

115TH CONGRESS
2D SESSION

H. R. 5409

To amend the Federal Election Campaign Act of 1971 to require each authorized committee or leadership PAC of a candidate for election for Federal office to disburse all of the funds of the committee or PAC which remain unexpended after the date of the election, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 23, 2018

Ms. CASTOR of Florida introduced the following bill; which was referred to the Committee on House Administration, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Federal Election Campaign Act of 1971 to require each authorized committee or leadership PAC of a candidate for election for Federal office to disburse all of the funds of the committee or PAC which remain unexpended after the date of the election, 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.**

2 This Act may be cited as the “Honest Elections and
3 Campaign, No Gain Act”.

4 **SEC. 2. REQUIRING AUTHORIZED COMMITTEES OF CAN-**
5 **DIDATES TO DISBURSE FUNDS REMAINING**
6 **UNEXPENDED AFTER DATE OF ELECTION.**

7 (a) **REQUIRING DISBURSEMENT.**—Title III of the
8 Federal Election Campaign Act of 1971 (52 U.S.C. 30101
9 et seq.) is amended by inserting after section 303 the fol-
10 lowing new section:

11 **“SEC. 303A. DISBURSEMENT OF FUNDS REMAINING UNEX-**
12 **PENDED AFTER DATE OF ELECTION.**

13 “(a) **REQUIRING DISBURSEMENT.**—

14 “(1) **IN GENERAL.**—Each authorized committee
15 or leadership PAC of a candidate shall, in accord-
16 ance with subsection (b) and prior to the expiration
17 of the applicable disbursement period, disburse any
18 funds of the committee or PAC which remain unex-
19 pended as of the date of the election for the office
20 sought by the candidate.

21 “(2) **EXCEPTION FOR CANDIDATES IN NEXT**
22 **ELECTION.**—Paragraph (1) does not apply to the
23 committee or PAC of a candidate who, prior to the
24 first day of the applicable disbursement period, pro-
25 vides the appropriate State election official with the
26 information and fees (if any) required under State

1 law for the individual to qualify as a candidate for
2 the next election for the office sought by the can-
3 didate or the next election for another Federal of-
4 fice.

5 “(3) APPLICABLE DISBURSEMENT PERIOD.—In
6 this subsection, the ‘applicable disbursement period’
7 is, with respect to a candidate seeking election for
8 an office, the 2-year period which begins on the day
9 after the latest date on which an individual may pro-
10 vide the appropriate State election official with the
11 information and fees (if any) required under State
12 law for the individual to qualify as a candidate for
13 the next election for such office.

14 “(b) RULES FOR DISBURSEMENT OF FUNDS.—

15 “(1) PAYMENT OF OBLIGATIONS.—In carrying
16 out subsection (a), an authorized committee or lead-
17 ership PAC shall first disburse funds to pay obliga-
18 tions incurred in connection with the operation of
19 the committee.

20 “(2) OTHER PERMITTED DISBURSEMENTS.—If,
21 after disbursing all of the funds necessary to pay ob-
22 ligations under paragraph (1), funds of a committee
23 or PAC remain unexpended, the committee or PAC
24 may disburse the funds for any of the following pur-

1 poses, in such manner and combination as the com-
 2 mittee or PAC considers appropriate:

3 “(A) To return to any person a contribu-
 4 tion the person made to the committee or PAC.

5 “(B) To make a contribution to an organi-
 6 zation described in section 170(c) of the Inter-
 7 nal Revenue Code of 1986.

8 “(C) To make a transfer without limitation
 9 to a national, State, or local committee of a po-
 10 litical party.

11 “(c) RESTRICTIONS ON DISBURSEMENT TO REL-
 12 ATIVES.—

13 “(1) RESTRICTION.—In disbursing funds pur-
 14 suant to the requirements of this section, an author-
 15 ized committee or leadership PAC may not disburse
 16 funds to a relative of the candidate unless the funds
 17 are disbursed to pay an obligation of the committee
 18 as described in paragraph (1) of subsection (b)
 19 which is reported by the committee or PAC as a dis-
 20 bursement under section 304(b)(5) or which would
 21 be so reported if the amount of the disbursement
 22 were in excess of \$200.

23 “(2) RELATIVE DEFINED.—In this subsection,
 24 the term ‘relative’ means, with respect to a can-
 25 didate, an individual who is related to the candidate

1 as father, mother, son, daughter, brother, sister,
 2 uncle, aunt, first cousin, nephew, niece, husband,
 3 wife, father-in-law, mother-in-law, son-in-law, daugh-
 4 ter-in-law, brother-in-law, sister-in-law, stepfather,
 5 stepmother, stepson, stepdaughter, stepbrother, step-
 6 sister, half brother, or half sister.

7 “(d) DEFINITION.—In this section, the term ‘leader-
 8 ship PAC’ has the meaning given such term in section
 9 304(i)(8)(B).”.

10 (b) CONFORMING AMENDMENT RELATING TO PER-
 11 MITTED USES OF CONTRIBUTIONS.—Section 313(a) of
 12 such Act (52 U.S.C. 30114(a)) is amended by striking “A
 13 contribution” and inserting “Subject to section 303A, a
 14 contribution”.

15 (c) EFFECTIVE DATE.—The amendments made by
 16 this section shall apply with respect to the regularly sched-
 17 uled general election for Federal office held in November
 18 2018 and each succeeding election for Federal office.

19 **SEC. 3. REQUIRING FORMER CANDIDATES SERVING AS**
 20 **REGISTERED LOBBYISTS TO CERTIFY COM-**
 21 **PLIANCE WITH DISBURSEMENT REQUIRE-**
 22 **MENTS.**

23 (a) CERTIFICATION OF COMPLIANCE.—Section 4(b)
 24 of the Lobbying Disclosure Act of 1995 (2 U.S.C.
 25 1603(b)) is amended—

1 (1) by striking “and” at the end of paragraph
2 (5);

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

5 (3) by inserting after paragraph (6) the fol-
6 lowing new paragraph:

7 “(7) in the case of an individual who was a can-
8 didate for election for Federal office, a certification
9 (under penalty of perjury) that each authorized com-
10 mittee and leadership PAC (as defined in section
11 304(i)(8)(B) of the Federal Election Campaign Act
12 of 1971) of the individual is in compliance with sec-
13 tion 303A of the Federal Election Campaign Act of
14 1971 (relating to the disbursement of funds of the
15 committee or leadership PAC which remain unex-
16 pended after the date of the election).”.

17 (b) EFFECTIVE DATE.—The amendment made by
18 subsection (a) shall apply with respect to registration
19 statements filed under section 4(a) of the Lobbying Dis-
20 closure Act on or after the date of the regularly scheduled
21 general election for Federal office held in November 2018.

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