THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 105TH CONGRESS, 1ST SESSION, SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1997, AS OF CLOSE OF BUSINESS JANUARY 21, 1997—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriation legislation		238,523	
Offsetting receipts	−199,772	−199,772	
Total previously enacted	643,368	842,905	1,100,355
ENACTED SECOND SESSION, 104TH CONGRESS			
Appropriations Bills:			
Agriculture (P.L. 104–180)	52,345	44,922	
District of Columbia (P.L. 104–194)	719	719	
Energy and Water Development (P.L. 104–206)	19,973	13,090	
Legislative Branch (P.L. 104–197)	2,166	1,917	
Military Construction (P.L. 104–196)	9,982	3,140	
Omnibus Consolidated Appropriations Act (P.L. 104–208) [1]	499,841	352,017	−1
Transportation (P.L. 104–205)	12,599	12,270	
Veterans, HUD, Independent Agencies (P.L. 104–204)	84,303	49,666	
Authorization Bills:			
Taxpayer Bill of Rights 2 (P.L. 104–168)			−15
Federal Oil and Gas Royalty Simplification and Fairness Act (P.L. 104–185)	−2	−2	
Small Business Job Protection Act of 1996 (P.L. 104–188) [2]	−76	−76	550
Authorize Voluntary Separation Incentives at A.I.D. Act (P.L. 104–190)	−1	−1	
Health Insurance Portability and Accountability Act of 1996 (P.L. 104–191)	305	315	590
Personal Responsibility and Work Opportunity Reconciliation Act (P.L. 104–193)	−2,341	−2,934	60
National Defense Authorization Act for FY 1997 (P.L. 104–201)	−103	−103	
Railroad Unemployment Insurance Amendments Act of 1996 (P.L. 104–251)	12	12	
Federal Aviation Administration Authorization Act of 1996 (P.L. 104–264)	2,330	50	
Veterans Benefits Improvements Act of 1996 (P.L. 104–275)	3		
Central Utah Project Completion Act (P.L. 104–286)	−72	−72	
Technical Corrections and Amendments to Trade Laws (P.L. 104–295)	1	1	−8
Sustainable Fisheries Act (P.L. 104–297)		−1	1
Navajo-Hopi Land Dispute Settlement Act, 1996 (P.L. 104–301)	48	48	
Accountable Pipeline Safety and Partnership Act of 1996 (P.L. 104–304)	3	3	
Fairness in Compensating Owners of Patents Used by the U.S. (P.L. 104–308)	3	3	
Repeal Requirement for Resident Review for Nursing Facilities (P.L. 104–315)	−8	−8	
Emergency Drought Relief Act of 1996 (P.L. 104–318)	7	7	
Coast Guard Authorization Act of 1995 (P.L. 104–324)	3	3	
United States Commemorative Coin Act of 1996 (P.L. 104–329)		−6	
Total enacted this session	682,040	474,980	1,177
ENTITLEMENTS AND MANDATORIES			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted	6,428	6,015	
Total Current Level	1,331,836	1,323,900	1,101,532
Total Budget Resolution	1,314,935	1,311,321	1,083,728
Amount remaining:			
Under Budget Resolution			
Over Budget Resolution	16,901	12,579	17,804
ADDENDUM			
Emergencies:			
Funding that has been designated as an emergency requirement by the President and the Congress	1,555	1,210	
Funding that has been designated as an emergency requirement only by the Congress and is not available for obligation until requested by the President	364	323	
Total emergencies	1,919	1,533	
Total current level including emergencies	1,333,755	1,325,433	1,101,532

[1] This act includes 1997 funding for six appropriation bills (Commerce/Justice, Defense, Foreign Operations, Interior, Labor/HHS/Education, and Treasury) and additional appropriations for hurricane and flood recovery, firefighting and antiterrorism. There are also several provisions that affect the following direct spending programs: FCC auction receipts, Bank Insurance Funds, and Food Stamp program, and the Small Business Administration loan program account.

[2] The supporting detail for the On-Budget Current Level Report, dated September 24, 1996, had on-budget revenues for this act of $579 million. Since that report, the Joint Committee on Taxation has revised this estimate to $550 million.●

FARMERS AND THE ALTERNATIVE MINIMUM TAX

● Mrs. MURRAY. Mr. President, I am pleased to join over 50 of my colleagues today in cosponsoring legislation to solve an unfortunate tax problem drastically affecting farmers in Washington State and throughout the Nation. This bill will prevent the alternative minimum tax from being applied to deferred payment contracts.

Farmers routinely use deferred payment contracts to assist their money management and farm operations. Wheat growers, potato growers, and other farmers in Washington State often enter into contracts requiring them to sell and deliver their crops on a specified date for a fixed amount. While these contracts may be entered into one year, the payments to the farmers agreed to in the contract, either in total or in part, often will not be received by the farmer until the following year. The Internal Revenue Service is now saying that farmers must pay taxes in the year of the contract, not the year of payment. I think it is wrong to require farmers to pay taxes on income they have not yet received. I believe most Americans would agree.

Farmers are not trying to avoid paying taxes. They simply consider it unfair to be burdened with a tax liability prior to receiving payment. I am particularly concerned about the retroactive approach the Internal Revenue Service has taken with regard to this issue. While the 1986 Tax Act omitted the exemption from the AMT for farmers, the IRS failed to impose the alternative minimum tax for 8 years. Now, all of a sudden, the IRS is imposing the AMT. And not only for the current year, but for all years open to audit. This could well cost family farmers tens of thousands of dollars. We cannot afford to impose such an egregious obligation on our family farms. It is not right. This bill will correct the situation.

This bill will make it clear that the alternative minimum tax shall not be applied to installment sales of farmers. It will insure that farmers pay taxes when they get paid, not before. It is that simple. While fancy terms like alternative minimum tax, deferred payment contracts, and installment sales of inventory property make the issue sound complex, it is really about simple tax fairness—paying taxes on income received, not on income expected.

The IRS Commissioner has stated that the IRS will not oppose this legislation. In addition, the Department of the Treasury welcomes ''the opportunity to work with [Congress] to address this matter through corrective legislation''. With a majority of the Senate cosponsoring this bill, my colleagues from both sides of the aisle and all parts of the country, I look forward to its timely consideration.●

BIPARTISAN CAMPAIGN REFORM ACT

● Mr. FEINGOLD. Mr. President, yesterday I joined with the senior Senator from Arizona [Mr. MCCAIN] and others in introducing S. 25, the Bipartisan Campaign Reform Act. I ask that the text of the bill be printed in the RECORD.

S. 25

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Bipartisan Campaign Reform Act of 1997''.

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

TITLE I—SENATE ELECTION SPENDING LIMITS AND BENEFITS

SEC. 101. SENATE ELECTION SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—The Federal Election Campaign Act of 1971 is amended by adding at the end the following new title:

''TITLE V—SPENDING LIMITS AND BENEFITS FOR SENATE ELECTION CAMPAIGNS

''SEC. 501. DEFINITIONS.

''In this title:

''(1) ELIGIBLE SENATE CANDIDATE.—The term 'eligible Senate candidate' means a candidate who the Commission has certified under section 505 as an eligible primary election Senate candidate or as an eligible general election Senate candidate.

''(2) GENERAL ELECTION EXPENDITURE LIMIT.—The term 'general election expenditure limit', with respect to an eligible Senate candidate, means the limit applicable to the eligible Senate candidate under section 503(d).

''(3) OUT-OF-STATE RESIDENT CONTRIBUTION LIMIT.—The term 'out-of-State resident contribution limit', with respect to an eligible Senate candidate, means the limit applicable to the candidate under section 502(e).

''(4) PERSONAL FUNDS EXPENDITURE LIMIT.—The term 'personal funds expenditure limit' means the limit stated in section 503(a).

''(5) PRIMARY ELECTION EXPENDITURE LIMIT.—The term 'primary election expenditure limit', with respect to an eligible Senate candidate, means the limit applicable to the eligible Senate candidate under section 503(b).

''(6) RUNOFF ELECTION EXPENDITURE LIMIT.—The term 'runoff election expenditure limit', with respect to an eligible Senate candidate, means the limit applicable to the eligible Senate candidate under section 503(c).

''SEC. 502. ELIGIBLE SENATE CANDIDATES.

''(a) IN GENERAL.—A candidate is—

''(1) an eligible primary election Senate candidate if the Commission certifies under section 505 that the candidate—

''(A) has met the primary election filing requirement of subsection (b); and

''(B) has met the threshold contribution requirement of subsection (d); and

''(2) an eligible general election Senate candidate if the Commission certifies under section 505 that the candidate—

''(A) has met the general election filing requirement of subsection (c); and

''(B) has been certified as an eligible primary election Senate candidate.

''(b) PRIMARY ELECTION FILING REQUIREMENT.—

''(1) IN GENERAL.—The requirement of this subsection is met if the candidate files with the Commission a declaration that—

''(A) the candidate and the candidate's authorized committees—

''(i)(I) will not exceed the personal funds expenditure limit, primary election expenditure limit, runoff election expenditure limit, or general election expenditure limit; and

''(II) will accept only amounts of contributions for the primary election, any runoff election, and the general election that do not exceed the primary election expenditure limit, runoff election expenditure limit, and general election expenditure limit (reduced by any amount transferred to the current election cycle from a preceding election); and

''(ii) will not accept contributions for the primary election, any runoff election, or the general election that would cause the candidate to exceed the out-of-State resident contribution limit; and

''(B) at least 1 other candidate has qualified for the same primary election ballot under the law of the candidate's State.

''(2) DEADLINE FOR FILING PRIMARY ELECTION DECLARATION.—The declaration under paragraph (1) shall be filed not later than the date on which the candidate files with the appropriate State officer as a candidate for the primary election.

''(c) GENERAL ELECTION FILING REQUIREMENT.—

''(1) IN GENERAL.—The requirement of this subsection is met if the candidate files with the Commission—

''(A) a declaration under penalty of perjury, with supporting documentation as required by the Commission, that—

''(i) the candidate and the candidate's authorized committees—

''(I) did not exceed the personal funds expenditure limit, primary election expenditure limit, or runoff election expenditure limit;

''(II) did not accept amounts of contributions for the primary election or any runoff election in excess of the primary election expenditure limit or runoff election expenditure limit (reduced by any amount transferred to the current election cycle from a preceding election); and

''(III) did not accept contributions for the primary election or any runoff election that caused the candidate to exceed the out-of-State resident contribution limit;

''(ii) the candidate has met the threshold contribution requirement of subsection (d), as demonstrated by documents accompanying the declaration under subsection (b) or the declaration under this subsection; and

''(iii) at least 1 other candidate has qualified for the same general election ballot under the law of the candidate's State; and

''(B) a declaration that candidate and the candidate's authorized committees—

''(i) except as otherwise provided by this title, will not make expenditures in excess of the personal funds expenditure limit or general election expenditure limit; and

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

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

''(II) would cause the candidate to exceed the out-of-State resident contribution limit.

''(2) DEADLINE FOR FILING GENERAL ELECTION DECLARATION.—The declaration 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.

''(d) THRESHOLD CONTRIBUTION REQUIREMENT.—

''(1) IN GENERAL.—The requirement of this subsection is met—

''(A) 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—

''(i) 10 percent of the general election expenditure limit; or

''(ii) $250,000; and

''(B) the candidate files with the Commission a statement under penalty of perjury that the requirement of subparagraph (A) has been met, with supporting materials demonstrating that the requirement has been met.

''(2) DEFINITIONS.—In this subsection:

''(A) ALLOWABLE CONTRIBUTION.—

''(i) IN GENERAL.—The term 'allowable contribution' 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.

''(ii) EXCLUSIONS.—The term 'allowable contribution' does not include a contribution from—

''(I) 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 (e); or

''(II) a source described in section 503(a)(2).

''(B) APPLICABLE PERIOD.—The term 'applicable period' means—

''(i) the period beginning on January 1 of the calendar year preceding the calendar year of a general election and ending on the date on which the declaration under subsection (b) is filed by the candidate; or

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

''(e) OUT-OF-STATE RESIDENT CONTRIBUTION LIMIT.—

''(1) REQUIREMENT.—

''(A) IN GENERAL.—The requirement of this subsection is 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 503(d)(1)(B)(i) applies, the requirement of this subsection is 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 503(a) shall be treated as contributions from individuals residing outside the candidate's State.

''(3) TIME FOR MEETING REQUIREMENT.—The aggregate amount of contributions received by an eligible Senate candidate as of the end of each reporting period under section 304 shall meet the requirement of paragraph (1).

''(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 and the amount of contributions made by each individual that, during the calendar year in which the reporting period occurs, makes contributions aggregating $20 or more.

''SEC. 503. EXPENDITURE LIMITS.

''(a) PERSONAL FUNDS EXPENDITURE LIMIT.—

''(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; 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) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

''(b) PRIMARY ELECTION EXPENDITURE LIMIT.—The aggregate amount of expenditures for a primary election by an eligible primary election Senate candidate and the candidate's authorized committees shall not exceed the lesser of—

''(1) 67 percent of the general election expenditure limit; or

''(2) $2,750,000.

''(c) RUNOFF ELECTION EXPENDITURE LIMIT.—The aggregate amount of expenditures for a runoff election by an eligible primary election Senate candidate and the candidate's authorized committees shall not exceed 20 percent of the general election expenditure limit.

''(d) 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 general election 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).

''(e) EXCEPTIONS FOR COMPLYING CANDIDATES RUNNING AGAINST NONCOMPLYING CANDIDATES.—

''(1) 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—

''(A) has received contributions; or

''(B) has made expenditures from a source described in subsection (a);

in an aggregate amount equal to 50 percent of the primary election expenditure limit, runoff election expenditure limit, or general election expenditure limit, the eligible Senate candidate may accept contributions in excess of the primary election expenditure limit, runoff election expenditure limit, or general 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 paragraph (2) or (3).

''(2) 50 PERCENT INCREASE.—If any opponent of an eligible Senate candidate is a noneligible candidate who has made expenditures in an aggregate amount equal to 105 percent of the primary election expenditure limit, runoff election expenditure limit, or general election expenditure limit, the primary election expenditure limit, runoff election expenditure limit, or general election expenditure limit (as the case may be of the eligible Senate candidate) shall be increased by 50 percent.

''(3) 100 PERCENT INCREASE.—If any opponent of an eligible Senate candidate is a noneligible candidate who has made expenditures in an aggregate amount equal to 155 percent of the primary election expenditure limit, runoff election expenditure limit, or general election expenditure limit, the primary election expenditure limit, runoff election expenditure limit, or general election expenditure limit (as the case may be of the eligible Senate candidate) shall be increased by 100 percent.

''(f) EXPENDITURES IN RESPONSE TO INDEPENDENT EXPENDITURES.—If an eligible Senate candidate is notified by the Commission under section 304(c)(4) that independent expenditures in an aggregate amount of $10,000 or more have been made in the same election in support of another candidate or against the eligible Senate candidate, the eligible Senate 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.

''(g) INDEXING.—The amounts under subsections (b)(1) and (d)(1) 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 1997.

''(h) PAYMENT OF TAXES.—The primary election expenditure limit, runoff election expenditure limit, and general election expenditure limit shall not apply to any expenditure for Federal, State, or local taxes with respect to earnings on contributions raised.

''(i) NOTICE OF FAILURE TO COMPLY WITH REQUIREMENTS.—A candidate who filed a declaration under section 502 and subsequently acts in a manner that is inconsistent with any of the statements made in the declaration shall, not later than 24 hours after the first of the acts—

''(1) file with the Commission a notice describing those acts; and

''(2) notify all other candidates for the same office by sending a copy of the notice by certified mail, return receipt requested.

''SEC. 504. BENEFITS FOR ELIGIBLE CANDIDATES.

''If an eligible Senate candidate has an opponent who has qualified for the ballot and who has received contributions (or expended funds from a source described in section 503(a)(2)) in an amount equal to 10 percent or more of the applicable expenditure limit, the eligible Senate candidate shall be entitled to—

''(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. 505. CERTIFICATION BY COMMISSION.

''(a) IN GENERAL.—The Commission shall determine whether a candidate has met the requirements of this title and, based on the determination, issue a certification stating whether the candidate is an eligible Senate candidate entitled to receive benefits under this title.

''(b) CERTIFICATION.—

''(1) PRIMARY ELECTION.—Not later than 7 business days after a candidate files a declaration under section 502(b), the Commission shall determine whether the candidate meets the eligibility requirements of section 502(b)(1) and, if so, certify that the candidate is an eligible primary election Senate candidate entitled to receive benefits under this title.

''(2) GENERAL ELECTION.—Not later than 7 business days after a candidate files a declaration under section 502(c), the Commission shall determine whether the candidate meets the eligibility requirement of section 502(c)(1), and, if so, certify that the candidate is an eligible general election Senate candidate entitled to receive benefits under this title.

''(c) REVOCATION.—

''(1) IN GENERAL.—The Commission shall revoke a certification under subsection (a), based on information submitted in such form

and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate—

''(A) violates any of the expenditure limits contained in this title by making an aggregate amount of expenditures that exceeds any applicable expenditure limit by 5 percent or more;

''(B) uses a benefit made available to a candidate under this title in a manner not provided for in this title; or

''(C) fails to continue to meet the requirement of this title.

''(2) NO FURTHER BENEFITS.—A candidate whose certification has been revoked shall be ineligible for any further benefits made available under this title for the duration of the election cycle.

''(d) 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 506 and to judicial review.

''SEC. 506. MISUSE OF BENEFITS.

''(a) MISUSE OF BENEFITS.—If the Commission revokes the certification of an eligible Senate candidate, the Commission shall so notify the candidate, and the candidate shall pay to the provider of any benefit received by the candidate under this title an amount equal to the difference between the amount the candidate paid for such benefit and the amount the candidate would have paid for the benefit if the candidate were not an eligible Senate candidate.

''(b) CIVIL PENALTIES.—

''(1) LOW AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed a limitation under this title by 2.5 percent or less shall pay to the Commission an amount equal to the amount of the excess expenditures.

''(2) MEDIUM AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed a limitation under this title by more than 2.5 percent and less than 5 percent shall pay to the Commission an amount equal to 3 times the amount of the excess expenditures.

''(3) LARGE AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed a limitation under this title by 5 percent or more shall pay to the Commission an amount equal to 3 times the amount of the excess expenditures plus a civil penalty to be imposed pursuant to section 309.''.

(b) EXPENDITURES MADE BEFORE EFFECTIVE DATE.—An expenditure shall not be counted as an expenditure for purposes of the expenditure limits contained in the amendment made by subsection (a) if the expenditure is made before the date that is 60 days after the date of enactment of this Act.

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 subsection'' 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 establish a procedure to exempt from the requirements of this subsection—

''(A) licensees the signals of which are broadcast substantially nationwide; and

''(B) licensees that establish that the requirements of this subsection would impose a significant economic hardship on the licensees.''; 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 number 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.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date that is 60 days after the date of enactment of this Act.

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, and adjusting the margins accordingly;

(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) SENATE CANDIDATES.—

''(A) ELIGIBLE SENATE CANDIDATES.—In the case of an eligible Senate candidate (within the meaning of section 501 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) NONELIGIBLE SENATE CANDIDATES.—In the case of a candidate for the United States Senate who is not an eligible Senate candidate, paragraph (1)(A) shall not apply.''.

(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 the date that is 60 days after the date of enactment of this Act.

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 given in section 301 of the Federal Election Campaign Act of 1971; and

''(E) the term 'eligible Senate candidate' has the meaning given in section 501 of the Federal Election Campaign Act of 1971.''; and

(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 the date that is 60 days after the date of enactment of this Act.

SEC. 105. CONTRIBUTION LIMIT FOR ELIGIBLE SENATE CANDIDATES.

Section 315(a)(1) of the Federal Election Campaign Act of 1971 (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 limit, primary election expenditure limit, or runoff limit election expenditure limit applicable to an eligible Senate candidate has been increased under section 503(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 SENATE CANDIDATES.

(a) CONTRIBUTIONS BY IN-STATE RESIDENTS.—Section 304(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(2)) is amended—

(1) by striking ''and'' at the end of subparagraph (J);

(2) by striking the period at the end of subparagraph (K) and inserting ''; and''; and

(3) by adding at the end the following:

''(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.''.

(b) REPORTS BY SENATE CANDIDATES.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 221) is amended by adding at the end the following:

''(h) SENATE CANDIDATES.—

''(1) EXPENDITURES OF PERSONAL FUNDS.—

''(A) IN GENERAL.—A candidate for the Senate who during an election cycle makes expenditures from sources described in section 503(a)(2) in excess of the personal funds expenditure limit under 503(a) shall report the expenditures to the Commission within 48 hours after the expenditures have been made.

''(B) ADDITIONAL REPORTS.—A candidate shall file an additional report within 48 hours after the date on which the candidate makes expenditures for the general election from sources described in section 503(a)(2) that in the aggregate exceed 25 percent of the general election expenditure limit.

''(2) EXPENDITURES OF PERSONAL FUNDS BY A SENATE CANDIDATE WHO IS NOT AN ELIGIBLE CANDIDATE.—

''(A) IN GENERAL.—A primary election Senate candidate or general election Senate candidate who is not certified as an eligible candidate under section 505 and who has received contributions or made expenditures from sources described in section 503(a)(2) in an aggregate amount that exceeds 50 percent of the general election expenditure limit shall file a report with the Commission within 48 hours after that amount of contributions have been received or expenditures have been made.

''(B) ADDITIONAL REPORTS.—A primary election Senate candidate or general election Senate candidate shall file an additional report within 48 hours after the candidate has received contributions or made expenditures from sources described in section 503(a)(2) in an aggregate amount that exceeds 105 percent or 155 percent of the applicable expenditure limits.

''(3) NOTIFICATION.—Within 48 hours after a report is filed under paragraph (1) or (2), the Commission shall notify each eligible Senate candidate in the election of the filing.

''(4) REPORT AND NOTIFICATION REQUIREMENTS WITHIN 20 DAYS OF AN ELECTION.—

''(A) REPORTS.—If any act which requires the filing of any report under paragraphs (1) or (2) occurs after the 20th day, but more than 24 hours before an election, the report shall be filed by the candidate within 24 hours of the occurrence of the act.

''(B) NOTIFICATION.—For any such report filed under this subsection, the Commission shall notify the appropriate eligible Senate candidate within 24 hours after the filing of such report.''.

TITLE II—REDUCTION OF SPECIAL INTEREST INFLUENCE

Subtitle A—Political Action Committees

SEC. 201. BAN ON POLITICAL ACTION COMMITTEE CONTRIBUTIONS TO FEDERAL CANDIDATES.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

''SEC. 324. BAN ON POLITICAL ACTION COMMITTEE CONTRIBUTIONS TO FEDERAL CANDIDATES.

''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).—Section 301(4) of the Federal Election Campaign Act of 1971 (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).—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (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) CONTRIBUTIONS TO AUTHORIZED COMMITTEE.—Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by adding at the end the following:

''(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) DESIGNATION OF AUTHORIZED COMMITTEE.—Section 302(e)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by striking paragraph (3) and inserting the following:

''(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.—For purposes of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), during any period beginning after the effective date in which the limitation under section 324 (as added by subsection (a)) is not in effect—

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

(2)(A) it shall be unlawful for a candidate for election, or nomination for election, to the Senate or an authorized committee of a Senate candidate to accept a contribution from a multicandidate political committee or an intermediary or conduit (within the meaning of paragraph (8)), to the extent that the making or accepting of the contribution would cause the aggregate amount of contributions received by the candidate and the candidate's authorized committees from multicandidate political committees, intermediaries, and conduits to exceed 20 percent of the primary election expenditure limit, runoff election expenditure limit, or general election expenditure limit (as those terms are defined in section 501) that is applicable (or, if the candidate were an eligible Senate candidate (as defined in section 501), would be applicable) to the candidate, and a candidate shall return to the contributor the excess of any contributions received over the amount of contributions allowed to be accepted under this subparagraph; and

(B) it shall be unlawful for a political committee, intermediary, or conduit to make a contribution to any candidate or an authorized committee of a candidate that, in the aggregate, exceeds the amount that an individual is permitted, under section 315(a), to make directly to the candidate and candidate's authorized committees.

Subtitle B—Provisions Relating to Soft Money of Political Party Committees

SEC. 211. SOFT MONEY OF POLITICAL PARTY COMMITTEE.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 201) is amended by adding at the end the following:

''SEC. 325. SOFT MONEY OF PARTY COMMITTEES.

''(a) NATIONAL COMMITTEES.—A national committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by a national committee or its agent, an entity acting on behalf of a national committee, and an officer or agent acting on behalf of any such committee 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, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

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

''(1) IN GENERAL.—Any amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf 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 refers to 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 EXCLUDED FROM 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 COSTS.—Any amount spent 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 paragraph (1) shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(c) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party, an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, an agent acting on behalf of any such party committee, and an officer or agent acting on behalf of any such party committee or entity), shall not 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.—A candidate, individual holding Federal office, or agent of a candidate or individual holding Federal office shall not—

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

''(B) solicit, receive, or transfer funds that are to be expended in connection with any election 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; or

''(C) solicit, receive, or transfer any funds on behalf of any person that are not subject to the limitations, prohibitions, and reporting requirements of the Act if the funds are for use in financing any campaign-related activity or any communication that refers to a clearly identified candidate 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 the Federal Election Campaign Act of 1971 (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) LIMITS.—

(1) IN GENERAL.—Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by striking paragraph (3) and inserting the following:

''(3) OVERALL LIMITS.—

''(A) INDIVIDUAL LIMIT.—No individual shall make contributions during any calendar year that, in the aggregate, exceed $30,000.

''(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.''.

(c) DEFINITIONS.—Section 301 of the Federal Election Campaign Act of 1970 (2 U.S.C. 431) is amended by adding at the end the following:

''(20) The term 'generic campaign activity' means a campaign activity that promotes a political party and does not refer to any particular Federal or non-Federal candidate.

''(21) The term 'State Party Grassroots Fund' means a separate segregated fund established and maintained by a State committee of a political party solely for purposes of making expenditures and other disbursements described in section 326(d).''.

(d) STATE PARTY GRASSROOTS FUNDS.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 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 subsection (d); 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 subsection (d) 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)(i); 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.

''(d) DISBURSEMENTS AND EXPENDITURES.—A State committee of a political party may make disbursements and expenditures from its State Party Grassroots Fund only for—

''(1) any generic campaign activity;

''(2) payments described in clauses (v), (x), and (xii) of paragraph (8)(B) and clauses (iv), (viii), and (ix) of paragraph (9)(B) of section 301;

''(3) subject to the limitations of section 315(d), payments described in clause (xii) of paragraph (8)(B), and clause (ix) of paragraph (9)(B), of section 301 on behalf of candidates other than for President and Vice President;

''(4) voter registration; and

''(5) development and maintenance of voter files during an even-numbered calendar year.''.

SEC. 213. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 241) is amended by adding at the end the following:

''(e) POLITICAL COMMITTEES.—

''(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—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) OTHER POLITICAL COMMITTEES TO WHICH SECTION 325 APPLIES.—A political committee (not described in paragraph (1)) to which section 325(b)(1) applies shall report all receipts and disbursements made for activities described in section 325(b) (1) and (2)(iii).

''(3) OTHER POLITICAL COMMITTEES.—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.

''(4) ITEMIZATION.—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 paragraphs (3)(A), (5), and (6) of subsection (b).

''(5) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).''.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xiv) as clauses (viii) through (xiii), respectively.

(c) REPORTS BY STATE COMMITTEES.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by subsection (a)) is amended by adding at the end the following:

''(f) 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 the Federal Election Campaign Act of 1971 (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 the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended 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 213) 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 316(b)(2)(A) that refers to any candidate for Federal office, any political party, or any Federal election; and

''(B) any activity described in subparagraph (B) or (C) of section 316(b)(2).

''(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 the Federal Election Campaign Act of 1971 (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 delivers contributions made by other persons, and that is any of the following persons:

''(I) A political committee (other than the authorized campaign committee of the candidate receiving the funds) or an officer, employee or agent of a political committee.

''(II) A corporation, labor organization, or partnership or an officer, employee, or agent of a corporation labor organization, or partnership, acting on behalf of the corporation, labor organization, or partnership.

''(III) 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 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.

''(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 an officer, employee, or agent of a corporation, labor organization, or partnership from soliciting, collecting, or delivering a contribution to a candidate, agent of

the candidate, or the candidate's authorized committee if the officer, employee, or agent does so by use of the personal resources of the officer, employee, or agent and is not acting on behalf of the corporation, labor organization, or partnership.''.

Subtitle E—Independent Expenditures

SEC. 241. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304(c) of the Federal Election Campaign Act 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:

''(d) TIME FOR REPORTING CERTAIN EXPENDITURES.—

''(1) EXPENDITURES AGGREGATING $1,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person filing the report shall file an additional report each time that independent expenditures aggregating an additional $1,000 are made with respect to the same election as that to which the initial report relates.

''(2) EXPENDITURES AGGREGATING $10,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before an election shall file a report describing the expenditures within 48 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person filing the report shall file an additional report each time that independent expenditures aggregating an additional $10,000 are made with respect to the same election as that to which the initial report relates.

''(3) PLACE OF FILING; CONTENTS; TRANSMITTAL.—

''(A) PLACE OF FILING; CONTENTS.—A report under this subsection—

''(i) shall be filed with the Commission; and

''(ii) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.

''(B) TRANSMITTAL TO CANDIDATES.—In the case of an election for United States Senator, not later than 2 business days after receipt of a report under this subsection, the Commission shall transmit a copy of the report to each eligible candidate seeking nomination for election to, or election to, the office in question.

''(4) OBLIGATION TO MAKE EXPENDITURE.—For purposes of this subsection, an expenditure shall be treated as being made on the making of any payment or the taking of any action to incur an obligation for payment.

''(5) DETERMINATIONS BY THE COMMISSION.—

''(A) IN GENERAL.—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 Federal election that in the aggregate exceed the applicable amounts under paragraph (1) or (2).

''(B) NOTIFICATION.—In the case of independent expenditures made in connection with an election in which an eligible Senate candidate is on the ballot, the Commission shall notify each candidate in the election of the making of the determination within 2 business days after making the determination.

''(C) TIME TO COMPLY WITH REQUEST FOR DETERMINATION.—A determination made at the request of a candidate shall be made within 2 business days after the date of the request.

''(6) NOTIFICATION OF AN ALLOWABLE INCREASE IN INDEPENDENT EXPENDITURE LIMIT.—When independent expenditures totaling in the aggregate $10,000 have been made in the same election in support of an opposing candidate or against an eligible Senate candidate, the Commission shall, within 2 business days, notify the eligible Senate candidate that the eligible Senate candidate is entitled under section 503(e) to an increase in the applicable expenditure limit in an amount equal to the amount of the independent expenditures.''.

TITLE III—ENFORCEMENT

SEC. 301. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 302(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting at the end the following:

''(11)(A) The Commission may prescribe regulations under which persons required to file designations, statements, and reports under this Act—

''(i) are required to maintain and file a designation, statement, or report 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 a designation, statement, or report in that manner if not required to do so under regulations prescribed under clause (i).

''(B) The Commission 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.''.

SEC. 302. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—

(1) by inserting ''(1)'' before ''The Commission''; and

(2) by adding at the end the following:

''(2) RANDOM AUDITS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act.

''(B) SELECTION OF SUBJECTS.—The aggregate amount of contributions received by an eligible Senate candidate as of the end of each reporting period under section 304 shall meet the requirement of paragraph (1).

''(C) LIMITATION.—The Commission shall not conduct an audit or investigation of a candidate's authorized committee under paragraph (1) until the candidate is no longer a candidate for the office sought by the candidate in an election cycle.

''(D) APPLICABILITY.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986.''.

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by striking ''6 months'' and inserting ''12 months''.

SEC. 303. AUTHORITY TO SEEK INJUNCTION.

Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

''(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 preliminary 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. 304. REPORTING REQUIREMENTS FOR CONTRIBUTIONS OF $50 OR MORE.

Section 304(b)(3)(A) of the Federal Election Campaign Act at 1971 (2 U.S.C. 434(b)(3)(A) is amended—

(1) by striking ''$200'' and inserting ''$50''; and

(2) by striking the semicolon and inserting '', except that in the case of a person who makes contributions aggregating at least $50 but not more than $200 during the calendar year, the identification need include only the name and address of the person''.

SEC. 305. INCREASE IN PENALTY FOR KNOWING AND WILLFUL VIOLATIONS.

Section 309(a)(5)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)(B)) is amended by striking ''the greater of $10,000 or an amount equal to 200 percent'' and inserting ''the greater of $15,000 or an amount equal to 300 percent''.

SEC. 306. PROHIBITION OF CONTRIBUTIONS BY INDIVIDUALS NOT QUALIFIED TO VOTE.

(a) PROHIBITION.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) in the heading by adding ''**AND INDIVIDUALS NOT QUALIFIED TO REGISTER TO VOTE**'' at the end; and

(2) in subsection (a)—

(A) by striking ''(a) It shall'' and inserting the following:

''(a) PROHIBITIONS.—

''(1) FOREIGN NATIONALS.—It shall''; and

(B) by adding at the end the following:

''(2) INDIVIDUALS NOT QUALIFIED TO VOTE.—It shall be unlawful for an individual who is not qualified to register to vote in a Federal election to make a contribution, or to promise expressly or impliedly to make a contribution, in connection with a Federal election; or for any person to solicit, accept, or receive a contribution in connection with a Federal election from an individual who is not qualified to register to vote in a Federal election.''.

(b) INCLUSION IN DEFINITION OF IDENTIFICATION.—Section 301(13) of the Federal Election

Campaign Act of 1971 (2 U.S.C. 431(13)) is amended—

(1) in subparagraph (A)—

(A) by striking ''and'' the first place it appears; and

(B) by inserting '', and an affirmation that the individual is an individual who is not prohibited by section 319 from making a contribution'' after ''employer''; and

(2) in subparagraph (B) by inserting ''and an affirmation that the person is a person that is not prohibited by section 319 from making a contribution'' after ''such person''.

SEC. 307. USE OF CANDIDATES' NAMES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by striking paragraph (4) and inserting the following:

''(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

''(B) A political committee that is not an authorized committee shall not—

''(i) include the name of any candidate in its name, or

''(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of such committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.''.

SEC. 308. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting after ''SEC. 322.'' the following: ''(a)''; and

(2) by adding at the end the following:

''(b) No person shall solicit contributions by falsely representing himself as a candidate or as a representative of a candidate, a political committee, or a political party.''.

SEC. 309. EXPEDITED PROCEDURES.

Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 303) is amended by adding at the end the following new paragraph:

''(14)(A) If the complaint in a proceeding was filed within 60 days immediately preceding a general election, the Commission may take action described in this subparagraph.

''(B) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur and it appears that the requirements for relief stated in paragraph (13)(A) (ii), (iii), and (iv) are met, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, immediately seek relief under paragraph (13)(A).

''(C) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.''.

TITLE IV—MISCELLANEOUS

SEC. 401. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

''SEC. 313. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

''Amounts received by a candidate as contributions, and any other amounts received by an individual as support for his or her activities as a holder of Federal office, may be used by such candidate or individual for expenditures in connection with his or her campaign for Federal office, for any ordinary and necessary expenses incurred in connection with his or her duties as a holder of Federal office, for contributions to any organization described in section 170(c) of title 26, or for transfers to any national, State or local committee of any political party. No such amounts may be converted by any person to any personal use. For the purposes of this section, such amounts are converted to personal use if they are used to fulfill any commitment, obligation or expense of any person that would exist irrespective of the candidate's campaign or individual's responsibilities as a Federal officeholder, including but not limited to, 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; and dues, fees or contributions to a health club or recreational facility.''.

SEC. 402. CAMPAIGN ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (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:

''(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. 403. 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. 404. PARTY INDEPENDENT EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1997 (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1)—

(A) by inserting ''coordinated'' after ''make''; and

(B) by striking ''(2) and (3)'' and inserting ''(2), (3), and (4)''; and

(2) by adding at the end the following:

''(4) Before a committee of a political party may make coordinated expenditures in connection with a general election campaign for Federal office in excess of $5,000 pursuant to this subsection, the committee shall file with the Commission a certification, signed by the treasurer, that the committee has not and will not make any independent expenditures in connection with that campaign for Federal office. A party committee that determines to make coordinated expenditures pursuant to this subsection shall not make any transfers of funds in the same election cycle to, or receive any transfer of funds in the same election cycle from, any other party committee that determines to make independent expenditures in connection with the same campaign for Federal office.

''(5)(A) A committee of a political party shall be considered to be in coordination with a candidate of the party if the committee—

''(i) makes a payment for a communication or anything of value in coordination with the candidate, as described in section 301(8)(A)(iii);

''(ii) makes a coordinated expenditure under section 315(d) on behalf of the candidate;

''(iii) participates in joint fundraising with the candidate or in any way solicits or receives a contribution on behalf of the candidate;

''(iv) communicates with the candidate or an agent of the candidate (including a pollster, media consultant, vendor, advisor, or

staff member), acting on behalf of the candidate, about advertising, message, allocation of resources, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics or strategy; or

''(v) provides in-kind services, polling data, or anything of value to the candidate.

''(6) For purposes of paragraphs (4) and (5), all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established by State political parties shall be considered to be a single political committee.

''(7) For purposes of paragraph (5), any coordination between a committee of a political party and a candidate of the party after the candidate has filed a statement of candidacy constitutes coordination for the period beginning with the filing of the statement of candidacy and ending at the end of the election cycle.''.

SEC. 405. COORDINATED EXPENDITURES; INDEPENDENT EXPENDITURES.

(a) DEFINITION OF COORDINATED EXPENDITURE.—

(1) SECTION 301(8).—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(A) in subparagraph (A)—

(i) by striking ''or'' at the end of clause (i);

(ii) by striking the period at the end of clause (ii) and inserting ''; or''; and

(iii) by adding at the end the following:

''(iii) a payment made for a communication or anything of value that is for the purpose of influencing an election for Federal office and that is a payment made in coordination with a candidate.''; and

(B) by adding at the end the following:

''(C) For the purposes of subparagraph (A)(iii), the term 'payment made in coordination with a candidate' includes—

''(i) a payment made by a person in cooperation, consultation, or concert with, at the request or suggestion of, or pursuant to any general or particular understanding with a candidate, the candidate's authorized committee, or an agent acting on behalf of a candidate or authorized committee;

''(ii) a payment made by a person for the dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign material prepared by a candidate, a candidate's authorized committee, or an agent of a candidate or authorized committee (not including a communication described in paragraph (9)(B)(i) or a communication that expressly advocates the candidate's defeat);

''(iii) a payment made based on information about a candidate's plans, projects, or needs provided to the person making the payment by the candidate or the candidate's agent who provides the information with a view toward having the payment made;

''(iv) a payment made by a person if, in the same election cycle in which the payment is made, the person making the payment is serving or has served as a member, employee, fundraiser, or agent of the candidate's authorized committee in an executive or policymaking position;

''(v) a payment made by a person if the person making the payment has served in any formal policy or advisory position with the candidate's campaign or has participated in strategic or policymaking discussions with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made;

''(vi) a payment made by a person if, in the same election cycle, the person making the payment retains the professional services of any individual or person who has provided or is providing campaign-related services in the same election cycle to a candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including services relating to the candidate's decision to seek Federal office, and the professional is retained to work on activities relating to that candidate's campaign.

''(D) For purposes of subparagraph (C)(vi), the term 'professional services' includes services in support of a candidate's pursuit of nomination for election, or election, to Federal office such as polling, media advice, direct mail, fundraising, or campaign research.

(2) SECTION 315(A)(7).—Section 315(a)(7) (2 U.S.C. 441a(a)(7)) is amended by striking paragraph (B), and inserting the following:

''(B) Payments made in coordination with a candidate, as described in section 301(8)(A)(iii), shall be considered to be contributions to such candidate, and in the case of limitations on expenditures, shall be treated as expenditures for purposes of this paragraph.

(b) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by striking ''shall include'' and inserting ''includes a contribution or expenditure, as those terms are defined in section 301, and also includes''.

(c) DEFINITION OF INDEPENDENT EXPENDITURE.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking paragraph (17) 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 consultation with, or without coordination with a candidate or a candidate's authorized committee or agent (within the meaning of section 301(8)(A)(iii)).

''(B) EXCLUSION.—The term 'independent expenditure' does not include an expenditure or payment made in coordination with a candidate (within the meaning of section 301(8)(A)(iii)).''.

SEC. 406. EXPRESS ADVOCACY.

(a) DEFINITION OF EXPENDITURE.—Section 301(9)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)) is amended—

(1) by striking ''and'' at the end of clause (i);

(2) by striking the period at the end of clause (ii) and inserting a semicolon; and

(3) by adding at the end the following:

''(iii) any payment during an election year (or in a nonelection year, during the period beginning on the date on which a vacancy for Federal office occurs and ending on the date of the special election for that office) for a communication that is made through any broadcast medium, newspaper, magazine, billboard, direct mail, or similar type of general public communication or political advertising by a national, State, district, or local committee of a political party, including a congressional campaign committee of a party, that refers to a clearly identified candidate; and

''(iv) any payment for a communication that contains express advocacy.''.

(b) DEFINITION OF EXPRESS ADVOCACY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) (as amended by section 212(d)) is amended by adding at the end the following:

''(20) EXPRESS ADVOCACY.—

''(A) IN GENERAL.—The term 'express advocacy' includes—

''(i) a communication that conveys a message that advocates the election or defeat of a clearly identified candidate for Federal office by using an expression such as 'vote for,' 'elect,' 'support,' 'vote against,' 'defeat,' 'reject,' '(name of candidate) for Congress', 'vote pro-life,' or 'vote pro-choice', accompanied by a listing or picture of a clearly identified candidate described as 'pro-life' or 'pro-choice,' 'reject the incumbent', or a similar expression;

''(ii) a communication that is made through a broadcast medium, newspaper, magazine, billboard, direct mail, or similar type of general public communication or political advertising that involves aggregate disbursements of $10,000 or more, that refers to a clearly identified candidate, that a reasonable person would understand as advocating the election or defeat of the candidate, and that is made within 30 days before the date of a primary election (and is targeted to the State in which the primary is occurring), or 60 days before a general election; or

''(iii) a communication that is made through a broadcast medium, newspaper, magazine, billboard, direct mail, or similar type of general public communication or political advertising that involves aggregate disbursements of $10,000 or more, that refers to a clearly identified candidate, that a reasonable person would understand as advocating the election or defeat of a candidate, that is made before the date that is 30 days before the date of a primary election, or 60 days before the date of a general election, and that is made for the purpose of advocating the election or defeat of the candidate, as shown by 1 or more factors such as a statement or action by the person making the communication, the targeting or placement of the communication, or the use by the person making the communication of polling, demographic, or other similar data relating to the candidate's campaign or election.

''(B) EXCLUSION.—The term 'express advocacy' does not include the publication or distribution of a communication that is limited solely to providing information about the voting record of elected officials on legislative matters and that a reasonable person would not understand as advocating the election or defeat of a particular candidate.''.

TITLE V—CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

SEC. 501. SEVERABILITY.

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

SEC. 502. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme Court of the United States from any 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.

SEC. 503. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act take effect on the date that is 60 days after the date of enactment of this Act.

SEC. 504. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act and the amendments made by this Act not later than 270 days after the effective date of this Act.●