

105TH CONGRESS
1ST SESSION

S. 1190

To reform the financing of Federal elections.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 17, 1997

Mr. ALLARD 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.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Campaign Finance Integrity Act of 1997”.

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

Sec. 1. Short title; table of contents.

TITLE I—CONTRIBUTIONS

Sec. 101. Requirement for in-state and in-district contributions to congressional candidates.

Sec. 102. Use of contributions to pay campaign debt.

Sec. 103. Modification of political party contribution limits to candidates when candidates make expenditures from personal funds.

Sec. 104. Modification of contribution limits.

TITLE II—DISCLOSURE REQUIREMENTS

- Sec. 201. Disclosure of certain expenditures for issue advocacy.
 Sec. 202. Disclosure of certain non-Federal financial activities of national political parties.
 Sec. 203. Political activities of corporations and labor organizations.

TITLE III—REPORTING REQUIREMENTS

- Sec. 301. Time for candidates to file reports.
 Sec. 302. Contributor information required for contributions in any amount.
 Sec. 303. Prohibition of depositing contributions with incomplete contributor information.
 Sec. 304. Filing of reports using computers and facsimile machines; required electronic disclosure by commission.

TITLE IV—MISCELLANEOUS

- Sec. 401. Ban on mass mailings.
 Sec. 402. Effective date.

1 **TITLE I—CONTRIBUTIONS**2 **SEC. 101. REQUIREMENT FOR IN-STATE AND IN-DISTRICT**
3 **CONTRIBUTIONS TO CONGRESSIONAL CAN-**
4 **DIDATES.**

5 (a) IN GENERAL.—Section 315 of the Federal Elec-
6 tion Campaign Act of 1971 (2 U.S.C. 441a) is amended—

7 (1) by redesignating subsections (e), (f), (g),
8 and (h) as subsections (f), (g), (h), and (i), respec-
9 tively;

10 (2) by inserting after subsection (d) the follow-
11 ing:

12 “(e) REQUIREMENT FOR IN-STATE AND IN-DISTRICT
13 CONTRIBUTIONS TO CONGRESSIONAL CANDIDATES.—

14 “(1) DEFINITIONS.—

15 “(A) IN-STATE CONTRIBUTION.—In this
16 subsection, the term ‘in-State contribution’

1 means a contribution from an individual that is
2 a legal resident of the candidate's State.

3 “(B) IN-DISTRICT CONTRIBUTION.—In this
4 subsection, the term ‘in-district contribution’
5 means a contribution from an individual that is
6 a legal resident of the candidate's district.

7 “(2) LIMIT.—A candidate for nomination to, or
8 election to, the Senate or House of Representatives
9 and the candidate's authorized committees shall not
10 accept an aggregate amount of contributions of
11 which the aggregate amount of in-State contribu-
12 tions and in-district contributions is less than 50
13 percent of the total amount of contributions accept-
14 ed by the candidate and the candidate's authorized
15 committees.

16 “(3) TIME FOR MEETING REQUIREMENT.—A
17 candidate shall meet the requirement of paragraph
18 (2) at the end of each reporting period under section
19 304.

20 “(4) PERSONAL FUNDS.—For purposes of this
21 subsection, a contribution that is attributable to the
22 personal funds of the candidate or proceeds of in-
23 debtedness incurred by the candidate or the can-
24 didate's authorized committees shall not be consid-

1 ered to be an in-State contribution or in-district con-
2 tribution.”.

3 (b) CONFORMING AMENDMENTS.—Section 315 of the
4 Federal Election Campaign Act of 1971 (2 U.S.C. 441a)
5 is amended—

6 (1) in subsection (b)(1)(A), by striking “(e)”
7 and inserting “(f)”;

8 (2) in subsection (d)(2), by striking “(e)” and
9 inserting “(f)”;

10 (3) in subsection (d)(3)(A)(i), by striking “(e)”
11 and inserting “(f)”.

12 **SEC. 102. USE OF CONTRIBUTIONS TO PAY CAMPAIGN**
13 **DEBT.**

14 Section 315 of the Federal Election Campaign Act
15 of 1971 (2 U.S.C. 441a) (as amended by section 101) is
16 amended by adding at the end the following:

17 “(j) LIMIT ON USE OF CONTRIBUTIONS TO PAY
18 CAMPAIGN DEBT.—

19 “(1) TIME TO ACCEPT CONTRIBUTIONS.—Be-
20 ginning on the date that is 90 days after the date
21 of a general or special election, a candidate for elec-
22 tion to the Senate or House of Representatives and
23 the candidate’s authorized committees shall not ac-
24 cept a contribution that is to be used to pay a debt,

1 loan, or other cost associated with the election cycle
2 of such election.

3 “(2) PERSONAL OBLIGATION.—A debt, loan, or
4 other cost associated with an election cycle that is
5 not paid in full on the date that is 90 days after the
6 date of the general or special election shall be as-
7 sumed as a personal obligation by the candidate.”.

8 **SEC. 103. MODIFICATION OF POLITICAL PARTY CONTRIBU-**
9 **TION LIMITS TO CANDIDATES WHEN CAN-**
10 **DIDATES MAKE EXPENDITURES FROM PER-**
11 **SONAL FUNDS.**

12 (a) IN GENERAL.—Section 315 of the Federal Elec-
13 tion Campaign Act of 1971 (2 U.S.C. 441a) (as amended
14 by section 102) is amended by adding at the end the fol-
15 lowing:

16 “(k) CONTRIBUTION LIMITS FOR POLITICAL PARTY
17 COMMITTEES IN RESPONSE TO CANDIDATE EXPENDI-
18 TURES OF PERSONAL FUNDS.—

19 “(1) IN GENERAL.—In the case of a general
20 election for the Senate or House of Representatives,
21 a political party committee may make contributions
22 to a candidate without regard to any limitation
23 under subsections (a) and (d) until such time as the
24 aggregate amount of contributions is equal to or
25 greater than the applicable limit.

1 “(2) APPLICABLE LIMIT.—The applicable limit
2 under paragraph (1), with respect to a candidate,
3 shall be the greatest aggregate amount of expendi-
4 tures that an opponent of the candidate in the same
5 election and the opponent’s authorized committee
6 make using the personal funds of the opponent or
7 proceeds of indebtedness incurred by the opponent
8 (including contributions by the opponent to the op-
9 ponent’s authorized committee) in excess of 2 times
10 the limit under subsection (a)(1)(A) with respect to
11 a general election.

12 “(3) DEFINITION OF POLITICAL PARTY COM-
13 MITTEE.—For purposes of this subsection, the term
14 ‘political party committee’ means a political commit-
15 tee that is a national, State, district, or local com-
16 mittee of a political party (including any subordinate
17 committee).”.

18 (b) NOTIFICATION OF EXPENDITURES FROM PER-
19 SONAL FUNDS.—Section 304(a)(6) of the Federal Elec-
20 tion Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is
21 amended—

22 (1) by redesignating subparagraph (B) as sub-
23 paragraph (C); and

24 (2) by inserting after subparagraph (A) the fol-
25 lowing:

1 “(B)(i) The principal campaign committee of a can-
2 didate for nomination to, or election to, the Senate or
3 House of Representatives shall notify the Commission of
4 the aggregate amount expenditures made using personal
5 funds of the candidate or proceeds of indebtedness in-
6 curred by the candidate (including contributions by the
7 candidate to the candidate’s authorized committee) in ex-
8 cess of an amount equal to 2 times the limit under section
9 301(a)(1)(A).

10 “(ii) The notification under clause (i) shall—

11 “(I) be submitted to the Commission not later
12 than 24 hours after the expenditure that is the sub-
13 ject of the notification is made;

14 “(II) include the name of the candidate, the of-
15 fice sought by the candidate, and the date and
16 amount of the expenditure; and

17 “(III) include the aggregate amount of expendi-
18 tures from personal funds that have been made with
19 respect to that election as of the date of the expendi-
20 ture that is the subject of the notification.”.

21 **SEC. 104. MODIFICATION OF CONTRIBUTION LIMITS.**

22 Section 315 of the Federal Election Campaign Act
23 of 1971 (2 U.S.C. 441a) is amended—

24 (1) in subsection (a)—

1 (A) in paragraph (1)(A), by striking
2 “\$1,000” and inserting “\$2,500”; and

3 (B) in paragraph (2)(A), by striking
4 “\$5,000” and inserting “\$2,500”; and
5 (2) in subsection (c)—

6 (A) in paragraph (1), by striking “sub-
7 section (b) and subsection (d)” and inserting
8 “paragraphs (1)(A) and (2)(A) of subsection
9 (a) and subsections (b) and (d)”; and

10 (B) in paragraph (2)(A), by striking
11 “means the calendar year 1974.” and inserting
12 “means—

13 “(i) for purposes of subsections (b) and
14 (d), calendar year 1974; and

15 “(ii) for purposes of paragraphs (1)(A)
16 and (2)(A) of subsection (a), calendar year
17 1997.”.

18 **TITLE II—DISCLOSURE** 19 **REQUIREMENTS**

20 **SEC. 201. DISCLOSURE OF CERTAIN EXPENDITURES FOR** 21 **ISSUE ADVOCACY.**

22 (a) **ISSUE ADVOCACY.**—Section 304 of the Federal
23 Election Campaign Act of 1971 (2 U.S.C. 434) is amend-
24 ed by adding at the end the following:

25 “(d) **ISSUE ADVOCACY.**—

1 “(1) REQUIRED REPORT.—A person (other
2 than a candidate or a candidate’s authorized com-
3 mittee) who makes a payment in an aggregate
4 amount equal to or greater than \$1,000 for a com-
5 munication containing issue advocacy shall submit a
6 statement to the Commission (not later than 24
7 hours after making the payment) describing the
8 amount spent, the type of communication involved,
9 and the market or area in which the communication
10 was disseminated.

11 “(2) DEFINITION.—

12 “(A) IN GENERAL.—In this subsection, the
13 term ‘a communication containing issue advo-
14 cacy’ means a communication that—

15 “(i) uses the name or likeness of an
16 individual holding Federal office or a can-
17 didate for election to a Federal office;

18 “(ii) mentions a national political
19 party; or

20 “(iii) uses the terms ‘the President’,
21 ‘Congress’, ‘Senate’, or ‘House of Rep-
22 resentatives’ in reference to an individual
23 holding Federal office.

24 “(B) EXCEPTION.—The term shall not in-
25 clude a payment which would be—

1 “(i) described in clause (i), (iii), or (v)
 2 of section 301(9)(B) if the payment were
 3 an expenditure under such section; or
 4 “(ii) an independent expenditure.”.

5 (b) INCREASED REPORTING FOR INDEPENDENT EX-
 6 PENDITURES.—Section 304(c) of the Federal Election
 7 Campaign Act of 1971 (2 U.S.C. 434(c)) is amended in
 8 the matter following paragraph (2)(C), by striking “after
 9 the 20th day, but more than 24 hours, before any elec-
 10 tion” and inserting “during a calendar year”.

11 **SEC. 202. DISCLOSURE OF CERTAIN NON-FEDERAL FINAN-**
 12 **CIAL ACTIVITIES OF NATIONAL POLITICAL**
 13 **PARTIES.**

14 Section 304(b)(4) of the Federal Election Campaign
 15 Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

16 (1) in subparagraph (H)(v), by striking “and”
 17 at the end;

18 (2) in subparagraph (I), by inserting “and”
 19 after the semicolon; and

20 (3) by adding at the end the following:

21 “(J) for a national political committee of a po-
 22 litical party, disbursements made by the committee
 23 in an aggregate amount greater than \$1,000, during
 24 a calendar year, in connection with a political activ-
 25 ity (as defined in section 316(c)(3));”.

1 **SEC. 203. POLITICAL ACTIVITIES OF CORPORATIONS AND**
2 **LABOR ORGANIZATIONS.**

3 (a) DISCLOSURE TO EMPLOYEES AND SHAREHOLD-
4 ERS REGARDING POLITICAL ACTIVITIES.—Section 316 of
5 the Federal Election Campaign Act of 1971 (2 U.S.C.
6 441b) is amended by adding at the end the following:

7 “(c) AUTHORIZATION REQUIRED FOR POLITICAL AC-
8 TIVITY.—

9 “(1) IN GENERAL.—Except with the separate,
10 written, voluntary authorization of each individual, a
11 national bank, corporation or labor organization
12 shall not—

13 “(A) in the case of a national bank or cor-
14 poration described in this section, collect from
15 or assess its stockholders or employees any
16 dues, initiation fee, or other payment as a con-
17 dition of employment or membership if any part
18 of the dues, fee, or payment will be used for a
19 political activity in which the national bank or
20 corporation is engaged; and

21 “(B) in the case of a labor organization
22 described in this section, collect from or assess
23 its members or nonmembers any dues, initiation
24 fee, or other payment if any part of the dues,
25 fee, or payment will be used for a political ac-
26 tivity.

1 “(2) EFFECT OF AUTHORIZATION.—An author-
2 ization described in paragraph (1) shall remain in
3 effect until revoked and may be revoked at any time.

4 “(3) DEFINITION OF POLITICAL ACTIVITY.—
5 For purposes of this subsection, the term ‘political
6 activity’ includes a communication or other activity
7 that involves carrying on propaganda, attempting to
8 influence legislation, or participating or intervening
9 in a political party or political campaign for a Fed-
10 eral office.

11 “(d) DISCLOSURE OF DISBURSEMENTS FOR POLITI-
12 CAL ACTIVITIES.—

13 “(1) CORPORATIONS AND NATIONAL BANKS.—A
14 corporation or national bank shall submit an annual
15 written report to shareholders stating the amount of
16 each disbursement made for political activities or
17 that otherwise influences Federal elections.

18 “(2) LABOR ORGANIZATIONS.—A labor organi-
19 zation shall submit an annual written report to dues
20 paying members and nonmembers stating the
21 amount of each disbursement made for political ac-
22 tivities or that otherwise influences Federal elec-
23 tions, including contributions and expenditures.”.

24 (b) DISCLOSURE TO THE COMMISSION OF CERTAIN
25 PERMISSIBLE ACTIVITIES BY LABOR ORGANIZATIONS

1 AND CORPORATIONS.—Section 304 of the Federal Elec-
 2 tion Campaign Act of 1971 (2 U.S.C. 434) (as amended
 3 in section 201) is amended by adding at the end the fol-
 4 lowing:

5 “(e) REQUIRED STATEMENT OF CORPORATIONS AND
 6 LABOR ORGANIZATIONS.—Each corporation, national
 7 bank, or labor organization who makes an aggregate
 8 amount of disbursements during a year in an amount
 9 equal to or greater than \$1,000 for any activity described
 10 in subparagraph (A), (B), or (C) of section 316(a)(2) shall
 11 submit a statement to the Commission (not later than 24
 12 hours after making the payments) describing the amount
 13 spent and the activity involved.”.

14 **TITLE III—REPORTING** 15 **REQUIREMENTS**

16 **SEC. 301. TIME FOR CANDIDATES TO FILE REPORTS.**

17 Section 304(a)(2)(A) of the Federal Election Cam-
 18 paign Act of 1971 (2 U.S.C. 434(a)(2)(A)) is amended—

19 (1) in clause (ii), by striking “and” following
 20 the semicolon;

21 (2) in clause (iii), by striking “; and”; and

22 (3) by adding at the end the following:

23 “(v) monthly reports during the months of
 24 July, August, September, and October, that

1 shall be filed no later than the final day of the
2 reporting month; and

3 “(vi) 24-hour reports, beginning on the
4 day that is 15 days preceding an election, that
5 shall be filed no later than the end of each 24-
6 hour period; and”.

7 **SEC. 302. CONTRIBUTOR INFORMATION REQUIRED FOR**
8 **CONTRIBUTIONS IN ANY AMOUNT.**

9 (a) SECTION 302.—Section 302 of the Federal Elec-
10 tion Campaign Act of 1971 (2 U.S.C. 432) is amended—

11 (1) in subsection (b)—

12 (A) in paragraph (1), by striking “, and if
13 the amount” and all that follows through the
14 period and inserting: “and the following infor-
15 mation:

16 “(A) The identification of the contributor.

17 “(B) The date of the receipt of the contribu-
18 tion.”; and

19 (B) in paragraph (2)—

20 (i) in subsection (A), by striking
21 “such contribution” and inserting “the
22 contribution and the identification of the
23 contributor”; and

24 (ii) in subsection (B), by striking
25 “such contribution” and all that follows

1 through the period and inserting “, no
2 later than 10 days after receiving the con-
3 tribution, the contribution and the follow-
4 ing information:

5 “(i) The identification of the contributor.

6 “(ii) The date of the receipt of the con-
7 tribution.”;

8 (2) in subsection (c)—

9 (A) by striking paragraph (2);

10 (B) in paragraph (3), by striking “or con-
11 tributions aggregating more than \$200 during
12 any calendar year”; and

13 (C) by redesignating paragraphs (3), (4),
14 and (5) as paragraphs (2), (3), and (4), respec-
15 tively; and

16 (3) in subsection (h)(2), by striking “(c)(5)”
17 and inserting “(c)(4)”.

18 (b) SECTION 304.—Section 304(b)(3)(A) of the Fed-
19 eral Election Campaign Act of 1971 (2 U.S.C.
20 434(b)(3)(A)) is amended by striking “whose contribu-
21 tions” and all that follows through “so elect,”.

1 **SEC. 303. PROHIBITION OF DEPOSITING CONTRIBUTIONS**
 2 **WITH INCOMPLETE CONTRIBUTOR INFORMA-**
 3 **TION.**

4 Section 302 of Federal Election Campaign Act of
 5 1971 (2 U.S.C. 432) is amended by adding at the end
 6 the following:

7 “(j) DEPOSIT OF CONTRIBUTIONS.—The treasurer of
 8 a candidate’s authorized committee shall not deposit or
 9 otherwise negotiate a contribution unless the information
 10 required by this section is complete.”.

11 **SEC. 304. FILING OF REPORTS USING COMPUTERS AND**
 12 **FACSIMILE MACHINES; REQUIRED ELEC-**
 13 **TRONIC DISCLOSURE BY COMMISSION.**

14 Section 304(a) of the Federal Election Campaign Act
 15 of 1971 (2 U.S.C. 434(a)) is amended by striking para-
 16 graph (11) and inserting the following:

17 “(11) ELECTRONIC FILING.—

18 “(A) IN GENERAL.—The Commission shall
 19 issue a regulation to permit a report, designation, or
 20 statement required to be filed with the Commission
 21 under this Act to be filed in electronic form acces-
 22 sible by computer or through the use of a facsimile
 23 machine or other method of transmission that cor-
 24 responds with the method of record-keeping or
 25 transmission used by persons required to file under
 26 this Act.

1 “(B) INTERNET ACCESS TO CAMPAIGN FINANCE
 2 INFORMATION.—The Commission shall make the in-
 3 formation contained in a designation, statement, re-
 4 port, or notification filed with the Commission under
 5 this section accessible to the public on the Internet
 6 and publicly available at the offices of the Commis-
 7 sion not later than 24 hours after the designation,
 8 statement, report, or notification is received by the
 9 Commission.”.

10 **TITLE IV—MISCELLANEOUS**

11 **SEC. 401. BAN ON MASS MAILINGS.**

12 (a) IN GENERAL.—Section 3210(a)(6) of title 39,
 13 United States Code, is amended by striking subparagraph
 14 (A) and inserting the following:

15 “(A) A Member of, or Member-elect to, Congress may
 16 not mail any mass mailing as franked mail.”.

17 (b) TECHNICAL AND CONFORMING AMENDMENTS.—

18 (1) Section 3210 of title 39, United States
 19 Code, is amended—

20 (A) in subsection (a)—

21 (i) in paragraph (3)—

22 (I) in subparagraph (G), by
 23 striking “, including general mass
 24 mailings,”;

1 (II) in subparagraph (I), by
2 striking “or other general mass mail-
3 ing”; and

4 (III) in subparagraph (J), by
5 striking “or other general mass mail-
6 ing”;

7 (ii) in paragraph (6)—

8 (I) by striking subparagraphs
9 (B), (C), and (F);

10 (II) by striking the second sen-
11 tence of subparagraph (D); and

12 (III) by redesignating subpara-
13 graphs (D) and (E) as subparagraphs
14 (B) and (C), respectively; and

15 (iii) by striking paragraph (7);

16 (B) in subsection (e), by striking “sub-
17 section (a) (4) and (5)” and inserting “para-
18 graphs (4), (5), and (6) of subsection (a)”;

19 (C) by striking subsection (f); and

20 (D) by redesignating subsection (g) as sub-
21 section (f).

22 (2) Section 316 of the Legislative Branch Ap-
23 propriations Act, 1990 (39 U.S.C. 3210 note) is
24 amended by striking subsection (a).

1 (3) Section 311 of the Legislative Branch Ap-
2 propriations Act, 1991 (2 U.S.C. 59e) is amended
3 by striking subsection (f) and inserting the follow-
4 ing:

5 “(f) **[Reserved]**.”

6 (c) EFFECTIVE DATE.—The amendments made by
7 this section shall take effect at the beginning of the first
8 Congress that begins after December 31, 1998.

9 **SEC. 402. EFFECTIVE DATE.**

10 Except as otherwise provided in this Act, this Act and
11 the amendments made by this Act shall apply with respect
12 to elections occurring, payments made, and filing periods
13 beginning after December 31, 1998.

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