

112TH CONGRESS
2D SESSION

H. R. 6448

To amend the Internal Revenue Code of 1986 to reform the system of public financing for Presidential elections, to establish a system of public financing for Congressional elections, to promote the disclosure of disbursements made in coordination with campaigns for election for Federal office, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 20, 2012

Mr. PRICE of North Carolina (for himself, Mr. VAN HOLLEN, Mr. JONES, Mr. LARSON of Connecticut, Mr. BRADY of Pennsylvania, Ms. ESHOO, and Mr. SARBANES) 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

A BILL

To amend the Internal Revenue Code of 1986 to reform the system of public financing for Presidential elections, to establish a system of public financing for Congressional elections, to promote the disclosure of disbursements made in coordination with campaigns for election for Federal office, and for other purposes.

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

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

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Empowering Citizens Act”.

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

Sec. 1. Short title; table of contents.

TITLE I—REFORM OF PRESIDENTIAL ELECTION FINANCING

Subtitle A—Primary Elections

Sec. 101. Increase in and modifications to matching payments.
Sec. 102. Eligibility requirements for matching payments.
Sec. 103. Inflation adjustment for matching contributions.
Sec. 104. Repeal of expenditure limitations.
Sec. 105. Period of availability of matching payments.
Sec. 106. Examination and audits of matchable contributions.
Sec. 107. Modification to limitation on contributions for presidential primary
candidates.

Subtitle B—General Elections

Sec. 111. Modification of eligibility requirements for public financing.
Sec. 112. Repeal of expenditure limitations and use of qualified campaign con-
tributions.
Sec. 113. Matching payments and other modifications to payment amounts.
Sec. 114. Inflation adjustment for payment amounts.
Sec. 115. Increase in limit on coordinated party expenditures.
Sec. 116. Establishment of uniform date for release of payments.
Sec. 117. Amounts in Presidential Election Campaign Fund.
Sec. 118. Use of general election payments for general election legal and ac-
counting compliance.

Subtitle C—Political Conventions

Sec. 121. Repeal of public financing of party conventions.
Sec. 122. Contributions for political conventions.
Sec. 123. Prohibition on use of soft money.

**TITLE II—PUBLIC FINANCING FOR CONGRESSIONAL ELECTION
CAMPAIGNS**

Sec. 201. Benefits and eligibility requirements for Congressional candidates.

**“TITLE V—PUBLIC FINANCING OF CONGRESSIONAL ELECTION
CAMPAIGNS**

“Subtitle A—Benefits

“Sec. 501. Benefits for participating candidates.
“Sec. 502. Administration of payments.
“Sec. 503. Qualified contribution defined.

“Subtitle B—Eligibility and Certification

- “Sec. 511. Eligibility.
- “Sec. 512. Qualified contribution requirements.
- “Sec. 513. Certification.

“Subtitle C—Requirements for Candidates Certified as Participating
Candidates

- “Sec. 521. Restrictions on certain contributions and expenditures.
- “Sec. 522. Remitting unspent funds after election.

“Subtitle D—Administrative Provisions

- “Sec. 531. Administration by Commission.
 - “Sec. 532. Violations and penalties.
 - “Sec. 533. Election cycle defined.
- Sec. 202. Permitting unlimited coordinated expenditures by political party committees on behalf of participating candidates if expenditures are derived from small dollar contributions.
- Sec. 203. Prohibiting use of contributions by participating candidates for purposes other than campaign for election.

TITLE III—COORDINATED CAMPAIGN ACTIVITY

- Sec. 301. Clarification of treatment of coordinated expenditures as contributions to candidates.
- Sec. 302. Clarification of ban on fundraising for super PACs by Federal candidates and officeholders.

TITLE IV—USE OF PRESIDENTIAL ELECTION CAMPAIGN FUND
FOR PUBLIC FINANCING OF FEDERAL ELECTIONS

- Sec. 401. Use of Presidential Election Campaign Fund for Congressional candidates.
- Sec. 402. Revisions to designation of income tax payments by individual taxpayers.
- Sec. 403. Donation to Presidential Election Campaign Fund.

TITLE V—OTHER CAMPAIGN FINANCE REFORMS

- Sec. 501. Regulations with respect to best efforts for identifying persons making contributions.
- Sec. 502. Prohibition on joint fundraising committees.
- Sec. 503. Disclosure of bundled contributions to presidential campaigns.
- Sec. 504. Judicial review of actions related to campaign finance laws.

TITLE VI—SEVERABILITY; EFFECTIVE DATE

- Sec. 601. Severability.
- Sec. 602. Effective date.

1 **TITLE I—REFORM OF PRESI-**
2 **DENTIAL ELECTION FINANC-**
3 **ING**

4 **Subtitle A—Primary Elections**

5 **SEC. 101. INCREASE IN AND MODIFICATIONS TO MATCHING**
6 **PAYMENTS.**

7 (a) INCREASE AND MODIFICATION.—

8 (1) IN GENERAL.—The first sentence of section
9 9034(a) of the Internal Revenue Code of 1986 is
10 amended—

11 (A) by striking “an amount equal to the
12 amount of each contribution” and inserting “an
13 amount equal to 500 percent of the amount of
14 each matchable contribution (disregarding any
15 amount of contributions from any person to the
16 extent that the total of the amounts contributed
17 by such person for the election exceeds \$250)”;
18 and

19 (B) by striking “authorized committees”
20 and all that follows through “\$250” and insert-
21 ing “authorized committees”.

22 (2) MATCHABLE CONTRIBUTIONS.—Section
23 9034 of such Code is amended—

24 (A) by striking the last sentence of sub-
25 section (a); and

1 (B) by inserting after subsection (b) the
2 following new subsection:

3 “(c) MATCHABLE CONTRIBUTION DEFINED.—For
4 purposes of this section and section 9033(b)—

5 “(1) MATCHABLE CONTRIBUTION.—The term
6 ‘matchable contribution’ means, with respect to the
7 nomination for election to the office of President of
8 the United States, a contribution by an individual to
9 a candidate or an authorized committee of a can-
10 didate with respect to which the candidate has cer-
11 tified in writing that—

12 “(A) the individual making such contribu-
13 tion has not made aggregate contributions (in-
14 cluding such matchable contribution) to such
15 candidate and the authorized committees of
16 such candidate in excess of 50% of the limit ap-
17 plicable under paragraph (1)(A) or paragraph
18 (2)(A) of section 315(a) of the Federal Election
19 Campaign Act of 1971 to the amount of a con-
20 tribution which may be made to a candidate
21 who is not eligible to receive payments under
22 section 9037 with respect to such nomination;

23 “(B) such candidate and the authorized
24 committees of such candidate will not accept
25 contributions from such individual (including

1 such matchable contribution) aggregating more
2 than the amount described in subparagraph
3 (A); and

4 “(C) such contribution was not—

5 “(i) forwarded from the contributor
6 from any person other than an individual,
7 or

8 “(ii) received by the candidate or com-
9 mittee from a contributor or contributors,
10 but credited by the committee or candidate
11 to another person who is not an individual
12 through records, designations, or other
13 means of recognizing that a certain
14 amount of money has been raised by such
15 person.

16 “(2) CONTRIBUTION.—For purposes of this
17 subsection, the term ‘contribution’ means a gift of
18 money made by a written instrument which identi-
19 fies the individual making the contribution by full
20 name and mailing address, but does not include a
21 subscription, loan, advance, or deposit of money, or
22 anything of value or anything described in subpara-
23 graph (B), (C), or (D) of section 9032(4).”.

24 (3) CONFORMING AMENDMENTS.—

1 (A) Section 9032(4) of such Code is
 2 amended by striking “section 9034(a)” and in-
 3 serting “section 9034”.

4 (B) Section 9033(b)(3) of such Code is
 5 amended by striking “matching contributions”
 6 and inserting “matchable contributions”.

7 (b) MODIFICATION OF PAYMENT LIMITATION.—Sec-
 8 tion 9034(b) of the Internal Revenue Code of 1986 is
 9 amended by striking “shall not exceed” and all that fol-
 10 lows and inserting “shall not exceed \$100,000,000.”

11 **SEC. 102. ELIGIBILITY REQUIREMENTS FOR MATCHING**
 12 **PAYMENTS.**

13 (a) AMOUNT OF AGGREGATE CONTRIBUTIONS PER
 14 STATE; DISREGARDING OF AMOUNTS CONTRIBUTED IN
 15 EXCESS OF \$250.—Section 9033(b)(3) of the Internal
 16 Revenue Code of 1986 is amended—

17 (1) by striking “\$5,000” and inserting
 18 “\$25,000”; and

19 (2) by striking “20 States” and inserting the
 20 following: “20 States (disregarding any amount of
 21 contributions from any such resident to the extent
 22 that the total of the amounts contributed by such
 23 resident for the election exceeds \$250)”.

24 (b) CONTRIBUTION LIMIT.—

1 (1) IN GENERAL.—Paragraph (4) of section
2 9033(b) of such Code is amended to read as follows:

3 “(4) the candidate and the authorized commit-
4 tees of the candidate will not accept aggregate con-
5 tributions from any person with respect to the nomi-
6 nation for election to the office of President of the
7 United States in excess of 50% of the limit applica-
8 ble under paragraph (1)(A) or paragraph (2)(A) of
9 section 315(a) of the Federal Election Campaign
10 Act of 1971 to the amount of a contribution which
11 may be made to a candidate who is not eligible to
12 receive payments under section 9037 with respect to
13 such nomination.”.

14 (2) CONFORMING AMENDMENTS.—

15 (A) Section 9033(b) of such Code is
16 amended by adding at the end the following
17 new flush sentence:

18 “For purposes of paragraph (4), the term ‘contribution’
19 has the meaning given such term in section 301(8) of the
20 Federal Election Campaign Act of 1971.”.

21 (B) Section 9032(4) of such Code, as
22 amended by section 101(a)(3)(A) is amended by
23 inserting “or 9033(b)” after “9034”.

1 (c) BAN ON CONTRIBUTIONS BY LOBBYISTS AND
2 PACS.—Section 9033(b) of such Code, as amended by
3 subsection (b), is amended—

4 (1) by striking “and” at the end of paragraph
5 (3);

6 (2) by striking the period at the end of para-
7 graph (4) and inserting “, and”; and

8 (3) by adding at the end the following new
9 paragraph:

10 “(5) the candidate and the authorized com-
11 mittee of the candidate will not accept—

12 “(A) any contribution from—

13 “(i) an individual who is a current
14 registrant under section 4(a)(1) of the
15 Lobbying Disclosure Act of 1995, or

16 “(ii) an individual who is listed on a
17 current registration filed under section
18 4(b)(6) of such Act or a current report
19 under section 5(b)(2)(C) of such Act,

20 “(B) any bundled contribution (as defined
21 in section 304(i)(8)) forwarded by or credited
22 to a person described in section 304(i)(7), and

23 “(C) any contribution from a political com-
24 mittee other than a political committee of a po-
25 litical party.”.

1 (d) PARTICIPATION IN SYSTEM FOR PAYMENTS FOR
 2 GENERAL ELECTION.—Section 9033(b) of such Code, as
 3 amended by subsection (c), is amended—

4 (1) by striking “and” at the end of paragraph
 5 (4);

6 (2) by striking the period at the end of para-
 7 graph (5) and inserting “, and”; and

8 (3) by adding at the end the following new
 9 paragraph:

10 “(6) if the candidate is nominated by a political
 11 party for election to the office of President, the can-
 12 didate will apply for and accept payments with re-
 13 spect to the general election for such office in ac-
 14 cordance with chapter 95.”.

15 **SEC. 103. INFLATION ADJUSTMENT FOR MATCHING CON-**
 16 **TRIBUTIONS.**

17 Section 9033 of such Code is amended by adding at
 18 the end the following new subsection:

19 “(d) INFLATION ADJUSTMENTS.—

20 “(1) IN GENERAL.—In the case of any applica-
 21 ble period beginning after 2012, each of the dollar
 22 amounts in section 9034(b) shall be increased by an
 23 amount equal to—

24 “(A) such dollar amount, multiplied by

1 “(B) the cost-of-living adjustment deter-
 2 mined under section 1(f)(3) for the calendar
 3 year following the year which such applicable
 4 period begins, determined by substituting ‘cal-
 5 endar year 2012’ for ‘calendar year 1992’ in
 6 subparagraph (B) thereof.

7 “(2) APPLICABLE PERIOD.—For purposes of
 8 this subsection, the term ‘applicable period’ means
 9 the 4-year period beginning with the first day fol-
 10 lowing the date of the last general election for the
 11 office of President and ending on the date of the
 12 next such general election.

13 “(3) ROUNDING.—If any amount as adjusted
 14 under paragraph (1) is not a multiple of \$100, such
 15 amount shall be rounded to the nearest multiple of
 16 \$100.”.

17 **SEC. 104. REPEAL OF EXPENDITURE LIMITATIONS.**

18 (a) IN GENERAL.—Subsection (a) of section 9035 of
 19 the Internal Revenue Code of 1986 is amended to read
 20 as follows:

21 “(a) PERSONAL EXPENDITURE LIMITATION.—No
 22 candidate shall knowingly make expenditures from his per-
 23 sonal funds, or the personal funds of his immediate family,
 24 in connection with his campaign for nomination for elec-

1 tion to the office of President in excess of, in the aggre-
 2 gate, \$50,000.”.

3 (b) CONFORMING AMENDMENT.—Paragraph (1) of
 4 section 9033(b) of the Internal Revenue Code of 1986 is
 5 amended to read as follows:

6 “(1) the candidate will comply with the per-
 7 sonal expenditure limitation under section 9035,”.

8 **SEC. 105. PERIOD OF AVAILABILITY OF MATCHING PAY-**
 9 **MENTS.**

10 Section 9032(6) of such Code is amended by striking
 11 “the beginning of the calendar year in which a general
 12 election for the office of President of the United States
 13 will be held” and inserting “the date that is 6 months
 14 prior to the date of the earliest State primary election”.

15 **SEC. 106. EXAMINATION AND AUDITS OF MATCHABLE CON-**
 16 **TRIBUTIONS.**

17 Section 9038(a) of the Internal Revenue Code of
 18 1986 is amended by inserting “and matchable contribu-
 19 tions accepted by” after “qualified campaign expenses of”.

20 **SEC. 107. MODIFICATION TO LIMITATION ON CONTRIBU-**
 21 **TIONS FOR PRESIDENTIAL PRIMARY CAN-**
 22 **DIDATES.**

23 Section 315(a)(6) of the Federal Election Campaign
 24 Act of 1971 (2 U.S.C. 441a(a)(6)) is amended by striking
 25 “calendar year” and inserting “four-year election cycle”.

1 **Subtitle B—General Elections**

2 **SEC. 111. MODIFICATION OF ELIGIBILITY REQUIREMENTS**
3 **FOR PUBLIC FINANCING.**

4 Section 9003(a) of the Internal Revenue Code of
5 1986 is amended to read as follows:

6 “(a) IN GENERAL.—In order to be eligible to receive
7 any payments under section 9006, the candidates of a po-
8 litical party in a presidential election shall meet the fol-
9 lowing requirements:

10 “(1) PARTICIPATION IN PRIMARY PAYMENT
11 SYSTEM.—The candidate for President received pay-
12 ments under chapter 96 for the campaign for nomi-
13 nation for election to be President.

14 “(2) AGREEMENTS WITH COMMISSION.—The
15 candidates, in writing—

16 “(A) agree to obtain and furnish to the
17 Commission such evidence as it may request of
18 the qualified campaign expenses of such can-
19 didates,

20 “(B) agree to keep and furnish to the
21 Commission such records, books, and other in-
22 formation as it may request, and

23 “(C) agree to an audit and examination by
24 the Commission under section 9007 and to pay

1 any amounts required to be paid under such
2 section.

3 “(3) BAN ON CERTAIN CONTRIBUTIONS AND
4 SOLICITATIONS.—The candidates certify to the Com-
5 mission, under penalty of perjury, the following:

6 “(A) LOBBYISTS AND PACS.—Such can-
7 didates and the authorized committees of such
8 candidates will not accept—

9 “(i) any contribution from—

10 “(I) an individual who is a cur-
11 rent registrant under section 4(a)(1)
12 of the Lobbying Disclosure Act of
13 1995, or

14 “(II) an individual who is listed
15 on a current registration filed under
16 section 4(b)(6) of such Act or a cur-
17 rent report under section 5(b)(2)(C)
18 of such Act,

19 “(ii) any bundled contribution (as de-
20 fined in section 304(i)(8)) forwarded by or
21 credited to a person described in section
22 304(i)(7), and

23 “(iii) any contribution from a political
24 committee other than a political committee
25 of a political party.

1 “(B) SOLICITATIONS FOR JOINT FUND-
 2 RAISING COMMITTEES.—Such candidates and
 3 their authorized committees will not, after June
 4 1 of the election year, solicit any funds for any
 5 joint fundraising committee that includes any
 6 committee of a political party.

7 “(C) SOLICITATION FOR POLITICAL PAR-
 8 TIES.—Such candidates and their authorized
 9 committees will not, after the date described in
 10 section 9006(b), solicit any funds for any com-
 11 mittee of a political party.

12 Such certification shall be made within such time
 13 prior to the day of the presidential election as the
 14 Commission shall prescribe by rules or regulations.”.

15 **SEC. 112. REPEAL OF EXPENDITURE LIMITATIONS AND USE**
 16 **OF QUALIFIED CAMPAIGN CONTRIBUTIONS.**

17 (a) MAJOR PARTIES.—Subsection (b) of section 9003
 18 of the Internal Revenue Code of 1986 is amended to read
 19 as follows:

20 “(b) MAJOR PARTIES.—In order to be eligible to re-
 21 ceive any payments under section 9006, the candidates of
 22 a major party in a presidential election shall certify to the
 23 Commission, under penalty of perjury, that—

24 “(1) such candidates and their authorized com-
 25 mittees have not and will not accept any contribu-

1 tions to defray qualified campaign expenses other
2 than—

3 “(A) qualified campaign contributions, and

4 “(B) contributions to the extent necessary

5 to make up any deficiency payments received

6 out of the fund on account of the application of

7 section 9006(c), and

8 “(2) such candidates and their authorized com-

9 mittees have not and will not accept any contribu-

10 tion to defray expenses which would be qualified

11 campaign expenses but for subparagraph (C) of sec-

12 tion 9002(11).

13 Such certification shall be made at the same time as the

14 certification required under subsection (a)(3).”.

15 (b) MINOR AND NEW PARTIES.—Subsection (c) of

16 section 9003 of the Internal Revenue Code of 1986 is

17 amended to read as follows:

18 “(c) MINOR AND NEW PARTIES.—In order to be eli-

19 gible to receive any payments under section 9006, the can-

20 didates of a minor or new party in a presidential election

21 shall certify to the Commission, under penalty of perjury,

22 that such candidates and their authorized committees have

23 not and will not accept any contributions to defray quali-

24 fied campaign expenses other than—

25 “(1) qualified campaign contributions, and

1 “(2) contributions other than qualified cam-
2 paign contributions to the extent to which—

3 “(A) the aggregate payments to which
4 such candidates would be entitled under section
5 9004 if such candidates were candidates of a
6 major party, exceed

7 “(B) the aggregate payments to which
8 such candidates are entitled to under section
9 9004.

10 Such certification shall be made at the same time as the
11 certification required under subsection (a)(3).”.

12 (c) DEFINITION OF QUALIFIED CAMPAIGN CON-
13 TRIBUTIONS.—Section 9002 of the Internal Revenue Code
14 of 1986 is amended by adding at the end the following
15 new paragraph:

16 “(13) QUALIFIED CAMPAIGN CONTRIBUTION.—
17 The term ‘qualified campaign contribution’ means,
18 with respect to any election for the office of Presi-
19 dent of the United States, a contribution from an in-
20 dividual to a candidate or an authorized committee
21 of a candidate which—

22 “(A) is made after June 1 of the year in
23 which the election is held;

24 “(B) does not exceed 50% of the limit ap-
25 plicable under paragraph (1)(A) or paragraph

1 (2)(A) of section 315(a) of the Federal Election
2 Campaign Act of 1971 to the amount of a con-
3 tribution which may be made to a candidate
4 who is not eligible to receive payments under
5 section 9006 with respect to such election; and

6 “(C) with respect to which the candidate
7 has certified in writing that—

8 “(i) the individual making such con-
9 tribution has not made aggregate contribu-
10 tions (including such qualified contribu-
11 tion) to such candidate and the authorized
12 committees of such candidate in excess of
13 the amount described in subparagraph (B),
14 and

15 “(ii) such candidate and the author-
16 ized committees of such candidate will not
17 accept contributions from such individual
18 (including such qualified contribution) ag-
19 gregating more than the amount described
20 in subparagraph (B) with respect to such
21 election.”.

22 (d) CONFORMING AMENDMENTS.—

23 (1) REPEAL OF EXPENDITURE LIMITS.—

1 (A) Section 315 of the Federal Election
 2 Campaign Act of 1971 (2 U.S.C. 441a) is
 3 amended by striking subsection (b).

4 (B) Section 315(c) of such Act (2 U.S.C.
 5 441a(c)) is amended—

6 (i) in paragraph (1)(B)(i), by striking
 7 “, (b)”; and

8 (ii) in paragraph (2)(B)(i), by striking
 9 “subsections (b) and (d)” and inserting
 10 “subsection (d)”.

11 (2) LIMITATION ON PAYMENTS TO CANDIDATES
 12 OF MINOR AND NEW PARTIES.—Paragraph (1) of
 13 section 9004(b) of the Internal Revenue Code of
 14 1986 is amended by inserting “, other than qualified
 15 contributions,” after “contributions”.

16 (3) REPAYMENTS.—

17 (A) Section 9007(b) of such Code is
 18 amended by striking paragraph (2) and redesign-
 19 ating paragraphs (3), (4), and (5) as para-
 20 graphs (2), (3), and (4), respectively.

21 (B) Paragraph (2) of section 9007(b) of
 22 such Code, as redesignated by subparagraph
 23 (A), is amended by inserting “qualified con-
 24 tributions and” after “contributions (other
 25 than”.

1 (4) CRIMINAL PENALTIES.—

2 (A) EXCESS EXPENSES.—Section 9012(a)
3 of the Internal Revenue Code of 1986 is
4 amended by striking the first sentence.

5 (B) CONTRIBUTIONS.—

6 (i) CANDIDATES OF MAJOR PAR-
7 TIES.—Section 9012(b)(1) of the Internal
8 Revenue Code of 1986 is amended by in-
9 serting “other than qualified contribu-
10 tions,” after “to defray qualified campaign
11 expenses,”.

12 (ii) CANDIDATES OF OTHER PAR-
13 TIES.—Section 9012(b)(2) of such Code is
14 amended by inserting “, other than quali-
15 fied contributions,” after “contributions”.

16 **SEC. 113. MATCHING PAYMENTS AND OTHER MODIFICA-**
17 **TIONS TO PAYMENT AMOUNTS.**

18 (a) IN GENERAL.—

19 (1) AMOUNT OF PAYMENTS FOR MAJOR PARTY
20 CANDIDATES.—Subsection (a) of section 9004 of the
21 Internal Revenue Code of 1986 is amended to read
22 as follows:

23 “(a) IN GENERAL.—Subject to the provisions of this
24 chapter—

1 “(1) MAJOR PARTIES.—The eligible candidates
2 of each major party in a presidential election shall
3 be entitled to equal payment under section 9006 in
4 an amount equal to—

5 “(A) \$50,000,000, plus

6 “(B) an amount equal to 500 percent of
7 the amount of each matchable contribution re-
8 ceived by such candidate on or after June 1 of
9 the year of the presidential election, or by his
10 authorized committees (disregarding any
11 amount of contributions from any person to the
12 extent that the total of the amounts contributed
13 by such person for the election exceeds \$250).

14 The total amount of payments to which a major
15 party candidate is entitled under subparagraph (B)
16 shall not exceed \$150,000,000.

17 “(2) PRE-ELECTION PAYMENTS FOR MINOR
18 AND NEW PARTIES.—

19 “(A) PAYMENT BASED ON PRIOR VOTES
20 RECEIVED BY PARTY.—

21 “(i) IN GENERAL.—The eligible can-
22 didates of a minor party in a presidential
23 election shall be entitled to equal payment
24 under section 9006 in an amount equal to
25 the sum of—

1 “(I) the product of the popular
2 vote ratio with respect to such minor
3 party and the amount in effect under
4 paragraph (1)(A), plus

5 “(II) an amount equal to the ap-
6 plicable percentage of the amount of
7 each matchable contribution received
8 by such candidate on or after June 1
9 of the year of the presidential election,
10 or by his authorized committees.

11 The total amount of payments to which
12 such a candidate is entitled under sub-
13 clause (II) shall not exceed the product of
14 the amount in effect under the last sen-
15 tence of paragraph (1)(A) and the popular
16 vote ratio with respect to such minor
17 party.

18 “(ii) POPULAR VOTE RATIO WITH RE-
19 SPECT TO A MINOR PARTY.—For purposes
20 of this subparagraph, the popular vote
21 ratio with respect to a minor party is the
22 ratio of the number of popular votes re-
23 ceived by the candidate for President of
24 the minor party, as such candidate, in the
25 preceding presidential election to the aver-

1 age number of popular votes received by
2 the candidates for President of the major
3 parties in the preceding presidential elec-
4 tion.

5 “(iii) APPLICABLE PERCENTAGE.—
6 For purposes of subparagraph (A), the ap-
7 plicable percentage is the product of 500
8 percent and the popular vote ratio with re-
9 spect to such minor party.

10 “(B) PAYMENT BASED ON PRIOR VOTES
11 RECEIVED BY CANDIDATE.—

12 “(i) IN GENERAL.—If the candidate of
13 one or more political parties (not including
14 a major party) for the office of President
15 was a candidate for such office in the pre-
16 ceding presidential election and received 5
17 percent or more but less than 25 percent
18 of the total number of popular votes re-
19 ceived by all candidates for such office,
20 such candidate and his running mate for
21 the office of Vice President, upon compli-
22 ance with the provisions of section 9003(a)
23 and (c), shall be treated as eligible can-
24 didates entitled to payments under section
25 9006 in an amount computed as provided

1 in subparagraph (A), determined by sub-
2 stituting ‘the popular vote ratio with re-
3 spect to such candidate’ for ‘the popular
4 vote ratio with respect to such minor
5 party’ each place it appears.

6 “(ii) POPULAR VOTE RATIO WITH RE-
7 SPECT TO A CANDIDATE.—For purposes of
8 this subparagraph, the popular vote ratio
9 with respect to a candidate is the ratio of
10 the number of popular votes received by
11 such candidate for the office of President
12 in the preceding presidential election to the
13 average number of popular votes received
14 by the candidates for President of the
15 major parties in the preceding presidential
16 election.

17 “(iii) COORDINATION RULE.—If eligi-
18 ble candidates of a minor party are enti-
19 tled to payments under this subparagraph,
20 such entitlement shall be reduced by the
21 amount of the entitlement allowed under
22 subparagraph (A).

23 “(3) POST-ELECTION PAYMENTS FOR MINOR
24 AND NEW PARTIES.—

1 “(A) IN GENERAL.—The eligible can-
2 didates of a minor party or a new party in a
3 presidential election whose candidate for Presi-
4 dent in such election receives, as such can-
5 didate, 5 percent or more of the total number
6 of popular votes cast for the office of President
7 in such election shall be entitled to payments
8 under section 9006 equal to the sum of—

9 “(i) the product of the popular vote
10 ratio with respect to such candidate and
11 the amount in effect under paragraph
12 (1)(A), plus

13 “(ii) an amount equal to the applica-
14 ble percentage of the amount of each
15 matchable contribution received by such
16 candidate on or after June 1 of the year
17 of the presidential election, or by his au-
18 thorized committees.

19 The total amount of payments to which such a
20 candidate is entitled under clause (ii) shall not
21 exceed the product of the amount in effect
22 under the last sentence of paragraph (1)(A)
23 and the popular vote ratio with respect to such
24 candidate.

1 “(B) POPULAR VOTE RATIO WITH RESPECT
2 TO A CANDIDATE.—For purposes of this para-
3 graph, the popular vote ratio with respect to a
4 candidate in a presidential election is the ratio
5 of the number of popular votes received by such
6 candidate for the office of President in such
7 election to the average number of popular votes
8 received by the candidates for President of the
9 major parties in such election.

10 “(C) APPLICABLE PERCENTAGE.—For
11 purposes of subparagraph (A), the applicable
12 percentage is the product of 500 percent and
13 the popular vote ratio with respect to such can-
14 didate.

15 “(D) COORDINATION RULE.—In the case
16 of eligible candidates entitled to payments
17 under paragraph (2), the amount allowable
18 under this paragraph shall be limited to the
19 amount, if any, by which the entitlement under
20 the preceding sentence exceeds the amount of
21 the entitlement under paragraph (2).”.

22 (2) CONFORMING AMENDMENT.—Section
23 9005(a) is amended by adding at the end the fol-
24 lowing new sentence: “The Commission shall make

1 such additional certifications as may be necessary to
2 receive payments under section 9004.”.

3 (b) MATCHABLE CONTRIBUTION.—Section 9002 of
4 such Code, as amended by section 112, is amended by add-
5 ing at the end the following new paragraph:

6 “(14) MATCHABLE CONTRIBUTION.—The term
7 ‘matchable contribution’ means, with respect to the
8 election to the office of President of the United
9 States, a contribution by an individual to a can-
10 didate or an authorized committee of a candidate
11 with respect to which the candidate has certified in
12 writing that—

13 “(A) the individual making such contribu-
14 tion has not made aggregate contributions (in-
15 cluding such matchable contribution) to such
16 candidate and the authorized committees of
17 such candidate in excess of 50% of the limit ap-
18 plicable under paragraph (1)(A) or paragraph
19 (2)(A) of section 315(a) of the Federal Election
20 Campaign Act of 1971 to the amount of a con-
21 tribution which may be made to a candidate
22 who is not eligible to receive payments under
23 section 9006 with respect to such election;

24 “(B) such candidate and the authorized
25 committees of such candidate will not accept

contributions from such individual (including such matchable contribution) aggregating more than the amount described in subparagraph (A) with respect to such election; and

“(C) such contribution was not—

“(i) forwarded from the contributor from any person other than an individual, or

“(ii) received by the candidate or committee from a contributor or contributors, but credited by the committee or candidate to another person who is not an individual through records, designations, or other means of recognizing that a certain amount of money has been raised by such person.”.

SEC. 114. INFLATION ADJUSTMENT FOR PAYMENT AMOUNTS.

Section 9004 of such Code is amended by adding at the end the following new subsection:

“(f) INFLATION ADJUSTMENTS.—

“(1) IN GENERAL.—In the case of any applicable period beginning after 2016, each of the dollar amounts in subsection (a)(1) shall be increased by an amount equal to—

1 “(A) such dollar amount, multiplied by

2 “(B) the cost-of-living adjustment deter-
 3 mined under section 1(f)(3) for the calendar
 4 year following the year which such applicable
 5 period begins, determined by substituting ‘cal-
 6 endar year 2016’ for ‘calendar year 1992’ in
 7 subparagraph (B) thereof.

8 “(2) APPLICABLE PERIOD.—For purposes of
 9 this subsection, the term ‘applicable period’ means
 10 the 4-year period beginning with the first day fol-
 11 lowing the date of the last general election for the
 12 office of President and ending on the date of the
 13 next such general election.

14 “(3) ROUNDING.—If any amount as adjusted
 15 under paragraph (1) is not a multiple of \$100, such
 16 amount shall be rounded to the nearest multiple of
 17 \$100.”.

18 **SEC. 115. INCREASE IN LIMIT ON COORDINATED PARTY EX-**
 19 **PENDITURES.**

20 (a) IN GENERAL.—Section 315(d)(2) of the Federal
 21 Election Campaign Act of 1971 (2 U.S.C. 441a(d)(2)) is
 22 amended to read as follows:

23 “(2)(A) The national committee of a political party
 24 may not make any expenditure in connection with the gen-
 25 eral election campaign of any candidate for President of

1 the United States who is affiliated with such party which
2 exceeds \$50,000,000.

3 “(B) For purposes of this paragraph—

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

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

16 “(C) Any expenditure under this paragraph shall be
17 in addition to any expenditure by a national committee
18 of a political party serving as the principal campaign com-
19 mittee of a candidate for the office of President of the
20 United States.”.

21 (b) CONFORMING AMENDMENTS RELATING TO TIM-
22 ING OF COST-OF-LIVING ADJUSTMENT.—

23 (1) IN GENERAL.—Section 315(c)(1) of such
24 Act (2 U.S.C. 441a(c)(1)), as amended by section
25 112(d)(1)(B), is amended—

1 (A) in subparagraph (B), by striking “(d)”
 2 and inserting “(d)(3)”; and

3 (B) by inserting at the end the following
 4 new subparagraph:

5 “(D) In any calendar year after 2016—

6 “(i) the dollar amount in subsection (d)(2) shall
 7 be increased by the percent difference determined
 8 under subparagraph (A);

9 “(ii) the amount so increased shall remain in
 10 effect for the calendar year; and

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

14 (2) BASE YEAR.—Section 315(c)(2)(B) of such
 15 Act (2 U.S.C. 441a(c)(2)(B)), as amended by sec-
 16 tion 112(d)(1)(B), is amended—

17 (A) in clause (i)—

18 (i) by striking “(d)” and inserting
 19 “(d)(3)”; and

20 (ii) by striking “and” at the end;

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

23 (C) by adding at the end the following new
 24 clause:

1 “(iii) for purposes of subsection (d)(2), cal-
2 endar year 2015.”.

3 **SEC. 116. ESTABLISHMENT OF UNIFORM DATE FOR RE-**
4 **LEASE OF PAYMENTS.**

5 (a) DATE FOR PAYMENTS.—

6 (1) IN GENERAL.—Section 9006(b) of the In-
7 ternal Revenue Code of 1986 is amended to read as
8 follows:

9 “(b) PAYMENTS FROM THE FUND.—If the Secretary
10 of the Treasury receives a certification from the Commis-
11 sion under section 9005 for payment to the eligible can-
12 didates of a political party, the Secretary shall pay to such
13 candidates out of the fund the amount certified by the
14 Commission on the later of—

15 “(1) the last Friday occurring before the first
16 Monday in September, or

17 “(2) 24 hours after receiving the certifications
18 for the eligible candidates of all major political par-
19 ties.

20 Amounts paid to any such candidates shall be under the
21 control of such candidates.”.

22 (2) CONFORMING AMENDMENT.—The first sen-
23 tence of section 9006(c) of such Code is amended by
24 striking “the time of a certification by the Commis-
25 sion under section 9005 for payment” and inserting

1 “the time of making a payment under subsection
2 (b)”.

3 (b) TIME FOR CERTIFICATION.—Section 9005(a) of
4 the Internal Revenue Code of 1986 is amended by striking
5 “10 days” and inserting “24 hours”.

6 **SEC. 117. AMOUNTS IN PRESIDENTIAL ELECTION CAM-**
7 **PAIGN FUND.**

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

20 (b) SPECIAL RULE FOR FIRST CAMPAIGN CYCLE
21 UNDER THIS ACT.—

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

25 “(d) SPECIAL AUTHORITY TO BORROW.—

1 “(1) IN GENERAL.—Notwithstanding subsection
2 (c), there are authorized to be appropriated to the
3 fund, as repayable advances, such sums as are nec-
4 essary to carry out the purposes of the fund during
5 the period ending on the first presidential election
6 occurring after the date of the enactment of this
7 subsection.

8 “(2) REPAYMENT OF ADVANCES.—

9 “(A) IN GENERAL.—Advances made to the
10 fund shall be repaid, and interest on such ad-
11 vances shall be paid, to the general fund of the
12 Treasury when the Secretary determines that
13 moneys are available for such purposes in the
14 fund.

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

1 (2) EFFECTIVE DATE.—The amendment made
2 by this subsection shall take effect January 1, 2013.

3 **SEC. 118. USE OF GENERAL ELECTION PAYMENTS FOR GEN-**
4 **ERAL ELECTION LEGAL AND ACCOUNTING**
5 **COMPLIANCE.**

6 Section 9002(11) of the Internal Revenue Code of
7 1986 is amended by adding at the end the following new
8 sentence: “For purposes of subparagraph (A), an expense
9 incurred by a candidate or authorized committee for gen-
10 eral election legal and accounting compliance purposes
11 shall be considered to be an expense to further the election
12 of such candidate.”.

13 **Subtitle C—Political Conventions**

14 **SEC. 121. REPEAL OF PUBLIC FINANCING OF PARTY CON-**
15 **VENTIONS.**

16 (a) REPEAL.—

17 (1) IN GENERAL.—Chapter 95 of the Internal
18 Revenue Code of 1986 is amended by striking sec-
19 tion 9008.

20 (2) CLERICAL AMENDMENT.—The table of sec-
21 tions of chapter 95 of such Code is amended by
22 striking the item relating to section 9008.

23 (b) CONFORMING AMENDMENTS.—

1 (1) AVAILABILITY OF PAYMENTS TO CAN-
2 DIDATES.—Section 9006(c) of such Code is amended
3 by striking “section 9008(b)(3)”.

4 (2) REPORTS BY FEDERAL ELECTION COMMIS-
5 SION.—Section 9009 of such Code is amended—

6 (A) by adding “and” at the end of para-
7 graph (2);

8 (B) by striking the semicolon at the end of
9 paragraph (3) and inserting a period; and

10 (C) by striking paragraphs (4), (5), and
11 (6).

12 (3) PENALTIES.—Section 9012 of such Code,
13 as amended by section 112(d)(4), is amended—

14 (A) by striking subsection (a) and redesign-
15 nating subsections (b) through (g) as sub-
16 sections (a) through (f), respectively;

17 (B) in subsection (b), as redesignated by
18 subparagraph (A), by striking paragraph (2)
19 and redesignating paragraph (3) as paragraph
20 (2);

21 (C) in subsection (d)(1), as redesignated
22 by subparagraph (A), by striking the second
23 sentence; and

24 (D) in subsection (d)(3), as redesignated
25 by subparagraph (A), by striking “, or in con-

nection with any expense incurred by the national committee of a major party or minor party with respect to a presidential nominating convention”.

(4) AVAILABILITY OF PAYMENTS FROM PRESIDENTIAL PRIMARY MATCHING ACCOUNT.—The second sentence of section 9037(a) of such Code is amended by striking “and for payments under section 9008(b)(3)”.

SEC. 122. CONTRIBUTIONS FOR POLITICAL CONVENTIONS.

(a) SEPARATE CONTRIBUTION LIMITATION.—

(1) INDIVIDUALS.—

(A) IN GENERAL.—Subsection (a)(1) of section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by striking “or” at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting “; or”, and by adding at the end the following new subparagraph:

“(E) to the national nominating convention account of political committees established and maintained by a national political party, in any 4-year period ending on the last day of the calendar year beginning on the day after a general election for the office of President which, in the

1 aggregate, exceed the dollar amount in effect
2 under subparagraph (B);”.

3 (B) CONFORMING AMENDMENT.—Subpara-
4 graph (B) of section 315(a)(1) of such Act (2
5 U.S.C. 441a(a)(1)) is amended by inserting
6 “(other than to the national nominating conven-
7 tion accounts of such political committees which
8 are described in subparagraph (E))” after “na-
9 tional political party”.

10 (2) AGGREGATE CONTRIBUTION LIMITATION.—
11 Paragraph (3) of section 315(a) of such Act (2
12 U.S.C. 441a(a)) is amended by adding at the end
13 the following new flush sentence:

14 “The dollar amount in subparagraph (B) shall be in-
15 creased by the amount of contributions (not in excess of
16 the dollar amount in effect under subparagraph (E)) made
17 to the national nominating convention account of a polit-
18 ical committee established and maintained by a national
19 political party during the period described in the preceding
20 sentence.”.

21 (b) NATIONAL NOMINATING CONVENTION AC-
22 COUNT.—Subsection (a) of section 315 of such Act (2
23 U.S.C. 441a) is amended by adding at the end the fol-
24 lowing new paragraph:

1 “(9) For purposes of this subsection, the na-
 2 tional nomination convention account of any political
 3 committees established and maintained by a national
 4 political party is a separate account the funds of
 5 which may only be used to defray the costs of the
 6 national nominating convention of such party.”.

7 **SEC. 123. PROHIBITION ON USE OF SOFT MONEY.**

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

11 “(g) NATIONAL CONVENTIONS.—Any person de-
 12 scribed in subsection (a) or (e) shall not solicit, receive,
 13 direct, transfer, or spend any funds in connection with a
 14 presidential nominating convention of any political party,
 15 including funds from or for a host committee, civic com-
 16 mittee, municipality, or any other person or entity spend-
 17 ing funds in connection with such a convention, unless
 18 such funds—

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

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

1 **TITLE II—PUBLIC FINANCING**
2 **FOR CONGRESSIONAL ELEC-**
3 **TION CAMPAIGNS**

4 **SEC. 201. BENEFITS AND ELIGIBILITY REQUIREMENTS FOR**
5 **CONGRESSIONAL CANDIDATES.**

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

9 **“TITLE V—PUBLIC FINANCING**
10 **OF CONGRESSIONAL ELEC-**
11 **TION CAMPAIGNS**

12 **“Subtitle A—Benefits**

13 **“SEC. 501. BENEFITS FOR PARTICIPATING CANDIDATES.**

14 “(a) IN GENERAL.—If a candidate for election to the
15 office of Senator or Representative in, or Delegate or Resi-
16 dent Commissioner to, the Congress is a participating can-
17 didate under this title with respect to an election for such
18 office, the candidate shall be entitled to payments under
19 this title, to be used only for authorized expenditures in
20 connection with the election.

21 “(b) AMOUNT OF PAYMENT.—

22 “(1) MATCH OF QUALIFIED CONTRIBUTIONS.—

23 Subject to paragraph (2), the amount of a payment
24 made to a participating candidate under this title
25 shall be equal to 500 percent of the amount of quali-

1 fied contributions received by the candidate since the
2 most recent payment made to the candidate under
3 this title with respect to the election, as set forth—

4 “(A) in the case of the first payment made
5 to the candidate with respect to the election, in
6 the report filed under section 511(a)(2); and

7 “(B) in the case of any subsequent pay-
8 ment made to the candidate with respect to the
9 election, in the report of qualified contributions
10 filed under subsection (c).

11 “(2) LIMITATION.—In determining the amount
12 of qualified contributions received by a candidate for
13 purposes of making a payment under this section,
14 there shall be disregarded any amount of contribu-
15 tions from any person to the extent that the total of
16 the amounts contributed by such person for the elec-
17 tion exceeds \$250.

18 “(c) REPORTS.—

19 “(1) IN GENERAL.—Each participating can-
20 didate shall file reports of receipts of qualified con-
21 tributions at such times and in such manner as the
22 Commission may by regulations prescribe.

23 “(2) CONTENTS OF REPORTS.—Each report
24 under this subsection shall disclose each qualified
25 contribution received by the candidate since the most

1 recent report filed under this section, and shall state
2 the aggregate amount of all such qualified contribu-
3 tions received since the most recent report filed
4 under this section.

5 “(3) FREQUENCY OF REPORTS.—Reports under
6 this subsection shall be made no more frequently
7 than—

8 “(A) once every month until the date that
9 is 90 days before the date of the election;

10 “(B) once every week after the period de-
11 scribed in subparagraph (A) and until the date
12 that is 21 days before the election; and

13 “(C) once every day after the period de-
14 scribed in subparagraph (B).

15 “(4) LIMITATION ON REGULATIONS.—The
16 Commission may not prescribe any regulations with
17 respect to reporting under this subsection with re-
18 spect to any election after the date that is 180 days
19 before the date of such election.

20 “(d) LIMIT ON AGGREGATE AMOUNT OF PAY-
21 MENTS.—The aggregate amount of payments that may be
22 made under this title to a participating candidate during
23 an election cycle may not exceed—

1 “(1) \$2,000,000, in the case of a candidate for
2 the office of Representative in, or Delegate or Resi-
3 dent Commissioner to, the Congress; or

4 “(2) \$10,000,000, in the case of a candidate for
5 the office of Senator.

6 **“SEC. 502. ADMINISTRATION OF PAYMENTS.**

7 “(a) TIMING.—The Commission shall make payments
8 under this title to a participating candidate—

9 “(1) in the case of the first payment made to
10 the candidate with respect to the election, not later
11 than 48 hours after the date on which such can-
12 didate is certified as a participating candidate under
13 section 513; and

14 “(2) in the case of any subsequent payment
15 made to the candidate with respect to the election,
16 not later than 2 business days after the receipt of
17 a report made under section 501(c).

18 “(b) METHOD OF PAYMENT.—The Commission shall
19 distribute funds available to participating candidates
20 under this title through the use of an electronic funds ex-
21 change or a debit card.

22 “(c) APPEALS.—The Commission shall provide a
23 written explanation with respect to any denial of any pay-
24 ment under this title and shall provide for the opportunity

1 for review and reconsideration within 5 business days of
2 such denial.

3 **“SEC. 503. QUALIFIED CONTRIBUTION DEFINED.**

4 “In this title, the term ‘qualified contribution’ means,
5 with respect to a candidate, a contribution that meets each
6 of the following requirements:

7 “(1) The contribution is in an amount that is
8 not greater than the limit on the amount of a con-
9 tribution that may be accepted by a participating
10 candidate from an individual under section 521(a).

11 “(2) The contribution is made by an individual
12 who is not otherwise prohibited from making a con-
13 tribution under this Act.

14 “(3) The contribution is not—

15 “(A) forwarded from the contributor by
16 any person other than an individual; or

17 “(B) received by the candidate or an au-
18 thorized committee of the candidate from a con-
19 tributor or contributors, but credited by the
20 committee or candidate to another person who
21 is not an individual through records, designa-
22 tions, or other means of recognizing that a cer-
23 tain amount of money has been raised by such
24 person.

1 “(4) The contribution meets the requirements
2 of section 512(b).

3 **“Subtitle B—Eligibility and**
4 **Certification**

5 **“SEC. 511. ELIGIBILITY.**

6 “(a) IN GENERAL.—A candidate for the office of
7 Senator or Representative in, or Delegate or Resident
8 Commissioner to, the Congress is eligible to be certified
9 as a participating candidate under this title with respect
10 to an election if the candidate meets the following require-
11 ments:

12 “(1) During the election cycle for the office in-
13 volved, the candidate files with the Commission a
14 statement of intent to seek certification as a partici-
15 pating candidate.

16 “(2) The candidate meets the qualified con-
17 tribution requirements of section 512 and submits to
18 the Commission a report disclosing each qualified
19 contribution received by the candidate and stating
20 the aggregate amount of all such qualified contribu-
21 tions received.

22 “(3) Not later than the last day of the quali-
23 fying period, the candidate files with the Commis-
24 sion an affidavit signed by the candidate and the

1 treasurer of the candidate's principal campaign com-
2 mittee declaring that the candidate—

3 “(A) has complied and, if certified, will
4 comply with the contribution and expenditure
5 requirements of section 521;

6 “(B) if certified, will run only as a partici-
7 pating candidate for all elections for the office
8 that such candidate is seeking during the elec-
9 tion cycle; and

10 “(C) has either qualified or will take steps
11 to qualify under State law to be on the ballot.

12 “(b) GENERAL ELECTION.—Notwithstanding sub-
13 section (a), a candidate shall not be eligible to receive a
14 payment under this title for a general election or a general
15 runoff election unless the candidate's party nominated the
16 candidate to be placed on the ballot for the general elec-
17 tion or the candidate is otherwise qualified to be on the
18 ballot under State law.

19 “(c) QUALIFYING PERIOD DEFINED.—The term
20 ‘qualifying period’ means, with respect to any candidate
21 for the office of Senator or Representative in, or Delegate
22 or Resident Commissioner to, the Congress, the 120-day
23 period (during the election cycle for such office) which be-
24 gins on the date on which the candidate files a statement

1 of intent under section 511(a)(1), except that such period
 2 may not continue after the date that is 60 days before—

3 “(1) the date of the primary election; or

4 “(2) in the case of a State that does not hold
 5 a primary election, the date prescribed by State law
 6 as the last day to qualify for a position on the gen-
 7 eral election ballot.

8 **“SEC. 512. QUALIFIED CONTRIBUTION REQUIREMENTS.**

9 “(a) RECEIPT OF QUALIFIED CONTRIBUTIONS.—

10 “(1) IN GENERAL.—A candidate meets the re-
 11 quirements of this section if, during the qualifying
 12 period described in section 511(c), the candidate ob-
 13 tains—

14 “(A) a single qualified contribution from a
 15 number of individuals equal to or greater
 16 than—

17 “(i) in the case of a candidate for
 18 election the office of Representative in, or
 19 Delegate or Resident Commissioner to, the
 20 Congress, 400, or

21 “(ii) in the case of a candidate for the
 22 office of Senator, the product of 400 and
 23 the number of Congressional districts in
 24 the State involved as of the date of the
 25 election; and

1 “(B) a total dollar amount of qualified
2 contributions equal to or greater than—

3 “(i) in the case of a candidate for
4 election the office of Representative in, or
5 Delegate or Resident Commissioner to, the
6 Congress, \$40,000, disregarding any
7 amount of contributions from any person
8 to the extent that the total of the amounts
9 contributed by such person for the election
10 exceeds \$250, or

11 “(ii) in the case of a candidate for the
12 office of Senator, the product of \$40,000
13 and the number of Congressional districts
14 in the State involved as of the date of the
15 election, disregarding any amount of con-
16 tributions from any person to the extent
17 that the total of the amounts contributed
18 by such person for the election exceeds
19 \$250.

20 “(2) EXCLUSION OF CONTRIBUTIONS FROM
21 OUT-OF-STATE RESIDENTS.—In determining the
22 number of qualified contributions obtained by a can-
23 didate under paragraph (1)(A) and the dollar
24 amount of qualified contributions obtained by a can-
25 didate under paragraph (1)(B), there shall be ex-

1 cluded any contributions made by an individual who
2 does not have a primary residence in the State in
3 which such candidate is seeking election.

4 “(b) REQUIREMENTS RELATING TO RECEIPT OF
5 QUALIFIED CONTRIBUTION.—Each qualified contribu-
6 tion—

7 “(1) may be made by means of a personal
8 check, money order, debit card, credit card, or elec-
9 tronic payment account;

10 “(2) shall be accompanied by a signed state-
11 ment containing the contributor’s name and the con-
12 tributor’s address in the State in which the primary
13 residence of the contributor is located; and

14 “(3) shall be acknowledged by a receipt that is
15 sent to the contributor with a copy kept by the can-
16 didate for the Commission and a copy kept by the
17 candidate for the election authorities in the State
18 with respect to which the candidate is seeking elec-
19 tion.

20 “(c) VERIFICATION OF QUALIFIED CONTRIBU-
21 TIONS.—The Commission shall establish procedures for
22 the auditing and verification of qualified contributions to
23 ensure that such contributions meet the requirements of
24 this section.

1 “(d) PROHIBITING PAYMENT ON COMMISSION BASIS
 2 OF INDIVIDUALS COLLECTING QUALIFIED CONTRIBU-
 3 TIONS.—No person may be paid a commission on a per
 4 qualified contribution basis for collecting qualified con-
 5 tributions.

6 **“SEC. 513. CERTIFICATION.**

7 “(a) DEADLINE AND NOTIFICATION.—

8 “(1) IN GENERAL.—Not later than 10 days
 9 after a candidate files an affidavit under section
 10 511(a)(3), the Commission shall—

11 “(A) determine whether or not the can-
 12 didate meets the requirements for certification
 13 as a participating candidate;

14 “(B) if the Commission determines that
 15 the candidate meets such requirements, certify
 16 the candidate as a participating candidate; and

17 “(C) notify the candidate of the Commis-
 18 sion’s determination.

19 “(2) DEEMED CERTIFICATION FOR ALL ELEC-
 20 TIONS IN ELECTION CYCLE.—If the Commission cer-
 21 tifies a candidate as a participating candidate with
 22 respect to the first election of the election cycle in-
 23 volved, the Commissioner shall be deemed to have
 24 certified the candidate as a participating candidate

1 with respect to all subsequent elections of the elec-
2 tion cycle.

3 “(b) REVOCATION OF CERTIFICATION.—

4 “(1) IN GENERAL.—The Commission may re-
5 voke a certification under subsection (a) if—

6 “(A) a candidate fails to qualify to appear
7 on the ballot at any time after the date of cer-
8 tification (other than a candidate certified as a
9 participating candidate with respect to a pri-
10 mary election who fails to qualify to appear on
11 the ballot for a subsequent election in that elec-
12 tion cycle); or

13 “(B) a candidate otherwise fails to comply
14 with the requirements of this title, including
15 any regulatory requirements prescribed by the
16 Commission.

17 “(2) REPAYMENT OF BENEFITS.—If certifi-
18 cation is revoked under paragraph (1), the candidate
19 shall repay to the Empowering Citizens Payment Ac-
20 count of the Presidential Election Campaign Fund
21 (established under section 9051 of the Internal Rev-
22 enue Code of 1986) an amount equal to the value
23 of benefits received under this title with respect to
24 the election cycle involved plus interest (at a rate de-

1 terminated by the Commission) on any such amount
2 received.

3 “(c) PARTICIPATING CANDIDATE DEFINED.—In this
4 title, a ‘participating candidate’ means a candidate for the
5 office of Senator or Representative in, or Delegate or Resi-
6 dent Commissioner to, the Congress who is certified under
7 this section as eligible to receive benefits under this title.

8 **“Subtitle C—Requirements for Can-**
9 **didates Certified as Partici-**
10 **pating Candidates**

11 **“SEC. 521. RESTRICTIONS ON CERTAIN CONTRIBUTIONS**
12 **AND EXPENDITURES.**

13 “(a) 50 PERCENT REDUCTION IN OTHERWISE AP-
14 PPLICABLE CONTRIBUTION LIMITS.—In the case of a can-
15 didate who is certified as a participating candidate under
16 this title with respect to an election, the limit applicable
17 under paragraph (1)(A) or paragraph (2)(A) of section
18 315(a) to the amount of a contribution which may be
19 made to the candidate and any authorized committee of
20 the candidate with respect to the election shall be equal
21 to 50% of the amount applicable under such paragraph
22 to a contribution made to a candidate with respect to the
23 election who is not certified as a participating candidate
24 under this title.

1 “(b) PROHIBITING ACCEPTANCE OF CONTRIBUTIONS
2 FROM REGISTERED LOBBYISTS OR CONTRIBUTIONS BUN-
3 DLED BY REGISTERED LOBBYISTS.—A candidate who is
4 certified as a participating candidate under this title with
5 respect to an election, and any authorized committee of
6 such a candidate, may not accept any of the following con-
7 tributions with respect to the election:

8 “(1) Any contribution from—

9 “(A) an individual who is a current reg-
10 istrant under section 4(a)(1) of the Lobbying
11 Disclosure Act of 1995; or

12 “(B) an individual who is listed on a cur-
13 rent registration filed under section 4(b)(6) of
14 such Act or a current report under section
15 5(b)(2)(C) of such Act.

16 “(2) Any bundled contribution (as defined in
17 section 304(i)(8)) forwarded by or credited to a per-
18 son described in section 304(i)(7).

19 “(c) LIMIT ON EXPENDITURES FROM PERSONAL
20 FUNDS.—A candidate who is certified as a participating
21 candidate under this title may not make expenditures from
22 personal funds (as defined in section 304(a)(6)(B)) in an
23 aggregate amount exceeding \$50,000 with respect to any
24 election in the election cycle involved.

1 “(d) PROHIBITING SOLICITATION OF FUNDS FOR PO-
 2 LITICAL PARTY COMMITTEES.—A candidate who is cer-
 3 tified as a participating candidate under this title may not
 4 solicit funds for any political committee of a political
 5 party, except that the candidate may solicit funds for a
 6 separate account of the committee which is established
 7 under section 315(d)(5).

8 **“SEC. 522. REMITTING UNSPENT FUNDS AFTER ELECTION.**

9 “(a) IN GENERAL.—Not later than the date that is
 10 60 days after the last election for which a candidate cer-
 11 tified as a participating candidate qualifies to be on the
 12 ballot during the election cycle involved, such participating
 13 candidate shall remit to the Commission for deposit in the
 14 Empowering Citizens Payment Account of the Presi-
 15 dential Election Campaign Fund (established under sec-
 16 tion 9051 of the Internal Revenue Code of 1986) an
 17 amount equal to the lesser of—

18 “(1) the amount of money in the candidate’s
 19 campaign account; or

20 “(2) the amount of the payments received by
 21 the candidate under this title.

22 “(b) EXCEPTION FOR EXPENDITURES INCURRED
 23 BUT NOT PAID AS OF DATE OF REMITTANCE.—

24 “(1) IN GENERAL.—Subject to subsection (a), a
 25 candidate may withhold from the amount required to

1 be remitted under paragraph (1) of such subsection
2 the amount of any authorized expenditures which
3 were incurred in connection with the candidate's
4 campaign but which remain unpaid as of the dead-
5 line applicable to the candidate under such sub-
6 section, except that any amount withheld pursuant
7 to this paragraph shall be remitted to the Commis-
8 sion not later than 120 days after the date of the
9 election to which such subsection applies.

10 “(2) DOCUMENTATION REQUIRED.—A can-
11 didate may withhold an amount of an expenditure
12 pursuant to paragraph (1) only if the candidate sub-
13 mits documentation of the expenditure and the
14 amount to the Commission not later than the dead-
15 line applicable to the candidate under subsection (a).

16 **“Subtitle D—Administrative**
17 **Provisions**

18 **“SEC. 531. ADMINISTRATION BY COMMISSION.**

19 “The Commission shall prescribe regulations to carry
20 out the purposes of this title, including regulations to es-
21 tablish procedures for—

22 “(1) verifying the amount of qualified contribu-
23 tions with respect to a candidate;

1 “(2) effectively and efficiently monitoring and
2 enforcing the limits on the raising of qualified con-
3 tributions;

4 “(3) effectively and efficiently monitoring and
5 enforcing the limits on the use of personal funds by
6 participating candidates; and

7 “(4) monitoring the use of payments under this
8 title through audits of not fewer than $\frac{1}{3}$ of all par-
9 ticipating candidates or other mechanisms.

10 **“SEC. 532. VIOLATIONS AND PENALTIES.**

11 “(a) CIVIL PENALTY FOR VIOLATION OF CONTRIBU-
12 TION AND EXPENDITURE REQUIREMENTS.—If a can-
13 didate who has been certified as a participating candidate
14 accepts a contribution or makes an expenditure that is
15 prohibited under section 521, the Commission shall assess
16 a civil penalty against the candidate in an amount that
17 is not more than 3 times the amount of the contribution
18 or expenditure. Any amounts collected under this sub-
19 section shall be deposited into the Empowering Citizens
20 Payment Account of the Presidential Election Campaign
21 Fund (established under section 9051 of the Internal Rev-
22 enue Code of 1986).

23 “(b) REPAYMENT FOR IMPROPER USE OF EMPOW-
24 ERING CITIZENS PAYMENT ACCOUNT.—

1 “(1) IN GENERAL.—If the Commission deter-
2 mines that any benefit made available to a partici-
3 pating candidate was not used as provided for in
4 this title or that a participating candidate has vio-
5 lated any of the dates for remission of funds con-
6 tained in this title, the Commission shall so notify
7 the candidate and the candidate shall pay to the
8 Empowering Citizens Payment Account of the Presi-
9 dential Election Campaign Fund an amount equal
10 to—

11 “(A) the amount of benefits so used or not
12 remitted, as appropriate; and

13 “(B) interest on any such amounts (at a
14 rate determined by the Commission).

15 “(2) OTHER ACTION NOT PRECLUDED.—Any
16 action by the Commission in accordance with this
17 subsection shall not preclude enforcement pro-
18 ceedings by the Commission in accordance with sec-
19 tion 309(a), including a referral by the Commission
20 to the Attorney General in the case of an apparent
21 knowing and willful violation of this title.

22 **“SEC. 533. ELECTION CYCLE DEFINED.**

23 “‘In this title, the term ‘election cycle’ means, with
24 respect to an election for the office of Senator or Rep-
25 resentative in, or Delegate or Resident Commissioner to,

1 the Congress, the period beginning on the day after the
 2 date of the most recent general election for that office (or,
 3 if the general election resulted in a runoff election, the
 4 date of the runoff election) and ending on the date of the
 5 next general election for that office (or, if the general elec-
 6 tion resulted in a runoff election, the date of the runoff
 7 election).’’.

8 **SEC. 202. PERMITTING UNLIMITED COORDINATED EXPEND-**
 9 **ITURES BY POLITICAL PARTY COMMITTEES**
 10 **ON BEHALF OF PARTICIPATING CANDIDATES**
 11 **IF EXPENDITURES ARE DERIVED FROM**
 12 **SMALL DOLLAR CONTRIBUTIONS.**

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

16 “(5) In determining the amount of expenditures
 17 made by a committee under paragraph (3) in connection
 18 with the campaign of a candidate who is certified as a
 19 participating candidate under title V, there shall be ex-
 20 cluded any expenditures which are derived from a separate
 21 account established by the committee for which the only
 22 sources of funds are contributions made during the elec-
 23 tion cycle in an amount which does not exceed 50% of
 24 the amount applicable under subsection (a)(1)(A) to a

1 contribution made during the cycle to a candidate who is
2 not certified as a participating candidate under title V.”.

3 **SEC. 203. PROHIBITING USE OF CONTRIBUTIONS BY PAR-**
4 **TICIPATING CANDIDATES FOR PURPOSES**
5 **OTHER THAN CAMPAIGN FOR ELECTION.**

6 Section 313 of the Federal Election Campaign Act
7 of 1971 (2 U.S.C. 439a) is amended by adding at the end
8 the following new subsection:

9 “(d) RESTRICTIONS ON PERMITTED USES OF FUNDS
10 BY CANDIDATES RECEIVING FAIR ELECTIONS FINANC-
11 ING.—Notwithstanding paragraphs (2), (3), or (4) of sub-
12 section (a), if a candidate for election for the office of Sen-
13 ator or Representative in, or Delegate or Resident Com-
14 missioner to, the Congress is certified as a participating
15 candidate under title V with respect to the election, any
16 contribution which the candidate is permitted to accept
17 under such title may be used only for authorized expendi-
18 tures in connection with the candidate’s campaign for such
19 office.”.

**TITLE III—COORDINATED
CAMPAIGN ACTIVITY**

**SEC. 301. CLARIFICATION OF TREATMENT OF COORDI-
NATED EXPENDITURES AS CONTRIBUTIONS
TO CANDIDATES.**

(a) TREATMENT AS CONTRIBUTION TO CANDIDATE.—Section 301(8)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is amended—

(1) by striking “or” at the end of clause (i);

(2) by striking the period at the end of clause

(ii) and inserting “; or”; and

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

“(iii) any payment made by any person (other than a candidate, an authorized committee of a candidate, or a political committee of a political party) for a coordinated expenditure (as such term is defined in section 324) which is not otherwise treated as a contribution under clause (i) or clause (ii).”.

(b) DEFINITIONS.—Section 324 of such Act (2 U.S.C. 441k) is amended to read as follows:

“SEC. 324. PAYMENTS FOR COORDINATED EXPENDITURES.

“(a) COORDINATED EXPENDITURES.—

1 “(1) IN GENERAL.—For purposes of section
2 301(8)(A)(iii), the term ‘coordinated expenditure’
3 means—

4 “(A) any expenditure, including a payment
5 for a covered communication described in sub-
6 section (c), which is made in cooperation, con-
7 sultation, or concert with, or at the request or
8 suggestion of, a candidate, an authorized com-
9 mittee of a candidate, a political committee of
10 a political party, or agents of the candidate or
11 committee, as provided in subsection (b); or

12 “(B) any payment for any communication
13 which republishes, disseminates, or distributes,
14 in whole or in part, any broadcast or any writ-
15 ten, graphic, or other form of campaign mate-
16 rial prepared by the candidate or committee or
17 by agents of the candidate or committee.

18 “(2) EXCEPTION FOR PAYMENTS FOR CERTAIN
19 COMMUNICATIONS.—A payment for a communication
20 (including a covered communication described in
21 subsection (c)) shall not be treated as a coordinated
22 expenditure under this subsection if—

23 “(A) the communication appears in a news
24 story, commentary, or editorial distributed
25 through the facilities of any broadcasting sta-

tion, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

“(B) the communication constitutes a candidate debate or forum conducted pursuant to regulations adopted by the Commission pursuant to section 304(f)(3)(B)(iii), or which solely promotes such a debate or forum and is made by or on behalf of the person sponsoring the debate or forum.

“(b) COORDINATION DESCRIBED.—

“(1) IN GENERAL.—For purposes of this section, a payment is made ‘in cooperation, consultation, or concert with, or at the request or suggestion of,’ a candidate, an authorized committee of a candidate, a political committee of a political party, or agents of the candidate or committee, if the payment is not made entirely independently of the candidate, committee, or agents, including a payment which is made pursuant to any general or particular understanding, or more than incidental communication with, the candidate, committee, or agents about the payment.

1 “(2) NO FINDING OF COORDINATION BASED
2 SOLELY ON SHARING OF INFORMATION REGARDING
3 LEGISLATIVE OR POLICY POSITION.—For purposes
4 of this section, a payment shall not be considered to
5 be made by a person in cooperation, consultation, or
6 concert with, or at the request or suggestion of, a
7 candidate or committee, solely on the grounds that
8 the person or the person’s agent engaged in discus-
9 sions with the candidate or committee, or with
10 agents of the candidate or committee, regarding that
11 person’s position on a legislative or policy matter
12 (including urging the candidate or committee to
13 adopt that person’s position), so long as there is no
14 discussion between the person and the candidate or
15 committee, or agents of the candidate or committee,
16 regarding the candidate’s or committee’s campaign
17 advertising, message, strategy, policy, polling, alloca-
18 tion of resources, fundraising, or campaign oper-
19 ations.

20 “(3) NO EFFECT ON PARTY COORDINATION
21 STANDARD.—Nothing in this section shall be con-
22 strued to affect the determination of coordination
23 between a candidate and a political committee of a
24 political party for purposes of section 315(d).

1 “(c) SPECIAL RULE FOR PAYMENTS BY COORDI-
2 NATED SPENDERS FOR COVERED COMMUNICATIONS.—

3 “(1) PAYMENTS DEEMED TO BE MADE IN CO-
4 OPERATION, CONSULTATION, OR CONCERT WITH,
5 CANDIDATES.—For purposes of this section, if the
6 person who makes a payment for a covered commu-
7 nication is a coordinated spender with respect to the
8 candidate involved, the person shall be deemed to
9 have made the payment in cooperation, consultation,
10 or concert with the candidate.

11 “(2) COORDINATED SPENDER DEFINED.—For
12 purposes of this subsection, the term ‘coordinated
13 spender’ means, with respect to a candidate or an
14 authorized committee of a candidate, a person (other
15 than a political committee of a political party) for
16 which any of the following applies:

17 “(A) The person is directly or indirectly
18 formed or established by or at the request or
19 suggestion of, or with the encouragement of,
20 the candidate or committee or agents of the
21 candidate or committee, including with the ex-
22 press or tacit approval of the candidate or com-
23 mittee or agents of the candidate or committee.

24 “(B) The candidate or committee or agents
25 of the candidate or committee solicit funds or

1 engage in other fundraising activity on the per-
2 son's behalf during the election cycle involved,
3 including by providing the person with names of
4 potential donors or other lists to be used by the
5 person in engaging in fundraising activity.

6 “(C) The person is established, directed, or
7 managed by any person who, during the elec-
8 tion cycle involved or during the 4-year period
9 ending on the first day of the election cycle in-
10 volved, has been employed or retained as a po-
11 litical, media, or fundraising adviser or consult-
12 ant for the candidate or committee or for any
13 other entity directly or indirectly controlled by
14 the candidate or committee, or has held a posi-
15 tion with a title for the candidate or committee.

16 “(D) During the election cycle involved,
17 the person has had more than incidental com-
18 munications with the candidate or committee or
19 agents of the candidate or committee about the
20 candidate's campaign needs or activities, or
21 about the person's possible or actual campaign
22 activities with respect to the candidate or com-
23 mittee.

24 “(E) The person has retained the profes-
25 sional services of any person who, during the

1 same election cycle, has provided or is providing
2 professional services relating to the campaign to
3 the candidate or committee. For purposes of
4 this subparagraph, the term ‘professional serv-
5 ices’ includes any services in support of the can-
6 didate’s or committee’s campaign activities, in-
7 cluding advertising, message, strategy, policy,
8 polling, allocation of resources, fundraising, and
9 campaign operations, but does not include ac-
10 counting or legal services.

11 “(d) COVERED COMMUNICATION DEFINED.—

12 “(1) IN GENERAL.—For purposes of this sec-
13 tion, the term ‘covered communication’ means, with
14 respect to a candidate or an authorized committee of
15 a candidate, a public communication (as defined in
16 section 301(22)) which—

17 “(A) promotes or supports the candidate,
18 or attacks or opposes an opponent of the can-
19 didate (regardless of whether the communica-
20 tion expressly advocates the election or defeat
21 of a candidate or contains the functional equiv-
22 alent of express advocacy); or

23 “(B) refers to the candidate or an oppo-
24 nent of the candidate but is not described in
25 subparagraph (A), but only if the communica-

1 tion is disseminated during the applicable elec-
2 tion period.

3 “(2) APPLICABLE ELECTION PERIOD.—In para-
4 graph (1)(B), the ‘applicable election period’ with re-
5 spect to a communication means—

6 “(A) in the case of a communication which
7 refers to a candidate for the office of President
8 or Vice President, the period which begins on
9 the date that is 120 days before the date of the
10 first primary election, preference election, or
11 nominating convention for nomination for the
12 office of President which is held in any State
13 and ends with the date of the general election
14 for such office; or

15 “(B) in the case of a communication which
16 refers to a candidate for any other office, which
17 begins on the date that is 90 days before the
18 primary or preference election, or convention or
19 caucus of a political party that has authority to
20 nominate a candidate, for the office sought by
21 the candidate and ends on the date of the gen-
22 eral election for such office.

23 “(3) SPECIAL RULES FOR COMMUNICATIONS IN-
24 VOLVING CONGRESSIONAL CANDIDATES.—For pur-
25 poses of this subsection, a public communication

1 shall not be considered to be a covered communica-
2 tion with respect to a candidate for election for an
3 office other than the office of President or Vice
4 President unless it is publicly disseminated or dis-
5 tributed in the jurisdiction of the office the can-
6 didate is seeking.

7 “(e) ELECTION CYCLE DEFINED.—In this section,
8 the term ‘election cycle’ means, with respect to an election
9 for Federal office, the period beginning on the day after
10 the date of the most recent general election for that office
11 (or, if the general election resulted in a runoff election,
12 the date of the runoff election) and ending on the date
13 of the next general election for that office (or, if the gen-
14 eral election resulted in a runoff election, the date of the
15 runoff election).”.

16 (c) EFFECTIVE DATE.—

17 (1) REPEAL OF EXISTING REGULATIONS ON CO-
18 ORDINATION.—Effective upon the expiration of the
19 90-day period which begins on the date of the enact-
20 ment of this Act—

21 (A) the regulations on coordinated commu-
22 nications adopted by the Federal Election Com-
23 mission which are in effect on the date of the
24 enactment of this Act (as set forth in 11 CFR

1 Part 109, Subpart C, under the heading “Co-
2 ordination”) are repealed; and

3 (B) the Federal Election Commission shall
4 promulgate new regulations on coordinated
5 communications which reflect the amendments
6 made by this Act.

7 (2) EFFECTIVE DATE.—The amendments made
8 by this section shall apply with respect to payments
9 made on or after the expiration of the 120-day pe-
10 riod which begins on the date of the enactment of
11 this Act, without regard to whether or not the Fed-
12 eral Election Commission has promulgated regula-
13 tions in accordance with paragraph (1)(B) as of the
14 expiration of such period.

15 **SEC. 302. CLARIFICATION OF BAN ON FUNDRAISING FOR**
16 **SUPER PACS BY FEDERAL CANDIDATES AND**
17 **OFFICEHOLDERS.**

18 Section 323(e)(1) of the Federal Election Campaign
19 Act of 1971 (2 U.S.C. 441i(e)(1)) is amended—

20 (1) by striking “or” at the end of subparagraph
21 (A);

22 (2) by striking the period at the end of sub-
23 paragraph (B) and inserting “; or”; and

24 (3) by adding at the end the following new sub-
25 paragraph:

1 “(C) solicit, receive, direct, or transfer
2 funds to or on behalf of any political committee
3 which accepts donations or contributions that
4 do not comply with the limitations, prohibitions,
5 and reporting requirements of this Act (or to or
6 on behalf of any account of a political com-
7 mittee which is established for the purpose of
8 accepting such donations or contributions), or
9 to or on behalf of any political organization
10 under section 527 of the Internal Revenue Code
11 of 1986 which accepts such donations or con-
12 tributions (other than a committee of a State or
13 local political party or a candidate for election
14 for State or local office).”.

15 **TITLE IV—USE OF PRESI-**
16 **DENTIAL ELECTION CAM-**
17 **PAIGN FUND FOR PUBLIC FI-**
18 **NANCING OF FEDERAL ELEC-**
19 **TIONS**

20 **SEC. 401. USE OF PRESIDENTIAL ELECTION CAMPAIGN**
21 **FUND FOR CONGRESSIONAL CANDIDATES.**

22 Subtitle H of the Internal Revenue Code of 1986 is
23 amended by adding at the end the following new chapter:

1 **“CHAPTER 97—EMPOWERING CITIZENS**
2 **PAYMENT ACCOUNT**

“Sec. 9051. Payments to Congressional candidates.

3 **“SEC. 9051. PAYMENTS TO CONGRESSIONAL CANDIDATES.**

4 “(a) ESTABLISHMENT OF ACCOUNT.—The Secretary
5 shall maintain in the Presidential Election Campaign
6 Fund established by section 9006(a), in addition to any
7 account which he maintains under such section, a separate
8 account to be known as the Empowering Citizens Payment
9 Account. The Secretary shall deposit into such Account
10 the amount available after the Secretary determines that
11 amounts for payments under section 9006(c) and for pay-
12 ments under section 9037(b) are available for such pay-
13 ments.

14 “(b) USE OF FUND FOR PAYMENTS TO CONGRES-
15 SIONAL CANDIDATES PARTICIPATING IN PUBLIC FINANC-
16 ING PROGRAM.—The Secretary shall transfer amounts in
17 the Fund to the Federal Election Commission, at such
18 times and in such amounts as the Federal Election Com-
19 mission may certify, for payments to candidates for elec-
20 tion to the office of Senator or Representative in, or Dele-
21 gate or Resident Commissioner to, the Congress who are
22 participating candidates under title V of the Federal Elec-
23 tion Campaign Act of 1971.”.

1 **SEC. 402. REVISIONS TO DESIGNATION OF INCOME TAX**
 2 **PAYMENTS BY INDIVIDUAL TAXPAYERS.**

3 (a) INCREASE IN AMOUNT DESIGNATED.—Section
 4 6096(a) of the Internal Revenue Code of 1986 is amend-
 5 ed—

6 (1) in the first sentence, by striking “\$3” each
 7 place it appears and inserting “\$20”; and

8 (2) in the second sentence—

9 (A) by striking “\$6” and inserting “\$40”;
 10 and

11 (B) by striking “\$3” and inserting “\$20”.

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

14 “(d) INDEXING OF AMOUNT DESIGNATED.—

15 “(1) IN GENERAL.—With respect to each tax-
 16 able year after 2012, each amount referred to in
 17 subsection (a) shall be increased by the percent dif-
 18 ference described in paragraph (2), except that if
 19 any such amount after such an increase is not a
 20 multiple of \$1, such amount shall be rounded to the
 21 nearest multiple of \$1.

22 “(2) PERCENT DIFFERENCE DESCRIBED.—The
 23 percent difference described in this paragraph with
 24 respect to a taxable year is the percent difference
 25 determined under section 315(c)(1)(A) of the Fed-
 26 eral Election Campaign Act of 1971 with respect to

1 the calendar year during which the taxable year be-
2 gins, except that the base year involved shall be
3 2011.”.

4 (c) ENSURING TAX PREPARATION SOFTWARE DOES
5 NOT PROVIDE AUTOMATIC RESPONSE TO DESIGNATION
6 QUESTION.—Section 6096 of such Code, as amended by
7 subsection (b), is amended by adding at the end the fol-
8 lowing new subsection:

9 “(e) ENSURING TAX PREPARATION SOFTWARE DOES
10 NOT PROVIDE AUTOMATIC RESPONSE TO DESIGNATION
11 QUESTION.—The Secretary shall promulgate regulations
12 to ensure that electronic software used in the preparation
13 or filing of individual income tax returns does not auto-
14 matically accept or decline a designation of a payment
15 under this section.”.

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

20 “(f) PUBLIC INFORMATION PROGRAM.—

21 “(1) IN GENERAL.—The Federal Election Com-
22 mission shall conduct a program to inform and edu-
23 cate the public regarding the purposes of the Presi-
24 dential Election Campaign Fund, the procedures for
25 the designation of payments under this section, and

1 the effect of such a designation on the income tax
2 liability of taxpayers.

3 “(2) USE OF FUNDS FOR PROGRAM.—Amounts
4 in the Presidential Election Campaign Fund shall be
5 made available to the Federal Election Commission
6 to carry out the program under this subsection.”.

7 (e) EFFECTIVE DATE.—The amendments made by
8 this section shall take effect January 1, 2013.

9 **SEC. 403. DONATION TO PRESIDENTIAL ELECTION CAM-**
10 **PAIGN FUND.**

11 (a) GENERAL RULE.—Every taxpayer who makes a
12 return of the tax imposed by subtitle A of the Internal
13 Revenue Code of 1986 for any taxable year ending after
14 December 31, 2011, may donate an amount (not less than
15 \$1), in addition to any designation of income tax liability
16 under section 6096 of such Code for such taxable year,
17 which shall be deposited in the general fund of the Treas-
18 ury.

19 (b) MANNER AND TIME OF DESIGNATION.—Any do-
20 nation under subsection (a) for any taxable year—

21 (1) shall be made at the time of filing the re-
22 turn of the tax imposed by subtitle A of such Code
23 for such taxable year and in such manner as the
24 Secretary may by regulation prescribe, except that—

1 (A) the designation for such donation shall
2 be either on the first page of the return or on
3 the page bearing the taxpayer's signature, and

4 (B) the designation shall be by a box
5 added to the return, and the text beside the box
6 shall provide:

7 "By checking here, I signify that in
8 addition to my tax liability (if any), I
9 would like to donate the included payment
10 to be used exclusively as a contribution to
11 the Presidential Election Campaign
12 Fund.",

13 and

14 (2) shall be accompanied by a payment of the
15 amount so designated.

16 (c) TREATMENT OF AMOUNTS DONATED.—For pur-
17 poses of this title, the amount donated by any taxpayer
18 under subsection (a) shall be treated as a contribution
19 made by such taxpayer to the United States on the last
20 date prescribed for filing the return of tax imposed by sub-
21 title A of such Code (determined without regard to exten-
22 sions) or, if later, the date the return is filed.

23 (d) TRANSFERS TO PRESIDENTIAL ELECTION CAM-
24 PAIGN FUND.—The Secretary shall, from time to time,
25 transfer to the Presidential Election Campaign Fund es-

1 tablished under section 9006(a) of such Code amounts
2 equal to the amounts donated under this section.

3 **TITLE V—OTHER CAMPAIGN**
4 **FINANCE REFORMS**

5 **SEC. 501. REGULATIONS WITH RESPECT TO BEST EFFORTS**
6 **FOR IDENTIFYING PERSONS MAKING CON-**
7 **TRIBUTIONS.**

8 Not later than 6 months after the date of enactment
9 of this Act, the Federal Election Commission shall pro-
10 mulgate regulations with respect to what constitutes best
11 efforts under section 302(i) of the Federal Election Cam-
12 paign Act of 1971 (2 U.S.C. 432(i)) for determining the
13 identification of persons making contributions to political
14 committees, including the identifications of persons mak-
15 ing contributions over the Internet or by credit card. Such
16 regulations shall include a requirement that in the case
17 of contributions made by a credit card, the political com-
18 mittee shall ensure that the name on the credit card used
19 to make the contribution matches the name of the person
20 making the contribution.

21 **SEC. 502. PROHIBITION ON JOINT FUNDRAISING COMMIT-**
22 **TEES.**

23 (a) IN GENERAL.—Section 302(e) of the Federal
24 Election Campaign Act of 1971 (2 U.S.C. 432(e)) is

1 amended by adding at the end the following new para-
 2 graph:

3 “(6) No authorized committee of a candidate
 4 may establish a joint fundraising committee with a
 5 political committee other than an authorized com-
 6 mittee of a candidate.”.

7 (b) EFFECTIVE DATE.—The amendments made by
 8 this section shall take effect on January 1, 2013.

9 **SEC. 503. DISCLOSURE OF BUNDLED CONTRIBUTIONS TO**
 10 **PRESIDENTIAL CAMPAIGNS.**

11 (a) IN GENERAL.—Paragraphs (1) through (3) of
 12 section 304(i) of the Federal Election Campaign Act of
 13 1971 (2 U.S.C. 434(i)) are amended to read as follows:

14 “(1) IN GENERAL.—

15 “(A) DISCLOSURE OF BUNDLED CON-
 16 TRIBUTIONS BY LOBBYISTS.—Each committee
 17 described in paragraph (6) shall include in the
 18 first report required to be filed under this sec-
 19 tion after each covered period (as defined in
 20 paragraph (2)) a separate schedule setting forth
 21 the name, address, and employer of each person
 22 reasonably known by the committee to be a per-
 23 son described in paragraph (7) who provided 2
 24 or more bundled contributions to the committee
 25 in an aggregate amount greater than the appli-

1 cable threshold (as defined in paragraph (3))
2 during the covered period, and the aggregate
3 amount of the bundled contributions provided
4 by each such person during the covered period.

5 “(B) DISCLOSURE OF BUNDLED CON-
6 TRIBUTIONS TO PRESIDENTIAL CAMPAIGNS.—

7 Each committee which is an authorized com-
8 mittee of a candidate for the office of President
9 or for nomination to such office shall include in
10 the first report required to be filed under this
11 section after each covered period (as defined in
12 paragraph (2)) a separate schedule setting forth
13 the name, address, and employer of each person
14 who provided 2 or more bundled contributions
15 to the committee in an aggregate amount great-
16 er than the applicable threshold (as defined in
17 paragraph (3)) during the election cycle, and
18 the aggregate amount of the bundled contribu-
19 tions provided by each such person during the
20 covered period and such election cycle. Such
21 schedule shall include a separate listing of the
22 name, address, and employer of each person in-
23 cluded on such schedule who is reasonably
24 known by the committee to be a person de-
25 scribed in paragraph (7), together with the ag-

1 gregate amount of bundled contributions pro-
2 vided by such person during such period and
3 such cycle.

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

6 “(A) with respect to a committee which is
7 an authorized committee of a candidate for the
8 office of President or for nomination to such of-
9 fice—

10 “(i) the 4-year election cycle ending
11 with the date of the election for the office
12 of the President; and

13 “(ii) any reporting period applicable
14 to the committee under this section during
15 which any person provided 2 or more bun-
16 dled contributions to the committee; and

17 “(B) with respect to any other com-
18 mittee—

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

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

23 “(iii) any reporting period applicable
24 to the committee under this section during
25 which any person described in paragraph

1 (7) provided 2 or more bundled contribu-
2 tions to the committee in an aggregate
3 amount greater than the applicable thresh-
4 old.

5 “(3) APPLICABLE THRESHOLD.—

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

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

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

14 In determining whether the amount of bundled
15 contributions provided to a committee by a per-
16 son exceeds the applicable threshold, there shall
17 be excluded any contribution made to the com-
18 mittee by the person or the person’s spouse.

19 “(B) INDEXING.—In any calendar year
20 after 2016, section 315(c)(1)(B) shall apply to
21 each amount applicable under subparagraph
22 (A) in the same manner as such section applies
23 to the limitations established under subsections
24 (a)(1)(A), (a)(1)(B), (a)(3), and (h) of such
25 section, except that for purposes of applying

1 such section to the amount applicable under
2 subparagraph (A), the ‘base period’ shall be
3 2015.’.

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

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

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

12 (3) in paragraph (8)(A)—

13 (A) by striking “, with respect to a com-
14 mittee described in paragraph (6) and a person
15 described in paragraph (7),” and inserting “,
16 with respect to a committee described in para-
17 graph (6) or an authorized committee of a can-
18 didate for the office of President or for nomina-
19 tion to such office,”;

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

22 (C) by striking “the person” each place it
23 appears in clause (ii) and inserting “such per-
24 son”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply with respect to reports filed under
3 section 304 of the Federal Election Campaign Act of 1971
4 after January 1, 2013.

5 **SEC. 504. JUDICIAL REVIEW OF ACTIONS RELATED TO CAM-**
6 **PAIGN FINANCE LAWS.**

7 (a) IN GENERAL.—Title IV of the Federal Election
8 Campaign Act of 1971 (2 U.S.C. 451 et seq.) is amended
9 by inserting after section 406 the following new section:
10 **“SEC. 407. JUDICIAL REVIEW.**

11 “(a) IN GENERAL.—If any action is brought for de-
12 claratory or injunctive relief to challenge the constitu-
13 tionality of any provision of this Act or of chapter 95 or
14 96 of the Internal Revenue Code of 1986, or is brought
15 to with respect to any action of the Commission under
16 chapter 95 or 96 of the Internal Revenue Code of 1986,
17 the following rules shall apply:

18 “(1) The action shall be filed in the United
19 States District Court for the District of Columbia
20 and an appeal from the decision of the district court
21 may be taken to the Court of Appeals for the Dis-
22 trict of Columbia Circuit.

23 “(2) In the case of an action relating to declar-
24 atory or injunctive relief to challenge the constitu-
25 tionality of a provision—

1 “(A) a copy of the complaint shall be deliv-
2 ered promptly to the Clerk of the House of
3 Representatives and the Secretary of the Sen-
4 ate; and

5 “(B) it shall be the duty of the United
6 States District Court for the District of Colum-
7 bia, the Court of Appeals for the District of Co-
8 lumbia, and the Supreme Court of the United
9 States to advance on the docket and to expedite
10 to the greatest possible extent the disposition of
11 the action and appeal.

12 “(b) INTERVENTION BY MEMBERS OF CONGRESS.—
13 In any action in which the constitutionality of any provi-
14 sion of this Act or chapter 95 or 96 of the Internal Rev-
15 enue Code of 1986 is raised, any member of the House
16 of Representatives (including a Delegate or Resident Com-
17 missioner to the Congress) or Senate shall have the right
18 to intervene either in support of or opposition to the posi-
19 tion of a party to the case regarding the constitutionality
20 of the provision. To avoid duplication of efforts and reduce
21 the burdens placed on the parties to the action, the court
22 in any such action may make such orders as it considers
23 necessary, including orders to require interveners taking
24 similar positions to file joint papers or to be represented
25 by a single attorney at oral argument.

1 “(c) CHALLENGE BY MEMBERS OF CONGRESS.—Any
 2 Member of Congress may bring an action, subject to the
 3 special rules described in subsection (a), for declaratory
 4 or injunctive relief to challenge the constitutionality of any
 5 provision of this Act or chapter 95 or 96 of the Internal
 6 Revenue Code of 1986.”.

7 (b) CONFORMING AMENDMENTS.—

8 (1) IN GENERAL.—

9 (A) Section 310 of the Federal Election
 10 Campaign Act of 1971 (2 U.S.C. 437h) is re-
 11 pealed.

12 (B) Section 9011 of the Internal Revenue
 13 Code of 1986 is amended to read as follows:

14 **“SEC. 9011. JUDICIAL REVIEW.**

15 “For provisions relating to judicial review of certifi-
 16 cations, determinations, and actions by the Commission
 17 under this chapter, see section 407 of the Federal Election
 18 Campaign Act of 1971.”.

19 (C) Section 9041 of the Internal Revenue
 20 Code of 1986 is amended to read as follows:

21 **“SEC. 9041. JUDICIAL REVIEW.**

22 “For provisions relating to judicial review of actions
 23 by the Commission under this chapter, see section 407 of
 24 the Federal Election Campaign Act of 1971.”.

1 (D) Section 403 of the Bipartisan Cam-
2 paign Finance Reform Act of 2002 (2 U.S.C.
3 437h note) is repealed.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to actions brought on or after Jan-
6 uary 1, 2013.

7 **TITLE VI—SEVERABILITY;**
8 **EFFECTIVE DATE**

9 **SEC. 601. SEVERABILITY.**

10 If any provision of this Act or amendment made by
11 this Act, or the application of a provision or amendment
12 to any person or circumstance, is held to be unconstitu-
13 tional, the remainder of this Act and amendments made
14 by this Act, and the application of the provisions and
15 amendment to any person or circumstance, shall not be
16 affected by the holding.

17 **SEC. 602. EFFECTIVE DATE.**

18 Except as otherwise provided in this Act, the amend-
19 ments made by this Act shall apply with respect to elec-
20 tions occurring after January 1, 2013.

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