

Union Calendar No. 349

104<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 3760**

[Report No. 104-677]

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**A BILL**

To amend the Federal Election Campaign Act of 1971 to reform the financing of Federal election campaigns, and for other purposes.

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JULY 16, 1996

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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## IN THE HOUSE OF REPRESENTATIVES

JULY 9, 1996

Mr. THOMAS (for himself, Mr. GINGRICH, Mr. ARMEY, Mr. DELAY, Mr. BOEHNER, Mr. PAXON, Mr. HOEKSTRA, Mr. WAMP, and Mr. EHLERS) introduced the following bill; which was referred to the Committee on House Oversight

JULY 16, 1996

Additional sponsors: Ms. GREENE of Utah, Mr. BALLENGER, Mr. RIGGS, Mr. LIVINGSTON, Mr. FOX, Mr. KOLBE, Mr. WELDON of Pennsylvania, Mr. WALKER, Mr. ENGLISH of Pennsylvania, and Mr. CAMP

JULY 16, 1996

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on July 9, 1996]

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## A BILL

To amend the Federal Election Campaign Act of 1971 to reform the financing of Federal election campaigns, and for other purposes.

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

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) *SHORT TITLE.*—*This Act may be cited as the*  
 3 *“Campaign Finance Reform Act of 1996”.*

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

*Sec. 1. Short title; table of contents.*

*Sec. 2. Findings.*

*TITLE I—RESTORING CONTROL OF ELECTIONS TO INDIVIDUALS*

*Sec. 101. Requiring majority of House of Representatives candidate funds to come from individuals residing in district.*

*Sec. 102. Reduction in allowable contribution amounts for political action committees in Federal elections to level allowed for individuals.*

*Sec. 103. Modification of limitations on contributions when candidates spend or contribute large amounts of personal funds.*

*Sec. 104. Indexing limits on contributions.*

*Sec. 105. Prohibition of leadership committees.*

*Sec. 106. Prohibiting bundling of contributions to candidates by political action committees and lobbyists.*

*Sec. 107. Definition of independent expenditures.*

*Sec. 108. Requirements for use of payroll deductions for contributions.*

*TITLE II—STRENGTHENING POLITICAL PARTIES*

*Sec. 201. Modification of contribution limits and requirements for political parties.*

*Sec. 202. Allowing political parties to offset funds carried over from previous elections.*

*Sec. 203. Prohibiting use of non-Federal funds in Federal elections.*

*Sec. 204. Permitting parties to have unlimited communication with members.*

*Sec. 205. Promoting State and local party volunteer and grassroots activity.*

*TITLE III—DISCLOSURE AND ENFORCEMENT*

*Sec. 301. Timely reporting and increased disclosure.*

*Sec. 302. Streamlining procedures and rules of Federal Election Commission.*

*TITLE IV—GENERAL PROVISIONS*

*Sec. 401. Effective date.*

*Sec. 402. Severability.*

*Sec. 403. Expedited court review.*

6 **SEC. 2. FINDINGS.**

7 *Congress finds the following:*

8 (1) *Our republican form of government is*  
 9 *strengthened when voters choose their representatives*

1        *in elections that are free of corruption or the appear-*  
2        *ance of corruption.*

3            (2) *Corruption or the appearance of corruption*  
4        *in elections may evidence itself in many ways:*

5            (A) *Voters who democratically elect rep-*  
6        *resentatives must believe they are fairly rep-*  
7        *resented by those they elect. The current election*  
8        *laws have led many to believe that the interests*  
9        *of those who actually vote for their representa-*  
10       *tives are less important than those who cannot*  
11       *vote, but who can influence an election by their*  
12       *contributions to the candidates.*

13           (B) *Failure to disclose, or timely disclose,*  
14       *those who contribute and how much they contrib-*  
15       *ute unnecessarily withholds information voters*  
16       *need to cast ballots with complete confidence,*  
17       *thereby increasing the belief of, or the appear-*  
18       *ance of, corruption.*

19           (C) *The diminishing role of political par-*  
20       *ties, despite parties' long-standing role in ad-*  
21       *vancing broad national agendas, in assisting the*  
22       *election of party candidates, and in organizing*  
23       *members, has relatively enhanced groups that*  
24       *pursue narrower interests. This relative shift of*

1           *influence has been interpreted by some as cor-*  
2           *rupting the election process.*

3           *(D) Complicated and obsolete election laws*  
4           *and rules discourage citizens from becoming can-*  
5           *didates, allow for coerced involuntary payments*  
6           *for political purposes, fail to keep contribution*  
7           *amounts current with inflation, and fail to pro-*  
8           *vide reasonable compensating contribution limits*  
9           *for candidates who run against candidates who*  
10          *wish to exercise their constitutional right of*  
11          *spending their own resources. The current state*  
12          *of laws and rules is such that if they do not cor-*  
13          *rupt, at the very least they unduly hinder fair,*  
14          *honest, and competitive elections.*

15        ***TITLE I—RESTORING CONTROL***  
16        ***OF ELECTIONS TO INDIVIDUALS***

17        ***SEC. 101. REQUIRING MAJORITY OF HOUSE OF REPRESENT-***  
18                        ***ATIVES CANDIDATE FUNDS TO COME FROM***  
19                        ***INDIVIDUALS RESIDING IN DISTRICT.***

20           *(a) IN GENERAL.—Section 315 of the Federal Election*  
21        *Campaign Act of 1971 (2 U.S.C. 441a) is amended by add-*  
22        *ing at the end the following new subsection:*

23           *“(i)(1) A candidate for the office of Representative in,*  
24        *or Delegate or Resident Commissioner to, the Congress may*  
25        *not accept contributions with respect to an election cycle*

1 *from persons other than local individual residents totaling*  
2 *in excess of the total of contributions accepted from local*  
3 *individual residents (as determined on the basis of the most*  
4 *recent information included in reports pursuant to section*  
5 *304(d).*

6       “(2) *In determining the amount of contributions ac-*  
7 *cepted by a candidate for purposes of this subsection, con-*  
8 *tributions of the candidate’s personal funds shall be subject*  
9 *to the following rules:*

10               “(A) *To the extent that the amount of the con-*  
11 *tribution does not exceed the limitation on contribu-*  
12 *tions made by an individual under subsection*  
13 *(a)(1)(A), such contribution shall be treated as any*  
14 *other contribution.*

15               “(B) *The portion (if any) of the contribution*  
16 *which exceeds the limitation on contributions which*  
17 *may be made by an individual under subsection*  
18 *(a)(1)(A) shall be allocated in accordance with para-*  
19 *graph (8).*

20       “(3) *In determining the amount of contributions ac-*  
21 *cepted by a candidate for purposes of this subsection, con-*  
22 *tributions from a political party or a political party com-*  
23 *mittee shall be allocated in accordance with paragraph (8).*

24       “(4) *In determining the amount of contributions ac-*  
25 *cepted by a candidate for purposes of this subsection, any*

1 *funds remaining in the candidate's campaign account after*  
2 *the filing of the post-general election report under section*  
3 *304(a)(2)(A)(ii) for the most recent general election shall*  
4 *be allocated in accordance with paragraph (8).*

5       “(5) *In determining the amount of contributions ac-*  
6 *cepted by a candidate for purposes of this subsection, any*  
7 *contributions accepted pursuant to subsection (j) which are*  
8 *from persons other than local individual residents shall be*  
9 *allocated in accordance with paragraph (8).*

10       “(6)(A) *Any candidate who accepts contributions that*  
11 *exceed the limitation under this subsection, as determined*  
12 *on the basis of information included in reports pursuant*  
13 *to section 304(d), shall pay to the Commission at the time*  
14 *of the filing of the report which contains the information,*  
15 *for deposit in the Treasury, an amount equal to 3 times*  
16 *the amount of the excess contributions (or, in the case of*  
17 *a candidate described in subparagraph (C), an amount*  
18 *equal to 5 times the amount of the excess contributions plus*  
19 *a civil penalty in an amount determined by the Commis-*  
20 *sion).*

21       “(B) *Any amounts paid by a candidate under this*  
22 *paragraph shall be paid from contributions subject to the*  
23 *limitations and prohibitions of this title, including the lim-*  
24 *itation under this subsection.*

1       “(C) A candidate described in this subparagraph is a  
2 candidate who accepts contributions that exceed the limita-  
3 tion under this subsection as of the last day of the period  
4 ending on the 20th day before an election or any period  
5 ending after such 20th day and before or on the 20th day  
6 after such election.

7       “(7) As used in this subsection, the term ‘local individ-  
8 ual resident’ means an individual who resides in the con-  
9 gressional district involved.

10       “(8) For purposes of this subsection, any amounts allo-  
11 cated in accordance with this paragraph shall be allocated  
12 as follows:

13               “(A) 50 percent of such amounts shall be deemed  
14 to be contributions from local individual residents.

15               “(B) 50 percent of such amounts shall be deemed  
16 to be contributions from persons other than local indi-  
17 vidual residents.”.

18       (b) *REPORTING REQUIREMENTS.*—Section 304 of such  
19 Act (2 U.S.C. 434) is amended by adding at the end the  
20 following new subsection:

21       “(d) Each principal campaign committee of a can-  
22 didate for the House of Representatives shall include the  
23 following information in reports filed under subsection  
24 (a)(2) and subsection (a)(6)(A):



1           “(1) With respect to each report filed under such  
2 subsection—

3           “(A) the total contributions received by the  
4 committee with respect to the election cycle in-  
5 volved from local individual residents (as defined  
6 in section 315(i)(7)), as of the last day of the pe-  
7 riod covered by the report;

8           “(B) the total contributions received by the  
9 committee with respect to the election cycle in-  
10 volved which are not from local individual resi-  
11 dents, as of the last day of the period covered by  
12 the report; and

13           “(C) a certification as to whether the con-  
14 tributions reported comply with the limitation  
15 under section 315(i), as of the last day of the pe-  
16 riod covered by the report.

17           “(2) In the case of the first report filed under  
18 such subsection which covers the period which begins  
19 19 days before an election and ends 20 days after the  
20 election—

21           “(A) the total contributions received by the  
22 committee with respect to the election cycle in-  
23 volved from local individual residents (as defined  
24 in section 315(i)(7)), as of the last day of such  
25 period;

1           “(B) the total contributions received by the  
2 committee with respect to the election cycle in-  
3 volved which are not from local individual resi-  
4 dents, as of the last day of such period; and

5           “(C) a certification as to whether the con-  
6 tributions reported comply with the limitation  
7 under section 315(i), as of the last day of such  
8 period.”.

9 **SEC. 102. REDUCTION IN ALLOWABLE CONTRIBUTION**  
10 **AMOUNTS FOR POLITICAL ACTION COMMIT-**  
11 **TEES IN FEDERAL ELECTIONS TO LEVEL AL-**  
12 **LOWED FOR INDIVIDUALS.**

13       (a) *IN GENERAL.*—Section 315(a) of the Federal Elec-  
14 tion Campaign Act of 1971 (2 U.S.C. 441a(a)) is amend-  
15 ed—

16           (1) in paragraph (1)—

17               (A) in subparagraph (A), by inserting after  
18 “Federal office” the following: “or to any other  
19 political committee other than a political party  
20 committee in any calendar year”,

21               (B) in subparagraph (A), by adding “or” at  
22 the end,

23               (C) in subparagraph (B), by striking “; or”  
24 and inserting a period, and

25               (D) by striking subparagraph (C); and

1           (2) *by amending paragraph (2) to read as fol-*  
2       *lows:*

3           “(2) *No political party committee may make contribu-*  
4       *tions—*

5           “(A) *to any candidate or the candidate’s author-*  
6       *ized political committees with respect to any election*  
7       *for Federal office which, in the aggregate, exceed*  
8       *\$5,000; or*

9           “(B) *to any other political committee other than*  
10       *a political party committee in any calendar year*  
11       *which, in the aggregate, exceed \$5,000.”.*

12       (b) *POLITICAL PARTY COMMITTEE DEFINED.—The*  
13       *second sentence of section 315(a)(4) of such Act (2 U.S.C.*  
14       *441a(a)(4)) is amended to read as follows: “For purposes*  
15       *of this section, the term ‘political party committee’ means*  
16       *a political committee which is a national, State, district,*  
17       *or local political party committee (including any subordi-*  
18       *nate committee thereof).”.*

19       (c) *CONFORMING AMENDMENTS.—Section 311(a)(6) of*  
20       *such Act (2 U.S.C. 438(a)(6)) is amended—*

21           (1) *in subparagraph (B), by striking “multi-can-*  
22       *didate committees” the first place it appears and in-*  
23       *serting “political committees which are not author-*  
24       *ized committees of candidates or political party com-*  
25       *mittees”;*

1           (2) in subparagraph (B), by striking “multi-can-  
2           didate committees” the second place it appears and  
3           inserting “such committees”; and

4           (3) in subparagraph (C), by striking “multi-can-  
5           didate committees” and inserting “committees de-  
6           scribed in subparagraph (B)”.

7   **SEC. 103. MODIFICATION OF LIMITATIONS ON CONTRIBU-**  
8                                   **TIONS WHEN CANDIDATES SPEND OR CON-**  
9                                   **TRIBUTE LARGE AMOUNTS OF PERSONAL**  
10                                  **FUNDS.**

11           (a) *IN GENERAL.*—Section 315 of the Federal Election  
12   Campaign Act of 1971 (2 U.S.C. 441a), as amended by sec-  
13   tion 101(a), is further amended by adding at the end the  
14   following new subsection:

15           “(j)(1) Notwithstanding subsection (a), if in a general  
16   election a House candidate makes expenditures of personal  
17   funds (including contributions by the candidate to the can-  
18   didate’s authorized campaign committee) in an amount in  
19   excess of the amount of the limitation established under sub-  
20   section (a)(1)(A) and less than or equal to \$150,000 (as  
21   reported under section 304(a)(2)(A)), a political party com-  
22   mittee may make contributions to an opponent of the House  
23   candidate without regard to any limitation otherwise ap-  
24   plicable to such contributions under subsection (a), except  
25   that the opponent may not accept aggregate contributions

1 *under this paragraph in an amount greater than the great-*  
2 *est amount of personal funds expended (including contribu-*  
3 *tions to the candidate’s authorized campaign committee) by*  
4 *any House candidate (other than such opponent) with re-*  
5 *spect to the election (as reported in a notification submitted*  
6 *under section 304(a)(6)(B)).*

7       “(2) *If a House candidate makes expenditures of per-*  
8 *sonal funds (including contributions by the candidate to the*  
9 *candidate’s authorized campaign committee) with respect*  
10 *to an election in an amount greater than \$150,000 (as re-*  
11 *ported under section 304(a)(2)(A)), the following rules shall*  
12 *apply:*

13               “(A) *In the case of a general election, the limita-*  
14 *tions under subsections (a)(1) and (a)(2) (insofar as*  
15 *such limitations apply to political party committees*  
16 *and to individuals) shall not apply to contributions*  
17 *to the candidate or to any opponent of the candidate,*  
18 *except that neither the candidate or any opponent*  
19 *may accept aggregate contributions under this sub-*  
20 *paragraph and paragraph (1) in an amount greater*  
21 *than the greatest amount of personal funds (including*  
22 *contributions to the candidate’s authorized campaign*  
23 *committee) expended by any House candidate with*  
24 *respect to the election (as reported in a notification*  
25 *submitted under section 304(a)(6)(B)).*

1           “(B) *In the case of an election other than a gen-*  
2           *eral election, the limitations under subsection (a)(1)*  
3           *(insofar as such limitations apply to individuals)*  
4           *shall not apply to contributions to the candidate or*  
5           *to any opponent of the candidate, except that neither*  
6           *the candidate or any opponent may accept aggregate*  
7           *contributions under this subparagraph in an amount*  
8           *greater than the greatest amount of personal funds*  
9           *(including contributions to the candidate’s authorized*  
10           *campaign committee) expended by any House can-*  
11           *didate with respect to the election (as reported in a*  
12           *notification submitted under section 304(a)(6)(B)).*

13           “(3) *In this subsection, the term ‘House candidate’*  
14           *means a candidate in an election for the office of Represent-*  
15           *ative in, or Delegate or Resident Commissioner to, the Con-*  
16           *gress.”.*

17           (b) *NOTIFICATION OF EXPENDITURES OF PERSONAL*  
18           *FUNDS.—Section 304(a)(6) of such Act (2 U.S.C.*  
19           *434(a)(6)) is amended—*

20                   (1) *by redesignating subparagraph (B) as sub-*  
21                   *paragraph (C); and*

22                   (2) *by inserting after subparagraph (A) the fol-*  
23                   *lowing new subparagraph:*

24                   “(B)(i) *The principal campaign committee of a House*  
25                   *candidate (as defined in section 315(j)(3)) shall submit the*

1 *following notifications relating to expenditures of personal*  
2 *funds by such candidate (including contributions by the*  
3 *candidate to such committee):*

4           “(I) *A notification of the first such expenditure*  
5 *(or contribution) by which the aggregate amount of*  
6 *personal funds expended (or contributed) with respect*  
7 *to an election exceeds the amount of the limitation es-*  
8 *tablished under section 315(a)(1)(A) for elections in*  
9 *the year involved.*

10           “(II) *A notification of each such expenditure (or*  
11 *contribution) which, taken together with all such ex-*  
12 *penditures (and contributions) in any amount not in-*  
13 *cluded in the most recent report under this subpara-*  
14 *graph, totals \$5,000 or more.*

15           “(III) *A notification of the first such expenditure*  
16 *(or contribution) by which the aggregate amount of*  
17 *personal funds expended with respect to the election*  
18 *exceeds the level applicable under section 315(j)(2) for*  
19 *elections in the year involved.*

20           “(ii) *Each of the notifications submitted under clause*  
21 *(i)—*

22           “(I) *shall be submitted not later than 24 hours*  
23 *after the expenditure or contribution which is the sub-*  
24 *ject of the notification is made;*

1           “(II) shall include the name of the candidate, the  
2           office sought by the candidate, and the date of the ex-  
3           penditure or contribution and amount of the expendi-  
4           ture or contribution involved; and

5           “(III) shall include the total amount of all such  
6           expenditures and contributions made with respect to  
7           the same election as of the date of expenditure or con-  
8           tribution which is the subject of the notification.”.

9   **SEC. 104. INDEXING LIMITS ON CONTRIBUTIONS.**

10          (a) *IN GENERAL.*—Section 315(c) of the Federal Elec-  
11          tion Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended  
12          by adding at the end the following new paragraph:

13          “(3)(A) The amount of each limitation established  
14          under subsection (a) shall be adjusted as follows:

15                 “(i) For calendar year 1997, each such amount  
16                 shall be equal to the amount described in such sub-  
17                 section, increased (in a compounded manner) by the  
18                 percentage increase in the price index (as defined in  
19                 subsection (c)(2)) for each year after 1976 and before  
20                 1998.

21                 “(ii) For calendar year 1999 and each second  
22                 subsequent year, each such amount shall be equal to  
23                 the amount for the second previous year (as adjusted  
24                 under this subparagraph), increased (in a  
25                 compounded manner) by the percentage increase in



1       *the price index for the previous year and the second*  
2       *previous year.*

3       “(B) *In the case of any amount adjusted under this*  
4       *subparagraph which is not a multiple of \$500, the amount*  
5       *shall be rounded to the nearest lowest multiple of \$500.”.*

6       (b) *APPLICATION OF INDEXING TO SUPPORT OF CAN-*  
7       *DIDATE’S COMMITTEES.—Section 302(e)(3)(B) of such Act*  
8       *(2 U.S.C. 432(e)(3)(B)) is amended by adding at the end*  
9       *the following new sentence: “The amount described in the*  
10       *previous sentence shall be adjusted (for years beginning*  
11       *with 1997) in the same manner as the amounts of limita-*  
12       *tions on contributions under section 315(a) are adjusted*  
13       *under section 315(c)(3).”.*

14       (c) *APPLICATION OF INDEXING TO PROVISIONS RELAT-*  
15       *ING TO PERSONAL FUNDS.—*

16               (1) *IN GENERAL.—Section 315(j) of such Act (2*  
17       *U.S.C. 441a(j)), as added by section 103(a), is*  
18       *amended—*

19                       (A) *by redesignating paragraph (3) as*  
20                       *paragraph (4); and*

21                       (B) *by inserting after paragraph (2) the fol-*  
22                       *lowing new paragraph:*

23       “(3) *Each of the amounts provided under paragraph*  
24       (1) or (2) *shall be adjusted for each biennial period begin-*  
25       *ning after the 1998 general election in the same manner*

1 *as the amounts of limitations on contributions established*  
2 *under subsection (a) are adjusted under subsection (c)(3).”.*

3 (2) **CONFORMING AMENDMENT.**—Section  
4 304(a)(6)(B)(i) of such Act (2 U.S.C.  
5 434(a)(6)(B)(i)), as added by section 103(b), is  
6 amended by striking “section 315(j)(3)” and inserting  
7 “section 315(j)(4)”.

8 **SEC. 105. PROHIBITION OF LEADERSHIP COMMITTEES.**

9 (a) **LEADERSHIP COMMITTEE PROHIBITION.**—Section  
10 302 of the Federal Election Campaign Act of 1971 (2 U.S.C.  
11 432) is amended by adding at the end the following new  
12 subsection:

13 “(j) A candidate for Federal office or an individual  
14 holding Federal office may not establish, maintain, finance,  
15 or control a political committee, other than a principal  
16 campaign committee of the candidate or the individual.”.

17 (b) **CONFORMING AMENDMENT RELATING TO JOINT**  
18 **FUNDRAISING.**—Section 302(e)(3)(A) of such Act (2 U.S.C.  
19 432(e)(3)) is amended by striking “except that—” and all  
20 that follows and inserting the following: “except that the  
21 candidate for the office of President nominated by a politi-  
22 cal party may designate the national committee of such po-  
23 litical party as a principal campaign committee, but only  
24 if that national committee maintains separate books of ac-

1 *count with respect to its function as a principal campaign*  
2 *committee.”.*

3 (c) *EFFECTIVE DATE; TRANSITION RULE.—*

4 (1) *IN GENERAL.—The amendments made by*  
5 *this section shall apply with respect to elections oc-*  
6 *curring in years beginning with 1997.*

7 (2) *TRANSITION RULE.—*

8 (A) *IN GENERAL.—Notwithstanding section*  
9 *302(j) of the Federal Election Campaign Act of*  
10 *1971 (as added by subsection (a)), if a political*  
11 *committee established, maintained, financed, or*  
12 *controlled by a candidate for Federal office or an*  
13 *individual holding Federal office (other than a*  
14 *principal campaign committee of the candidate*  
15 *or individual) with respect to an election occur-*  
16 *ring during 1996 has funds remaining unex-*  
17 *pended after the 1996 general election, the com-*  
18 *mittee may make contributions or expenditures*  
19 *of such funds with respect to elections occurring*  
20 *during 1997 or 1998.*

21 (B) *DISBANDING COMMITTEES; TREATMENT*  
22 *OF REMAINING FUNDS.—Any political committee*  
23 *described in subparagraph (A) shall be dis-*  
24 *banded after filing any post-election reports re-*  
25 *quired under section 304 of the Federal Election*

1           *Campaign Act of 1971 with respect to the 1998*  
2           *general election. Any funds of such a committee*  
3           *which remain unexpended after the 1998 general*  
4           *election and before the date on which the com-*  
5           *mittee disbands shall be returned to contributors*  
6           *or available for any lawful purpose other than*  
7           *use by the candidate or individual involved with*  
8           *respect to an election for Federal office.*

9   **SEC. 106. PROHIBITING BUNDLING OF CONTRIBUTIONS TO**  
10                           **CANDIDATES BY POLITICAL ACTION COMMIT-**  
11                           **TEES AND LOBBYISTS.**

12           *Section 316 of the Federal Election Campaign Act of*  
13           *1971 (2 U.S.C. 441b) is amended by adding at the end the*  
14           *following new subsection:*

15           “(c)(1) *No political action committee or person re-*  
16           *quired to register under the Lobbying Disclosure Act of 1995*  
17           *(2 U.S.C. 1601 et seq.) may act as an intermediary or con-*  
18           *duit with respect to a contribution to a candidate for Fed-*  
19           *eral office.*

20           “(2) *In this subsection, the term ‘political action com-*  
21           *mittee’ means any political committee which is not—*

22                           “(A) *the principal campaign committee of a can-*  
23           *didate; or*

24                           “(B) *a political party committee.*”.

1 **SEC. 107. DEFINITION OF INDEPENDENT EXPENDITURES.**

2 *Section 301 of the Federal Election Campaign Act of*  
3 *1971 (2 U.S.C. 431) is amended by striking paragraph (17)*  
4 *and inserting the following:*

5 “(17)(A) *The term ‘independent expenditure’ means*  
6 *an expenditure by a person for a communication expressly*  
7 *advocating the election or defeat of a clearly identified can-*  
8 *didate which is not made with the cooperation or with the*  
9 *prior consent of, or in consultation with, or at the request*  
10 *or suggestion of, a candidate or any agent or authorized*  
11 *committee of such candidate.*

12 “(B) *For purposes of this paragraph—*

13 “(i) *‘expressly advocating the election or defeat’*  
14 *means the use in the communication of explicit words*  
15 *such as ‘vote for’, ‘reelect’, ‘support’, ‘cast your ballot*  
16 *for’, ‘vote against’, ‘defeat’, or ‘reject’, accompanied by*  
17 *a reference in the communication to one or more*  
18 *clearly identified candidates, or words such as ‘vote’*  
19 *for or against a position on an issue, accompanied by*  
20 *a listing in the communication of one or more clearly*  
21 *identified candidates described as for or against a po-*  
22 *sition on that issue;*

23 “(ii) *‘which is not made with the cooperation or*  
24 *with the prior consent of, or in consultation with, or*  
25 *at the request or suggestion of, a candidate or any*  
26 *agent or authorized committee of such candidate’ re-*

1       fers to the expenditure in question for the communica-  
2       tion made by the person; and

3               “(iii) the term ‘agent’ means any person who has  
4       actual oral or written authority, either express or im-  
5       plied, to make or authorize the making of expendi-  
6       tures on behalf of a candidate.

7               “(C) An expenditure by a person for a communication  
8       which does not contain explicit words expressly advocating  
9       the election or defeat of a clearly identified candidate shall  
10      not be considered an independent expenditure.”.

11   **SEC. 108. REQUIREMENTS FOR USE OF PAYROLL DEDUC-**  
12                                   **TIONS FOR CONTRIBUTIONS.**

13               Title III of the Federal Election Campaign Act of 1971  
14   (2 U.S.C. 431 et seq.) is amended by adding at the end  
15   the following new section:

16               “USE OF PAYROLL DEDUCTIONS FOR CONTRIBUTIONS

17               “SEC. 323. (a) REQUIREMENTS FOR AUTHORIZATION  
18   OF DEDUCTION.—

19                   “(1) IN GENERAL.—No amounts withheld from  
20       an individual’s wages or salary during a year may  
21       be used for any contribution under this title unless  
22       there is in effect an authorization in writing by the  
23       individual permitting the withholding of such  
24       amounts for the contribution.

25                   “(2) PERIOD OF AUTHORIZATION.—An author-  
26       ization described in this subsection may be in effect

1       *with respect to an individual for such period as the*  
2       *individual may specify (subject to cancellation under*  
3       *paragraph (3)), except that the period may not be*  
4       *longer than 12 months.*

5               “(3) *RIGHT OF CANCELLATION.*—*An individual*  
6       *with an authorization in effect under this subsection*  
7       *may cancel or revise the authorization at any time.*

8               “(b) *INFORMATION PROVIDED BY WITHHOLDING EN-*  
9       *TITY.*—

10              “(1) *IN GENERAL.*—*Each entity withholding*  
11       *wages or salary from an individual with an author-*  
12       *ization in effect under subsection (a) shall provide the*  
13       *individual with a statement that the individual may*  
14       *at any time cancel or revise the authorization in ac-*  
15       *cordance with subsection (a)(3).*

16              “(2) *TIMING OF NOTICE.*—*The entity shall pro-*  
17       *vide the information described in paragraph (1) to an*  
18       *individual at the beginning of each calendar year oc-*  
19       *curring during the period in which the individual’s*  
20       *authorization is in effect.”.*

1           **TITLE II—STRENGTHENING**  
2                           **POLITICAL PARTIES**

3   **SEC. 201. MODIFICATION OF CONTRIBUTION LIMITS AND**  
4                           **REQUIREMENTS FOR POLITICAL PARTIES.**

5           (a) *TREATMENT OF PARTY CONTRIBUTIONS UNDER*  
6 *AGGREGATE INDIVIDUAL CAP.*—Section 315(a)(3) of the  
7 *Federal Election Campaign Act (2 U.S.C. 441a(a)(3))* is  
8 *amended by adding at the end the following new sentence:*  
9 *“For purposes of this paragraph, in determining the*  
10 *amount of contributions made by an individual there shall*  
11 *be excluded any contributions made by the individual to*  
12 *a political party or a political party committee.”.*

13           (b) *LIMITATION AMOUNT FOR CONTRIBUTIONS TO*  
14 *STATE POLITICAL PARTIES.*—Section 315(a)(1)(B) of such  
15 *Act (2 U.S.C. 441a(a)(1)(B))* is amended by inserting after  
16 *“national”* the following: *“or State”.*

17   **SEC. 202. ALLOWING POLITICAL PARTIES TO OFFSET**  
18                           **FUNDS CARRIED OVER FROM PREVIOUS**  
19                           **ELECTIONS.**

20           Section 315 of the *Federal Election Campaign Act of*  
21 *1971 (2 U.S.C. 441a)*, as amended by sections 101 and  
22 *103(a)*, is further amended by adding at the end the follow-  
23 *ing new subsection:*

24           “(k)(1) *Subject to paragraph (2), if, in a general elec-*  
25 *tion for Federal office, a candidate who is the incumbent*



1 *uses campaign funds carried forward from an earlier elec-*  
 2 *tion cycle, any political party committee may make con-*  
 3 *tributions to the nominee of that political party to match*  
 4 *the funds so carried forward by such incumbent. For pur-*  
 5 *poses of this paragraph, funds shall be considered to have*  
 6 *been carried forward if the funds represent cash on hand*  
 7 *as reported in the applicable post-general election report*  
 8 *filed under section 304(a) for the general election involved,*  
 9 *plus any amount expended on or before the filing of the*  
 10 *report for a later election, less legitimate outstanding debts*  
 11 *relating to the previous election up to the amount reported.*

12       “(2) *The political party contributions under para-*  
 13 *graph (1) may be made without regard to any limitation*  
 14 *amount otherwise applicable to such contributions made*  
 15 *under subsections (a) or (i), but a candidate may not accept*  
 16 *contributions under this subsection in excess of the total of*  
 17 *funds carried forward by the incumbent candidate.”.*

18 **SEC. 203. PROHIBITING USE OF NON-FEDERAL FUNDS IN**

19                                   **FEDERAL ELECTIONS.**

20       *Title III of the Federal Election Campaign Act of 1971*  
 21 *(2 U.S.C. 431 et seq.), as amended by section 108, is further*  
 22 *amended by adding at the end the following new section:*

23                                   “RESTRICTIONS ON USE OF NON-FEDERAL FUNDS

24                                   “SEC. 324. (a) *PROHIBITING USE OF FUNDS IN FED-*  
 25 *ERAL ELECTIONS.*—*No funds may be expended by a politi-*  
 26 *cal party committee for the purpose of influencing an elec-*

1 *tion for Federal office unless the funds are subject to the*  
2 *limitations and prohibitions of this Act, except as may be*  
3 *provided in this section.*

4 “(b) *RESTRICTIONS ON USE OF FUNDS FOR MIXED*  
5 *ACTIVITIES.—*

6 “(1) *PROHIBITING USE BY NATIONAL PARTY*  
7 *COMMITTEES.—A national committee of a political*  
8 *party (including any subordinate committee thereof)*  
9 *may not use any funds which are not subject to the*  
10 *limitations and prohibitions of this Act for any*  
11 *mixed activity.*

12 “(2) *MIXED ACTIVITY DEFINED.—In this sub-*  
13 *section, the term ‘mixed activity’ means any activity*  
14 *which is both for the purpose of influencing an elec-*  
15 *tion for Federal office and for any purpose unrelated*  
16 *to influencing an election for Federal office, including*  
17 *voter registration, absentee ballot programs, and get-*  
18 *out-the-vote programs, but does not include the pay-*  
19 *ment of any administrative or overhead costs, includ-*  
20 *ing salaries (other than payments made to individ-*  
21 *uals for get-out-the-vote activities conducted on the*  
22 *day of an election), rent, fundraising, or communica-*  
23 *tions to members of a political party.*

24 “(c) *RESTRICTIONS ON USE OF FUNDS FOR MIXED*  
25 *CANDIDATE-SPECIFIC ACTIVITIES.—*

1           “(1) *REQUIRING ALLOCATION AMONG CANDIDATES.*—A political party committee may use  
2           funds which are not subject to the limitations and  
3           prohibitions of this Act for mixed candidate-specific  
4           activities if the funds are allocated among the can-  
5           didates involved on the basis of the time and space al-  
6           located to the candidates.  
7

8           “(2) *MIXED CANDIDATE-SPECIFIC ACTIVITY DE-*  
9           *FINED.*—In this subsection, the term ‘mixed can-  
10          didate-specific activity’ means any activity which is  
11          both for the purpose of promoting a specific candidate  
12          or candidates in an election for Federal office and for  
13          the purpose of promoting a specific candidate or can-  
14          didates in any other election.”.

15 **SEC. 204. PERMITTING PARTIES TO HAVE UNLIMITED COM-**  
16 **MUNICATION WITH MEMBERS.**

17          (a) *IN GENERAL.*—Section 315(d) of the Federal Elec-  
18          tion Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended  
19          by adding at the end the following new paragraph:

20          “(4)(A) For purposes of applying the limitations es-  
21          tablished under paragraphs (2) and (3), in determining the  
22          amount of expenditures made by a national committee of  
23          a political party or a State committee of a political party  
24          (including any subordinate committee of a State commit-  
25          tee), there shall be excluded any amounts expended by the

1 *committee for communications to the extent the communica-*  
2 *tions are made to members of the party.*

3       “(B) *For purposes of subparagraph (A), an individual*  
4 *shall be considered to be a ‘member’ of a political party*  
5 *if any of the following apply:*

6               “(i) *The individual is registered to vote as a*  
7 *member of the party.*

8               “(ii) *There is a public record that the individual*  
9 *voted in the primary of the party during the most re-*  
10 *cent primary election.*

11               “(iii) *The individual has made a contribution to*  
12 *the party and the contribution has been reported to*  
13 *the Commission (in accordance with this Act) or to*  
14 *a State reporting agency.*

15               “(iv) *The individual has indicated in writing*  
16 *that the individual is a member of the party.”*

17       (b) *FUNDS AVAILABLE FOR PARTY COMMUNICA-*  
18 *TIONS.—Section 324 of such Act, as added by section 203,*  
19 *is amended by adding at the end the following new sub-*  
20 *section:*

21               “(d) *FUNDS FOR PARTY COMMUNICATIONS WITH*  
22 *MEMBERS.—Subsection (a) shall not apply with respect to*  
23 *funds expended by a political party for communications to*  
24 *the extent the communications are made to members of the*  
25 *party (as determined in accordance with section 315(d)(4)),*

1 *except that any communications which are both for the pur-*  
 2 *pose of expressly advocating the election or defeat of a spe-*  
 3 *cific candidate for election to Federal office and for any*  
 4 *other purpose shall be subject to allocation in the same man-*  
 5 *ner as funds expended for mixed candidate-specific activi-*  
 6 *ties under subsection (c).”.*

7 **SEC. 205. PROMOTING STATE AND LOCAL PARTY VOLUN-**  
 8 **TEER AND GRASSROOTS ACTIVITY.**

9 (a) *ENCOURAGING STATE AND LOCAL PARTY ACTIVI-*  
 10 *TIES.—*

11 (1) *CONTRIBUTIONS.—Section 301(8)(B) of the*  
 12 *Federal Election Campaign Act of 1971 (2 U.S.C.*  
 13 *431(8)(B)) is amended—*

14 (A) *by striking “and” at the end of clause*  
 15 *(xiii);*

16 (B) *by striking the period at the end of*  
 17 *clause (xiv) and inserting “; and”; and*

18 (C) *by adding at the end the following new*  
 19 *clause:*

20 *“(xv) the payment by a State or local committee*  
 21 *of a political party for any of the following activities:*

22 *“(I) The listing of the slate of the party’s*  
 23 *candidates, including the communication of the*  
 24 *slate to the public.*

1           “(II) *The mailing of materials for or on be-*  
2           *half of specific candidates by volunteers (includ-*  
3           *ing labeling envelopes or affixing postage or*  
4           *other indicia to particular pieces of mail), other*  
5           *than the mailing of materials to a commercial*  
6           *list.*

7           “(III) *Conducting a telephone bank for or*  
8           *on behalf of specific candidates staffed by volun-*  
9           *teers.*

10           “(IV) *The distribution of collateral mate-*  
11           *rials (such as pins, bumper stickers, handbills,*  
12           *brochures, posters, party tabloids, and yard*  
13           *signs) for or on behalf of specific candidates*  
14           *(whether by volunteers or otherwise).”.*

15           (2) *EXPENDITURES.*—Section 301(9)(B) of such  
16 *Act (2 U.S.C. 431(9)(B)) is amended—*

17           (A) *by striking “and” at the end of clause*  
18           *(ix);*

19           (B) *by striking the period at the end of*  
20           *clause (x) and inserting “; and”; and*

21           (C) *by adding at the end the following new*  
22           *clause:*

23           “(xi) *the payment by a State or local committee*  
24           *of a political party for any of the following activities:*

1           “(I) *The listing of the slate of the party’s*  
2           *candidates, including the communication of the*  
3           *slate to the public.*

4           “(II) *The mailing of materials for or on be-*  
5           *half of specific candidates by volunteers (includ-*  
6           *ing labeling envelopes or affixing postage or*  
7           *other indicia to particular pieces of mail), other*  
8           *than the mailing of materials to a commercial*  
9           *list.*

10          “(III) *Conducting a telephone bank for or*  
11          *on behalf of specific candidates staffed by volun-*  
12          *teers.*

13          “(IV) *The distribution of collateral mate-*  
14          *rials (such as pins, bumper stickers, handbills,*  
15          *brochures, posters, party tabloids, and yard*  
16          *signs) for or on behalf of specific candidates*  
17          *(whether by volunteers or otherwise).”.*

18          (3) *CONFORMING AMENDMENTS.—(A) Section*  
19          *301(8)(B)(x) of such Act (2 U.S.C. 431(8)(B)(x)) is*  
20          *amended by striking “in connection with volunteer*  
21          *activities on behalf of nominees of such party” and*  
22          *inserting “in connection with State or local activities,*  
23          *other than any payment described in clause (xv)”.*

24          (B) *Section 301(9)(B)(viii) of such Act (2 U.S.C.*  
25          *431(9)(B)(viii)) is amended by striking “in connec-*

1        *tion with volunteer activities on behalf of nominees of*  
2        *such party” and inserting “in connection with State*  
3        *or local activities, other than any payment described*  
4        *in clause (xi)”.*

5        *(b) FUNDS AVAILABLE FOR ACTIVITIES.—*

6                *(1) PERMITTING USE OF NON-FEDERAL FUNDS*  
7        *FOR MIXED ACTIVITIES.—Section 324(b) of such Act,*  
8        *as added by section 203, is amended—*

9                *(A) by redesignating paragraph (2) as*  
10        *paragraph (3); and*

11                *(B) by inserting after paragraph (1) the fol-*  
12        *lowing new paragraph:*

13                *“(2) USE BY STATE OR LOCAL PARTY COMMIT-*  
14        *TEES.—A State, local, or district committee of a po-*  
15        *litical party (including any subordinate committee*  
16        *thereof) may use funds which are not subject to the*  
17        *limitations and prohibitions of this Act for mixed ac-*  
18        *tivity if the funds are allocated in accordance with*  
19        *the process described in subsection (g).”.*

20                *(2) FUNDS AVAILABLE FOR STATE AND LOCAL*  
21        *PARTIES.—Section 324 of such Act, as added by sec-*  
22        *tion 203 and as amended by section 204(b), is*  
23        *amended by adding at the end the following new sub-*  
24        *section:*



1           “(e) *FUNDS AVAILABLE FOR STATE AND LOCAL PARTY*  
2 *VOLUNTEER AND GRASSROOTS ACTIVITIES.*—Subsection  
3 (a) shall not apply with respect to payments described in  
4 section 301(8)(B)(xv) or section 301(9)(B)(xi), except that  
5 any payments which are both for the purpose of expressly  
6 advocating the election or defeat of a specific candidate for  
7 election to Federal office and for any other purpose shall  
8 be subject to allocation in the same manner as funds ex-  
9 pended for mixed candidate-specific activities under sub-  
10 section (c).”.

11           (3) *TREATMENT OF INTRA-PARTY TRANSFERS.*—  
12 Section 324 of such Act, as added by section 203 and  
13 as amended by section 204(b) and paragraph (2), is  
14 amended by adding at the end the following new sub-  
15 section:

16           “(f) *RULE OF CONSTRUCTION REGARDING INTRA-*  
17 *PARTY TRANSFERS.*—Nothing in this section shall be con-  
18 strued to prohibit the transfer between and among national,  
19 State, or local party committees (including any subordinate  
20 committees thereof) of funds which are not subject to the  
21 limitations and prohibitions of this Act.”.

22           (4) *ALLOCATION PROCEDURES DESCRIBED.*—Sec-  
23 tion 324 of such Act, as added by section 203 and as  
24 amended by section 204(b) and paragraphs (2) and

1       (3), is amended by adding at the end the following  
2       new subsection:

3       “(g) *STATE AND LOCAL PARTY COMMITTEES; METHOD*  
4 *FOR ALLOCATING EXPENDITURES FOR MIXED ACTIVI-*  
5 *TIES.—*

6               “(1) *GENERAL RULE.—All State and local party*  
7 *committees except those covered by paragraph (2)*  
8 *shall allocate their expenses for mixed activities, as*  
9 *described in subsection (b)(2), according to the ballot*  
10 *composition method described as follows:*

11                       “(A) *Under this method, expenses shall be*  
12 *allocated based on the ratio of Federal offices ex-*  
13 *pected on the ballot to total Federal and non-*  
14 *Federal offices expected on the ballot in the next*  
15 *general election to be held in the committee’s*  
16 *State or geographic area. This ratio shall be de-*  
17 *termined by the number of categories of Federal*  
18 *offices on the ballot and the number of categories*  
19 *of non-Federal offices on the ballot, as described*  
20 *in subparagraph (B).*

21                       “(B) *In calculating a ballot composition*  
22 *ratio, a State or local party committee shall*  
23 *count the Federal offices of President, United*  
24 *States Senator, and United States Representa-*  
25 *tive, if expected on the ballot in the next general*

1           *election, as one Federal office each. The commit-*  
2           *tee shall count the non-Federal offices of Gov-*  
3           *ernor, State Senator, and State Representative,*  
4           *if expected on the ballot in the next general elec-*  
5           *tion, as one non-Federal office each. The commit-*  
6           *tee shall count the total of all other partisan*  
7           *statewide executive candidates, if expected on the*  
8           *ballot in the next general election, as a maxi-*  
9           *mum of two non-Federal offices. State party*  
10          *committees shall also include in the ratio one ad-*  
11          *ditional non-Federal office if any partisan local*  
12          *candidates are expected on the ballot in any reg-*  
13          *ularly scheduled election during the 2 year con-*  
14          *gressional election cycle. Local party committees*  
15          *shall also include in the ratio a maximum of 2*  
16          *additional non-Federal offices if any partisan*  
17          *local candidates are expected on the ballot in*  
18          *any regularly scheduled election during the 2*  
19          *year congressional election cycle. State and local*  
20          *party committees shall also include in the ratio*  
21          *1 additional non-Federal office.*

22           “(2) *EXCEPTION FOR STATES THAT DO NOT*  
23          *HOLD FEDERAL AND NON-FEDERAL ELECTIONS IN*  
24          *THE SAME YEAR.—State and local party committees*  
25          *in states that do not hold Federal and non-Federal*

1 *elections in the same year shall allocate the costs of*  
 2 *mixed activities according to the ballot composition*  
 3 *method described in paragraph (1), based on a ratio*  
 4 *calculated for that calendar year.”.*

5 **TITLE III—DISCLOSURE AND**  
 6 **ENFORCEMENT**

7 **SEC. 301. TIMELY REPORTING AND INCREASED DISCLO-**  
 8 **SURE.**

9 *(a) DEADLINE FOR FILING.—*

10 *(1) REQUIRING REPORTS FOR ALL CONTRIBU-*  
 11 *TIONS MADE WITHIN 20 DAYS OF ELECTION; REQUIR-*  
 12 *ING REPORTS TO BE MADE WITHIN 24 HOURS.—Sec-*  
 13 *tion 304(a)(6)(A) of the Federal Election Campaign*  
 14 *Act of 1971 (2 U.S.C. 434(a)(6)(A)) is amended—*

15 *(A) by striking “after the 20th day, but*  
 16 *more than 48 hours before any election” and in-*  
 17 *serting “during the period which begins on the*  
 18 *20th day before an election and ends at the time*  
 19 *the polls close for such election”; and*

20 *(B) by striking “48 hours” the second place*  
 21 *it appears and inserting the following: “24 hours*  
 22 *(or, if earlier, by midnight of the day on which*  
 23 *the contribution is deposited)”.*

24 *(2) REQUIRING ACTUAL DELIVERY BY DEAD-*  
 25 *LINE.—*

1           (A) *IN GENERAL.*—Section 304(a)(6) of  
2           such Act (2 U.S.C. 434(a)(6)), as amended by  
3           section 103(b), is further amended by adding at  
4           the end the following new subparagraph:

5           “(D) Notwithstanding paragraph (5), the time at  
6           which a notification or report under this paragraph is re-  
7           ceived by the Secretary, the Commission, or any other recip-  
8           ient to whom the notification is required to be sent shall  
9           be considered the time of filing of the notification or report  
10          with the recipient.”.

11          (B) *CONFORMING AMENDMENT.*—Section  
12          304(a)(5) of such Act (2 U.S.C. 434(a)(5)) is  
13          amended by striking “paragraph (2)(A)(i) or  
14          (4)(A)(ii)” and inserting “paragraphs (2)(A)(i),  
15          (4)(A)(ii), or (6)”.

16          (b) *INCREASING ELECTRONIC DISCLOSURE.*—Section  
17          304(a)(6) of such Act (2 U.S.C. 434(a)(6)), as amended by  
18          section 103(b) and subsection (a)(2)(A), is further amended  
19          by adding at the end the following new subparagraph:

20          “(E)(i) The Commission shall make the information  
21          contained in the reports submitted under this paragraph  
22          available on the Internet and publicly available at the of-  
23          fices of the Commission as soon as practicable (but in no  
24          case later than 24 hours) after the information is received  
25          by the Commission.

1       “(ii) In this subparagraph, the term ‘Internet’ means  
2 the international computer network of both Federal and  
3 non-Federal interoperable packet-switched data networks.”.

4       (c) *CHANGE IN CERTAIN REPORTING FROM A CAL-*  
5 *ENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.*—Sec-  
6 *tion 304(b) of such Act (2 U.S.C. 434(b)) is amended by*  
7 *inserting “(or election cycle, in the case of an authorized*  
8 *committee of a candidate for Federal office)” after “cal-*  
9 *endar year” each place it appears in paragraphs (2), (3),*  
10 *(4), (6), and (7).*

11       (d) *CLARIFICATION OF PERMISSIBLE USE OF FAC-*  
12 *SIMILE MACHINES TO FILE REPORTS.*—Section  
13 *304(a)(11)(A) of such Act (2 U.S.C. 434(a)(11)) is amended*  
14 *by striking “method,” and inserting “method (including by*  
15 *facsimile device in the case of any report required to be*  
16 *filed within 24 hours after the transaction reported has oc-*  
17 *curred),”.*

18       (e) *REQUIRING RECEIPT OF INDEPENDENT EXPENDI-*  
19 *TURE REPORTS WITHIN 24 HOURS.*—

20               (1) *IN GENERAL.*—Section 304(c)(2) of such Act  
21       (2 U.S.C. 434(c)(2)) is amended in the matter follow-  
22       ing subparagraph (C)—

23                       (A) by striking “shall be reported” and in-  
24                       serting “shall be filed”; and

1           (B) by adding at the end the following new  
2           sentence: “Notwithstanding subsection (a)(5), the  
3           time at which the statement under this sub-  
4           section is received by the Secretary, the Commis-  
5           sion, or any other recipient to whom the notifi-  
6           cation is required to be sent shall be considered  
7           the time of filing of the statement with the recip-  
8           ient.”.

9           (2)       CONFORMING        AMENDMENT.—Section  
10          304(a)(5) of such Act (2 U.S.C. 434(a)(5)), as amend-  
11          ed by subsection (a)(2)(B), is further amended by  
12          striking “or (6)” and inserting “or (6), or subsection  
13          (c)(2)”.

14          (f)   REQUIRING RECORD KEEPING AND REPORT OF  
15          SECONDARY PAYMENTS BY CAMPAIGN COMMITTEES.—

16               (1)   REPORTING.—Section 304(b)(5)(A) of such  
17          Act (2 U.S.C. 434(b)(5)(A)) is amended by striking  
18          the semicolon at the end and inserting the following:  
19          “, and, if such person in turn makes expenditures  
20          which aggregate \$500 or more in an election cycle to  
21          other persons (not including employees) who provide  
22          goods or services to the candidate or the candidate’s  
23          authorized committees, the name and address of such  
24          other persons, together with the date, amount, and  
25          purpose of such expenditures;”.

1           (2) *RECORD KEEPING.*—Section 302 of such Act  
2           (2 U.S.C. 432), as amended by section 105(a), is fur-  
3           ther amended by adding at the end the following new  
4           subsection:

5           “(k) A person described in section 304(b)(5)(A) who  
6           makes expenditures which aggregate \$500 or more in an  
7           election cycle to other persons (not including employees)  
8           who provide goods or services to a candidate or a can-  
9           didate’s authorized committees shall provide to a political  
10          committee the information necessary to enable the commit-  
11          tee to report the information described in such section.”.

12          (3) *NO EFFECT ON OTHER REPORTS.*—Nothing  
13          in the amendments made by this subsection may be  
14          construed to affect the terms of any other record-  
15          keeping or reporting requirements applicable to can-  
16          didates or political committees under title III of the  
17          Federal Election Campaign Act of 1971.

18          (g) *INCLUDING REPORT ON CUMULATIVE CONTRIBU-*  
19          *TIONS AND EXPENDITURES IN POST ELECTION REPORTS.*—  
20          Section 304(a)(7) of such Act (2 U.S.C. 434(a)(7)) is  
21          amended—

22                 (1) by striking “(7)” and inserting “(7)(A)”;

23                 and

24                 (2) by adding at the end the following new sub-  
25          paragraph:



1       “(B) In the case of any report required to be filed by  
 2 this subsection which is the first report required to be filed  
 3 after the date of an election, the report shall include a state-  
 4 ment of the total contributions received and expenditures  
 5 made as of the date of the election.”.

6       (h) *INCLUDING INFORMATION ON AGGREGATE CON-*  
 7 *TRIBUTIONS IN REPORT ON ITEMIZED CONTRIBUTIONS.—*  
 8 *Section 304(b)(3) of such Act (2 U.S.C. 434(b)(3)) is*  
 9 *amended—*

10           (1) in subparagraph (A), by inserting after  
 11 “such contribution” the following: “and the total  
 12 amount of all such contributions made by such person  
 13 with respect to the election involved”; and

14           (2) in subparagraph (B), by inserting after  
 15 “such contribution” the following: “and the total  
 16 amount of all such contributions made by such com-  
 17 mittee with respect to the election involved”.

18 **SEC. 302. STREAMLINING PROCEDURES AND RULES OF**  
 19 **FEDERAL ELECTION COMMISSION.**

20       (a) *STANDARDS FOR COMMISSION REGULATION AND*  
 21 *JUDICIAL INTERPRETATION.—Section 307 of the Federal*  
 22 *Election Campaign Act of 1971 (2 U.S.C. 437d) is amended*  
 23 *by adding at the end the following new subsection:*

24       “(f)(1) When developing prescribed forms and making,  
 25 amending, or repealing rules pursuant to the authority

1 *granted to the Commission by subsection (a)(8), the Com-*  
2 *mission shall act in a manner that will have the least re-*  
3 *strictive effect on the rights of free speech and association*  
4 *so protected by the First Article of Amendment to the Con-*  
5 *stitution of the United States.*

6 “(2) *When the Commission’s actions under paragraph*  
7 *(1) are challenged, a reviewing court shall hold unlawful*  
8 *and set aside any actions of the Commission that do not*  
9 *conform with the principles set forth in paragraph (1).”.*

10 (b) *WRITTEN RESPONSES TO QUESTIONS.—*

11 (1) *IN GENERAL.—Title III of such Act (2*  
12 *U.S.C. 431 et seq.) is amended by inserting after sec-*  
13 *tion 308 the following new section:*

14 “*OTHER WRITTEN RESPONSES TO QUESTIONS*

15 “*SEC. 308A. (a) PERMITTING RESPONSES.—In addi-*  
16 *tion to issuing advisory opinions under section 308, the*  
17 *Commission shall issue written responses pursuant to this*  
18 *section with respect to a written request concerning the ap-*  
19 *plication of this Act, chapter 95 or chapter 96 of the Inter-*  
20 *nal Revenue Code of 1986, a rule or regulation prescribed*  
21 *by the Commission, or an advisory opinion issued by the*  
22 *Commission under section 308, with respect to a specific*  
23 *transaction or activity by the person, if the Commission*  
24 *finds the application of the Act, chapter, rule, regulation,*  
25 *or advisory opinion to the transaction or activity to be clear*  
26 *and unambiguous.*

1       “(b) *PROCEDURE FOR RESPONSE.*—

2               “(1) *ANALYSIS BY STAFF.*—*The staff of the Com-*  
3       *mission shall analyze each request submitted under*  
4       *this section. If the staff believes that the standard de-*  
5       *scribed in subsection (a) is met with respect to the re-*  
6       *quest, the staff shall circulate a statement to that ef-*  
7       *fect together with a draft response to the request to the*  
8       *members of the Commission.*

9               “(2) *ISSUANCE OF RESPONSE.*—*Upon the expira-*  
10       *tion of the 3-day period beginning on the date the*  
11       *statement and draft response is circulated (excluding*  
12       *weekends or holidays), the Commission shall issue the*  
13       *response, unless during such period any member of*  
14       *the Commission objects to issuing the response.*

15       “(c) *EFFECT OF RESPONSE.*—

16               “(1) *SAFE HARBOR.*—*Notwithstanding any other*  
17       *provisions of law, any person who relies upon any*  
18       *provision or finding of a written response issued*  
19       *under this section and who acts in good faith in ac-*  
20       *cordance with the provisions and findings of such re-*  
21       *sponse shall not, as a result of any such act, be subject*  
22       *to any sanction provided by this Act or by chapter*  
23       *95 or chapter 96 of the Internal Revenue Code of*  
24       *1986.*

1           “(2) *NO RELIANCE BY OTHER PARTIES.*—Any  
2           *written response issued by the Commission under this*  
3           *section may only be relied upon by the person in-*  
4           *volved in the specific transaction or activity with re-*  
5           *spect to which such response is issued, and may not*  
6           *be applied by the Commission with respect to any*  
7           *other person or used by the Commission for enforce-*  
8           *ment or regulatory purposes.*

9           “(d) *PUBLICATION OF REQUESTS AND RESPONSES.*—  
10          *The Commission shall make public any request for a writ-*  
11          *ten response made, and the responses issued, under this sec-*  
12          *tion. In carrying out this subsection, the Commission may*  
13          *not make public the identity of any person submitting a*  
14          *request for a written response unless the person specifically*  
15          *authorizes to Commission to do so.*

16          “(e) *COMPILATION OF INDEX.*—*The Commission shall*  
17          *compile, publish, and regularly update a complete and de-*  
18          *tailed index of the responses issued under this section*  
19          *through which responses may be found on the basis of the*  
20          *subjects included in the responses.”.*

21                 (2)         *CONFORMING         AMENDMENT.*—*Section*  
22                 *307(a)(7) of such Act (2 U.S.C. 437d(a)(7)) is amend-*  
23                 *ed by striking “of this Act” and inserting “and other*  
24                 *written responses under section 308A”.*

1           (c) *OPPORTUNITY FOR ORAL ARGUMENTS BEFORE*  
2 *COMMISSION.*—Section 309(a)(3) of such Act (2 U.S.C.  
3 437g(a)(3)) is amended—

4           (1) by striking “(3)” and inserting “(3)(A)”;  
5           and

6           (2) by adding at the end the following new sub-  
7           paragraph:

8           “(B) If a respondent submits a brief under subpara-  
9           graph (A), the respondent may submit (at the time of sub-  
10           mitting the brief) a request to present an oral argument  
11           in support of the respondent’s brief before the Commission.  
12           If at least 2 members of the Commission approve of the re-  
13           quest, the respondent shall be permitted to appear before  
14           the Commission in open session and make an oral presen-  
15           tation in support of the brief and respond to questions of  
16           members of the Commission. Such appearance shall take  
17           place at a time specified by the Commission during the 30-  
18           day period which begins on the date the request is approved,  
19           and the Commission may limit the length of the respond-  
20           ent’s appearance to such period of time as the Commission  
21           considers appropriate. Any information provided by the re-  
22           spondent during the appearance shall be considered by the  
23           Commission before proceeding under paragraph (4).”.

24           (d) *INDEX OF ADVISORY OPINIONS.*—

1           (1) *IN GENERAL.*—Section 308 of the Federal  
2           *Election Campaign Act of 1971 (2 U.S.C. 437f)* is  
3           *amended by adding at the end the following new sub-*  
4           *section:*

5           “(e) *The Commission shall compile, publish, and regu-*  
6           *larly update a complete and detailed index of the advisory*  
7           *opinions issued under this section through which opinions*  
8           *may be found on the basis of the subjects included in the*  
9           *opinions.*”.

10           (2) *EFFECTIVE DATE.*—*The Federal Election*  
11           *Commission shall first publish the index of advisory*  
12           *opinions described in section 308(e) of the Federal*  
13           *Election Campaign Act of 1971 (as added by para-*  
14           *graph (1)) not later than 60 days after the date of the*  
15           *enactment of this Act.*

16           (e) *STANDARD FOR INITIATION OF ACTIONS.*—Section  
17           *309(a)(2) of the Federal Election Campaign Act of 1971*  
18           *(2 U.S.C. 437g(a)(2)) is amended by striking “it has reason*  
19           *to believe” and all that follows through “of 1954,” and in-*  
20           *serting the following: “it has a reason to investigate a pos-*  
21           *sible violation of this Act or of chapter 95 or chapter 96*  
22           *of the Internal Revenue Code of 1986 that has occurred or*  
23           *is about to occur (based on the same criteria applicable*  
24           *under this paragraph prior to the enactment of the Cam-*  
25           *paign Finance Reform Act of 1996),”.*

1           (f) *APPLICATION OF AGGREGATE CONTRIBUTION LIMIT*  
2 *ON CALENDAR YEAR BASIS DURING NON-ELECTION*  
3 *YEARS.*—Section 315(a)(3) of the Federal Election Cam-  
4 *paign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by*  
5 *striking the second sentence.*

6           (g) *REPEAL REPORT BY SECRETARY OF COMMERCE ON*  
7 *DISTRICT-SPECIFIC VOTING AGE POPULATION.*—Section  
8 *315(e) of the Federal Election Campaign Act of 1971 (2*  
9 *U.S.C. 441a(e)) is amended by striking “States, of each*  
10 *State, and of each congressional district” and inserting*  
11 *“States and of each State”.*

12           (h) *COMMERCIALLY REASONABLE LOANS NOT TO BE*  
13 *TREATED AS CONTRIBUTIONS BY LENDER.*—Section  
14 *301(8)(B)(vii) of the Federal Election Campaign Act of*  
15 *1971 (2 U.S.C. 431(8)(B)(vii)) is amended—*

16                   (1) *by striking “or a depository” and inserting*  
17                   *“a depository”; and*

18                   (2) *by inserting after “Administration,” the fol-*  
19                   *lowing: “or any other commercial lender,”.*

20           (i) *ABOLITION OF EX OFFICIO MEMBERSHIP OF*  
21 *CLERK OF HOUSE OF REPRESENTATIVES ON COMMIS-*  
22 *SION.*—Section 306(a) of the Federal Election Campaign  
23 *Act of 1971 (2 U.S.C. 437c(a)) is amended—*

1           (1) *in paragraph (1), by striking “and the*  
2           *Clerk” and all that follows through “designees” and*  
3           *inserting “or the designee of the Secretary”; and*

4           (2) *in paragraphs (3), (4), and (5), by striking*  
5           *“and the Clerk of the House of Representatives” each*  
6           *place it appears.*

7           (j) *GRANTING COMMISSION AUTHORITY TO WAIVE RE-*  
8           *PORTING REQUIREMENTS.—Section 304 of such Act (2*  
9           *U.S.C. 434), as amended by section 101(b), is further*  
10          *amended by adding at the end the following new subsection:*

11          *“(e) The Commission may by unanimous vote relieve*  
12          *any person or category of persons of the obligation to file*  
13          *any of the reports required by this section, or may change*  
14          *the due dates of any of the reports required by this section,*  
15          *if it determines that such action is consistent with the pur-*  
16          *poses of this title. The Commission may waive requirements*  
17          *to file reports or change due dates in accordance with this*  
18          *subsection through a rule of general applicability or, in a*  
19          *specific case, by notifying all the political committees in-*  
20          *volved.”.*

21          (k) *PERMITTING CORPORATIONS TO COMMUNICATE*  
22          *WITH ALL EMPLOYEES.—*

23                 (1) *IN GENERAL.—Section 316(b) of the Federal*  
24                 *Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is*  
25                 *amended by striking “executive or administrative per-*



1       sonnel” each place it appears in paragraphs (2)(A),  
2       (2)(B), (4)(A)(i), (4)(D), and (5) and inserting “offi-  
3       cers or employees”.

4               (2) *CONFORMING AMENDMENT.*—Section 316(b)  
5       of such Act is amended by striking paragraph (7).

6       (l) *PERMITTING UNLIMITED SOLICITATIONS BY COR-*  
7       *PORATIONS OR LABOR ORGANIZATIONS; PROTECTING CON-*  
8       *FIDENTIALITY OF CONTRIBUTIONS NOT GREATER THAN*  
9       *\$100.*—Section 316(b) of the Federal Election Campaign  
10      Act of 1971 (2 U.S.C. 441b(b)(3)), as amended by subsection  
11      (k)(2), is amended—

12              (1) in paragraph (4)(A), by striking “(B), (C),”  
13      and inserting “(C)”;

14              (2) in paragraph (4)(A)(ii), by striking the pe-  
15      riod at the end and inserting the following: “, its offi-  
16      cers or employees and their families, employees who  
17      are not members and their families, and officers, em-  
18      ployees, or stockholders of a corporation (and their  
19      families) in which the labor organization represents  
20      members working for the corporation.”;

21              (3) in paragraph (4), by striking subparagraph  
22      (B); and

23              (4) by adding at the end the following new para-  
24      graph:

1       “(7)(A) Any corporation or labor organization (or sep-  
 2 arate segregated fund established by such a corporation or  
 3 such a labor organization) making solicitations of contribu-  
 4 tions shall make such solicitations in a manner that ensures  
 5 that the corporation, organization, or fund cannot deter-  
 6 mine who makes a contribution of \$100 or less as a result  
 7 of such solicitation and who does not make such a contribu-  
 8 tion.

9       “(B) Subparagraph (A) shall not apply with respect  
 10 to any solicitation of contributions of a corporation from  
 11 its stockholders.”.

12       (m) *GREATER PROTECTION AGAINST FORCE AND RE-*  
 13 *PRISALS.*—Section 316(b)(3) of the Federal Election Cam-  
 14 paign Act of 1971 (2 U.S.C. 441b(b)(3)), is amended—

15               (1) by redesignating subparagraphs (A) through  
 16 (C) as subparagraphs (B) through (D); and

17               (2) by inserting before subparagraph (B) (as so  
 18 redesignated) the following new subparagraph:

19               “(A) for such a fund to cause another person to  
 20 make a contribution or expenditure by physical force,  
 21 job discrimination, financial reprisals, or the threat  
 22 of force, job discrimination, or financial reprisal;”.

23       (n) *REQUIRING COMPLAINANT TO PROVIDE NOTICE TO*  
 24 *RESPONDENTS.*—Section 309(a)(1) of the Federal Election  
 25 Campaign Act of 1971 (2 U.S.C. 437g(a)(1)) is amended

1 *by striking the third sentence and inserting the following:*  
2 *“The complaint shall include the names and addresses of*  
3 *persons alleged to have committed such a violation. Within*  
4 *5 days after receipt of the complaint, the Commission shall*  
5 *provide written notice of the complaint together with a copy*  
6 *of the complaint to each person described in the previous*  
7 *sentence, except that if the Commission determines that it*  
8 *is not necessary for a person described in the previous sen-*  
9 *tence to receive a copy of the complaint, the Commission*  
10 *shall provide the person with written notice that the com-*  
11 *plaint has been filed, together with written instructions on*  
12 *how to obtain a copy of the complaint without charge from*  
13 *the Commission.”.*

14 (o) *STANDARD FORM FOR COMPLAINTS; STRONGER*  
15 *DISCLAIMER LANGUAGE.—*

16 (1) *STANDARD FORM.—Section 309(a)(1) of the*  
17 *Federal Election Campaign Act of 1971 (2 U.S.C.*  
18 *437g(a)(1)) is amended by inserting after “shall be*  
19 *notarized,” the following: “shall be in a standard*  
20 *form prescribed by the Commission, shall not include*  
21 *(but may refer to) extraneous materials.”.*

22 (2) *DISCLAIMER LANGUAGE.—Section 309(a)(1)*  
23 *of such Act (2 U.S.C. 437g(a)(1)) is amended—*

24 (A) *by striking “(a)(1)” and inserting*  
25 *“(a)(1)(A)”;* and

1                   (B) by adding at the end the following new  
2                   subparagraph:

3           “(B) The written notice of a complaint provided by  
4 the Commission under subparagraph (A) to a person alleged  
5 to have committed a violation referred to in the complaint  
6 shall include a cover letter (in a form prescribed by the  
7 Commission) and the following statement: ‘The enclosed  
8 complaint has been filed against you with the Federal Elec-  
9 tion Commission. The Commission has not verified or given  
10 official sanction to the complaint. The Commission will  
11 make no decision to pursue the complaint for a period of  
12 at least 15 days from your receipt of this complaint. You  
13 may, if you wish, submit a written statement to the Com-  
14 mission explaining why the Commission should take no ac-  
15 tion against you based on this complaint. If the Commis-  
16 sion should decide to investigate, you will be notified and  
17 be given further opportunity to respond.’”.

18           (p) *BANNING ACCEPTANCE OF CASH CONTRIBUTIONS*  
19 *GREATER THAN \$100.—Section 315 of the Federal Election*  
20 *Campaign Act of 1971 (2 U.S.C. 441a), as amended by sec-*  
21 *tions 101, 103(a)(1), and 202, is further amended by add-*  
22 *ing at the end the following new subsection:*

23           “(l) No candidate or political committee may accept  
24 any contributions of currency of the United States or cur-

1 rency of any foreign country from any person which, in  
2 the aggregate, exceed \$100.”.

3 (q) *APPOINTMENT AND SERVICE OF STAFF DIRECTOR*  
4 *AND GENERAL COUNSEL OF COMMISSION.*—

5 (1) *APPOINTMENT; LENGTH OF TERM OF SERV-*  
6 *ICE.*—

7 (A) *IN GENERAL.*—*The first sentence of sec-*  
8 *tion 306(f)(1) of the Federal Election Campaign*  
9 *Act of 1971 (2 U.S.C. 437c(f)(1)) is amended by*  
10 *striking “by the Commission” and inserting the*  
11 *following: “by an affirmative vote of not less*  
12 *than 4 members of the Commission and may not*  
13 *serve for a term of more than 4 consecutive years*  
14 *without reappointment in accordance with this*  
15 *paragraph”.*

16 (B) *EFFECTIVE DATE.*—*The amendment*  
17 *made by subparagraph (A) shall apply with re-*  
18 *spect to any individual serving as the staff direc-*  
19 *tor or general counsel of the Federal Election*  
20 *Commission on or after January 1, 1997, with-*  
21 *out regard to whether or not the individual*  
22 *served as staff director or general counsel prior*  
23 *to such date.*

24 (2) *TREATMENT OF INDIVIDUALS FILLING VACAN-*  
25 *CIES; TERMINATION OF AUTHORITY UPON EXPIRATION*

1        *OF TERM.*—Section 306(f)(1) of such Act (2 U.S.C.  
 2        437c(f)(1)) is amended by inserting after the first sen-  
 3        tence the following new sentences: “An individual ap-  
 4        pointed as a staff director or general counsel to fill  
 5        a vacancy occurring other than by the expiration of  
 6        a term of office shall be appointed only for the  
 7        unexpired term of the individual he or she succeeds.  
 8        An individual serving as staff director or general  
 9        counsel may not serve in any capacity on behalf of  
 10       the Commission after the expiration of the individ-  
 11       ual’s term unless reappointed in accordance with this  
 12       paragraph.”.

13                (3) *APPOINTMENT OF ADDITIONAL STAFF.*—

14                    (A) *IN GENERAL.*—The last sentence of sec-  
 15                    tion 306(f)(1) of such Act (2 U.S.C. 437c(f)(1))  
 16                    is amended by inserting “not less than 4 mem-  
 17                    bers of” after “approval of”.

18                    (B) *EFFECTIVE DATE.*—The amendment  
 19                    made by subparagraph (A) shall apply with re-  
 20                    spect to personnel appointed on or after January  
 21                    1, 1997.

22                (r) *ENCOURAGING CITIZEN GRASSROOTS ACTIVITY ON*  
 23        *BEHALF OF FEDERAL CANDIDATES.*—

24                    (1) *EXEMPTION OF INDIVIDUAL CONTRIBUTIONS*  
 25                    *UNDER \$100.*—Section 301(8)(B) of the Federal Elec-

1 *tion Campaign Act of 1971 (2 U.S.C. 431(8)(B)), as*  
2 *amended by section 205(a), is further amended—*

3 *(A) by striking “and” at the end of clause*

4 *(xiv);*

5 *(B) by striking the period at the end of*

6 *clause (xv) and inserting “; and”; and*

7 *(C) by adding at the end the following new*

8 *clause:*

9 *“(xvi) any payment of funds on behalf of a can-*

10 *didate (whether in cash or in kind, but not including*

11 *a direct payment of cash to a candidate or a political*

12 *committee of the candidate) by an individual from*

13 *the individual’s personal funds which in the aggregate*

14 *does not exceed \$100, if the funds are used for activi-*

15 *ties carried out by the individual or a member of the*

16 *individual’s family.”.*

17 *(2) EXEMPTION OF INDIVIDUAL EXPENDITURES*

18 *UNDER \$100.—Section 301(9)(B) of the Federal Elec-*

19 *tion Campaign Act of 1971 (2 U.S.C. 431(9)(B)), as*

20 *amended by section 205(b), is amended—*

21 *(A) by striking “and” at the end of clause*

22 *(x);*

23 *(B) by striking the period at the end of*

24 *clause (xi) and inserting “; and”; and*

1           (C) by adding at the end the following new  
2           clause:

3           “(xii) any payment of funds on behalf of a can-  
4           didate (whether in cash or in kind, but not including  
5           a direct payment of cash to a candidate or a political  
6           committee of the candidate) by an individual from  
7           the individual’s personal funds which in the aggregate  
8           does not exceed \$100, if the funds are used for activi-  
9           ties carried out by the individual or a member of the  
10          individual’s family.”.

11          (s) *PERMITTING PARTNERSHIPS TO SOLICIT CON-*  
12 *TRIBUTIONS AND PAY ADMINISTRATIVE COSTS OF POLITI-*  
13 *CAL COMMITTEES IN SAME MANNER AS CORPORATIONS AND*  
14 *LABOR UNIONS.—*

15           (1) *TREATMENT OF CONTRIBUTIONS.—Section*  
16 *301(8)(B) of the Federal Election Campaign Act (2*  
17 *U.S.C. 431(8)(B)), as amended by section 205(a) and*  
18 *subsection (r)(1), is amended—*

19           (A) by striking “and” at the end of clause  
20           (xv);

21           (B) by striking the period at the end of  
22           clause (xvi) and inserting “; and”; and

23           (C) by adding at the end the following new  
24           clause:



1           “(xvii) any payment made or obligation in-  
 2           curred by a partnership in the establishment and  
 3           maintenance of a political committee, the administra-  
 4           tion of such a political committee, or the solicitation  
 5           of contributions to such committee.”.

6           (2) *TREATMENT OF EXPENDITURES.*—Section  
 7           301(9)(B) of such Act (2 U.S.C. 431(9)(B)), as  
 8           amended by section 205(b) and subsection (r)(2), is  
 9           amended—

10           (A) by striking “and” at the end of clause

11           (xi);

12           (B) by striking the period at the end of  
 13           clause (xii) and inserting “; and”; and

14           (C) by adding at the end the following new  
 15           clause:

16           “(xiii) any payment made or obligation incurred  
 17           by a partnership in the establishment and mainte-  
 18           nance of a political committee, the administration of  
 19           such a political committee, or the solicitation of con-  
 20           tributions to such committee.”.

## 21 **TITLE IV—GENERAL PROVISIONS**

### 22 **SEC. 401. EFFECTIVE DATE.**

23           *Except as otherwise specifically provided, this Act and*  
 24           *the amendments made by this Act shall take effect January*  
 25           *1, 1997.*

1 **SEC. 402. SEVERABILITY.**

2 *If any provision of this Act or any amendment made*  
3 *by this Act, or the application thereof to any person or cir-*  
4 *cumstance, is held invalid, the validity of the remainder*  
5 *of the Act and the application of such provision to other*  
6 *persons and circumstances shall not be affected thereby.*

7 **SEC. 403. EXPEDITED COURT REVIEW.**

8 *(a) RIGHT TO BRING ACTION.—The Federal Election*  
9 *Commission, a political committee under title III of the*  
10 *Federal Election Campaign Act of 1971, or any individual*  
11 *eligible to vote in any election for the office of President*  
12 *of the United States may institute an action in an appro-*  
13 *priate district court of the United States (including an ac-*  
14 *tion for declaratory judgment) as may be appropriate to*  
15 *construe the constitutionality of any provision of this Act*  
16 *or any amendment made by this Act.*

17 *(b) HEARING BY THREE-JUDGE COURT.—Upon the*  
18 *institution of an action described in subsection (a), a dis-*  
19 *trict court of three judges shall immediately be convened*  
20 *to decide the action pursuant to section 2284 of title 28,*  
21 *United States Code. Such action shall be advanced on the*  
22 *docket and expedited to the greatest extent possible.*

23 *(c) APPEAL OF INITIAL DECISION TO SUPREME*  
24 *COURT.—An appeal may be taken directly to the Supreme*  
25 *Court of the United States from any interlocutory order or*  
26 *final judgment, decree, or order issued by the court of 3*

1 *judges convened pursuant to subsection (b) in an action de-*  
2 *scribed in subsection (a). Such appeal shall be brought not*  
3 *later than 20 days after the issuance by the court of the*  
4 *judgment, decree, or order.*

5       *(d) EXPEDITED REVIEW BY SUPREME COURT.—The*  
6 *Supreme Court shall accept jurisdiction over, advance on*  
7 *the docket, and expedite to the greatest extent possible an*  
8 *appeal taken pursuant to subsection (c).*