

(Mr. COONS) was added as a cosponsor of S. 1498, a bill to establish in the Smithsonian Institution a comprehensive American women's history museum, and for other purposes.

S. 1591

At the request of Mr. VAN HOLLEN, the name of the Senator from Texas (Mr. CRUZ) was added as a cosponsor of S. 1591, a bill to impose sanctions with respect to the Democratic People's Republic of Korea, and for other purposes.

S. 1595

At the request of Mr. RUBIO, the names of the Senator from Texas (Mr. CORNYN) and the Senator from Mississippi (Mr. WICKER) were added as cosponsors of S. 1595, a bill to amend the Hizballah International Financing Prevention Act of 2015 to impose additional sanctions with respect to Hizballah, and for other purposes.

S. 1598

At the request of Mr. TESTER, the names of the Senator from Massachusetts (Mr. MARKEY), the Senator from Maryland (Mr. VAN HOLLEN), the Senator from Wisconsin (Ms. BALDWIN), the Senator from California (Mrs. FEINSTEIN), the Senator from Delaware (Mr. COONS) and the Senator from Washington (Ms. CANTWELL) were added as cosponsors of S. 1598, a bill to amend title 38, United States Code, to make certain improvements in the laws administered by the Secretary of Veterans Affairs, and for other purposes.

At the request of Mr. ISAKSON, the names of the Senator from Arizona (Mr. MCCAIN) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 1598, *supra*.

S. 1608

At the request of Mr. FLAKE, the names of the Senator from Texas (Mr. CORNYN), the Senator from Arkansas (Mr. BOOZMAN), the Senator from Louisiana (Mr. KENNEDY) and the Senator from Massachusetts (Mr. MARKEY) were added as cosponsors of S. 1608, a bill to authorize the Capitol Police Board to make payments from the United States Capitol Police Memorial Fund to employees of the United States Capitol Police who have sustained serious line-of-duty injuries, and for other purposes.

S. 1615

At the request of Ms. CORTEZ MASTO, her name was added as a cosponsor of S. 1615, a bill to authorize the cancellation of removal and adjustment of status of certain individuals who are long-term United States residents and who entered the United States as children and for other purposes.

S.J. RES. 47

At the request of Mr. CRAPO, the name of the Senator from Utah (Mr. LEE) was added as a cosponsor of S.J. Res. 47, a joint resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by Bureau of Consumer Financial Protection relating to "Arbitration Agreements".

S. RES. 162

At the request of Mr. LANKFORD, the name of the Senator from South Carolina (Mr. SCOTT) was added as a cosponsor of S. Res. 162, a resolution reaffirming the commitment of the United States to promoting religious freedom, and for other purposes.

AMENDMENT NO. 268

At the request of Mr. WHITEHOUSE, the name of the Senator from Massachusetts (Ms. WARREN) was added as a cosponsor of amendment No. 268 intended to be proposed to H.R. 1628, a bill to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017.

AMENDMENT NO. 276

At the request of Mr. KAINE, the names of the Senator from New Mexico (Mr. HEINRICH), the Senator from Maine (Mr. KING) and the Senator from Connecticut (Mr. BLUMENTHAL) were added as cosponsors of amendment No. 276 intended to be proposed to H.R. 1628, a bill to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DURBIN (for himself, Mr. REED, Mr. BROWN, Mr. FRANKEN, Mrs. FEINSTEIN, Mr. WHITEHOUSE, Mr. MERKLEY, Mr. VAN HOLLEN, Ms. DUCKWORTH, Ms. HIRONO, and Ms. WARREN):

S. 1636. A bill to amend the Internal Revenue Code of 1986 to modify the rules relating to inverted corporations; to the Committee on Finance.

Mr. DURBIN. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 1636

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Stop Corporate Inversions Act of 2017".

SEC. 2. MODIFICATIONS TO RULES RELATING TO INVERTED CORPORATIONS.

(a) IN GENERAL.—Subsection (b) of section 7874 of the Internal Revenue Code of 1986 is amended to read as follows:

"(b) INVERTED CORPORATIONS TREATED AS DOMESTIC CORPORATIONS.—

"(1) IN GENERAL.—Notwithstanding section 7701(a)(4), a foreign corporation shall be treated for purposes of this title as a domestic corporation if—

"(A) such corporation would be a surrogate foreign corporation if subsection (a)(2) were applied by substituting '80 percent' for '60 percent'; or

"(B) such corporation is an inverted domestic corporation.

"(2) INVERTED DOMESTIC CORPORATION.—For purposes of this subsection, a foreign corporation shall be treated as an inverted domestic corporation if, pursuant to a plan (or a series of related transactions)—

"(A) the entity completes after May 8, 2014, the direct or indirect acquisition of—

"(i) substantially all of the properties held directly or indirectly by a domestic corporation, or

"(ii) substantially all of the assets of, or substantially all of the properties constituting a trade or business of, a domestic partnership, and

"(B) after the acquisition, either—

"(i) more than 50 percent of the stock (by vote or value) of the entity is held—

"(I) in the case of an acquisition with respect to a domestic corporation, by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation, or

"(II) in the case of an acquisition with respect to a domestic partnership, by former partners of the domestic partnership by reason of holding a capital or profits interest in the domestic partnership, or

"(ii) the management and control of the expanded affiliated group which includes the entity occurs, directly or indirectly, primarily within the United States, and such expanded affiliated group has significant domestic business activities.

"(3) EXCEPTION FOR CORPORATIONS WITH SUBSTANTIAL BUSINESS ACTIVITIES IN FOREIGN COUNTRY OF ORGANIZATION.—A foreign corporation described in paragraph (2) shall not be treated as an inverted domestic corporation if after the acquisition the expanded affiliated group which includes the entity has substantial business activities in the foreign country in which or under the law of which the entity is created or organized when compared to the total business activities of such expanded affiliated group. For purposes of subsection (a)(2)(B)(iii) and the preceding sentence, the term 'substantial business activities' shall have the meaning given such term under regulations in effect on January 18, 2017, except that the Secretary may issue regulations increasing the threshold percent in any of the tests under such regulations for determining if business activities constitute substantial business activities for purposes of this paragraph.

"(4) MANAGEMENT AND CONTROL.—For purposes of paragraph (2)(B)(ii)—

"(A) IN GENERAL.—The Secretary shall prescribe regulations for purposes of determining cases in which the management and control of an expanded affiliated group is to be treated as occurring, directly or indirectly, primarily within the United States. The regulations prescribed under the preceding sentence shall apply to periods after May 8, 2014.

"(B) EXECUTIVE OFFICERS AND SENIOR MANAGEMENT.—Such regulations shall provide that the management and control of an expanded affiliated group shall be treated as occurring, directly or indirectly, primarily within the United States if substantially all of the executive officers and senior management of the expanded affiliated group who exercise day-to-day responsibility for making decisions involving strategic, financial, and operational policies of the expanded affiliated group are based or primarily located within the United States. Individuals who in fact exercise such day-to-day responsibilities shall be treated as executive officers and senior management regardless of their title.

"(5) SIGNIFICANT DOMESTIC BUSINESS ACTIVITIES.—For purposes of paragraph (2)(B)(ii), an expanded affiliated group has significant domestic business activities if at least 25 percent of—

"(A) the employees of the group are based in the United States,

"(B) the employee compensation incurred by the group is incurred with respect to employees based in the United States,

"(C) the assets of the group are located in the United States, or

“(D) the income of the group is derived in the United States,

determined in the same manner as such determinations are made for purposes of determining substantial business activities under regulations referred to in paragraph (3) as in effect on January 18, 2017, but applied by treating all references in such regulations to ‘foreign country’ and ‘relevant foreign country’ as references to ‘the United States’. The Secretary may issue regulations decreasing the threshold percent in any of the tests under such regulations for determining if business activities constitute significant domestic business activities for purposes of this paragraph.”.

(b) CONFORMING AMENDMENTS.—

(1) Clause (i) of section 7874(a)(2)(B) of such Code is amended by striking “after March 4, 2003,” and inserting “after March 4, 2003, and before May 8, 2014.”.

(2) Subsection (c) of section 7874 of such Code is amended—

(A) in paragraph (2)—

(i) by striking “subsection (a)(2)(B)(ii)” and inserting “subsections (a)(2)(B)(ii) and (b)(2)(B)(i)”, and

(ii) by inserting “or (b)(2)(A)” after “(a)(2)(B)(i)” in subparagraph (B),

(B) in paragraph (3), by inserting “or (b)(2)(B)(i), as the case may be,” after “(a)(2)(B)(ii)”,

(C) in paragraph (5), by striking “subsection (a)(2)(B)(ii)” and inserting “subsections (a)(2)(B)(ii) and (b)(2)(B)(i)”, and

(D) in paragraph (6), by inserting “or inverted domestic corporation, as the case may be,” after “surrogate foreign corporation”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after May 8, 2014.

By Mr. DURBIN (for himself, Mr. REED, Mr. FRANKEN, Ms. DUCKWORTH, and Mr. WHITEHOUSE):

S. 1637. A bill to prohibit the award of Federal Government contracts to inverted domestic corporations, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Mr. DURBIN. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 1637

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “American Business for American Companies Act of 2017”.

SEC. 2. PROHIBITION ON AWARDING CONTRACTS TO INVERTED DOMESTIC CORPORATIONS.

(a) CIVILIAN CONTRACTS.—

(1) IN GENERAL.—Chapter 47 of title 41, United States Code, is amended by adding at the end the following new section:

“§ 4713. Prohibition on awarding contracts to inverted domestic corporations

“(a) PROHIBITION.—

“(1) IN GENERAL.—The head of an executive agency may not award a contract for the procurement of property or services to—

“(A) any foreign incorporated entity that such head has determined is an inverted domestic corporation or any subsidiary of such entity; or

“(B) any joint venture if more than 10 percent of the joint venture (by vote or value) is

held by a foreign incorporated entity that such head has determined is an inverted domestic corporation or any subsidiary of such entity.

“(2) SUBCONTRACTS.—

“(A) IN GENERAL.—The head of an executive agency shall include in each contract for the procurement of property or services awarded by the executive agency with a value in excess of \$10,000,000, other than a contract for exclusively commercial items, a clause that prohibits the prime contractor on such contract from—

“(i) awarding a first-tier subcontract with a value greater than 10 percent of the total value of the prime contract to an entity or joint venture described in paragraph (1); or

“(ii) structuring subcontract tiers in a manner designed to avoid the limitation in paragraph (1) by enabling an entity or joint venture described in paragraph (1) to perform more than 10 percent of the total value of the prime contract as a lower-tier subcontractor.

“(B) PENALTIES.—The contract clause included in contracts pursuant to subparagraph (A) shall provide that, in the event that the prime contractor violates the contract clause—

“(i) the prime contract may be terminated for default; and

“(ii) the matter may be referred to the suspension or debarment official for the appropriate agency and may be a basis for suspension or debarment of the prime contractor.

“(b) INVERTED DOMESTIC CORPORATION.—

“(1) IN GENERAL.—For purposes of this section, a foreign incorporated entity shall be treated as an inverted domestic corporation if, pursuant to a plan (or a series of related transactions)—

“(A) the entity completes on or after May 8, 2014, the direct or indirect acquisition of—

“(i) substantially all of the properties held directly or indirectly by a domestic corporation; or

“(ii) substantially all of the assets of, or substantially all of the properties constituting a trade or business of, a domestic partnership; and

“(B) after the acquisition, either—

“(i) more than 50 percent of the stock (by vote or value) of the entity is held—

“(I) in the case of an acquisition with respect to a domestic corporation, by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation; or

“(II) in the case of an acquisition with respect to a domestic partnership, by former partners of the domestic partnership by reason of holding a capital or profits interest in the domestic partnership; or

“(ii) the management and control of the expanded affiliated group which includes the entity occurs, directly or indirectly, primarily within the United States, as determined pursuant to regulations prescribed by the Secretary of the Treasury, and such expanded affiliated group has significant domestic business activities.

“(2) EXCEPTION FOR CORPORATIONS WITH SUBSTANTIAL BUSINESS ACTIVITIES IN FOREIGN COUNTRY OF ORGANIZATION.—

“(A) IN GENERAL.—A foreign incorporated entity described in paragraph (1) shall not be treated as an inverted domestic corporation if after the acquisition the expanded affiliated group which includes the entity has substantial business activities in the foreign country in which or under the law of which the entity is created or organized when compared to the total business activities of such expanded affiliated group.

“(B) SUBSTANTIAL BUSINESS ACTIVITIES.—The Secretary of the Treasury (or the Secretary’s delegate) shall establish regulations for determining whether an affiliated group

has substantial business activities for purposes of subparagraph (A), except that such regulations may not treat any group as having substantial business activities if such group would not be considered to have substantial business activities under the regulations prescribed under section 7874 of the Internal Revenue Code of 1986, as in effect on January 18, 2017.

“(3) SIGNIFICANT DOMESTIC BUSINESS ACTIVITIES.—

“(A) IN GENERAL.—For purposes of paragraph (1)(B)(ii), an expanded affiliated group has significant domestic business activities if at least 25 percent of—

“(i) the employees of the group are based in the United States;

“(ii) the employee compensation incurred by the group is incurred with respect to employees based in the United States;

“(iii) the assets of the group are located in the United States; or

“(iv) the income of the group is derived in the United States.

“(B) DETERMINATION.—Determinations pursuant to subparagraph (A) shall be made in the same manner as such determinations are made for purposes of determining substantial business activities under regulations referred to in paragraph (2) as in effect on January 18, 2017, but applied by treating all references in such regulations to ‘foreign country’ and ‘relevant foreign country’ as references to ‘the United States’. The Secretary of the Treasury (or the Secretary’s delegate) may issue regulations decreasing the threshold percent in any of the tests under such regulations for determining if business activities constitute significant domestic business activities for purposes of this paragraph.

“(c) WAIVER.—

“(1) IN GENERAL.—The head of an executive agency may waive subsection (a) with respect to any Federal Government contract under the authority of such head if the head determines that the waiver is—

“(A) required in the interest of national security; or

“(B) necessary for the efficient or effective administration of Federal or federally funded—

“(i) programs that provide health benefits to individuals; or

“(ii) public health programs.

“(2) REPORT TO CONGRESS.—The head of an executive agency issuing a waiver under paragraph (1) shall, not later than 14 days after issuing such waiver, submit a written notification of the waiver to the relevant authorizing committees of Congress and the Committees on Appropriations of the Senate and the House of Representatives.

“(d) APPLICABILITY.—

“(1) IN GENERAL.—Except as provided in paragraph (2), this section shall not apply to any contract entered into before the date of the enactment of this section.

“(2) TASK AND DELIVERY ORDERS.—This section shall apply to any task or delivery order issued after the date of the enactment of this section pursuant to a contract entered into before, on, or after such date of enactment.

“(3) SCOPE.—This section applies only to contracts subject to regulation under the Federal Acquisition Regulation.

“(e) DEFINITIONS AND SPECIAL RULES.—

“(1) DEFINITIONS.—In this section, the terms ‘expanded affiliated group’, ‘foreign incorporated entity’, ‘person’, ‘domestic’, and ‘foreign’ have the meaning given those terms in section 835(c) of the Homeland Security Act of 2002 (6 U.S.C. 395(c)).

“(2) SPECIAL RULES.—In applying subsection (b) of this section for purposes of subsection (a) of this section, the rules described under 835(c)(1) of the Homeland Security Act of 2002 (6 U.S.C. 395(c)(1)) shall apply.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 47 of title 41, United States Code, is amended by inserting after the item relating to section 4712 the following new item:

“4713. Prohibition on awarding contracts to inverted domestic corporations.”

(b) DEFENSE CONTRACTS.—

(1) IN GENERAL.—Chapter 137 of title 10, United States Code, is amended by adding at the end the following new section:

“§ 2340. Prohibition on awarding contracts to inverted domestic corporations

“(a) PROHIBITION.—

“(1) IN GENERAL.—The head of an agency may not award a contract for the procurement of property or services to—

“(A) any foreign incorporated entity that such head has determined is an inverted domestic corporation or any subsidiary of such entity; or

“(B) any joint venture if more than 10 percent of the joint venture (by vote or value) is owned by a foreign incorporated entity that such head has determined is an inverted domestic corporation or any subsidiary of such entity.

“(2) SUBCONTRACTS.—

“(A) IN GENERAL.—The head of an executive agency shall include in each contract for the procurement of property or services awarded by the executive agency with a value in excess of \$10,000,000, other than a contract for exclusively commercial items, a clause that prohibits the prime contractor on such contract from—

“(i) awarding a first-tier subcontract with a value greater than 10 percent of the total value of the prime contract to an entity or joint venture described in paragraph (1); or

“(ii) structuring subcontract tiers in a manner designed to avoid the limitation in paragraph (1) by enabling an entity or joint venture described in paragraph (1) to perform more than 10 percent of the total value of the prime contract as a lower-tier subcontractor.

“(B) PENALTIES.—The contract clause included in contracts pursuant to subparagraph (A) shall provide that, in the event that the prime contractor violates the contract clause—

“(i) the prime contract may be terminated for default; and

“(ii) the matter may be referred to the suspension or debarment official for the appropriate agency and may be a basis for suspension or debarment of the prime contractor.

“(b) INVERTED DOMESTIC CORPORATION.—

“(1) IN GENERAL.—For purposes of this section, a foreign incorporated entity shall be treated as an inverted domestic corporation if, pursuant to a plan (or a series of related transactions)—

“(A) the entity completes on or after May 8, 2014, the direct or indirect acquisition of—

“(i) substantially all of the properties held directly or indirectly by a domestic corporation; or

“(ii) substantially all of the assets of, or substantially all of the properties constituting a trade or business of, a domestic partnership; and

“(B) after the acquisition, either—

“(i) more than 50 percent of the stock (by vote or value) of the entity is held—

“(I) in the case of an acquisition with respect to a domestic corporation, by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation; or

“(II) in the case of an acquisition with respect to a domestic partnership, by former partners of the domestic partnership by reason of holding a capital or profits interest in the domestic partnership; or

“(ii) the management and control of the expanded affiliated group which includes the entity occurs, directly or indirectly, primarily within the United States, as determined pursuant to regulations prescribed by the Secretary of the Treasury, and such expanded affiliated group has significant domestic business activities.

“(2) EXCEPTION FOR CORPORATIONS WITH SUBSTANTIAL BUSINESS ACTIVITIES IN FOREIGN COUNTRY OF ORGANIZATION.—

“(A) IN GENERAL.—A foreign incorporated entity described in paragraph (1) shall not be treated as an inverted domestic corporation if after the acquisition the expanded affiliated group which includes the entity has substantial business activities in the foreign country in which or under the law of which the entity is created or organized when compared to the total business activities of such expanded affiliated group.

“(B) SUBSTANTIAL BUSINESS ACTIVITIES.—The Secretary of the Treasury (or the Secretary’s delegate) shall establish regulations for determining whether an affiliated group has substantial business activities for purposes of subparagraph (A), except that such regulations may not treat any group as having substantial business activities if such group would not be considered to have substantial business activities under the regulations prescribed under section 7874 of the Internal Revenue Code of 1986, as in effect on January 18, 2017.

“(3) SIGNIFICANT DOMESTIC BUSINESS ACTIVITIES.—

“(A) IN GENERAL.—For purposes of paragraph (1)(B)(ii), an expanded affiliated group has significant domestic business activities if at least 25 percent of—

“(i) the employees of the group are based in the United States;

“(ii) the employee compensation incurred by the group is incurred with respect to employees based in the United States;

“(iii) the assets of the group are located in the United States; or

“(iv) the income of the group is derived in the United States.

“(B) DETERMINATION.—Determinations pursuant to subparagraph (A) shall be made in the same manner as such determinations are made for purposes of determining substantial business activities under regulations referred to in paragraph (2) as in effect on January 18, 2017, but applied by treating all references in such regulations to ‘foreign country’ and ‘relevant foreign country’ as references to ‘the United States’. The Secretary of the Treasury (or the Secretary’s delegate) may issue regulations decreasing the threshold percent in any of the tests under such regulations for determining if business activities constitute significant domestic business activities for purposes of this paragraph.

“(c) WAIVER.—

“(1) IN GENERAL.—The head of an agency may waive subsection (a) with respect to any Federal Government contract under the authority of such head if the head determines that the waiver is required in the interest of national security or is necessary for the efficient or effective administration of Federal or federally funded programs that provide health benefits to individuals.

“(2) REPORT TO CONGRESS.—The head of an agency issuing a waiver under paragraph (1) shall, not later than 14 days after issuing such waiver, submit a written notification of the waiver to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives.

“(d) APPLICABILITY.—

“(1) IN GENERAL.—Except as provided in paragraph (2), this section shall not apply to any contract entered into before the date of the enactment of this section.

“(2) TASK AND DELIVERY ORDERS.—This section shall apply to any task or delivery order issued after the date of the enactment of this section pursuant to a contract entered into before, on, or after such date of enactment.

“(3) SCOPE.—This section applies only to contracts subject to regulation under the Federal Acquisition Regulation and the Defense Supplement to the Federal Acquisition Regulation.

“(e) DEFINITIONS AND SPECIAL RULES.—

“(1) DEFINITIONS.—In this section, the terms ‘expanded affiliated group’, ‘foreign incorporated entity’, ‘person’, ‘domestic’, and ‘foreign’ have the meaning given those terms in section 835(c) of the Homeland Security Act of 2002 (6 U.S.C. 395(c)).

“(2) SPECIAL RULES.—In applying subsection (b) of this section for purposes of subsection (a) of this section, the rules described under 835(c)(1) of the Homeland Security Act of 2002 (6 U.S.C. 395(c)(1)) shall apply.”

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 137 of title 10, United States Code, is amended by inserting after the item relating to section 2339 the following new item:

“2340. Prohibition on awarding contracts to inverted domestic corporations.”

(c) REGULATIONS REGARDING MANAGEMENT AND CONTROL.—

(1) IN GENERAL.—The Secretary of the Treasury (or the Secretary’s delegate) shall, for purposes of section 4713(b)(1)(B)(ii) of title 41, United States Code, and section 2340(b)(1)(B)(ii) of title 10, United States Code, as added by subsections (a) and (b), respectively, prescribe regulations for purposes of determining cases in which the management and control of an expanded affiliated group is to be treated as occurring, directly or indirectly, primarily within the United States. The regulations prescribed under the preceding sentence shall apply to periods after May 8, 2014.

(2) EXECUTIVE OFFICERS AND SENIOR MANAGEMENT.—The regulations prescribed under paragraph (1) shall provide that the management and control of an expanded affiliated group shall be treated as occurring, directly or indirectly, primarily within the United States if substantially all of the executive officers and senior management of the expanded affiliated group who exercise day-to-day responsibility for making decisions involving strategic, financial, and operational policies of the expanded affiliated group are based or primarily located within the United States. Individuals who in fact exercise such day-to-day responsibilities shall be treated as executive officers and senior management regardless of their title.

By Mr. DURBIN (for himself, Ms. BALDWIN, Mr. BENNET, Mr. BLUMENTHAL, Mr. BOOKER, Mr. COONS, Ms. DUCKWORTH, Mr. FRANKEN, Mrs. GILLIBRAND, Mr. HEINRICH, Ms. HIRONO, Ms. KLOBUCHAR, Mr. LEAHY, Mr. MARKEY, Mr. MENENDEZ, Mr. MERKLEY, Mr. MURPHY, Mrs. MURRAY, Mr. PETERS, Mr. SANDERS, Mr. SCHATZ, Mrs. SHAHEEN, Mr. UDALL, Mr. VAN HOLLEN, and Ms. WARREN):

S. 1640. A bill to reform the financing of Senate elections, and for other purposes; to the Committee on Finance.

Mr. DURBIN. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 1640

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 “Fair Elections Now Act”.

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

Sec. 1. Short title; table of contents.

TITLE I—FAIR ELECTIONS FINANCING OF SENATE ELECTION CAMPAIGNS**Subtitle A—Fair Elections Financing Program**

Sec. 101. Findings and declarations.

Sec. 102. Eligibility requirements and benefits of Fair Elections financing of Senate election campaigns.

Sec. 103. Prohibition on joint fundraising committees.

Sec. 104. Exception to limitation on coordinated expenditures by political party committees with participating candidates.

TITLE II—IMPROVING VOTER INFORMATION

Sec. 201. Broadcasts relating to all Senate candidates.

Sec. 202. Broadcast rates for participating candidates.

Sec. 203. FCC to prescribe standardized form for reporting candidate campaign ads.

TITLE III—RESPONSIBILITIES OF THE FEDERAL ELECTION COMMISSION

Sec. 301. Petition for certiorari.

Sec. 302. Filing by Senate candidates with Commission.

Sec. 303. Electronic filing of FEC reports.

TITLE IV—PARTICIPATION IN FUNDING OF ELECTIONS

Sec. 401. Refundable tax credit for Senate campaign contributions.

TITLE V—REVENUE PROVISIONS

Sec. 501. Fair Elections Fund revenue.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Severability.

Sec. 602. Effective date.

TITLE I—FAIR ELECTIONS FINANCING OF SENATE ELECTION CAMPAIGNS**Subtitle A—Fair Elections Financing Program****SEC. 101. FINDINGS AND DECLARATIONS.**

(a) **UNDERMINING OF DEMOCRACY BY CAMPAIGN CONTRIBUTIONS FROM PRIVATE SOURCES.**—The Senate finds and declares that the current system of privately financed campaigns for election to the United States Senate has the capacity, and is often perceived by the public, to undermine democracy in the United States by—

(1) creating a culture that fosters actual or perceived conflicts of interest by encouraging Senators to accept large campaign contributions from private interests that are directly affected by Federal legislation;

(2) diminishing or appearing to diminish Senators’ accountability to constituents by compelling legislators to be accountable to the major contributors who finance their election campaigns;

(3) undermining the meaning of the right to vote by allowing monied interests to have a disproportionate and unfair influence within the political process;

(4) imposing large, unwarranted costs on taxpayers through legislative and regulatory distortions caused by unequal access to lawmakers for campaign contributors;

(5) making it difficult for some qualified candidates to mount competitive Senate election campaigns;

(6) disadvantaging challengers and discouraging competitive elections; and

(7) burdening incumbents with a preoccupation with fundraising and thus decreasing the time available to carry out their public responsibilities.

(b) **ENHANCEMENT OF DEMOCRACY BY PROVIDING ALLOCATIONS FROM THE FAIR ELECTIONS FUND.**—The Senate finds and declares that providing the option of the replacement of large private campaign contributions with allocations from the Fair Elections Fund for all primary, runoff, and general elections to the Senate would enhance American democracy by—

(1) reducing the actual or perceived conflicts of interest created by fully private financing of the election campaigns of public officials and restoring public confidence in the integrity and fairness of the electoral and legislative processes through a program which allows participating candidates to adhere to substantially lower contribution limits for contributors with an assurance that there will be sufficient funds for such candidates to run viable electoral campaigns;

(2) increasing the public’s confidence in the accountability of Senators to the constituents who elect them, which derives from the program’s qualifying criteria to participate in the voluntary program and the conclusions that constituents may draw regarding candidates who qualify and participate in the program;

(3) helping to reduce the ability to make large campaign contributions as a determinant of a citizen’s influence within the political process by facilitating the expression of support by voters at every level of wealth, encouraging political participation, and incentivizing participation on the part of Senators through the matching of small dollar contributions;

(4) potentially saving taxpayers billions of dollars that may be (or that are perceived to be) currently allocated based upon legislative and regulatory agendas skewed by the influence of campaign contributions;

(5) creating genuine opportunities for all Americans to run for the Senate and encouraging more competitive elections;

(6) encouraging participation in the electoral process by citizens of every level of wealth; and

(7) freeing Senators from the incessant preoccupation with raising money, and allowing them more time to carry out their public responsibilities.

SEC. 102. ELIGIBILITY REQUIREMENTS AND BENEFITS OF FAIR ELECTIONS FINANCING OF SENATE ELECTION CAMPAIGNS.

The Federal Election Campaign Act of 1971 (52 U.S.C. 30101 et seq.) is amended by adding at the end the following:

“TITLE V—FAIR ELECTIONS FINANCING OF SENATE ELECTION CAMPAIGNS**“Subtitle A—General Provisions****“SEC. 501. DEFINITIONS.**

“In this title:

“(1) **ALLOCATION FROM THE FUND.**—The term ‘allocation from the Fund’ means an allocation of money from the Fair Elections Fund to a participating candidate pursuant to section 522.

“(2) **BOARD.**—The term ‘Board’ means the Fair Elections Oversight Board established under section 531.

“(3) **FAIR ELECTIONS QUALIFYING PERIOD.**—The term ‘Fair Elections qualifying period’ means, with respect to any candidate for Senator, the period—

“(A) beginning on the date on which the candidate files a statement of intent under section 511(a)(1); and

“(B) ending on the date that is 30 days before—

“(i) the date of the primary election; or

“(ii) in the case of a State that does not hold a primary election, the date prescribed

by State law as the last day to qualify for a position on the general election ballot.

“(4) **FAIR ELECTIONS START DATE.**—The term ‘Fair Elections start date’ means, with respect to any candidate, the date that is 180 days before—

“(A) the date of the primary election; or

“(B) in the case of a State that does not hold a primary election, the date prescribed by State law as the last day to qualify for a position on the general election ballot.

“(5) **FUND.**—The term ‘Fund’ means the Fair Elections Fund established by section 502.

“(6) **IMMEDIATE FAMILY.**—The term ‘immediate family’ means, with respect to any candidate—

“(A) the candidate’s spouse;

“(B) a child, stepchild, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate or the candidate’s spouse; and

“(C) the spouse of any person described in subparagraph (B).

“(7) **MATCHING CONTRIBUTION.**—The term ‘matching contribution’ means a matching payment provided to a participating candidate for qualified small dollar contributions, as provided under section 523.

“(8) **NONPARTICIPATING CANDIDATE.**—The term ‘nonparticipating candidate’ means a candidate for Senator who is not a participating candidate.

“(9) **PARTICIPATING CANDIDATE.**—The term ‘participating candidate’ means a candidate for Senator who is certified under section 515 as being eligible to receive an allocation from the Fund.

“(10) **QUALIFYING CONTRIBUTION.**—The term ‘qualifying contribution’ means, with respect to a candidate, a contribution that—

“(A) is in an amount that is—

“(i) not less than the greater of \$5 or the amount determined by the Commission under section 531; and

“(ii) not more than the greater of \$150 or the amount determined by the Commission under section 531;

“(B) is made by an individual—

“(i) who is a resident of the State in which such candidate is seeking election; and

“(ii) who is not otherwise prohibited from making a contribution under this Act;

“(C) is made during the Fair Elections qualifying period; and

“(D) meets the requirements of section 512(b).

“(11) **QUALIFIED SMALL DOLLAR CONTRIBUTION.**—The term ‘qualified small dollar contribution’ means, with respect to a candidate, any contribution (or series of contributions)—

“(A) which is not a qualifying contribution (or does not include a qualifying contribution);

“(B) which is made by an individual who is not prohibited from making a contribution under this Act; and

“(C) the aggregate amount of which does not exceed the greater of—

“(i) \$150 per election; or

“(ii) the amount per election determined by the Commission under section 531.

“(12) **QUALIFYING MULTICANDIDATE POLITICAL COMMITTEE CONTRIBUTION.**—

“(A) **IN GENERAL.**—The term ‘qualifying multicandidate political committee contribution’ means any contribution to a candidate that is made from a qualified account of a multicandidate political committee (within the meaning of section 315(a)(2)).

“(B) **QUALIFIED ACCOUNT.**—For purposes of subparagraph (A), the term ‘qualified account’ means, with respect to a multicandidate political committee, a separate, segregated account of the committee that consists solely of contributions which meet the following requirements:

“(i) All contributions to such account are made by individuals who are not prohibited from making contributions under this Act.

“(ii) The aggregate amount of contributions from each individual to such account and all other accounts of the political committee do not exceed the amount described in paragraph (1)(C).

“SEC. 502. FAIR ELECTIONS FUND.

“(a) ESTABLISHMENT.—There is established in the Treasury a fund to be known as the ‘Fair Elections Fund’.

“(b) AMOUNTS HELD BY FUND.—The Fund shall consist of the following amounts:

“(1) APPROPRIATED AMOUNTS.—

“(A) IN GENERAL.—Amounts appropriated to the Fund.

“(B) SENSE OF THE SENATE REGARDING APPROPRIATIONS.—It is the sense of the Senate that—

“(i) there should be imposed on any payment made to any person (other than a State or local government or a foreign nation) who has a contract with the Government of the United States in excess of \$10,000,000 a tax equal to 0.50 percent of amount paid pursuant to each contract, except that the aggregate tax on each contract for any taxable year shall not exceed \$500,000; and

“(ii) the revenue from such tax should be appropriated to the Fund.

“(2) VOLUNTARY CONTRIBUTIONS.—Voluntary contributions to the Fund.

“(3) OTHER DEPOSITS.—Amounts deposited into the Fund under—

“(A) section 513(c) (relating to exceptions to contribution requirements);

“(B) section 521(c) (relating to remittance of allocations from the Fund);

“(C) section 533 (relating to violations); and

“(D) any other section of this Act.

“(4) INVESTMENT RETURNS.—Interest on, and the proceeds from, the sale or redemption of, any obligations held by the Fund under subsection (c).

“(c) INVESTMENT.—The Commission shall invest portions of the Fund in obligations of the United States in the same manner as provided under section 9602(b) of the Internal Revenue Code of 1986.

“(d) USE OF FUND.—

“(1) IN GENERAL.—The sums in the Fund shall be used to provide benefits to participating candidates as provided in subtitle C.

“(2) INSUFFICIENT AMOUNTS.—Under regulations established by the Commission, rules similar to the rules of section 9006(c) of the Internal Revenue Code shall apply.

“Subtitle B—Eligibility and Certification

“SEC. 511. ELIGIBILITY.

“(a) IN GENERAL.—A candidate for Senator is eligible to receive an allocation from the Fund for any election if the candidate meets the following requirements:

“(1) The candidate files with the Commission a statement of intent to seek certification as a participating candidate under this title during the period beginning on the Fair Elections start date and ending on the last day of the Fair Elections qualifying period.

“(2) The candidate meets the qualifying contribution requirements of section 512.

“(3) Not later than the last day of the Fair Elections qualifying period, the candidate files with the Commission an affidavit signed by the candidate and the treasurer of the candidate’s principal campaign committee declaring that the candidate—

“(A) has complied and, if certified, will comply with the contribution and expenditure requirements of section 513;

“(B) if certified, will comply with the debate requirements of section 514;

“(C) if certified, will not run as a non-participating candidate during such year in

any election for the office that such candidate is seeking; and

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

“(b) GENERAL ELECTION.—Notwithstanding subsection (a), a candidate shall not be eligible to receive an allocation from the Fund for a general election or a general runoff election unless the candidate’s party nominated the candidate to be placed on the ballot for the general election or the candidate otherwise qualified to be on the ballot under State law.

“SEC. 512. QUALIFYING CONTRIBUTION REQUIREMENT.

“(a) IN GENERAL.—A candidate for Senator meets the requirement of this section if, during the Fair Elections qualifying period, the candidate obtains—

“(1) a number of qualifying contributions equal to the greater of—

“(A) the sum of—

“(i) 2,000; plus

“(ii) 500 for each congressional district in the State with respect to which the candidate is seeking election; or

“(B) the amount determined by the Commission under section 531; and

“(2) a total dollar amount of qualifying contributions equal to the greater of—

“(A) 10 percent of the amount of the allocation such candidate would be entitled to receive for the primary election under section 522(c)(1) (determined without regard to paragraph (5) thereof) if such candidate were a participating candidate; or

“(B) the amount determined by the Commission under section 531.

“(b) REQUIREMENTS RELATING TO RECEIPT OF QUALIFYING CONTRIBUTION.—Each qualifying contribution—

“(1) may be made by means of a personal check, money order, debit card, credit card, or electronic payment account;

“(2) shall be accompanied by a signed statement containing—

“(A) the contributor’s name and the contributor’s address in the State in which the contributor is registered to vote; and

“(B) an oath declaring that the contributor—

“(i) understands that the purpose of the qualifying contribution is to show support for the candidate so that the candidate may qualify for Fair Elections financing;

“(ii) is making the contribution in his or her own name and from his or her own funds;

“(iii) has made the contribution willingly; and

“(iv) has not received anything of value in return for the contribution; and

“(3) shall be acknowledged by a receipt that is sent to the contributor with a copy kept by the candidate for the Commission and a copy kept by the candidate for the election authorities in the State with respect to which the candidate is seeking election.

“(c) VERIFICATION OF QUALIFYING CONTRIBUTIONS.—The Commission shall establish procedures for the auditing and verification of qualifying contributions to ensure that such contributions meet the requirements of this section.

“SEC. 513. CONTRIBUTION AND EXPENDITURE REQUIREMENTS.

“(a) GENERAL RULE.—A candidate for Senator meets the requirements of this section if, during the election cycle of the candidate, the candidate—

“(1) except as provided in subsection (b), accepts no contributions other than—

“(A) qualifying contributions;

“(B) qualified small dollar contributions;

“(C) qualifying multicandidate political committee contributions;

“(D) allocations from the Fund under section 522;

“(E) matching contributions under section 523; and

“(F) vouchers provided to the candidate under section 524;

“(2) makes no expenditures from any amounts other than from—

“(A) qualifying contributions;

“(B) qualified small dollar contributions;

“(C) qualifying multicandidate political committee contributions;

“(D) allocations from the Fund under section 522;

“(E) matching contributions under section 523; and

“(F) vouchers provided to the candidate under section 524; and

“(3) makes no expenditures from personal funds or the funds of any immediate family member (other than funds received through qualified small dollar contributions and qualifying contributions).

For purposes of this subsection, a payment made by a political party in coordination with a participating candidate shall not be treated as a contribution to or as an expenditure made by the participating candidate.

“(b) CONTRIBUTIONS FOR LEADERSHIP PACS, ETC.—A political committee of a participating candidate which is not an authorized committee of such candidate may accept contributions other than contributions described in subsection (a)(1) from any person if—

“(1) the aggregate contributions from such person for any calendar year do not exceed \$150; and

“(2) no portion of such contributions is disbursed in connection with the campaign of the participating candidate.

“(c) EXCEPTION.—Notwithstanding subsection (a), a candidate shall not be treated as having failed to meet the requirements of this section if any contributions that are not qualified small dollar contributions, qualifying contributions, qualifying multicandidate political committee contributions, or contributions that meet the requirements of subsection (b) and that are accepted before the date the candidate files a statement of intent under section 511(a)(1) are—

“(1) returned to the contributor; or

“(2) submitted to the Commission for deposit in the Fund.

“SEC. 514. DEBATE REQUIREMENT.

“A candidate for Senator meets the requirements of this section if the candidate participates in at least—

“(1) 1 public debate before the primary election with other participating candidates and other willing candidates from the same party and seeking the same nomination as such candidate; and

“(2) 2 public debates before the general election with other participating candidates and other willing candidates seeking the same office as such candidate.

“SEC. 515. CERTIFICATION.

“(a) IN GENERAL.—Not later than 5 days after a candidate for Senator files an affidavit under section 511(a)(3), the Commission shall—

“(1) certify whether or not the candidate is a participating candidate; and

“(2) notify the candidate of the Commission’s determination.

“(b) REVOCATION OF CERTIFICATION.—

“(1) IN GENERAL.—The Commission may revoke a certification under subsection (a) if—

“(A) a candidate fails to qualify to appear on the ballot at any time after the date of certification; or

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

“(2) REPAYMENT OF BENEFITS.—If certification is revoked under paragraph (1), the candidate shall repay to the Fund an amount equal to the value of benefits received under this title plus interest (at a rate determined by the Commission) on any such amount received.

“Subtitle C—Benefits

“SEC. 521. BENEFITS FOR PARTICIPATING CANDIDATES.

“(a) IN GENERAL.—For each election with respect to which a candidate is certified as a participating candidate, such candidate shall be entitled to—

“(1) an allocation from the Fund to make or obligate to make expenditures with respect to such election, as provided in section 522;

“(2) matching contributions, as provided in section 523; and

“(3) for the general election, vouchers for broadcasts of political advertisements, as provided in section 524.

“(b) RESTRICTION ON USES OF ALLOCATIONS FROM THE FUND.—Allocations from the Fund received by a participating candidate under section 522 and matching contributions under section 523 may only be used for campaign-related costs.

“(c) REMITTING ALLOCATIONS FROM THE FUND.—

“(1) IN GENERAL.—Not later than the date that is 45 days after an election in which the participating candidate appeared on the ballot, such participating candidate shall remit to the Commission for deposit in the Fund an amount equal to the lesser of—

“(A) the amount of money in the candidate’s campaign account; or

“(B) the sum of the allocations from the Fund received by the candidate under section 522 and the matching contributions received by the candidate under section 523.

“(2) EXCEPTION.—In the case of a candidate who qualifies to be on the ballot for a primary runoff election, a general election, or a general runoff election, the amounts described in paragraph (1) may be retained by the candidate and used in such subsequent election.

“SEC. 522. ALLOCATIONS FROM THE FUND.

“(a) IN GENERAL.—The Commission shall make allocations from the Fund under section 521(a)(1) to a participating candidate—

“(1) in the case of amounts provided under subsection (c)(1), not later than 48 hours after the date on which such candidate is certified as a participating candidate under section 515;

“(2) in the case of a general election, not later than 48 hours after—

“(A) the date of the certification of the results of the primary election or the primary runoff election; or

“(B) in any case in which there is no primary election, the date the candidate qualifies to be placed on the ballot; and

“(3) in the case of a primary runoff election or a general runoff election, not later than 48 hours after the certification of the results of the primary election or the general election, as the case may be.

“(b) METHOD OF PAYMENT.—The Commission shall distribute funds available to participating candidates under this section through the use of an electronic funds exchange or a debit card.

“(c) AMOUNTS.—

“(1) PRIMARY ELECTION ALLOCATION; INITIAL ALLOCATION.—Except as provided in paragraph (5), the Commission shall make an allocation from the Fund for a primary election to a participating candidate in an amount equal to 67 percent of the base amount with respect to such participating candidate.

“(2) PRIMARY RUNOFF ELECTION ALLOCATION.—The Commission shall make an allo-

cation from the Fund for a primary runoff election to a participating candidate in an amount equal to 25 percent of the amount the participating candidate was eligible to receive under this section for the primary election.

“(3) GENERAL ELECTION ALLOCATION.—Except as provided in paragraph (5), the Commission shall make an allocation from the Fund for a general election to a participating candidate in an amount equal to the base amount with respect to such candidate.

“(4) GENERAL RUNOFF ELECTION ALLOCATION.—The Commission shall make an allocation from the Fund for a general runoff election to a participating candidate in an amount equal to 25 percent of the base amount with respect to such candidate.

“(5) UNCONTESTED ELECTIONS.—

“(A) IN GENERAL.—In the case of a primary or general election that is an uncontested election, the Commission shall make an allocation from the Fund to a participating candidate for such election in an amount equal to 25 percent of the allocation which such candidate would be entitled to under this section for such election if this paragraph did not apply.

“(B) UNCONTESTED ELECTION DEFINED.—For purposes of this subparagraph, an election is uncontested if not more than 1 candidate has campaign funds (including payments from the Fund) in an amount equal to or greater than 10 percent of the allocation a participating candidate would be entitled to receive under this section for such election if this paragraph did not apply.

“(d) BASE AMOUNT.—

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the base amount for any candidate is an amount equal to the greater of—

“(A) the sum of—

“(i) \$750,000; plus

“(ii) \$150,000 for each congressional district in the State with respect to which the candidate is seeking election; or

“(B) the amount determined by the Commission under section 531.

“(2) INDEXING.—In each even-numbered year after 2021—

“(A) each dollar amount under paragraph (1)(A) shall be increased by the percent difference between the price index (as defined in section 315(c)(2)(A)) for the 12 months preceding the beginning of such calendar year and the price index for calendar year 2020;

“(B) each dollar amount so increased shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election; and

“(C) if any amount after adjustment under subparagraph (A) is not a multiple of \$100, such amount shall be rounded to the nearest multiple of \$100.

“SEC. 523. MATCHING PAYMENTS FOR QUALIFIED SMALL DOLLAR CONTRIBUTIONS.

“(a) IN GENERAL.—The Commission shall pay to each participating candidate an amount equal to 600 percent of the amount of qualified small dollar contributions received by the candidate from individuals who are residents of the State in which such participating candidate is seeking election after the date on which such candidate is certified under section 515.

“(b) LIMITATION.—The aggregate payments under subsection (a) with respect to any candidate shall not exceed the greater of—

“(1) 400 percent of the allocation such candidate is entitled to receive for such election under section 522 (determined without regard to subsection (c)(5) thereof); or

“(2) the percentage of such allocation determined by the Commission under section 531.

“(c) TIME OF PAYMENT.—The Commission shall make payments under this section not later than 2 business days after the receipt of a report made under subsection (d).

“(d) REPORTS.—

“(1) IN GENERAL.—Each participating candidate shall file reports of receipts of qualified small dollar contributions at such times and in such manner as the Commission may by regulations prescribe.

“(2) CONTENTS OF REPORTS.—Each report under this subsection shall disclose—

“(A) the amount of each qualified small dollar contribution received by the candidate;

“(B) the amount of each qualified small dollar contribution received by the candidate from a resident of the State in which the candidate is seeking election; and

“(C) the name, address, and occupation of each individual who made a qualified small dollar contribution to the candidate.

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

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

“(B) once every week after the period described in subparagraph (A) and until the date that is 21 days before the election; and

“(C) once every day after the period described in subparagraph (B).

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

“(e) APPEALS.—The Commission shall provide a written explanation with respect to any denial of any payment under this section and shall provide the opportunity for review and reconsideration within 5 business days of such denial.

“SEC. 524. POLITICAL ADVERTISING VOUCHERS.

“(a) IN GENERAL.—The Commission shall establish and administer a voucher program for the purchase of airtime on broadcasting stations for political advertisements in accordance with the provisions of this section.

“(b) CANDIDATES.—The Commission shall only disburse vouchers under the program established under subsection (a) to participants certified pursuant to section 515 who have agreed in writing to keep and furnish to the Commission such records, books, and other information as it may require.

“(c) AMOUNTS.—The Commission shall disburse vouchers to each candidate certified under subsection (b) in an aggregate amount equal to the greater of—

“(1) \$100,000 multiplied by the number of congressional districts in the State with respect to which such candidate is running for office; or

“(2) the amount determined by the Commission under section 531.

“(d) USE.—

“(1) EXCLUSIVE USE.—Vouchers disbursed by the Commission under this section may be used only for the purchase of broadcast airtime for political advertisements relating to a general election for the office of Senate by the participating candidate to which the vouchers were disbursed, except that—

“(A) a candidate may exchange vouchers with a political party under paragraph (2); and

“(B) a political party may use vouchers only to purchase broadcast airtime for political advertisements for generic party advertising (as defined by the Commission in regulations), to support candidates for State or local office in a general election, or to support participating candidates of the party in

a general election for Federal office, but only if it discloses the value of the voucher used as an expenditure under section 315(d).

“(2) EXCHANGE WITH POLITICAL PARTY COMMITTEE.—

“(A) IN GENERAL.—A participating candidate who receives a voucher under this section may transfer the right to use all or a portion of the value of the voucher to a committee of the political party of which the individual is a candidate (or, in the case of a participating candidate who is not a member of any political party, to a committee of the political party of that candidate's choice) in exchange for money in an amount equal to the cash value of the voucher or portion exchanged.

“(B) CONTINUATION OF CANDIDATE OBLIGATIONS.—The transfer of a voucher, in whole or in part, to a political party committee under this paragraph does not release the candidate from any obligation under the agreement made under subsection (b) or otherwise modify that agreement or its application to that candidate.

“(C) PARTY COMMITTEE OBLIGATIONS.—Any political party committee to which a voucher or portion thereof is transferred under subparagraph (A)—

“(i) shall account fully, in accordance with such requirements as the Commission may establish, for the receipt of the voucher; and

“(ii) may not use the transferred voucher or portion thereof for any purpose other than a purpose described in paragraph (1)(B).

“(D) VOUCHER AS A CONTRIBUTION UNDER FECA.—If a candidate transfers a voucher or any portion thereof to a political party committee under subparagraph (A)—

“(i) the value of the voucher or portion thereof transferred shall be treated as a contribution from the candidate to the committee, and from the committee to the candidate, for purposes of sections 302 and 304;

“(ii) the committee may, in exchange, provide to the candidate only funds subject to the prohibitions, limitations, and reporting requirements of title III of this Act; and

“(iii) the amount, if identified as a ‘voucher exchange’, shall not be considered a contribution for the purposes of sections 315 and 513.

“(e) VALUE; ACCEPTANCE; REDEMPTION.—

“(1) VOUCHER.—Each voucher disbursed by the Commission under this section shall have a value in dollars, redeemable upon presentation to the Commission, together with such documentation and other information as the Commission may require, for the purchase of broadcast airtime for political advertisements in accordance with this section.

“(2) ACCEPTANCE.—A broadcasting station shall accept vouchers in payment for the purchase of broadcast airtime for political advertisements in accordance with this section.

“(3) REDEMPTION.—The Commission shall redeem vouchers accepted by broadcasting stations under paragraph (2) upon presentation, subject to such documentation, verification, accounting, and application requirements as the Commission may impose to ensure the accuracy and integrity of the voucher redemption system.

“(4) EXPIRATION.—

“(A) CANDIDATES.—A voucher may only be used to pay for broadcast airtime for political advertisements to be broadcast before midnight on the day before the date of the Federal election in connection with which it was issued and shall be null and void for any other use or purpose.

“(B) EXCEPTION FOR POLITICAL PARTY COMMITTEES.—A voucher held by a political party committee may be used to pay for broadcast airtime for political advertisements to be broadcast before midnight on

December 31st of the odd-numbered year following the year in which the voucher was issued by the Commission.

“(5) VOUCHER AS EXPENDITURE UNDER FECA.—The use of a voucher to purchase broadcast airtime constitutes an expenditure as defined in section 301(9)(A).

“(f) DEFINITIONS.—In this section:

“(1) BROADCASTING STATION.—The term ‘broadcasting station’ has the meaning given that term by section 315(f)(1) of the Communications Act of 1934.

“(2) POLITICAL PARTY.—The term ‘political party’ means a major party or a minor party as defined in section 9002 (3) or (4) of the Internal Revenue Code of 1986 (26 U.S.C. 9002 (3) or (4)).

“Subtitle D—Administrative Provisions “SEC. 531. FAIR ELECTIONS OVERSIGHT BOARD.

“(a) ESTABLISHMENT.—There is established within the Federal Election Commission an entity to be known as the ‘Fair Elections Oversight Board’.

“(b) STRUCTURE AND MEMBERSHIP.—

“(1) IN GENERAL.—The Board shall be composed of 5 members appointed by the President by and with the advice and consent of the Senate, of whom—

“(A) 2 shall be appointed after consultation with the majority leader of the Senate;

“(B) 2 shall be appointed after consultation with the minority leader of the Senate; and

“(C) 1 shall be appointed upon the recommendation of the members appointed under subparagraphs (A) and (B).

“(2) QUALIFICATIONS.—

“(A) IN GENERAL.—The members shall be individuals who are nonpartisan and, by reason of their education, experience, and attainments, exceptionally qualified to perform the duties of members of the Board.

“(B) PROHIBITION.—No member of the Board may be—

“(i) an employee of the Federal Government;

“(ii) a registered lobbyist; or

“(iii) an officer or employee of a political party or political campaign.

“(3) DATE.—Members of the Board shall be appointed not later than 60 days after the date of the enactment of this Act.

“(4) TERMS.—A member of the Board shall be appointed for a term of 5 years.

“(5) VACANCIES.—A vacancy on the Board shall be filled not later than 30 calendar days after the date on which the Board is given notice of the vacancy, in the same manner as the original appointment. The individual appointed to fill the vacancy shall serve only for the unexpired portion of the term for which the individual's predecessor was appointed.

“(6) CHAIRPERSON.—The Board shall designate a Chairperson from among the members of the Board.

“(c) DUTIES AND POWERS.—

“(1) ADMINISTRATION.—

“(A) IN GENERAL.—The Board shall have such duties and powers as the Commission may prescribe, including the power to administer the provisions of this title.

“(2) REVIEW OF FAIR ELECTIONS FINANCING.—

“(A) IN GENERAL.—After each general election for Federal office, the Board shall conduct a comprehensive review of the Fair Elections financing program under this title, including—

“(i) the maximum dollar amount of qualified small dollar contributions under section 501(11);

“(ii) the maximum and minimum dollar amounts for qualifying contributions under section 501(10);

“(iii) the number and value of qualifying contributions a candidate is required to obtain under section 512 to qualify for allocations from the Fund;

“(iv) the amount of allocations from the Fund that candidates may receive under section 522;

“(v) the maximum amount of matching contributions a candidate may receive under section 523;

“(vi) the amount and usage of vouchers under section 524;

“(vii) the overall satisfaction of participating candidates and the American public with the program; and

“(viii) such other matters relating to financing of Senate campaigns as the Board determines are appropriate.

“(B) CRITERIA FOR REVIEW.—In conducting the review under subparagraph (A), the Board shall consider the following:

“(i) QUALIFYING CONTRIBUTIONS AND QUALIFIED SMALL DOLLAR CONTRIBUTIONS.—The Board shall consider whether the number and dollar amount of qualifying contributions required and maximum dollar amount for such qualifying contributions and qualified small dollar contributions strikes a balance regarding the importance of voter involvement, the need to assure adequate incentives for participating, and fiscal responsibility, taking into consideration the number of primary and general election participating candidates, the electoral performance of those candidates, program cost, and any other information the Board determines is appropriate.

“(ii) REVIEW OF PROGRAM BENEFITS.—The Board shall consider whether the totality of the amount of funds allowed to be raised by participating candidates (including through qualifying contributions and small dollar contributions), allocations from the Fund under section 522, matching contributions under section 523, and vouchers under section 524 are sufficient for voters in each State to learn about the candidates to cast an informed vote, taking into account the historic amount of spending by winning candidates, media costs, primary election dates, and any other information the Board determines is appropriate.

“(C) ADJUSTMENT OF AMOUNTS.—

“(i) IN GENERAL.—Based on the review conducted under subparagraph (A), the Board shall provide for the adjustments of the following amounts:

“(I) the maximum dollar amount of qualified small dollar contributions under section 501(11)(C);

“(II) the maximum and minimum dollar amounts for qualifying contributions under section 501(10)(A);

“(III) the number and value of qualifying contributions a candidate is required to obtain under section 512(a)(1);

“(IV) the base amount for candidates under section 522(d);

“(V) the maximum amount of matching contributions a candidate may receive under section 523(b); and

“(VI) the dollar amount for vouchers under section 524(c).

“(ii) REGULATIONS.—The Commission shall promulgate regulations providing for the adjustments made by the Board under clause (i).

“(D) REPORT.—Not later than March 30 following any general election for Federal office, the Board shall submit a report to Congress on the review conducted under paragraph (1). Such report shall contain a detailed statement of the findings, conclusions, and recommendations of the Board based on such review.

“(d) MEETINGS AND HEARINGS.—

“(1) MEETINGS.—The Board may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Board considers advisable to carry out the purposes of this Act.

“(2) QUORUM.—Three members of the Board shall constitute a quorum for purposes of voting, but a quorum is not required for members to meet and hold hearings.

“(e) REPORTS.—Not later than March 30, 2019, and every 2 years thereafter, the Board shall submit to the Senate Committee on Rules and Administration a report documenting, evaluating, and making recommendations relating to the administrative implementation and enforcement of the provisions of this title.

“(f) ADMINISTRATION.—

“(1) COMPENSATION OF MEMBERS.—

“(A) IN GENERAL.—Each member, other than the Chairperson, shall be paid at a rate equal to the daily equivalent of the minimum annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

“(B) CHAIRPERSON.—The Chairperson shall be paid at a rate equal to the daily equivalent of the minimum annual rate of basic pay prescribed for level III of the Executive Schedule under section 5314 of title 5, United States Code.

“(2) PERSONNEL.—

“(A) DIRECTOR.—The Board shall have a staff headed by an Executive Director. The Executive Director shall be paid at a rate equivalent to a rate established for the Senior Executive Service under section 5382 of title 5, United States Code.

“(B) STAFF APPOINTMENT.—With the approval of the Chairperson, the Executive Director may appoint such personnel as the Executive Director and the Board determines to be appropriate.

“(C) ACTUARIAL EXPERTS AND CONSULTANTS.—With the approval of the Chairperson, the Executive Director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

“(D) DETAIL OF GOVERNMENT EMPLOYEES.—Upon the request of the Chairperson, the head of any Federal agency may detail, without reimbursement, any of the personnel of such agency to the Board to assist in carrying out the duties of the Board. Any such detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

“(E) OTHER RESOURCES.—The Board shall have reasonable access to materials, resources, statistical data, and other information from the Library of Congress and other agencies of the executive and legislative branches of the Federal Government. The Chairperson of the Board shall make requests for such access in writing when necessary.

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out the purposes of this subtitle.

“SEC. 532. ADMINISTRATION PROVISIONS.

“The Commission shall prescribe regulations to carry out the purposes of this title, including regulations—

“(1) to establish procedures for—

“(A) verifying the amount of valid qualifying contributions with respect to a candidate;

“(B) effectively and efficiently monitoring and enforcing the limits on the raising of qualified small dollar contributions;

“(C) monitoring the raising of qualifying multicandidate political committee contributions through effectively and efficiently monitoring and enforcing the limits on individual contributions to qualified accounts of multicandidate political committees;

“(D) effectively and efficiently monitoring and enforcing the limits on the use of personal funds by participating candidates;

“(E) monitoring the use of allocations from the Fund and matching contributions

under this title through audits or other mechanisms; and

“(F) the administration of the voucher program under section 524; and

“(2) regarding the conduct of debates in a manner consistent with the best practices of States that provide public financing for elections.

“SEC. 533. VIOLATIONS AND PENALTIES.

“(a) CIVIL PENALTY FOR VIOLATION OF CONTRIBUTION AND EXPENDITURE REQUIREMENTS.—If a candidate who has been certified as a participating candidate under section 515(a) accepts a contribution or makes an expenditure that is prohibited under section 513, the Commission shall assess a civil penalty against the candidate in an amount that is not more than 3 times the amount of the contribution or expenditure. Any amounts collected under this subsection shall be deposited into the Fund.

“(b) REPAYMENT FOR IMPROPER USE OF FAIR ELECTIONS FUND.—

“(1) IN GENERAL.—If the Commission determines that any benefit made available to a participating candidate under this title was not used as provided for in this title or that a participating candidate has violated any of the dates for remission of funds contained in this title, the Commission shall so notify the candidate and the candidate shall pay to the Fund an amount equal to—

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

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

“(2) OTHER ACTION NOT PRECLUDED.—Any action by the Commission in accordance with this subsection shall not preclude enforcement proceedings by the Commission in accordance with section 309(a), including a referral by the Commission to the Attorney General in the case of an apparent knowing and willful violation of this title.”

SEC. 103. PROHIBITION ON JOINT FUNDRAISING COMMITTEES.

Section 302(e) of the Federal Election Campaign Act of 1971 (52 U.S.C. 30102(e)) is amended by adding at the end the following new paragraph:

“(6) No authorized committee of a participating candidate (as defined in section 501) may establish a joint fundraising committee with a political committee other than an authorized committee of a candidate.”

SEC. 104. EXCEPTION TO LIMITATION ON COORDINATED EXPENDITURES BY POLITICAL PARTY COMMITTEES WITH PARTICIPATING CANDIDATES.

Section 315(d) of the Federal Election Campaign Act of 1971 (52 U.S.C. 30116(d)) is amended—

(1) in paragraph (3)(A), by striking “in the case of” and inserting “except as provided in paragraph (5), in the case of”; and

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

“(6)(A) The limitation under paragraph (3)(A) shall not apply with respect to any expenditure from a qualified political party-participating candidate coordinated expenditure fund.

“(B) In this paragraph, the term ‘qualified political party-participating candidate coordinated expenditure fund’ means a fund established by the national committee of a political party, or a State committee of a political party, including any subordinate committee of a State committee, for purposes of making expenditures in connection with the general election campaign of a candidate for election to the office of Senator who is a participating candidate (as defined in section 501), that only accepts qualified coordinated expenditure contributions.

“(C) In this paragraph, the term ‘qualified coordinated expenditure contribution’

means, with respect to the general election campaign of a candidate for election to the office of Senator who is a participating candidate (as defined in section 501), any contribution (or series of contributions)—

“(i) which is made by an individual who is not prohibited from making a contribution under this Act; and

“(ii) the aggregate amount of which does not exceed \$500 per election.”

TITLE II—IMPROVING VOTER INFORMATION

SEC. 201. BROADCASTS RELATING TO ALL SENATE CANDIDATES.

(a) LOWEST UNIT CHARGE; NATIONAL COMMITTEES.—Section 315(b)(1) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)) is amended—

(1) in the matter preceding subparagraph (A), by striking “to such office” and inserting the following: “to such office, or by a national committee of a political party on behalf of such candidate in connection with such campaign.”; and

(2) in subparagraph (A), by inserting “for preemptive use thereof” after “station”.

(b) PREEMPTION; AUDITS.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by redesignating subsections (c) and (d) as subsections (f) and (g), respectively and moving them to follow the existing subsection (e);

(2) by redesignating the existing subsection (e) as subsection (c); and

(3) by inserting after subsection (c) (as redesignated by paragraph (2)) the following:

“(d) PREEMPTION.—

“(1) IN GENERAL.—Except as provided in paragraph (2), and notwithstanding the requirements of subsection (b)(1)(A), a licensee shall not preempt the use of a broadcasting station by a legally qualified candidate for Senate who has purchased and paid for such use.

“(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 station, any candidate or party advertising spot scheduled to be broadcast during that program shall be treated in the same fashion as a comparable commercial advertising spot.

“(e) AUDITS.—During the 30-day period preceding a primary or primary runoff election and the 60-day period preceding a general or special election, the Commission shall conduct such audits as it deems necessary to ensure that each licensee to which this section applies is allocating television broadcast advertising time in accordance with this section and section 312.”

(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”; and

(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) TECHNICAL AND CONFORMING AMENDMENTS.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) in subsection (f), as redesignated by subsection (b)(1)—

(A) in the matter preceding paragraph (1), by striking “For purposes of this section—” and inserting the following: “DEFINITIONS.—For purposes of this section:”;

(B) in paragraph (1)—

(i) by striking “the term” and inserting “BROADCASTING STATION.—The term”; and

(ii) by striking “; and” and inserting a period; and

(C) in paragraph (2), by striking “the terms” and inserting “LICENSEE; STATION LICENSEE.—The terms”; and

(2) in subsection (g), as redesignated by subsection (b)(1), by striking “The Commission” and inserting “REGULATIONS.—The Commission”.

SEC. 202. BROADCAST RATES FOR PARTICIPATING CANDIDATES.

Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)), as amended by section 201, is amended—

(1) in paragraph (1)(A), by striking “paragraph (2)” and inserting “paragraphs (2) and (3)”; and

(2) by adding at the end the following:

“(3) PARTICIPATING CANDIDATES.—In the case of a participating candidate (as defined in section 501(9) of the Federal Election Campaign Act of 1971), the charges made for the use of any broadcasting station for a television broadcast shall not exceed 80 percent of the lowest charge described in paragraph (1)(A) during—

“(A) the 45 days preceding the date of a primary or primary runoff election in which the candidate is opposed; and

“(B) the 60 days preceding the date of a general or special election in which the candidate is opposed.

“(4) RATE CARDS.—A licensee shall provide to a candidate for Senate a rate card that discloses—

“(A) the rate charged under this subsection; and

“(B) the method that the licensee uses to determine the rate charged under this subsection.”.

SEC. 203. FCC TO PRESCRIBE STANDARDIZED FORM FOR REPORTING CANDIDATE CAMPAIGN ADS.

(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Federal Communications Commission shall initiate a rulemaking proceeding to establish a standardized form to be used by each broadcasting station, as defined in section 315(f) of the Communications Act of 1934 (47 U.S.C. 315(f)) (as redesignated by section 201(b)(1)), to record and report the purchase of advertising time by or on behalf of a candidate for nomination for election, or for election, to Federal elective office.

(b) CONTENTS.—The form prescribed by the Federal Communications Commission under subsection (a) shall require a broadcasting station to report to the Federal Communications Commission and to the Federal Election Commission, at a minimum—

(1) the station call letters and mailing address;

(2) the name and telephone number of the station's sales manager (or individual with responsibility for advertising sales);

(3) the name of the candidate who purchased the advertising time, or on whose behalf the advertising time was purchased, and the Federal elective office for which he or she is a candidate;

(4) the name, mailing address, and telephone number of the person responsible for purchasing broadcast political advertising for the candidate;

(5) notation as to whether the purchase agreement for which the information is being reported is a draft or final version; and

(6) with respect to the advertisement—

(A) the date and time of the broadcast;

(B) the program in which the advertisement was broadcast; and

(C) the length of the broadcast airtime.

(c) INTERNET ACCESS.—In its rulemaking under subsection (a), the Federal Communications Commission shall require any broadcasting station required to file a report under this section that maintains an Internet website to make available a link to each such report on that website.

TITLE III—RESPONSIBILITIES OF THE FEDERAL ELECTION COMMISSION

SEC. 301. PETITION FOR CERTIORARI.

Section 307(a)(6) of the Federal Election Campaign Act of 1971 (52 U.S.C. 30107(a)(6)) is amended by inserting “(including a proceeding before the Supreme Court on certiorari)” after “appeal”.

SEC. 302. FILING BY SENATE CANDIDATES WITH COMMISSION.

Section 302(g) of the Federal Election Campaign Act of 1971 (52 U.S.C. 30102(g)) is amended to read as follows:

“(g) FILING WITH THE COMMISSION.—All designations, statements, and reports required to be filed under this Act shall be filed with the Commission.”.

SEC. 303. ELECTRONIC FILING OF FEC REPORTS.

Section 304(a)(11) of the Federal Election Campaign Act of 1971 (52 U.S.C. 30104(a)(11)) is amended—

(1) in subparagraph (A), by striking “under this Act—” and all that follows and inserting “under this Act shall be required to maintain and file such designation, statement, or report in electronic form accessible by computers.”;

(2) in subparagraph (B), by striking “48 hours” and all that follows through “filed electronically” and inserting “24 hours”; and

(3) by striking subparagraph (D).

TITLE IV—PARTICIPATION IN FUNDING OF ELECTIONS

SEC. 401. REFUNDABLE TAX CREDIT FOR SENATE CAMPAIGN CONTRIBUTIONS.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by inserting after section 36B the following new section:

“SEC. 36C. CREDIT FOR SENATE CAMPAIGN CONTRIBUTIONS.

“(a) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this subtitle an amount equal to 50 percent of the qualified My Voice Federal Senate campaign contributions paid or incurred by the taxpayer during the taxable year.

“(b) LIMITATIONS.—

“(1) DOLLAR LIMITATION.—The amount of qualified My Voice Federal Senate campaign contributions taken into account under subsection (a) for the taxable year shall not exceed \$50 (twice such amount in the case of a joint return).

“(2) LIMITATION ON CONTRIBUTIONS TO FEDERAL SENATE CANDIDATES.—No credit shall be allowed under this section to any taxpayer for any taxable year if such taxpayer made aggregate contributions in excess of \$300 during the taxable year to—

“(A) any single Federal Senate candidate, or

“(B) any political committee established and maintained by a national political party.

“(3) PROVISION OF INFORMATION.—No credit shall be allowed under this section to any taxpayer unless the taxpayer provides the Secretary with such information as the Secretary may require to verify the taxpayer's eligibility for the credit and the amount of the credit for the taxpayer.

“(c) QUALIFIED MY VOICE FEDERAL SENATE CONTRIBUTIONS.—For purposes of this section, the term ‘My Voice Federal Senate campaign contribution’ means any contribution of cash by an individual to a Federal Senate candidate or to a political committee established and maintained by a national political party if such contribution is not prohibited under the Federal Election Campaign Act of 1971.

“(d) FEDERAL SENATE CANDIDATE.—For purposes of this section—

“(1) IN GENERAL.—The term ‘Federal Senate candidate’ means any candidate for election to the office of Senator.

“(2) TREATMENT OF AUTHORIZED COMMITTEES.—Any contribution made to an authorized committee of a Federal Senate candidate shall be treated as made to such candidate.

“(e) INFLATION ADJUSTMENT.—

“(1) IN GENERAL.—In the case of a taxable year beginning after 2019, the \$50 amount under subsection (b)(1) shall be increased by an amount equal to—

“(A) such dollar amount, multiplied by

“(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2018’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) ROUNDING.—If any amount as adjusted under subparagraph (A) is not a multiple of \$5, such amount shall be rounded to the nearest multiple of \$5.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 6211(b)(4)(A) of such Code is amended by inserting “36C,” after “36B.”.

(2) Section 1324(b)(2) of title 31, United States Code, is amended by inserting “36C,” after “36B.”.

(3) The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 36B the following new item:

“Sec. 36C. Credit for Senate campaign contributions.”.

(c) FORMS.—The Secretary of the Treasury, or his designee, shall ensure that the credit for contributions to Federal Senate candidates allowed under section 36C of the Internal Revenue Code of 1986, as added by this section, may be claimed on Forms 1040EZ and 1040A.

(d) ADMINISTRATION.—At the request of the Secretary of the Treasury, the Federal Election Commission shall provide the Secretary of the Treasury with such information and other assistance as the Secretary may reasonably require to administer the credit allowed under section 36C of the Internal Revenue Code of 1986, as added by this section.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2018.

TITLE V—REVENUE PROVISIONS

SEC. 501. FAIR ELECTIONS FUND REVENUE.

(a) IN GENERAL.—The Internal Revenue Code of 1986 is amended by inserting after chapter 36 the following new chapter:

“CHAPTER 37—TAX ON PAYMENTS PURSUANT TO CERTAIN GOVERNMENT CONTRACTS

“Sec. 4501. Imposition of tax.

“SEC. 4501. IMPOSITION OF TAX.

“(a) TAX IMPOSED.—There is hereby imposed on any payment made to a qualified person pursuant to a contract with the Government of the United States a tax equal to 0.50 percent of the amount paid.

“(b) LIMITATION.—The aggregate amount of tax imposed per contract under subsection (a) for any calendar year shall not exceed \$500,000.

“(c) QUALIFIED PERSON.—For purposes of this section, the term ‘qualified person’ means any person which—

“(1) is not a State or local government, a foreign nation, or an organization described in section 501(c)(3) which is exempt from taxation under section 501(a), and

“(2) has a contract with the Government of the United States with a value in excess of \$10,000,000.

“(d) PAYMENT OF TAX.—The tax imposed by this section shall be paid by the person receiving such payment.

“(e) USE OF REVENUE GENERATED BY TAX.—It is the sense of the Senate that amounts equivalent to the revenue generated by the tax imposed under this chapter should be appropriated for the financing of a Fair Elections Fund and used for the public financing of Senate elections.”.

(b) CONFORMING AMENDMENT.—The table of chapters of the Internal Revenue Code of 1986 is amended by inserting after the item relating to chapter 36 the following:

“CHAPTER 37—TAX ON PAYMENTS PURSUANT TO CERTAIN GOVERNMENT CONTRACTS”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contracts entered into after the date of the enactment of this Act.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. 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. 602. EFFECTIVE DATE.

Except as otherwise provided for in this Act, this Act and the amendments made by this Act shall take effect on January 1, 2019.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 232—SUPPORTING THE INCLUSION AND MEANINGFUL ENGAGEMENT OF LATINOS IN ENVIRONMENTAL PROTECTION AND CONSERVATION EFFORTS

Mr. BENNET (for himself, Mr. HELLER, Mr. MENENDEZ, Mr. UDALL, Mr. COONS, Mrs. FEINSTEIN, Mr. CARDIN, Mr. PETERS, Mr. VAN HOLLEN, Mrs. HARRIS, Mr. HEINRICH, Mr. MERKLEY, Mr. FRANKEN, Mr. CARPER, Ms. STABENOW, Ms. CANTWELL, Mrs. MURRAY, and Ms. CORTEZ MASTO) submitted the following resolution; which was referred to the Committee on Energy and Natural Resources:

S. RES. 232

Whereas Latinos are the largest ethnic group in the United States, with more than 56,600,000 Latinos making up 17.6 percent of the population of the United States;

Whereas the Latino community is projected to grow to nearly ¼ of the population of the United States by 2050;

Whereas Latinos should have greater representation in the decisionmaking process relating to, and management of, public land;

Whereas Latino conservation initiatives break down barriers, improve access to public land, and encourage outreach to, and new opportunities for, the Latino community to use public land;

Whereas Latino conservation efforts can range from outdoor activities, such as hiking and kayaking, to educational activities and community gatherings;

Whereas increased access to outdoor recreation opportunities encourages Latino families and youth to engage with the outdoors and demonstrate the commitment of the Latino families and youth to conservation;

Whereas each person should have the opportunity to discover his or her history, culture, and heritage by exploring and experiencing the public land of the United States;

Whereas access to green spaces provides for healthier and more active lifestyles, which helps address numerous health disparity issues facing the Latino community, such as diabetes, obesity, and cardiovascular disease;

Whereas the participation of Latinos in conservation efforts can encourage the interest and involvement of Latinos in careers in conservation;

Whereas the people of the United States must ensure that the public land and natural surroundings of the United States are protected for future generations; and

Whereas the members of the largest ethnic group in the United States, as the environmental stewards of tomorrow, will play a significant role in securing the future success and preservation of the public land of the United States, especially as that group continues to grow: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the role of Latinos in protecting and preserving the land, water, and wildlife of the United States;

(2) supports the inclusion and meaningful engagement of Latinos in environmental protection and conservation efforts; and

(3) encourages Latinos in the United States to participate in ceremonies, activities, and programs that engage the community in the outdoors and bring awareness to the importance of conservation.

SENATE RESOLUTION 233—DESIGNATING AUGUST 16, 2017, AS “NATIONAL AIRBORNE DAY”

Mr. REED (for himself, Ms. MURKOWSKI, Mr. BLUMENTHAL, Mr. VAN HOLLEN, Mrs. SHAHEEN, Mr. PETERS, and Mr. TESTER) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 233

Whereas the members of the airborne forces of the Armed Forces of the United States have a long and honorable history as bold and fierce warriors who, for the national security of the United States and the defense of freedom and peace, project the ground combat power of the United States by air transport to the far reaches of the battle area and to the far corners of the world;

Whereas, on June 25, 1940, experiments with airborne operations by the United States began when the Army Parachute Test Platoon was first authorized by the Department of War;

Whereas, in July 1940, 48 volunteers began training for the Army Parachute Test Platoon;

Whereas August 16 marks the anniversary of the first official Army parachute jump, which took place on August 16, 1940, to test the innovative concept of inserting United States ground combat forces behind a battle line by means of a parachute;

Whereas the success of the Army Parachute Test Platoon in the days immediately before the entry of the United States into World War II validated the airborne operational concept and led to the creation of a formidable force of airborne formations that included the 11th, 13th, 17th, 82nd, and 101st Airborne Divisions;

Whereas, included in those divisions, and among other separate formations, were many airborne combat, combat support, and combat service support units that served with distinction and achieved repeated success in armed hostilities during World War II;

Whereas the achievements of the airborne units during World War II prompted the evolution of those units into a diversified force of parachute and air-assault units that, over

the years, have fought in Korea, Vietnam, Grenada, Panama, the Persian Gulf region, and Somalia, and have engaged in peacekeeping operations in Lebanon, the Sinai Peninsula, the Dominican Republic, Haiti, Bosnia, and Kosovo;

Whereas, since the terrorist attacks of September 11, 2001, the members of the United States airborne forces, including members of the XVIII Airborne Corps, the 82nd Airborne Division, the 101st Airborne Division, the 173rd Airborne Brigade Combat Team, the 4th Brigade Combat Team (Airborne) of the 25th Infantry Division, the 75th Ranger Regiment, special operations forces of the Army, Marine Corps, Navy, and Air Force, and other units of the Armed Forces, have demonstrated bravery and honor in combat, stability, and training operations in Afghanistan and Iraq;

Whereas the modern-day airborne forces also include other elite forces composed of airborne trained and qualified special operations warriors, including Army Special Forces, Marine Corps Reconnaissance units, Navy SEALs, and Air Force combat control and pararescue teams;

Whereas, of the members and former members of the United States airborne forces, thousands have achieved the distinction of making combat jumps, dozens have earned the Medal of Honor, and hundreds have earned the Distinguished Service Cross, the Silver Star, or other decorations and awards for displays of heroism, gallantry, intrepidity, and valor;

Whereas the members and former members of the United States airborne forces are all members of a proud and honorable tradition that, together with the special skills and achievements of those members, distinguishes the members as intrepid combat parachutists, air assault forces, special operation forces, and, in the past, glider troops;

Whereas individuals from every State of the United States have served gallantly in the airborne forces, and each State is proud of the contributions of its paratrooper veterans during the many conflicts faced by the United States;

Whereas the history and achievements of the members and former members of the United States airborne forces warrant special expressions of the gratitude of the people of the United States; and

Whereas, since the airborne forces, past and present, celebrate August 16 as the anniversary of the first official jump by the Army Parachute Test Platoon, August 16 is an appropriate day to recognize as National Airborne Day: Now, therefore, be it

Resolved, That the Senate—

(1) designates August 16, 2017, as “National Airborne Day”; and

(2) calls on the people of the United States to observe National Airborne Day with appropriate programs, ceremonies, and activities.

AMENDMENTS SUBMITTED AND PROPOSED

SA 281. Mr. PAUL submitted an amendment intended to be proposed to amendment SA 267 proposed by Mr. MCCONNELL to the bill H.R. 1628, to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2017; which was ordered to lie on the table.

SA 282. Mr. ROUNDS submitted an amendment intended to be proposed by him to the bill H.R. 2810, to authorize appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and