

107TH CONGRESS
1ST SESSION

H. R. 1444

To amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for election for Federal office.

IN THE HOUSE OF REPRESENTATIVES

APRIL 4, 2001

Mr. DOOLITTLE (for himself, Mr. DELAY, Mr. ARMEY, Mr. BLUNT, Mrs. CUBIN, Mr. COX, Mr. DREIER, Mr. BALLENGER, Mr. BARR of Georgia, Mr. BARTON of Texas, Mrs. BONO, Mr. BRYANT, Mr. BURTON of Indiana, Mr. CALVERT, Mr. CAMP, Mr. CANNON, Mr. CANTOR, Mr. CULBERSON, Mr. CUNNINGHAM, Mr. FLAKE, Mr. GIBBONS, Mr. Hansen, Mr. HEFLEY, Mr. HERGER, Mr. HOEKSTRA, Mr. HOSTETTLER, Mr. HUNTER, Mr. SAM JOHNSON of Texas, Mr. JONES of North Carolina, Mr. LARGENT, Mr. LEWIS of Kentucky, Mr. MCINNIS, Mr. GARY MILLER of California, Mr. NORWOOD, Mr. OXLEY, Mr. PENCE, Mr. PICKERING, Mr. POMBO, Mr. RADANOVICH, Mr. ROHRABACHER, Mr. RYUN of Kansas, Mr. SCHROCK, Mr. SESSIONS, Mr. SHADEGG, Mr. SIMPSON, Mr. SKEEN, Mr. SPENCE, Mr. TANCREDO, Mr. TAUZIN, Mr. TAYLOR of North Carolina, Mr. TIAHRT, Mr. TOOMEY, Mr. WELDON of Florida, Mr. WHITFIELD, Mr. YOUNG of Alaska, Mr. MCCREERY, Mr. BOEHNER, Mr. EVERETT, Mr. COLLINS, Ms. PRYCE of Ohio, Mr. LEWIS of California, Mr. WATKINS, Ms. DUNN, Mr. HAYWORTH, Mr. CRANE, Mr. PETERSON of Pennsylvania, Mr. NETHERCUTT, Mr. KNOLLENBERG, Mr. HASTINGS of Washington, Mr. ISSA, Mr. CHAMBLISS, and Mr. BURR of North Carolina) introduced the following bill; which was referred to the Committee on House Administration, and in addition to the Committee on Ways and Means, 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

reform the financing of campaigns for election for Federal office.

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 “Citizen Legislature and
5 Political Freedom Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds as follows:

8 (1) The proliferation of campaign finance laws
9 (beginning with the Federal Election Campaign Act
10 of 1971) and the proliferation of government regula-
11 tions promulgated pursuant to such laws have placed
12 strict limits on contributions by citizens to the can-
13 didates of their choice, limits which have served to
14 severely hinder the ability of challengers to compete
15 on equal terms with incumbent politicians.

16 (2) The contribution limits imposed by the Fed-
17 eral Election Campaign Act of 1971 force candidates
18 to raise funds in small amounts subject to fixed limi-
19 tations, inevitably fostering a system under which
20 wealthy candidates and long-term incumbent politi-
21 cians hold an unfair financial advantage, which in
22 turn serves to discourage potential candidates from
23 seeking public office.

1 (3) The current campaign finance laws have in-
2 hibited the full and fair discussion of public policy
3 issues, as challengers who are not well known to the
4 electorate are forced by government regulation to at-
5 tempt to amass contributions from large numbers of
6 donors at the outset of a campaign. As a result,
7 challengers who lack the necessary resources to
8 bring new issues into the public debate often are
9 eliminated from political campaigns before their
10 voices are even heard.

11 (4) The regulation by government of political
12 speech through the regulation of campaign contribu-
13 tions and expenditures is patently undemocratic be-
14 cause it favors institutionalized special interests over
15 grassroots and citizen activity by imposing burden-
16 some reporting and disclosure requirements and
17 stringent spending limits on the political parties,
18 thereby tilting the financial and tactical advantage
19 in political campaigns to well-financed interest
20 groups and wealthy individuals.

21 (5) The effect of the unreasonably low contribu-
22 tion limits has been to force more contributors and
23 political activists to operate outside the system, re-
24 sulting in even less accountability and even greater
25 encouragement of irresponsible behavior.

1 (6) The only way to encourage the robust dis-
2 course of public issues and candidates, promote the
3 free exchange of political speech and ideas, protect
4 constitutional freedom, and foster a more informed
5 electorate is to lift all current restrictions on polit-
6 ical candidate and party contributions and expendi-
7 tures and to provide full, instantaneous disclosure of
8 all contributions and expenditures in elections for
9 Federal office.

10 **SEC. 3. REMOVAL OF LIMITATIONS ON FEDERAL ELECTION**
11 **CAMPAIGN CONTRIBUTIONS.**

12 Section 315(a) of the Federal Election Campaign Act
13 of 1971 (2 U.S.C. 441a(a)) is amended by adding at the
14 end the following new paragraph:

15 “(9) The limitations established under this subsection
16 shall not apply to contributions made during calendar
17 years beginning after 2002.’’

18 **SEC. 4. TERMINATION OF TAXPAYER FINANCING OF PRESI-**
19 **DENTIAL ELECTION CAMPAIGNS.**

20 (a) **TERMINATION OF DESIGNATION OF INCOME TAX**
21 **PAYMENTS.**—Section 6096 of the Internal Revenue Code
22 of 1986 is amended by adding at the end the following
23 new subsection:

24 “(d) **TERMINATION.**—This section shall not apply to
25 taxable years beginning after December 31, 2001.”

1 (b) TERMINATION OF FUND AND ACCOUNT.—

2 (1) TERMINATION OF PRESIDENTIAL ELECTION
3 CAMPAIGN FUND.—

4 (A) IN GENERAL.—Chapter 95 of subtitle
5 H of such Code is amended by adding at the
6 end the following new section:

7 **“SEC. 9014. TERMINATION.**

8 The provisions of this chapter shall not apply with
9 respect to any presidential election (or any presidential
10 nominating convention) after December 31, 2002, or to
11 any candidate in such an election.”

12 (B) TRANSFER OF EXCESS FUNDS TO GEN-
13 ERAL FUND.—Section 9006 of such Code is
14 amended by adding at the end the following
15 new subsection:

16 “(d) TRANSFER OF FUNDS REMAINING AFTER
17 2002.—The Secretary shall transfer all amounts in the
18 fund after December 31, 2002, to the general fund of the
19 Treasury.”

20 (2) TERMINATION OF ACCOUNT.—Chapter 96
21 of subtitle H of such Code is amended by adding at
22 the end the following new section:

1 **“SEC. 9043. TERMINATION.**

2 The provisions of this chapter shall not apply to any
3 candidate with respect to any presidential election after
4 December 31, 2002.”

5 (c) CLERICAL AMENDMENTS.—

6 (1) The table of sections for chapter 95 of sub-
7 title H of such Code is amended by adding at the
8 end the following new item:

“Sec. 9014. Termination.”

9 (2) The table of sections for chapter 96 of sub-
10 title H of such Code is amended by adding at the
11 end the following new item:

“Sec. 9043. Termination.”

12 **SEC. 5. DISCLOSURE REQUIREMENTS FOR CERTAIN SOFT**
13 **MONEY EXPENDITURES OF POLITICAL PAR-**
14 **TIES.**

15 (a) TRANSFERS OF FUNDS BY NATIONAL POLITICAL
16 PARTIES.—Section 304(b)(4) of the Federal Election
17 Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

18 (1) by striking “and” at the end of subpara-
19 graph (H);

20 (2) by adding “and” at the end of subpara-
21 graph (I); and

22 (3) by adding at the end the following new sub-
23 paragraph:

1 “(J) in the case of a political committee of
2 a national political party, all funds transferred
3 to any political committee of a State or local
4 political party, without regard to whether or not
5 the funds are otherwise treated as contributions
6 or expenditures under this title;”.

7 (b) DISCLOSURE BY STATE AND LOCAL POLITICAL
8 PARTIES OF INFORMATION REPORTED UNDER STATE
9 LAW.—Section 304 of such Act (2 U.S.C. 434), as amend-
10 ed by section 502(a) of the Department of Transportation
11 and Related Agencies Act, 2001 (as enacted into law by
12 reference under section 101(a) of Public Law 106–346),
13 is amended by adding at the end the following new sub-
14 section:

15 “(e) If a political committee of a State or local polit-
16 ical party is required under a State or local law, rule, or
17 regulation to submit a report on its disbursements to an
18 entity of the State or local government, the committee
19 shall file a copy of the report with the Commission at the
20 time it submits the report to such an entity.”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply with respect to elections occurring
23 after January 2003.

1 **SEC. 6. PROMOTING EXPEDITED AVAILABILITY OF FEC RE-**
2 **PORTS.**

3 (a) MANDATORY ELECTRONIC FILING FOR ALL RE-
4 PORTS.—

5 (1) IN GENERAL.—Section 304(a)(11) of the
6 Federal Election Campaign Act of 1971 (2 U.S.C.
7 434(a)(11)), as amended by section 639(a) of the
8 Treasury and General Government Appropriations
9 Act, 2000 (Public Law 106–58), is amended—

10 (A) in subparagraph (A), by striking “a
11 person required to file—” and all that follows
12 and inserting the following: “each person re-
13 quired to file a report under this Act shall be
14 required to maintain and file such report in
15 electronic form accessible by computers.”;

16 (B) in subparagraph (C), by striking “des-
17 ignations, statements, and reports” and insert-
18 ing “documents”; and

19 (C) in subparagraph (D), by striking
20 “means, with respect to” and all that follows
21 and inserting the following: “means any report,
22 designation, statement, or notification required
23 by this Act to be filed with the Commission or
24 the Secretary of the Senate.”.

25 (2) PLACEMENT OF ALL REPORTS ON INTER-
26 NET.—Section 304(a)(11)(B) of such Act (2 U.S.C.

1 434(a)(11)(B)), as amended by section 639(a) of the
2 Treasury and General Government Appropriations
3 Act, 2000 (Public Law 106–58), is amended—

4 (A) by striking “a designation, statement,
5 report, or notification” and inserting “each re-
6 port”; and

7 (B) by striking “the designation, state-
8 ment, report, or notification” and inserting
9 “the report”.

10 (b) REQUIRING REPORTS FOR ALL CONTRIBUTIONS
11 MADE TO ANY POLITICAL COMMITTEE WITHIN 90 DAYS
12 OF ELECTION; REQUIRING REPORTS TO BE MADE WITH-
13 IN 24 HOURS.—Section 304(a)(6) of such Act (2 U.S.C.
14 434(a)(6)) is amended to read as follows:

15 “(6)(A) Each political committee shall notify the Sec-
16 retary or the Commission, and the Secretary of State, as
17 appropriate, in writing, of any contribution received by the
18 committee during the period which begins on the 90th day
19 before an election and ends at the time the polls close for
20 such election. This notification shall be made within 24
21 hours (or, if earlier, by midnight of the day on which the
22 contribution is deposited) after the receipt of such con-
23 tribution and shall include the name of the candidate in-
24 volved (as appropriate) and the office sought by the can-

1 didate, the identification of the contributor, and the date
2 of receipt and amount of the contribution.

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

6 (c) EFFECTIVE DATE.—The amendment made by
7 this section shall apply with respect to reports for periods
8 beginning on or after January 1, 2003.

9 **SEC. 7. WAIVER OF “BEST EFFORTS” EXCEPTION FOR IN-**
10 **FORMATION ON IDENTIFICATION OF CON-**
11 **TRIBUTORS.**

12 (a) IN GENERAL.—Section 302(i) of the Federal
13 Election Campaign Act of 1971 (2 U.S.C. 432(i)) is
14 amended—

15 (1) by striking “(i) When the treasurer” and
16 inserting “(i)(1) Except as provided in paragraph
17 (2), when the treasurer”; and

18 (2) by adding at the end the following new
19 paragraph:

20 “(2) Paragraph (1) shall not apply with respect to
21 information regarding the identification of any person who
22 makes a contribution or contributions aggregating more
23 than \$200 during a calendar year (as required to be pro-
24 vided under subsection (c)(3)).”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall apply with respect to persons making
3 contributions for elections occurring after January 2003.

4 **SEC. 8. PROHIBITING INVOLUNTARY ASSESSMENT OF**
5 **FUNDS BY LABOR ORGANIZATIONS FOR PO-**
6 **LITICAL ACTIVITIES.**

7 (a) IN GENERAL.—Section 316 of the Federal Elec-
8 tion Campaign Act of 1971 (2 U.S.C. 441b) is amended
9 by adding at the end the following new subsection:

10 “(c)(1) Except with the separate, prior, written, vol-
11 untary authorization of each individual involved, it shall
12 be unlawful for any labor organization described in this
13 section to collect from or assess its members or nonmem-
14 bers any dues, initiation fee, or other payment if any part
15 of such dues, fee, or payment will be used for political
16 activity in which the labor organization is engaged.

17 “(2) An authorization described in paragraph (1)
18 shall remain in effect until revoked and may be revoked
19 at any time. Each labor organization collecting from or
20 assessing amounts from an individual with an authoriza-
21 tion in effect under such paragraph shall provide the indi-
22 vidual with a statement that the individual may at any
23 time revoke the authorization.

24 “(3) For purposes of this subsection, the term ‘polit-
25 ical activity’ means any activity carried out for the pur-

1 pose of influencing (in whole or in part) any election for
2 Federal office, influencing the consideration or outcome
3 of any Federal legislation or the issuance or outcome of
4 any Federal regulations, or educating individuals about
5 candidates for election for Federal office or any Federal
6 legislation.”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 subsection (a) shall apply to amounts collected or assessed
9 on or after the date of the enactment of this Act.

10 **SEC. 9. CHANGE IN NAME OF FEDERAL ELECTION COMMIS-**
11 **SION.**

12 (a) IN GENERAL.—Section 306 of the Federal Elec-
13 tion Campaign Act of 1971 (2 U.S.C. 437c) is amended—

14 (1) in the heading, by striking “FEDERAL
15 ELECTION COMMISSION” and inserting “FEDERAL
16 CAMPAIGN REGULATION COMMISSION”; and

17 (2) in the first sentence of subsection (a)(1), by
18 striking “Federal Election Commission” and insert-
19 ing “Federal Campaign Regulation Commission”.

20 (b) CONFORMING AMENDMENT.—Section 431(10) of
21 such Act (2 U.S.C. 431(10)) is amended by striking “Fed-
22 eral Election Commission” and inserting “Federal Cam-
23 paign Regulation Commission”.

24 (c) REFERENCES IN OTHER LAWS AND DOCU-
25 MENTS.—Notwithstanding any other provision of law or

1 any rule or regulation, any reference in any law, rule, reg-
2 ulation, or other document to the Federal Election Com-
3 mission shall be deemed to be a reference to the Federal
4 Campaign Regulation Commission.

○