

103^D CONGRESS
1ST SESSION

H. R. 3192

To deny certain benefits to candidates for election to the House of Representatives who accept contributions in excess of certain limitations, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 30, 1993

Mr. BROWDER introduced the following bill; which was referred jointly to the Committees on Ways and Means, Energy and Commerce, and Post Office and Civil Service

A BILL

To deny certain benefits to candidates for election to the House of Representatives who accept contributions in excess of certain limitations, and for other purposes.

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

3 **SECTION 1. DENIAL OF CERTAIN TAX BENEFITS.**

4 (a) GENERAL RULE.—Section 527 of the Internal
5 Revenue Code of 1986 (relating to political organizations)
6 is amended by adding at the end thereof the following new
7 subsection:

8 “(i) SPECIAL RULES FOR CERTAIN CAMPAIGN COM-
9 MITTEES.—

1 “(1) IN GENERAL.—In the case of any political
2 organization to which this subsection applies for any
3 taxable year—

4 “(A) all excess campaign contributions re-
5 ceived by such organization during such taxable
6 year shall be included in gross income and the
7 exemptions provided by subsection (c)(1) for ex-
8 empt function income shall not apply to such
9 contributions, and

10 “(B) the provisions of subsection (h) shall
11 not apply to such organization for such taxable
12 year.

13 “(2) ORGANIZATIONS TO WHICH SUBSECTION
14 APPLIES.—This subsection shall apply to any politi-
15 cal organization for any taxable year if—

16 “(A) such organization is a campaign com-
17 mittee of a candidate for election as a Member
18 of the House of Representatives or as a Dele-
19 gate or Resident Commissioner to the House of
20 Representatives, and

21 “(B) the contribution limitations of para-
22 graph (3) are not satisfied by such candidate—

23 “(i) in the case of the first taxable
24 year beginning in an election cycle, for the

1 portion of such election cycle ending with
2 the close of the taxable year, or

3 “(ii) in the case of the taxable year in
4 which such election cycle ends, for the en-
5 tire election cycle.

6 “(3) CONTRIBUTION LIMITATIONS.—The con-
7 tribution limitations of this paragraph are satisfied
8 by any candidate for any election cycle (or portion
9 thereof) if—

10 “(A) the sum of the following amounts
11 does not exceed \$600,000:

12 “(i) the amount of cash and the fair
13 market value of other property held by
14 campaign committees of such candidate as
15 of the beginning of such election cycle, plus

16 “(ii) the aggregate amount of political
17 contributions accepted by such candidate
18 or by such candidate’s campaign commit-
19 tees during such election cycle (or portion
20 thereof), and

21 “(B) the aggregate amount of political
22 contributions from multicandidate political com-
23 mittees accepted by such candidate or by such
24 candidate’s campaign committees during such

1 election cycle (or portion thereof) does not ex-
2 ceed \$300,000.

3 “(4) EXCESS CAMPAIGN CONTRIBUTIONS.—

4 “(A) IN GENERAL.—For purposes of this
5 subsection, the term ‘excess campaign contribu-
6 tions’ means the amount of contributions re-
7 ceived by the political organization during the
8 taxable year to the extent such contributions
9 exceed the amount permitted under the con-
10 tribution limitations of paragraph (3).

11 “(B) SPECIAL RULE.—For purposes of
12 this subtitle, contributions received during the
13 portion of any election cycle before the first tax-
14 able year beginning in such cycle shall be treat-
15 ed as received in such first taxable year.

16 “(5) ELECTION CYCLE.—For purposes of this
17 subsection, the term ‘election cycle’ means the period
18 beginning with the day after the date of a general
19 election for the House of Representatives and ending
20 with the date of the next general election for the
21 House of Representatives.

22 “(6) MULTICANDIDATE POLITICAL COMMIT-
23 TEE.—The term ‘multicandidate political committee’
24 has the meaning given such term by section

1 315(a)(4) of the Federal Election Campaign Act of
2 1971 (2 U.S.C. 441a(a)(4)).”

3 (b) EFFECTIVE DATE.—The amendment made by
4 subsection (a) shall apply to taxable years beginning after
5 the date of the enactment of this Act.

6 **SEC. 2. DENIAL OF LOWEST UNIT CHARGE FOR CAMPAIGN**
7 **ADS.**

8 Section 315(b) of the Communications Act of 1934
9 (47 U.S.C. 315(b)) is amended by adding at the end the
10 following new sentence:

11 “The limitations on charges contained in this subsection
12 shall not apply in the case of a candidate for election as
13 a Member of, or Delegate or Resident Commissioner to,
14 the United States House of Representatives unless such
15 candidate certifies, at the time of entering into a contract
16 for the use of such broadcasting station, that such can-
17 didate has not obtained any excess campaign contributions
18 for the current election cycle, as determined under section
19 527(i)(4) of the Internal Revenue Code of 1986.”.

20 **SEC. 3. REDUCED THIRD-CLASS MAILING RATES.**

21 (a) IN GENERAL.—Section 3626(e) of title 39, Unit-
22 ed States Code, is amended—

23 (1) in paragraph (2)(A)—

24 (A) by striking “and the National” and in-
25 serting “the National”; and

1 (B) by striking “Committee;” and insert-
2 ing “Committee, and, subject to paragraph (3),
3 a campaign committee of a candidate for the
4 House of Representatives;”;

5 (2) in paragraph (2)(B), by striking “and”
6 after the semicolon;

7 (3) in paragraph (2)(C), by striking the period
8 and inserting “; and”;

9 (4) by adding after paragraph (2)(C) the fol-
10 lowing:

11 “(D) the term ‘candidate for the House of Rep-
12 resentatives’ means a candidate for election as a
13 Member of, or Delegate or Resident Commissioner
14 to, the House of Representatives.”; and

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

16 “(3) The rates under this subsection shall not be
17 available to a campaign committee of a candidate for the
18 House of Representatives unless such committee certifies,
19 at such time and in such manner as the Postal Service
20 by regulation requires, that such candidate has not ob-
21 tained any excess campaign contributions for the current
22 election cycle, as determined under section 527(i)(4) of the
23 Internal Revenue Code of 1986.”.

24 (b) SENSE OF THE CONGRESS.—It is the sense of
25 the Congress that any additional costs incurred by the

1 United Postal Service in connection with providing re-
2 duced rates of postage pursuant to the amendments made
3 by subsection (a) should be funded out of any revenues
4 attributable to the amendment made by section 1.

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