

110TH CONGRESS
1ST SESSION

S. 2412

To amend the Internal Revenue Code of 1986 to reform the system of public financing for Presidential elections, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 5, 2007

Mr. FEINGOLD (for himself, Ms. COLLINS, Mr. OBAMA, Mr. DURBIN, Mrs. CLINTON, Mr. BIDEN, Mr. DODD, and Mr. KERRY) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to reform the system of public financing for Presidential elections, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Presidential Funding Act of 2007”.

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

Sec. 1. Short title; table of contents.

Sec. 2. Revisions to system of Presidential primary matching payments.

- Sec. 3. Requiring participation in primary payment system as condition of eligibility for general election payments.
- Sec. 4. Revisions to expenditure limits.
- Sec. 5. Additional payments and increased expenditure limits for candidates participating in public financing who face certain nonparticipating opponents.
- Sec. 6. Establishment of uniform date for release of payments from Presidential Election Campaign Fund to eligible candidates.
- Sec. 7. Revisions to designation of income tax payments by individual taxpayers.
- Sec. 8. Amounts in Presidential Election Campaign Fund.
- Sec. 9. Regulation of convention financing.
- Sec. 10. Disclosure of bundled contributions to presidential campaigns.
- Sec. 11. Repeal of priority in use of funds for political conventions.
- Sec. 12. Offsets.
- Sec. 13. Effective date.

1 **SEC. 2. REVISIONS TO SYSTEM OF PRESIDENTIAL PRIMARY**

2 **MATCHING PAYMENTS.**

3 (a) INCREASE IN MATCHING PAYMENTS.—

4 (1) IN GENERAL.—Section 9034(a) of the In-
5 ternal Revenue Code of 1986 is amended—

6 (A) by striking “an amount equal to the
7 amount” and inserting “an amount equal to
8 400 percent of the amount”; and

9 (B) by striking “\$250” and inserting
10 “\$200”.

11 (2) ADDITIONAL MATCHING PAYMENTS FOR
12 CANDIDATES AFTER MARCH 31 OF THE ELECTION
13 YEAR.—Section 9034(b) of such Code is amended to
14 read as follows:

15 “(b) ADDITIONAL PAYMENTS FOR CANDIDATES
16 AFTER MARCH 31 OF THE ELECTION YEAR.—In addition
17 to any payment under subsection (a), an individual who
18 is a candidate after March 31 of the calendar year in

1 which the presidential election is held and who is eligible
 2 to receive payments under section 9033 shall be entitled
 3 to payments under section 9037 in an amount equal to
 4 the amount of each contribution received by such indi-
 5 vidual after March 31 of the calendar year in which such
 6 presidential election is held, disregarding any amount of
 7 contributions from any person to the extent that the total
 8 of the amounts contributed by such person after such date
 9 exceeds \$200.”.

10 (3) CONFORMING AMENDMENTS.—Section 9034
 11 of such Code, as amended by paragraph (2), is
 12 amended—

13 (A) by striking the last sentence of sub-
 14 section (a); and

15 (B) by inserting after subsection (b) the
 16 following new subsection:

17 “(c) CONTRIBUTION DEFINED.—For purposes of this
 18 section and section 9033(b), the term ‘contribution’ means
 19 a gift of money made by a written instrument which iden-
 20 tifies the person making the contribution by full name and
 21 mailing address, but does not include a subscription, loan,
 22 advance, or deposit of money, or anything of value or any-
 23 thing described in subparagraph (B), (C), or (D) of sec-
 24 tion 9032(4).”.

25 (b) ELIGIBILITY REQUIREMENTS.—

1 (1) AMOUNT OF AGGREGATE CONTRIBUTIONS
2 PER STATE.—Section 9033(b)(3) of such Code is
3 amended by striking “\$5,000” and inserting
4 “\$25,000”.

5 (2) AMOUNT OF INDIVIDUAL CONTRIBU-
6 TIONS.—Section 9033(b)(4) of such Code is amend-
7 ed by striking “\$250” and inserting “\$200”.

8 (3) PARTICIPATION IN SYSTEM FOR PAYMENTS
9 FOR GENERAL ELECTION.—Section 9033(b) of such
10 Code is amended—

11 (A) by striking “and” at the end of para-
12 graph (3);

13 (B) by striking the period at the end of
14 paragraph (4) and inserting “, and”; and

15 (C) by adding at the end the following new
16 paragraph:

17 “(5) if the candidate is nominated by a political
18 party for election to the office of President, the can-
19 didate will apply for and accept payments with re-
20 spect to the general election for such office in ac-
21 cordance with chapter 95, including the requirement
22 that the candidate and the candidate’s authorized
23 committees will not incur qualified campaign ex-
24 penses in excess of the aggregate payments to which
25 they will be entitled under section 9004.”.

1 (c) PERIOD OF AVAILABILITY OF PAYMENTS.—Sec-
 2 tion 9032(6) of such Code is amended by striking “the
 3 beginning of the calendar year in which a general election
 4 for the office of President of the United States will be
 5 held” and inserting “the date that is 6 months prior to
 6 the date of the earliest State primary election”.

7 **SEC. 3. REQUIRING PARTICIPATION IN PRIMARY PAYMENT**
 8 **SYSTEM AS CONDITION OF ELIGIBILITY FOR**
 9 **GENERAL ELECTION PAYMENTS.**

10 (a) MAJOR PARTY CANDIDATES.—Section 9003(b) of
 11 the Internal Revenue Code of 1986 is amended—

12 (1) by redesignating paragraphs (1) and (2) as
 13 paragraphs (2) and (3); and

14 (2) by inserting before paragraph (2) (as so re-
 15 designated) the following new paragraph:

16 “(1) the candidate received payments under
 17 chapter 96 for the campaign for nomination;”.

18 (b) MINOR PARTY CANDIDATES.—Section 9003(c) of
 19 such Code is amended—

20 (1) by redesignating paragraphs (1) and (2) as
 21 paragraphs (2) and (3); and

22 (2) by inserting before paragraph (2) (as so re-
 23 designated) the following new paragraph:

24 “(1) the candidate received payments under
 25 chapter 96 for the campaign for nomination;”.

1 **SEC. 4. REVISIONS TO EXPENDITURE LIMITS.**

2 (a) INCREASE IN EXPENDITURE LIMITS FOR PAR-
 3 TICIPATING CANDIDATES; ELIMINATION OF STATE-SPE-
 4 CIFIC LIMITS.—

5 (1) IN GENERAL.—Section 315(b)(1) of the
 6 Federal Election Campaign Act of 1971 (2 U.S.C.
 7 441a(b)(1)) is amended by striking “may make ex-
 8 penditures in excess of” and all that follows and in-
 9 serting “may make expenditures—

10 “(A) with respect to a campaign for nomination
 11 for election to such office—

12 “(i) in excess of \$100,000,000 before April
 13 1 of the calendar year in which the presidential
 14 election is held; and

15 “(ii) in excess of \$150,000,000 before the
 16 date described in section 9006(b) of the Inter-
 17 nal Revenue Code of 1986; and

18 “(B) with respect to a campaign for election to
 19 such office, in excess of \$100,000,000.”.

20 (2) CLERICAL CORRECTION.—Section
 21 9004(a)(1) of the Internal Revenue Code of 1986 is
 22 amended by striking “section 320(b)(1)(B) of the
 23 Federal Election Campaign Act of 1971” and insert-
 24 ing “section 315(b)(1)(B) of the Federal Election
 25 Campaign Act of 1971”.

1 (b) INCREASE IN LIMIT ON COORDINATED PARTY
2 EXPENDITURES.—Section 315(d)(2) of the Federal Elec-
3 tion Campaign Act of 1971 (2 U.S.C. 441a(d)(2)) is
4 amended to read as follows:

5 “(2)(A) The national committee of a political party
6 may not make any expenditure in connection with the gen-
7 eral election campaign of any candidate for President of
8 the United States who is affiliated with such party which
9 exceeds \$25,000,000.

10 “(B) Notwithstanding the limitation under subpara-
11 graph (A), during the period beginning on April 1 of the
12 year in which a presidential election is held and ending
13 on the date described in section 9006(b) of the Internal
14 Revenue Code of 1986, the national committee of a polit-
15 ical party may make additional expenditures in connection
16 with the general election campaign of a candidate for
17 President of the United States who is affiliated with such
18 party in an amount not to exceed \$25,000,000.

19 “(C)(i) Notwithstanding subparagraph (B) or the
20 limitation under subparagraph (A), if any nonpartici-
21 pating primary candidate (within the meaning of sub-
22 section (b)(3)) affiliated with the national committee of
23 a political party receives contributions or makes expendi-
24 tures with respect to such candidate’s campaign in an ag-
25 gregate amount greater than 120 percent of the expendi-

1 ture limitation in effect under subsection (b)(1)(A)(ii),
 2 then, during the period described in clause (ii), the na-
 3 tional committee of any other political party may make
 4 expenditures in connection with the general election cam-
 5 paign of a candidate for President of the United States
 6 who is affiliated with such other party without limitation.

7 “(ii) The period described in this clause is the pe-
 8 riod—

9 “(I) beginning on the later of April 1 of the
 10 year in which a presidential election is held or the
 11 date on which such nonparticipating primary can-
 12 didate first receives contributions or makes expendi-
 13 tures in the aggregate amount described in clause
 14 (i); and

15 “(II) ending on the earlier of the date such
 16 nonparticipating primary candidate ceases to be a
 17 candidate for nomination to the office of President
 18 of the United States and is not a candidate for such
 19 office or the date described in section 9006(b) of the
 20 Internal Revenue Code of 1986.

21 “(iii) If the nonparticipating primary candidate de-
 22 scribed in clause (i) ceases to be a candidate for nomina-
 23 tion to the office of President of the United States and
 24 is not a candidate for such office, clause (i) shall not apply
 25 and the limitations under subparagraphs (A) and (B) shall

1 apply. It shall not be considered to be a violation of this
2 Act if the application of the preceding sentence results in
3 the national committee of a political party violating the
4 limitations under subparagraphs (A) and (B) solely by
5 reason of expenditures made by such national committee
6 during the period in which clause (i) applied.

7 “(D) For purposes of this paragraph—

8 “(i) any expenditure made by or on behalf of a
9 national committee of a political party and in con-
10 nection with a presidential election shall be consid-
11 ered to be made in connection with the general elec-
12 tion campaign of a candidate for President of the
13 United States who is affiliated with such party; and

14 “(ii) any communication made by or on behalf
15 of such party shall be considered to be made in con-
16 nection with the general election campaign of a can-
17 didate for President of the United States who is af-
18 filiated with such party if any portion of the commu-
19 nication is in connection with such election.

20 “(E) Any expenditure under this paragraph shall be
21 in addition to any expenditure by a national committee
22 of a political party serving as the principal campaign com-
23 mittee of a candidate for the office of President of the
24 United States.”.

1 (c) CONFORMING AMENDMENTS RELATING TO TIM-
 2 ING OF COST-OF-LIVING ADJUSTMENT.—

3 (1) IN GENERAL.—Section 315(c)(1) of such
 4 Act (2 U.S.C. 441a(c)(1)) is amended—

5 (A) in subparagraph (B), by striking “(b),
 6 (d),” and inserting “(d)(3)”; and

7 (B) by inserting at the end the following
 8 new subparagraph:

9 “(D) In any calendar year after 2008—

10 “(i) a limitation established by subsection (b) or
 11 (d)(2) shall be increased by the percent difference
 12 determined under subparagraph (A);

13 “(ii) each amount so increased shall remain in
 14 effect for the calendar year; and

15 “(iii) if any amount after adjustment under
 16 clause (i) is not a multiple of \$100, such amount
 17 shall be rounded to the nearest multiple of \$100.”.

18 (2) BASE YEAR.—Section 315(c)(2)(B) of such
 19 Act (2 U.S.C. 441a(c)(2)(B)) is amended—

20 (A) in clause (i)—

21 (i) by striking “subsections (b) and
 22 (d)” and inserting “subsection (d)(3)”;
 23 and

24 (ii) by striking “and” at the end;

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

3 (C) by adding at the end the following new
 4 clause:

5 “(iii) for purposes of subsection (b) and
 6 (d)(2), calendar year 2007.”.

7 (d) REPEAL OF EXCLUSION OF FUNDRAISING COSTS
 8 FROM TREATMENT AS EXPENDITURES.—Section
 9 301(9)(B)(vi) of the Federal Election Campaign Act of
 10 1971 (2 U.S.C. 431(9)(B)(vi)) is amended by striking “in
 11 excess of an amount equal to 20 percent of the expenditure
 12 limitation applicable to such candidate under section
 13 315(b)” and inserting the following: “who is seeking nomi-
 14 nation for election or election to the office of President
 15 or Vice President of the United States”.

16 **SEC. 5. ADDITIONAL PAYMENTS AND INCREASED EXPENDI-**
 17 **TURE LIMITS FOR CANDIDATES PARTICI-**
 18 **PATING IN PUBLIC FINANCING WHO FACE**
 19 **CERTAIN NONPARTICIPATING OPPONENTS.**

20 (a) CANDIDATES IN PRIMARY ELECTIONS.—

21 (1) ADDITIONAL PAYMENTS.—

22 (A) IN GENERAL.—Section 9034 of the In-
 23 ternal Revenue Code of 1986, as amended by
 24 section 2, is amended by redesignating sub-
 25 section (c) as subsection (d) and by inserting

1 after subsection (b) the following new sub-
 2 section:

3 “(c) ADDITIONAL PAYMENTS FOR CANDIDATES FAC-
 4 ING NONPARTICIPATING OPPONENTS.—

5 “(1) IN GENERAL.—In addition to any pay-
 6 ments provided under subsections (a) and (b), each
 7 candidate described in paragraph (2) shall be enti-
 8 tled to—

9 “(A) a payment under section 9037 in an
 10 amount equal to the amount of each contribu-
 11 tion received by such candidate on or after the
 12 beginning of the calendar year preceding the
 13 calendar year of the presidential election with
 14 respect to which such candidate is seeking nom-
 15 ination and before the qualifying date, dis-
 16 regarding any amount of contributions from
 17 any person to the extent that the total of the
 18 amounts contributed by such person exceeds
 19 \$200, and

20 “(B) payments under section 9037 in an
 21 amount equal to the amount of each contribu-
 22 tion received by such candidate on or after the
 23 qualifying date, disregarding any amount of
 24 contributions from any person to the extent

1 that the total of the amounts contributed by
2 such person exceeds \$200.

3 “(2) CANDIDATES TO WHOM THIS SUBSECTION
4 APPLIES.—A candidate is described in this para-
5 graph if such candidate—

6 “(A) is eligible to receive payments under
7 section 9033, and

8 “(B) is opposed by a nonparticipating pri-
9 mary candidate of the same political party who
10 receives contributions or makes expenditures
11 with respect to the campaign—

12 “(i) before April 1 of the year in
13 which the presidential election is held, in
14 an aggregate amount greater than 120
15 percent of the expenditure limitation under
16 section 315(b)(1)(A)(i) of the Federal
17 Election Campaign Act of 1971, or

18 “(ii) before the date described in sec-
19 tion 9006(b), in an aggregate amount
20 greater than 120 percent of the expendi-
21 ture limitation under section
22 315(b)(1)(A)(ii) of such Act.

23 “(3) NONPARTICIPATING PRIMARY CAN-
24 DIDATE.—In this subsection, the term ‘nonparti-
25 cipating primary candidate’ means a candidate for

1 nomination for election for the office of President
 2 who is not eligible under section 9033 to receive pay-
 3 ments from the Secretary under this chapter.

4 “(4) QUALIFYING DATE.—In this subsection,
 5 the term ‘qualifying date’ means the first date on
 6 which the contributions received or expenditures
 7 made by the nonparticipating primary candidate de-
 8 scribed in paragraph (2)(B) exceed the amount de-
 9 scribed under either clause (i) or clause (ii) of such
 10 paragraph.”.

11 (B) CONFORMING AMENDMENT.—Section
 12 9034(b) of such Code, as amended by section 2,
 13 is amended by striking “subsection (a)” and in-
 14 serting “subsections (a) and (c)”.

15 (2) INCREASE IN EXPENDITURE LIMIT.—Sec-
 16 tion 315(b) of the Federal Election Campaign Act of
 17 1971 (2 U.S.C. 441a(b)) is amended by adding at
 18 the end the following new paragraph:

19 “(3)(A) In the case of an eligible candidate, each of
 20 the limitations under clause (i) and (ii) of paragraph
 21 (1)(A) shall be increased—

22 “(i) by \$50,000,000, if any nonparticipating
 23 primary candidate of the same political party as
 24 such candidate receives contributions or makes ex-
 25 penditures with respect to the campaign in an aggre-

1 gate amount greater than 120 percent of the ex-
 2 penditure limitation applicable to eligible candidates
 3 under clause (i) or (ii) of paragraph (1)(A) (before
 4 the application of this clause), and

5 “(ii) by \$100,000,000, if such nonparticipating
 6 primary candidate receives contributions or makes
 7 expenditures with respect to the campaign in an ag-
 8 gregate amount greater than 120 percent of the ex-
 9 penditure limitation applicable to eligible candidates
 10 under clause (i) or (ii) of paragraph (1)(A) after the
 11 application of clause (i).

12 “(B) Each dollar amount under subparagraph (A)
 13 shall be considered a limitation under this subsection for
 14 purposes of subsection (c).

15 “(C) In this paragraph, the term ‘eligible candidate’
 16 means, with respect to any period, a candidate—

17 “(i) who is eligible to receive payments under
 18 section 9033 of the Internal Revenue Code of 1986;

19 “(ii) who is opposed by a nonparticipating pri-
 20 mary candidate; and

21 “(iii) with respect to whom the Commission has
 22 given notice under section 304(j)(1)(B)(i).

23 “(D) In this paragraph, the term ‘nonparticipating
 24 primary candidate’ means, with respect to any eligible can-
 25 didate, a candidate for nomination for election for the of-

1 fice of President who is not eligible under section 9033
 2 of the Internal Revenue Code of 1986 to receive payments
 3 from the Secretary of the Treasury under chapter 96 of
 4 such Code.”.

5 (b) CANDIDATES IN GENERAL ELECTIONS.—

6 (1) ADDITIONAL PAYMENTS.—

7 (A) IN GENERAL.—Section 9004(a)(1) of
 8 the Internal Revenue Code of 1986 is amend-
 9 ed—

10 (i) by striking “(1) The eligible can-
 11 didates” and inserting “(1)(A) Except as
 12 provided in subparagraph (B), the eligible
 13 candidates”; and

14 (ii) by adding at the end the following
 15 new subparagraph:

16 “(B) In addition to the payments described in
 17 subparagraph (A), each eligible candidate of a major
 18 party in a presidential election with an opponent in
 19 the election who is not eligible to receive payments
 20 under section 9006 and who receives contributions
 21 or makes expenditures with respect to the primary
 22 and general elections in an aggregate amount great-
 23 er than 120 percent of the combined expenditure
 24 limitations applicable to eligible candidates under
 25 section 315(b)(1) of the Federal Election Campaign

1 Act of 1971 shall be entitled to an equal payment
 2 under section 9006 in an amount equal to 100 per-
 3 cent of the expenditure limitation applicable under
 4 such section with respect to a campaign for election
 5 to the office of President.”.

6 (B) SPECIAL RULE FOR MINOR PARTY
 7 CANDIDATES.—Section 9004(a)(2)(A) of such
 8 Code is amended—

9 (i) by striking “(A) The eligible can-
 10 didates” and inserting “(A)(i) Except as
 11 provided in clause (ii), the eligible can-
 12 didates”; and

13 (ii) by adding at the end the following
 14 new clause:

15 “(ii) In addition to the payments described in
 16 clause (i), each eligible candidate of a minor party
 17 in a presidential election with an opponent in the
 18 election who is not eligible to receive payments
 19 under section 9006 and who receives contributions
 20 or makes expenditures with respect to the primary
 21 and general elections in an aggregate amount great-
 22 er than 120 percent of the combined expenditure
 23 limitations applicable to eligible candidates under
 24 section 315(b)(1) of the Federal Election Campaign
 25 Act of 1971 shall be entitled to an equal payment

1 under section 9006 in an amount equal to 100 per-
 2 cent of the payment to which such candidate is enti-
 3 tled under clause (i).”.

4 (2) EXCLUSION OF ADDITIONAL PAYMENT
 5 FROM DETERMINATION OF EXPENDITURE LIMITS.—

6 Section 315(b) of the Federal Election Campaign
 7 Act of 1971 (2 U.S.C. 441a(b)), as amended by sub-
 8 section (a), is amended by adding at the end the fol-
 9 lowing new paragraph:

10 “(4) In the case of a candidate who is eligible to re-
 11 ceive payments under section 9004(a)(1)(B) or
 12 9004(a)(2)(A)(ii) of the Internal Revenue Code of 1986,
 13 the limitation under paragraph (1)(B) shall be increased
 14 by the amount of such payments received by the can-
 15 didate.”.

16 (c) PROCESS FOR DETERMINATION OF ELIGIBILITY
 17 FOR ADDITIONAL PAYMENT AND INCREASED EXPENDI-
 18 TURE LIMITS.—Section 304 of the Federal Election Cam-
 19 paign Act of 1971 (2 U.S.C. 434) is amended by adding
 20 at the end the following new subsection:

21 “(j) REPORTING AND CERTIFICATION FOR ADDI-
 22 TIONAL PUBLIC FINANCING PAYMENTS FOR CAN-
 23 DIDATES.—

24 “(1) PRIMARY CANDIDATES.—

1 “(A) NOTIFICATION OF EXPENDITURES BY
2 INELIGIBLE CANDIDATES.—

3 “(i) EXPENDITURES IN EXCESS OF
4 120 PERCENT OF LIMIT.—If a candidate
5 for a nomination for election for the office
6 of President who is not eligible to receive
7 payments under section 9033 of the Inter-
8 nal Revenue Code of 1986 receives con-
9 tributions or makes expenditures with re-
10 spect to the primary election in an aggre-
11 gate amount greater than 120 percent of
12 the expenditure limitation applicable to eli-
13 gible candidates under clause (i) or (ii) of
14 section 315(b)(1)(A), the candidate shall
15 notify the Commission in writing that the
16 candidate has received aggregate contribu-
17 tions or made aggregate expenditures in
18 such an amount not later than 24 hours
19 after first receiving aggregate contribu-
20 tions or making aggregate expenditures in
21 such an amount.

22 “(ii) EXPENDITURES IN EXCESS OF
23 120 PERCENT OF INCREASED LIMIT.—If a
24 candidate for a nomination for election for
25 the office of President who is not eligible

1 to receive payments under section 9033 of
2 the Internal Revenue Code of 1986 re-
3 ceives contributions or makes expenditures
4 with respect to the primary election in an
5 aggregate amount greater than 120 per-
6 cent of the expenditure limitation applica-
7 ble to eligible candidates under section
8 315(b) after the application of paragraph
9 (3)(A)(i) thereof, the candidate shall notify
10 the Commission in writing that the can-
11 didate has received aggregate contributions
12 or made aggregate expenditures in such an
13 amount not later than 24 hours after first
14 receiving aggregate contributions or mak-
15 ing aggregate expenditures in such an
16 amount.

17 “(B) CERTIFICATION.—Not later than 24
18 hours after receiving any written notice under
19 subparagraph (A) from a candidate, the Com-
20 mission shall—

21 “(i) certify to the Secretary of the
22 Treasury that opponents of the candidate
23 are eligible for additional payments under
24 section 9034(c) of the Internal Revenue
25 Code of 1986;

“(ii) notify each opponent of the candidate who is eligible to receive payments under section 9033 of the Internal Revenue Code of 1986 of the amount of the increased limitation on expenditures which applies pursuant to section 315(b)(3); and

“(iii) in the case of a notice under subparagraph (A)(i), notify the national committee of each political party (other than the political party with which the candidate is affiliated) of the inapplicability of expenditure limits under section 315(d)(2) pursuant to subparagraph (C) thereof.

“(2) GENERAL ELECTION CANDIDATES.—

“(A) NOTIFICATION OF EXPENDITURES BY INELIGIBLE CANDIDATES.—If a candidate in a presidential election who is not eligible to receive payments under section 9006 of the Internal Revenue Code of 1986 receives contributions or makes expenditures with respect to the primary and general elections in an aggregate amount greater than 120 percent of the combined expenditure limitations applicable to eligible candidates under section 315(b)(1), the candidate shall notify the Commission in writing

that the candidate has received aggregate contributions or made aggregate expenditures in such an amount not later than 24 hours after first receiving aggregate contributions or making aggregate expenditures in such an amount.

“(B) CERTIFICATION.—Not later than 24 hours after receiving a written notice under subparagraph (A), the Commission shall certify to the Secretary of the Treasury for payment to any eligible candidate who is entitled to an additional payment under paragraph (1)(B) or (2)(A)(ii) of section 9004(a) of the Internal Revenue Code of 1986 that the candidate is entitled to payment in full of the additional payment under such section.”.

**SEC. 6. ESTABLISHMENT OF UNIFORM DATE FOR RELEASE
OF PAYMENTS FROM PRESIDENTIAL ELECTION CAMPAIGN FUND TO ELIGIBLE CANDIDATES.**

(a) IN GENERAL.—The first sentence of section 9006(b) of the Internal Revenue Code of 1986 is amended to read as follows: “If the Secretary of the Treasury receives a certification from the Commission under section 9005 for payment to the eligible candidates of a political party, the Secretary shall, on the last Friday occurring

1 before the first Monday in September, pay to such can-
 2 didates of the fund the amount certified by the Commis-
 3 sion.”.

4 (b) CONFORMING AMENDMENT.—The first sentence
 5 of section 9006(c) of such Code is amended by striking
 6 “the time of a certification by the Comptroller General
 7 under section 9005 for payment” and inserting “the time
 8 of making a payment under subsection (b)”.

9 **SEC. 7. REVISIONS TO DESIGNATION OF INCOME TAX PAY-**
 10 **MENTS BY INDIVIDUAL TAXPAYERS.**

11 (a) INCREASE IN AMOUNT DESIGNATED.—Section
 12 6096(a) of the Internal Revenue Code of 1986 is amend-
 13 ed—

14 (1) in the first sentence, by striking “\$3” each
 15 place it appears and inserting “\$10”; and

16 (2) in the second sentence—

17 (A) by striking “\$6” and inserting “\$20”;

18 and

19 (B) by striking “\$3” and inserting “\$10”.

20 (b) INDEXING.—Section 6096 of such Code is amend-
 21 ed by adding at the end the following new subsection:

22 “(d) INDEXING OF AMOUNT DESIGNATED.—

23 “(1) IN GENERAL.—With respect to each tax-
 24 able year after 2008, each amount referred to in
 25 subsection (a) shall be increased by the percent dif-

1 ference described in paragraph (2), except that if
 2 any such amount after such an increase is not a
 3 multiple of \$1, such amount shall be rounded to the
 4 nearest multiple of \$1.

5 “(2) PERCENT DIFFERENCE DESCRIBED.—The
 6 percent difference described in this paragraph with
 7 respect to a taxable year is the percent difference
 8 determined under section 315(c)(1)(A) of the Fed-
 9 eral Election Campaign Act of 1971 with respect to
 10 the calendar year during which the taxable year be-
 11 gins, except that the base year involved shall be
 12 2008.”.

13 (c) ENSURING TAX PREPARATION SOFTWARE DOES
 14 NOT PROVIDE AUTOMATIC RESPONSE TO DESIGNATION
 15 QUESTION.—Section 6096 of such Code, as amended by
 16 subsection (b), is amended by adding at the end the fol-
 17 lowing new subsection:

18 “(e) ENSURING TAX PREPARATION SOFTWARE DOES
 19 NOT PROVIDE AUTOMATIC RESPONSE TO DESIGNATION
 20 QUESTION.—The Secretary shall promulgate regulations
 21 to ensure that electronic software used in the preparation
 22 or filing of individual income tax returns does not auto-
 23 matically accept or decline a designation of a payment
 24 under this section.”.

1 (d) PUBLIC INFORMATION PROGRAM ON DESIGNA-
 2 TION.—Section 6096 of such Code, as amended by sub-
 3 sections (b) and (c), is amended by adding at the end the
 4 following new subsection:

5 “(f) PUBLIC INFORMATION PROGRAM.—

6 “(1) IN GENERAL.—The Federal Election Com-
 7 mission shall conduct a program to inform and edu-
 8 cate the public regarding the purposes of the Presi-
 9 dential Election Campaign Fund, the procedures for
 10 the designation of payments under this section, and
 11 the effect of such a designation on the income tax
 12 liability of taxpayers.

13 “(2) USE OF FUNDS FOR PROGRAM.—Amounts
 14 in the Presidential Election Campaign Fund shall be
 15 made available to the Federal Election Commission
 16 to carry out the program under this subsection, ex-
 17 cept that the amount made available for this pur-
 18 pose may not exceed \$10,000,000 with respect to
 19 any Presidential election cycle. In this paragraph, a
 20 ‘Presidential election cycle’ is the 4-year period be-
 21 ginning with January of the year following a Presi-
 22 dential election.”.

23 (e) EFFECTIVE DATE.—The amendments made by
 24 this section shall take effect on the date of the enactment
 25 of this Act.

1 **SEC. 8. AMOUNTS IN PRESIDENTIAL ELECTION CAMPAIGN**
 2 **FUND.**

3 (a) DETERMINATION OF AMOUNTS IN FUND.—Sec-
 4 tion 9006(c) of the Internal Revenue Code of 1986 is
 5 amended by adding at the end the following new sentence:
 6 “In making a determination of whether there are insuffi-
 7 cient moneys in the fund for purposes of the previous sen-
 8 tence, the Secretary shall take into account in determining
 9 the balance of the fund for a Presidential election year
 10 the Secretary’s best estimate of the amount of moneys
 11 which will be deposited into the fund during the year, ex-
 12 cept that the amount of the estimate may not exceed the
 13 average of the annual amounts deposited in the fund dur-
 14 ing the previous 3 years.”.

15 (b) SPECIAL RULE FOR FIRST CAMPAIGN CYCLE
 16 UNDER THIS ACT.—

17 (1) IN GENERAL.—Section 9006 of the Internal
 18 Revenue Code of 1986 is amended by adding at the
 19 end the following new subsection:

20 “(d) SPECIAL AUTHORITY TO BORROW.—

21 “(1) IN GENERAL.—Notwithstanding subsection
 22 (c), there are authorized to be appropriated to the
 23 fund, as repayable advances, such sums as are nec-
 24 essary to carry out the purposes of the fund during
 25 the period ending on the first presidential election

1 occurring after the date of the enactment of this
2 subsection.

3 “(2) REPAYMENT OF ADVANCES.—

4 “(A) IN GENERAL.—Advances made to the
5 fund shall be repaid, and interest on such ad-
6 vances shall be paid, to the general fund of the
7 Treasury when the Secretary determines that
8 moneys are available for such purposes in the
9 fund.

10 “(B) RATE OF INTEREST.—Interest on ad-
11 vances made to the fund shall be at a rate de-
12 termined by the Secretary of the Treasury (as
13 of the close of the calendar month preceding the
14 month in which the advance is made) to be
15 equal to the current average market yield on
16 outstanding marketable obligations of the
17 United States with remaining periods to matu-
18 rity comparable to the anticipated period during
19 which the advance will be outstanding and shall
20 be compounded annually.”.

21 (2) EFFECTIVE DATE.—The amendment made
22 by this subsection shall take effect on the date of the
23 enactment of this Act.

1 **SEC. 9. REGULATION OF CONVENTION FINANCING.**

2 Section 323 of the Federal Election Campaign Act
3 of 1971 (2 U.S.C. 441i) is amended by adding at the end
4 the following new subsection:

5 “(g) NATIONAL CONVENTIONS.—Any person de-
6 scribed in subsection (e) shall not solicit, receive, direct,
7 transfer, or spend any funds in connection with a presi-
8 dential nominating convention of any political party, in-
9 cluding funds for a host committee, civic committee, mu-
10 nicipality, or any other person or entity spending funds
11 in connection with such a convention, unless such funds—

12 “(1) are not in excess of the amounts permitted
13 with respect to contributions to the political com-
14 mittee established and maintained by a national po-
15 litical party committee under section 315; and

16 “(2) are not from sources prohibited by this Act
17 from making contributions in connection with an
18 election for Federal office.”.

19 **SEC. 10. DISCLOSURE OF BUNDLED CONTRIBUTIONS TO**
20 **PRESIDENTIAL CAMPAIGNS.**

21 (a) IN GENERAL.—Paragraphs (1) through (3) of
22 section 304(i) of the Federal Election Campaign Act of
23 1971 (2 U.S.C. 434(i)) are amended to read as follows:

24 “(1) IN GENERAL.—

25 “(A) DISCLOSURE OF BUNDLED CON-
26 TRIBUTIONS BY LOBBYISTS.—Each committee

described in paragraph (6) shall include in the first report required to be filed under this section after each covered period (as defined in paragraph (2)) a separate schedule setting forth the name, address, and employer of each person reasonably known by the committee to be a person described in paragraph (7) who provided 2 or more bundled contributions to the committee in an aggregate amount greater than the applicable threshold (as defined in paragraph (3)) during the covered period, and the aggregate amount of the bundled contributions provided by each such person during the covered period.

“(B) DISCLOSURE OF BUNDLED CONTRIBUTIONS TO PRESIDENTIAL CAMPAIGNS.—

Each committee which is an authorized committee of a candidate for the office of President or for nomination to such office shall include in the first report required to be filed under this section after each covered period (as defined in paragraph (2)) a separate schedule setting forth the name, address, and employer of each person who provided 2 or more bundled contributions to the committee in an aggregate amount greater than the applicable threshold (as defined in

1 paragraph (3)) during the election cycle, and
 2 the aggregate amount of the bundled contribu-
 3 tions provided by each such person during the
 4 covered period and such election cycle. Such
 5 schedule shall include a separate listing of the
 6 name, address, and employer of each person in-
 7 cluded on such schedule who is reasonably
 8 known by the committee to be a person de-
 9 scribed in paragraph (7), together with the ag-
 10 gregate amount of bundled contributions pro-
 11 vided by such person during such period and
 12 such cycle.

13 “(2) COVERED PERIOD.—In this subsection, a
 14 ‘covered period’ means—

15 “(A) with respect to a committee which is
 16 an authorized committee of a candidate for the
 17 office of President or for nomination to such of-
 18 fice—

19 “(i) the 4-year election cycle ending
 20 with the date of the election for the office
 21 of the President; and

22 “(ii) any reporting period applicable
 23 to the committee under this section during
 24 which any person provided 2 or more bun-
 25 dled contributions to the committee; and

“(B) with respect to any other committee—

“(i) the period beginning January 1 and ending June 30 of each year;

“(ii) the period beginning July 1 and ending December 31 of each year; and

“(iii) any reporting period applicable to the committee under this section during which any person described in paragraph (7) provided 2 or more bundled contributions to the committee in an aggregate amount greater than the applicable threshold.

“(3) APPLICABLE THRESHOLD.—

“(A) IN GENERAL.—In this subsection, the ‘applicable threshold’ is—

“(i) \$50,000 in the case of a committee which is an authorized committee of a candidate for the office of President or for nomination to such office; and

“(ii) \$15,000 in the case of any other committee.

In determining whether the amount of bundled contributions provided to a committee by a person exceeds the applicable threshold, there shall

1 be excluded any contribution made to the com-
 2 mittee by the person or the person's spouse.

3 “(B) INDEXING.—In any calendar year
 4 after 2007, section 315(c)(1)(B) shall apply to
 5 each amount applicable under subparagraph
 6 (A) in the same manner as such section applies
 7 to the limitations established under subsections
 8 (a)(1)(A), (a)(1)(B), (a)(3), and (h) of such
 9 section, except that for purposes of applying
 10 such section to the amount applicable under
 11 subparagraph (A), the ‘base period’ shall be
 12 2006.”.

13 (b) CONFORMING AMENDMENTS.—Subsection (i) of
 14 section 304 of such Act (2 U.S.C. 434) is amended—

15 (1) in paragraph (5), by striking “described in
 16 paragraph (7)” each place it appears in subpara-
 17 graphs (C) and (D);

18 (2) in paragraph (6), by inserting “(other than
 19 a candidate for the office of President or for nomi-
 20 nation to such office)” after “candidate”; and

21 (3) in paragraph (8)(A)—

22 (A) by striking “, with respect to a com-
 23 mittee described in paragraph (6) and a person
 24 described in paragraph (7),” and inserting “,
 25 with respect to a committee described in para-

1 graph (6) or an authorized committee of a can-
 2 didate for the office of President or for nomina-
 3 tion to such office,”;

4 (B) by striking “by the person” in clause
 5 (i) thereof and inserting “by any person”; and

6 (C) by striking “the person” each place it
 7 appears in clause (ii) and inserting “such per-
 8 son”.

9 (c) EFFECTIVE DATE.—The amendments made by
 10 this section shall apply with respect to reports filed under
 11 section 304 of the Federal Election Campaign Act of 1971
 12 after January 1, 2009.

13 **SEC. 11. REPEAL OF PRIORITY IN USE OF FUNDS FOR PO-**
 14 **LITICAL CONVENTIONS.**

15 (a) IN GENERAL.—Section 9008(a) of the Internal
 16 Revenue Code of 1986 is amended by striking the period
 17 at the end of the second sentence and all that follows and
 18 inserting the following: “, except that the amount depos-
 19 ited may not exceed the amount available after the Sec-
 20 retary determines that amounts for payments under sec-
 21 tion 9006 and section 9037 are available for such pay-
 22 ments.”.

23 (b) CONFORMING AMENDMENT.—The second sen-
 24 tence of section 9037(a) of such Code is amended by strik-

1 ing “section 9006(c) and for payments under section
2 9008(b)(3)” and inserting “section 9006”.

3 **SEC. 12. OFFSETS.**

4 (a) REMOVAL OF PROHIBITION ON INCREASING FEES
5 FOR PERMITS.—Section 365 of the Energy Policy Act of
6 2005 (42 U.S.C. 15924) is amended—

7 (1) by striking subsection (i); and

8 (2) by redesignating subsection (j) as sub-
9 section (i).

10 (b) DISPOSAL OF MONEYS FROM SALES, BONUSES,
11 RENTALS, AND ROYALTIES.—Section 20 of the Geo-
12 thermal Steam Act of 1970 (30 U.S.C. 1019) is amended
13 to read as follows:

14 **“SEC. 20. DISPOSAL OF MONEYS FROM SALES, BONUSES,**
15 **RENTALS, AND ROYALTIES.**

16 “Subject to section 35 of the Mineral Leasing Act
17 (30 U.S.C. 192), all funds received from the sales, bo-
18 nuses, royalties, and rentals under this Act (including pay-
19 ments referred to in section 6) shall be disposed of in the
20 same manner as funds received pursuant to section 6 of
21 this Act or section 35 of the Mineral Leasing Act (30
22 U.S.C. 192), as the case may be.”.

23 (c) ROYALTY FOR HARDROCK MINING.—The Revised
24 Statutes are amended by inserting after section 2352 (30
25 U.S.C. 76) the following:

1 **“SEC. 2353. RESERVATION OF ROYALTY.**

2 “(a) DEFINITION OF LOCATABLE MINERAL.—In this
3 section:

4 “(1) IN GENERAL.—The term ‘locatable min-
5 eral’ means any mineral, the legal and beneficial
6 title to which remains in the United States and that
7 is not subject to disposition under—

8 “(A) the Mineral Leasing Act (30 U.S.C.
9 181 et seq.);

10 “(B) the Act of August 7, 1947 (commonly
11 known as the ‘Mineral Leasing Act for Ac-
12 quired Lands’) (30 U.S.C. 351 et seq.);

13 “(C) the Act of July 31, 1947 (commonly
14 known as the ‘Materials Act of 1947’) (30
15 U.S.C. 601 et seq.); or

16 “(D) the Geothermal Steam Act of 1970
17 (30 U.S.C. 1001 et seq.).

18 “(2) EXCLUSIONS.—The term ‘locatable min-
19 eral’ does not include any mineral that is subject to
20 a restriction against alienation imposed by the
21 United States and is—

22 “(A) held in trust by the United States for
23 any Indian or Indian tribe (as defined in sec-
24 tion 2 of the Indian Mineral Development Act
25 of 1982 (25 U.S.C. 2101)); or

1 “(B) owned by any Indian or Indian tribe
2 (s defined in section 2 of that Act).

3 “(b) ROYALTY.—Except as otherwise provided in this
4 section, production of all locatable minerals from any min-
5 ing claim located under the general mining laws, or min-
6 eral concentrates or products derived from locatable min-
7 erals from any such mining claim, as the case may be,
8 shall be subject to a royalty of 8 percent of the gross in-
9 come from mining.

10 “(c) LIABILITY FOR PAYMENT.—The claim holder or
11 any operator to whom the claim holder has assigned the
12 obligation to make royalty payments under the claim, and
13 any person who controls the claim holder or operator, shall
14 be liable for payment of royalties under this section.

15 “(d) ROYALTY FOR FEDERAL LAND SUBJECT TO EX-
16 ISTING PERMIT.—The royalty under subsection (b) shall
17 be 4 percent in the case of any Federal land that—

18 “(1) is subject to an operations permit on the
19 date of enactment of this section; and

20 “(2) produces valuable locatable minerals in
21 commercial quantities on the date of enactment of
22 this section.

23 “(e) FEDERAL LAND ADDED TO EXISTING OPER-
24 ATIONS PERMIT.—Any Federal land added through a plan
25 modification to an operations permit that is submitted

1 after the date of enactment of this section shall be subject
 2 to the royalty that applies to Federal land under sub-
 3 section (b).

4 “(f) DEPOSIT.—Amounts received by the United
 5 States as royalties under this section shall be deposited
 6 into the general fund of the Treasury.”.

7 (d) HARDROCK MINING CLAIM MAINTENANCE
 8 FEE.—

9 (1) FEE.—

10 (A) IN GENERAL.—Except as provided in
 11 section 2511(e)(2) of the Energy Policy Act of
 12 1992 (30 U.S.C. 242(e)(2)), for each
 13 unpatented mining claim, mill, or tunnel site on
 14 federally owned land, whether located before,
 15 on, or after enactment of this Act, each claim-
 16 ant shall pay to the Secretary, on or before Au-
 17 gust 31 of each year, a claim maintenance fee
 18 of \$150 per claim to hold the unpatented min-
 19 ing claim, mill, or tunnel site for the assess-
 20 ment year beginning at noon on September 1.

21 (B) RELATION TO OTHER LAW.—A claim
 22 maintenance fee described in subparagraph (A)
 23 shall be in lieu of—

1 (i) the assessment work requirement
2 in section 2324 of the Revised Statutes
3 (30 U.S.C. 28); and

4 (ii) the related filing requirements in
5 subsections (a) and (c) of section 314 of
6 the Federal Land Policy and Management
7 Act of 1976 (43 U.S.C. 1744).

8 (C) WAIVER.—

9 (i) IN GENERAL.—The claim mainte-
10 nance fee required under subparagraph (A)
11 shall be waived for a claimant who certifies
12 in writing to the Secretary that on the
13 date the payment was due, the claimant
14 and all related parties—

15 (I) held not more than 10 mining
16 claims, mill sites, or tunnel sites, or
17 any combination of mining claims,
18 mill sites, or tunnel sites, on public
19 land; and

20 (II) have performed assessment
21 work required under section 2324 of
22 the Revised Statutes (30 U.S.C. 28)
23 to maintain the mining claims held by
24 the claimant and all related parties
25 for the assessment year ending on

1 noon of September 1 of the calendar
 2 year in which payment of the claim
 3 maintenance fee was due.

4 (ii) DEFINITION OF ALL RELATED
 5 PARTIES.—In clause (i), with the respect
 6 to any claimant, the term “all related par-
 7 ties” means—

8 (I) the spouse and dependent
 9 children (as defined in section 152 of
 10 the Internal Revenue Code of 1986),
 11 of the claimant; or

12 (II) a person affiliated with the
 13 claimant, including—

14 (aa) a person controlled by,
 15 controlling, or under common
 16 control with the claimant; or

17 (bb) a subsidiary or parent
 18 company or corporation of the
 19 claimant.

20 (D) ADJUSTMENT.—

21 (i) IN GENERAL.—Not less than 5
 22 years after the date of enactment of this
 23 Act, and every 5 years thereafter, or more
 24 frequently if the Secretary determines an
 25 adjustment to be reasonable, the Secretary

1 shall adjust the claim maintenance fee re-
2 quired under subparagraph (A) to reflect
3 changes for the 12-month period ending
4 the preceding November 30 in the Con-
5 sumer Price Index for All Urban Con-
6 sumers published by the Bureau of Labor
7 Statistics of the Department of Labor.

8 (ii) NOTIFICATION.—Not later than
9 July 1 of any year in which an adjustment
10 is made under clause (i), the Secretary
11 shall provide claimants notice of the ad-
12 justment.

13 (iii) APPLICATION.—A fee adjustment
14 under clause (i) shall be effective beginning
15 January 1 of the calendar year following
16 the calendar year in which the adjustment
17 is made.

18 (2) LOCATION FEE.—Notwithstanding any
19 other provision of law, for each unpatented mining
20 claim, mill, or tunnel site located during the period
21 beginning on the date of enactment of this Act and
22 ending on September 30, 1998, the locator shall, at
23 the time the location notice is recorded with the Bu-
24 reau of Land Management, pay to the Secretary a

1 location fee, in addition to the fee required by para-
2 graph (1), of \$50 per claim.

3 (3) DEPOSIT.—Amounts received under para-
4 graph (1) or (2) that are not otherwise allocated for
5 the administration of the mining laws by the De-
6 partment of the Interior shall be deposited into the
7 general fund of the Treasury.

8 (4) CO-OWNERSHIP.—The co-ownership provi-
9 sions of section 2324 of the Revised Statutes (30
10 U.S.C. 28) shall remain in effect except that the an-
11 nual claim maintenance fee, if applicable, shall re-
12 place applicable assessment requirements and ex-
13 penditures.

14 (5) FAILURE TO PAY.—Failure to pay the claim
15 maintenance fee required by paragraph (1) shall
16 conclusively constitute a forfeiture of the unpatented
17 mining claim, mill, or tunnel site by the claimant
18 and the claim shall be considered to be null and void
19 by operation of law.

20 (6) OTHER REQUIREMENTS.—

21 (A) RELATION TO OTHER LAW.—Nothing
22 in this section changes or modifies the require-
23 ments of subsections (b) or (c) of section
24 314(b) of the Federal Land Policy and Manage-
25 ment Act of 1976 (43 U.S.C. 1744).

1 (B) CONFORMING AMENDMENT.—Section
 2 2324 of the Revised Statutes of the United
 3 States (30 U.S.C. 28) is amended by inserting
 4 “or section 12(d)(1) of the Presidential Fund-
 5 ing Act of 2007” after “Act of 1993,”.

6 (e) GRAZING FEES.—Section 6(a) of the Public
 7 Rangelands Improvement Act of 1978 (43 U.S.C. 1905)
 8 is amended by striking “the \$1.23 base” and all that fol-
 9 lows through “previous year’s fee” and inserting “an
 10 amount determined in the same manner as the State in
 11 which the land is located determines the amount of fees
 12 charged for public grazing on land owned by the State,
 13 as determined by the Secretary of Agriculture and the Sec-
 14 retary of the Interior, as appropriate”.

15 (f) EFFECTIVE DATE.—The amendments made by
 16 this section shall take effect on the date of the enactment
 17 of this Act.

18 **SEC. 13. EFFECTIVE DATE.**

19 Except as otherwise provided in this Act, the amend-
 20 ments made by this Act shall apply with respect to elec-
 21 tions occurring after January 1, 2009.

○