

107TH CONGRESS
1ST SESSION

H. R. 1039

To amend the Federal Election Campaign Act of 1971 to provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 15, 2001

Mr. TERRY (for himself, Mr. KNOLLENBERG, and Mr. PICKERING) introduced the following bill; which was referred to the Committee on House Administration, and in addition to the Committees on the Judiciary, and Energy and Commerce, 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 provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits, 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,*

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

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Open and Accountable Campaign Financing Act of
4 2001”.

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

Sec. 1. Short title; table of contents.

TITLE I—DISCLOSURE

Sec. 101. Additional monthly and quarterly disclosure reports.

Sec. 102. Reporting by national political party committees.

Sec. 103. Increased electronic disclosure.

Sec. 104. Public access to broadcasting records.

TITLE II—SOFT MONEY OF NATIONAL POLITICAL PARTIES AND
CONTRIBUTION LIMITS

Sec. 201. Limit on soft money of national political party committees.

Sec. 202. Judicial review.

Sec. 203. Increase in contribution limits.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Prohibition of solicitation of political party soft money in Federal
buildings.

Sec. 302. Update of penalty amounts.

Sec. 303. Activities of membership organizations and their affiliates.

Sec. 304. Filing of Senate reports with the Federal Election Commission.

7 **TITLE I—DISCLOSURE**

8 **SEC. 101. ADDITIONAL MONTHLY AND QUARTERLY DISCLO-**
9 **SURE REPORTS.**

10 (a) PRINCIPAL CAMPAIGN COMMITTEES.—

11 (1) MONTHLY REPORTS.—Section 304(a)(2)(A)
12 of the Federal Election Campaign Act of 1971 (2
13 U.S.C. 434(a)(2)(A)) is amended by striking clause
14 (iii) and inserting the following:

1 “(iii) additional monthly reports, which
2 shall be filed not later than the 20th day after
3 the last day of the month and shall be complete
4 as of the last day of the month, except that
5 monthly reports shall not be required under this
6 clause in November and December and a year
7 end report shall be filed not later than January
8 31 of the following calendar year.”.

9 (2) QUARTERLY REPORTS.—Section
10 304(a)(2)(B) of such Act is amended by striking
11 “the following reports” and all that follows through
12 the period and inserting “the treasurer shall file
13 quarterly reports, which shall be filed not later than
14 the 15th day after the last day of each calendar
15 quarter, and which shall be complete as of the last
16 day of each calendar quarter, except that the report
17 for the quarter ending December 31 shall be filed
18 not later than January 31 of the following calendar
19 year.”.

20 (b) NATIONAL COMMITTEE OF A POLITICAL
21 PARTY.—Section 304(a)(4) of the Federal Election Cam-
22 paign Act of 1971 (2 U.S.C. 434(a)(4)) is amended by
23 adding at the end the following flush sentence: “Notwith-
24 standing the preceding sentence, a national committee of

1 a political party shall file the reports required under sub-
 2 paragraph (B).”.

3 (c) CONFORMING AMENDMENTS.—

4 (1) SECTION 304.—Section 304(a) of the Fed-
 5 eral Election Campaign Act of 1971 (2 U.S.C.
 6 434(a)) is amended—

7 (A) in paragraph (3)(A)(ii), by striking
 8 “quarterly reports” and inserting “monthly re-
 9 ports”; and

10 (B) in paragraph (8), by striking “quar-
 11 terly report under paragraph (2)(A)(iii) or
 12 paragraph (4)(A)(i)” and inserting “monthly
 13 report under paragraph (2)(A)(iii) or paragraph
 14 (4)(A)”.

15 (2) SECTION 309.—Section 309(b) of the Fed-
 16 eral Election Campaign Act of 1971 (2 U.S.C.
 17 437g(b)) is amended by striking “calendar quarter”
 18 and inserting “month”.

19 **SEC. 102. REPORTING BY NATIONAL POLITICAL PARTY**
 20 **COMMITTEES.**

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

24 “(e) POLITICAL COMMITTEES.—

1 “(1) NATIONAL AND CONGRESSIONAL POLIT-
 2 ICAL COMMITTEES.—The national committee of a
 3 political party, any national congressional campaign
 4 committee of a political party, and any subordinate
 5 committee of either, shall report all receipts and dis-
 6 bursements during the reporting period.

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

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

18 **SEC. 103. INCREASED ELECTRONIC DISCLOSURE.**

19 Section 304 of the Federal Election Campaign Act
 20 of 1971 (2 U.S.C. 434), as amended by section 102, is
 21 amended by adding at the end the following:

22 “(f) INTERNET AVAILABILITY.—The Commission
 23 shall make the information contained in the reports sub-
 24 mitted under this section available on the Internet and
 25 publicly available at the offices of the Commission as soon

1 as practicable (but in no case later than 24 hours) after
2 the information is received by the Commission.”.

3 **SEC. 104. PUBLIC ACCESS TO BROADCASTING RECORDS.**

4 Section 315 of the Communications Act of 1934 (47
5 U.S.C. 315) is amended by redesignating subsections (c)
6 and (d) as subsections (d) and (e), respectively, and insert-
7 ing after subsection (b) the following:

8 “(c) POLITICAL RECORD.—

9 “(1) IN GENERAL.—A licensee shall maintain,
10 and make available for public inspection, a complete
11 record of a request to purchase broadcast time
12 that—

13 “(A) is made by or on behalf of a legally
14 qualified candidate for public office; or

15 “(B) communicates a message relating to
16 any political matter of national importance,
17 including—

18 “(i) a legally qualified candidate;

19 “(ii) any election to Federal office; or

20 “(iii) a national legislative issue of
21 public importance.

22 “(2) CONTENTS OF RECORD.—A record main-
23 tained under paragraph (1) shall contain informa-
24 tion regarding—

1 “(A) whether the request to purchase
2 broadcast time is accepted or rejected by the li-
3 censee;

4 “(B) the rate charged for the broadcast
5 time;

6 “(C) the date and time on which the com-
7 munication is aired;

8 “(D) the class of time that is purchased;

9 “(E) the name of the candidate to which
10 the communication refers and the office to
11 which the candidate is seeking election, the elec-
12 tion to which the communication refers, or the
13 issue to which the communication refers (as ap-
14 plicable);

15 “(F) in the case of a request made by, or
16 on behalf of, a candidate, the name of the can-
17 didate, the authorized committee of the can-
18 didate, and the treasurer of such committee;
19 and

20 “(G) in the case of any other request, the
21 name of the person purchasing the time, the
22 name, address, and phone number of a contact
23 person for such person, and a list of the chief
24 executive officers or members of the executive

1 committee or of the board of directors of such
 2 person.

3 “(3) TIME TO MAINTAIN FILE.—The informa-
 4 tion required under this subsection shall be placed in
 5 a political file as soon as possible and shall be re-
 6 tained by the licensee for a period of not less than
 7 2 years.”.

8 **TITLE II—SOFT MONEY OF NA-**
 9 **TIONAL POLITICAL PARTIES**
 10 **AND CONTRIBUTION LIMITS**

11 **SEC. 201. LIMIT ON SOFT MONEY OF NATIONAL POLITICAL**
 12 **PARTY COMMITTEES.**

13 Title III of the Federal Election Campaign Act of
 14 1971 (2 U.S.C. 431 et seq.) is amended by adding at the
 15 end the following:

16 **“SEC. 323. LIMIT ON SOFT MONEY OF NATIONAL POLITICAL**
 17 **PARTY COMMITTEES.**

18 “(a) LIMITATION.—A national committee of a polit-
 19 ical party, a congressional campaign committee of a na-
 20 tional party, or an entity directly or indirectly established,
 21 financed, maintained, or controlled by such committee
 22 shall not accept a donation, gift, or transfer of funds of
 23 any kind (not including transfers from other committees
 24 of the political party or contributions), during a calendar
 25 year, from a person (including a person directly or indi-

1 rectly established, financed, maintained, or controlled by
 2 such person) in an aggregate amount in excess of \$90,000.

3 “(b) AGGREGATE LIMIT ON DONOR.—No person may
 4 make an aggregate amount of disbursements to commit-
 5 tees or entities described in subsection (a) (other than
 6 transfers from other committees of political parties or con-
 7 tributions) in excess of \$90,000 in any calendar year.

8 “(c) INDEX OF AMOUNT.—In the case of any cal-
 9 endar year after 2001—

10 “(1) the amounts described in subsections (a)
 11 and (b) shall be increased based on the increase in
 12 the price index determined under section 315(c), ex-
 13 cept that the base period shall be calendar year
 14 2001; and

15 “(2) each amount so increased shall be the
 16 amount in effect for the calendar year.”.

17 **SEC. 202. JUDICIAL REVIEW.**

18 (a) EXPEDITED REVIEW.—Any Member of Congress,
 19 candidate, national committee of a political party, or any
 20 person adversely affected by section 323 of the Federal
 21 Election Campaign Act of 1971, as added by section 201,
 22 may bring an action, in the United States District Court
 23 for the District of Columbia, for declaratory judgment and
 24 injunctive relief on the ground that such section 323 vio-
 25 lates the Constitution.

1 (b) APPEAL TO SUPREME COURT.—Notwithstanding
2 any other provision of law, any order of the United States
3 District Court for the District of Columbia granting or
4 denying an injunction regarding, or finally disposing of,
5 an action brought under subsection (a) shall be reviewable
6 by appeal directly to the Supreme Court of the United
7 States. Any such appeal shall be taken by a notice of ap-
8 peal filed within 10 calendar days after such order is en-
9 tered; and the jurisdictional statement shall be filed within
10 30 calendar days after such order is entered.

11 (c) EXPEDITED CONSIDERATION.—It shall be the
12 duty of the District Court for the District of Columbia
13 and the Supreme Court of the United States to advance
14 on the docket and to expedite to the greatest possible ex-
15 tent the disposition of any matter brought under sub-
16 section (a).

17 (d) ENFORCEABILITY.—The enforcement of any pro-
18 vision of section 323 of the Federal Election Campaign
19 Act of 1971, as added by section 201, shall be stayed,
20 and such section 323 shall not be effective, for the
21 period—

22 (1) beginning on the date of the filing of an ac-
23 tion under subsection (a); and

1 (2) ending on the date of the final disposition
2 of such action on its merits by the Supreme Court
3 of the United States.

4 (e) APPLICABILITY.—This section shall apply only
5 with respect to any action filed under subsection (a) not
6 later than 30 days after the effective date of this Act.

7 **SEC. 203. INCREASE IN CONTRIBUTION LIMITS.**

8 (a) INCREASE IN INDIVIDUAL AND POLITICAL COM-
9 MITTEE CONTRIBUTION LIMITS.—Section 315(a) of the
10 Federal Election Campaign Act of 1971 (2 U.S.C.
11 441a(a)) is amended—

12 (1) in paragraph (1)—

13 (A) in subparagraph (A), by striking
14 “\$1,000” and inserting “\$3,000”;

15 (B) in subparagraph (B), by striking
16 “\$20,000” and inserting “\$60,000”; and

17 (C) in subparagraph (C), by striking
18 “\$5,000” and inserting “\$15,000”; and

19 (2) in paragraph (3)—

20 (A) by striking “\$25,000” and inserting
21 “\$75,000”; and

22 (B) by striking the second sentence.

23 (b) INCREASE IN MULTICANDIDATE LIMITS.—Sec-
24 tion 315(a)(2) of the Federal Election Campaign Act of
25 1971 (2 U.S.C. 441a(a)(2)) is amended—

1 (1) in subparagraph (A)—

2 (A) by striking “\$5,000” and inserting
3 “\$7,500”; and

4 (B) by inserting “except as provided in
5 subparagraph (D),” before “to any candidate”;

6 (2) in subparagraph (B)—

7 (A) by striking “\$15,000” and inserting
8 “\$30,000”; and

9 (B) by striking “or” at the end;

10 (3) in subparagraph (C), by striking “\$5,000.”
11 and inserting “\$7,500; or”; and

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

13 “(D) in the case of a national committee of a
14 political party, to any candidate and his authorized
15 political committees with respect to any election for
16 Federal office which, in the aggregate, exceed
17 \$15,000.”.

18 (c) INDEXING.—Section 315(c) of the Federal Elec-
19 tion Campaign Act of 1971 (2 U.S.C. 441a(c)) is
20 amended—

21 (1) in paragraph (1)—

22 (A) by striking the second and third sen-
23 tences;

24 (B) by inserting “(A)” before “At the be-
25 ginning”; and

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

2 “(B) Except as provided in subparagraph (C), in any
3 calendar year after 2002—

4 “(i) a limitation established by subsection (a),
5 (b), (d), or (h) shall be increased by the percent dif-
6 ference determined under subparagraph (A); and

7 “(ii) each amount so increased shall remain in
8 effect for the calendar year.

9 “(C) In the case of limitations under subsection (a),
10 each amount increased under subparagraph (B) shall re-
11 main in effect for the 2-year period beginning on the first
12 day following the date of the last general election in the
13 year preceding the year in which the amount is increased
14 and ending on the date of the next general election.”; and

15 (2) in paragraph (2)(B), by striking “means the
16 calendar year 1974” and inserting “means—

17 “(i) for purposes of subsections (b) and
18 (d), calendar year 1974; and

19 “(ii) for purposes of subsections (a) and
20 (h), calendar year 2001”.

21 (d) INCREASE IN SENATE CANDIDATE CONTRIBU-
22 TION LIMITS FOR NATIONAL PARTY COMMITTEES AND
23 SENATORIAL CAMPAIGN COMMITTEES.—Section 315(h) of
24 the Federal Election Campaign Act of 1971 (2 U.S.C.

1 441a(h)) is amended by striking “\$17,500” and inserting
2 “\$90,000”.

3 (e) EFFECTIVE DATES.—

4 (1) Except as provided in paragraph (2), the
5 amendments made by this section shall apply to cal-
6 endar years beginning after December 31, 2001.

7 (2) The amendments made by subsection (c)
8 shall apply to calendar years after December 31,
9 2002.

10 **TITLE III—MISCELLANEOUS** 11 **PROVISIONS**

12 **SEC. 301. PROHIBITION OF SOLICITATION OF POLITICAL** 13 **PARTY SOFT MONEY IN FEDERAL BUILDINGS.**

14 (a) IN GENERAL.—Section 607 of title 18, United
15 States Code, is amended—

16 (1) in subsection (a), by striking “within the
17 meaning of section 301(8) of the Federal Election
18 Campaign Act of 1971”; and

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

20 “(c) DEFINITION OF CONTRIBUTION.—In this sec-
21 tion, the term ‘contribution’ means a gift, subscription,
22 loan, advance, or deposit of money or anything of value
23 made by any person in connection with—

24 “(1) any election or elections for Federal office;

1 “(2) any political committee (as defined in sec-
 2 tion 301 of the Federal Election Campaign Act of
 3 1971); or

4 “(3) any State, district, or local committee of a
 5 political party.”.

6 (b) AMENDMENT OF TITLE 18 TO INCLUDE PROHI-
 7 BITION OF DONATIONS.—Section 602(a)(4) of title 18,
 8 United States Code, is amended by striking “within the
 9 meaning of section 301(8) of the Federal Election Cam-
 10 paign Act of 1971” and inserting “(as defined in section
 11 607(c))”.

12 **SEC. 302. UPDATE OF PENALTY AMOUNTS.**

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

16 “(e) ADJUSTMENT OF DOLLAR AMOUNTS FOR IN-
 17 FLATION.—In the case of any calendar year after 2001—

18 “(1) each amount specified under subsection (a)
 19 or the second sentence of subsection (d)(1)(A) shall
 20 be increased based on the increase in the price index
 21 determined under section 315(c), except that the
 22 base period shall be calendar year 2001; and

23 “(2) each amount so increased shall be the
 24 amount in effect for the calendar year.”.

1 **SEC. 303. ACTIVITIES OF MEMBERSHIP ORGANIZATIONS**
2 **AND THEIR AFFILIATES.**

3 (a) PERMITTING CORPORATE MEMBERS OF TRADE
4 ASSOCIATION TO APPROVE SOLICITATIONS BY MORE
5 THAN ONE TRADE ASSOCIATION.—Section 316(b)(4)(D)
6 of the Federal Election Campaign Act of 1971 (2 U.S.C.
7 441b(b)(4)(D)) is amended by striking “, and such mem-
8 ber corporation” and all that follows and inserting a pe-
9 riod.

10 (b) TREATMENT OF CERTAIN EMPLOYEES AND OTH-
11 ERS AS EXECUTIVE AND ADMINISTRATIVE PERSONNEL.—
12 Section 316(b)(7) of such Act (2 U.S.C. 441b(b)(7)) is
13 amended by striking “responsibilities.” and inserting the
14 following: “responsibilities (without regard to whether the
15 individual is a member or affiliate of a labor organization),
16 and includes salaried foremen or others having direct su-
17 pervision over employees paid on an hourly basis, and any
18 individuals with professional responsibilities who are paid
19 by the corporation as consultants or independent contrac-
20 tors (without regard to whether such individuals are clas-
21 sified as employees of the corporation for any other pur-
22 pose).”.

23 **SEC. 304. FILING OF SENATE REPORTS WITH THE FEDERAL**
24 **ELECTION COMMISSION.**

25 (a) SECTION 302 AMENDMENT.—Section 302 of the
26 Federal Election Campaign Act of 1971 (2 U.S.C. 432)

1 is amended by striking subsection (g) and inserting the
2 following:

3 “(g) PLACE OF FILING.—All designations, state-
4 ments, and reports required to be filed under this Act shall
5 be filed with the Commission.”.

6 (b) CONFORMING AMENDMENTS.—Title III of the
7 Federal Election Campaign Act of 1971 (2 U.S.C. 431
8 et seq.) is amended—

9 (1) in section 304—

10 (A) in subsection (a)(6)(A), by striking
11 “Secretary or the Commission” through “as ap-
12 propriate” and inserting “Commission and Sec-
13 retary of State”,

14 (B) in the third sentence of subsection
15 (c)(2), by striking “the Secretary or”, and

16 (C) in the fourth sentence of subsection
17 (c)(2), by striking “the Secretary, the Commis-
18 sion,” and inserting “the Commission”; and

19 (2) in section 311(a)(4), by striking “Secretary
20 or the”.

○