

military person shall be punished as provided in section 2261.

“(b) DEFINITIONS.—For purposes of this section—

“(1) the term ‘immediate family’ has the same meaning as in section 115; and

“(2) the term ‘military person’ means—

“(A) any member of the Armed Forces of the United States (including a member of any reserve component); and

“(B) any member of the immediate family of a person described in subparagraph (A).”.

(c) CONFORMING AMENDMENTS.—

(1) Section 2261(b) of title 18, United States Code, is amended by inserting “or section 2261A” after “this section”.

(2) Sections 2261(b) and 2262(b) of title 18, United States Code, are each amended by striking “offender’s spouse or intimate partner” each place it appears and inserting “victim”.

(3) The chapter heading for chapter 110A of title 18, United States Code, is amended by inserting “AND STALKING” after “VIOLENCE”.

(d) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110A of title 18, United States Code, is amended by inserting after the item relating to section 2261 the following new item:

“2261A. Stalking of members of the Armed Forces of the United States.”.

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the day after the date of enactment of this Act.

#### FAIRCLOTH AMENDMENT NO. 4091

(Ordered to lie on the table.)

Mr. FAIRCLOTH submitted an amendment intended to be proposed by him to the bill, S. 1745, supra; as follows:

At the end of subtitle B of title II add the following:

#### SEC. 223. SOUTHERN OBSERVATORY FOR ASTROPHYSICAL RESEARCH PROJECT.

Of the total amount authorized to be appropriated under section 201(4), \$3,000,000 is available for the Southern Observatory for Astrophysical Research (SOAR) project of the Defense Advanced Research Projects Agency.

#### THE SENATE CAMPAIGN FINANCE REFORM ACT OF 1996

##### MCCAIN (AND OTHERS) AMENDMENT NO. 4092

Mr. LOTT (for Mr. MCCAIN for himself, Mr. FEINGOLD, and Mr. THOMPSON) proposed an amendment to the bill, S. 1219, supra; as follows:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Senate Campaign Finance Reform Act of 1996”.

#### SEC. 2. AMENDMENT OF CAMPAIGN ACT; TABLE OF CONTENTS.

(a) AMENDMENT OF FECA.—When used in this Act, the term “FECA” means the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.).

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

Sec. 1. Short title.

Sec. 2. Amendment of campaign Act; table of contents.

#### TITLE I—SENATE ELECTION SPENDING LIMITS AND BENEFITS

Sec. 101. Senate election spending limits and benefits.

Sec. 102. Free broadcast time.

Sec. 103. Broadcast rates and preemption.

Sec. 104. Reduced postage rates.

Sec. 105. Contribution limit for eligible Senate candidates.

Sec. 106. Reporting requirement for eligible Senate candidates.

#### TITLE II—REDUCTION OF SPECIAL INTEREST INFLUENCE

Subtitle A—Elimination of Political Action Committees From Federal Election Activities

Sec. 201. Ban on activities of political action committees in Federal elections.

Subtitle B—Provisions Relating to Soft Money of Political Parties

Sec. 211. Soft money of political parties.

Sec. 212. State party grassroots funds.

Sec. 213. Reporting requirements.

Subtitle C—Soft Money of Persons Other Than Political Parties

Sec. 221. Soft money of persons other than political parties.

Subtitle D—Contributions

Sec. 231. Contributions through intermediaries and conduits.

Subtitle E—Independent Expenditures

Sec. 241. Clarification of definitions relating to independent expenditures.

Sec. 242. Reporting requirements for certain independent expenditures.

#### TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Restrictions on use of campaign funds for personal purposes.

Sec. 302. Campaign advertising amendments.

Sec. 303. Filing of reports using computers and facsimile machines.

Sec. 304. Audits.

Sec. 305. Limit on congressional use of the franking privilege.

Sec. 306. Authority to seek injunction.

Sec. 307. Reporting requirements for contributions of \$50 or more.

#### TITLE IV—CONSTITUTIONALITY AND EFFECTIVE DATE

Sec. 401. Severability.

Sec. 402. Expedited review of constitutional issues.

Sec. 403. Effective date.

Sec. 404. Regulations.

#### TITLE I—SENATE ELECTION SPENDING LIMITS AND BENEFITS

##### SEC. 101. SENATE ELECTION SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—FECA is amended by adding at the end the following new title:

#### “TITLE V—SPENDING LIMITS AND BENEFITS FOR SENATE ELECTION CAMPAIGNS

##### “SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.

“(a) IN GENERAL.—For purposes of this title, a candidate is an eligible Senate candidate if the candidate—

“(1) meets the primary and general election filing requirements of subsections (c) and (d);

“(2) meets the primary and runoff election expenditure limits of subsection (b);

“(3) meets the threshold contribution requirements of subsection (e);

“(4) does not exceed the limitation on expenditures from personal funds under section 502(a); and

“(5) meets the in-State contribution requirements of subsection (f).

“(b) PRIMARY AND RUNOFF EXPENDITURE LIMITS.—

“(1) IN GENERAL.—The requirements of this subsection are met if—

“(A) the candidate or the candidate’s authorized committees did not make expendi-

tures for the primary election in excess of the lesser of—

“(i) 67 percent of the general election expenditure limit under section 502(b); or

“(ii) \$2,750,000; and

“(B) the candidate and the candidate’s authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 502(b).

“(2) INDEXING.—The \$2,750,000 amount under paragraph (1)(A)(ii) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that the base period shall be calendar year 1995.

“(c) PRIMARY FILING REQUIREMENTS.—

“(1) IN GENERAL.—The requirements of this subsection are met if the candidate files with the Commission a certification that—

“(A) the candidate and the candidate’s authorized committees—

“(i) will meet the primary and runoff election expenditure limits of subsection (b); and

“(ii) will accept only an amount of contributions for the primary and runoff elections that does exceed those limits;

“(B) the candidate and the candidate’s authorized committees will meet the limitation on expenditures from personal funds under section 502(a); and

“(C) the candidate and the candidate’s authorized committees will meet the general election expenditure limit under section 502(b).

“(2) DEADLINE FOR FILING CERTIFICATION.—The certification under paragraph (1) shall be filed not later than the date the candidate files as a candidate for the primary election.

“(d) GENERAL ELECTION FILING REQUIREMENTS.—

“(1) IN GENERAL.—The requirements of this subsection are met if the candidate files a certification with the Commission under penalty of perjury that—

“(A) the candidate and the candidate’s authorized committees—

“(i) met the primary and runoff election expenditure limits under subsection (b);

“(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (b), whichever is applicable, reduced by any amounts transferred to the current election cycle from a preceding election cycle; and

“(iii) did not accept contributions for the primary or runoff election that caused the candidate to exceed the limitation on contributions from out-of-State residents under subsection (f);

“(B) at least one other candidate has qualified for the same general election ballot under the law of the candidate’s State;

“(C) the candidate and the authorized committees of the candidate—

“(i) except as otherwise provided by this title, will not make expenditures that exceed the general election expenditure limit under section 502(b);

“(ii) will not accept any contributions in violation of section 315; and

“(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that the contribution—

“(I) would cause the aggregate amount of contributions to exceed the sum of the amount of the general election expenditure limit under section 502(b), reduced by any amounts transferred to the current election cycle from a previous election cycle and not taken into account under subparagraph (A)(ii); or

“(II) would cause the candidate to exceed the limitation on contributions from out-of-State residents under subsection (f); and

“(D) the candidate intends to make use of the benefits provided under section 503.

“(2) DEADLINE FOR FILING CERTIFICATION.—The certification under paragraph (1) shall be filed not later than 7 days after the earlier of—

“(A) the date on which the candidate qualifies for the general election ballot under State law; or

“(B) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

“(e) THRESHOLD CONTRIBUTION REQUIREMENTS.—

“(1) IN GENERAL.—The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to the lesser of—

“(A) 10 percent of the general election expenditure limit under section 502(b); or

“(B) \$250,000.

“(2) DEFINITIONS.—In this subsection:

“(A) ALLOWABLE CONTRIBUTION.—The term ‘allowable contribution’—

“(i) means a contribution that is made as a gift of money by an individual pursuant to a written instrument identifying the individual as the contributor; but

“(ii) does not include a contribution from an individual residing outside the candidate's State to the extent that acceptance of the contribution would bring a candidate out of compliance with subsection (f).

“(B) APPLICABLE PERIOD.—The term ‘applicable period’ means—

“(i) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on the date on which the certification under subsection (c)(2) is filed by the candidate; or

“(ii) in the case of a special election for the office of Senator, the period beginning on the date on which the vacancy in the office occurs and ending on the date of the general election.

“(f) LIMITATION ON OUT-OF-STATE CONTRIBUTIONS.—

“(1) REQUIREMENTS.—

“(A) IN GENERAL.—The requirements of this subsection are met if at least 60 percent of the total amount of contributions accepted by the candidate and the candidate's authorized committees are from individuals who are legal residents of the candidate's State.

“(B) SPECIAL RULE FOR SMALL STATES.—In the case of a candidate to which the general election expenditure limit under section 502(b)(1)(B)(i) applies, the requirements of this subsection are met if, at the option of the candidate—

“(i) at least 60 percent of the total amount of contributions accepted by the candidate and the candidate's authorized committees are from individuals who are legal residents of the candidate's State; or

“(ii) at least 60 percent of the number of individuals whose names are reported to the Commission as individuals from whom the candidate and the candidate's authorized committees accept contributions are legal residents of the candidate's State.

“(2) PERSONAL FUNDS.—For purposes of paragraph (1), amounts consisting of funds from sources described in section 502(a) shall be treated as contributions from individuals residing outside the candidate's State.

“(3) TIME FOR DETERMINATION.—A determination whether the requirements of paragraph (1) are met shall be made each time a candidate is required to file a report under section 304 and shall be made on an aggregate basis.

“(4) REPORTING REQUIREMENTS.—In addition to information required to be reported under section 304, a candidate that elects to comply with the requirements of paragraph (1)(B)(ii) shall include in each report required to be filed under section 304 the name and address of each individual that, during the calendar year in which the reporting period occurs, makes contributions aggregating \$20 or more.

#### “SEC. 502. LIMITATION ON EXPENDITURES.

“(a) LIMITATION ON USE OF PERSONAL FUNDS.—

“(1) IN GENERAL.—The aggregate amount of expenditures that may be made during an election cycle by an eligible Senate candidate or the candidate's authorized committees from the sources described in paragraph (2) shall not exceed the lesser of—

“(A) 10 percent of the general election expenditure limit under subsection (b); or

“(B) \$250,000.

“(2) SOURCES.—A source is described in this paragraph if the source is—

“(A) personal funds of the candidate and members of the candidate's immediate family; or

“(B) personal loans incurred by the candidate and members of the candidate's immediate family.

“(3) AMENDED DECLARATION.—A candidate who—

“(A) declares, pursuant to this title, that the candidate does not intend to expend funds described in paragraph (2) in excess of the amount applicable to the candidate under paragraph (1); and

“(B) subsequently changes the declaration or expends such funds in excess of that amount,

shall file an amended declaration with the Commission and notify all other candidates for the same office not later than 24 hours after changing the declaration or exceeding the limits, whichever occurs first, by sending a notice by certified mail, return receipt requested.

“(b) GENERAL ELECTION EXPENDITURE LIMIT.—

“(1) IN GENERAL.—Except as otherwise provided in this title, the aggregate amount of expenditures for a general election by an eligible Senate candidate and the candidate's authorized committees shall not exceed the lesser of—

“(A) \$5,500,000; or

“(B) the greater of—

“(i) \$950,000; or

“(ii) \$400,000; plus

“(I) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

“(II) 25 cents multiplied by the voting age population in excess of 4,000,000.

“(2) EXCEPTION.—In the case of an eligible Senate candidate in a State that has not more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, paragraph (1)(B)(ii) shall be applied by substituting—

“(A) ‘80 cents’ for ‘30 cents’ in subclause (I); and

“(B) ‘70 cents’ for ‘25 cents’ in subclause (II).

“(3) INDEXING.—The amount otherwise determined under paragraph (1) for any calendar year shall be increased by the same percentage as the percentage increase for such calendar year under section 501(b)(2).

“(c) PAYMENT OF TAXES.—The limitation under subsection (b) shall not apply to any expenditure for Federal, State, or local taxes with respect to earnings on contributions raised.

“(d) EXCEPTIONS FOR COMPLYING CANDIDATES RUNNING AGAINST NONCOMPLYING CANDIDATES.—

“(1) EXCESSIVE CONTRIBUTIONS TO, OR PERSONAL EXPENDITURES BY, OPPOSING CANDIDATE.—

“(A) 10 PERCENT EXCESS.—

“(i) IN GENERAL.—If any opponent of an eligible Senate candidate is a noneligible candidate who—

“(I) has received contributions; or

“(II) has made expenditures from a source described in subsection (a);

in an aggregate amount equal to 110 percent of the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit applicable to the eligible Senate candidate, the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit (as the case may be) applicable to the eligible Senate candidate shall be increased by 20 percent.

“(ii) FUNDRAISING IN ANTICIPATION OF INCREASE.—Notwithstanding any other provision of this title, if any opponent of an eligible Senate candidate is a noneligible candidate who—

“(I) has received contributions; or

“(II) has made expenditures from a source described in subsection (a);

in an aggregate amount equal to 50 percent of the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit applicable to the eligible Senate candidate, the eligible Senate candidate may accept contributions in excess of the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit (as the case may be) so long as the eligible Senate candidate does not make any expenditures with such excess contributions before becoming entitled to an increase in the limit under clause (i).

“(B) 50 PERCENT EXCESS.—If any opponent of an eligible Senate candidate is a noneligible candidate who—

“(I) has received contributions; or

“(II) has made expenditures from a source described in subsection (a);

in an aggregate amount equal to 150 percent of the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit applicable to the eligible Senate candidate, the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit (as the case may be) applicable to the eligible Senate candidate shall be increased by 50 percent.

“(C) 100 PERCENT EXCESS.—If any opponent of an eligible Senate candidate is a noneligible candidate who—

“(I) has received contributions; or

“(II) has made expenditures from a source described in subsection (a);

in an aggregate amount equal to 200 percent of the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit applicable to the eligible Senate core //idate, the general election expenditure limit, primary election expenditure limit, or runoff election expenditure limit (as the case may be) applicable to the eligible Senate candidate shall be increased by 100 percent.

“(2) REVOCATION OF ELIGIBILITY OF OPPONENT.—If the status of eligible Senate candidate of any opponent of an eligible Senate candidate is revoked under section 505(a), the general election expenditure limit applicable to the eligible Senate candidate shall be increased by 20 percent.

“(e) EXPENDITURES IN RESPONSE TO INDEPENDENT EXPENDITURES.—If an eligible Senate candidate is notified by the Commission under section 304(c)(4) that independent expenditures totaling \$10,000 or more have been

made in the same election in favor of another candidate or against the eligible candidate, the eligible candidate shall be permitted to spend an amount equal to the amount of the independent expenditures, and any such expenditures shall not be subject to any limit applicable under this title to the eligible candidate for the election.

**“SEC. 503. BENEFITS THAT ELIGIBLE CANDIDATES ARE ENTITLED TO RECEIVE.**

“An eligible Senate candidate shall be entitled to receive—

“(1) the broadcast media rates provided under section 315(b) of the Communications Act of 1934;

“(2) the free broadcast time provided under section 315(c) of the Communications Act of 1934; and

“(3) the reduced postage rates provided in section 3626(e) of title 39, United States Code.

**“SEC. 504. CERTIFICATION BY COMMISSION.**

“(a) IN GENERAL.—Not later than 48 hours after an eligible candidate qualifies for a general election ballot, the Commission shall certify the candidate’s eligibility for free broadcast time under section 315(c) of the Communications Act of 1934. The Commission shall revoke the certification if the Commission determines that a candidate fails to continue to meet the requirements of this title.

“(b) DETERMINATIONS BY COMMISSION.—A determination (including a certification under subsection (a)) made by the Commission under this title shall be final, except to the extent that the determination is subject to examination and audit by the Commission under section 505.

**“SEC. 505. REVOCATION; MISUSE OF BENEFITS.**

“(a) REVOCATION OF STATUS.—

“(1) IN GENERAL.—If the Commission determines that any eligible Senate candidate—

“(A) has received contributions in excess of 110 percent of—

“(i) the applicable primary election limit under this title;

“(ii) the applicable general election limit under this title; or

“(iii) the limitation on contributions from out-of-State residents under section 501(f); or

“(B) has expended personal funds in excess of 110 percent of the limit under section 502(a),

the Commission shall revoke the certification of the candidate as an eligible Senate candidate and notify the candidate of the revocation.

“(2) PAYMENT OF VALUE OF BENEFITS.—On receipt of notification of revocation of eligibility under paragraph (1), a candidate—

“(A) shall pay an amount equal to the value of the benefits received under this title; and

“(B) shall be ineligible for benefits available under section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) for the duration of the election cycle.

“(b) MISUSE OF BENEFITS.—If the Commission determines that any benefit made available to an eligible Senate candidate under this title was not used as provided for in this title or that a candidate has violated any of the spending limits contained in this Act, the Commission shall so notify the candidate, and the candidate shall pay an amount equal to the value of the benefit.”

(b) TRANSITION PERIOD.—Expenditures made before January 1, 1997, shall not be counted as expenditures for purposes of the limitations contained in the amendment made by subsection (a).

**SEC. 102. FREE BROADCAST TIME.**

(a) IN GENERAL.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) in the third sentence of subsection (a) by striking “within the meaning of this sub-

section” and inserting “within the meaning of this subsection and subsection (c)”;

(2) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(3) by inserting after subsection (b) the following:

“(C) FREE BROADCAST TIME.—

“(1) IN GENERAL.—Except as provided in paragraph (3), each eligible Senate candidate who has qualified for the general election ballot as a candidate of a major or minor party shall be entitled to receive a total of 30 minutes of free broadcast time from broadcasting stations within the candidate’s State or an adjacent State.

“(2) TIME.—

“(A) PRIME TIME.—Unless a candidate elects otherwise, the broadcast time made available under this subsection shall be between 6:00 p.m. and 10:00 p.m. on any day that falls on Monday through Friday.

“(B) LENGTH OF BROADCAST.—Except as otherwise provided in this Act, a candidate may use such time as the candidate elects, but time may not be used in lengths of less than 30 seconds or more than 5 minutes.

“(C) MAXIMUM REQUIRED OF ANY ONE STATION.—A candidate may not request that more than 15 minutes of free broadcast time be aired by any one broadcasting station.

“(3) MORE THAN 2 CANDIDATES.—In the case of an election among more than 2 candidates described in paragraph (1), only 60 minutes of broadcast time shall be available for all such candidates, and broadcast time shall be allocated as follows:

“(A) MINOR PARTY CANDIDATES.—The amount of broadcast time that shall be provided to the candidate of a minor party shall be equal to 60 minutes multiplied by the percentage of the number of popular votes received by the candidate of that party in the preceding general election for the Senate in the State (or if subsection (e)(4)(B) applies, the percentage determined under that subsection).

“(B) MAJOR PARTY CANDIDATES.—The amount of broadcast time remaining after assignment of broadcast time to minor party candidates under clause (i) shall be allocated equally between the major party candidates.

“(4) ONLY 1 CANDIDATE.—In the case of an election in which only 1 candidate qualifies to be on the general election ballot, no time shall be required to be provided by a broadcasting station under this subsection.

“(5) EXEMPTION.—The Federal Election Commission shall by regulation exempt from the requirements of this subsection—

“(A) a licensee the signal of which is broadcast substantially nationwide; and

“(B) a licensee that establishes that the requirements of this subsection would impose a significant economic hardship on the licensee.”; and

(4) in subsection (d) (as redesignated by paragraph (2))—

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

(B) by striking the period at the end of paragraph (2) and inserting a semicolon; and

(C) by adding at the end the following:

“(3) the term ‘major party’ means, with respect to an election for the United States Senate in a State, a political party whose candidate for the United States Senate in the preceding general election for the Senate in that State received, as a candidate of that party, 25 percent or more of the number of popular votes received by all candidates for the Senate;

“(4) the term ‘minor party’ means, with respect to an election for the United States Senate in a State, a political party—

“(A) whose candidate for the United States Senate in the preceding general election for the Senate in that State received 5 percent or more but less than 25 percent of the num-

ber of popular votes received by all candidates for the Senate; or

“(B) whose candidate for the United States Senate in the current general election for the Senate in that State has obtained the signatures of at least 5 percent of the State’s registered voters, as determined by the chief voter registration official of the State, in support of a petition for an allocation of free broadcast time under this subsection; and

“(5) the term ‘Senate election cycle’ means, with respect to an election to a seat in the United States Senate, the 6-year period ending on the date of the general election for that seat.”

(b) JURISDICTION OVER CHALLENGES TO BROADCAST MEDIA RATES AND FREE BROADCAST TIME.—

(1) IN GENERAL.—The United States Court of Federal Claims shall have exclusive jurisdiction over any action challenging the constitutionality of the broadcast media rates and free broadcast time required to be offered to political candidates under section 503 of the Federal Election Campaign Act of 1971 and section 315 of the Communications Act of 1934.

(2) REMEDY.—Money damages shall be the sole and exclusive remedy in an action under paragraph (1), and only an individual or entity that suffers actual financial injury shall have standing to maintain such an action.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1997.

**SEC. 103. BROADCAST RATES AND PREEMPTION.**

(a) BROADCAST RATES.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) by striking “(b) The charges” and inserting the following:

“(b) BROADCAST MEDIA RATES.—

“(1) IN GENERAL.—The charges”;

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(3) in paragraph (1)(A) (as redesignated by paragraph (2))—

(A) by striking “forty-five” and inserting “30”; and

(B) by striking “lowest unit charge of the station for the same class and amount of time for the same period” and inserting “lowest charge of the station for the same amount of time for the same period on the same date”; and

(4) by adding at the end the following:

“(2) ELIGIBLE SENATE CANDIDATES.—In the case of an eligible Senate candidate (within the meaning of section 501(a) of the Federal Election Campaign Act), the charges for the use of a television broadcasting station during the 30-day period and 60-day period referred to in paragraph (1)(A) shall not exceed 50 percent of the lowest charge described in paragraph (1)(A).”

(b) PREEMPTION; ACCESS.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315), as amended by section 102(a), is amended—

(1) by redesignating subsections (d) and (e) (as redesignated by section 102(a)(2)), as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c) the following:

“(d) PREEMPTION.—

“(1) IN GENERAL.—Except as provided in paragraph (2), a licensee shall not preempt the use, during any period specified in subsection (b)(1)(A), of a broadcasting station by an eligible Senate candidate who has purchased and paid for such use pursuant to subsection (b)(2).

“(2) CIRCUMSTANCES BEYOND CONTROL OF LICENSEE.—If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the

broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.”

(C) REVOCATION OF LICENSE FOR FAILURE TO PERMIT ACCESS.—Section 312(a)(7) of the Communications Act of 1934 (47 U.S.C. 312(a)(7)) is amended—

(1) by striking “or repeated”;

(2) by inserting “or cable system” after “broadcasting station”; and

(3) by striking “his candidacy” and inserting “the candidacy of the candidate, under the same terms, conditions, and business practices as apply to the most favored advertiser of the licensee”.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1997.

#### SEC. 104. REDUCED POSTAGE RATES.

(a) IN GENERAL.—Section 3626(e) of title 39, United States Code, is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)—

(i) by striking “and the National” and inserting “the National”; and

(ii) by inserting before the semicolon the following: “, and, subject to paragraph (3), the principal campaign committee of an eligible Senate candidate;”;

(B) in subparagraph (B), by striking “and” after the semicolon;

(C) in subparagraph (C), by striking the period and inserting a semicolon; and

(D) by adding at the end the following:

“(D) the term ‘principal campaign committee’ has the meaning stated in section 301 of the Federal Election Campaign Act of 1971; and

“(E) the term ‘eligible Senate candidate’ means an eligible Senate candidate (within the meaning of section 501(a) of the Federal Election Campaign Act of 1971).”;

(2) by adding after paragraph (2) the following:

“(3) The rate made available under this subsection with respect to an eligible Senate candidate shall apply only to that number of pieces of mail that is equal to 2 times the number of individuals in the voting age population (as certified under section 315(e) of the Federal Election Campaign Act of 1971) of the State.”

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1997..

#### SEC. 105. CONTRIBUTION LIMIT FOR ELIGIBLE SENATE CANDIDATES.

Section 315(a)(1) of FECA (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (A) by inserting “except as provided in subparagraph (B),” before “to”;

(2) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively; and

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

“(B) if the general election expenditure, primary election expenditure limit, or runoff election expenditure limit applicable to an eligible Senate candidate has been increased under section 502(d), to the eligible Senate candidate and the authorized political committees of the candidate with respect to any election for the office of United States Senator, which, in the aggregate, exceed \$2,000.”

#### SEC. 106. REPORTING REQUIREMENT FOR ELIGIBLE SENATE CANDIDATES.

Section 304(b)(2) of FECA (2 U.S.C. 434(b)(2)) is amended by striking “and” at the end of subparagraph (J), by striking the period at the end of subparagraph (K) and inserting “; and”, and by adding at the end the following new subparagraph:

“(L) in the case of an eligible Senate candidate, the total amount of contributions from individuals who are residents of the State in which the candidate seeks office.”

## TITLE II—REDUCTION OF SPECIAL INTEREST INFLUENCE

### Subtitle A—Elimination of Political Action Committees From Federal Election Activities

#### SEC. 201. BAN ON ACTIVITIES OF POLITICAL ACTION COMMITTEES IN FEDERAL ELECTIONS.

(a) IN GENERAL.—Title III of FECA (2 U.S.C. 301 et seq.) is amended by adding at the end the following:

#### “SEC. 324. BAN ON FEDERAL ELECTION ACTIVITIES BY POLITICAL ACTION COMMITTEES.

“Notwithstanding any other provision of this Act, no person other than an individual or a political committee may make a contribution to a candidate or candidate’s authorized committee.”

(b) DEFINITION OF POLITICAL COMMITTEE.—(1) Section 301(4) of FECA (2 U.S.C. 431(4)) is amended to read as follows:

“(4) The term ‘political committee’ means—

“(A) the principal campaign committee of a candidate;

“(B) any national, State, or district committee of a political party, including any subordinate committee thereof;

“(C) any local committee of a political party that—

“(i) receives contributions aggregating in excess of \$5,000 during a calendar year;

“(ii) makes payments exempted from the definition of contribution or expenditure under paragraph (8) or (9) aggregating in excess of \$5,000 during a calendar year; or

“(iii) makes contributions or expenditures aggregating in excess of \$1,000 during a calendar year; and

“(D) any committee jointly established by a principal campaign committee and any committee described in subparagraph (B) or (C) for the purpose of conducting joint fundraising activities.”

(2) Section 316(b)(2) of FECA (2 U.S.C. 441b(b)(2)) is amended—

(A) by inserting “or” after “subject;”;

(B) by striking “and their families; and” and inserting “and their families.”; and

(C) by striking subparagraph (C).

(c) CANDIDATE’S COMMITTEES.—(1) Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

“(9) For the purposes of the limitations provided by paragraphs (1) and (2), any political committee that is established, financed, maintained, or controlled, directly or indirectly, by any candidate or Federal officeholder shall be deemed to be an authorized committee of such candidate or officeholder.”

(2) Section 302(e)(3) of FECA (2 U.S.C. 432) is amended to read as follows:

“(3) No political committee that supports, or has supported, more than one candidate may be designated as an authorized committee, except that—

“(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate’s principal campaign committee, if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

“(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee.”

(d) RULES APPLICABLE WHEN BAN NOT IN EFFECT.—(1) For purposes of FECA, during any period beginning after the effective date in which the limitation under section 324 of that Act (as added by subsection (a)) is not in effect—

(A) the amendments made by subsections (a), (b), and (c) shall not be in effect;

(B) it shall be unlawful for a multi-candidate political committee, intermediary, or conduit to make a contribution to a candidate for election, or nomination for election, to Federal office (or an authorized committee) to the extent that the making or accepting of the contribution will cause the amount of contributions received by the candidate and the candidate’s authorized committees from multicandidate political committees, intermediaries, or conduits to exceed 20 percent of the aggregate Federal election spending limits applicable to the candidate for the election cycle; and

(C) it shall be unlawful for a political committee, intermediary, or conduit to make a contribution to a candidate for election, or a nomination for an election, to Federal office (or an authorized committee of such candidate) in excess of the amount an individual is allowed to give directly to a candidate or a candidate’s authorized committee.

For purposes of this paragraph, the term “intermediary or conduit” has the meaning stated in section 315(a)(8) of FECA.

(2) A candidate or authorized committee that receives a contribution from a multicandidate political committee in excess of the amount allowed under paragraph (1)(B) shall return the amount of such excess contribution to the contributor.

### Subtitle B—Provisions Relating to Soft Money of Political Parties

#### SEC. 211. SOFT MONEY OF POLITICAL PARTIES.

Title III of FECA (2 U.S.C. 301 et seq.) (as amended by section 201) is amended by adding at the end the following:

#### “SEC. 325. SOFT MONEY OF POLITICAL PARTIES.

“(a) NATIONAL COMMITTEES.—A national committee of a political party (including a national congressional campaign committee of a political party, an entity that is established, financed, maintained, or controlled by the national committee, a national congressional campaign committee of a political party, and an officer or agent of any such party or entity but not including an entity regulated under subsection (b)) shall not solicit or receive any contributions, donations, or transfers of funds, or spend any funds, not subject to the limitations, prohibitions, and reporting requirements of this Act.

“(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

“(1) LIMITATION.—Any amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is established, financed, maintained, or controlled by a State, district, or local committee of a political party and an agent or officer of any such committee or entity) during a calendar year in which a Federal election is held, for any activity that might affect the outcome of a Federal election, including any voter registration or get-out-the-vote activity, any generic campaign activity, and any communication that identifies a candidate (regardless of whether a candidate for State or local office is also mentioned or identified) shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

“(2) ACTIVITY NOT INCLUDED IN PARAGRAPH (1).—

“(A) IN GENERAL.—Paragraph (1) shall not apply to an expenditure or disbursement made by a State, district, or local committee of a political party for—

“(i) a contribution to a candidate for State or local office if the contribution is not designated or otherwise earmarked to pay for an activity described in paragraph (1);

“(ii) the costs of a State, district, or local political convention;

“(iii) the non-Federal share of a State, district, or local party committee’s administrative and overhead expenses (but not including the compensation in any month of any individual who spends more than 20 percent of the individual’s time on activity during the month that may affect the outcome of a Federal election) except that for purposes of this paragraph, the non-Federal share of a party committee’s administrative and overhead expenses shall be determined by applying the ratio of the non-Federal disbursements to the total Federal expenditures and non-Federal disbursements made by the committee during the previous presidential election year to the committee’s administrative and overhead expenses in the election year in question;

“(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs that name or depict only a candidate for State or local office; and

(v) the cost of any campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, if the candidate activity is not an activity described in paragraph (1).

“(B) FUNDRAISING.—Any amount that is expended or disbursed by a national, State, district, or local committee, by an entity that is established, financed, maintained, or controlled by a State, district, or local committee of a political party, or by an agent or officer of any such committee or entity to raise funds that are used, in whole or in part, to pay the costs of an activity described in subparagraph (A) shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

“(c) TAX-EXEMPT ORGANIZATIONS.—No national, State, district, or local committee of a political party shall solicit any funds for or make any donations to an organization that is exempt from Federal taxation under section 501(c) of the Internal Revenue Code of 1986.

“(d) CANDIDATES.—

“(1) IN GENERAL.—Except as provided in paragraph (2), no candidate, individual holding Federal office, or agent of a candidate or individual holding Federal office may—

“(A) solicit or receive funds in connection with an election for Federal office unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

“(B) solicit or receive funds that are to be expended in connection with any election for other than a Federal election unless the funds—

“(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under section 315(a) (1) and (2); and

“(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office.

“(2) EXCEPTION.—Paragraph (1) does not apply to the solicitation or receipt of funds by an individual who is a candidate for a State or local office if the solicitation or receipt of funds is permitted under State law for the individual’s State or local campaign committee.”

#### SEC. 212. STATE PARTY GRASSROOTS FUNDS.

(a) INDIVIDUAL CONTRIBUTIONS.—Section 315(a)(1) of FECA (2 U.S.C. 441a(a)(1)) (as amended by section 105) is amended—

(1) in subparagraph (C) by striking “or” at the end;

(2) by redesignating subparagraph (D) as subparagraph (E); and

(3) by inserting after subparagraph (C) the following:

“(D) to—

“(i) a State Party Grassroots Fund established and maintained by a State committee

of a political party in any calendar year which, in the aggregate, exceed \$20,000;

“(ii) any other political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed \$5,000;

except that the aggregate contributions described in this subparagraph that may be made by a person to the State Party Grassroots Fund and all committees of a State Committee of a political party in any State in any calendar year shall not exceed \$20,000; or”.

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Section 315(a)(2) of FECA (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking “or” at the end;

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following:

“(C) to—

“(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which in the aggregate, exceed \$15,000;

“(ii) to any other political committee established and maintained by a State committee of a political party which, in the aggregate, exceed \$5,000;

except that the aggregate contributions described in this subparagraph that may be made by a multicandidate political committee to the State Party Grassroots Fund and all committees of a State Committee of a political party in any State in any calendar year shall not exceed \$15,000; or”.

(c) OVERALL LIMIT.—

(1) IN GENERAL.—Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by striking paragraph (3) and inserting the following:

“(3) OVERALL LIMIT.—

“(A) ELECTION CYCLE.—No individual shall make contributions during any election cycle that, in the aggregate, exceed \$60,000.

“(B) CALENDAR YEAR.—No individual shall make contributions during any calendar year—

“(i) to all candidates and their authorized political committees that, in the aggregate, exceed \$25,000; or

“(ii) to all political committees established and maintained by State committees of a political party that, in the aggregate, exceed \$20,000.

“(C) NONELECTION YEARS.—For purposes of subparagraph (B)(i), any contribution made to a candidate or the candidate’s authorized political committees in a year other than the calendar year in which the election is held with respect to which the contribution is made shall be treated as being made during the calendar year in which the election is held.”

(2) DEFINITION.—Section 301 of FECA (2 U.S.C. 431) is amended by adding at the end the following:

“(20) ELECTION CYCLE.—The term ‘election cycle’ means—

“(A) in the case of a candidate or the authorized committees of a candidate, the period beginning on the day after the date of the most recent general election for the specific office or seat that the candidate seeks and ending on the date of the next general election for that office or seat; and

“(B) in the case of all other persons, the period beginning on the first day following the date of the last general election and ending on the date of the next general election.”

(d) STATE PARTY GRASSROOTS FUNDS.—

(1) IN GENERAL.—Title III of FECA (2 U.S.C. 301 et seq.) (as amended by section 211) is amended by adding at the end the following:

#### “SEC. 326. STATE PARTY GRASSROOTS FUNDS.

“(a) DEFINITION.—In this section, the term ‘State or local candidate committee’ means a committee established, financed, maintained, or controlled by a candidate for other than Federal office.

“(b) TRANSFERS.—Notwithstanding section 315(a)(4), no funds may be transferred by a State committee of a political party from its State Party Grassroots Fund to any other State Party Grassroots Fund or to any other political committee, except a transfer may be made to a district or local committee of the same political party in the same State if the district or local committee—

“(1) has established a separate segregated fund for the purposes described in section 325(b)(1); and

“(2) uses the transferred funds solely for those purposes.

“(c) AMOUNTS RECEIVED BY GRASSROOTS FUNDS FROM STATE AND LOCAL CANDIDATE COMMITTEES.—

“(1) IN GENERAL.—Any amount received by a State Party Grassroots Fund from a State or local candidate committee for expenditures described in section 325(b)(1) that are for the benefit of that candidate shall be treated as meeting the requirements of 325(b)(1) and section 304(d) if—

“(A) the amount is derived from funds which meet the requirements of this Act with respect to any limitation or prohibition as to source or dollar amount specified in section 315(a) (1)(A) and (2)(A); and

“(B) the State or local candidate committee—

“(i) maintains, in the account from which payment is made, records of the sources and amounts of funds for purposes of determining whether those requirements are met; and

“(ii) certifies that the requirements were met.

“(2) DETERMINATION OF COMPLIANCE.—For purposes of paragraph (1)(A), in determining whether the funds transferred meet the requirements of this Act described in paragraph (1)(A)—

“(A) a State or local candidate committee’s cash on hand shall be treated as consisting of the funds most recently received by the committee; and

“(B) the committee must be able to demonstrate that its cash on hand contains funds meeting those requirements sufficient to cover the transferred funds.

“(3) REPORTING.—Notwithstanding paragraph (1), any State Party Grassroots Fund that receives a transfer described in paragraph (1) from a State or local candidate committee shall be required to meet the reporting requirements of this Act, and shall submit to the Commission all certifications received, with respect to receipt of the transfer from the candidate committee.”

(2) DEFINITION.—Section 301 of FECA (2 U.S.C. 431) (as amended by subsection (c)(2)) is amended by adding at the end the following:

“(21) STATE PARTY GRASSROOTS FUND.—The term ‘State Party Grassroots Fund’ means a separate segregated fund established and maintained by a State committee of a political party solely for the purpose of making expenditures and other disbursements described in section 325(a).”

#### SEC. 213. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of FECA (2 U.S.C. 434) is amended by adding at the end the following new subsection:

“(d) POLITICAL COMMITTEES.—(1) The national committee of a political party, any congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

“(2) A political committee (not described in paragraph (1)) to which section 325(b)(1) applies shall report all receipts and disbursements.

“(3) Any political committee shall include in its report under paragraph (1) or (2) the amount of any contribution received by a national committee which is to be transferred to a State committee for use directly (or primarily to support) activities described in section 325(b)(2) and shall itemize such amounts to the extent required by subsection (b)(3)(A).

“(4) Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements that are used in connection with a Federal election.

“(5) If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of \$200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in subsection (b) (3)(A), (5), or (6).

“(6) Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).”.

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of FECA (2 U.S.C. 431(8)) is amended by inserting at the end the following:

“(C) The exclusion provided in subparagraph (B)(viii) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions aggregating in excess of \$200 shall be reported.”.

(c) REPORTS BY STATE COMMITTEES.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end the following new subsection:

“(e) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.”.

(d) OTHER REPORTING REQUIREMENTS.—

(1) AUTHORIZED COMMITTEES.—Section 304(b)(4) of FECA (2 U.S.C. 434(b)(4)) is amended—

(A) by striking “and” at the end of subparagraph (H);

(B) by inserting “and” at the end of subparagraph (I); and

(C) by adding at the end the following new subparagraph:

“(J) in the case of an authorized committee, disbursements for the primary election, the general election, and any other election in which the candidate participates;”.

(2) NAMES AND ADDRESSES.—Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended—

(A) by striking “within the calendar year”; and

(B) by inserting “, and the election to which the operating expenditure relates” after “operating expenditure”.

#### Subtitle C—Soft Money of Persons Other Than Political Parties

#### SEC. 221. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 215) is amended by adding at the end the following:

“(f) ELECTION ACTIVITY OF PERSONS OTHER THAN POLITICAL PARTIES.—

“(1) IN GENERAL.—A person other than a committee of a political party that makes aggregate disbursements totaling in excess

of \$10,000 for activities described in paragraph (2) shall file a statement with the Commission—

“(A) within 48 hours after the disbursements are made; or

“(B) in the case of disbursements that are made within 20 days of an election, within 24 hours after the disbursements are made.

“(2) ACTIVITY.—The activity described in this paragraph is—

“(A) any activity described in section 441(b)(2)(A) that refers to any candidate for Federal office, any political party, or any Federal election; and

“(B) any activity described in section 441b(b)(2) (B) or (C).

“(3) ADDITIONAL STATEMENTS.—An additional statement shall be filed each time additional disbursements aggregating \$10,000 are made by a person described in paragraph (1).

“(4) APPLICABILITY.—This subsection does not apply to—

“(A) a candidate or a candidate’s authorized committees; or

“(B) an independent expenditure.

“(5) CONTENTS.—A statement under this section shall contain such information about the disbursements as the Commission shall prescribe, including—

“(A) the name and address of the person or entity to whom the disbursement was made;

“(B) the amount and purpose of the disbursement; and

“(C) if applicable, whether the disbursement was in support of, or in opposition to, a candidate or a political party, and the name of the candidate or the political party.”.

#### Subtitle D—Contributions

#### SEC. 231. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS.

Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) is amended by striking paragraph (8) and inserting the following:

“(8) INTERMEDIARIES AND CONDUITS.—

“(A) DEFINITIONS.—In this paragraph:

“(i) ACTING ON BEHALF OF THE ENTITY.—The term ‘acting on behalf of the entity’ means soliciting one or more contributions—

“(I) in the name of an entity;

“(II) using other than incidental resources of an entity; or

“(III) by directing a significant portion of the solicitations to other officers, employees, agents, or members of an entity or their spouses, or by soliciting a significant portion of the other officers, employees, agents, or members of an entity or their spouses.

“(ii) BUNDLER.—The term ‘bundler’ means an intermediary or conduit that is any of the following persons or entities:

“(I) A political committee (other than the authorized campaign committee of the candidate that receives contributions as described in subparagraph (B) or (C)).

“(II) Any officer, employee or agent of a political committee described in subclause (I).

“(III) An entity.

“(IV) Any officer, employee, or agent of an entity who is acting on behalf of the entity.

“(V) A person required to be listed as a lobbyist on a registration or other report filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) or any successor law that requires reporting on the activities of a person who is a lobbyist or foreign agent.

“(iii) DELIVER.—The term ‘deliver’ means to deliver contributions to a candidate by any method of delivery used or suggested by a bundler that communicates to the candidate (or to the person who receives the contributions on behalf of the candidate) that the bundler collected the contributions for the candidate, including such methods as—

“(I) personal delivery;

“(II) United States mail or similar services;

“(III) messenger service; and

“(IV) collection at an event or reception.

“(iv) ENTITY.—The term ‘entity’ means a corporation, labor organization, or partnership.

“(B) TREATMENT AS CONTRIBUTIONS FROM PERSONS BY WHOM MADE.—

“(i) IN GENERAL.—For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to the candidate, shall be treated as contributions from the person to the candidate.

“(ii) REPORTING.—The intermediary or conduit through which a contribution is made shall report the name of the original contributor and the intended recipient of the contribution to the Commission and to the intended recipient.

“(C) TREATMENT AS CONTRIBUTIONS FROM THE BUNDLER.—Contributions that a bundler delivers to a candidate, agent of the candidate, or the candidate’s authorized committee shall be treated as contributions from the bundler to the candidate as well as from the original contributor.

“(D) NO LIMITATION ON OR PROHIBITION OF CERTAIN ACTIVITIES.—This subsection does not—

“(i) limit fundraising efforts for the benefit of a candidate that are conducted by another candidate or Federal officeholder; or

“(ii) prohibit any individual described in subparagraph (A)(ii)(IV) from soliciting, collecting, or delivering a contribution to a candidate, agent of the candidate, or the candidate’s authorized committee if the individual is not acting on behalf of the entity.”.

#### Subtitle E—Independent Expenditures

#### SEC. 241. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURE DEFINITION AMENDMENT.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

“(17) INDEPENDENT EXPENDITURE.—

“(A) IN GENERAL.—The term ‘independent expenditure’ means an expenditure that—

“(i) contains express advocacy; and

“(ii) is made without the participation or cooperation of, or without the consultation of, a candidate or a candidate’s representative.

“(B) ITEMS EXCLUDED.—The following shall not be considered to be an independent expenditure:

“(i) An expenditure made by—

“(I) an authorized committee of a candidate for Federal office; or

“(II) a political committee of a political party.

“(ii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate’s agent and the person making the expenditure.

“(iii) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

“(I) authorized to raise or expend funds on behalf of the candidate or the candidate’s authorized committees; or

“(II) serving as a member, employee, or agent of the candidate’s authorized committees in an executive or policymaking position.

“(iv) An expenditure if the person making the expenditure has played a significant role in advising or counseling the candidate or the candidate’s agents at any time on the

candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office.

"(v) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office. For purposes of this clause, the term 'professional services' shall include any services (other than legal and accounting services solely for purposes of ensuring compliance with any Federal law) in support of any candidate's or candidates' pursuit of nomination for election, or election, to Federal office.

"(C) PERSONS INCLUDED.—For purposes of subparagraph (B), the person making the expenditure shall include any officer, director, employee, or agent of the person.

"(18) EXPRESS ADVOCACY.—

"(A) IN GENERAL.—The term 'express advocacy' means a communication that, taken as a whole and with limited reference to external events, makes an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party.

"(B) EXPRESSION OF SUPPORT FOR OR OPPOSITION TO.—In subparagraph (A), the term 'expression of support for or opposition to' includes a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity, or to refrain from taking action.

"(C) VOTING RECORDS.—The term 'express advocacy' does not include the publication and distribution of a communication that is limited to providing information about votes by elected officials on legislative matters and that does not expressly advocate the election or defeat of a clearly identified candidate."

(b) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking "or" at the end;

(2) in clause (ii), by striking the period at the end and inserting "or"; and

(3) by adding at the end the following:

"(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that is not an independent expenditure under paragraph (17)."

**SEC. 242. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.**

Section 304(c) of FECA of 1971 (2 U.S.C. 434(c)) is amended—

(1) in paragraph (2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) as paragraph (7); and

(3) by inserting after paragraph (2), as amended by paragraph (1), the following new paragraphs:

"(3)(A) Any person (including a political committee) making independent expenditures as defined in section 301 (17) and (18) with respect to a candidate in an election aggregating \$1,000 or more made after the 20th day, but more than 24 hours, before the election shall file a report within 24 hours after such independent expenditures are made. An additional report shall be filed each time independent expenditures aggregating \$1,000 are made with respect to the same candidate after the latest report filed under this subparagraph.

"(B) Any person (including a political committee) making independent expenditures

with respect to a candidate in an election aggregating \$10,000 or more made at any time up to and including the 20th day before the election shall file a report within 48 hours after such independent expenditures are made. An additional report shall be filed each time independent expenditures aggregating \$10,000 are made with respect to the same candidate after the latest report filed under this paragraph.

"(C) A report under subparagraph (A) or (B) shall be filed with the Commission and shall identify each candidate whom the expenditure is actually intended to support or to oppose. In the case of an election for United States Senator, the Commission shall, within 2 business days of receipt of a report, transmit a copy of the report to each eligible Senate candidate seeking nomination or election to that office.

"(D) For purposes of this section, an independent expenditure shall be considered to have been made upon the making of any payment or the taking of any action to incur an obligation for payment.

"(4) The Commission may, upon a request of a candidate or on its own initiative, make its own determination that a person, including a political committee, has made, or has incurred obligations to make, independent expenditures with respect to any candidate in any election which in the aggregate exceed the applicable amounts under paragraph (3). In the case of an election for United States Senator, the Commission shall notify each eligible Senate candidate in such election of such determination made within 2 business days after making it. Any determination made at the request of a candidate shall be made within 48 hours of the request.

"(5) In the event that independent expenditures totaling in the aggregate \$10,000 have been made in the same election in favor of another candidate or against an eligible Senate candidate, the Commission shall, within 2 business days, notify the eligible candidate that such candidate is entitled to an increase under section 502(e) in the candidate's applicable election limit in an amount equal to the amount of such independent expenditures."

**TITLE III—MISCELLANEOUS PROVISIONS**

**SEC. 301. RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR PERSONAL PURPOSES.**

(a) RESTRICTIONS ON USE OF CAMPAIGN FUNDS.—Title III of FECA (2 U.S.C. 431 et seq.) (as amended by section 201) is amended by adding at the end the following new section:

**"SEC. 325. RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR PERSONAL PURPOSES.**

"(a) DEFINITIONS.—In this section:

"(1) CAMPAIGN EXPENSE.—The term 'campaign expense' means an expense that is attributable solely to a bona fide campaign purpose.

"(2) INHERENTLY PERSONAL PURPOSES.—The term 'inherently personal purpose' means a purpose that, by its nature, confers a personal benefit, including a home mortgage, rent, or utility payment, clothing purchase, noncampaign automobile expense, country club membership, vacation, or trip of a noncampaign nature, household food items, tuition payment, admission to a sporting event, concert, theatre or other form of entertainment not associated with a campaign, dues, fees, or contributions to a health club or recreational facility, and any other inherently personal living expense as determined under the regulations promulgated pursuant to section 301(b) of the Senate Campaign Finance Reform Act of 1996.

"(b) PERMITTED AND PROHIBITED USES.—An individual who receives contributions as a candidate for Federal office—

"(1) shall use the contributions only for legitimate and verifiable campaign expenses; and

"(2) shall not use the contributions for any inherently personal purpose."

(b) REGULATIONS.—Not later than 90 days after the date of enactment of this Act, the Federal Election Commission shall promulgate regulations consistent with this Act to implement subsection (a). Such regulations shall apply to all contributions possessed by an individual on the date of enactment of this Act.

**SEC. 302. CAMPAIGN ADVERTISING AMENDMENTS.**

Section 318 of FECA (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking "Whenever" and inserting "Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever";

(ii) by striking "an expenditure" and inserting "a disbursement"; and

(iii) by striking "direct"; and

(B) in paragraph (3), by inserting "and permanent street address" after "name"; and

(2) by adding at the end the following new subsections:

"(c) Any printed communication described in subsection (a) shall be—

"(1) of sufficient type size to be clearly readable by the recipient of the communication;

"(2) contained in a printed box set apart from the other contents of the communication; and

"(3) consist of a reasonable degree of color contrast between the background and the printed statement.

"(d)(1) Any broadcast or cablecast communication described in subsection (a)(1) or subsection (a)(2) shall include, in addition to the requirements of those subsections, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

"(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement which—

"(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

"(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

"(e) Any broadcast or cablecast communication described in subsection (a)(3) shall include, in addition to the requirements of those subsections, in a clearly spoken manner, the following statement:

"\_\_\_\_\_ is responsible for the content of this advertisement." (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If broadcast or cablecast by means of television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds."

**SEC. 303. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.**

Section 302(g) of FECA (2 U.S.C. 432(g)) is amended by adding at the end the following new paragraph:

“(6)(A) The Commission, in consultation with the Secretary of the Senate and the Clerk of the House of Representatives, may prescribe regulations under which persons required to file designations, statements, and reports under this Act—

“(i) are required to maintain and file them for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

“(ii) may maintain and file them in that manner if not required to do so under regulations prescribed under clause (i).

“(B) The Commission, in consultation with the Secretary of the Senate and the Clerk of the House of Representatives, shall prescribe regulations which allow persons to file designations, statements, and reports required by this Act through the use of facsimile machines.

“(C) In prescribing regulations under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulations. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.

“(D) The Secretary of the Senate and the Clerk of the House of Representatives shall ensure that any computer or other system that they may develop and maintain to receive designations, statements, and reports in the forms required or permitted under this paragraph is compatible with any such system that the Commission may develop and maintain.”

#### SEC. 304. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of FECA (2 U.S.C. 438(b)) is amended—

(1) by inserting “(1)” before “The Commission”; and

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

“(2) Notwithstanding paragraph (1), the Commission may after all elections are completed conduct random audits and investigations to ensure voluntary compliance with this Act. The subjects of such audits and investigations shall be selected on the basis of criteria established by vote of at least 4 members of the Commission to ensure impartiality in the selection process. This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under title VI or to an authorized committee of an eligible Senate candidate or an eligible House candidate subject to audit under section 522(a).”

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of FECA (2 U.S.C. 438(b)) is amended by striking “6 months” and inserting “12 months”.

#### SEC. 305. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

(a) IN GENERAL.—Section 3210(a)(6)(A) of title 39, United States Code, is amended to read as follows:

“(A) A Member of Congress shall not mail any mass mailing as franked mail during a year in which there will be an election for the seat held by the Member during the period between January 1 of that year and the date of the general election for that Office, unless the Member has made a public announcement that the Member will not be a candidate for reelection to that year or for election to any other Federal office.”

(b) APPLICATION OF SAVINGS.—It is the intent of Congress that any savings realized by

virtue of the amendment made by subsection (a) shall be designated to pay for the benefits of section 104 (relating to reduced postage rates for eligible Senate candidates) provided under section 104.

#### SEC. 306. AUTHORITY TO SEEK INJUNCTION.

Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following new paragraph:

“(13)(A) If, at any time in a proceeding described in paragraph (1), (2), (3), or (4), the Commission believes that—

“(i) there is a substantial likelihood that a violation of this Act is occurring or is about to occur;

“(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

“(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

“(iv) the public interest would be best served by the issuance of an injunction,

the Commission may initiate a civil action for a temporary restraining order or a temporary injunction pending the outcome of the proceedings described in paragraphs (1), (2), (3), and (4).

“(B) An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found, or in which the violation is occurring, has occurred, or is about to occur.”;

(2) in paragraph (7), by striking “(5) or (6)” and inserting “(5), (6), or (13)”; and

(3) in paragraph (11), by striking “(6)” and inserting “(6) or (13)”.

#### SEC. 307. REPORTING REQUIREMENTS FOR CONTRIBUTIONS OF \$50 OR MORE.

Section 304(b)(2)(A) is amended by inserting “, including the name and address of each person who makes contributions aggregating at least \$50 but not more than \$200 during the calendar year” after “political committees”.

### TITLE IV—CONSTITUTIONALITY AND EFFECTIVE DATE

#### SEC. 401. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

#### SEC. 402. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

#### SEC. 403. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on January 1, 1997.

#### SEC. 404. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act not later than 9 months after the effective date of this Act.

### NOTICE OF HEARING

#### COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Wednesday, June 26, 1996, at 9:30 a.m. to hold a hearing on FEC reauthorization, oversight, and campaign finance reform.

For further information concerning this hearing, please contact Bruce Kasold of the Rules Committee staff at 224-3448.

### AUTHORITY FOR COMMITTEES TO MEET

#### COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Thursday, June 20, 1996, session of the Senate for the purpose of conducting a hearing on broadcast spectrum reform.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. D'AMATO. Mr. President, I ask unanimous consent that the full Committee on Environmental and Public Works be granted permission to continue consideration of pending business in the President's Room, S-216, the Capitol, Thursday, June 20, at approximately 2:30 p.m., immediately following the vote on the confirmation of the nomination of Alice Rivlin to be a member of the Federal Reserve Board.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### COMMITTEE ON FOREIGN RELATIONS

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 20, 1996, at 10 a.m. and 3 p.m. to hold hearings.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### COMMITTEE ON THE JUDICIARY

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, June 20, 1996, at 10 a.m. to hold a hearing on White House access to FBI background summaries.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### COMMITTEE ON INDIAN AFFAIRS AND THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate on Thursday, June 20, 1996, at 10 a.m. to conduct a joint hearing with the Committee on Banking, Housing, and Urban Affairs on title VII, American Indian Housing Assistance, of H.R. 2406, the U.S. Housing Act of 1996. The hearing will be held in room 538 of the Dirksen Senate Office Building.