

105TH CONGRESS  
2D SESSION

# H. R. 3526

To reform the financing of Federal elections.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 19, 1998

Mr. SHAYS (for himself, Mr. MEEHAN, Mrs. ROUKEMA, Mrs. CAPPS, Mr. LEACH, Mr. MORAN of Virginia, Mrs. MORELLA, Mr. LUTHER, Mr. BILBRAY, Mrs. MALONEY of New York, Mr. BLUMENAUER, Mr. MINGE, Mr. WEXLER, Mr. BARRETT of Wisconsin, and Mr. ALLEN) introduced the following bill; which was referred to the Committee on House Oversight, and in addition to the Committees on Education and the Workforce, Government Reform and Oversight, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To reform the financing of Federal elections.

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

### 3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Bipartisan Campaign Reform Act of 1998”.

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—REDUCTION OF SPECIAL INTEREST INFLUENCE

- Sec. 101. Soft money of political parties.
- Sec. 102. Increased contribution limits for State committees of political parties  
and aggregate contribution limit for individuals.
- Sec. 103. Reporting requirements.

## TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

- Sec. 201. Definitions.
- Sec. 202. Civil penalty.
- Sec. 203. Reporting requirements for certain independent expenditures.
- Sec. 204. Independent versus coordinated expenditures by party.
- Sec. 205. Coordination with candidates.

## TITLE III—DISCLOSURE

- Sec. 301. Filing of reports using computers and facsimile machines.
- Sec. 302. Prohibition of deposit of contributions with incomplete contributor information.
- Sec. 303. Audits.
- Sec. 304. Reporting requirements for contributions of \$50 or more.
- Sec. 305. Use of candidates' names.
- Sec. 306. Prohibition of false representation to solicit contributions.
- Sec. 307. Soft money of persons other than political parties.
- Sec. 308. Campaign advertising.

## TITLE IV—PERSONAL WEALTH OPTION

- Sec. 401. Voluntary personal funds expenditure limit.
- Sec. 402. Political party committee coordinated expenditures.

## TITLE V—MISCELLANEOUS

- Sec. 501. Codification of Beck decision.
- Sec. 502. Use of contributed amounts for certain purposes.
- Sec. 503. Limit on congressional use of the franking privilege.
- Sec. 504. Prohibition of fundraising on Federal property.
- Sec. 505. Penalties for knowing and willful violations.
- Sec. 506. Strengthening foreign money ban.
- Sec. 507. Prohibition of contributions by minors.
- Sec. 508. Expedited procedures.
- Sec. 509. Initiation of enforcement proceeding.

TITLE VI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE  
DATE; REGULATIONS

- Sec. 601. Severability.
- Sec. 602. Review of constitutional issues.
- Sec. 603. Effective date.
- Sec. 604. Regulations.

1           **TITLE I—REDUCTION OF**  
2           **SPECIAL INTEREST INFLUENCE**

3   **SEC. 101. SOFT MONEY OF POLITICAL PARTIES.**

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

7   **“SEC. 323. SOFT MONEY OF POLITICAL PARTIES.**

8           “(a) NATIONAL COMMITTEES.—

9                   “(1) IN GENERAL.—A national committee of a  
10           political party (including a national congressional  
11           campaign committee of a political party) and any of-  
12           ficers or agents of such party committees, shall not  
13           solicit, receive, or direct to another person a con-  
14           tribution, donation, or transfer of funds, or spend  
15           any funds, that are not subject to the limitations,  
16           prohibitions, and reporting requirements of this Act.

17                   “(2) APPLICABILITY.—This subsection shall  
18           apply to an entity that is directly or indirectly estab-  
19           lished, financed, maintained, or controlled by a na-  
20           tional committee of a political party (including a na-  
21           tional congressional campaign committee of a politi-  
22           cal party), or an entity acting on behalf of a national  
23           committee, and an officer or agent acting on behalf  
24           of any such committee or entity.

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

1           “(1) IN GENERAL.—An 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 such committee or entity)  
8           for Federal election activity shall be made from  
9           funds subject to the limitations, prohibitions, and re-  
10          porting requirements of this Act.

11          “(2) FEDERAL ELECTION ACTIVITY.—

12                 “(A) IN GENERAL.—The term ‘Federal  
13                 election activity’ means—

14                         “(i) voter registration activity during  
15                         the period that begins on the date that is  
16                         120 days before the date a regularly sched-  
17                         uled Federal election is held and ends on  
18                         the date of the election;

19                         “(ii) voter identification, get-out-the-  
20                         vote activity, or generic campaign activity  
21                         conducted in connection with an election in  
22                         which a candidate for Federal office ap-  
23                         pears on the ballot (regardless of whether  
24                         a candidate for State or local office also  
25                         appears on the ballot); and

1 “(iii) a communication that refers to a  
2 clearly identified candidate for Federal of-  
3 fice (regardless of whether a candidate for  
4 State or local office is also mentioned or  
5 identified) and is made for the purpose of  
6 influencing a Federal election (regardless  
7 of whether the communication is express  
8 advocacy).

9 “(B) EXCLUDED ACTIVITY.—The term  
10 ‘Federal election activity’ does not include an  
11 amount expended or disbursed by a State, dis-  
12 trict, or local committee of a political party  
13 for—

14 “(i) campaign activity conducted sole-  
15 ly on behalf of a clearly identified can-  
16 didate for State or local office, provided  
17 the campaign activity is not a Federal elec-  
18 tion activity described in subparagraph  
19 (A);

20 “(ii) a contribution to a candidate for  
21 State or local office, provided the contribu-  
22 tion is not designated or used to pay for a  
23 Federal election activity described in sub-  
24 paragraph (A);

1 “(iii) the costs of a State, district, or  
2 local political convention;

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

7 “(v) the non-Federal share of a State,  
8 district, or local party committee’s admin-  
9 istrative and overhead expenses (but not  
10 including the compensation in any month  
11 of an individual who spends more than 20  
12 percent of the individual’s time on Federal  
13 election activity) as determined by a regu-  
14 lation promulgated by the Commission to  
15 determine the non-Federal share of a  
16 State, district, or local party committee’s  
17 administrative and overhead expenses; and

18 “(vi) the cost of constructing or pur-  
19 chasing an office facility or equipment for  
20 a State, district or local committee.

21 “(c) FUNDRAISING COSTS.—An amount spent by a  
22 national, State, district, or local committee of a political  
23 party, by an entity that is established, financed, main-  
24 tained, or controlled by a national, State, district, or local  
25 committee of a political party, or by an agent or officer

1 of any such committee or entity, to raise funds that are  
2 used, in whole or in part, to pay the costs of a Federal  
3 election activity shall be made from funds subject to the  
4 limitations, prohibitions, and reporting requirements of  
5 this Act.

6 “(d) TAX-EXEMPT ORGANIZATIONS.—A national,  
7 State, district, or local committee of a political party (in-  
8 cluding a national congressional campaign committee of  
9 a political party, an entity that is directly or indirectly  
10 established, financed, maintained, or controlled by any  
11 such national, State, district, or local committee or its  
12 agent, an agent acting on behalf of any such party com-  
13 mittee, and an officer or agent acting on behalf of any  
14 such party committee or entity), shall not solicit any funds  
15 for, or make or direct any donations to, an organization  
16 that is described in section 501(c) of the Internal Revenue  
17 Code of 1986 and exempt from taxation under section  
18 501(a) of such Code (or has submitted an application to  
19 the Secretary of the Internal Revenue Service for deter-  
20 mination of tax-exemption under such section).

21 “(e) CANDIDATES.—

22 “(1) IN GENERAL.—A candidate, individual  
23 holding Federal office, or agent of a candidate or in-  
24 dividual holding Federal office shall not solicit, re-  
25 ceive, direct, transfer, or spend funds for a Federal

election activity on behalf of such candidate, individual, agent or any other person, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

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

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

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

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

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



1 (2) in subparagraph (C)—

2 (A) by inserting “(other than a committee  
3 described in subparagraph (D))” after “com-  
4 mittee”; and

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

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

8 “(D) to a political committee established and  
9 maintained by a State committee of a political party  
10 in any calendar year that, in the aggregate, exceed  
11 \$10,000”.

12 (b) AGGREGATE CONTRIBUTION LIMIT FOR INDIVID-  
13 UAL.—Section 315(a)(3) of the Federal Election Cam-  
14 paign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by  
15 striking “\$25,000” and inserting “\$30,000”.

16 **SEC. 103. REPORTING REQUIREMENTS.**

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

21 “(e) POLITICAL COMMITTEES.—

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

1 committee of either, shall report all receipts and dis-  
2 bursements during the reporting period.

3 “(2) OTHER POLITICAL COMMITTEES TO WHICH  
4 SECTION 323 APPLIES.—A political committee (not  
5 described in paragraph (1)) to which section  
6 323(b)(1) applies shall report all receipts and dis-  
7 bursements made for activities described in para-  
8 graphs (2) and (3)(A)(v) of section 323(b).

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

16 “(4) REPORTING PERIODS.—Reports required  
17 to be filed under this subsection shall be filed for the  
18 same time periods required for political committees  
19 under subsection (a).”.

20 (b) BUILDING FUND EXCEPTION TO THE DEFINI-  
21 TION OF CONTRIBUTION.—Section 301(8)(B) of the Fed-  
22 eral Election Campaign Act of 1971 (2 U.S.C. 431(8)(B))  
23 is amended—

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

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

## 3       **TITLE II—INDEPENDENT AND** 4       **COORDINATED EXPENDITURES**

### 5       **SEC. 201. DEFINITIONS.**

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

10           “(17) INDEPENDENT EXPENDITURE.—  
11               “(A) IN GENERAL.—The term ‘independ-  
12               ent expenditure’ means an expenditure by a  
13               person—  
14               “(i) for a communication that is ex-  
15               press advocacy; and  
16               “(ii) that is not provided in coordina-  
17               tion with a candidate or a candidate’s  
18               agent or a person who is coordinating with  
19               a candidate or a candidate’s agent.”.

20           (b) DEFINITION OF EXPRESS ADVOCACY.—Section  
21       301 of the Federal Election Campaign Act of 1971 (2  
22       U.S.C. 431) is amended by adding at the end the follow-  
23       ing:

24           “(20) EXPRESS ADVOCACY.—

1           “(A) IN GENERAL.—The term ‘express ad-  
2           vocacy’ means a communication that advocates  
3           the election or defeat of a candidate by—

4                   “(i) containing a phrase such as ‘vote  
5                   for’, ‘re-elect’, ‘support’, ‘cast your ballot  
6                   for’, ‘(name of candidate) for Congress’,  
7                   ‘(name of candidate) in 1997’, ‘vote  
8                   against’, ‘defeat’, ‘reject’, or a campaign  
9                   slogan or words that in context can have  
10                  no reasonable meaning other than to advo-  
11                  cate the election or defeat of 1 or more  
12                  clearly identified candidates;

13                  “(ii) referring to 1 or more clearly  
14                  identified candidates in a paid advertise-  
15                  ment that is broadcast by a radio broad-  
16                  cast station or a television broadcast sta-  
17                  tion within 60 calendar days preceding the  
18                  date of an election of the candidate and  
19                  that appears in the State in which the elec-  
20                  tion is occurring, except that with respect  
21                  to a candidate for the office of Vice Presi-  
22                  dent or President, the time period is within  
23                  60 calendar days preceding the date of a  
24                  general election; or

1 “(iii) expressing unmistakable and un-  
2 ambiguous support for or opposition to 1  
3 or more clearly identified candidates when  
4 taken as a whole and with limited ref-  
5 erence to external events, such as proxim-  
6 ity to an election.

7 “(B) VOTING RECORD AND VOTING GUIDE  
8 EXCEPTION.—The term ‘express advocacy’ does  
9 not include a printed communication that—

10 “(i) presents information in an edu-  
11 cational manner solely about the voting  
12 record or position on a campaign issue of  
13 2 or more candidates;

14 “(ii) that is not made in coordination  
15 with a candidate, political party, or agent  
16 of the candidate or party; or a candidate’s  
17 agent or a person who is coordinating with  
18 a candidate or a candidate’s agent;

19 “(iii) does not contain a phrase such  
20 as ‘vote for’, ‘re-elect’, ‘support’, ‘cast your  
21 ballot for’, ‘(name of candidate) for Con-  
22 gress’, ‘(name of candidate) in 1997’, ‘vote  
23 against’, ‘defeat’, or ‘reject’, or a campaign  
24 slogan or words that in context can have  
25 no reasonable meaning other than to urge

1 the election or defeat of 1 or more clearly  
2 identified candidates.”.

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

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

7 (2) in clause (ii), by striking the period at the  
8 end and inserting “; and”; and

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

10 “(iii) a payment for a communication that is  
11 express advocacy; and

12 “(iv) a payment made by a person for a com-  
13 munication that—

14 “(I) refers to a clearly identified candidate;

15 “(II) is provided in coordination with the  
16 candidate, the candidate’s agent, or the political  
17 party of the candidate; and

18 “(III) is for the purpose of influencing a  
19 Federal election (regardless of whether the com-  
20 munication is express advocacy).”.

21 **SEC. 202. CIVIL PENALTY.**

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

24 (1) in subsection (a)—

25 (A) in paragraph (4)(A)—

1 (i) in clause (i), by striking “clause  
2 (ii)” and inserting “clauses (ii) and (iii)”;  
3 and

4 (ii) by adding at the end the follow-  
5 ing:

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

13 (B) in paragraph (6)(B), by inserting “(ex-  
14 cept an action instituted in connection with a  
15 knowing and willful violation of section  
16 304(c))” after “subparagraph (A)”; and  
17 (2) in subsection (d)(1)—

18 (A) in subparagraph (A), by striking “Any  
19 person” and inserting “Except as provided in  
20 subparagraph (D), any person”; and

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

22 “(D) In the case of a knowing and willful violation  
23 of section 304(c) that involves the reporting of an inde-  
24 pendent expenditure, the violation shall not be subject to  
25 this subsection.”.

1 **SEC. 203. REPORTING REQUIREMENTS FOR CERTAIN INDE-**  
2 **PENDENT EXPENDITURES.**

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

5 (1) in subsection (c)(2), by striking the undes-  
6 ignated matter after subparagraph (C);

7 (2) by redesignating paragraph (3) of sub-  
8 section (c) as subsection (f); and

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

11 “(d) TIME FOR REPORTING CERTAIN EXPENDI-  
12 TURES.—

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

14 “(A) INITIAL REPORT.—A person (includ-  
15 ing a political committee) that makes or con-  
16 tracts to make independent expenditures aggre-  
17 gating \$1,000 or more after the 20th day, but  
18 more than 24 hours, before the date of an elec-  
19 tion shall file a report describing the expendi-  
20 tures within 24 hours after that amount of  
21 independent expenditures has been made.

22 “(B) ADDITIONAL REPORTS.—After a per-  
23 son files a report under subparagraph (A), the  
24 person shall file an additional report within 24  
25 hours after each time the person makes or con-  
26 tracts to make independent expenditures aggre-



1           gating an additional \$1,000 with respect to the  
2           same election as that to which the initial report  
3           relates.

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

5                 “(A) INITIAL REPORT.—A person (includ-  
6           ing a political committee) that makes or con-  
7           tracts to make independent expenditures aggre-  
8           gating \$10,000 or more at any time up to and  
9           including the 20th day before the date of an  
10          election shall file a report describing the ex-  
11          penditures within 48 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 shall file an additional report within 48  
16          hours after each time the person makes or con-  
17          tracts to make independent expenditures aggre-  
18          gating an additional \$10,000 with respect to  
19          the same election as that to which the initial re-  
20          port relates.

21               “(3) PLACE OF FILING; CONTENTS.—A report  
22          under this subsection—

23                 “(A) shall be filed with the Commission;  
24          and

1                   “(B) shall contain the information required  
 2                   by subsection (b)(6)(B)(iii), including the name  
 3                   of each candidate whom an expenditure is in-  
 4                   tended to support or oppose.”.

5 **SEC. 204. INDEPENDENT VERSUS COORDINATED EXPENDI-**  
 6 **TURES BY PARTY.**

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

9                   (1) in paragraph (1), by striking “and (3)” and  
 10                  inserting “, (3), and (4)”; and

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

12                  “(4) INDEPENDENT VERSUS COORDINATED EXPEND-  
 13 ITURES BY PARTY.—

14                  “(A) IN GENERAL.—On or after the date on  
 15                  which a political party nominates a candidate, a  
 16                  committee of the political party shall not make both  
 17                  expenditures under this subsection and independent  
 18                  expenditures (as defined in section 301(17)) with re-  
 19                  spect to the candidate during the election cycle.

20                  “(B) CERTIFICATION.—Before making a coordi-  
 21                  nated expenditure under this subsection with respect  
 22                  to a candidate, a committee of a political party shall  
 23                  file with the Commission a certification, signed by  
 24                  the treasurer of the committee, that the committee  
 25                  has not and shall not make any independent expend-

1       iture with respect to the candidate during the same  
2       election cycle.

3               “(C) APPLICATION.—For the purposes of this  
4       paragraph, all political committees established and  
5       maintained by a national political party (including  
6       all congressional campaign committees) and all polit-  
7       ical committees established and maintained by a  
8       State political party (including any subordinate com-  
9       mittee of a State committee) shall be considered to  
10      be a single political committee.

11              “(D) TRANSFERS.—A committee of a political  
12      party that submits a certification under subpara-  
13      graph (B) with respect to a candidate shall not, dur-  
14      ing an election cycle, transfer any funds to, assign  
15      authority to make coordinated expenditures under  
16      this subsection to, or receive a transfer of funds  
17      from, a committee of the political party that has  
18      made or intends to make an independent expendi-  
19      ture with respect to the candidate.”.

20   **SEC. 205. COORDINATION WITH CANDIDATES.**

21       (a) DEFINITION OF COORDINATION WITH CAN-  
22      DIDATES.—

23              (1) SECTION 301(8).—Section 301(8) of the  
24      Federal Election Campaign Act of 1971 (2 U.S.C.  
25      431(8)) is amended—

1 (A) in subparagraph (A)—

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

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

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

8 “(iii) anything of value provided by a  
9 person in coordination with a candidate for  
10 the purpose of influencing a Federal elec-  
11 tion, regardless of whether the value being  
12 provided is a communication that is ex-  
13 press advocacy, in which such candidate  
14 seeks nomination or election to Federal of-  
15 fice.”; and

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

17 “(C) The term ‘provided in coordination  
18 with a candidate’ includes—

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

1 on behalf of a candidate or authorized  
2 committee;

3 “(ii) a payment made by a person for  
4 the production, dissemination, distribution,  
5 or republication, in whole or in part, of any  
6 broadcast or any written, graphic, or other  
7 form of campaign material prepared by a  
8 candidate, a candidate’s authorized com-  
9 mittee, or an agent of a candidate or au-  
10 thorized committee (not including a com-  
11 munication described in paragraph  
12 (9)(B)(i) or a communication that ex-  
13 pressly advocates the candidate’s defeat);

14 “(iii) a payment made by a person  
15 based on information about a candidate’s  
16 plans, projects, or needs provided to the  
17 person making the payment by the can-  
18 didate or the candidate’s agent who pro-  
19 vides the information with the intent that  
20 the payment be made;

21 “(iv) a payment made by a person if,  
22 in the same election cycle in which the pay-  
23 ment is made, the person making the pay-  
24 ment is serving or has served as a member,  
25 employee, fundraiser, or agent of the can-

1 candidate's authorized committee in an execu-  
2 tive or policymaking position;

3 “(v) a payment made by a person if  
4 the person making the payment has served  
5 in any formal policy making or advisory  
6 position with the candidate's campaign or  
7 has participated in formal strategic or for-  
8 mal policymaking discussions with the can-  
9 didate's campaign relating to the can-  
10 didate's pursuit of nomination for election,  
11 or election, to Federal office, in the same  
12 election cycle as the election cycle in which  
13 the payment is made;

14 “(vi) a payment made by a person if,  
15 in the same election cycle, the person mak-  
16 ing the payment retains the professional  
17 services of any person that has provided or  
18 is providing campaign-related services in  
19 the same election cycle to a candidate in  
20 connection with the candidate's pursuit of  
21 nomination for election, or election, to  
22 Federal office, including services relating  
23 to the candidate's decision to seek Federal  
24 office, and the person retained is retained

1 to work on activities relating to that can-  
2 didate's campaign;

3 “(vii) a payment made by a person  
4 who has engaged in a coordinated activity  
5 with a candidate described in clauses (i)  
6 through (vi) for a communication that  
7 clearly refers to the candidate and is for  
8 the purpose of influencing an election (re-  
9 gardless of whether the communication is  
10 express advocacy);

11 “(viii) direct participation by a person  
12 in fundraising activities with the candidate  
13 or in the solicitation or receipt of contribu-  
14 tions on behalf of the candidate;

15 “(ix) communication by a person with  
16 the candidate or an agent of the candidate,  
17 occurring after the declaration of can-  
18 didacy (including a pollster, media consult-  
19 ant, vendor, advisor, or staff member), act-  
20 ing on behalf of the candidate, about ad-  
21 vertising message, allocation of resources,  
22 fundraising, or other campaign matters re-  
23 lated to the candidate's campaign, includ-  
24 ing campaign operations, staffing, tactics,  
25 or strategy; or

1                   “(x) the provision of in-kind profes-  
2                   sional services or polling data to the can-  
3                   didate or candidate’s agent.

4                   “(D) For purposes of subparagraph (C),  
5                   the term ‘professional services’ includes services  
6                   in support of a candidate’s pursuit of nomina-  
7                   tion for election, or election, to Federal office  
8                   such as polling, media advice, direct mail, fund-  
9                   raising, or campaign research.

10                  “(E) For purposes of subparagraph (C),  
11                  all political committees established and main-  
12                  tained by a national political party (including  
13                  all congressional campaign committees) and all  
14                  political committees established and maintained  
15                  by a State political party (including any subor-  
16                  dinate committee of a State committee) shall be  
17                  considered to be a single political committee.”.

18                  (2) SECTION 315(a)(7).—Section 315(a)(7) (2  
19                  U.S.C. 441a(a)(7)) is amended by striking subpara-  
20                  graph (B) and inserting the following:

21                  “(B) a thing of value provided in coordina-  
22                  tion with a candidate, as described in section  
23                  301(8)(A)(iii), shall be considered to be a con-  
24                  tribution to the candidate, and in the case of a



1           limitation on expenditures, shall be treated as  
2           an expenditure by the candidate.

3           (b) MEANING OF CONTRIBUTION OR EXPENDITURE  
4   FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2)  
5   of the Federal Election Campaign Act of 1971 (2 U.S.C.  
6   441b(b)) is amended by striking “shall include” and in-  
7   serting “includes a contribution or expenditure, as those  
8   terms are defined in section 301, and also includes”.

## 9           **TITLE III—DISCLOSURE**

### 10   **SEC. 301. FILING OF REPORTS USING COMPUTERS AND** 11           **FACSIMILE MACHINES.**

12           Section 302(a) of the Federal Election Campaign Act  
13   of 1971 (2 U.S.C. 434(a)) is amended by striking para-  
14   graph (11) and inserting the following:

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

18                   “(i) is required to maintain and file a des-  
19           ignation, statement, or report for any calendar  
20           year in electronic form accessible by computers  
21           if the person has, or has reason to expect to  
22           have, aggregate contributions or expenditures in  
23           excess of a threshold amount determined by the  
24           Commission; and

1           “(ii) may maintain and file a designation,  
2           statement, or report in electronic form or an al-  
3           ternative form, including the use of a facsimile  
4           machine, if not required to do so under the reg-  
5           ulation promulgated under clause (i).

6           “(B) The Commission shall make a designation,  
7           statement, report, or notification that is filed elec-  
8           tronically with the Commission accessible to the pub-  
9           lic on the Internet not later than 24 hours after the  
10          designation, statement, report, or notification is re-  
11          ceived by the Commission.

12          “(C) In promulgating a regulation under this  
13          paragraph, the Commission shall provide methods  
14          (other than requiring a signature on the document  
15          being filed) for verifying designations, statements,  
16          and reports covered by the regulation. Any document  
17          verified under any of the methods shall be treated  
18          for all purposes (including penalties for perjury) in  
19          the same manner as a document verified by signa-  
20          ture.”.

1 **SEC. 302. PROHIBITION OF DEPOSIT OF CONTRIBUTIONS**  
 2 **WITH INCOMPLETE CONTRIBUTOR INFORMA-**  
 3 **TION.**

4 Section 302 of Federal Election Campaign Act of  
 5 1971 (2 U.S.C. 432) is amended by adding at the end  
 6 the following:

7 “(j) DEPOSIT OF CONTRIBUTIONS.—The treasurer of  
 8 a candidate’s authorized committee shall not deposit, ex-  
 9 cept in an escrow account, or otherwise negotiate a con-  
 10 tribution from a person who makes an aggregate amount  
 11 of contributions in excess of \$200 during a calendar year  
 12 unless the treasurer verifies that the information required  
 13 by this section with respect to the contributor is com-  
 14 plete.”.

15 **SEC. 303. AUDITS.**

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

19 (1) by inserting “(1) IN GENERAL.—” before  
 20 “The Commission”; and

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

22 “(2) RANDOM AUDITS.—

23 “(A) IN GENERAL.—Notwithstanding para-  
 24 graph (1), the Commission may conduct ran-  
 25 dom audits and investigations to ensure vol-  
 26 untary compliance with this Act. The selection

of any candidate for a random audit or investigation shall be based on criteria adopted by a vote of at least 4 members of the Commission.

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

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

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

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

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

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

and

1           (2) by striking the semicolon and inserting “,  
 2           except that in the case of a person who makes con-  
 3           tributions aggregating at least \$50 but not more  
 4           than \$200 during the calendar year, the identifica-  
 5           tion need include only the name and address of the  
 6           person;”.

7   **SEC. 305. USE OF CANDIDATES’ NAMES.**

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

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

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

16                   “(i) include the name of any can-  
 17                   didate in its name; or

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

1 **SEC. 306. PROHIBITION OF FALSE REPRESENTATION TO**  
2 **SOLICIT CONTRIBUTIONS.**

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

5 (1) by inserting after “SEC. 322.” the follow-  
6 ing: “(a) IN GENERAL.—”; and

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

8 “(b) SOLICITATION OF CONTRIBUTIONS.—No person  
9 shall solicit contributions by falsely representing himself  
10 or herself as a candidate or as a representative of a can-  
11 didate, a political committee, or a political party.”.

12 **SEC. 307. SOFT MONEY OF PERSONS OTHER THAN POLITI-**  
13 **CAL PARTIES.**

14 (a) IN GENERAL.—Section 304 of the Federal Elec-  
15 tion Campaign Act of 1971 (2 U.S.C. 434) (as amended  
16 by section 103(c) and section 203) is amended by adding  
17 at the end the following:

18 “(g) DISBURSEMENTS OF PERSONS OTHER THAN  
19 POLITICAL PARTIES.—

20 “(1) IN GENERAL.—A person, other than a po-  
21 litical committee or a person described in section  
22 501(d) of the Internal Revenue Code of 1986, that  
23 makes an aggregate amount of disbursements in ex-  
24 cess of \$50,000 during a calendar year for activities  
25 described in paragraph (2) shall file a statement  
26 with the Commission—

1           “(A) on a monthly basis as described in  
2           subsection (a)(4)(B); 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) Federal election activity;

9           “(B) an activity described in section  
10          316(b)(2)(A) that expresses support for or op-  
11          position to a candidate for Federal office or a  
12          political party; and

13          “(C) an activity described in subparagraph  
14          (C) of section 316(b)(2).

15          “(3) APPLICABILITY.—This subsection does not  
16          apply to—

17          “(A) a candidate or a candidate’s author-  
18          ized committees; or

19          “(B) an independent expenditure.

20          “(4) CONTENTS.—A statement under this sec-  
21          tion shall contain such information about the dis-  
22          bursements made during the reporting period as the  
23          Commission shall prescribe, including—

24          “(A) the aggregate amount of disburse-  
25          ments made;

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

4           “(C) the date made, amount, and purpose  
5           of the disbursement; and

6           “(D) if applicable, whether the disburse-  
7           ment was in support of, or in opposition to, a  
8           candidate or a political party, and the name of  
9           the candidate or the political party.”.

10       (b) DEFINITION OF GENERIC CAMPAIGN ACTIVITY.—  
11       Section 301 of the Federal Election Campaign Act of  
12       1971 (2 U.S.C. 431 et seq.) (as amended by section  
13       201(b)) is further amended by adding at the end the fol-  
14       lowing:

15           “(21) GENERIC CAMPAIGN ACTIVITY.—The  
16       term ‘generic campaign activity’ means an activity  
17       that promotes a political party and does not promote  
18       a candidate or non-Federal candidate.”.

19       **SEC. 308. CAMPAIGN ADVERTISING.**

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

22           (1) in subsection (a)—

23                (A) in the matter preceding paragraph

24                (1)—



1 (i) by striking “Whenever” and insert-  
2 ing “Whenever a political committee makes  
3 a disbursement for the purpose of financ-  
4 ing any communication through any broad-  
5 casting station, newspaper, magazine, out-  
6 door advertising facility, mailing, or any  
7 other type of general public political adver-  
8 tising, or whenever”;

9 (ii) by striking “an expenditure” and  
10 inserting “a disbursement”; and

11 (iii) by striking “direct”; and

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

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

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

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

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

21 “(3) be printed with a reasonable degree of  
22 color contrast between the background and the  
23 printed statement.

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

1 include, in addition to the requirements of that paragraph,  
2 an audio statement by the candidate that identifies the  
3 candidate and states that the candidate has approved the  
4 communication.

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

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

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

17 “(e) Any broadcast or cablecast communication de-  
18 scribed in paragraph (3) of subsection (a) shall include,  
19 in addition to the requirements of that paragraph, in a  
20 clearly spoken manner, the following statement:

21 ‘\_\_\_\_\_ is responsible for the content of this  
22 advertisement.’ (with the blank to be filled in with the  
23 name of the political committee or other person paying  
24 for the communication and the name of any connected or-  
25 ganization of the payor). If broadcast or cablecast by

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

## 5 **TITLE IV—PERSONAL WEALTH** 6 **OPTION**

### 7 **SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE** 8 **LIMIT.**

9 Title III of the Federal Election Campaign Act of  
 10 1971 (2 U.S.C. 431 et seq.) (as amended by section 101)  
 11 is amended by adding at the end the following:

### 12 **“SEC. 324. VOLUNTARY PERSONAL FUNDS EXPENDITURE** 13 **LIMIT.**

14 “(a) ELIGIBLE HOUSE CANDIDATE.—

15 “(1) PRIMARY ELECTION.—

16 “(A) DECLARATION.—A candidate is an el-  
 17 igible primary election House candidate if the  
 18 candidate files with the Commission a declara-  
 19 tion that the candidate and the candidate’s au-  
 20 thorized committees will not make expenditures  
 21 in excess of the personal funds expenditure  
 22 limit.

23 “(B) TIME TO FILE.—The declaration  
 24 under subparagraph (A) shall be filed not later  
 25 than the date on which the candidate files with

1 the appropriate State officer as a candidate for  
2 the primary election.

3 “(2) GENERAL ELECTION.—

4 “(A) DECLARATION.—A candidate is an el-  
5 igible general election House candidate if the  
6 candidate files with the Commission—

7 “(i) a declaration under penalty of  
8 perjury, with supporting documentation as  
9 required by the Commission, that the can-  
10 didate and the candidate’s authorized com-  
11 mittees did not exceed the personal funds  
12 expenditure limit in connection with the  
13 primary election; and

14 “(ii) a declaration that the candidate  
15 and the candidate’s authorized committees  
16 will not make expenditures in excess of the  
17 personal funds expenditure limit.

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

21 “(i) the date on which the candidate  
22 qualifies for the general election ballot  
23 under State law; or

24 “(ii) if under State law, a primary or  
25 run-off election to qualify for the general

1 election ballot occurs after September 1,  
2 the date on which the candidate wins the  
3 primary or runoff election.

4 “(b) PERSONAL FUNDS EXPENDITURE LIMIT.—

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

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

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

15 “(B) proceeds of indebtedness incurred by  
16 the candidate or a member of the candidate’s  
17 immediate family.

18 “(c) CERTIFICATION BY THE COMMISSION.—

19 “(1) IN GENERAL.—The Commission shall de-  
20 termine whether a candidate has met the require-  
21 ments of this section and, based on the determina-  
22 tion, issue a certification stating whether the can-  
23 didate is an eligible House candidate.

24 “(2) TIME FOR CERTIFICATION.—Not later  
25 than 7 business days after a candidate files a dec-

1 lation under paragraph (1) or (2) of subsection  
2 (a), the Commission shall certify whether the can-  
3 didate is an eligible House candidate.

4 “(3) REVOCATION.—The Commission shall re-  
5 voke a certification under paragraph (1), based on  
6 information submitted in such form and manner as  
7 the Commission may require or on information that  
8 comes to the Commission by other means, if the  
9 Commission determines that a candidate violates the  
10 personal funds expenditure limit.

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

16 “(d) PENALTY.—If the Commission revokes the cer-  
17 tification of an eligible House candidate—

18 “(1) the Commission shall notify the candidate  
19 of the revocation; and

20 “(2) the candidate and a candidate’s authorized  
21 committees shall pay to the Commission an amount  
22 equal to the amount of expenditures made by a na-  
23 tional committee of a political party or a State com-  
24 mittee of a political party in connection with the

1       general election campaign of the candidate under  
2       section 315(d).”.

3       **SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED**  
4       **EXPENDITURES.**

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

8       “(5) This subsection does not apply to expenditures  
9       made in connection with the general election campaign of  
10      a candidate for the House of Representatives who is not  
11      an eligible House candidate (as defined in section  
12      324(a)).”.

13       **TITLE V—MISCELLANEOUS**

14       **SEC. 501. CODIFICATION OF BECK DECISION.**

15      Section 8 of the National Labor Relations Act (29  
16      U.S.C. 158) is amended by adding at the end the following  
17      new subsection:

18      “(h) NONUNION MEMBER PAYMENTS TO LABOR OR-  
19      GANIZATION.—

20               “(1) IN GENERAL.—It shall be an unfair labor  
21      practice for any labor organization which receives a  
22      payment from an employee pursuant to an agree-  
23      ment that requires employees who are not members  
24      of the organization to make payments to such orga-  
25      nization in lieu of organization dues or fees not to

1 establish and implement the objection procedure de-  
2 scribed in paragraph (2).

3 “(2) OBJECTION PROCEDURE.—The objection  
4 procedure required under paragraph (1) shall meet  
5 the following requirements:

6 “(A) The labor organization shall annually  
7 provide to employees who are covered by such  
8 agreement but are not members of the organi-  
9 zation—

10 “(i) reasonable personal notice of the  
11 objection procedure, the employees eligible  
12 to invoke the procedure, and the time,  
13 place, and manner for filing an objection;  
14 and

15 “(ii) reasonable opportunity to file an  
16 objection to paying for organization ex-  
17 penditures supporting political activities  
18 unrelated to collective bargaining, includ-  
19 ing but not limited to the opportunity to  
20 file such objection by mail.

21 “(B) If an employee who is not a member  
22 of the labor organization files an objection  
23 under the procedure in subparagraph (A), such  
24 organization shall—



1 “(i) reduce the payments in lieu of or-  
2 ganization dues or fees by such employee  
3 by an amount which reasonably reflects the  
4 ratio that the organization’s expenditures  
5 supporting political activities unrelated to  
6 collective bargaining bears to such organi-  
7 zation’s total expenditures;

8 “(ii) provide such employee with a  
9 reasonable explanation of the organiza-  
10 tion’s calculation of such reduction, includ-  
11 ing calculating the amount of organization  
12 expenditures supporting political activities  
13 unrelated to collective bargaining.

14 “(3) DEFINITION.—In this subsection, the term  
15 ‘expenditures supporting political activities unrelated  
16 to collective bargaining’ means expenditures in con-  
17 nection with a Federal, State, or local election or in  
18 connection with efforts to influence legislation unre-  
19 lated to collective bargaining.”.

20 **SEC. 502. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN**  
21 **PURPOSES.**

22 Title III of the Federal Election Campaign Act of  
23 1971 (2 U.S.C. 431 et seq.) is amended by striking section  
24 313 and inserting the following:

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

3 “(a) PERMITTED USES.—A contribution accepted by  
4 a candidate, and any other amount received by an individ-  
5 ual as support for activities of the individual as a holder  
6 of Federal office, may be used by the candidate or individ-  
7 ual—

8 “(1) for expenditures in connection with the  
9 campaign for Federal office of the candidate or indi-  
10 vidual;

11 “(2) for ordinary and necessary expenses in-  
12 curred in connection with duties of the individual as  
13 a holder of Federal office;

14 “(3) for contributions to an organization de-  
15 scribed in section 170(c) of the Internal Revenue  
16 Code of 1986; or

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

19 “(b) PROHIBITED USE.—

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

23 “(2) CONVERSION.—For the purposes of para-  
24 graph (1), a contribution or amount shall be consid-  
25 ered to be converted to personal use if the contribu-  
26 tion or amount is used to fulfill any commitment,

1 obligation, or expense of a person that would exist  
2 irrespective of the candidate’s election campaign or  
3 individual’s duties as a holder of Federal office-  
4 holder, including—

5 “(A) a home mortgage, rent, or utility pay-  
6 ment;

7 “(B) a clothing purchase;

8 “(C) a noncampaign-related automobile ex-  
9 pense;

10 “(D) a country club membership;

11 “(E) a vacation or other noncampaign-re-  
12 lated trip;

13 “(F) a household food item;

14 “(G) a tuition payment;

15 “(H) admission to a sporting event, con-  
16 cert, theater, or other form of entertainment  
17 not associated with an election campaign; and

18 “(I) dues, fees, and other payments to a  
19 health club or recreational facility.”.

20 **SEC. 503. LIMIT ON CONGRESSIONAL USE OF THE FRANK-**  
21 **ING PRIVILEGE.**

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

1           “(A) A Member of Congress shall not mail  
2           any mass mailing as franked mail during a year  
3           in which there will be an election for the seat  
4           held by the Member during the period between  
5           January 1 of that year and the date of the gen-  
6           eral election for that Office, unless the Member  
7           has made a public announcement that the  
8           Member will not be a candidate for reelection to  
9           that year or for election to any other Federal  
10          office.”.

11 **SEC. 504. PROHIBITION OF FUNDRAISING ON FEDERAL**  
12 **PROPERTY.**

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

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

17       “(a) PROHIBITION.—

18           “(1) IN GENERAL.—It shall be unlawful for any  
19       person to solicit or receive a donation of money or  
20       other thing of value for a political committee or a  
21       candidate for Federal, State or local office from a  
22       person who is located in a room or building occupied  
23       in the discharge of official duties by an officer or  
24       employee of the United States. An individual who is  
25       an officer or employee of the Federal Government,

1 including the President, Vice President, and Mem-  
 2 bers of Congress, shall not solicit a donation of  
 3 money or other thing of value for a political commit-  
 4 tee or candidate for Federal, State or local office,  
 5 while in any room or building occupied in the dis-  
 6 charge of official duties by an officer or employee of  
 7 the United States, from any person.

8 “(2) PENALTY.—A person who violates this sec-  
 9 tion shall be fined not more than \$5,000, imprisoned  
 10 more than 3 years, or both.”; and

11 (2) by inserting in subsection (b) after “Con-  
 12 gress” “or Executive Office of the President”.

13 **SEC. 505. PENALTIES FOR KNOWING AND WILLFUL VIOLA-**  
 14 **TIONS.**

15 (a) INCREASED PENALTIES.—Section 309(a) of the  
 16 Federal Election Campaign Act of 1971 (2 U.S.C.  
 17 437g(a)) is amended—

18 (1) in paragraphs (5)(A), (6)(A), and (6)(B),  
 19 by striking “\$5,000” and inserting “\$10,000”; and

20 (2) in paragraphs (5)(B) and (6)(C), by strik-  
 21 ing “\$10,000 or an amount equal to 200 percent”  
 22 and inserting “\$20,000 or an amount equal to 300  
 23 percent”.

24 (b) EQUITABLE REMEDIES.—Section 309(a)(5)(A) of  
 25 the Federal Election Campaign Act of 1971 (2 U.S.C.

1 437g(a)(5)) is amended by striking the period at the end  
 2 and inserting “, and may include equitable remedies or  
 3 penalties, including disgorgement of funds to the Treasury  
 4 or community service requirements (including require-  
 5 ments to participate in public education programs).”.

6 (c) AUTOMATIC PENALTY FOR LATE FILING.—Sec-  
 7 tion 309(a) of the Federal Election Campaign Act of 1971  
 8 (2 U.S.C. 437g(a)) is amended—

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

10 “(13) PENALTY FOR LATE FILING.—

11 “(A) IN GENERAL.—

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

18 “(ii) REQUIRED FILING.—In addition  
 19 to imposing a penalty, the Commission  
 20 may require a report that has not been  
 21 filed within the time requirements of sec-  
 22 tion 304 to be filed by a specific date.

23 “(iii) PROCEDURE.—A penalty or fil-  
 24 ing requirement imposed under this para-

graph shall not be subject to paragraph (1), (2), (3), (4), (5), or (12).

“(B) FILING AN EXCEPTION.—

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

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

(2) in paragraph (5)(D)—

(A) by inserting after the first sentence the following: “In any case in which a penalty or

1 filing requirement imposed on a political com-  
 2 mittee or treasurer under paragraph (13) has  
 3 not been satisfied, the Commission may insti-  
 4 tute a civil action for enforcement under para-  
 5 graph (6)(A).”; and

6 (B) by inserting before the period at the  
 7 end of the last sentence the following: “or has  
 8 failed to pay a penalty or meet a filing require-  
 9 ment imposed under paragraph (13)”;

10 (3) in paragraph (6)(A), by striking “paragraph  
 11 (4)(A)” and inserting “paragraph (4)(A) or (13)”.

12 **SEC. 506. STRENGTHENING FOREIGN MONEY BAN.**

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

15 (1) by striking the heading and inserting the  
 16 following: “CONTRIBUTIONS AND DONATIONS BY  
 17 FOREIGN NATIONALS”; and

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

20 “(a) PROHIBITION.—It shall be unlawful for—

21 “(1) a foreign national, directly or indirectly, to  
 22 make—

23 “(A) a donation of money or other thing of  
 24 value, or to promise expressly or impliedly to  
 25 make a donation, in connection with a Federal,



1 State, or local election to a political committee  
 2 or a candidate for Federal office; or

3 “(ii) a contribution or donation to a  
 4 committee of a political party; or

5 “(B) for a person to solicit, accept, or re-  
 6 ceive such contribution or donation from a for-  
 7 eign national.”.

8 **SEC. 507. PROHIBITION OF CONTRIBUTIONS BY MINORS.**

9 Title III of the Federal Election Campaign Act of  
 10 1971 (2 U.S.C. 431 et seq.) (as amended by sections 101  
 11 and 401) is amended by adding at the end the following:

12 **“SEC. 325. PROHIBITION OF CONTRIBUTIONS BY MINORS.**

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

16 **SEC. 508. EXPEDITED PROCEDURES.**

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

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

1           “(B) If the Commission determines, on the  
2           basis of facts alleged in the complaint and other  
3           facts available to the Commission, that there is clear  
4           and convincing evidence that a violation of this Act  
5           has occurred, is occurring, or is about to occur, the  
6           Commission may order expedited proceedings, short-  
7           ening the time periods for proceedings under para-  
8           graphs (1), (2), (3), and (4) as necessary to allow  
9           the matter to be resolved in sufficient time before  
10          the election to avoid harm or prejudice to the inter-  
11          ests of the parties.

12          “(C) If the Commission determines, on the  
13          basis of facts alleged in the complaint and other  
14          facts available to the Commission, that the com-  
15          plaint is clearly without merit, the Commission  
16          may—

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

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

1 before the election, summarily dismiss the com-  
 2 plaint.”.

3 (b) REFERRAL TO ATTORNEY GENERAL.—Section  
 4 309(a)(5) of the Federal Election Campaign Act of 1971  
 5 (2 U.S.C. 437g(a)(5)) is amended by striking subpara-  
 6 graph (C) and inserting the following:

7 “(C) The Commission may at any time, by an affirm-  
 8 ative vote of at least 4 of its members, refer a possible  
 9 violation of this Act or chapter 95 or 96 of the Internal  
 10 Revenue Code of 1986, to the Attorney General of the  
 11 United States, without regard to any limitation set forth  
 12 in this section.”.

13 **SEC. 509. INITIATION OF ENFORCEMENT PROCEEDING.**

14 Section 309(a)(2) of the Federal Election Campaign  
 15 Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking  
 16 “reason to believe that” and inserting “reason to inves-  
 17 tigate whether”.

18 **TITLE VI—SEVERABILITY; CON-**  
 19 **STITUTIONALITY; EFFECTIVE**  
 20 **DATE; REGULATIONS**

21 **SEC. 601. SEVERABILITY.**

22 If any provision of this Act or amendment made by  
 23 this Act, or the application of a provision or amendment  
 24 to any person or circumstance, is held to be unconstitu-  
 25 tional, the remainder of this Act and amendments made

1 by this Act, and the application of the provisions and  
2 amendment to any person or circumstance, shall not be  
3 affected by the holding.

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

5 An appeal may be taken directly to the Supreme  
6 Court of the United States from any final judgment, de-  
7 cree, or order issued by any court ruling on the constitu-  
8 tionality of any provision of this Act or amendment made  
9 by this Act.

10 **SEC. 603. EFFECTIVE DATE.**

11 Except as otherwise provided in this Act, this Act and  
12 the amendments made by this Act take effect January 1,  
13 1999.

14 **SEC. 604. REGULATIONS.**

15 The Federal Election Commission shall prescribe any  
16 regulations required to carry out this Act and the amend-  
17 ments made by this Act not later than 270 days after the  
18 effective date of this Act.

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