amount
12 spent by a national, State, district, or local
13 committee, by an entity that is established, fi-
14 nanced, maintained, or controlled by a State,
15 district, or local committee of a political party,
16 or by an agent or officer of any such committee
17 or entity to raise funds that are used, in whole
18 or in part, to pay the costs of an activity de-
19 scribed in paragraph (1) shall be made from
20 funds subject to the limitations, prohibitions,
21 and reporting requirements of this Act.

22 “(c) TAX-EXEMPT ORGANIZATIONS.—A national,
23 State, district, or local committee of a political party (in-
24 cluding a national congressional campaign committee of
25 a political party, an entity that is directly or indirectly

1 established, financed, maintained, or controlled by any
2 such national, State, district, or local committee or its
3 agent, an agent acting on behalf of any such party com-
4 mittee, and an officer or agent acting on behalf of any
5 such party committee or entity), shall not solicit any funds
6 for or make any donations to an organization that is ex-
7 empt from Federal taxation under section 501(c) of the
8 Internal Revenue Code of 1986.

9 “(d) CANDIDATES.—

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

13 “(A) solicit, receive, transfer, or spend
14 funds in connection with an election for Federal
15 office unless the funds are subject to the limita-
16 tions, prohibitions, and reporting requirements
17 of this Act;

18 “(B) solicit, receive, or transfer funds that
19 are to be expended in connection with any elec-
20 tion other than a Federal election unless the
21 funds—

22 “(i) are not in excess of the amounts
23 permitted with respect to contributions to
24 candidates and political committees under
25 section 315(a) (1) and (2); and

1 “(ii) are not from sources prohibited
2 by this Act from making contributions with
3 respect to an election for Federal office; or
4 “(C) solicit, receive, or transfer any funds
5 on behalf of any person that are not subject to
6 the limitations, prohibitions, and reporting re-
7 quirements of the Act if the funds are for use
8 in financing any campaign-related activity or
9 any communication that refers to a clearly iden-
10 tified candidate for Federal office.

11 “(2) EXCEPTION.—Paragraph (1) does not
12 apply to the solicitation or receipt of funds by an in-
13 dividual who is a candidate for a State or local office
14 if the solicitation or receipt of funds is permitted
15 under State law for the individual’s State or local
16 campaign committee.”.

17 **SEC. 212. STATE PARTY GRASSROOTS FUNDS.**

18 (a) INDIVIDUAL CONTRIBUTIONS.—Section
19 315(a)(1) of the Federal Election Campaign Act of 1971
20 (2 U.S.C. 441a(a)(1)) (as amended by section 105) is
21 amended—

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

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

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

3 “(D) 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 \$30,000.

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 211) is amended by adding
 13 at the end the following:

14 **“SEC. 326. STATE PARTY GRASSROOTS FUNDS.**

15 “(a) DEFINITION.—In this section, the term ‘State
 16 or local candidate committee’ means a committee estab-
 17 lished, financed, maintained, or controlled by a candidate
 18 for other than Federal office.

19 “(b) TRANSFERS.—Notwithstanding section
 20 315(a)(4), no funds may be transferred by a State com-
 21 mittee of a political party from its State Party Grassroots
 22 Fund to any other State Party Grassroots Fund or to any
 23 other political committee, except a transfer may be made
 24 to a district or local committee of the same political party
 25 in the same State if the district or local committee—

1 “(1) has established a separate segregated fund
2 for the purposes described in subsection (d); and

3 “(2) uses the transferred funds solely for those
4 purposes.

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

7 “(1) IN GENERAL.—Any amount received by a
8 State Party Grassroots Fund from a State or local
9 candidate committee for expenditures described in
10 subsection (d) that are for the benefit of that can-
11 didate shall be treated as meeting the requirements
12 of 325(b)(1) and section 304(d) if—

13 “(A) the amount is derived from funds
14 which meet the requirements of this Act with
15 respect to any limitation or prohibition as to
16 source or dollar amount specified in section
17 315(a) (1)(A) and (2)(A)(i); and

18 “(B) the State or local candidate commit-
19 tee—

20 “(i) maintains, in the account from
21 which payment is made, records of the
22 sources and amounts of funds for purposes
23 of determining whether those requirements
24 are met; and

1 “(ii) certifies that the requirements
2 were met.

3 “(2) DETERMINATION OF COMPLIANCE.—For
4 purposes of paragraph (1)(A), in determining wheth-
5 er the funds transferred meet the requirements of
6 this Act described in paragraph (1)(A)—

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

11 “(B) the committee must be able to dem-
12 onstrate that its cash on hand contains funds
13 meeting those requirements sufficient to cover
14 the transferred funds.

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

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

5 “(1) any generic campaign activity;

6 “(2) payments described in clauses (v), (x), and
 7 (xii) of paragraph (8)(B) and clauses (iv), (viii), and
 8 (ix) of paragraph (9)(B) of section 301;

9 “(3) subject to the limitations of section
 10 315(d), payments described in clause (xii) of para-
 11 graph (8)(B), and clause (ix) of paragraph (9)(B),
 12 of section 301 on behalf of candidates other than for
 13 President and Vice President;

14 “(4) voter registration; and

15 “(5) development and maintenance of voter files
 16 during an even-numbered calendar year.”.

17 **SEC. 213. REPORTING REQUIREMENTS.**

18 (a) REPORTING REQUIREMENTS.—Section 304 of the
 19 Federal Election Campaign Act of 1971 (2 U.S.C. 434)
 20 (as amended by section 241) is amended by adding at the
 21 end the following:

22 “(e) POLITICAL COMMITTEES.—

23 “(1) NATIONAL AND CONGRESSIONAL POLITI-
 24 CAL COMMITTEES.—The national committee of a po-
 25 litical party, any congressional campaign committee

1 of a political party, and any subordinate committee
2 of either, shall report all receipts and disbursements
3 during the reporting period, whether or not in con-
4 nection with an election for Federal office.

5 “(2) OTHER POLITICAL COMMITTEES TO WHICH
6 SECTION 325 APPLIES.—A political committee (not
7 described in paragraph (1)) to which section
8 325(b)(1) applies shall report all receipts and dis-
9 bursements made for activities described in section
10 325(b) (1) and (2)(iii).

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

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

22 “(5) REPORTING PERIODS.—Reports required to be
23 filed under this subsection shall be filed for the same time
24 periods required for political committees under
25 subsection (a).”.

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

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

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

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

12 “(f) FILING OF STATE REPORTS.—In lieu of any re-
13 port required to be filed by this Act, the Commission may
14 allow a State committee of a political party to file with
15 the Commission a report required to be filed under State
16 law if the Commission determines such reports contain
17 substantially the same information.”.

18 (d) OTHER REPORTING REQUIREMENTS.—

19 (1) AUTHORIZED COMMITTEES.—Section
20 304(b)(4) of the Federal Election Campaign Act of
21 1971 (2 U.S.C. 434(b)(4)) is amended—

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

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

1 (C) by adding at the end the following new
2 subparagraph:

3 “(J) in the case of an authorized commit-
4 tee, disbursements for the primary election, the
5 general election, and any other election in which
6 the candidate participates;”.

7 (2) NAMES AND ADDRESSES.—Section
8 304(b)(5)(A) of the Federal Election Campaign Act
9 of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by in-
10 sserting “, and the election to which the operating ex-
11 penditure relates” after “operating expenditure”.

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

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

16 Section 304 of the Federal Election Campaign Act
17 of 1971 (2 U.S.C. 434) (as amended by section 213) is
18 amended by adding at the end the following:

19 “(f) ELECTION ACTIVITY OF PERSONS OTHER THAN
20 POLITICAL PARTIES.—

21 “(1) IN GENERAL.—A person other than a com-
22 mittee of a political party that makes aggregate dis-
23 bursements totaling in excess of \$10,000 for activi-
24 ties described in paragraph (2) shall file a statement
25 with the Commission—

1 “(A) within 48 hours after the disburse-
2 ments are made; or

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

6 “(2) ACTIVITY.—The activity described in this
7 paragraph is—

8 “(A) any activity described in section
9 316(b)(2)(A) that refers to any candidate for
10 Federal office, any political party, or any Fed-
11 eral election; and

12 “(B) any activity described in subpara-
13 graph (B) or (C) of section 316(b)(2).

14 “(3) ADDITIONAL STATEMENTS.—An additional
15 statement shall be filed each time additional dis-
16 bursements aggregating \$10,000 are made by a per-
17 son described in paragraph (1).

18 “(4) APPLICABILITY.—This subsection does not
19 apply to—

20 “(A) a candidate or a candidate’s author-
21 ized committees; or

22 “(B) an independent expenditure.

1 “(5) CONTENTS.—A statement under this sec-
 2 tion shall contain such information about the dis-
 3 bursements as the Commission shall prescribe, in-
 4 cluding—

5 “(A) the name and address of the person
 6 or entity to whom the disbursement was made;

7 “(B) the amount and purpose of the dis-
 8 bursement; and

9 “(C) if applicable, whether the disburse-
 10 ment was in support of, or in opposition to, a
 11 candidate or a political party, and the name of
 12 the candidate or the political party.”.

13 **Subtitle D—Contributions**

14 **SEC. 231. CONTRIBUTIONS THROUGH INTERMEDIARIES** 15 **AND CONDUITS.**

16 Section 315(a)(8) of the Federal Election Campaign
 17 Act of 1971 (2 U.S.C. 441a(a)(8)) is amended by striking
 18 paragraph (8) and inserting the following:

19 “(8) INTERMEDIARIES AND CONDUITS.—

20 “(A) DEFINITIONS.—In this paragraph:

21 “(i) ACTING ON BEHALF OF THE EN-
 22 TITY.—The term ‘acting on behalf of the
 23 entity’ means soliciting one or more con-
 24 tributions—

25 “(I) in the name of an entity;

1 “(II) using other than incidental
2 resources of an entity; or

3 “(III) by directing a significant
4 portion of the solicitations to other of-
5 ficers, employees, agents, or members
6 of an entity or their spouses, or by so-
7 liciting a significant portion of the
8 other officers, employees, agents, or
9 members of an entity or their spouses.

10 “(ii) BUNDLER.—The term ‘bundler’
11 means an intermediary or conduit that de-
12 livers contributions made by other persons,
13 and that is any of the following persons:

14 “(I) A political committee (other
15 than the authorized campaign com-
16 mittee of the candidate receiving the
17 funds) or an officer, employee or
18 agent of a political committee.

19 “(II) A corporation, labor organi-
20 zation, or partnership or an officer,
21 employee, or agent of a corporation,
22 labor organization, or partnership,
23 acting on behalf of the corporation,
24 labor organization, or partnership.

1 “(III) A person required to be
2 listed as a lobbyist on a registration
3 or other report filed pursuant to the
4 Lobbying Disclosure Act of 1995 (2
5 U.S.C. 1601 et seq.) or any successor
6 law that requires reporting on the ac-
7 tivities of a person who is a lobbyist
8 or foreign agent.

9 “(iii) DELIVER.—The term ‘deliver’
10 means to deliver contributions to a can-
11 didate by any method used or suggested by
12 a bundler that communicates to the can-
13 didate (or to the person who receives the
14 contributions on behalf of the candidate)
15 that the bundler collected the contributions
16 for the candidate, including such methods
17 as—

18 “(I) personal delivery;

19 “(II) United States mail or simi-
20 lar services;

21 “(III) messenger service; and

22 “(IV) collection at an event or re-
23 ception.

24 “(B) TREATMENT AS CONTRIBUTIONS
25 FROM PERSONS BY WHOM MADE.—

1 “(i) IN GENERAL.—For purposes of
2 the limitations imposed by this section, all
3 contributions made by a person, either di-
4 rectly or indirectly, on behalf of a can-
5 didate, including contributions that are in
6 any way earmarked or otherwise directed
7 through an intermediary or conduit to the
8 candidate, shall be treated as contributions
9 from the person to the candidate.

10 “(ii) REPORTING.—The intermediary
11 or conduit through which a contribution is
12 made shall report the name of the original
13 contributor and the intended recipient of
14 the contribution to the Commission and to
15 the intended recipient.

16 “(C) TREATMENT AS CONTRIBUTIONS
17 FROM THE BUNDLER.—Contributions that a
18 bundler delivers to a candidate, agent of the
19 candidate, or the candidate’s authorized com-
20 mittee shall be treated as contributions from
21 the bundler to the candidate as well as from the
22 original contributor.

23 “(D) NO LIMITATION ON OR PROHIBITION
24 OF CERTAIN ACTIVITIES.—This subsection does
25 not—

1 “(i) limit fundraising efforts for the
2 benefit of a candidate that are conducted
3 by another candidate or Federal office-
4 holder; or

5 “(ii) prohibit an officer, employee, or
6 agent of a corporation, labor organization,
7 or partnership from soliciting, collecting,
8 or delivering a contribution to a candidate,
9 agent of the candidate, or the candidate’s
10 authorized committee if the officer, em-
11 ployee, or agent does so by use of the per-
12 sonal resources of the officer, employee, or
13 agent and is not acting on behalf of the
14 corporation, labor organization, or partner-
15 ship.”.

16 **Subtitle E—Independent** 17 **Expenditures**

18 **SEC. 241. REPORTING REQUIREMENTS FOR CERTAIN INDE-** 19 **PENDENT EXPENDITURES.**

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

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

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

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

3 “(d) TIME FOR REPORTING CERTAIN EXPENDI-
4 TURES.—

5 “(1) EXPENDITURES AGGREGATING \$1,000.—

6 “(A) INITIAL REPORT.—A person (includ-
7 ing a political committee) that makes independ-
8 ent expenditures aggregating \$1,000 or more
9 after the 20th day, but more than 24 hours, be-
10 fore an election shall file a report describing the
11 expenditures within 24 hours after that amount
12 of independent expenditures has been made.

13 “(B) ADDITIONAL REPORTS.—After a per-
14 son files a report under subparagraph (A), the
15 person filing the report shall file an additional
16 report each time that independent expenditures
17 aggregating an additional \$1,000 are made with
18 respect to the same election as that to which
19 the initial report relates.

20 “(2) EXPENDITURES AGGREGATING \$10,000.—

21 “(A) INITIAL REPORT.—A person (includ-
22 ing a political committee) that makes independ-
23 ent expenditures aggregating \$10,000 or more
24 at any time up to and including the 20th day
25 before an election shall file a report describing

1 the expenditures within 48 hours after that
2 amount of independent expenditures has been
3 made.

4 “(B) ADDITIONAL REPORTS.—After a per-
5 son files a report under subparagraph (A), the
6 person filing the report shall file an additional
7 report each time that independent expenditures
8 aggregating an additional \$10,000 are made
9 with respect to the same election as that to
10 which the initial report relates.

11 “(3) PLACE OF FILING; CONTENTS; TRANSMIT-
12 TAL.—

13 “(A) PLACE OF FILING; CONTENTS.—A re-
14 port under this subsection—

15 “(i) shall be filed with the Commis-
16 sion; and

17 “(ii) shall contain the information re-
18 quired by subsection (b)(6)(B)(iii), includ-
19 ing the name of each candidate whom an
20 expenditure is intended to support or op-
21 pose.

22 “(B) TRANSMITTAL TO CANDIDATES.—In
23 the case of an election for United States Sen-
24 ator, not later than 2 business days after re-
25 ceipt of a report under this subsection, the

1 Commission shall transmit a copy of the report
2 to each eligible candidate seeking nomination
3 for election to, or election to, the office in ques-
4 tion.

5 “(4) OBLIGATION TO MAKE EXPENDITURE.—
6 For purposes of this subsection, an expenditure shall
7 be treated as being made on the making of any pay-
8 ment or the taking of any action to incur an obliga-
9 tion for payment.

10 “(5) DETERMINATIONS BY THE COMMISSION.—

11 “(A) IN GENERAL.—The Commission may,
12 upon a request of a candidate or on its own ini-
13 tiative, make its own determination that a per-
14 son, including a political committee, has made,
15 or has incurred obligations to make, independ-
16 ent expenditures with respect to any candidate
17 in any Federal election that in the aggregate
18 exceed the applicable amounts under paragraph
19 (1) or (2).

20 “(B) NOTIFICATION.—In the case of inde-
21 pendent expenditures made in connection with
22 an election in which an eligible Senate can-
23 didate is on the ballot, the Commission shall
24 notify each candidate in the election of the

1 making of the determination within 2 business
 2 days after making the determination.

3 “(C) TIME TO COMPLY WITH REQUEST
 4 FOR DETERMINATION.—A determination made
 5 at the request of a candidate shall be made
 6 within 2 business days after the date of the re-
 7 quest.

8 “(6) NOTIFICATION OF AN ALLOWABLE IN-
 9 CREASE IN INDEPENDENT EXPENDITURE LIMIT.—
 10 When independent expenditures totaling in the ag-
 11 gregate \$10,000 have been made in the same elec-
 12 tion in support of an opposing candidate or against
 13 an eligible Senate candidate, the Commission shall,
 14 within 2 business days, notify the eligible Senate
 15 candidate that the eligible Senate candidate is enti-
 16 tled under section 503(e) to an increase in the appli-
 17 cable expenditure limit in an amount equal to the
 18 amount of the independent expenditures.”.

19 **TITLE III—ENFORCEMENT**

20 **SEC. 301. FILING OF REPORTS USING COMPUTERS AND** 21 **FACSIMILE MACHINES.**

22 Section 302(a) of the Federal Election Campaign Act
 23 of 1971 (2 U.S.C. 434(a)) is amended by striking para-
 24 graph (11) and inserting at the end the following:

1 “(11)(A) The Commission may prescribe regu-
2 lations under which persons required to file designa-
3 tions, statements, and reports under this Act—

4 “(i) are required to maintain and file a
5 designation, statement, or report for any cal-
6 endar year in electronic form accessible by com-
7 puters if the person has, or has reason to ex-
8 pect to have, aggregate contributions or expend-
9 itures in excess of a threshold amount deter-
10 mined by the Commission; and

11 “(ii) may maintain and file a designation,
12 statement, or report in that manner if not re-
13 quired to do so under regulations prescribed
14 under clause (i).

15 “(B) The Commission shall prescribe regula-
16 tions which allow persons to file designations, state-
17 ments, and reports required by this Act through the
18 use of facsimile machines.

19 “(C) In prescribing regulations under this para-
20 graph, the Commission shall provide methods (other
21 than requiring a signature on the document being
22 filed) for verifying designations, statements, and re-
23 ports covered by the regulations. Any document veri-
24 fied under any of the methods shall be treated for

1 all purposes (including penalties for perjury) in the
2 same manner as a document verified by signature.”.

3 **SEC. 302. AUDITS.**

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

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

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

10 “(2) RANDOM AUDITS.—

11 “(A) IN GENERAL.—Notwithstanding para-
12 graph (1), the Commission may conduct ran-
13 dom audits and investigations to ensure vol-
14 untary compliance with this Act.

15 “(B) SELECTION OF SUBJECTS.—The ag-
16 gregate amount of contributions received by an
17 eligible Senate candidate as of the end of each
18 reporting period under section 304 shall meet
19 the requirement of paragraph (1).

20 “(C) LIMITATION.—The Commission shall
21 not conduct an audit or investigation of a can-
22 didate’s authorized committee under paragraph
23 (1) until the candidate is no longer a candidate
24 for the office sought by the candidate in an
25 election cycle.

1 “(D) APPLICABILITY.—This paragraph
2 does not apply to an authorized committee of a
3 candidate for President or Vice President sub-
4 ject to audit under section 9007 or 9038 of the
5 Internal Revenue Code of 1986.”.

6 (b) EXTENSION OF PERIOD DURING WHICH CAM-
7 PAIGN AUDITS MAY BE BEGUN.—Section 311(b) of the
8 Federal Election Campaign Act of 1971 (2 U.S.C. 438(b))
9 is amended by striking “6 months” and inserting “12
10 months”.

11 **SEC. 303. AUTHORITY TO SEEK INJUNCTION.**

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

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

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

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

20 “(ii) the failure to act expeditiously will result
21 in irreparable harm to a party affected by the poten-
22 tial violation;

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

1 “(iv) the public interest would be best served by
2 the issuance of an injunction;
3 the Commission may initiate a civil action for a temporary
4 restraining order or a preliminary injunction pending the
5 outcome of the proceedings described in paragraphs (1),
6 (2), (3), and (4).

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

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

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

16 **SEC. 304. REPORTING REQUIREMENTS FOR CONTRIBU-**
17 **TIONS OF \$50 OR MORE.**

18 Section 304(b)(3)(A) of the Federal Election Cam-
19 paign Act at 1971 (2 U.S.C. 434(b)(3)(A) is amended—

20 (1) by striking “\$200” and inserting “\$50”;
21 and

22 (2) by striking the semicolon and inserting “,
23 except that in the case of a person who makes con-
24 tributions aggregating at least \$50 but not more

1 than \$200 during the calendar year, the identifica-
 2 tion need include only the name and address of the
 3 person”.

4 **SEC. 305. INCREASE IN PENALTY FOR KNOWING AND WILL-**
 5 **FUL VIOLATIONS.**

6 Section 309(a)(5)(B) of the Federal Election Cam-
 7 paign Act of 1971 (2 U.S.C. 437g(a)(5)(B)) is amended
 8 by striking “the greater of \$10,000 or an amount equal
 9 to 200 percent” and inserting “the greater of \$15,000 or
 10 an amount equal to 300 percent”.

11 **SEC. 306. PROHIBITION OF CONTRIBUTIONS BY INDIVID-**
 12 **UALS NOT QUALIFIED TO VOTE.**

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

15 (1) in the heading by adding “AND INDIVID-
 16 UALS NOT QUALIFIED TO REGISTER TO
 17 VOTE” at the end; and

18 (2) in subsection (a)—

19 (A) by striking “(a) It shall” and inserting
 20 the following:

21 “(a) PROHIBITIONS.—

22 “(1) FOREIGN NATIONALS.—It shall”; and

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

24 “(2) INDIVIDUALS NOT QUALIFIED TO VOTE.—

25 It shall be unlawful for an individual who is not

1 qualified to register to vote in a Federal election to
2 make a contribution, or to promise expressly or
3 impliedly to make a contribution, in connection with
4 a Federal election; or for any person to solicit, ac-
5 cept, or receive a contribution in connection with a
6 Federal election from an individual who is not quali-
7 fied to register to vote in a Federal election.”.

8 (b) INCLUSION IN DEFINITION OF IDENTIFICA-
9 TION.—Section 301(13) of the Federal Election Campaign
10 Act of 1971 (2 U.S.C. 431(13)) is amended—

11 (1) in subparagraph (A)—

12 (A) by striking “and” the first place it ap-
13 pears; and

14 (B) by inserting “, and an affirmation that
15 the individual is an individual who is not pro-
16 hibited by section 319 from making a contribu-
17 tion” after “employer”; and

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

22 **SEC. 307. USE OF CANDIDATES’ NAMES.**

23 Section 302(e) of the Federal Election Campaign Act
24 of 1971 (2 U.S.C. 432(e)) is amended by striking para-
25 graph (4) and inserting the following:

1 “(4)(A) The name of each authorized commit-
 2 tee shall include the name of the candidate who au-
 3 thorized the committee under paragraph (1).

4 “(B) A political committee that is not an au-
 5 thorized committee shall not—

6 “(i) include the name of any can-
 7 didate in its name, or

8 “(ii) except in the case of a national,
 9 State, or local party committee, use the
 10 name of any candidate in any activity on
 11 behalf of such committee in such a context
 12 as to suggest that the committee is an au-
 13 thorized committee of the candidate or
 14 that the use of the candidate’s name has
 15 been authorized by the candidate.”.

16 **SEC. 308. PROHIBITION OF FALSE REPRESENTATION TO**
 17 **SOLICIT CONTRIBUTIONS.**

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

20 (1) by inserting after “SEC. 322.” the follow-
 21 ing: “(a)”; and

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

23 “(b) No person shall solicit contributions by falsely
 24 representing himself as a candidate or as a representative
 25 of a candidate, a political committee, or a political party.”.

1 **SEC. 309. EXPEDITED PROCEDURES.**

2 Section 309(a) of the Federal Election Campaign Act
3 of 1971 (2 U.S.C. 437g(a)) (as amended by section 303)
4 is amended by adding at the end the following new para-
5 graph:

6 “(14)(A) If the complaint in a proceeding was
7 filed within 60 days immediately preceding a general
8 election, the Commission may take action described
9 in this subparagraph.

10 “(B) If the Commission determines, on the
11 basis of facts alleged in the complaint and other
12 facts available to the Commission, that there is clear
13 and convincing evidence that a violation of this Act
14 has occurred, is occurring, or is about to occur and
15 it appears that the requirements for relief stated in
16 paragraph (13)(A) (ii), (iii), and (iv) are met, the
17 Commission may—

18 “(i) order expedited proceedings, shorten-
19 ing the time periods for proceedings under
20 paragraphs (1), (2), (3), and (4) as necessary
21 to allow the matter to be resolved in sufficient
22 time before the election to avoid harm or preju-
23 dice to the interests of the parties; or

24 “(ii) if the Commission determines that
25 there is insufficient time to conduct proceedings

1 before the election, immediately seek relief
2 under paragraph (13)(A).

3 “(C) If the Commission determines, on the
4 basis of facts alleged in the complaint and other
5 facts available to the Commission, that the com-
6 plaint is clearly without merit, the Commission
7 may—

8 “(i) order expedited proceedings, shorten-
9 ing the time periods for proceedings under
10 paragraphs (1), (2), (3), and (4) as necessary
11 to allow the matter to be resolved in sufficient
12 time before the election to avoid harm or preju-
13 dice to the interests of the parties; or

14 “(ii) if the Commission determines that
15 there is insufficient time to conduct proceedings
16 before the election, summarily dismiss the com-
17 plaint.”.

18 **TITLE IV—MISCELLANEOUS**

19 **SEC. 401. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN** 20 **PURPOSES.**

21 Title III of the Federal Election Campaign Act of
22 1971 (2 U.S.C. 431 et seq.) is amended by striking section
23 313 and inserting the following:

1 **“SEC. 313. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN**
2 **PURPOSES.**

3 “Amounts received by a candidate as contributions,
4 and any other amounts received by an individual as sup-
5 port for his or her activities as a holder of Federal office,
6 may be used by such candidate or individual for expendi-
7 tures in connection with his or her campaign for Federal
8 office, for any ordinary and necessary expenses incurred
9 in connection with his or her duties as a holder of Federal
10 office, for contributions to any organization described in
11 section 170(c) of title 26, or for transfers to any national,
12 State or local committee of any political party. No such
13 amounts may be converted by any person to any personal
14 use. For the purposes of this section, such amounts are
15 converted to personal use if they are used to fulfill any
16 commitment, obligation, or expense of any person that
17 would exist irrespective of the candidate’s campaign or in-
18 dividual’s responsibilities as a Federal officeholder, includ-
19 ing but not limited to, a home mortgage, rent, or utility
20 payment; clothing purchase; noncampaign automobile ex-
21 pense; country club membership; vacation, or trip of a
22 noncampaign nature; household food items; tuition pay-
23 ment; admission to a sporting event, concert, theater, or
24 other form of entertainment not associated with a cam-
25 paign; and dues, fees, or contributions to a health club
26 or recreational facility.”.

1 **SEC. 402. CAMPAIGN ADVERTISING.**

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

4 (1) in subsection (a)—

5 (A) in the matter preceding paragraph

6 (1)—

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

15 (ii) by striking “an expenditure” and
16 inserting “a disbursement”; and

17 (iii) by striking “direct”; and

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

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

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

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

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

1 responsible for the content of this advertisement.’ (with
2 the blank to be filled in with the name of the political
3 committee or other person paying for the communication
4 and the name of any connected organization of the payor).
5 If broadcast or cablecast by means of television, the state-
6 ment shall also appear in a clearly readable manner with
7 a reasonable degree of color contrast between the back-
8 ground and the printed statement, for a period of at least
9 4 seconds.”.

10 **SEC. 403. LIMIT ON CONGRESSIONAL USE OF THE FRANK-**
11 **ING PRIVILEGE.**

12 (a) IN GENERAL.—Section 3210(a)(6)(A) of title 39,
13 United States Code, is amended to read as follows:

14 “(A) A Member of Congress shall not mail
15 any mass mailing as franked mail during a year
16 in which there will be an election for the seat
17 held by the Member during the period between
18 January 1 of that year and the date of the gen-
19 eral election for that Office, unless the Member
20 has made a public announcement that the
21 Member will not be a candidate for reelection to
22 that year or for election to any other Federal
23 office.”.

1 (b) APPLICATION OF SAVINGS.—It is the intent of
2 Congress that any savings realized by virtue of the amend-
3 ment made by subsection (a) shall be designated to pay
4 for the benefits of section 104 (relating to reduced postage
5 rates for eligible Senate candidates) provided under
6 section 104.

7 **SEC. 404. PARTY INDEPENDENT EXPENDITURES.**

8 Section 315(d) of the Federal Election Campaign Act
9 of 1997 (2 U.S.C. 441a(d)) is amended—

10 (1) in paragraph (1)—

11 (A) by inserting “coordinated” after
12 “make”; and

13 (B) by striking “(2) and (3)” and inserting
14 “(2), (3), and (4)”; and

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

16 “(4) Before a committee of a political party
17 may make coordinated expenditures in connection
18 with a general election campaign for Federal office
19 in excess of \$5,000 pursuant to this subsection, the
20 committee shall file with the Commission a certifi-
21 cation, signed by the treasurer, that the committee
22 has not and will not make any independent expendi-
23 tures in connection with that campaign for Federal
24 office. A party committee that determines to make
25 coordinated expenditures pursuant to this subsection

1 shall not make any transfers of funds in the same
2 election cycle to, or receive any transfer of funds in
3 the same election cycle from, any other party com-
4 mittee that determines to make independent expend-
5 itures in connection with the same campaign for
6 Federal office.

7 “(5)(A) A committee of a political party shall
8 be considered to be in coordination with a candidate
9 of the party if the committee—

10 “(i) makes a payment for a communication
11 or anything of value in coordination with the
12 candidate, as described in section
13 301(8)(A)(iii);

14 “(ii) makes a coordinated expenditure
15 under section 315(d) on behalf of the candidate;

16 “(iii) participates in joint fundraising with
17 the candidate or in any way solicits or receives
18 a contribution on behalf of the candidate;

19 “(iv) communicates with the candidate or
20 an agent of the candidate (including a pollster,
21 media consultant, vendor, advisor, or staff
22 member), acting on behalf of the candidate,
23 about advertising, message, allocation of re-
24 sources, fundraising, or other campaign matters
25 related to the candidate’s campaign, including

1 campaign operations, staffing, tactics or strat-
2 egy; or

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

5 “(6) For purposes of paragraphs (4) and (5),
6 all political committees established and maintained
7 by a national political party (including all congress-
8 sional campaign committees) and all political com-
9 mittees established by State political parties shall be
10 considered to be a single political committee.

11 “(7) For purposes of paragraph (5), any coordi-
12 nation between a committee of a political party and
13 a candidate of the party after the candidate has filed
14 a statement of candidacy constitutes coordination for
15 the period beginning with the filing of the statement
16 of candidacy and ending at the end of the election
17 cycle.”.

18 **SEC. 405. COORDINATED EXPENDITURES; INDEPENDENT**
19 **EXPENDITURES.**

20 (a) DEFINITION OF COORDINATED EXPENDITURE.—

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

24 (A) in subparagraph (A)—

1 (i) by striking “or” at the end of
2 clause (i);

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

5 (iii) by adding at the end the follow-
6 ing:

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

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

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

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

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

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

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

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

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

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

7 (2) SECTION 315(a)(7).—Section 315(a)(7) (2
8 U.S.C. 441a(a)(7)) is amended by striking para-
9 graph (B), and inserting the following:

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

16 (b) MEANING OF CONTRIBUTION OR EXPENDITURE
17 FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2)
18 of the Federal Election Campaign Act of 1971 (2 U.S.C.
19 441b(b)) is amended by striking “shall include” and in-
20 serting “includes a contribution or expenditure, as those
21 terms are defined in section 301, and also includes”.

22 (c) DEFINITION OF INDEPENDENT EXPENDITURE.—
23 Section 301 of the Federal Election Campaign Act of
24 1971 (2 U.S.C. 431) is amended by striking paragraph
25 (17) and inserting the following:

1 “(17) INDEPENDENT EXPENDITURE.—

2 “(A) IN GENERAL.—The term ‘independent ex-
3 penditure’ means an expenditure that—

4 “(i) contains express advocacy; and

5 “(ii) is made without the participation or
6 cooperation of, or without consultation with, or
7 without coordination with a candidate or a can-
8 didate’s authorized committee or agent (within
9 the meaning of section 301(8)(A)(iii)).

10 “(B) EXCLUSION.—The term ‘independent
11 expenditure’ does not include an expenditure or
12 payment made in coordination with a candidate
13 (within the meaning of section 301(8)(A)(iii)).”.

14 **SEC. 406. EXPRESS ADVOCACY.**

15 (a) DEFINITION OF EXPENDITURE.—Section
16 301(9)(A) of the Federal Election Campaign Act of 1971
17 (2 U.S.C. 431(9)(A)) is amended—

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

19 (2) by striking the period at the end of clause

20 (ii) and inserting a semicolon; and

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

22 “(iii) any payment during an election
23 year (or in a nonelection year, during the
24 period beginning on the date on which a

1 vacancy for Federal office occurs and end-
2 ing on the date of the special election for
3 that office) for a communication that is
4 made through any broadcast medium,
5 newspaper, magazine, billboard, direct
6 mail, or similar type of general public com-
7 munication or political advertising by a na-
8 tional, State, district, or local committee of
9 a political party, including a congressional
10 campaign committee of a party, that refers
11 to a clearly identified candidate; and

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

14 (b) DEFINITION OF EXPRESS ADVOCACY.—Section
15 301 of the Federal Election Campaign Act of 1971 (2
16 U.S.C. 431) (as amended by section 212(d)) is amended
17 by adding at the end the following:

18 “(20) EXPRESS ADVOCACY.—

19 “(A) IN GENERAL.—The term ‘express ad-
20 vocacy’ includes—

21 “(i) a communication that conveys a
22 message that advocates the election or de-
23 feat of a clearly identified candidate for
24 Federal office by using an expression such
25 as ‘vote for,’ ‘elect,’ ‘support,’ ‘vote

1 against,' 'defeat,' 'reject,' '(name of can-
2 didate) for Congress', 'vote pro-life,' or
3 'vote pro-choice', accompanied by a listing
4 or picture of a clearly identified candidate
5 described as 'pro-life' or 'pro-choice,' 're-
6 ject the incumbent', or a similar expres-
7 sion;

8 "(ii) a communication that is made
9 through a broadcast medium, newspaper,
10 magazine, billboard, direct mail, or similar
11 type of general public communication or
12 political advertising that involves aggregate
13 disbursements of \$10,000 or more, that re-
14 fers to a clearly identified candidate, that
15 a reasonable person would understand as
16 advocating the election or defeat of the
17 candidate, and that is made within 30 days
18 before the date of a primary election (and
19 is targeted to the State in which the pri-
20 mary is occurring), or 60 days before a
21 general election; or

22 "(iii) a communication that is made
23 through a broadcast medium, newspaper,
24 magazine, billboard, direct mail, or similar
25 type of general public communication or

1 political advertising that involves aggregate
2 disbursements of \$10,000 or more, that re-
3 fers to a clearly identified candidate, that
4 a reasonable person would understand as
5 advocating the election or defeat of a can-
6 didate, that is made before the date that is
7 30 days before the date of a primary elec-
8 tion, or 60 days before the date of a gen-
9 eral election, and that is made for the pur-
10 pose of advocating the election or defeat of
11 the candidate, as shown by 1 or more fac-
12 tors such as a statement or action by the
13 person making the communication, the
14 targeting or placement of the communica-
15 tion, or the use by the person making the
16 communication of polling, demographic, or
17 other similar data relating to the can-
18 didate’s campaign or election.

19 “(B) EXCLUSION.—The term ‘express ad-
20 vocacy’ does not include the publication or dis-
21 tribution of a communication that is limited
22 solely to providing information about the voting
23 record of elected officials on legislative matters

1 and that a reasonable person would not under-
2 stand as advocating the election or defeat of a
3 particular candidate.”.

4 **TITLE V—CONSTITUTIONALITY;**
5 **EFFECTIVE DATE; REGULATIONS**

6 **SEC. 501. SEVERABILITY.**

7 If any provision of this Act or amendment made by
8 this Act, or the application of a provision or amendment
9 to any person or circumstance, is held to be unconstitu-
10 tional, the remainder of this Act and amendments made
11 by this Act, and the application of the provisions and
12 amendment to any person or circumstance, shall not be
13 affected by the holding.

14 **SEC. 502. REVIEW OF CONSTITUTIONAL ISSUES.**

15 An appeal may be taken directly to the Supreme
16 Court of the United States from any final judgment, de-
17 cree, or order issued by any court ruling on the constitu-
18 tionality of any provision of this Act or amendment made
19 by this Act.

20 **SEC. 503. EFFECTIVE DATE.**

21 Except as otherwise provided in this Act, this Act and
22 the amendments made by this Act take effect on the date
23 that is 60 days after the date of enactment of this Act.

1 **SEC. 504. REGULATIONS.**

2 The Federal Election Commission shall prescribe any
3 regulations required to carry out this Act and the amend-
4 ments made by this Act not later than 270 days after the
5 effective date of this Act.

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