

107TH CONGRESS
1ST SESSION

S. 559

To reform the financing of Federal elections.

IN THE SENATE OF THE UNITED STATES

MARCH 15, 2001

Mr. ALLARD introduced the following bill; which was read twice and referred
to the Committee on Rules and Administration

A BILL

To reform the financing of Federal elections.

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

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

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Campaign Finance Integrity Act of 2001”.

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—CONTRIBUTIONS

Sec. 101. Requirement for in-State and in-district contributions to congressional candidates.

Sec. 102. Use of contributions to pay campaign debt.

Sec. 103. Modification of political party contribution limits to candidates when candidates make expenditures from personal funds.

Sec. 104. Modification of contribution limits.

TITLE II—DISCLOSURE REQUIREMENTS

Sec. 201. Disclosure of certain non-Federal financial activities of national political parties.

Sec. 202. Political activities of corporations and labor organizations.

TITLE III—REPORTING REQUIREMENTS

Sec. 301. Time for candidates to file reports.

Sec. 302. Contributor information required for contributions in any amount.

Sec. 303. Prohibition of depositing contributions with incomplete contributor information.

Sec. 304. Filing of reports using facsimile machines.

TITLE IV—USE OF GOVERNMENT PROPERTY AND SERVICES

Sec. 401. Ban on mass mailings.

TITLE V—EFFECTIVE DATE

Sec. 501. Effective date.

1 **TITLE I—CONTRIBUTIONS**2 **SEC. 101. REQUIREMENT FOR IN-STATE AND IN-DISTRICT**3 **CONTRIBUTIONS TO CONGRESSIONAL CAN-**4 **DIDATES.**

5 (a) IN GENERAL.—Section 315 of the Federal Elec-
6 tion Campaign Act of 1971 (2 U.S.C. 441a) is amended—

7 (1) by redesignating subsections (e), (f), (g),
8 and (h) as subsections (f), (g), (h), and (i), respec-
9 tively; and

10 (2) by inserting after subsection (d) the fol-
11 lowing:

12 “(e) REQUIREMENT FOR IN-STATE AND IN-DISTRICT
13 CONTRIBUTIONS TO CONGRESSIONAL CANDIDATES.—

14 “(1) DEFINITIONS.—In this subsection:

15 “(A) IN-STATE CONTRIBUTION.—The term
16 ‘in-State contribution’ means a contribution

1 from an individual that is a legal resident of the
2 candidate's State.

3 “(B) IN-DISTRICT CONTRIBUTION.—The
4 term ‘in-district contribution’ means a contribu-
5 tion from an individual that is a legal resident
6 of the candidate's district.

7 “(2) LIMIT.—A candidate for nomination to, or
8 election to, the Senate or House of Representatives
9 and the candidate's authorized committee shall not
10 accept an aggregate amount of contributions of
11 which the aggregate amount of in-State contribu-
12 tions or in-district contributions, as appropriate, is
13 less than 50 percent of such total amount of con-
14 tributions accepted.

15 “(3) TIME FOR MEETING REQUIREMENT.—A
16 candidate shall meet the requirement of paragraph
17 (2) at the end of each reporting period under section
18 304.

19 “(4) PERSONAL FUNDS.—For purposes of this
20 subsection, a contribution that is attributable to the
21 personal funds of the candidate or proceeds of in-
22 debtedness incurred by the candidate or the can-
23 didate's authorized committee shall not be consid-
24 ered to be an in-State contribution or in-district con-
25 tribution.”.

1 (b) CONFORMING AMENDMENTS.—Section 315 of the
 2 Federal Election Campaign Act of 1971 (2 U.S.C. 441a)
 3 is amended—

4 (1) in subsection (b)(1)(A), by striking “(e)”
 5 and inserting “(f)”;

6 (2) in subsection (d)(2), by striking “(e)” and
 7 inserting “(f)”;

8 (3) in subsection (d)(3)(A)(i), by striking “(e)”
 9 and inserting “(f)”.

10 **SEC. 102. USE OF CONTRIBUTIONS TO PAY CAMPAIGN**
 11 **DEBT.**

12 Section 315 of the Federal Election Campaign Act
 13 of 1971 (2 U.S.C. 441a), as amended by section 101, is
 14 amended by adding at the end the following:

15 “(j) LIMIT ON USE OF CONTRIBUTIONS TO PAY
 16 CAMPAIGN DEBT.—

17 “(1) TIME TO ACCEPT CONTRIBUTIONS.—Be-
 18 ginning on the date that is 90 days after the date
 19 of a general or special election, a candidate for elec-
 20 tion to the Senate or House of Representatives and
 21 the candidate’s authorized committee shall not ac-
 22 cept a contribution that is to be used to pay a debt,
 23 loan, or other cost associated with the election cycle
 24 of such election.

1 “(2) PERSONAL OBLIGATION.—A debt, loan, or
 2 other cost associated with an election cycle that is
 3 not paid in full on the date that is 90 days after the
 4 date of the general or special election shall be as-
 5 sumed as a personal obligation by the candidate.

6 “(3) DEFINITION OF ELECTION CYCLE.—In
 7 this subsection, the term ‘election cycle’ means the
 8 period beginning on the day after the date of the
 9 most recent general election for the specific office or
 10 seat that a candidate is seeking and ending on the
 11 date of the next general election for that office or
 12 seat.”.

13 **SEC. 103. MODIFICATION OF POLITICAL PARTY CONTRIBU-**
 14 **TION LIMITS TO CANDIDATES WHEN CAN-**
 15 **DIDATES MAKE EXPENDITURES FROM PER-**
 16 **SONAL FUNDS.**

17 (a) IN GENERAL.—Section 315 of the Federal Elec-
 18 tion Campaign Act of 1971 (2 U.S.C. 441a), as amended
 19 by section 102, is amended by adding at the end the fol-
 20 lowing:

21 “(k) CONTRIBUTION LIMITS FOR POLITICAL PARTY
 22 COMMITTEES IN RESPONSE TO CANDIDATE EXPENDI-
 23 TURES OF PERSONAL FUNDS.—

24 “(1) IN GENERAL.—In the case of a general
 25 election for the Senate or House of Representatives,

1 a political party committee may make contributions
 2 to a candidate without regard to any limitation
 3 under subsections (a) and (d) until such time as the
 4 aggregate amount of contributions is equal to or
 5 greater than the applicable limit.

6 “(2) APPLICABLE LIMIT.—The applicable limit
 7 under paragraph (1), with respect to a candidate,
 8 shall be the greatest aggregate amount of expendi-
 9 tures that an opponent of the candidate in the same
 10 election and the opponent’s authorized committee
 11 make using the personal funds of the opponent or
 12 proceeds of indebtedness incurred by the opponent
 13 (including contributions by the opponent to the op-
 14 ponent’s authorized committee) in excess of 2 times
 15 the limit under subsection (a)(1)(A) with respect to
 16 a general election.

17 “(3) DEFINITION OF POLITICAL PARTY COM-
 18 MITTEE.—In this subsection, the term ‘political
 19 party committee’ means a political committee that is
 20 a national, State, district, or local committee of a
 21 political party (including any subordinate com-
 22 mittee).”.

23 (b) NOTIFICATION OF EXPENDITURES FROM PER-
 24 SONAL FUNDS.—Section 304(a)(6) of the Federal Elec-

tion Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is
amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following:

“(B)(i) The principal campaign committee of a candidate for nomination to, or election to, the Senate or House of Representatives shall notify the Commission of the aggregate amount expenditures made using personal funds of the candidate or proceeds of indebtedness incurred by the candidate (including contributions by the candidate to the candidate’s authorized committee) in excess of an amount equal to 2 times the limit under section 301(a)(1)(A).

“(ii) The notification under clause (i) shall—

“(I) be submitted to the Commission not later than 24 hours after the expenditure that is the subject of the notification is made;

“(II) include the name of the candidate, the office sought by the candidate, and the date and amount of the expenditure; and

“(III) include the aggregate amount of expenditures from personal funds that have been made with

1 respect to that election as of the date of the expendi-
 2 ture that is the subject of the notification.”.

3 **SEC. 104. MODIFICATION OF CONTRIBUTION LIMITS.**

4 Section 315 of the Federal Election Campaign Act
 5 of 1971 (2 U.S.C. 441a) is amended—

6 (1) in subsection (a)—

7 (A) in paragraph (1)(A), by striking
 8 “\$1,000” and inserting “\$2,500”; and

9 (B) in paragraph (2)(A), by striking
 10 “\$5,000” and inserting “\$2,500”; and

11 (2) in subsection (c)—

12 (A) in paragraph (1), by striking “sub-
 13 section (b) and subsection (d)” and inserting
 14 “paragraphs (1)(A) and (2)(A) of subsection
 15 (a) and subsections (b) and (d)”; and

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

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

21 “(ii) for purposes of paragraphs (1)(A)
 22 and (2)(A) of subsection (a), calendar year
 23 2002.”.

TITLE II—DISCLOSURE REQUIREMENTS

SEC. 201. DISCLOSURE OF CERTAIN NON-FEDERAL FINANCIAL ACTIVITIES OF NATIONAL POLITICAL PARTIES.

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

(1) in subparagraph (H)(v), by striking “and” at the end;

(2) in subparagraph (I), by inserting “and” after the semicolon; and

(3) by adding at the end the following:

“(J) for a national political committee of a political party, disbursements made by the committee in an aggregate amount greater than \$1,000, during a calendar year, in connection with a political activity (as defined in section 316(c)(3));”.

SEC. 202. POLITICAL ACTIVITIES OF CORPORATIONS AND LABOR ORGANIZATIONS.

(a) DISCLOSURE TO EMPLOYEES AND SHAREHOLDERS REGARDING POLITICAL ACTIVITIES.—Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following:

1 “(c) AUTHORIZATION REQUIRED FOR POLITICAL AC-
2 TIVITY.—

3 “(1) IN GENERAL.—Except with the separate,
4 written, voluntary authorization of each individual, a
5 national bank, corporation or labor organization de-
6 scribed in this section shall not—

7 “(A) in the case of a national bank or cor-
8 poration, collect from or assess its stockholders
9 or employees any dues, initiation fee, or other
10 payment as a condition of employment or mem-
11 bership if any part of the dues, fee, or payment
12 will be used for a political activity in which the
13 national bank or corporation is engaged; and

14 “(B) in the case of a labor organization,
15 collect from or assess its members or nonmem-
16 bers any dues, initiation fee, or other payment
17 if any part of the dues, fee, or payment will be
18 used for a political activity.

19 “(2) EFFECT OF AUTHORIZATION.—An author-
20 ization described in paragraph (1) shall remain in
21 effect until revoked and may be revoked at any time.

22 “(3) DEFINITION OF POLITICAL ACTIVITY.—In
23 this subsection, the term ‘political activity’ includes
24 a communication or other activity that involves car-
25 rying on propaganda, attempting to influence legisla-

1 tion, or participating or intervening in a political
2 party or political campaign for a Federal office.

3 “(d) DISCLOSURE OF DISBURSEMENTS FOR POLIT-
4 ICAL ACTIVITIES.—

5 “(1) CORPORATIONS AND NATIONAL BANKS.—A
6 corporation or national bank described in this sec-
7 tion shall submit an annual written report to share-
8 holders stating the amount of each disbursement
9 made for a political activity or that otherwise influ-
10 ences a Federal election.

11 “(2) LABOR ORGANIZATIONS.—A labor organi-
12 zation described in this section shall submit an an-
13 nual written report to dues paying members and
14 nonmembers stating the amount of each disburse-
15 ment made for a political activity or that otherwise
16 influences a Federal election, including contributions
17 and expenditures.”.

18 (b) DISCLOSURE TO THE COMMISSION OF CERTAIN
19 PERMISSIBLE ACTIVITIES BY LABOR ORGANIZATIONS
20 AND CORPORATIONS.—Section 304 of the Federal Elec-
21 tion Campaign Act of 1971 (2 U.S.C. 434) is amended
22 by adding at the end the following:

23 “(e) REQUIRED STATEMENT OF CORPORATIONS AND
24 LABOR ORGANIZATIONS.—Each corporation, national
25 bank, or labor organization that makes an aggregate

1 amount of disbursements during a year in an amount
 2 equal to or greater than \$1,000 for any activity described
 3 in subparagraph (A), (B), or (C) of section 316(a)(2) shall
 4 submit a statement to the Commission (not later than 24
 5 hours after making the payment) describing the amount
 6 spent and the activity involved.”.

7 **TITLE III—REPORTING** 8 **REQUIREMENTS**

9 **SEC. 301. TIME FOR CANDIDATES TO FILE REPORTS.**

10 Section 304(a)(2)(A) of the Federal Election Cam-
 11 paign Act of 1971 (2 U.S.C. 434(a)(2)(A)) is amended—

12 (1) in clause (ii), by striking “and” following
 13 the semicolon;

14 (2) in clause (iii), by striking “and” following
 15 the semicolon; and

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

17 “(iv) monthly reports during the months of
 18 July, August, September, and October, that
 19 shall be filed no later than the final day of the
 20 reporting month; and

21 “(v) 24-hour reports, beginning on the day
 22 that is 15 days preceding an election, that shall
 23 be filed no later than the end of each 24-hour
 24 period; and”.

1 **SEC. 302. CONTRIBUTOR INFORMATION REQUIRED FOR**
 2 **CONTRIBUTIONS IN ANY AMOUNT.**

3 (a) SECTION 302.—Section 302 of the Federal Elec-
 4 tion Campaign Act of 1971 (2 U.S.C. 432) is amended—

5 (1) in subsection (b)—

6 (A) in paragraph (1), by striking “, and if
 7 the amount” and all that follows through the
 8 period and inserting: “and the following infor-
 9 mation with respect to the contribution:

10 “(A) The identification of the contributor.

11 “(B) The date of the receipt of the contribu-
 12 tion.”; and

13 (B) in paragraph (2)—

14 (i) in subsection (A), by striking
 15 “such contribution” and inserting “the
 16 contribution and the identification of the
 17 contributor”; and

18 (ii) in subsection (B), by striking
 19 “such contribution” and all that follows
 20 through the period and inserting “, no
 21 later than 10 days after receiving the con-
 22 tribution, the contribution and the fol-
 23 lowing information with respect to the con-
 24 tribution:

25 “(i) The identification of the contributor.

1 “(ii) The date of the receipt of the con-
2 tribution.”;

3 (2) in subsection (c)—

4 (A) by striking paragraph (2);

5 (B) in paragraph (3), by striking “or con-
6 tributions aggregating more than \$200 during
7 any calendar year”; and

8 (C) by redesignating paragraphs (3), (4),
9 and (5) as paragraphs (2), (3), and (4), respec-
10 tively; and

11 (3) in subsection (h)(2), by striking “(c)(5)”
12 and inserting “(c)(4)”.

13 (b) SECTION 304.—Section 304(b)(3)(A) of the Fed-
14 eral Election Campaign Act of 1971 (2 U.S.C.
15 434(b)(3)(A)) is amended by striking “whose contribu-
16 tion” and all that follows through “so elect,”.

17 **SEC. 303. PROHIBITION OF DEPOSITING CONTRIBUTIONS**

18 **WITH INCOMPLETE CONTRIBUTOR INFORMA-**

19 **TION.**

20 Section 302 of Federal Election Campaign Act of
21 1971 (2 U.S.C. 432) is amended by adding at the end
22 the following:

23 “(j) DEPOSIT OF CONTRIBUTIONS.—The treasurer of
24 a candidate’s authorized committee shall not deposit or

1 otherwise negotiate a contribution unless the information
 2 required by this section is complete.”.

3 **SEC. 304. FILING OF REPORTS USING FACSIMILE MA-**
 4 **CHINES.**

5 (a) IN GENERAL.—Section 304(a)(11)(A) of the Fed-
 6 eral Election Campaign Act of 1971 (2 U.S.C.
 7 434(a)(11)(A)) is amended—

8 (1) in clause (i), by inserting “or through the
 9 use of a facsimile machine or other method of trans-
 10 mission that corresponds with the method of record-
 11 keeping or transmission used by the person” after
 12 “computers”; and

13 (2) in clause (ii), by striking “or an alternative
 14 form” and inserting “or through the use of a fac-
 15 simile machine or other method of transmission that
 16 corresponds with the method of record-keeping or
 17 transmission used by the person”.

18 (b) PUBLIC ACCESS TO CAMPAIGN FINANCE INFOR-
 19 MATION.—Section 304(a)(11)(B) of the Federal Election
 20 Campaign Act of 1971 (2 U.S.C. 434(a)(11)(B)) is
 21 amended by inserting “and publicly available at the offices
 22 of the Commission” after “Internet”.

1 **TITLE IV—USE OF GOVERNMENT**
 2 **PROPERTY AND SERVICES**

3 **SEC. 401. BAN ON MASS MAILINGS.**

4 (a) IN GENERAL.—Section 3210(a)(6) of title 39,
 5 United States Code, is amended by striking subparagraph
 6 (A) and inserting the following:

7 “(A) A Member of, or Member-elect to, Congress may
 8 not mail any mass mailing as franked mail.”.

9 (b) TECHNICAL AND CONFORMING AMENDMENTS.—

10 (1) Section 3210 of title 39, United States
 11 Code, is amended—

12 (A) in subsection (a)—

13 (i) in paragraph (3)—

14 (I) in subparagraph (G), by
 15 striking “, including general mass
 16 mailings,”;

17 (II) in subparagraph (I), by
 18 striking “or other general mass mail-
 19 ing”; and

20 (III) in subparagraph (J), by
 21 striking “or other general mass mail-
 22 ing”; and

23 (ii) in paragraph (6)—

24 (I) by striking subparagraphs
 25 (B), (C), and (F);

1 (II) by striking the second sen-
 2 tence of subparagraph (D); and
 3 (III) by redesignating subpara-
 4 graphs (D) and (E) as subparagraphs
 5 (B) and (C), respectively; and
 6 (iii) by striking paragraph (7);
 7 (B) in subsection (c), by striking “sub-
 8 section (a) (4) and (5)” and inserting “para-
 9 graphs (4), (5), and (6) of subsection (a)”;
 10 (C) by striking subsection (f); and
 11 (D) by redesignating subsection (g) as sub-
 12 section (f).

13 (2) Section 316 of the Legislative Branch Ap-
 14 propriations Act, 1990 (39 U.S.C. 3210 note) is
 15 amended by striking subsection (a).

16 (3) Section 311 of the Legislative Branch Ap-
 17 propriations Act, 1991 (2 U.S.C. 59e) is amended
 18 by striking subsection (f).

19 (c) EFFECTIVE DATE.—The amendments made by
 20 this section shall take effect at the beginning of the first
 21 Congress that begins after December 31, 2002.

22 **TITLE V—EFFECTIVE DATE**

23 **SEC. 501. EFFECTIVE DATE.**

24 Except as otherwise provided in this Act, this Act and
 25 the amendments made by this Act shall apply with respect

- 1 to elections occurring, payments made, and filing periods
- 2 beginning 30 days after enactment.

