

108TH CONGRESS
1ST SESSION

H. R. 3525

To amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for election for Federal office.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 19, 2003

Mr. DOOLITTLE (for himself, Mr. HASTERT, Mr. DELAY, Mr. SAM JOHNSON of Texas, Mr. HERGER, Mr. LEWIS of California, and Mr. MCKEON) introduced the following bill; which was referred to the Committee on House Administration, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for election for Federal office.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Citizen Legislature and
5 Political Freedom Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds as follows:

1 (1) The proliferation of campaign finance laws
2 (beginning with the Federal Election Campaign Act
3 of 1971) and the proliferation of government regula-
4 tions promulgated pursuant to such laws have placed
5 strict limits on contributions by citizens to the can-
6 didates of their choice, limits which have served to
7 severely hinder the ability of challengers to compete
8 on equal terms with incumbent politicians.

9 (2) The contribution limits imposed by the Fed-
10 eral Election Campaign Act of 1971 force candidates
11 to raise funds in small amounts subject to fixed limi-
12 tations, inevitably fostering a system under which
13 wealthy candidates and long-term incumbent politi-
14 cians hold an unfair financial advantage, which in
15 turn serves to discourage potential candidates from
16 seeking public office.

17 (3) The current campaign finance laws have in-
18 hibited the full and fair discussion of public policy
19 issues, as challengers who are not well known to the
20 electorate are forced by government regulation to at-
21 tempt to amass contributions from large numbers of
22 donors at the outset of a campaign. As a result,
23 challengers who lack the necessary resources to
24 bring new issues into the public debate often are

1 eliminated from political campaigns before their
2 voices are even heard.

3 (4) The regulation by government of political
4 speech through the regulation of campaign contribu-
5 tions and expenditures is patently undemocratic be-
6 cause it favors institutionalized special interests over
7 grassroots and citizen activity by imposing burden-
8 some reporting and disclosure requirements and
9 stringent spending limits on the political parties,
10 thereby tilting the financial and tactical advantage
11 in political campaigns to well-financed interest
12 groups and wealthy individuals.

13 (5) The effect of the unreasonably low contribu-
14 tion limits has been to force more contributors and
15 political activists to operate outside the system, re-
16 sulting in even less accountability and even greater
17 encouragement of irresponsible behavior.

18 (6) The only way to encourage the robust dis-
19 course of public issues and candidates, promote the
20 free exchange of political speech and ideas, protect
21 constitutional freedom, and foster a more informed
22 electorate is to lift all current restrictions on polit-
23 ical candidate and party contributions and expendi-
24 tures and to provide full, instantaneous disclosure of

1 all contributions and expenditures in elections for
2 Federal office.

3 **SEC. 3. REMOVAL OF LIMITATIONS ON FEDERAL ELECTION**
4 **CAMPAIGN CONTRIBUTIONS.**

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

8 “(9) The limitations established under this subsection
9 shall not apply to contributions made during calendar
10 years beginning after 2004.”

11 **SEC. 4. TERMINATION OF TAXPAYER FINANCING OF PRESI-**
12 **DENTIAL ELECTION CAMPAIGNS.**

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

17 “(d) **TERMINATION.**—This section shall not apply to
18 taxable years beginning after December 31, 2003.”

19 (b) **TERMINATION OF FUND AND ACCOUNT.**—

20 (1) **TERMINATION OF PRESIDENTIAL ELECTION**
21 **CAMPAIGN FUND.**—

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

1 **“SEC. 9014. TERMINATION.**

2 The provisions of this chapter shall not apply with
3 respect to any presidential election (or any presidential
4 nominating convention) after December 31, 2004, or to
5 any candidate in such an election.”

6 (B) TRANSFER OF EXCESS FUNDS TO GEN-
7 ERAL FUND.—Section 9006 of such Code is
8 amended by adding at the end the following
9 new subsection:

10 “(d) TRANSFER OF FUNDS REMAINING AFTER
11 2004.—The Secretary shall transfer all amounts in the
12 fund after December 31, 2004, to the general fund of the
13 Treasury.”

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

17 **“SEC. 9043. TERMINATION.**

18 The provisions of this chapter shall not apply to any
19 candidate with respect to any presidential election after
20 December 31, 2004.”

21 (c) CLERICAL AMENDMENTS.—

22 (1) The table of sections for chapter 95 of sub-
23 title H of such Code is amended by adding at the
24 end the following new item:

 “Sec. 9014. Termination.”

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

 “Sec. 9043. Termination.”

4 **SEC. 5. DISCLOSURE BY STATE AND LOCAL POLITICAL PAR-**
5 **TIES OF INFORMATION REPORTED UNDER**
6 **STATE LAW.**

7 (a) **IN GENERAL.**—Section 304 of the Federal Elec-
8 tion Campaign Act of 1971 (2 U.S.C. 434), as amended
9 by section 308(b) of the Bipartisan Campaign Reform Act
10 of 2002, is amended by adding at the end the following
11 new subsection:

12 “(i) If a political committee of a State or local polit-
13 ical party is required under a State or local law, rule, or
14 regulation to submit a report on its disbursements to an
15 entity of the State or local government, the committee
16 shall file a copy of the report with the Commission at the
17 time it submits the report to such an entity.”.

18 (b) **EFFECTIVE DATE.**—The amendment made by
19 subsection (a) shall apply with respect to elections occur-
20 ring after January 2005.

21 **SEC. 6. PROMOTING EXPEDITED AVAILABILITY OF FEC RE-**
22 **PORTS.**

23 (a) **MANDATORY ELECTRONIC FILING FOR ALL RE-**
24 **PORTS.**—

1 (1) IN GENERAL.—Section 304(a)(11) of the
2 Federal Election Campaign Act of 1971 (2 U.S.C.
3 434(a)(11)) is amended—

4 (A) in subparagraph (A), by striking “a
5 person required to file—” and all that follows
6 and inserting the following: “each person re-
7 quired to file a report under this Act shall be
8 required to maintain and file such report in
9 electronic form accessible by computers.”;

10 (B) in subparagraph (C), by striking “des-
11 ignations, statements, and reports” and insert-
12 ing “documents”; and

13 (C) in subparagraph (D), by striking
14 “means, with respect to” and all that follows
15 and inserting the following: “means any report,
16 designation, statement, or notification required
17 by this Act to be filed with the Commission or
18 the Secretary of the Senate.”.

19 (2) PLACEMENT OF ALL REPORTS ON INTER-
20 NET.—Section 304(a)(11)(B) of such Act (2 U.S.C.
21 434(a)(11)(B)) is amended—

22 (A) by striking “a designation, statement,
23 report, or notification” and inserting “each re-
24 port”; and

1 (B) by striking “the designation, state-
2 ment, report, or notification” and inserting
3 “the report”.

4 (3) SOFTWARE FOR FILING OF ALL REPORTS.—
5 Section 304(a)(12) of such Act (2 U.S.C.
6 434a(a)(12)), as added by section 306 of the Bipar-
7 tisan Campaign Reform Act of 2002, is amended—

8 (A) in subparagraph (A)(ii), by striking
9 “each person required to file a designation,
10 statement, or report in electronic form” and in-
11 serting “each person required to file a report
12 (as defined in paragraph (11)(D))”; and

13 (B) in subparagraph (B), by striking “any
14 designation, statement, or report” and inserting
15 “any report (as defined in paragraph
16 (11)(D))”.

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

22 “(A) Each political committee shall notify the Sec-
23 retary or the Commission, and the Secretary of State, as
24 appropriate, in writing, of any contribution received by the
25 committee during the period which begins on the 90th day

1 before an election and ends at the time the polls close for
2 such election. This notification shall be made within 24
3 hours (or, if earlier, by midnight of the day on which the
4 contribution is deposited) after the receipt of such con-
5 tribution and shall include the name of the candidate in-
6 volved (as appropriate) and the office sought by the can-
7 didate, the identification of the contributor, and the date
8 of receipt and amount of the contribution.”.

9 (c) EFFECTIVE DATE.—The amendment made by
10 this section shall apply with respect to reports for periods
11 beginning on or after January 1, 2005.

12 **SEC. 7. WAIVER OF “BEST EFFORTS” EXCEPTION FOR IN-**
13 **FORMATION ON IDENTIFICATION OF CON-**
14 **TRIBUTORS.**

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

18 (1) by striking “(i) When the treasurer” and
19 inserting “(i)(1) Except as provided in paragraph
20 (2), when the treasurer”; and

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

23 “(2) Paragraph (1) shall not apply with respect to
24 information regarding the identification of any person who
25 makes a contribution or contributions aggregating more

1 than \$200 during a calendar year (as required to be pro-
2 vided under subsection (c)(3)).”.

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 subsection (a) shall apply with respect to persons making
5 contributions for elections occurring after January 2005.

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