

106TH CONGRESS
1ST SESSION

H. R. 2866

To amend the Federal Election Campaign Act of 1971 to reduce the influence of political action committees in elections for Federal office, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 1999

Mr. SMITH of Michigan introduced the following bill; which was referred to the Committee on House Administration, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Federal Election Campaign Act of 1971 to reduce the influence of political action committees in elections for Federal office, 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 “PAC Limitation Act
5 of 1999”.

1 **TITLE I—REFORMING CAMPAIGN**
2 **FINANCE LAWS**

3 **SEC. 101. BAN ON POLITICAL ACTION COMMITTEE CON-**
4 **TRIBUTIONS TO CANDIDATES IN ELECTIONS**
5 **FOR FEDERAL OFFICE.**

6 Title III of the Federal Election Campaign Act of
7 1971 (2 U.S.C. 431 et seq.) is amended by adding at the
8 end the following new section:

9 “BAN ON CONTRIBUTIONS TO CANDIDATES BY POLITICAL
10 ACTION COMMITTEES

11 “SEC. 323. (a) IN GENERAL.—Notwithstanding any
12 other provision of this Act, no political action committee
13 may make any contribution to any candidate or any au-
14 thorized committee of the candidate with respect to any
15 election for Federal office.

16 “(b) POLITICAL ACTION COMMITTEE DEFINED.—In
17 this section, the term ‘political action committee’ means
18 any political committee which is not—

19 “(1) an authorized committee of a candidate; or

20 “(2) a national, State, local, or district com-
21 mittee of a political party, including any subordinate
22 committee thereof.”.

1 **SEC. 102. HOUSE OF REPRESENTATIVES ELECTION LIMITA-**
 2 **TION ON CONTRIBUTIONS FROM SOURCES**
 3 **OUTSIDE THE DISTRICT.**

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

7 “(i) A candidate for the office of Representative in,
 8 or Delegate or Resident Commissioner to, the Congress
 9 may not, with respect to a reporting period for an election,
 10 accept contributions from all sources outside the congres-
 11 sional district involved totaling in excess of the total of
 12 contributions accepted from individual residents of the
 13 congressional district involved.”.

14 **SEC. 103. LIMITATION ON ACCEPTANCE OF SOFT MONEY BY**
 15 **NATIONAL AND CONGRESSIONAL COMMIT-**
 16 **TEES OF POLITICAL PARTIES.**

17 Title III of the Federal Election Campaign Act of
 18 1971 (2 U.S.C. 431 et seq.), as amended by section 101,
 19 is amended by adding at the end the following new section:

20 “LIMITATION ON ACCEPTANCE OF SOFT MONEY BY NA-
 21 TIONAL AND CONGRESSIONAL COMMITTEES OF PO-
 22 LITICAL PARTIES

23 “SEC. 324. A national committee of a political party
 24 and the congressional campaign committees of a political
 25 party may not, in any calendar year, accept more than
 26 \$25,000 from any single person in contributions or trans-

1 fers that are not otherwise subject to the limitations, pro-
2 hibitions, and reporting requirements of this Act.”.

3 **SEC. 104. REPORTS ON FEDERAL POLITICAL ADVERTISESE-**
4 **MENTS CARRIED BY RADIO STATIONS, TELE-**
5 **VISION STATIONS, AND CABLE SYSTEMS.**

6 Title III of the Federal Election Campaign Act of
7 1971 (2 U.S.C. 431 et seq.), as amended by sections 101
8 and 103, is further amended by adding at the end the
9 following new section:

10 “REPORTS ON FEDERAL POLITICAL ADVERTISEMENTS
11 CARRIED BY RADIO STATIONS, TELEVISION STA-
12 TIONS, AND CABLE SYSTEMS

13 “SEC. 325. At such times and in such manner as the
14 Commission shall prescribe by regulation, each operator
15 of a radio broadcasting station, television broadcasting
16 station, or cable system shall report to the Commission
17 the identity of each advertiser, the cost, the duration, and
18 other appropriate information with respect to each Fed-
19 eral political advertisement carried by the station or sys-
20 tem, including any advertisement advocating the passage
21 or defeat of Federal legislation, any advertisement advo-
22 cating the election or defeat of a candidate for Federal
23 office, and any advertisement characterizing the positions
24 taken by such a candidate.”.

1 **SEC. 105. EFFECTIVE DATE.**

2 The amendments made by this title shall take effect
3 on January 1, 2000.

4 **TITLE II—WORKER PAYCHECK**
5 **FAIRNESS**

6 **SEC. 201. FINDINGS.**

7 The Congress finds the following:

8 (1) Workers who pay dues or fees to a labor or-
9 ganization may not, as a matter of law, be required
10 to pay to that organization any dues or fees sup-
11 porting activities that are not necessary to per-
12 forming the duties of the exclusive representative of
13 the employees in dealing with the employer on labor-
14 management issues.

15 (2) Many labor organizations use portions of
16 the dues or fees they collect from the workers they
17 represent for activities that are not necessary to per-
18 forming the duties of the exclusive representative of
19 the employees in dealing with the employer on labor-
20 management issues. These dues may be used to sup-
21 port political, social, or charitable causes or many
22 other noncollective bargaining activities. Unfortu-
23 nately, many workers who pay such dues or fees
24 have insufficient information both about their rights
25 regarding the payment of dues or fees to a labor or-

1 organization and about how labor organizations spend
2 employee dues or fees.

3 (3) It is a fundamental tenet of this Nation
4 that all men and women have a right to make indi-
5 vidual and informed choices about the political, so-
6 cial, or charitable causes they support, and the law
7 should protect that right to the greatest extent pos-
8 sible.

9 **SEC. 202. PURPOSE.**

10 The purpose of this title is to ensure that all workers
11 have sufficient information about their rights regarding
12 the payment of dues or fees to labor organizations and
13 the uses of employee dues and fees by labor organizations
14 and that the right of all workers to make individual and
15 informed choices about the political, social, or charitable
16 causes they support is protected to the greatest extent pos-
17 sible.

18 **SEC. 203. WRITTEN CONSENT.**

19 (a) IN GENERAL.—

20 (1) AUTHORIZATION.—A labor organization ac-
21 cepting payment of any dues or fees from an em-
22 ployee as a condition of employment pursuant to an
23 agreement authorized by Federal law must secure
24 from each employee prior, voluntary, written author-
25 ization for any portion of such dues or fees which

1 will be used for activities not necessary to per-
2 forming the duties of the exclusive representative of
3 the employees in dealing with the employer on labor-
4 management issues.

5 (2) REQUIREMENTS.—Such written authoriza-
6 tion shall clearly state that an employee may not be
7 required to provide such authorization and that if
8 such authorization is provided, the employee agrees
9 to allow any dues or fees paid to the labor organiza-
10 tion to be used for activities which are not necessary
11 to performing the duties of exclusive representation
12 and which may be political, social, or charitable in
13 nature.

14 (b) REVOCATION.—An authorization described in
15 subsection (a) shall remain in effect until revoked. Such
16 revocation shall be effective upon 30 days written notice.

17 (c) CIVIL ACTION BY EMPLOYEES.—

18 (1) LIABILITY.—Any labor organization which
19 violates this section or section 206 shall be liable to
20 the affected employee—

21 (A) for damages equal to—

22 (i) the amount of the dues or fees ac-
23 cepted in violation of this section;

1 (ii) the interest on the amount de-
2 scribed in clause (i) calculated at the pre-
3 vailing rate; and

4 (iii) an additional amount as liq-
5 uidated damages equal to the sum of the
6 amount described in clause (i) and the in-
7 terest described in clause (ii); and

8 (B) for such equitable relief as may be ap-
9 propriate.

10 (2) RIGHT OF ACTION.—An action to recover
11 the damages or equitable relief prescribed in para-
12 graph (1) may be maintained against any labor or-
13 ganization in any Federal or State court of com-
14 petent jurisdiction by any one or more employees for
15 and in behalf of—

16 (A) the employees; or

17 (B) the employees and other employees
18 similarly situated.

19 (3) FEES AND COSTS.—The court in such ac-
20 tion shall, in addition to any judgment awarded to
21 the plaintiff, allow a reasonable attorney's fee, rea-
22 sonable expert witness fees, and other costs of the
23 action to be paid by the defendant.

24 (4) LIMITATION.—An action may be brought
25 under this subsection not later than 2 years after

1 the date the employee knew or should have known
2 that dues or fees were accepted or spent by a labor
3 organization in violation of this title, except that
4 such period shall be extended to 3 years in the case
5 of a willful violation.

6 **SEC. 204. NOTICE.**

7 An employer whose employees are represented by a
8 collective bargaining representative shall be required to
9 post a notice, of such size and in such form as the Depart-
10 ment of Labor shall prescribe, in conspicuous places in
11 and about its plants and offices, including all places where
12 notices to employees are customarily posted, informing
13 employees that any labor organization accepting payment
14 of any dues or fees from an employee as a condition of
15 employment pursuant to an agreement authorized by Fed-
16 eral law must secure from each employee prior, written
17 authorization if any portion of such dues or fees will be
18 used for activities not necessary to performing the duties
19 of the exclusive representative of the employees in dealing
20 with the employer on labor-management issues.

21 **SEC. 205. DISCLOSURE TO WORKERS.**

22 (a) **EXPENSES REPORTING.**—Section 201(b) of the
23 Labor-Management Reporting and Disclosure Act of 1959
24 is amended by adding at the end the following new sen-
25 tence: “Every labor organization shall be required to at-

1 tribute and report expenses in such detail as necessary to
2 allow members to determine whether such expenses were
3 necessary to performing the duties of the exclusive rep-
4 resentative of the employees in dealing with the employer
5 on labor-management issues.”

6 (b) DISCLOSURE.—Section 201(c) of the Labor-Man-
7 agement Reporting and Disclosure Act of 1959 is
8 amended—

9 (1) by inserting “and employees required to pay
10 any dues or fees to such organization” after “mem-
11 bers”; and

12 (2) by inserting “or employee required to pay
13 any dues or fees to such organization” after “mem-
14 ber” each place it appears.

15 (c) WRITTEN REQUESTS.—Section 205(b) of the
16 Labor-Management Reporting and Disclosure Act of 1959
17 is amended by adding at the end the following new sen-
18 tence: “Upon written request, the Secretary shall make
19 available complete copies of any report or other document
20 filed pursuant to section 201.”.

21 **SEC. 206. RETALIATION AND COERCION PROHIBITED.**

22 It shall be unlawful for any labor organization to co-
23 erce, intimidate, threaten, interfere with, or retaliate
24 against any employee in the exercise of, or on account of

1 having exercised, any right granted or protected by this
2 title.

3 **SEC. 207. REGULATIONS.**

4 The Secretary of Labor shall prescribe such regula-
5 tions as are necessary to carry out section 204 not later
6 than 60 days after the enactment of this title and shall
7 prescribe such regulations as are necessary to carry out
8 the amendments made by section 205 not later than 120
9 days after the enactment of this title.

10 **SEC. 208. EFFECTIVE DATE AND APPLICATION.**

11 This title shall be effective immediately upon enact-
12 ment, except that sections 203 and 204 pertaining to
13 worker consent and notice shall take effect 90 days after
14 enactment and section 205 pertaining to disclosure shall
15 take effect 150 days after enactment.

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