

109TH CONGRESS  
2D SESSION

# H. R. 4759

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

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 15, 2006

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

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## A BILL

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

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

3 **SECTION 1. SHORT TITLE.**

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

6 **SEC. 2. FINDINGS.**

7 Congress finds as follows:

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

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

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

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

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

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

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

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

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

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

8 “(9) The limitations established under this subsection  
 9 shall not apply to contributions made during calendar  
 10 years beginning after 2006.”.

11 **SEC. 4. REPEAL OF BAN ON CONTRIBUTIONS AND EXPENDI-**  
 12 **TURES BY CORPORATIONS AND LABOR ORGA-**  
 13 **NIZATIONS.**

14 Section 316(a) of the Federal Election Campaign Act  
 15 of 1971 is amended—

16 (1) by striking “(a) It is unlawful” and insert-  
 17 ing “(a)(1) It is unlawful”; and

18 (2) by adding at the end the following new  
 19 paragraph:

20 “(2) Paragraph (1) shall not apply with respect  
 21 to elections occurring after December 2006.”.

22 **SEC. 5. TERMINATION OF TAXPAYER FINANCING OF PRESI-**  
 23 **DENTIAL ELECTION CAMPAIGNS.**

24 (a) **TERMINATION OF DESIGNATION OF INCOME TAX**  
 25 **PAYMENTS.**—Section 6096 of the Internal Revenue Code

1 of 1986 is amended by adding at the end the following  
2 new subsection:

3 “(d) **TERMINATION.**—This section shall not apply to  
4 taxable years beginning after December 31, 2005.”

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

6 (1) **TERMINATION OF PRESIDENTIAL ELECTION**  
7 **CAMPAIGN FUND.**—

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

11 **“SEC. 9014. TERMINATION.**

12 “The provisions of this chapter shall not apply with  
13 respect to any presidential election (or any presidential  
14 nominating convention) after December 31, 2006, or to  
15 any candidate in such an election.”

16 (B) **TRANSFER OF EXCESS FUNDS TO GEN-**  
17 **ERAL FUND.**—Section 9006 of such Code is  
18 amended by adding at the end the following  
19 new subsection:

20 “(d) **TRANSFER OF FUNDS REMAINING AFTER**  
21 **2006.**—The Secretary shall transfer all amounts in the  
22 fund after December 31, 2006, to the general fund of the  
23 Treasury.”

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

4   **“SEC. 9043. TERMINATION.**

5           “The provisions of this chapter shall not apply to any  
 6   candidate with respect to any presidential election after  
 7   December 31, 2006.”

8           (c) CLERICAL AMENDMENTS.—

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

“9014. Termination”

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

“9043. Termination”

15   **SEC. 6. DISCLOSURE BY STATE AND LOCAL POLITICAL PAR-**  
 16                           **TIES OF INFORMATION REPORTED UNDER**  
 17                           **STATE LAW.**

18          (a) IN GENERAL.—Section 304 of the Federal Elec-  
 19   tion Campaign Act of 1971 (2 U.S.C. 434) is amended  
 20   by adding at the end the following new subsection:

21          “(i) If a political committee of a State or local polit-  
 22   ical party is required under a State or local law, rule, or  
 23   regulation to submit a report on its disbursements to an  
 24   entity of the State or local government, the committee

1 shall file a copy of the report with the Commission at the  
 2 time it submits the report to such an entity.”.

3 (b) EFFECTIVE DATE.—The amendment made by  
 4 subsection (a) shall apply with respect to elections occur-  
 5 ring after January 2007.

6 **SEC. 7. PROMOTING EXPEDITED AVAILABILITY OF FEC RE-**  
 7 **PORTS.**

8 (a) MANDATORY ELECTRONIC FILING FOR ALL RE-  
 9 PORTS.—

10 (1) IN GENERAL.—Section 304(a)(11) of the  
 11 Federal Election Campaign Act of 1971 (2 U.S.C.  
 12 434(a)(11)) is amended—

13 (A) in subparagraph (A), by striking “a  
 14 person required to file—” and all that follows  
 15 and inserting the following: “each person re-  
 16 quired to file a report under this Act shall be  
 17 required to maintain and file such report in  
 18 electronic form accessible by computers.”;

19 (B) in subparagraph (C), by striking “des-  
 20 ignations, statements, and reports” and insert-  
 21 ing “documents”; and

22 (C) in subparagraph (D), by striking  
 23 “means, with respect to” and all that follows  
 24 and inserting the following: “means any report,  
 25 designation, statement, or notification required

1 by this Act to be filed with the Commission or  
2 the Secretary of the Senate.”.

3 (2) PLACEMENT OF ALL REPORTS ON INTER-  
4 NET.—Section 304(a)(11)(B) of such Act (2 U.S.C.  
5 434(a)(11)(B)) is amended—

6 (A) by striking “a designation, statement,  
7 report, or notification” and inserting “each re-  
8 port”; and

9 (B) by striking “the designation, state-  
10 ment, report, or notification” and inserting  
11 “the report”.

12 (3) SOFTWARE FOR FILING OF ALL REPORTS.—  
13 Section 304(a)(12) of such Act (2 U.S.C.  
14 434a(a)(12)), as added by section 306 of the Bipar-  
15 tisan Campaign Reform Act of 2002, is amended—

16 (A) in subparagraph (A)(ii), by striking  
17 “each person required to file a designation,  
18 statement, or report in electronic form” and in-  
19 serting “each person required to file a report  
20 (as defined in paragraph (11)(D))”; and

21 (B) in subparagraph (B), by striking “any  
22 designation, statement, or report” and inserting  
23 “any report (as defined in paragraph  
24 (11)(D))”.



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

6       “(A) Each political committee shall notify the Sec-  
7 retary or the Commission, and the Secretary of State, as  
8 appropriate, in writing, of any contribution received by the  
9 committee during the period which begins on the 90th day  
10 before an election and ends at the time the polls close for  
11 such election. This notification shall be made within 24  
12 hours (or, if earlier, by midnight of the day on which the  
13 contribution is deposited) after the receipt of such con-  
14 tribution and shall include the name of the candidate in-  
15 volved (as appropriate) and the office sought by the can-  
16 didate, the identification of the contributor, and the date  
17 of receipt and amount of the contribution.”.

18       (c) EFFECTIVE DATE.—The amendment made by  
19 this section shall apply with respect to reports for periods  
20 beginning on or after January 1, 2007.

1 **SEC. 8. WAIVER OF “BEST EFFORTS” EXCEPTION FOR IN-**  
2 **FORMATION ON IDENTIFICATION OF CON-**  
3 **TRIBUTORS.**

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

7 (1) by striking “(i) When the treasurer” and  
8 inserting “(i)(1) Except as provided in paragraph  
9 (2), when the treasurer”; and

10 (2) by adding at the end the following new  
11 paragraph:

12 “(2) Paragraph (1) shall not apply with respect to  
13 information regarding the identification of any person who  
14 makes a contribution or contributions aggregating more  
15 than \$200 during a calendar year (as required to be pro-  
16 vided under subsection (c)(3)).”.

17 (b) EFFECTIVE DATE.—The amendment made by  
18 subsection (a) shall apply with respect to persons making  
19 contributions for elections occurring after January 2007.

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