

106TH CONGRESS  
1ST SESSION

# H. R. 2866

To amend the Federal Election Campaign Act of 1971 to reduce the influence of political action committees in elections for Federal office, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 1999

Mr. SMITH of Michigan introduced the following bill; which was referred to the Committee on House Administration, and in addition to the Committee on Education and the Workforce, 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 amend the Federal Election Campaign Act of 1971 to reduce the influence of political action committees in elections for Federal office, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “PAC Limitation Act  
5 of 1999”.

1 **TITLE I—REFORMING CAMPAIGN**  
2 **FINANCE LAWS**

3 **SEC. 101. BAN ON POLITICAL ACTION COMMITTEE CON-**  
4 **TRIBUTIONS TO CANDIDATES IN ELECTIONS**  
5 **FOR FEDERAL OFFICE.**

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

9 “BAN ON CONTRIBUTIONS TO CANDIDATES BY POLITICAL  
10 ACTION COMMITTEES

11 “SEC. 323. (a) IN GENERAL.—Notwithstanding any  
12 other provision of this Act, no political action committee  
13 may make any contribution to any candidate or any au-  
14 thorized committee of the candidate with respect to any  
15 election for Federal office.

16 “(b) POLITICAL ACTION COMMITTEE DEFINED.—In  
17 this section, the term ‘political action committee’ means  
18 any political committee which is not—

19 “(1) an authorized committee of a candidate; or

20 “(2) a national, State, local, or district com-  
21 mittee of a political party, including any subordinate  
22 committee thereof.”.

1 **SEC. 102. HOUSE OF REPRESENTATIVES ELECTION LIMITA-**  
 2 **TION ON CONTRIBUTIONS FROM SOURCES**  
 3 **OUTSIDE THE DISTRICT.**

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

7 “(i) A candidate for the office of Representative in,  
 8 or Delegate or Resident Commissioner to, the Congress  
 9 may not, with respect to a reporting period for an election,  
 10 accept contributions from all sources outside the congres-  
 11 sional district involved totaling in excess of the total of  
 12 contributions accepted from individual residents of the  
 13 congressional district involved.”.

14 **SEC. 103. LIMITATION ON ACCEPTANCE OF SOFT MONEY BY**  
 15 **NATIONAL AND CONGRESSIONAL COMMIT-**  
 16 **TEES OF POLITICAL PARTIES.**

17 Title III of the Federal Election Campaign Act of  
 18 1971 (2 U.S.C. 431 et seq.), as amended by section 101,  
 19 is amended by adding at the end the following new section:

20 “LIMITATION ON ACCEPTANCE OF SOFT MONEY BY NA-  
 21 TIONAL AND CONGRESSIONAL COMMITTEES OF PO-  
 22 LITICAL PARTIES

23 “SEC. 324. A national committee of a political party  
 24 and the congressional campaign committees of a political  
 25 party may not, in any calendar year, accept more than  
 26 \$25,000 from any single person in contributions or trans-

1 fers that are not otherwise subject to the limitations, pro-  
2 hibitions, and reporting requirements of this Act.”.

3 **SEC. 104. REPORTS ON FEDERAL POLITICAL ADVERTISESE-**  
4 **MENTS CARRIED BY RADIO STATIONS, TELE-**  
5 **VISION STATIONS, AND CABLE SYSTEMS.**

6 Title III of the Federal Election Campaign Act of  
7 1971 (2 U.S.C. 431 et seq.), as amended by sections 101  
8 and 103, is further amended by adding at the end the  
9 following new section:

10 “REPORTS ON FEDERAL POLITICAL ADVERTISEMENTS  
11 CARRIED BY RADIO STATIONS, TELEVISION STA-  
12 TIONS, AND CABLE SYSTEMS

13 “SEC. 325. At such times and in such manner as the  
14 Commission shall prescribe by regulation, each operator  
15 of a radio broadcasting station, television broadcasting  
16 station, or cable system shall report to the Commission  
17 the identity of each advertiser, the cost, the duration, and  
18 other appropriate information with respect to each Fed-  
19 eral political advertisement carried by the station or sys-  
20 tem, including any advertisement advocating the passage  
21 or defeat of Federal legislation, any advertisement advo-  
22 cating the election or defeat of a candidate for Federal  
23 office, and any advertisement characterizing the positions  
24 taken by such a candidate.”.

1 **SEC. 105. EFFECTIVE DATE.**

2 The amendments made by this title shall take effect  
3 on January 1, 2000.

4 **TITLE II—WORKER PAYCHECK**  
5 **FAIRNESS**

6 **SEC. 201. FINDINGS.**

7 The Congress finds the following:

8 (1) Workers who pay dues or fees to a labor or-  
9 ganization may not, as a matter of law, be required  
10 to pay to that organization any dues or fees sup-  
11 porting activities that are not necessary to per-  
12 forming the duties of the exclusive representative of  
13 the employees in dealing with the employer on labor-  
14 management issues.

15 (2) Many labor organizations use portions of  
16 the dues or fees they collect from the workers they  
17 represent for activities that are not necessary to per-  
18 forming the duties of the exclusive representative of  
19 the employees in dealing with the employer on labor-  
20 management issues. These dues may be used to sup-  
21 port political, social, or charitable causes or many  
22 other noncollective bargaining activities. Unfortu-  
23 nately, many workers who pay such dues or fees  
24 have insufficient information both about their rights  
25 regarding the payment of dues or fees to a labor or-

1 organization and about how labor organizations spend  
2 employee dues or fees.

3 (3) It is a fundamental tenet of this Nation  
4 that all men and women have a right to make indi-  
5 vidual and informed choices about the political, so-  
6 cial, or charitable causes they support, and the law  
7 should protect that right to the greatest extent pos-  
8 sible.

9 **SEC. 202. PURPOSE.**

10 The purpose of this title is to ensure that all workers  
11 have sufficient information about their rights regarding  
12 the payment of dues or fees to labor organizations and  
13 the uses of employee dues and fees by labor organizations  
14 and that the right of all workers to make individual and  
15 informed choices about the political, social, or charitable  
16 causes they support is protected to the greatest extent pos-  
17 sible.

18 **SEC. 203. WRITTEN CONSENT.**

19 (a) IN GENERAL.—

20 (1) AUTHORIZATION.—A labor organization ac-  
21 cepting payment of any dues or fees from an em-  
22 ployee as a condition of employment pursuant to an  
23 agreement authorized by Federal law must secure  
24 from each employee prior, voluntary, written author-  
25 ization for any portion of such dues or fees which

1 will be used for activities not necessary to per-  
2 forming the duties of the exclusive representative of  
3 the employees in dealing with the employer on labor-  
4 management issues.

5 (2) REQUIREMENTS.—Such written authoriza-  
6 tion shall clearly state that an employee may not be  
7 required to provide such authorization and that if  
8 such authorization is provided, the employee agrees  
9 to allow any dues or fees paid to the labor organiza-  
10 tion to be used for activities which are not necessary  
11 to performing the duties of exclusive representation  
12 and which may be political, social, or charitable in  
13 nature.

14 (b) REVOCATION.—An authorization described in  
15 subsection (a) shall remain in effect until revoked. Such  
16 revocation shall be effective upon 30 days written notice.

17 (c) CIVIL ACTION BY EMPLOYEES.—

18 (1) LIABILITY.—Any labor organization which  
19 violates this section or section 206 shall be liable to  
20 the affected employee—

21 (A) for damages equal to—

22 (i) the amount of the dues or fees ac-  
23 cepted in violation of this section;

1           (ii) the interest on the amount de-  
2           scribed in clause (i) calculated at the pre-  
3           vailing rate; and

4           (iii) an additional amount as liq-  
5           uidated damages equal to the sum of the  
6           amount described in clause (i) and the in-  
7           terest described in clause (ii); and

8           (B) for such equitable relief as may be ap-  
9           propriate.

10          (2) RIGHT OF ACTION.—An action to recover  
11          the damages or equitable relief prescribed in para-  
12          graph (1) may be maintained against any labor or-  
13          ganization in any Federal or State court of com-  
14          petent jurisdiction by any one or more employees for  
15          and in behalf of—

16                (A) the employees; or

17                (B) the employees and other employees  
18                similarly situated.

19          (3) FEES AND COSTS.—The court in such ac-  
20          tion shall, in addition to any judgment awarded to  
21          the plaintiff, allow a reasonable attorney's fee, rea-  
22          sonable expert witness fees, and other costs of the  
23          action to be paid by the defendant.

24          (4) LIMITATION.—An action may be brought  
25          under this subsection not later than 2 years after

1 the date the employee knew or should have known  
2 that dues or fees were accepted or spent by a labor  
3 organization in violation of this title, except that  
4 such period shall be extended to 3 years in the case  
5 of a willful violation.

6 **SEC. 204. NOTICE.**

7 An employer whose employees are represented by a  
8 collective bargaining representative shall be required to  
9 post a notice, of such size and in such form as the Depart-  
10 ment of Labor shall prescribe, in conspicuous places in  
11 and about its plants and offices, including all places where  
12 notices to employees are customarily posted, informing  
13 employees that any labor organization accepting payment  
14 of any dues or fees from an employee as a condition of  
15 employment pursuant to an agreement authorized by Fed-  
16 eral law must secure from each employee prior, written  
17 authorization if any portion of such dues or fees will be  
18 used for activities not necessary to performing the duties  
19 of the exclusive representative of the employees in dealing  
20 with the employer on labor-management issues.

21 **SEC. 205. DISCLOSURE TO WORKERS.**

22 (a) **EXPENSES REPORTING.**—Section 201(b) of the  
23 Labor-Management Reporting and Disclosure Act of 1959  
24 is amended by adding at the end the following new sen-  
25 tence: “Every labor organization shall be required to at-

1 tribute and report expenses in such detail as necessary to  
2 allow members to determine whether such expenses were  
3 necessary to performing the duties of the exclusive rep-  
4 resentative of the employees in dealing with the employer  
5 on labor-management issues.”

6 (b) DISCLOSURE.—Section 201(c) of the Labor-Man-  
7 agement Reporting and Disclosure Act of 1959 is  
8 amended—

9 (1) by inserting “and employees required to pay  
10 any dues or fees to such organization” after “mem-  
11 bers”; and

12 (2) by inserting “or employee required to pay  
13 any dues or fees to such organization” after “mem-  
14 ber” each place it appears.

15 (c) WRITTEN REQUESTS.—Section 205(b) of the  
16 Labor-Management Reporting and Disclosure Act of 1959  
17 is amended by adding at the end the following new sen-  
18 tence: “Upon written request, the Secretary shall make  
19 available complete copies of any report or other document  
20 filed pursuant to section 201.”.

21 **SEC. 206. RETALIATION AND COERCION PROHIBITED.**

22 It shall be unlawful for any labor organization to co-  
23 erce, intimidate, threaten, interfere with, or retaliate  
24 against any employee in the exercise of, or on account of

1 having exercised, any right granted or protected by this  
2 title.

3 **SEC. 207. REGULATIONS.**

4       The Secretary of Labor shall prescribe such regula-  
5 tions as are necessary to carry out section 204 not later  
6 than 60 days after the enactment of this title and shall  
7 prescribe such regulations as are necessary to carry out  
8 the amendments made by section 205 not later than 120  
9 days after the enactment of this title.

10 **SEC. 208. EFFECTIVE DATE AND APPLICATION.**

11       This title shall be effective immediately upon enact-  
12 ment, except that sections 203 and 204 pertaining to  
13 worker consent and notice shall take effect 90 days after  
14 enactment and section 205 pertaining to disclosure shall  
15 take effect 150 days after enactment.

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