104TH CONGRESS 1ST SESSION S. 1219

To reform the financing of Federal elections, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 7 (legislative day, SEPTEMBER 5), 1995

Mr. McCAIN (for himself, Mr. FEINGOLD, Mr. THOMPSON, Mr. PELL, and Mr. WELLSTONE) introduced the following bill; which was read twice and referred to the Committee on Rules and Administration

A BILL

To reform the financing of Federal elections, 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. SHORT TITLE.

4 This Act may be cited as the "Senate Campaign5 Finance Reform Act of 1995".

6 SEC. 2. AMENDMENT OF CAMPAIGN ACT; TABLE OF CON-

7 TENTS.

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

1 (b) TABLE OF CONTENTS.—The table of contents of

2 this Act is as follows:

Sec. 1. Short title.

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

TITLE I-SENATE ELECTION SPENDING LIMITS AND BENEFITS

- Sec. 101. Senate election spending limits and benefits.
- Sec. 102. Free broadcast time.
- Sec. 103. Broadcast rates and preemption.
- Sec. 104. Reduced postage rates.
- Sec. 105. Contribution limit for eligible Senate candidates.

TITLE II-REDUCTION OF SPECIAL INTEREST INFLUENCE

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

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

Subtitle B-Provisions Relating to Soft Money of Political Parties

Subtitle C-Soft Money of Persons Other Than Political Parties

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

Subtitle D—Contributions

Sec. 231. Contributions through intermediaries and conduits.

Subtitle E—Additional Contribution Limits

Sec. 241. Allowable contributions for complying candidates.

Subtitle F—Independent Expenditures

Sec. 251. Clarification of definitions relating to independent expenditures.

TITLE III—MISCELLANEOUS PROVISIONS

- Sec. 301. Restrictions on use of campaign funds for personal purposes.
- Sec. 302. Campaign advertising amendments.
- Sec. 303. Filing procedures.
- Sec. 304. Audits.
- Sec. 305. Limit on congressional use of the franking privilege.
- Sec. 306. Authority to seek injunction.
- Sec. 307. Severability.
- Sec. 308. Expedited review of constitutional issues.
- Sec. 309. Reporting Requirements.
- Sec. 310. Effective date.
- Sec. 311. Regulations.

1 TITLE I—SENATE ELECTION 2 SPENDING LIMITS AND BENE 3 FITS

4 SEC. 101. SENATE ELECTION SPENDING LIMITS AND BENE-5 FITS.

6 (a) IN GENERAL.—FECA is amended by adding at7 the end the following new title:

8 "TITLE V—SPENDING LIMITS 9 AND BENEFITS FOR SENATE 10 ELECTION CAMPAIGNS

11 "SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.

"(a) IN GENERAL.—For purposes of this title, a can-12 didate is an eligible Senate candidate if the candidate— 13 14 "(1) meets the primary and general election filing requirements of subsections (c) and (d); 15 "(2) meets the primary and runoff election ex-16 penditure limits of subsection (b); 17 "(3) meets the threshold contribution require-18 19 ments of subsection (e); and 20 "(4) does not exceed the limitation on expendi-21 tures from personal funds under section 502(a). 22 "(b) Primary and Runoff Expenditure Lim-23 ITS.— 24 "(1) IN GENERAL.—The requirements of this

24 (1) IN GENERAL.—The requirements of thi
25 subsection are met if—

1	"(A) the candidate or the candidate's au-
2	thorized committees did not make expenditures
3	for the primary election in excess of the lesser
4	of—
5	''(i) 67 percent of the general election
6	expenditure limit under section 502(b); or
7	''(ii) \$2,750,000; and
8	''(B) the candidate and the candidate's au-
9	thorized committees did not make expenditures
10	for any runoff election in excess of 20 percent
11	of the general election expenditure limit under
12	section 502(b).
13	"(2) INDEXING.—The \$2,750,000 amount
14	under paragraph (1)(A)(ii) shall be increased as of
15	the beginning of each calendar year based on the in-
16	crease in the price index determined under section
17	315(c), except that the base period shall be calendar
18	year 1995.
19	"(c) Primary Filing Requirements.—
20	"(1) IN GENERAL.—The requirements of this
21	subsection are met if the candidate files with the
22	Secretary of the Senate a certification that—
23	"(A) the candidate and the candidate's au-
24	thorized committees—

1	''(i) will meet the primary and runoff
2	election expenditure limits of subsection
3	(b); and
4	"(ii) will only accept contributions for
5	the primary and runoff elections which do
6	not exceed such limits;
7	''(B) the candidate and the candidate's au-
8	thorized committees will meet the limitation on
9	expenditures from personal funds under section
10	502(a); and
11	"(C) the candidate and the candidate's au-
12	thorized committees will meet the general elec-
13	tion expenditure limit under section $502(b)$.
14	"(2) Deadline for filing certification.—
15	The certification under paragraph (1) shall be filed
16	not later than the date the candidate files as a can-
17	didate for the primary election.
18	"(d) General Election Filing Requirements.—
19	"(1) IN GENERAL.—The requirements of this
20	subsection are met if the candidate files a certifi-
21	cation with the Secretary of the Senate under pen-
22	alty of perjury that—
23	"(A) the candidate and the candidate's au-
24	thorized committees—

1	"(i) met the primary and runoff elec-
2	tion expenditure limits under subsection
3	(b); and
4	"(ii) did not accept contributions for
5	the primary or runoff election in excess of
6	the primary or runoff expenditure limit
7	under subsection (b), whichever is applica-
8	ble, reduced by any amounts transferred to
9	this election cycle from a preceding election
10	cycle;
11	''(B) at least one other candidate has
12	qualified for the same general election ballot
13	under the law of the State involved;
14	"(C) the candidate and the authorized
15	committees of the candidate—
16	''(i) except as otherwise provided by
17	this title, will not make expenditures that
18	exceed the general election expenditure
19	limit under section 502(b);
20	"(ii) will not accept any contributions
21	in violation of section 315; and
22	''(iii) except as otherwise provided by
23	this title, will not accept any contribution
24	for the general election involved to the ex-
25	tent that such contribution would cause

1	the aggregate amount of contributions to
2	exceed the sum of the amount of the gen-
3	eral election expenditure limit under sec-
4	tion 502(b), reduced by any amounts
5	transferred to this election cycle from a
6	previous election cycle and not taken into
7	account under subparagraph (A)(ii); and
8	"(D) the candidate intends to make use of
9	the benefits provided under section 503.
10	"(2) Deadline for filing certification.—
11	The certification under paragraph (1) shall be filed
12	not later than 7 days after the earlier of—
13	"(A) the date the candidate qualifies for
14	the general election ballot under State law; or
15	"(B) if under State law, a primary or run-
16	off election to qualify for the general election
17	ballot occurs after September 1, the date the
18	candidate wins the primary or runoff election.
19	"(e) Threshold Contribution Requirements.—
20	"(1) IN GENERAL.—The requirements of this
21	subsection are met if the candidate and the can-
22	didate's authorized committees have received allow-
23	able contributions during the applicable period in an
24	amount at least equal to the lesser of—

1	"(A) 10 percent of the general election ex-
2	penditure limit under section 502(b); or
3	''(B) \$250,000.
4	"(2) DEFINITIONS.—For purposes of this
5	Act—
6	''(A) the term 'allowable contributions'
7	means contributions that are made as gifts of
8	money by an individual pursuant to a written
9	instrument identifying such individual as the
10	contributor, except that such term shall not in-
11	clude contributions from individuals residing
12	outside the candidate's State to the extent such
13	contributions exceed 40 percent of the aggre-
14	gate allowable contributions (without regard to
15	this subparagraph) received by the candidate
16	during the applicable period; and
17	''(B) the term 'applicable period' means—
18	''(i) the period beginning on January
19	1 of the calendar year preceding the cal-
20	endar year of the general election involved
21	and ending on the date on which the cer-
22	tification under subsection $(c)(2)$ is filed by
23	the candidate; or
24	''(ii) in the case of a special election
25	for the office of United States Senator, the

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1	period beginning on the date the vacancy
2	in such office occurs and ending on the
3	date of the general election.
4	"SEC. 502. LIMITATION ON EXPENDITURES.
5	"(a) Limitation on Use of Personal Funds.—
6	"(1) IN GENERAL.—The aggregate amount of
7	expenditures that may be made during an election
8	cycle by an eligible Senate candidate or such can-
9	didate's authorized committees from the sources de-
10	scribed in paragraph (2) shall not exceed the lesser
11	of—
12	"(A) 10 percent of the general election ex-
13	penditure limit under subsection (b); or
14	''(B) \$250,000.
15	"(2) SOURCES.—A source is described in this
16	subsection if it is—
17	"(A) personal funds of the candidate and
18	members of the candidate's immediate family;
19	or
20	"(B) personal loans incurred by the can-
21	didate and members of the candidate's imme-
22	diate family.
23	"(3) Amended declaration.—A candidate
24	who—

- "(A) declares, pursuant to this Act, that 1 2 the candidate does not intend to expend funds 3 described in paragraph (2) in excess of \$250,000; and 4 "(B) subsequently changes such declara-5 tion or expends such funds in excess of that 6 7 amount. shall file an amended declaration with the Commis-8 sion and notify all other candidates for the same of-9 10 fice not later than 24 hours after changing such declaration or exceeding such limits, whichever first oc-11 curs, by sending a notice by certified mail, return re-12 13 ceipt requested. 14 "(b) GENERAL ELECTION EXPENDITURE LIMIT.— "(1) IN GENERAL.—Except as otherwise pro-15 vided in this title, the aggregate amount of expendi-16 17 tures for a general election by an eligible Senate 18 candidate and the candidate's authorized committees 19 shall not exceed the lesser of— "(A) \$5,500,000; or 20 "(B) the greater of— 21 "(i) \$950,000; or 22
- 23 ''(ii) \$400,000; plus

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1	"(I) 30 cents multiplied by the
2	voting age population not in excess of
3	4,000,000; and
4	"(II) 25 cents multiplied by the
5	voting age population in excess of
6	4,000,000.
7	"(2) EXCEPTION.—In the case of an eligible
8	Senate candidate in a State that has not more than
9	1 transmitter for a commercial Very High Fre-
10	quency (VHF) television station licensed to operate
11	in that State, paragraph (1)(B)(ii) shall be applied
12	by substituting—
13	''(A) '80 cents' for '30 cents' in subclause
14	(I); and
15	''(B) '70 cents' for '25 cents' in subclause
16	(II).
17	"(3) INDEXING.—The amount otherwise deter-
18	mined under paragraph (1) for any calendar year
19	shall be increased by the same percentage as the
20	percentage increase for such calendar year under
21	section 501(b)(2).
22	"(c) PAYMENT OF TAXES.—The limitation under
23	subsection (b) shall not apply to any expenditure for Fed-
24	eral, State, or local taxes with respect to earnings on con-
25	tributions raised.

"(d) Special Exception for Complying Can-1 2 RUNNING AGAINST NON-COMPLYING CAN-DIDATES DIDATES.—If in the case of an election with more than 3 one candidate where one or more candidates who have re-4 ceived contributions in excess of 10 percent of the general 5 election limits contained in this Act or has expended per-6 7 sonal funds in excess of 10 percent of the general election limits contained in this Act choose not to comply with the 8 9 provisions of this Act or violate the limitations on expenditures contained in this Act, such limitations contained in 10 section 502(b) of this Act for the complying candidate(s) 11 shall be increased by 20 percent." 12

13 "SEC. 503. BENEFITS ELIGIBLE CANDIDATES ENTITLED TO 14 RECEIVE.

15 "An eligible Senate candidate shall be entitled to16 receive—

17 "(1) the broadcast media rates provided under
18 section 315(b) of the Communications Act of 1934;
19 "(2) the free broadcast time provided under
20 section 315(c) of such Act; and

21 "(3) the reduced postage rates provided in sec22 tion 3626(e) of title 39, United States Code.

23 "SEC. 504. CERTIFICATION BY COMMISSION.

24 "(a) IN GENERAL.—Not later than 48 hours after25 an eligible candidate qualifies for a general election ballot,

1 the Commission shall certify the candidate's eligibility for 2 free broadcast time under section 315(b)(2) of the Com-3 munications Act of 1934. The Commission shall revoke 4 such certification if it determines a candidate fails to con-5 tinue to meet the requirements of this title.

6 "(b) DETERMINATIONS BY COMMISSION.—All deter-7 minations (including certifications under subsection (a)) 8 made by the Commission under this title shall be final, 9 except to the extent that they are subject to examination 10 and audit by the Commission under section 505.

11 "SEC. 505. REPAYMENTS; ADDITIONAL CIVIL PENALTIES.

12 "(a) EXCESS PAYMENTS; REVOCATION OF STA-13 TUS.—If the Commission revokes the certification of a 14 candidate as an eligible Senate candidate under section 15 504(a), the Commission shall notify the candidate, and the 16 candidate shall pay an amount equal to the value of the 17 benefits received under this title.

18 "(b) MISUSE OF BENEFITS.—If the Commission de-19 termines that any benefit made available to an eligible 20 Senate candidate under this title was not used as provided 21 for in this title, or that a candidate has violated any of 22 the spending limits contained in this Act, the Commission 23 shall so notify the candidate and the candidate shall pay 24 an amount equal to the value of such benefit.". (b) TRANSITION PERIOD.—Expenditures made be fore January 1, 1997, shall not be counted as expenditures
 for purposes of the limitations contained in the amend ment made by subsection (a).

5 SEC. 102. FREE BROADCAST TIME.

6 (a) IN GENERAL.—Section 315 of the Communica7 tions Act of 1934 (47 U.S.C. 315) is amended—

8 (1) in subsection (a)—

9 (A) by striking "within the meaning of this
10 subsection" and inserting "within the meaning
11 of this subsection and subsection (c)";

(B) by redesignating subsections (c) and
(d) as subsections (d) and (e), respectively; and
(C) by inserting immediately after subsection (b) the following new subsection:

"(c)(1) An eligible Senate candidate who has qualified for the general election ballot shall be entitled to receive a total of 30 minutes of free broadcast time from
broadcasting stations within the State or an adjacent
State.

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

"(B) Except as otherwise provided in this Act, a can didate may use such time as the candidate elects except
 that such time may not be used in intervals of less than
 30 seconds or more than 5 minutes.

5 "(C) A candidate may not request more than 15 min6 utes of free broadcast time be aired by any one broadcast7 ing station.

8 "(3)(A) In the case of an election among more than
9 2 candidates, the broadcast time provided under para10 graph (1) shall be allocated as follows:

"(i) The amount of broadcast time that shall be 11 provided to the candidate of a minor party shall be 12 13 equal to the number of minutes allocable to the 14 State multiplied by the percentage of the number of 15 popular votes received by the candidate of that party in the preceding general election for the Senate in 16 17 the State (or if subsection (d)(4)(B) applies, the per-18 centage determined under such subsection).

''(ii) The amount of broadcast time remaining
after assignment of broadcast time to minor party
candidates under clause (i) shall be allocated equally
between the major party candidates.

23 "(B) In the case of an election where only 1 candidate24 qualifies to be on the general election ballot, no time shall

1 be required to be provided by a licensee under this sub-

"(4) The Federal Election Commission shall by regu-

2 section.

4	lation exempt from the requirements of this subsection-
5	"(A) a licensee whose signal is broadcast sub-
6	stantially nationwide; and
7	"(B) a licensee that establishes that such re-
8	quirements would impose a significant economic
9	hardship on the licensee."; and
10	(2) in subsection (d), as redesignated—
11	(A) by striking ''and'' at the end of para-
12	graph (1);
13	(B) by striking the period at the end of
14	paragraph (2) and inserting a semicolon; and
15	(C) by adding at the end the following new
16	paragraphs:
17	''(3) the term 'major party' means, with respect
18	to an election for the United States Senate in a
19	State, a political party whose candidate for the Unit-
20	ed States Senate in the preceding general election
21	for the Senate in that State received, as a candidate
22	of that party, 25 percent or more of the number of
23	popular votes received by all candidates for the Sen-
24	ate;
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"(4) the term 'minor party' means, with respect
 to an election for the United States Senate in a
 State, a political party—

"(A) whose candidate for the United States Senate in the preceding general election for the Senate in that State received 5 percent or more but less than 25 percent of the number of popular votes received by all candidates for the Senate; or

"(B) whose candidate for the United 10 11 States Senate in the current general election for the Senate in that State has obtained the signa-12 13 tures of at least 5 percent of the State's reg-14 istered voters, as determined by the chief voter registration official of the State, in support of 15 a petition for an allocation of free broadcast 16 17 time under this subsection; and

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

(b) EFFECTIVE DATE.—The amendments made by
this section shall apply to general elections occurring after
December 31, 1996 (and the election cycles relating thereto).

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2 (a) BROADCAST RATES.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended— 3 4 (1) by striking "(b) The changes" and inserting "(b)(1) The changes"; 5 (2) by redesignating paragraphs (1) and (2) as 6 7 subparagraphs (A) and (B), respectively; 8 (3) in paragraph (1)(A), as redesignated— (A) by striking "forty-five" and inserting 9 "30": and 10 11 (B) by striking "lowest unit charge of the 12 station for the same class and amount of time for the same period" and inserting "lowest 13 charge of the station for the same amount of 14 time for the same period on the same date"; 15 16 and 17 (4) by adding at the end the following new

18 paragraph:

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19 "(2) In the case of an eligible Senate candidate (as 20 described in section 501(a) of the Federal Election Cam-21 paign Act), the charges for the use of a television broad-22 casting station during the 30-day period and 60-day pe-23 riod referred to in paragraph (1)(A) shall not exceed 50 24 percent of the lowest charge described in paragraph 25 (1)(A).".

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

4 (1) by redesignating subsections (d) and (e) as
5 redesignated, as subsections (e) and (f), respectively;
6 and

7 (2) by inserting immediately after subsection8 (c) the following subsection:

9 "(d)(1) Except as provided in paragraph (2), a li-10 censee shall not preempt the use, during any period speci-11 fied in subsection (b)(1)(A), of a broadcasting station by 12 an eligible Senate candidate who has purchased and paid 13 for such use pursuant to subsection (b)(2).

14 "(2) If a program to be broadcast by a broadcasting 15 station is preempted because of circumstances beyond the 16 control of the broadcasting station, any candidate adver-17 tising spot scheduled to be broadcast during that program 18 may also be preempted.".

19 (c) REVOCATION OF LICENSE FOR FAILURE TO PER20 MIT ACCESS.—Section 312(a)(7) of the Communications
21 Act of 1934 (47 U.S.C. 312(a)(7)) is amended—

22 (1) by striking "or repeated";

23 (2) by inserting "or cable system" after "broad-24 casting station"; and

1	(3) by striking ''his candidacy'' and inserting
2	''the candidacy of such person, under the same
3	terms, conditions, and business practices as apply to
4	its most favored advertiser".
5	(d) EFFECTIVE DATE.—The amendments made by
6	this section shall apply to the general elections occurring
7	after December 31, 1995 (and the election cycles relating
8	thereto).
9	SEC. 104. REDUCED POSTAGE RATES.
10	(a) IN GENERAL.—Section 3626(e) of title 39, Unit-
11	ed States Code, is amended—
12	(1) in paragraph (2)—
13	(A) in subparagraph (A)—
14	(i) by striking ''and the National'' and
15	inserting "the National"; and
16	(ii) by inserting before the semicolon
17	the following: '', and, subject to paragraph
18	(3), the principal campaign committee of
19	an eligible Senate candidate;";
20	(B) in subparagraph (B), by striking
21	"and" after the semicolon;
22	(C) in subparagraph (C), by striking the
23	period and inserting a semicolon; and
24	(D) by adding after subparagraph (C) the
25	following new subparagraphs:

"(D) the term 'principal campaign committee' 1 2 has the meaning given such term in section 301 of the Federal Election Campaign Act of 1971; and 3 4 "(E) the term 'eligible Senate candidate' has the meaning given such term in section 501(a) of 5 the Federal Election Campaign Act of 1971."; and 6 7 (2) by adding after paragraph (2) the following new paragraph: 8

9 "(3) The rate made available under this subsection 10 with respect to an eligible Senate candidate shall apply 11 only to that number of pieces of mail equal to 2 times 12 the number of individuals in the voting age population (as 13 certified under section 315(e) of such Act) of the State.".

(b) EFFECTIVE DATE.—The amendments made by
this section shall apply to the general elections occurring
after December 31, 1996 (and the election cycles relating
thereto).

18 SEC. 105. CONTRIBUTION LIMIT FOR ELIGIBLE SENATE
19 CANDIDATES.

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

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

24 (2) by redesignating subparagraphs (B) and25 (C) as subparagraphs (C) and (D), respectively; and

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

3 "(B) to any eligible Senate candidate and the authorized political committees of such candidate 4 5 with respect to any election for the office of United States Senator (if any other Senate candidate choos-6 7 es not to comply with the expenditure limits contained in this Act and has received contributions in 8 excess of 10 percent of the general election limits 9 10 contained in this Act or has expended personal funds in excess of 10 percent of the general election limits 11 contained in this Act) which, in the aggregate, ex-12 13 ceed \$2,000;".

14 TITLE II—REDUCTION OF

15 SPECIAL INTEREST INFLUENCE

16 Subtitle A—Elimination of Political

Action Committees From Fed eral Election Activities

19 SEC. 201. BAN ON ACTIVITIES OF POLITICAL ACTION COM-

MITTEES IN FEDERAL ELECTIONS.

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

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1	"BAN ON FEDERAL ELECTION ACTIVITIES BY POLITICAL
2	ACTION COMMITTEES
3	"SEC. 324. Notwithstanding any other provision of
4	this Act, no person other than an individual or a political
5	committee may make contributions, solicit or receive con-
6	tributions, or make expenditures for the purpose of influ-
7	encing an election for Federal office.".
8	(b) Definition of Political Committee.—(1)
9	Section 301(4) of FECA (2 U.S.C. 431(4)) is amended
10	to read as follows:
11	"(4) The term 'political committee' means—
12	''(A) the principal campaign committee of
13	a candidate;
14	"(B) any national, State, or district com-
15	mittee of a political party, including any subor-
16	dinate committee thereof;
17	"(C) any local committee of a political
18	party that—
19	"(i) receives contributions aggregating
20	in excess of \$5,000 during a calendar year;
21	''(ii) makes payments exempted from
22	the definition of contribution or expendi-
23	ture under paragraph (8) or (9) aggregat-
24	ing in excess of \$5,000 during a calendar
25	year; or

1	''(iii) makes contributions or expendi-
2	tures aggregating in excess of \$1,000 dur-
3	ing a calendar year; and
4	"(D) any committee jointly established by
5	a principal campaign committee and any com-
6	mittee described in subparagraph (B) or (C) for
7	the purpose of conducting joint fundraising ac-
8	tivities.''.
9	(2) Section 316(b)(2) of FECA (2 U.S.C.
10	441b(b)(2)) is amended—
11	(A) by inserting "or" after "subject;";
12	(B) by striking ''and their families; and'' and
13	inserting "and their families."; and
14	(C) by striking subparagraph (C).
15	(c) Candidate's Committees.—(1) Section 315(a)
16	of FECA (2 U.S.C. 441a(a)) is amended by adding at the
17	end the following new paragraph:
18	"(9) For the purposes of the limitations provided by
19	paragraphs (1) and (2), any political committee that is
20	established, financed, maintained, or controlled, directly or
21	indirectly, by any candidate or Federal officeholder shall
22	be deemed to be an authorized committee of such can-
23	didate or officeholder.".
24	(2) Section 302(e)(3) of FECA (2 U.S.C. 432) is
25	amended to read as follows:

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

4 "(A) a candidate for the office of President 5 nominated by a political party may designate the na-6 tional committee of such political party as the can-7 didate's principal campaign committee, if that na-8 tional committee maintains separate books of ac-9 count with respect to its functions as a principal 10 campaign committee; and

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

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

20 (A) the amendments made by subsections (a),21 (b), and (c) shall not be in effect;

(B) it shall be unlawful for a multicandidate
political committee, intermediary, or conduit (as that
term is defined in section 315(a)(8) of FECA, as
amended by section 231 of this Act), to make a con-

tribution to a candidate for election, or nomination 1 2 for election, to Federal office (or an authorized committee) to the extent that the making or accepting 3 of the contribution will cause the amount of con-4 tributions received by the candidate and the can-5 6 didate's authorized committees from multicandidate 7 political committees to exceed 20 percent of the aggregate Federal election spending limits applicable 8 to the candidate for the election cycle; and 9

10 (C) it shall be unlawful for a political commit-11 tee, intermediary, or conduit, as that term is defined in section 315(a)(8) of FECA (as amended by sec-12 13 tion 231 of this Act), to make a contribution to a 14 candidate for election, or a nomination for an election, to Federal office (or an authorized committee 15 of such candidate) in excess of the amount an indi-16 17 vidual is allowed to give directly to a candidate or 18 a candidate's authorized committee.

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

Subtitle B—Provisions Relating to Soft Money of Political Parties

3 SEC. 211.

A national committee of a political party, including 4 the national congressional campaign committees of a polit-5 ical party, and any officers or agents of such party com-6 mittees, shall not solicit or receive any contributions, do-7 nations, or transfers of funds, or spend any funds, not 8 9 subject to the limitations, prohibitions, and reporting requirements of this Act. This provision shall apply to any 10 11 entity that is established, financed, maintained or controlled by a national committee of a political party, includ-12 ing the national congressional campaign committees of a 13 political party, and any officer or agents of such party 14 committees, other than an entity that is regulated by sec-15 tion (2) below. 16

17 SEC. 212.

(a) Any amount expended or disbursed by a State, 18 district, or local committee of a political party, during a 19 calendar year in which a Federal election is held, for any 20 activity which might affect the outcome of a Federal elec-21 tion, including but not limited to any voter registration 22 and get-out-the-vote activity, any generic campaign activ-23 ity, and any communication that identifies a Federal can-24 25 didate (regardless of whether a State or local candidate

is also mentioned or identified) shall be made from funds
 subject to the limitations, prohibitions and reporting re quirements of this Act.

4 (b) Paragraph (a) shall not apply to expenditures or
5 disbursements made by a State, district or local committee
6 of a political party for—

7 (1) a contribution to a candidate other than for
8 Federal office, provided that such contribution is not
9 designated or otherwise earmarked to pay for activi10 ties described in subparagraph (a) above;

11 (2) the costs of a State or district/local political12 convention;

13 (3) the non-Federal share of a State, district or 14 local party committee's administrative and overhead 15 expenses (but not including the compensation in any 16 month of any individual who spends more than 20 17 percent of his or her time on activity during such 18 month which may affect the outcome of a Federal 19 election). For purposes of this provision, the non-20 federal share of a party committee's administrative and overhead expenses shall be determined by apply-21 22 ing the ratio of the non-Federal disbursements to the total Federal expenditures and non-Federal dis-23 24 bursements made by the committee during the pre-25 vious presidential election year to the committee's administrative and overhead expenses in the election
 year in question;

3 (4) the costs of grassroots campaign materials,
4 including buttons, bumperstickers, and yard signs,
5 which material solely name or depict a State or local
6 candidate; and

7 (5) the cost of any campaign activity conducted
8 solely on behalf of a clearly identified State or local
9 candidate, provided that such activity is not covered
10 by subparagraph (a) above.

11 (c) Any amount spent by a national, State, district 12 or local committee or entity of a political party to raise 13 funds that are used, in whole or in part, to pay the costs 14 of any activity covered by paragraph 2(a) above shall be 15 made from funds subject to the limitations, prohibitions, 16 and reporting requirements of this Act.

This provision shall apply to any entity that is established, financed, maintained, or controlled by a State, district or local committee of a political party or any agent or officer of such party committee in the same manner as it applies to that committee.

22 SEC. 213.

23 No national, State, district or local committee of a 24 political party shall solicit any funds for or make any donations to any organization that is exempt from Federal
 taxation under 26 U.S.C. 501(c).

3 SEC. 214.

4 No candidate for Federal office, individual holding Federal office, or any agent of such candidate or office-5 holder, may solicit or receive any funds in connection with 6 7 any Federal election unless such funds are subject to the limitations, prohibitions and reporting requirements of 8 9 this Act; This provision shall not apply to the solicitation or receipt of funds by an individual who is a candidate 10 for a non-Federal office if such activity is permitted under 11 State law for such individual's non-Federal campaign com-12 13 mittee.

14 SEC. 215. REPORTING REQUIREMENTS.

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

18 "(d) POLITICAL COMMITTEES.—(1) The national 19 committee of a political party, any congressional campaign 20 committee of a political party, and any subordinate com-21 mittee of either, shall report all receipts and disburse-22 ments during the reporting period, whether or not in con-23 nection with an election for Federal office.

24 "(2) A political committee (not described in para-25 graph (1)) to which section 325 applies shall report all receipts and disbursements including separate schedules
 for receipts and disbursements for any State Party Grass roots Fund described in section 301(21).

"(3) Any political committee to which section 325 applies shall include in its report under paragraph (1) or
(2) the amount of any transfer described in section
325(d)(2) and shall itemize such amounts to the extent
required by subsection (b)(3)(A).

9 "(4) Any political committee to which paragraph (1) 10 or (2) does not apply shall report any receipts or disburse-11 ments that are used in connection with a Federal election.

12 "(5) If a political committee has receipts or disburse-13 ments to which this subsection applies from any person 14 aggregating in excess of \$200 for any calendar year, the 15 political committee shall separately itemize its reporting 16 for such person in the same manner as required in sub-17 section (b) (3)(A), (5), or (6).

18 "(6) Reports required to be filed under this sub19 section shall be filed for the same time periods required
20 for political committees under subsection (a).".

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

24 "(C) The exclusion provided in subpara-25 graph (B)(viii) shall not apply for purposes of

any requirement to report contributions under
 this Act, and all such contributions aggregating
 in excess of \$200 shall be reported.".

4 (c) REPORTS BY STATE COMMITTEES.—Section 304
5 of FECA (2 U.S.C. 434), as amended by subsection (a),
6 is amended by adding at the end the following new sub7 section:

8 "(e) FILING OF STATE REPORTS.—In lieu of any re-9 port required to be filed by this Act, the Commission may 10 allow a State committee of a political party to file with 11 the Commission a report required to be filed under State 12 law if the Commission determines such reports contain 13 substantially the same information.".

14 (d) OTHER REPORTING REQUIREMENTS.—

 15
 (1)
 AUTHORIZED
 COMMITTEES.—Section

 16
 304(b)(4)
 of
 FECA (2 U.S.C. 434(b)(4)) is amend

 17
 ed—

18 (A) by striking "and" at the end of sub-19 paragraph (H);

20 (B) by inserting "and" at the end of sub-21 paragraph (I); and

(C) by adding at the end the following newsubparagraph:

24 "(J) in the case of an authorized commit-25 tee, disbursements for the primary election, the

1	general election, and any other election in which
2	the candidate participates;".
3	(2) NAMES AND ADDRESSES.—Section
4	304(b)(5)(A) of FECA (2 U.S.C. $434(b)(5)(A)$) is
5	amended—
6	(A) by striking ''within the calendar year'';
7	and
8	(B) by inserting '', and the election to
9	which the operating expenditure relates" after
10	"operating expenditure".
11	Subtitle C—Soft Money of Persons
12	Other Than Political Parties
13	SEC. 221. SOFT MONEY OF PERSONS OTHER THAN POLITI-
13 14	SEC. 221. SOFT MONEY OF PERSONS OTHER THAN POLITI- CAL PARTIES.
14 15	CAL PARTIES.
14 15 16	CAL PARTIES. Section 304 of FECA (2 U.S.C. 434), as amended
14 15 16	CAL PARTIES. Section 304 of FECA (2 U.S.C. 434), as amended by section 215(c), is amended by adding at the end the
14 15 16 17	CAL PARTIES. Section 304 of FECA (2 U.S.C. 434), as amended by section 215(c), is amended by adding at the end the following new subsection:
14 15 16 17 18	CAL PARTIES. Section 304 of FECA (2 U.S.C. 434), as amended by section 215(c), is amended by adding at the end the following new subsection: "(f) ELECTION ACTIVITY OF PERSONS OTHER THAN
14 15 16 17 18 19	CAL PARTIES. Section 304 of FECA (2 U.S.C. 434), as amended by section 215(c), is amended by adding at the end the following new subsection: "(f) ELECTION ACTIVITY OF PERSONS OTHER THAN POLITICAL PARTIES.—(1)(A)(i) If any person to which
 14 15 16 17 18 19 20 	CAL PARTIES. Section 304 of FECA (2 U.S.C. 434), as amended by section 215(c), is amended by adding at the end the following new subsection: "(f) ELECTION ACTIVITY OF PERSONS OTHER THAN POLITICAL PARTIES.—(1)(A)(i) If any person to which section 325 does not apply makes (or obligates to make)
 14 15 16 17 18 19 20 21 	CAL PARTIES. Section 304 of FECA (2 U.S.C. 434), as amended by section 215(c), is amended by adding at the end the following new subsection: "(f) ELECTION ACTIVITY OF PERSONS OTHER THAN POLITICAL PARTIES.—(1)(A)(i) If any person to which section 325 does not apply makes (or obligates to make) disbursements for activities described in section 325(b) in
 14 15 16 17 18 19 20 21 22 	CAL PARTIES. Section 304 of FECA (2 U.S.C. 434), as amended by section 215(c), is amended by adding at the end the following new subsection: "(f) ELECTION ACTIVITY OF PERSONS OTHER THAN POLITICAL PARTIES.—(1)(A)(i) If any person to which section 325 does not apply makes (or obligates to make) disbursements for activities described in section 325(b) in excess of \$2,000, such person shall file a statement—

"(II) in the case of disbursements (or obliga-1 2 tions) that are required to be made within 14 days of the election, on or before such 14th day. 3 "(ii) An additional statement shall be filed each time 4 additional disbursements aggregating \$2,000 are made (or 5 obligated to be made) by a person described in clause (i). 6 7 "(B) This paragraph shall not apply to— "(i) a candidate or a candidate's authorized 8 9 committees: or "(ii) an independent expenditure (as defined in 10

11 section 301(17)).

"(2) Any statement under this section shall be filed 12 with the Secretary of the Senate or the Clerk of the House 13 of Representatives, and the Secretary of State (or equiva-14 15 lent official) of the State involved, as appropriate, and shall contain such information as the Commission shall 16 prescribe, including whether the disbursement is in sup-17 port of, or in opposition to, 1 or more candidates or any 18 political party. The Secretary of the Senate or Clerk of 19 the House of Representatives shall, as soon as possible 20 (but not later than 24 hours after receipt), transmit a 21 22 statement to the Commission. Not later than 48 hours after receipt, the Commission shall transmit the statement 23 24 to4 or in opposition to, a candidate or political party,
5 the State committees of each political party in the
6 State involved.

7 "(3) The Commission may make its own determina-8 tion that disbursements described in paragraph (1) have 9 been made or are obligated to be made. The Commission 10 shall notify the candidates or political parties described 11 in paragraph (2) not later than 24 hours after its deter-12 mination.".

13 Subtitle D—Contributions

14 SEC. 231. CONTRIBUTIONS THROUGH INTERMEDIARIES

15

AND CONDUITS.

Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) isamended to read as follows:

18 "(8) For the purposes of this subsection:

"(A) Contributions made by a person, either directly or indirectly, to or on behalf of a
particular candidate, including contributions
that are in any way earmarked or otherwise directed through an intermediary or conduit to a
candidate, shall be treated as contributions
from the person to the candidate. If a contribu-

tion is made to a candidate through an 1 2 intermediary or conduit, the intermediary or conduit shall report the original source and the 3 4 intended recipient of the contribution to the Commission and the intended recipient. 5 6 "(B) Contributions made directly or indi-7 rectly by a person to or on behalf of a particular candidate through an intermediary or con-8 duit, including contributions arranged to be 9 made by an intermediary or conduit, shall be 10 treated as contributions from the intermediary 11 12 or conduit to the candidate if— "(i) the contributions made through 13 14 the intermediary or conduit are in the form 15 of a check or other negotiable instrument 16 made payable to the intermediary or con-17 duit rather than the intended recipient; or 18 "(ii) the intermediary or conduit is— 19 "(I) a political committee, a po-20 litical party, or an officer, employee, 21 or agent of either; 22 "(II) a person whose activities 23 are required to be reported under sec-24 tion 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267), the 25

1	Foreign Agents Registration Act of
2	1938 (22 U.S.C. 611 et seq.), or any
3	successor Federal law requiring a per-
4	son who is a lobbyist or foreign agent
5	to report the activities of such person;
6	''(III) a person who is prohibited
7	from making contributions under sec-
8	tion 316 or a partnership; or
9	''(IV) an officer, employee, or
10	agent of a person described in
11	subclause (II) or (III) acting on be-
12	half of such person.
13	''(C) The term 'contributions arranged to
14	be made' includes—
15	"(i)(I) contributions delivered directly
16	or indirectly to a particular candidate or
17	the candidate's authorized committee or
18	agent by the person who facilitated the
19	contribution; and
20	''(II) contributions made directly or
21	indirectly to a particular candidate or the
22	candidate's authorized committee or agent
23	that are provided at a fundraising event
24	sponsored by an intermediary or conduit
25	described in subparagraph (B);

1	(D) This paragraph shall not prohibit—
2	''(i) fundraising efforts for the benefit
3	of a candidate that are conducted by an-
4	other candidate or Federal officeholder; or
5	''(ii) the solicitation by an individual
6	using the individual's resources and acting
7	in the individual's own name of contribu-
8	tions from other persons in a manner not
9	described in paragraphs (B) and (C).".
10	Subtitle E—Additional Prohibitions
11	on Contributions
12	SEC. 241. ALLOWABLE CONTRIBUTIONS FOR COMPLYING
13	CANDIDATES.
14	For the purposes of this Act, in order for a candidate
15	to be considered to be in compliance with the spending
16	limits contained in this Act, not less than 60 percent of
17	the total dollar amount of all contributions from individ-

18 uals to a candidate or a candidate's authorized committee,

20 made by the candidate, shall come from individuals legally

not including any expenditures, contributions or loans

21 residing in the candidate's State.

19

Subtitle F—Independent Expenditures

1

2

39

3 SEC. 251. CLARIFICATION OF DEFINITIONS RELATING TO
 4 INDEPENDENT EXPENDITURES.

5 (a) INDEPENDENT EXPENDITURE DEFINITION 6 AMENDMENT.—Section 301 of FECA (2 U.S.C. 431) is 7 amended by striking paragraphs (17) and (18) and insert-8 ing the following:

9 ''(17)(A) The term 'independent expenditure' means
10 an expenditure that—

11 "(i) contains express advocacy; and

12 "(ii) is made without the participation or co13 operation of, or without the consultation of, a can14 didate or a candidate's representative.

15 "(B) The following shall not be considered an inde-16 pendent expenditure:

17 "(i) An expenditure made by—

18 "(I) an authorized committee of a can-19 didate for Federal office, or

20 "(II) a political committee of a political21 party.

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

40

1	''(iii) An expenditure if, in the same election
2	cycle, the person making the expenditure is or has
3	been—
4	''(I) authorized to raise or expend funds on
5	behalf of the candidate or the candidate's au-
6	thorized committees; or
7	''(II) serving as a member, employee, or
0	

8 agent of the candidate's authorized committees9 in an executive or policymaking position.

10 "(iv) An expenditure if the person making the 11 expenditure has advised or counseled the candidate 12 or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the can-13 14 didate's pursuit of nomination for election, or elec-15 tion, to Federal office, in the same election cycle, in-16 cluding any advice relating to the candidate's deci-17 sion to seek Federal office.

18 "(v) An expenditure if the person making the 19 expenditure retains the professional services of any 20 individual or other person also providing services in the same election cycle to the candidate in connec-21 22 tion with the candidate's pursuit of nomination for 23 election, or election, to Federal office, including any 24 services relating to the candidate's decision to seek 25 Federal office. For purposes of this clause, the term 'professional services' shall include any services
 (other than legal and accounting services solely for
 purposes of ensuring compliance with any Federal
 law) in support of any candidate's or candidates'
 pursuit of nomination for election, or election, to
 Federal office.

7 For purposes of this subparagraph, the person making the8 expenditure shall include any officer, director, employee,9 or agent of such person.

"(18)(A) The term 'express advocacy' means when a 10 communication is taken as a whole and with limited ref-11 erence to external events, an expression of support for or 12 13 opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party. 14 15 "(B) The term 'expression of support for or opposition to' includes a suggestion to take action with respect 16 to an election, such as to vote for or against, make con-17 tributions to, or participate in campaign activity, or to re-18

19 frain from taking action.".

20 (b) CONTRIBUTION DEFINITION AMENDMENT.—Sec21 tion 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amend22 ed—

23 (1) in clause (i), by striking "or" after the24 semicolon at the end;

(2) in clause (ii), by striking the period at the 1 2 end and inserting "; or"; and (3) by adding at the end the following new 3 clause: 4 "(iii) any payment or other transaction referred 5 to in paragraph (17)(A)(i) that is not an independ-6 ent expenditure under paragraph (17).". 7 TITLE III—MISCELLANEOUS 8 PROVISIONS 9 10 SEC. 301. RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR 11 PERSONAL PURPOSES. 12 (a) RESTRICTIONS ON USE OF CAMPAIGN FUNDS.— Title III of FECA (2 U.S.C. 431 et seq.), as amended 13 by section 213(a), is amended by adding at the end the 14 15 following new section: "RESTRICTIONS ON USE OF CAMPAIGN FUNDS FOR 16 17 PERSONAL PURPOSES 18 "SEC. 326. (a) An individual who receives contributions as a candidate for Federal office-19 20 "(1) shall use such contributions only for legiti-21 mate and verifiable campaign expenses; and "(2) shall not use such contributions for any in-22 herently personal purpose. 23 "(b) As used in this subsection— 24

"(1) the term 'campaign expenses' means ex penses attributable solely to bona fide campaign pur poses; and

4 "(2) the term "inherently personal purpose" means a purpose that, by its nature, confers a per-5 6 sonal benefit, including a home mortgage rent or utility payment, clothing purchase, noncampaign 7 automobile expense, country club membership, vaca-8 9 tion, or trip of a noncampaign nature, household 10 food items, tuition payment, admission to a sporting 11 event, concert, theatre or other form of entertain-12 ment not associated with a campaign, dues, fees, or 13 contributions to a health club or recreational facility and any other inherently personal living expense as 14 15 determined under the regulations promulgated pursuant to section 302(b) of the Senate Campaign 16 17 Spending Limit and Election Reform Act of 1995.". 18 (b) REGULATIONS.—Not later than 90 days after the 19 date of enactment of this Act, the Federal Election Commission shall promulgate regulations consistent with this 20 Act to implement subsection (a). Such regulations shall 21 22 apply to all contributions possessed by an individual on 23 the date of enactment of this Act.

24 SEC. 302. CAMPAIGN ADVERTISING AMENDMENTS.

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

1	(1) in subsection (a)—
2	(A) in the matter preceding paragraph
3	(1)—
4	(i) by striking ''Whenever'' and insert-
5	ing ''Whenever a political committee makes
6	a disbursement for the purpose of financ-
7	ing any communication through any broad-
8	casting station, newspaper, magazine, out-
9	door advertising facility, mailing, or any
10	other type of general public political adver-
11	tising, or whenever'';
12	(ii) by striking ''an expenditure'' and
13	inserting "a disbursement"; and
14	(iii) by striking ''direct''; and
15	(B) in paragraph (3), by inserting ''and
16	permanent street address" after "name"; and
17	(2) by adding at the end the following new sub-
18	sections:
19	"(c) Any printed communication described in sub-
20	section (a) shall be—
21	"(1) of sufficient type size to be clearly read-
22	able by the recipient of the communication;
23	"(2) contained in a printed box set apart from
24	the other contents of the communication; and

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"(3) consist of a reasonable degree of color con trast between the background and the printed state ment.

4 ''(d)(1) Any broadcast or cablecast communication
5 described in subsection (a)(1) or subsection (a)(2) shall
6 include, in addition to the requirements of those sub7 sections, an audio statement by the candidate that identi8 fies the candidate and states that the candidate has ap9 proved the communication.

10 "(2) If a broadcast or cablecast communication de-11 scribed in paragraph (1) is broadcast or cablecast by 12 means of television, the communication shall include, in 13 addition to the audio statement under paragraph (1), a 14 written statement which—

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

20 "(B) is accompanied by a clearly identifiable21 photographic or similar image of the candidate.

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

responsible for the content of this advertisement.' (with 1 the blank to be filled in with the name of the political 2 committee or other person paying for the communication 3 4 and the name of any connected organization of the payor). If broadcast or cablecast by means of television, the state-5 ment shall also appear in a clearly readable manner with 6 7 a reasonable degree of color contrast between the background and the printed statement, for a period of at least 8 4 seconds.". 9

10 SEC. 303. FILING OF REPORTS USING COMPUTERS AND 11 FACSIMILE MACHINES.

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

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

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

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

4 "(B) The Commission, in consultation with the
5 Secretary of the Senate and the Clerk of the House
6 of Representatives, shall prescribe regulations which
7 allow persons to file designations, statements, and
8 reports required by this Act through the use of fac9 simile machines.

"(C) In prescribing regulations under this para-10 11 graph, the Commission shall provide methods (other 12 than requiring a signature on the document being 13 filed) for verifying designations, statements, and re-14 ports covered by the regulations. Any document veri-15 fied under any of the methods shall be treated for 16 all purposes (including penalties for perjury) in the 17 same manner as a document verified by signature.

18 "(D) The Secretary of the Senate and the Clerk 19 of the House of Representatives shall ensure that 20 any computer or other system that they may develop 21 and maintain to receive designations, statements, 22 and reports in the forms required or permitted 23 under this paragraph is compatible with any such 24 system that the Commission may develop and main-25 tain.".

47

1 SEC. 304. AUDITS.

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

4 (1) by inserting "(1)" before "The Commis-5 sion"; and

6 (2) by adding at the end the following new7 paragraph:

8 "(2) Notwithstanding paragraph (1), the Commission may after all elections are completed conduct random au-9 dits and investigations to ensure voluntary compliance 10 with this Act. The subjects of such audits and investiga-11 tions shall be selected on the basis of criteria established 12 by vote of at least 4 members of the Commission to ensure 13 impartiality in the selection process. This paragraph does 14 not apply to an authorized committee of a candidate for 15 President or Vice President subject to audit under title 16 VI or to an authorized committee of an eligible Senate 17 candidate or an eligible House candidate subject to audit 18 19 under section 522(a).".

(b) EXTENSION OF PERIOD DURING WHICH CAM21 PAIGN AUDITS MAY BE BEGUN.—Section 311(b) of
22 FECA (2 U.S.C. 438(b)) is amended by striking "6
23 months" and inserting "12 months".

1 SEC. 305. LIMIT ON CONGRESSIONAL USE OF THE FRANK-2 **ING PRIVILEGE.** 3 Section 3210(a)(6)(A) of title 39, United States 4 Code. is amended to read as follows: "(A) A Member of Congress shall not mail 5 any mass mailing as franked mail during a year 6 7 in which there will be an election for the seat 8 held by the Member during the period between January 1 of that year and the date of the gen-9 eral election for that Office, unless the Member 10 has made a public announcement that the 11 12 Member will not be a candidate for reelection to that year or for election to any other Federal 13 office.". 14 15 **SEC. 306. AUTHORITY TO SEEK INJUNCTION.** Section 309(a) of FECA (2 U.S.C. 437g(a)) is 16 amended— 17 18 (1) by adding at the end the following new 19 paragraph: ((13)(A) If, at any time in a proceeding described 20 in paragraph (1), (2), (3), or (4), the Commission believes 21 22 that— 23 "(i) there is a substantial likelihood that a vio-24 lation of this Act is occurring or is about to occur; "(ii) the failure to act expeditiously will result
 in irreparable harm to a party affected by the poten tial violation;

4 "(iii) expeditious action will not cause undue 5 harm or prejudice to the interests of others; and

6 "(iv) the public interest would be best served by7 the issuance of an injunction,

8 the Commission may initiate a civil action for a temporary
9 restraining order or a temporary injunction pending the
10 outcome of the proceedings described in paragraphs (1),
11 (2), (3), and (4).

12 "(B) An action under subparagraph (A) shall be 13 brought in the United States district court for the district 14 in which the defendant resides, transacts business, or may 15 be found, or in which the violation is occurring, has oc-16 curred, or is about to occur.";

17 (2) in paragraph (7), by striking "(5) or (6)"
18 and inserting "(5), (6), or (13)"; and

19 (3) in paragraph (11), by striking "(6)" and in20 serting "(6) or (13)".

21 SEC. 307. SEVERABILITY.

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

4 SEC. 308. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

5 (a) DIRECT APPEAL TO SUPREME COURT.—An ap-6 peal may be taken directly to the Supreme Court of the 7 United States from any interlocutory order or final judg-8 ment, decree, or order issued by any court ruling on the 9 constitutionality of any provision of this Act or amend-10 ment made by this Act.

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

16 SEC. 309. REPORTING REQUIREMENTS.

17 (a) CONTRIBUTORS.—Section 302(c)(3) of FECA (2
18 U.S.C. 432(c)(3)) is amended by striking "\$200" and in19 serting "\$50".

(b) DISBURSEMENTS.—Section 302(c)(5) of FECA
(2 U.S.C. 432(c)(5)) is amended by striking "\$200" and
inserting "\$50".

1 SEC. 310. EFFECTIVE DATE.

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

5 SEC. 311. REGULATIONS.

6 The Federal Election Commission shall prescribe any
7 regulations required to carry out this Act not later than
8 9 months after the effective date of this Act.

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