

105TH CONGRESS
2D SESSION

H. R. 3582

To amend the Federal Election Campaign Act of 1971 to expedite the reporting of information to the Federal Election Commission, to expand the type of information required to be reported to the Commission, to promote the effective enforcement of campaign laws by the Commission, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 30, 1998

Mr. WHITE (for himself, Mr. THOMAS, Mr. GOODLATTE, Mr. PAXON, Mr. FRANKS of New Jersey, and Mrs. LINDA SMITH of Washington) introduced the following bill; which was referred to the Committee on House Oversight

MARCH 30, 1998

Considered under suspension of the rules and passed

A BILL

To amend the Federal Election Campaign Act of 1971 to expedite the reporting of information to the Federal Election Commission, to expand the type of information required to be reported to the Commission, to promote the effective enforcement of campaign laws by the Commission, 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.**

2 This Act may be cited as the “Campaign Reporting
3 and Disclosure Act of 1998”.

4 **SEC. 2. EXPEDITING REPORTING OF INFORMATION.**

5 (a) REQUIRING REPORTS FOR CONTRIBUTIONS AND
6 EXPENDITURES MADE WITHIN 90 DAYS OF ELECTION
7 TO BE FILED WITHIN 24 HOURS AND POSTED ON
8 INTERNET.—

9 (1) IN GENERAL.—Section 304(a)(6) of the
10 Federal Election Campaign Act of 1971 (2 U.S.C.
11 434(a)(6)) is amended to read as follows:

12 “(6)(A) Each political committee shall notify the Sec-
13 retary or the Commission, and the Secretary of State, as
14 appropriate, in writing, of any contribution received and
15 expenditure made by the committee during the period
16 which begins on the 90th day before an election and ends
17 at the time the polls close for such election. This notifica-
18 tion shall be made within 24 hours (or, if earlier, by mid-
19 night of the day on which the contribution is deposited)
20 after the receipt of such contribution or the making of
21 such expenditure and shall include the name of the can-
22 didate involved (as appropriate) and the office sought by
23 the candidate, the identification of the contributor or the
24 person to whom the expenditure is made, and the date
25 of receipt and amount of the contribution or the date of
26 disbursement and amount of the expenditure.

1 “(B) The notification required under this paragraph
2 shall be in addition to all other reporting requirements
3 under this Act.

4 “(C) The Commission shall make the information
5 filed under this paragraph available on the Internet imme-
6 diately upon receipt.”.

7 (2) INTERNET DEFINED.—Section 301(19) of
8 such Act (2 U.S.C. 431(19)) is amended to read as
9 follows:

10 “(19) The term ‘Internet’ means the international
11 computer network of both Federal and non-Federal inter-
12 operable packet-switched data networks.”.

13 (b) REQUIRING REPORTS OF CERTAIN FILERS TO
14 BE TRANSMITTED ELECTRONICALLY; CERTIFICATION OF
15 PRIVATE SECTOR SOFTWARE.—Section 304(a)(11)(A) of
16 such Act (2 U.S.C. 434(a)(11)(A)) is amended by striking
17 the period at the end and inserting the following: “, except
18 that in the case of a report submitted by a person who
19 reports an aggregate amount of contributions or expendi-
20 tures (as the case may be) in all reports filed with respect
21 to the election involved (taking into account the period
22 covered by the report) in an amount equal to or greater
23 than \$50,000, the Commission shall require the report to
24 be filed and preserved by such means, format, or method.
25 The Commission shall certify (on an ongoing basis) pri-

1 vate sector computer software which may be used for filing
 2 reports by such means, format, or method.”.

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

10 **SEC. 3. EXPANSION OF TYPE OF INFORMATION REPORTED.**

11 (a) REQUIRING RECORD KEEPING AND REPORT OF
 12 SECONDARY PAYMENTS BY CAMPAIGN COMMITTEES.—

13 (1) REPORTING.—Section 304(b)(5)(A) of the
 14 Federal Election Campaign Act of 1971 (2 U.S.C.
 15 434(b)(5)(A)) is amended by striking the semicolon
 16 at the end and inserting the following: “, and, if
 17 such person in turn makes expenditures which ag-
 18 gregate \$500 or more in an election cycle to other
 19 persons (not including employees) who provide goods
 20 or services to the candidate or the candidate’s au-
 21 thorized committees, the name and address of such
 22 other persons, together with the date, amount, and
 23 purpose of such expenditures;”.

1 (2) RECORD KEEPING.—Section 302 of such
2 Act (2 U.S.C. 432) is amended by adding at the end
3 the following new subsection:

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

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 (b) INCLUDING REPORT ON CUMULATIVE CONTRIBU-
19 TIONS AND EXPENDITURES IN POST ELECTION RE-
20 PORTS.—Section 304(a)(7) of such Act (2 U.S.C.
21 434(a)(7)) is 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
 2 by this subsection which is the first report required to be
 3 filed after the date of an election, the report shall include
 4 a statement of the total contributions received and expend-
 5 itures made as of the date of the election.”.

6 (c) 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 per-
 13 son 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. 4. PROMOTING EFFECTIVE ENFORCEMENT BY FED-**
 19 **ERAL ELECTION COMMISSION.**

20 (a) REQUIRING FEC TO PROVIDE WRITTEN RE-
 21 SPONSES TO QUESTIONS.—

22 (1) IN GENERAL.—Title III of the Federal
 23 Election Campaign Act of 1971 (2 U.S.C. 431 et
 24 seq.) is amended by inserting after section 308 the
 25 following new section:

1 “OTHER WRITTEN RESPONSES TO QUESTIONS

2 “SEC. 308A. (a) PERMITTING RESPONSES.—In addi-
3 tion to issuing advisory opinions under section 308, the
4 Commission shall issue written responses pursuant to this
5 section with respect to a written request concerning the
6 application of this Act, chapter 95 or chapter 96 of the
7 Internal Revenue Code of 1986, a rule or regulation pre-
8 scribed by the Commission, or an advisory opinion issued
9 by the Commission under section 308, with respect to a
10 specific transaction or activity by the person, if the Com-
11 mission finds the application of the Act, chapter, rule, reg-
12 ulation, or advisory opinion to the transaction or activity
13 to be clear and unambiguous.

14 “(b) PROCEDURE FOR RESPONSE.—

15 “(1) ANALYSIS BY STAFF.—The staff of the
16 Commission shall analyze each request submitted
17 under this section. If the staff believes that the
18 standard described in subsection (a) is met with re-
19 spect to the request, the staff shall circulate a state-
20 ment to that effect together with a draft response to
21 the request to the members of the Commission.

22 “(2) ISSUANCE OF RESPONSE.—Upon the expi-
23 ration of the 3-day period beginning on the date the
24 statement and draft response is circulated (excluding
25 weekends or holidays), the Commission shall issue

1 the response, unless during such period any member
2 of the Commission objects to issuing the response.

3 “(c) EFFECT OF RESPONSE.—

4 “(1) SAFE HARBOR.—Notwithstanding any
5 other provisions of law, any person who relies upon
6 any provision or finding of a written response issued
7 under this section and who acts in good faith in ac-
8 cordance with the provisions and findings of such re-
9 sponse shall not, as a result of any such act, be sub-
10 ject to any sanction provided by this Act or by chap-
11 ter 95 or chapter 96 of the Internal Revenue Code
12 of 1986.

13 “(2) NO RELIANCE BY OTHER PARTIES.—Any
14 written response issued by the Commission under
15 this section may only be relied upon by the person
16 involved in the specific transaction or activity with
17 respect to which such response is issued, and may
18 not be applied by the Commission with respect to
19 any other person or used by the Commission for en-
20 forcement or regulatory purposes.

21 “(d) PUBLICATION OF REQUESTS AND RE-
22 SPONSES.—The Commission shall make public any re-
23 quest for a written response made, and the responses
24 issued, under this section. In carrying out this subsection,
25 the Commission may not make public the identity of any

1 person submitting a request for a written response unless
 2 the person specifically authorizes to Commission to do so.

3 “(e) COMPILATION OF INDEX.—The Commission
 4 shall compile, publish, and regularly update a complete
 5 and detailed index of the responses issued under this sec-
 6 tion through which responses may be found on the basis
 7 of the subjects included in the responses.”.

8 (2) CONFORMING AMENDMENT.—Section
 9 307(a)(7) of such Act (2 U.S.C. 437d(a)(7)) is
 10 amended by striking “of this Act” and inserting
 11 “and other written responses under section 308A”.

12 (b) STANDARD FOR INITIATION OF ACTIONS BY
 13 FEC.—Section 309(a)(2) of such Act (2 U.S.C.
 14 437g(a)(2)) is amended by striking “it has reason to be-
 15 lieve” and all that follows through “of 1954,” and insert-
 16 ing the following: “it has a reason to investigate a possible
 17 violation of this Act or of chapter 95 or chapter 96 of
 18 the Internal Revenue Code of 1986 that has occurred or
 19 is about to occur (based on the same criteria applicable
 20 under this paragraph prior to the enactment of the Cam-
 21 paign Reform and Election Integrity Act of 1998),”.

22 (c) STANDARD FORM FOR COMPLAINTS; STRONGER
 23 DISCLAIMER LANGUAGE.—

24 (1) STANDARD FORM.—Section 309(a)(1) of
 25 such Act (2 U.S.C. 437g(a)(1)) is amended by in-

1 serting after “shall be notarized,” the following:
 2 “shall be in a standard form prescribed by the Com-
 3 mission, shall not include (but may refer to) extra-
 4 neous materials,”.

5 (2) DISCLAIMER LANGUAGE.—Section
 6 309(a)(1) of such Act (2 U.S.C. 437g(a)(1)) is
 7 amended—

8 (A) by striking “(a)(1)” and inserting
 9 “(a)(1)(A)”; and

10 (B) by adding at the end the following new
 11 subparagraph:

12 “(B) The written notice of a complaint provided by
 13 the Commission under subparagraph (A) to a person al-
 14 leged to have committed a violation referred to in the com-
 15 plaint shall include a cover letter (in a form prescribed
 16 by the Commission) and the following statement: ‘The en-
 17 closed complaint has been filed against you with the Fed-
 18 eral Election Commission. The Commission has not veri-
 19 fied or given official sanction to the complaint. The Com-
 20 mission will make no decision to pursue the complaint for
 21 a period of at least 15 days from your receipt of this com-
 22 plaint. You may, if you wish, submit a written statement
 23 to the Commission explaining why the Commission should
 24 take no action against you based on this complaint. If the

1 Commission should decide to investigate, you will be noti-
2 fied and be given further opportunity to respond.”’.

3 **SEC. 5. BANNING ACCEPTANCE OF CASH CONTRIBUTIONS**

4 **GREATER THAN \$100.**

5 Section 315 of the Federal Election Campaign Act
6 of 1971 (2 U.S.C. 441a) is amended by adding at the end
7 the following new subsection:

8 “(i) No candidate or political committee may accept
9 any contributions of currency of the United States or cur-
10 rency of any foreign country from any person which, in
11 the aggregate, exceed \$100.”’.

12 **SEC. 6. EFFECTIVE DATE.**

13 Except as otherwise specifically provided, this Act
14 and the amendments made by this Act shall apply with
15 respect to elections occurring after January 1999.

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