H.R. 2787: Mr. MCGOVERN, Mr. KUCINICH, Ms. NORTON, and Mr. BRADY of Pennsylvania.
H.R. 2820: Mr. SCHIFF and Mr. LARSEN of Washington.
H.R. 2868: Mr. STUPAK and Mrs. MEEK of Florida.
H.R. 2908: Mr. LYNCH.
H.R. 2957: Mr. CALVERT.
H.R. 3113: Mr. BECERRA, Mr. RUSH, Mr. RODRIGUEZ, and Mr. SANDERS.
H.R. 3185: Mr. PRICE of North Carolina.
H.R. 3231: Mr. SUNUNU, Mr. PENCE, Mr. CALVERT, and Mr. GILLMOR.
H.R. 3233: Mr. SERRANO and Mr. GUTIERREZ.
H.R. 3246: Mr. CAMP, Mr. KENNEDY of Rhode Island, and Mr. PLATTS.
H.R. 3267: Mr. NADLER.
H.R. 3280: Mr. KILDEE.
H.R. 3305: Mr. SHAYS, Ms. SCHAKOWSKY, Mr. WALSH, and Mr. BACHUS.
H.R. 3321: Ms. ROS-LEHTINEN, Mr. UNDERWOOD, Ms. BROWN of Florida, and Mr. PUTNAM.
H.R. 3337: Ms. WATSON, Mr. PASCRELL, Mr. TURNER, Mr. LUCAS of Kentucky, and Mr. FRANK.
H.R. 3389: Mr. GRUCCI, Mr. DEUTSCH, Mr. MCHUGH, Mr. ACKERMAN, Mr. HORN, Mr. RANGEL, Mrs. MEEK of Florida, and Mr. ANDREWS.
H.R. 3414: Mr. BAIRD and Mr. BRADY of Pennsylvania.
H.R. 3424: Mr. CLAY, Mr. MCHUGH, Mr. WALSH, Mr. STEARNS, and Ms. KAPTUR.
H.R. 3431: Ms. BALDWIN, Mr. BLAGOJEVICH, Mr. SHAW, Mr. DOYLE, Mr. PASTOR, and Mr. BLUNT.
H.R. 3443: Ms. HART and Mr. KILDEE.
H.R. 3462: Mr. DOYLE, Mr. PASTOR, Mr. LANGEVIN, and Ms. ROS-LEHTINEN.
H.R. 3473: Mr. GUTKNECHT and Mrs. CUBIN.
H.R. 3478: Mr. FALEOMAVAEGA.
H.R. 3512: Mr. STENHOLM.
H.R. 3524: Ms. LOFGREN.
H.R. 3532: Mr. LYNCH.
H.R. 3594: Mr. STUPAK and Mrs. MALONEY of New York.
H.R. 3618: Mr. THOMPSON of Mississippi, Mr. LEWIS of Georgia, and Mr. BISHOP
H.R. 3630: Mr. DEUTSCH.
H.R. 3640: Mr. MCDERMOTT and Mr. BALDACCI.
H.R. 3642: Ms. RIVERS and Mr. ABERCROMBIE.
H.R. 3657: Mr. HASTINGS of Florida, Mr. KILDEE, Mr. BALDACCI, Mr. LIPINSKI, and Mr. PALLONE.
H.R. 3661: Mr. DOYLE, Mr. ROGERS of Michigan, Mr. EHRLICH, Mr. REYNOLDS, and Mr. GILLMOR.
H.R. 3670: Mr. LANGEVIN, Mrs. THURMAN, Mr. BRADY of Pennsylvania, Mr. PRICE of North Carolina, Mr. KLECZKA, Mr. FORD, Mr. MCNULTY, Mr. DOOLEY of California, Mr. SAWYER, Mr. CARSON of Oklahoma, Mr. MOORE, Mr. LIPINSKI, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. KIND, Mr. REYES, Mr. FRANK, Mr. HINOJOSA, Mr. VISCLOSKY, Mr. KANJORSKI, Ms. HARMAN, and Ms. KILPATRICK.
H.R. 3685: Mr. HEFLEY.
H.R. 3686: Mr. SOUDER, Mr. BARCIA, and Mr. BURTON of Indiana.
H.R. 3698: Mr. HOEKSTRA.
H.R. 3710: Mr. GORDON.
H.R. 3713: Mr. HANSEN, Mr. PAUL, Mr. SHIMKUS, Mr. DOYLE, Mr. TIBERI, and Mr. CANTOR.
H.J. Res. 6: Mr. MEEKS of New York.
H.J. Res. 23: Mrs. MYRICK.
H. Con. Res. 77: Mr. PALLONE, Mr. BROWN of Ohio, and Ms. WATSON of California.
H. Con. Res. 177: Mr. KILDEE and Mr. UNDERWOOD.
H. Con. Res. 180: Ms. CARSON of Indiana and Mr. SMITH of Washington.
H. Con. Res. 216: Mr. PASTOR, Mr. FROST, and Mr. CLAY.
H. Con. Res. 220: Mr. KERNS.
H. Con. Res. 265: Mr. POMEROY, Ms. GRANGER, Mr. PENCE, and Mr. SESSIONS.
H. Con. Res. 304: Mr. MEEKS of New York, Mr. JEFFERSON, Mr. LANTOS, Mr. RANGEL, Mr. WYNN, Mr. HASTINGS of Florida, and Mr. CONYERS.
H. Con. Res. 311: Mr. MCNULTY, Mr. FROST, Mr. BARR of Georgia, Mr. CUNNINGHAM, Ms. HOOLEY of Oregon, and Mr. KILDEE.
H. Con. Res. 313: Mr. SMITH of Michigan.
H. Res. 197: Mr. BURTON of Indiana.
H. Res. 225: Mr. BRYANT and Mr. MEEKS of New York.
H. Res. 265: Mr. BARTLETT of Maryland, Mr. FLAKE, Mr. CHABOT, Mr. SAM JOHNSON of Texas, Mr. SHADEGG, Mr. TOOMEY, Ms. HART, Mr. GUTKNECHT, Mr. TANCREDO, Mr. PITTS, Mr. AKIN, Mr. HERGER, Mr. HILLEARY, Mr. DEMINT, and Mr. WILSON of South Carolina.
H. Res. 339: Mr. HOYER, Mr. BALLENGER, Mr. BEREUTER, Mr. PENCE, Mr. BLAGOJEVICH, and Mr. KING.
H. Res. 346: Mr. BRADY of Texas, Mr. BURTON of Indiana, Mr. SHIMKUS, Mr. PICKERING, Mr. SMITH of New Jersey, Mr. MOLLOHAN, Mr. DEMINT, Mr. FORBES, Mr. SCHAFFER, Mr. RYUN of Kansas, Mr. WYNN, Mr. BRADY of Pennsylvania, Mr. SHOWS, Mr. TIBERI, Mr. MANZULLO, and Mr. TIAHRT.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 2356

OFFERED BY: MR. FLAKE

[Shays Substitute]

AMENDMENT NO. 4: Add at the end the following new title:

TITLE VI—DISCLOSURE OF EXEMPT IN-KIND MEDIA EXPENDITURES

SEC. 601. DISCLOSURE OF EXEMPT IN-KIND MEDIA EXPENDITURES

(a) DISCLOSURE REQUIRED FOR EXEMPT IN-KIND MEDIA EXPENDITURES.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by sections 103, 201, 212, and 309(b), is further amended by adding at the end the following new subsection:

''(i) REQUIRING BROADCASTER DISCLOSURE OF EXPENDITURES FOR VOLUNTARY PERSONAL APPEARANCES BY FEDERAL CANDIDATES.—

''(1) IN GENERAL.—A broadcast network or station which is a corporate media outlet shall file a disclosure report under this subsection with respect to each media expenditure communication described in paragraph (2) (including a communication described in such paragraph which is rebroadcast by the network or station). For purposes of this paragraph, a broadcast network shall be considered to have aired such a communication if the network or any station affiliated with the network airs the communication.

''(2) MEDIA EXPENDITURE COMMUNICATION DESCRIBED.—A media expenditure communication described in this paragraph is a broadcast, cable, or satellite communication—

''(A) which features or depicts a clearly identified candidate for Federal office in a voluntary appearance by the candidate (including but not limited to an interview with the candidate); and

''(B) which is aired by the network or station during the 60-day period (or, in the case of a primary election, during the 30-day period) which ends on the date of the election for the office sought by the candidate.

''(3) DEADLINE FOR FILING DISCLOSURE REPORT.—Reports under this subsection shall be filed with the Commission not later than 10 days after the network or station airs the media expenditure communication involved.

''(4) CONTENTS OF REPORT.—A report filed by a broadcasting network or station under this subsection with respect to a media expenditure communication shall contain the following information:

''(A) The identification of the network or station.

''(B) The name of candidate featured or depicted in the communication.

''(C) The date on which the communication aired and the duration of the appearance of the candidate in the communication, including the appearance of the candidate in any promotional communications aired by the network or station with respect to the communication.

''(D) The value of the exempt in-kind media expenditure (as calculated in accordance with paragraph (5)) derived from the airing of the communication, itemized separately (in the case of a network) by each station affiliated with the network.

''(E) All other costs and expenses paid by the network or station which are associated with the appearance of the candidate in the communication, including (but not limited to) transportation of the Federal candidate, makeup, extraordinary production or transmission costs, promotions, and website broadcasts, itemized separately by each such category.

''(5) DETERMINING VALUE OF EXEMPT IN-KIND MEDIA EXPENDITURES.—

''(A) IN GENERAL.—The value of the exempt in-kind media expenditure derived from the airing of a media expenditure communication described in paragraph (2) by a broadcasting network or station shall be equal to the product of the per unit cost of the advertising sold by the network or station for the time during which the communication is aired and the duration of the appearance of the candidate involved in the communication.

''(B) SPECIAL RULE FOR NATIONAL BROADCASTS.—In the case of a communication which is aired on a nationwide broadcast—

''(i) the broadcasting network from which the broadcast originates shall be responsible for calculating the value of exempt in-kind media expenditures under subparagraph (A); and

''(ii) the value derived from the airing of the communication by the network shall be increased by the value derived from the airing of the communication (as determined under subparagraph (A)) by each station affiliated with the network.

''(6) CORPORATE MEDIA OUTLET DEFINED.—In this subsection, the term 'corporate media outlet' means a corporation—

''(A) which is owned, operated, or controlled by any other corporation, entity, or holding company;

''(B) which derives income from any service, product, enterprise, or source other than advertising which appears within the media broadcast outlet involved;

''(C) which receives funds directly or indirectly from any level of government; or

''(D) which retains, employs, or otherwise engages the services (directly or indirectly) of any lobbyist who represents the corporation as a registered lobbyist at any level of government.''.

(b) LOSS OF EXEMPTION FROM TREATMENT AS EXPENDITURE FOR COMMUNICATIONS AIRED BY BROADCASTERS FAILING TO FILE REPORTS.—Section 301(9)(B)(i) of such Act (2 U.S.C. 431(9)(B)(i)) is amended by striking the semicolon at the end and inserting the following: '', except that if a broadcast network or station which is a corporate media outlet (as defined in section 304(i)) fails to meet the requirements of section 304(i) with respect to the airing of an media expenditure communication described in section 304(i)(2), this clause shall not apply with respect to

the communication, and the airing of the communication shall be treated as an in-kind contribution by the corporate media outlet to the candidate featured or depicted in the communication (in an amount equal to the value determined in accordance with such section);''.

H.R. 2356

OFFERED BY: MR. GOODLATTE

[Ney Substitute]

AMENDMENT NO. 5: Insert after title III the following:

TITLE IV—DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS

SEC. 401. DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS DURING FEDERAL ELECTION CAMPAIGNS.

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

''DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS BY TELEPHONE

''SEC. 324. (a) DISCLOSURES TO RESPONDENTS.—Any person who conducts a Federal election poll shall disclose to each respondent the identity of the person sponsoring the poll or paying the expenses associated with the poll, except that if the poll is conducted more than 30 days before the date of the election, the person shall only disclose such information upon the request of the respondent.

''(b) DISCLOSURES TO COMMISSION.—Any person who conducts a Federal election poll—

''(1) shall report to the Commission the number of households contacted and include with such report a copy of the poll questions; and

''(2) in the case of a poll for which the results are not to be made public, shall report to the Commission the total cost of the poll and all sources of funds for the poll.

''(c) DEFINITION.—In this section, the term 'Federal election poll' means a survey conducted by telephone or electronic means—

''(1) in which the respondents are interviewed on opinions relating to an election for Federal office;; and

''(2) in which not fewer than 1,200 respondents are surveyed.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to elections occurring after the date of the enactment of this Act.

H.R. 2356

OFFERED BY: MR. GOODLATTE

AMENDMENT NO. 6: Add at the end of title III the following:

SEC. 323. DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS DURING FEDERAL ELECTION CAMPAIGNS.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 319, and 322, is further amended by adding at the end the following new section:

''DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS BY TELEPHONE

''SEC. 326. (a) DISCLOSURES TO RESPONDENTS.—Any person who conducts a Federal election poll shall disclose to each respondent the identity of the person sponsoring the poll or paying the expenses associated with the poll, except that if the poll is conducted more than 30 days before the date of the election, the person shall only disclose such information upon the request of the respondent.

''(b) DISCLOSURES TO COMMISSION.—Any person who conducts a Federal election poll—

''(1) shall report to the Commission the number of households contacted and include with such report a copy of the poll questions; and

''(2) in the case of a poll for which the results are not to be made public, shall report to the Commission the total cost of the poll and all sources of funds for the poll.

''(c) DEFINITION.—In this section, the term 'Federal election poll' means a survey conducted by telephone or electronic means—

''(1) in which the respondents are interviewed on opinions relating to an election for Federal office;; and

''(2) in which not fewer than 1,200 respondents are surveyed.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to elections occurring after the date of the enactment of this Act.

H.R. 2356

OFFERED BY: MR. GOODLATTE

[Armey Substitute]

AMENDMENT NO. 7: Add at the end the following:

TITLE ____—DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS

SEC. ___. DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS DURING FEDERAL ELECTION CAMPAIGNS.

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

''DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS BY TELEPHONE

''SEC. 323. (a) DISCLOSURES TO RESPONDENTS.—Any person who conducts a Federal election poll shall disclose to each respondent the identity of the person sponsoring the poll or paying the expenses associated with the poll, except that if the poll is conducted more than 30 days before the date of the election, the person shall only disclose such information upon the request of the respondent.

''(b) DISCLOSURES TO COMMISSION.—Any person who conducts a Federal election poll—

''(1) shall report to the Commission the number of households contacted and include with such report a copy of the poll questions; and

''(2) in the case of a poll for which the results are not to be made public, shall report to the Commission the total cost of the poll and all sources of funds for the poll.

''(c) DEFINITION.—In this section, the term 'Federal election poll' means a survey conducted by telephone or electronic means—

''(1) in which the respondents are interviewed on opinions relating to an election for Federal office;; and

''(2) in which not fewer than 1,200 respondents are surveyed.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to elections occurring after the date of the enactment of this Act.

H.R. 2356

OFFERED BY: MR. GOODLATTE

[Shays Substitute]

AMENDMENT NO. 8: Add at the end of title III the following:

SEC. 320. DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS DURING FEDERAL ELECTION CAMPAIGNS.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 319, is further amended by adding at the end the following new section:

''DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS BY TELEPHONE

''SEC. 325. (a) DISCLOSURES TO RESPONDENTS.—Any person who conducts a Federal election poll shall disclose to each respondent the identity of the person sponsoring the poll or paying the expenses associated with the poll, except that if the poll is conducted more than 30 days before the date of the election, the person shall only disclose such information upon the request of the respondent.

''(b) DISCLOSURES TO COMMISSION.—Any person who conducts a Federal election poll—

''(1) shall report to the Commission the number of households contacted and include with such report a copy of the poll questions; and

''(2) in the case of a poll for which the results are not to be made public, shall report to the Commission the total cost of the poll and all sources of funds for the poll.

''(c) DEFINITION.—In this section, the term 'Federal election poll' means a survey conducted by telephone or electronic means—

''(1) in which the respondents are interviewed on opinions relating to an election for Federal office;; and

''(2) in which not fewer than 1,200 respondents are surveyed.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to elections occurring after the date of the enactment of this Act.

H.R. 2356

OFFERED BY: MR. SHAYS

AMENDMENT NO. 9. Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Bipartisan Campaign Reform Act of 2002''.

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

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

"SEC. 323. SOFT MONEY OF POLITICAL PARTIES.

''(a) NATIONAL COMMITTEES.—

''(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.—The prohibition established by paragraph (1) applies to any such national committee, any officer or agent acting on behalf of such a national committee, and any entity that is directly or indirectly established, financed, maintained, or controlled by such a national committee.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), an amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or of individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.—

''(A) IN GENERAL.—Notwithstanding clause (i) or (ii) of section 301(20)(A), and subject to subparagraph (B), paragraph (1) shall not apply to any amount expended or disbursed by a State, district, or local committee of a political party for an activity described in either such clause to the extent the amounts expended or disbursed for such activity are allocated (under regulations prescribed by the Commission) among amounts—

''(i) which consist solely of contributions subject to the limitations, prohibitions, and reporting requirements of this Act (other than amounts described in subparagraph (B)(iii)); and

''(ii) other amounts which are not subject to the limitations, prohibitions, and reporting requirements of this Act (other than any requirements of this subsection).

''(B) CONDITIONS.—Subparagraph (A) shall only apply if—

''(i) the activity does not refer to a clearly identified candidate for Federal office;

''(ii) the amounts expended or disbursed are not for the costs of any broadcasting, cable, or satellite communication, other than a communication which refers solely to a clearly identified candidate for State or local office;

''(iii) the amounts expended or disbursed which are described in subparagraph (A)(ii) are paid from amounts which are donated in accordance with State law and which meet the requirements of subparagraph (C), except that no person (including any person established, financed, maintained, or controlled by such person) may donate more than $10,000 to a State, district, or local committee of a political party in a calendar year for such expenditures or disbursements; and

''(iv) the amounts expended or disbursed are made solely from funds raised by the State, local, or district committee which makes such expenditure or disbursement, and do not include any funds provided to such committee from—

''(I) any other State, local, or district committee of any State party,

''(II) the national committee of a political party (including a national congressional campaign committee of a political party),

''(III) any officer or agent acting on behalf of any committee described in subclause (I) or (II), or

''(IV) any entity directly or indirectly established, financed, maintained, or controlled by any committee described in subclause (I) or (II).

''(C) PROHIBITING INVOLVEMENT OF NATIONAL PARTIES, FEDERAL CANDIDATES AND OFFICEHOLDERS, AND STATE PARTIES ACTING JOINTLY.—Notwithstanding subsection (e) (other than subsection (e)(3)), amounts specifically authorized to be spent under subparagraph (B)(iii) meet the requirements of this subparagraph only if the amounts—

''(i) are not solicited, received, directed, transferred, or spent by or in the name of any person described in subsection (a) or (e); and

''(ii) are not solicited, received, or directed through fundraising activities conducted jointly by 2 or more State, local, or district committees of any political party or their agents, or by a State, local, or district committee of a political party on behalf of the State, local, or district committee of a political party or its agent in one or more other States.

''(c) FUNDRAISING COSTS.—An amount spent by a person described in subsection (a) or (b) to raise funds that are used, in whole or in part, for expenditures and disbursements for a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to—

''(1) an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section) and that makes expenditures or disbursements in connection with an election for Federal office (including expenditures or disbursements for Federal election activity); or

''(2) an organization described in section 527 of such Code (other than a political committee, a State, district, or local committee of a political party, or the authorized campaign committee of a candidate for State or local office).

''(e) FEDERAL CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or an individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of 1 or more candidates or individuals holding Federal office, shall not—

''(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

''(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

''(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1), (2), and (3) of section 315(a); and

''(ii) are not from sources prohibited by this Act from making contributions in connection with an election for Federal office.

''(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual described in such paragraph who is or was also a candidate for a State or local office solely in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law and refers only to such State or local candidate, or to any other candidate for the State or local office sought by such candidate, or both.

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1) or subsection (b)(2)(C), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

''(4) PERMITTING CERTAIN SOLICITATIONS.—

''(A) GENERAL SOLICITATIONS.—Notwithstanding any other provision of this subsection, an individual described in paragraph (1) may make a general solicitation of funds on behalf of any organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section) (other than an entity whose principal purpose is to conduct activities described in clauses (i) and (ii) of section 301(20)(A)) where such solicitation does not specify how the funds will or should be spent.

''(B) CERTAIN SPECIFIC SOLICITATIONS.—In addition to the general solicitations permitted under subparagraph (A), an individual

described in paragraph (1) may make a solicitation explicitly to obtain funds for carrying out the activities described in clauses (i) and (ii) of section 301(20)(A), or for an entity whose principal purpose is to conduct such activities, if—

''(i) the solicitation is made only to individuals; and

''(ii) the amount solicited from any individual during any calendar year does not exceed $20,000.

''(f) STATE CANDIDATES.—

''(1) IN GENERAL.—A candidate for State or local office, individual holding State or local office, or an agent of such a candidate or individual may not spend any funds for a communication described in section 301(20)(A)(iii) unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) EXCEPTION FOR CERTAIN COMMUNICATIONS.—Paragraph (1) shall not apply to an individual described in such paragraph if the communication involved is in connection with an election for such State or local office and refers only to such individual or to any other candidate for the State or local office held or sought by such individual, or both.''.

(b) DEFINITIONS.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end thereof the following:

''(20) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

''(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

''(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention;

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office; and

''(v) the cost of constructing or purchasing an office facility or equipment for a State, district, or local committee.

''(21) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means a campaign activity that promotes a political party and does not promote a candidate or non-Federal candidate.

''(22) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing, or telephone bank to the general public, or any other form of general public political advertising.

''(23) MASS MAILING.—The term 'mass mailing' means a mailing by United States mail or facsimile of more than 500 pieces of mail matter of an identical or substantially similar nature within any 30-day period.

''(24) TELEPHONE BANK.—The term 'telephone bank' means more than 500 telephone calls of an identical or substantially similar nature within any 30-day period.''.

SEC. 102. INCREASED CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.

Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.''.

SEC. 103. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following:

''(e) POLITICAL COMMITTEES.—

''(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—

''(A) IN GENERAL.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in section 301(20)(A), unless the aggregate amount of such receipts and disbursements during the calendar year is less than $5,000.

''(B) SPECIFIC DISCLOSURE BY STATE AND LOCAL PARTIES OF CERTAIN NONFEDERAL AMOUNTS PERMITTED TO BE SPENT ON FEDERAL ELECTION ACTIVITY.—Each report by a political committee under subparagraph (A) of receipts and disbursements made for activities described in section 301(20)(A) shall include a disclosure of all receipts and disbursements described in section 323(b)(2)(A) and (B).

''(3) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from or to any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

''(4) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a)(4)(B).''.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xv) as clauses (viii) through (xiv), respectively.

TITLE II—NONCANDIDATE CAMPAIGN EXPENDITURES

Subtitle A—Electioneering Communications

SEC. 201. DISCLOSURE OF ELECTIONEERING COMMUNICATIONS.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 103, is amended by adding at the end the following new subsection:

''(f) DISCLOSURE OF ELECTIONEERING COMMUNICATIONS.—

''(1) STATEMENT REQUIRED.—Every person who makes a disbursement for the direct costs of producing and airing electioneering communications in an aggregate amount in excess of $10,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

''(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

''(A) The identification of the person making the disbursement, of any person sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

''(B) The principal place of business of the person making the disbursement, if not an individual.

''(C) The amount of each disbursement of more than $200 during the period covered by the statement and the identification of the person to whom the disbursement was made.

''(D) The elections to which the electioneering communications pertain and the names (if known) of the candidates identified or to be identified.

''(E) If the disbursements were paid out of a segregated bank account which consists of funds contributed solely by individuals who are United States citizens or nationals or lawfully admitted for permanent residence as defined in section 1101(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(2)) directly to this account for electioneering communications, the names and addresses of all contributors who contributed an aggregate amount of $1,000 or more to that account during the period beginning on the first day of the preceding calendar year and ending on the disclosure date. Nothing in this subparagraph is to be construed as a prohibition on the use of funds in such a segregated account for a purpose other than electioneering communications.

''(F) If the disbursements were paid out of funds not described in subparagraph (E), the names and addresses of all contributors who contributed an aggregate amount of $1,000 or more to the person making the disbursement during the period beginning on the first day of the preceding calendar year and ending on the disclosure date.

''(3) ELECTIONEERING COMMUNICATION.—For purposes of this subsection—

''(A) IN GENERAL.—(i) The term 'electioneering communication' means any broadcast, cable, or satellite communication which—

''(I) refers to a clearly identified candidate for Federal office;

''(II) is made within—

''(aa) 60 days before a general, special, or runoff election for the office sought by the candidate; or

''(bb) 30 days before a primary or preference election, or a convention or caucus of a political party that has authority to nominate a candidate, for the office sought by the candidate; and

''(III) in the case of a communication which refers to a candidate for an office other than President or Vice President, is targeted to the relevant electorate.

''(ii) If clause (i) is held to be constitutionally insufficient by final judicial decision to support the regulation provided herein, then the term 'electioneering communication' means any broadcast, cable, or satellite communication which promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate) and which also is suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate. Nothing in this subparagraph shall be construed to affect the interpretation or application of section 100.22(b) of title 11, Code of Federal Regulations.

''(B) EXCEPTIONS.—The term 'electioneering communication' does not include—

''(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate;

''(ii) a communication which constitutes an expenditure or an independent expenditure under this Act;

''(iii) a communication which constitutes a candidate debate or forum conducted pursuant to regulations adopted by the Commission, or which solely promotes such a debate or forum and is made by or on behalf of the person sponsoring the debate or forum; or

''(iv) any other communication exempted under such regulations as the Commission may promulgate (consistent with the requirements of this paragraph) to ensure the appropriate implementation of this paragraph, except that under any such regulation a communication may not be exempted if it meets the requirements of this paragraph and is described in section 301(20)(A)(iii).

''(C) TARGETING TO RELEVANT ELECTORATE.—For purposes of this paragraph, a communication which refers to a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if the communication can be received by 50,000 or more persons—

''(i) in the district the candidate seeks to represent, in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

''(ii) in the State the candidate seeks to represent, in the case of a candidate for Senator.

''(4) DISCLOSURE DATE.—For purposes of this subsection, the term 'disclosure date' means—

''(A) the first date during any calendar year by which a person has made disbursements for the direct costs of producing or airing electioneering communications aggregating in excess of $10,000; and

''(B) any other date during such calendar year by which a person has made disbursements for the direct costs of producing or airing electioneering communications aggregating in excess of $10,000 since the most recent disclosure date for such calendar year.

''(5) CONTRACTS TO DISBURSE.—For purposes of this subsection, a person shall be treated as having made a disbursement if the person has executed a contract to make the disbursement.

''(6) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

''(7) COORDINATION WITH INTERNAL REVENUE CODE.—Nothing in this subsection may be construed to establish, modify, or otherwise affect the definition of political activities or electioneering activities (including the definition of participating in, intervening in, or influencing or attempting to influence a political campaign on behalf of or in opposition to any candidate for public office) for purposes of the Internal Revenue Code of 1986.''.

(b) RESPONSIBILITIES OF FEDERAL COMMUNICATIONS COMMISSION.—The Federal Communications Commission shall compile and maintain any information the Federal Election Commission may require to carry out section 304(f) of the Federal Election Campaign Act of 1971 (as added by subsection (a)), and shall make such information available to the public on the Federal Communication Commission's website.

SEC. 202. COORDINATED COMMUNICATIONS AS CONTRIBUTIONS.

Section 315(a)(7) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)) is amended —

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

''(C) if—

''(i) any person makes, or contracts to make, any disbursement for any electioneering communication (within the meaning of section 304(f)(3)); and

''(ii) such disbursement is coordinated with a candidate or an authorized committee of such candidate, a Federal, State, or local political party or committee thereof, or an agent or official of any such candidate, party, or committee;

such disbursement or contracting shall be treated as a contribution to the candidate supported by the electioneering communication or that candidate's party and as an expenditure by that candidate or that candidate's party; and''.

SEC. 203. PROHIBITION OF CORPORATE AND LABOR DISBURSEMENTS FOR ELECTIONEERING COMMUNICATIONS.

(a) IN GENERAL.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by inserting ''or for any applicable electioneering communication'' before '', but shall not include''.

(b) APPLICABLE ELECTIONEERING COMMUNICATION.—Section 316 of such Act is amended by adding at the end the following:

''(c) RULES RELATING TO ELECTIONEERING COMMUNICATIONS.—

''(1) APPLICABLE ELECTIONEERING COMMUNICATION.—For purposes of this section, the term 'applicable electioneering communication' means an electioneering communication (within the meaning of section 304(f)(3)) which is made by any entity described in subsection (a) of this section or by any other person using funds donated by an entity described in subsection (a) of this section.

''(2) EXCEPTION.—Notwithstanding paragraph (1), the term 'applicable electioneering communication' does not include a communication by a section 501(c)(4) organization or a political organization (as defined in section 527(e)(1) of the Internal Revenue Code of 1986) made under section 304(f)(2)(E) or (F) of this Act if the communication is paid for exclusively by funds provided directly by individuals who are United States citizens or nationals or lawfully admitted for permanent residence as defined in section 1101(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(2)). For purposes of the preceding sentence, the term 'provided directly by individuals' does not include funds the source of which is an entity described in subsection (a) of this section.

''(3) SPECIAL OPERATING RULES.—

''(A) DEFINITION UNDER PARAGRAPH (1).—An electioneering communication shall be treated as made by an entity described in subsection (a) if an entity described in subsection (a) directly or indirectly disburses any amount for any of the costs of the communication.

''(B) EXCEPTION UNDER PARAGRAPH (2).—A section 501(c)(4) organization that derives amounts from business activities or receives funds from any entity described in subsection (a) shall be considered to have paid for any communication out of such amounts unless such organization paid for the communication out of a segregated account to which only individuals can contribute, as described in section 304(f)(2)(E).

''(4) DEFINITIONS AND RULES.—For purposes of this subsection—

''(A) the term 'section 501(c)(4) organization' means—

''(i) an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; or

''(ii) an organization which has submitted an application to the Internal Revenue Service for determination of its status as an organization described in clause (i); and

''(B) a person shall be treated as having made a disbursement if the person has executed a contract to make the disbursement.

''(5) COORDINATION WITH INTERNAL REVENUE CODE.—Nothing in this subsection shall be construed to authorize an organization exempt from taxation under section 501(a) of the Internal Revenue Code of 1986 to carry out any activity which is prohibited under such Code.''.

SEC. 204. RULES RELATING TO CERTAIN TARGETED ELECTIONEERING COMMUNICATIONS.

Section 316(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b), as added by section 203, is amended by adding at the end the following:

''(6) SPECIAL RULES FOR TARGETED COMMUNICATIONS.—

''(A) EXCEPTION DOES NOT APPLY.—Paragraph (2) shall not apply in the case of a targeted communication that is made by an organization described in such paragraph.

''(B) TARGETED COMMUNICATION.—For purposes of subparagraph (A), the term 'targeted communication' means an electioneering communication (as defined in section 304(f)(3)) that is distributed from a television or radio broadcast station or provider of cable or satellite television service and, in the case of a communication which refers to a candidate for an office other than President or Vice President, is targeted to the relevant electorate.

''(C) DEFINITION.—For purposes of this paragraph, a communication is 'targeted to the relevant electorate' if it meets the requirements described in section 304(f)(3)(C).''.

Subtitle B—Independent and Coordinated Expenditures

SEC. 211. DEFINITION OF INDEPENDENT EXPENDITURE.

Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

''(17) INDEPENDENT EXPENDITURE.—The term 'independent expenditure' means an expenditure by a person—

''(A) expressly advocating the election or defeat of a clearly identified candidate; and

''(B) that is not made in concert or cooperation with or at the request or suggestion of such candidate, the candidate's authorized political committee, or their

agents, or a political party committee or its agents.''.

SEC. 212. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 201) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C); and

(2) by adding at the end the following:

''(g) TIME FOR REPORTING CERTAIN EXPENDITURES.—

''(1) EXPENDITURES AGGREGATING $1,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

''(2) EXPENDITURES AGGREGATING $10,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

''(3) PLACE OF FILING; CONTENTS.—A report under this subsection—

''(A) shall be filed with the Commission; and

''(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.''.

(b) CONFORMING AMENDMENT.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)) is amended by striking '', or the second sentence of subsection (c)(2)''.

SEC. 213. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

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

(1) in paragraph (1), by striking ''and (3)'' and inserting '', (3), and (4)''; and

(2) by adding at the end the following:

''(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

''(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, no committee of the political party may make—

''(i) any coordinated expenditure under this subsection with respect to the candidate during the election cycle at any time after it makes any independent expenditure (as defined in section 301(17)) with respect to the candidate during the election cycle; or

''(ii) any independent expenditure (as defined in section 301(17)) with respect to the candidate during the election cycle at any time after it makes any coordinated expenditure under this subsection with respect to the candidate during the election cycle.

''(B) APPLICATION.—For purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

''(C) TRANSFERS.—A committee of a political party that makes coordinated expenditures under this subsection with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.''.

SEC. 214. COORDINATION WITH CANDIDATES OR POLITICAL PARTIES.

(a) IN GENERAL.—Section 315(a)(7)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)(B)) is amended—

(A) by redesignating clause (ii) as clause (iii); and

(B) by inserting after clause (i) the following new clause:

''(ii) expenditures made by any person (other than a candidate or candidate's authorized committee) in cooperation, consultation, or concert, with, or at the request or suggestion of, a national, State, or local committee of a political party, shall be considered to be contributions made to such party committee; and''.

(b) REPEAL OF CURRENT REGULATIONS.—The regulations on coordinated communications paid for by persons other than candidates, authorized committees of candidates, and party committees adopted by the Federal Election Commission and published in the Federal Register at page 76138 of volume 65, Federal Register, on December 6, 2000, are repealed as of the date by which the Commission is required to promulgate new regulations under subsection (c) (as described in the second sentence of section 402(c)).

(c) REGULATIONS BY THE FEDERAL ELECTION COMMISSION.—The Federal Election Commission shall promulgate new regulations on coordinated communications paid for by persons other than candidates, authorized committees of candidates, and party committees. The regulations shall not require agreement or formal collaboration to establish coordination. In addition to any subject determined by the Commission, the regulations shall address—

(A) payments for the republication of campaign materials;

(B) payments for the use of a common vendor;

(C) payments for communications directed or made by persons who previously served as an employee of a candidate or a political party; and

(D) payments for communications made by a person after substantial discussion about the communication with a candidate or a political party.

(d) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by striking ''shall include'' and inserting ''includes a contribution or expenditure, as those terms are defined in section 301, and also includes''.

TITLE III—MISCELLANEOUS

SEC. 301. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

''SEC. 313. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

''(a) PERMITTED USES.—A contribution accepted by a candidate, and any other donation received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

''(1) for otherwise authorized expenditures in connection with the campaign for Federal office of the candidate or individual;

''(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

''(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

''(4) for transfers to a national, State, or local committee of a political party.

''(b) PROHIBITED USE.—

''(1) IN GENERAL.—A contribution or donation described in subsection (a) shall not be converted by any person to personal use.

''(2) CONVERSION.—For the purposes of paragraph (1), a contribution or donation shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal office, including—

''(A) a home mortgage, rent, or utility payment;

''(B) a clothing purchase;

''(C) a noncampaign-related automobile expense;

''(D) a country club membership;

''(E) a vacation or other noncampaign-related trip;

''(F) a household food item;

''(G) a tuition payment;

''(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

''(I) dues, fees, and other payments to a health club or recreational facility.''.

SEC. 302. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—

''(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. It shall be unlawful for an individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election, while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

''(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both.''; and

(2) in subsection (b), by inserting ''or Executive Office of the President'' after ''Congress''.

SEC. 303. STRENGTHENING FOREIGN MONEY BAN.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: ''CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS''; and

(2) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—It shall be unlawful for—

''(1) a foreign national, directly or indirectly, to make—

''(A) a contribution or donation of money or other thing of value, or to make an express or implied promise to make a contribution or donation, in connection with a Federal, State, or local election;

''(B) a contribution or donation to a committee of a political party; or

''(C) an expenditure, independent expenditure, or disbursement for an electioneering communication (within the meaning of section 304(f)(3)); or

''(2) a person to solicit, accept, or receive a contribution or donation described in subparagraph (A) or (B) of paragraph (1) from a foreign national.''.

SEC. 304. MODIFICATION OF INDIVIDUAL CONTRIBUTION LIMITS IN RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.

(a) INCREASED LIMITS FOR INDIVIDUALS.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended—

(1) in subsection (a)(1), by striking ''No person'' and inserting ''Except as provided in subsection (i), no person''; and

(2) by adding at the end the following:

''(i) INCREASED LIMIT TO ALLOW RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.—

''(1) INCREASE.—

''(A) IN GENERAL.—Subject to paragraph (2), if the opposition personal funds amount with respect to a candidate for election to the office of Senator exceeds the threshold amount, the limit under subsection (a)(1)(A) (in this subsection referred to as the 'applicable limit') with respect to that candidate shall be the increased limit.

''(B) THRESHOLD AMOUNT.—

''(i) STATE-BY-STATE COMPETITIVE AND FAIR CAMPAIGN FORMULA.—In this subsection, the threshold amount with respect to an election cycle of a candidate described in subparagraph (A) is an amount equal to the sum of—

''(I) $150,000; and

''(II) $0.04 multiplied by the voting age population.

''(ii) VOTING AGE POPULATION.—In this subparagraph, the term 'voting age population' means in the case of a candidate for the office of Senator, the voting age population of the State of the candidate (as certified under section 315(e)).

''(C) INCREASED LIMIT.—Except as provided in clause (ii), for purposes of subparagraph (A), if the opposition personal funds amount is over—

''(i) 2 times the threshold amount, but not over 4 times that amount—

''(I) the increased limit shall be 3 times the applicable limit; and

''(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution;

''(ii) 4 times the threshold amount, but not over 10 times that amount—

''(I) the increased limit shall be 6 times the applicable limit; and

''(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution; and

''(iii) 10 times the threshold amount—

''(I) the increased limit shall be 6 times the applicable limit;

''(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution; and

''(III) the limits under subsection (d) with respect to any expenditure by a State or national committee of a political party shall not apply.

''(D) OPPOSITION PERSONAL FUNDS AMOUNT.—The opposition personal funds amount is an amount equal to the excess (if any) of—

''(i) the greatest aggregate amount of expenditures from personal funds (as defined in section 304(a)(6)(B)) that an opposing candidate in the same election makes; over

''(ii) the aggregate amount of expenditures from personal funds made by the candidate with respect to the election.

''(2) TIME TO ACCEPT CONTRIBUTIONS UNDER INCREASED LIMIT.—

''(A) IN GENERAL.—Subject to subparagraph (B), a candidate and the candidate's authorized committee shall not accept any contribution, and a party committee shall not make any expenditure, under the increased limit under paragraph (1)—

''(i) until the candidate has received notification of the opposition personal funds amount under section 304(a)(6)(B); and

''(ii) to the extent that such contribution, when added to the aggregate amount of contributions previously accepted and party expenditures previously made under the increased limits under this subsection for the election cycle, exceeds 110 percent of the opposition personal funds amount.

''(B) EFFECT OF WITHDRAWAL OF AN OPPOSING CANDIDATE.—A candidate and a candidate's authorized committee shall not accept any contribution and a party shall not make any expenditure under the increased limit after the date on which an opposing candidate ceases to be a candidate to the extent that the amount of such increased limit is attributable to such an opposing candidate.

''(3) DISPOSAL OF EXCESS CONTRIBUTIONS.—

''(A) IN GENERAL.—The aggregate amount of contributions accepted by a candidate or a candidate's authorized committee under the increased limit under paragraph (1) and not otherwise expended in connection with the election with respect to which such contributions relate shall, not later than 50 days after the date of such election, be used in the manner described in subparagraph (B).

''(B) RETURN TO CONTRIBUTORS.—A candidate or a candidate's authorized committee shall return the excess contribution to the person who made the contribution.

''(j) LIMITATION ON REPAYMENT OF PERSONAL LOANS.—Any candidate who incurs personal loans made after the effective date of the Bipartisan Campaign Reform Act of 2002 in connection with the candidate's campaign for election shall not repay (directly or indirectly), to the extent such loans exceed $250,000, such loans from any contributions made to such candidate or any authorized committee of such candidate after the date of such election.''.

(b) NOTIFICATION OF EXPENDITURES FROM PERSONAL FUNDS.—Section 304(a)(6) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (E); and

(2) by inserting after subparagraph (A) the following:

''(B) NOTIFICATION OF EXPENDITURE FROM PERSONAL FUNDS.—

''(i) DEFINITION OF EXPENDITURE FROM PERSONAL FUNDS.—In this subparagraph, the term 'expenditure from personal funds' means—

''(I) an expenditure made by a candidate using personal funds; and

''(II) a contribution or loan made by a candidate using personal funds or a loan secured using such funds to the candidate's authorized committee.

''(ii) DECLARATION OF INTENT.—Not later than the date that is 15 days after the date on which an individual becomes a candidate for the office of Senator, the candidate shall file a declaration stating the total amount of expenditures from personal funds that the candidate intends to make, or to obligate to make, with respect to the election that will exceed the State-by-State competitive and fair campaign formula with—

''(I) the Commission; and

''(II) each candidate in the same election.

''(iii) INITIAL NOTIFICATION.—Not later than 24 hours after a candidate described in clause (ii) makes or obligates to make an aggregate amount of expenditures from personal funds in excess of 2 times the threshold amount in connection with any election, the candidate shall file a notification with—

''(I) the Commission; and

''(II) each candidate in the same election.

''(iv) ADDITIONAL NOTIFICATION.—After a candidate files an initial notification under clause (iii), the candidate shall file an additional notification each time expenditures from personal funds are made or obligated to be made in an aggregate amount that exceed $10,000 with—

''(I) the Commission; and

''(II) each candidate in the same election.

Such notification shall be filed not later than 24 hours after the expenditure is made.

''(v) CONTENTS.—A notification under clause (iii) or (iv) shall include—

''(I) the name of the candidate and the office sought by the candidate;

''(II) the date and amount of each expenditure; and

''(III) the total amount of expenditures from personal funds that the candidate has made, or obligated to make, with respect to an election as of the date of the expenditure that is the subject of the notification.

''(C) NOTIFICATION OF DISPOSAL OF EXCESS CONTRIBUTIONS.—In the next regularly scheduled report after the date of the election for which a candidate seeks nomination for election to, or election to, Federal office, the candidate or the candidate's authorized committee shall submit to the Commission a report indicating the source and amount of any excess contributions (as determined under paragraph (1) of section 315(i)) and the manner in which the candidate or the candidate's authorized committee used such funds.

''(D) ENFORCEMENT.—For provisions providing for the enforcement of the reporting requirements under this paragraph, see section 309.''.

(c) DEFINITIONS.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431), as amended by section 101(b), is further amended by adding at the end the following:

''(25) ELECTION CYCLE.—The term 'election cycle' means the period beginning on the day after the date of the most recent election for the specific office or seat that a candidate is seeking and ending on the date of the next election for that office or seat. For purposes of the preceding sentence, a primary election and a general election shall be considered to be separate elections.

''(26) PERSONAL FUNDS.—The term 'personal funds' means an amount that is derived from—

''(A) any asset that, under applicable State law, at the time the individual became a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had—

''(i) legal and rightful title; or

''(ii) an equitable interest;

''(B) income received during the current election cycle of the candidate, including—

''(i) a salary and other earned income from bona fide employment;

''(ii) dividends and proceeds from the sale of the candidate's stocks or other investments;

''(iii) bequests to the candidate;

''(iv) income from trusts established before the beginning of the election cycle;

''(v) income from trusts established by bequest after the beginning of the election cycle of which the candidate is the beneficiary;

''(vi) gifts of a personal nature that had been customarily received by the candidate prior to the beginning of the election cycle; and

''(vii) proceeds from lotteries and similar legal games of chance; and

''(C) a portion of assets that are jointly owned by the candidate and the candidate's spouse equal to the candidate's share of the asset under the instrument of conveyance or ownership, but if no specific share is indicated by an instrument of conveyance or ownership, the value of ½ of the property.''.

SEC. 305. TELEVISION MEDIA RATES.

(a) LOWEST UNIT CHARGE.—Subsection (b) of section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by striking ''(b) The charges'' and inserting the following:

''(b) CHARGES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the charges'';

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following:

''(2) TELEVISION.—The charges made for the use of any television broadcast station, or by a provider of cable or satellite television service, to any person who is a legally qualified candidate for any public office in connection with the campaign of such candidate for nomination for election, or election, to such office shall not exceed, during the periods referred to in paragraph (1)(A), the lowest charge of the station (at any time during the 180-day period preceding the date of the use) for the same amount of time for the same period.''.

(b) RATE AVAILABLE FOR NATIONAL PARTIES.—Section 315(b)(2) of such Act (47 U.S.C. 315(b)(2), as added by subsection (a)(3), is amended by inserting '', or to a national committee of a political party making expenditures under section 315(d) of the Federal Election Campaign Act of 1971 on behalf of such candidate in connection with such campaign,'' after ''such office''.

(c) PREEMPTION.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) by redesignating subsections (c) and (d) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (b) the following new subsection:

''(c) PREEMPTION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), a licensee shall not preempt the use of a television broadcast station, or a provider of cable or satellite television service, by an eligible candidate or political committee of a political party who has purchased and paid for such use pursuant to subsection (b)(2).

''(2) CIRCUMSTANCES BEYOND CONTROL OF LICENSEE.—If a program to be broadcast by a television broadcast station, or a provider of cable or satellite television service, is preempted because of circumstances beyond the control of the station, any candidate or party advertising spot scheduled to be broadcast during that program may also be preempted.''.

(d) RANDOM AUDITS.—Section 315 of such Act (47 U.S.C. 315), as amended by subsection (c), is amended by inserting after subsection (c) the following new subsection:

''(d) RANDOM AUDITS.—

''(1) IN GENERAL.—During the 45-day period preceding a primary election and the 60-day period preceding a general election, the Commission shall conduct random audits of designated market areas to ensure that each television broadcast station, and provider of cable or satellite television service, in those markets is allocating television broadcast advertising time in accordance with this section and section 312.

''(2) MARKETS.—The random audits conducted under paragraph (1) shall cover the following markets:

''(A) At least 6 of the top 50 largest designated market areas (as defined in section 122(j)(2)(C) of title 17, United States Code).

''(B) At least 3 of the 51–100 largest designated market areas (as so defined).

''(C) At least 3 of the 101–150 largest designated market areas (as so defined).

''(D) At least 3 of the 151–210 largest designated market areas (as so defined).

''(3) BROADCAST STATIONS.—Each random audit shall include each of the 3 largest television broadcast networks, 1 independent network, and 1 cable network.''.

(e) DEFINITION OF BROADCASTING STATION.—Subsection (e)(1) of section 315 of such Act (47 U.S.C. 315(e)(1)), as redesignated by subsection (c)(1) of this section, is amended by inserting '', a television broadcast station, and a provider of cable or satellite television service'' before the semicolon.

(f) STYLISTIC AMENDMENTS.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) in subsection (a), by inserting ''IN GENERAL.—'' before ''If any'';

(2) in subsection (e), as redesignated by subsection (c)(1) of this section, by inserting ''DEFINITIONS.—'' before ''For purposes''; and

(3) in subsection (f), as so redesignated, by inserting ''REGULATIONS.—'' before ''The Commission''.

SEC. 306. LIMITATION ON AVAILABILITY OF LOWEST UNIT CHARGE FOR FEDERAL CANDIDATES ATTACKING OPPOSITION.

(a) IN GENERAL.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)), as amended by this Act, is amended by adding at the end the following:

''(3) CONTENT OF BROADCASTS.—

''(A) IN GENERAL.—In the case of a candidate for Federal office, such candidate shall not be entitled to receive the rate under paragraph (1)(A) or (2) for the use of any broadcasting station unless the candidate provides written certification to the broadcast station that the candidate (and any authorized committee of the candidate) shall not make any direct reference to another candidate for the same office, in any broadcast using the rights and conditions of access under this Act, unless such reference meets the requirements of subparagraph (C) or (D).

''(B) LIMITATION ON CHARGES.—If a candidate for Federal office (or any authorized committee of such candidate) makes a reference described in subparagraph (A) in any broadcast that does not meet the requirements of subparagraph (C) or (D), such candidate shall not be entitled to receive the rate under paragraph (1)(A) or (2) for such broadcast or any other broadcast during any portion of the 45-day and 60-day periods described in paragraph (1)(A), that occur on or after the date of such broadcast, for election to such office.

''(C) TELEVISION BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a television broadcast, at the end of such broadcast there appears simultaneously, for a period no less than 4 seconds—

''(i) a clearly identifiable photographic or similar image of the candidate; and

''(ii) a clearly readable printed statement, identifying the candidate and stating that the candidate has approved the broadcast and that the candidate's authorized committee paid for the broadcast.

''(D) RADIO BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a radio broadcast, the broadcast includes a personal audio statement by the candidate that identifies the candidate, the office the candidate is seeking, and indicates that the candidate has approved the broadcast.

''(E) CERTIFICATION.—Certifications under this section shall be provided and certified as accurate by the candidate (or any authorized committee of the candidate) at the time of purchase.

''(F) DEFINITIONS.—For purposes of this paragraph, the terms 'authorized committee' and 'Federal office' have the meanings given such terms by section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).''.

(b) CONFORMING AMENDMENT.—Section 315(b)(1)(A) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)(A)), as amended by this Act, is amended by inserting ''subject to paragraph (3),'' before ''during the forty-five days''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to broadcasts made after the effective date of this Act.

SEC. 307. SOFTWARE FOR FILING REPORTS AND PROMPT DISCLOSURE OF CONTRIBUTIONS.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end the following:

''(12) SOFTWARE FOR FILING OF REPORTS.—

''(A) IN GENERAL.—The Commission shall—

''(i) promulgate standards to be used by vendors to develop software that—

''(I) permits candidates to easily record information concerning receipts and disbursements required to be reported under this Act at the time of the receipt or disbursement;

''(II) allows the information recorded under subclause (I) to be transmitted immediately to the Commission; and

''(III) allows the Commission to post the information on the Internet immediately upon receipt; and

''(ii) make a copy of software that meets the standards promulgated under clause (i) available to each person required to file a designation, statement, or report in electronic form under this Act.

''(B) ADDITIONAL INFORMATION.—To the extent feasible, the Commission shall require vendors to include in the software developed under the standards under subparagraph (A) the ability for any person to file any designation, statement, or report required under this Act in electronic form.

''(C) REQUIRED USE.—Notwithstanding any provision of this Act relating to times for filing reports, each candidate for Federal office (or that candidate's authorized committee) shall use software that meets the standards promulgated under this paragraph once such software is made available to such candidate.

''(D) REQUIRED POSTING.—The Commission shall, as soon as practicable, post on the Internet any information received under this paragraph.''.

SEC. 308. MODIFICATION OF CONTRIBUTION LIMITS.

(a) INCREASE IN INDIVIDUAL LIMITS FOR CERTAIN CONTRIBUTIONS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (A), by striking ''$1,000'' and inserting the following: ''$2,000

(or, in the case of a candidate for Representative in or Delegate or Resident Commissioner to the Congress, $1,000)''; and

(2) in subparagraph (B), by striking ''$20,000'' and inserting ''$25,000''.

(b) INCREASE IN ANNUAL AGGREGATE LIMIT ON INDIVIDUAL CONTRIBUTIONS.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended to read as follows:

''(3) During the period which begins on January 1 of an odd-numbered year and ends on December 31 of the next even-numbered year, no individual may make contributions aggregating more than—

''(A) $37,500, in the case of contributions to candidates and the authorized committees of candidates;

''(B) $57,500, in the case of any other contributions, of which not more than $37,500 may be attributable to contributions to political committees which are not political committees of national political parties.''.

(c) INCREASE IN SENATORIAL CAMPAIGN COMMITTEE LIMIT.—Section 315(h) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(h)) is amended by striking ''$17,500'' and inserting ''$35,000''.

(d) INDEXING OF CONTRIBUTION LIMITS.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting ''(A)'' before ''At the beginning''; and

(C) by adding at the end the following:

''(B) Except as provided in subparagraph (C), in any calendar year after 2002—

''(i) a limitation established by subsections (a)(1)(A), (a)(1)(B), (a)(3), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

''(ii) each amount so increased shall remain in effect for the calendar year; and

''(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

''(C) In the case of limitations under subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.''; and

(2) in paragraph (2)(B), by striking ''means the calendar year 1974'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h), calendar year 2001''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to contributions made on or after January 1, 2003.

SEC. 309. DONATIONS TO PRESIDENTIAL INAUGURAL COMMITTEE.

(a) IN GENERAL.—Chapter 5 of title 36, United States Code, is amended by—

(1) redesignating section 510 as section 511; and

(2) inserting after section 509 the following:

''§ 510. Disclosure of and prohibition on certain donations

''(a) IN GENERAL.—A committee shall not be considered to be the Inaugural Committee for purposes of this chapter unless the committee agrees to, and meets, the requirements of subsections (b) and (c).

''(b) DISCLOSURE.—

''(1) IN GENERAL.—Not later than the date that is 90 days after the date of the Presidential inaugural ceremony, the committee shall file a report with the Federal Election Commission disclosing any donation of money or anything of value made to the committee in an aggregate amount equal to or greater than $200.

''(2) CONTENTS OF REPORT.—A report filed under paragraph (1) shall contain—

''(A) the amount of the donation;

''(B) the date the donation is received; and

''(C) the name and address of the person making the donation.

''(c) LIMITATION.—The committee shall not accept any donation from a foreign national (as defined in section 319(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b))).''.

(b) REPORTS MADE AVAILABLE BY FEC.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by sections 103, 201, and 212 is amended by adding at the end the following:

''(h) REPORTS FROM INAUGURAL COMMITTEES.—The Federal Election Commission shall make any report filed by an Inaugural Committee under section 510 of title 36, United States Code, accessible to the public at the offices of the Commission and on the Internet not later than 48 hours after the report is received by the Commission.''.

SEC. 310. PROHIBITION ON FRAUDULENT SOLICITATION OF FUNDS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''No person''; and

(2) by adding at the end the following:

''(b) FRAUDULENT SOLICITATION OF FUNDS.—No person shall—

''(1) fraudulently misrepresent the person as speaking, writing, or otherwise acting for or on behalf of any candidate or political party or employee or agent thereof for the purpose of soliciting contributions or donations; or

''(2) willfully and knowingly participate in or conspire to participate in any plan, scheme, or design to violate paragraph (1).''.

SEC. 311. STUDY AND REPORT ON CLEAN MONEY CLEAN ELECTIONS LAWS.

(a) CLEAN MONEY CLEAN ELECTIONS DEFINED.—In this section, the term ''clean money clean elections'' means funds received under State laws that provide in whole or in part for the public financing of election campaigns.

(b) STUDY.—

(1) IN GENERAL.—The Comptroller General shall conduct a study of the clean money clean elections of Arizona and Maine.

(2) MATTERS STUDIED.—

(A) STATISTICS ON CLEAN MONEY CLEAN ELECTIONS CANDIDATES.—The Comptroller General shall determine—

(i) the number of candidates who have chosen to run for public office with clean money clean elections including—

(I) the office for which they were candidates;

(II) whether the candidate was an incumbent or a challenger; and

(III) whether the candidate was successful in the candidate's bid for public office; and

(ii) the number of races in which at least one candidate ran an election with clean money clean elections.

(B) EFFECTS OF CLEAN MONEY CLEAN ELECTIONS.—The Comptroller General of the United States shall describe the effects of public financing under the clean money clean elections laws on the 2000 elections in Arizona and Maine.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress detailing the results of the study conducted under subsection (b).

SEC. 312. CLARITY STANDARDS FOR IDENTIFICATION OF SPONSORS OF ELECTION-RELATED ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever'';

(ii) by striking ''an expenditure'' and inserting ''a disbursement''; and

(iii) by striking ''direct''; and

(iv) by inserting ''or makes a disbursement for an electioneering communication (as defined in section 304(f)(3))'' after ''public political advertising''; and

(B) in paragraph (3), by inserting ''and permanent street address, telephone number, or World Wide Web address'' after ''name''; and

(2) by adding at the end the following:

''(c) SPECIFICATION.—Any printed communication described in subsection (a) shall—

''(1) be of sufficient type size to be clearly readable by the recipient of the communication;

''(2) be contained in a printed box set apart from the other contents of the communication; and

''(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

''(d) ADDITIONAL REQUIREMENTS.—

''(1) COMMUNICATIONS BY CANDIDATES OR AUTHORIZED PERSONS.—

''(A) BY RADIO.—Any communication described in paragraph (1) or (2) of subsection (a) which is transmitted through radio shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

''(B) BY TELEVISION.—Any communication described in paragraph (1) or (2) of subsection (a) which is transmitted through television shall include, in addition to the requirements of that paragraph, a statement that identifies the candidate and states that the candidate has approved the communication. Such statement—

''(i) shall be conveyed by—

''(I) an unobscured, full-screen view of the candidate making the statement, or

''(II) the candidate in voice-over, accompanied by a clearly identifiable photographic or similar image of the candidate; and

''(ii) shall also appear in writing 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.

''(2) COMMUNICATIONS BY OTHERS.—Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following audio statement: '_____ is responsible for the content of this advertising.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall be conveyed by an unobscured, full-screen view of a representative of the political committee or other person making the statement, or by a representative of such political committee or other person in voice-over, and shall also appear 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.''.

SEC. 313. INCREASE IN PENALTIES.

(a) IN GENERAL.—Subparagraph (A) of section 309(d)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended to read as follows:

''(A) Any person who knowingly and willfully commits a violation of any provision of this Act which involves the making, receiving, or reporting of any contribution, donation, or expenditure—

''(i) aggregating $25,000 or more during a calendar year shall be fined under title 18, United States Code, or imprisoned for not more than 5 years, or both; or

''(ii) aggregating $2,000 or more (but less than $25,000) during a calendar year shall be fined under such title, or imprisoned for not more than one year, or both.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring on or after the effective date of this Act.

SEC. 314. STATUTE OF LIMITATIONS.

(a) IN GENERAL.—Section 406(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 455(a)) is amended by striking ''3'' and inserting ''5''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring on or after the effective date of this Act.

SEC. 315. SENTENCING GUIDELINES.

(a) IN GENERAL.—The United States Sentencing Commission shall—

(1) promulgate a guideline, or amend an existing guideline under section 994 of title 28, United States Code, in accordance with paragraph (2), for penalties for violations of the Federal Election Campaign Act of 1971 and related election laws; and

(2) submit to Congress an explanation of any guidelines promulgated under paragraph (1) and any legislative or administrative recommendations regarding enforcement of the Federal Election Campaign Act of 1971 and related election laws.

(b) CONSIDERATIONS.—The Commission shall provide guidelines under subsection (a) taking into account the following considerations:

(1) Ensure that the sentencing guidelines and policy statements reflect the serious nature of such violations and the need for aggressive and appropriate law enforcement action to prevent such violations.

(2) Provide a sentencing enhancement for any person convicted of such violation if such violation involves—

(A) a contribution, donation, or expenditure from a foreign source;

(B) a large number of illegal transactions;

(C) a large aggregate amount of illegal contributions, donations, or expenditures;

(D) the receipt or disbursement of governmental funds; and

(E) an intent to achieve a benefit from the Federal Government.

(3) Assure reasonable consistency with other relevant directives and guidelines of the Commission.

(4) Account for aggravating or mitigating circumstances that might justify exceptions, including circumstances for which the sentencing guidelines currently provide sentencing enhancements.

(5) Assure the guidelines adequately meet the purposes of sentencing under section 3553(a)(2) of title 18, United States Code.

(c) EFFECTIVE DATE; EMERGENCY AUTHORITY TO PROMULGATE GUIDELINES.—

(1) EFFECTIVE DATE.—Notwithstanding section 402, the United States Sentencing Commission shall promulgate guidelines under this section not later than the later of—

(A) 90 days after the effective date of this Act; or

(B) 90 days after the date on which at least a majority of the members of the Commission are appointed and holding office.

(2) EMERGENCY AUTHORITY TO PROMULGATE GUIDELINES.—The Commission shall promulgate guidelines under this section in accordance with the procedures set forth in section 21(a) of the Sentencing Reform Act of 1987, as though the authority under such Act has not expired.

SEC. 316. INCREASE IN PENALTIES IMPOSED FOR VIOLATIONS OF CONDUIT CONTRIBUTION BAN.

(a) INCREASE IN CIVIL MONEY PENALTY FOR KNOWING AND WILLFUL VIOLATIONS.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraph (5)(B), by inserting before the period at the end the following: ''(or, in the case of a violation of section 320, which is not less than 300 percent of the amount involved in the violation and is not more than the greater of $50,000 or 1000 percent of the amount involved in the violation)''; and

(2) in paragraph (6)(C), by inserting before the period at the end the following: ''(or, in the case of a violation of section 320, which is not less than 300 percent of the amount involved in the violation and is not more than the greater of $50,000 or 1000 percent of the amount involved in the violation)''.

(b) INCREASE IN CRIMINAL PENALTY.—Section 309(d)(1) of such Act (2 U.S.C. 437g(d)(1)) is amended by adding at the end the following new subparagraph:

''(D) Any person who knowingly and willfully commits a violation of section 320 involving an amount aggregating more than $10,000 during a calendar year shall be—

''(i) imprisoned for not more than 2 years if the amount is less than $25,000 (and subject to imprisonment under subparagraph (A) if the amount is $25,000 or more);

''(ii) fined not less than 300 percent of the amount involved in the violation and not more than the greater of—

''(I) $50,000; or

''(II) 1,000 percent of the amount involved in the violation; or

''(iii) both imprisoned under clause (i) and fined under clause (ii).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the effective date of this Act.

SEC. 317. RESTRICTION ON INCREASED CONTRIBUTION LIMITS BY TAKING INTO ACCOUNT CANDIDATE'S AVAILABLE FUNDS.

Section 315(i)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(i)(1)), as added by this Act, is amended by adding at the end the following:

''(E) SPECIAL RULE FOR CANDIDATE'S CAMPAIGN FUNDS.—

''(i) IN GENERAL.—For purposes of determining the aggregate amount of expenditures from personal funds under subparagraph (D)(ii), such amount shall include the gross receipts advantage of the candidate's authorized committee.

''(ii) GROSS RECEIPTS ADVANTAGE.—For purposes of clause (i), the term 'gross receipts advantage' means the excess, if any, of—

''(I) the aggregate amount of 50 percent of gross receipts of a candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held, over

''(II) the aggregate amount of 50 percent of gross receipts of the opposing candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held.''.

SEC. 318. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)(2)) is amended by inserting after ''United States'' the following: ''or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)''.

SEC. 319. PROHIBITION OF CONTRIBUTIONS BY MINORS.

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

''PROHIBITION OF CONTRIBUTIONS BY MINORS

''SEC. 324. An individual who is 17 years old or younger shall not make a contribution to a candidate or a contribution or donation to a committee of a political party.''.

TITLE IV—SEVERABILITY; EFFECTIVE DATE

SEC. 401. SEVERABILITY.

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

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in section 308 and subsection (b), this Act and the amendments made by this Act shall take effect November 6, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a), the following rules shall apply with respect to the spending of such funds by such committee:

(1) Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date, so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002 (or any runoff election or recount resulting from such an election).

(2) At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility.

(c) REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Federal Election Commission shall promulgate regulations to carry out title I of this Act and the amendments made by such title. Not later than 270 days after the date of the enactment of this Act, the Federal Election Commission shall promulgate regulations to carry out all other titles of this Act and all other amendments made by this Act which are under the Commission's jurisdiction.

SEC. 403. JUDICIAL REVIEW.

(a) SPECIAL RULES FOR ACTIONS BROUGHT ON CONSTITUTIONAL GROUNDS.—If any action is brought for declaratory or injunctive relief to challenge the constitutionality of any provision of this Act or any amendment made by this Act, the following rules shall apply:

(1) The action shall be filed in the United States District Court for the District of Columbia and shall be heard by a 3-judge court convened pursuant to section 2284 of title 28, United States Code.

(2) A copy of the complaint shall be delivered promptly to the Clerk of the House of Representatives and the Secretary of the Senate.

(3) A final decision in the action shall be reviewable only by appeal directly to the Supreme Court of the United States. Such appeal shall be taken by the filing of a notice of appeal within 10 days, and the filing of a jurisdictional statement within 30 days, of the entry of the final decision.

(4) It shall be the duty of the United States District Court for the District of Columbia and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of the action and appeal.

(b) INTERVENTION BY MEMBERS OF CONGRESS.—In any action in which the constitutionality of any provision of this Act or any amendment made by this Act is raised (including but not limited to an action described in subsection (a)), any member of the House of Representatives (including a Delegate or Resident Commissioner to the Congress) or Senate shall have the right to intervene either in support of or opposition to the position of a party to the case regarding the constitutionality of the provision or amendment. To avoid duplication of efforts and reduce the burdens placed on the parties to the action, the court in any such action may make such orders as it considers necessary, including orders to require intervenors taking similar positions to file joint papers or to be represented by a single attorney at oral argument.

TITLE V—ADDITIONAL DISCLOSURE PROVISIONS

SEC. 501. INTERNET ACCESS TO RECORDS.

Section 304(a)(11)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(B)) is amended to read as follows:

''(B) The Commission shall make a designation, statement, report, or notification that is filed with the Commission under this Act available for inspection by the public in the offices of the Commission and accessible to the public on the Internet not later than 48 hours (or not later than 24 hours in the case of a designation, statement, report, or notification filed electronically) after receipt by the Commission.''.

SEC. 502. MAINTENANCE OF WEBSITE OF ELECTION REPORTS.

(a) IN GENERAL.—The Federal Election Commission shall maintain a central site on the Internet to make accessible to the public all publicly available election-related reports and information.

(b) ELECTION-RELATED REPORT.—In this section, the term ''election-related report'' means any report, designation, or statement required to be filed under the Federal Election Campaign Act of 1971.

(c) COORDINATION WITH OTHER AGENCIES.—Any Federal executive agency receiving election-related information which that agency is required by law to publicly disclose shall cooperate and coordinate with the Federal Election Commission to make such report available through, or for posting on, the site of the Federal Election Commission in a timely manner.

SEC. 503. ADDITIONAL DISCLOSURE REPORTS.

(a) PRINCIPAL CAMPAIGN COMMITTEES.—Section 304(a)(2)(B) of the Federal Election Campaign Act of 1971 is amended by striking ''the following reports'' and all that follows through the period and inserting ''the treasurer shall file quarterly reports, which shall be filed not later than the 15th day after the last day of each calendar quarter, and which shall be complete as of the last day of each calendar quarter, except that the report for the quarter ending December 31 shall be filed not later than January 31 of the following calendar year.''.

(b) NATIONAL COMMITTEE OF A POLITICAL PARTY.—Section 304(a)(4) of such Act (2 U.S.C. 434(a)(4)) is amended by adding at the end the following flush sentence: ''Notwithstanding the preceding sentence, a national committee of a political party shall file the reports required under subparagraph (B).''.

SEC. 504. PUBLIC ACCESS TO BROADCASTING RECORDS.

Section 315 of the Communications Act of 1934 (47 U.S.C. 315), as amended by this Act, is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and inserting after subsection (d) the following:

''(e) POLITICAL RECORD.—

''(1) IN GENERAL.—A licensee shall maintain, and make available for public inspection, a complete record of a request to purchase broadcast time that—

''(A) is made by or on behalf of a legally qualified candidate for public office; or

''(B) communicates a message relating to any political matter of national importance, including—

''(i) a legally qualified candidate;

''(ii) any election to Federal office; or

''(iii) a national legislative issue of public importance.

''(2) CONTENTS OF RECORD.—A record maintained under paragraph (1) shall contain information regarding—

''(A) whether the request to purchase broadcast time is accepted or rejected by the licensee;

''(B) the rate charged for the broadcast time;

''(C) the date and time on which the communication is aired;

''(D) the class of time that is purchased;

''(E) the name of the candidate to which the communication refers and the office to which the candidate is seeking election, the election to which the communication refers, or the issue to which the communication refers (as applicable);

''(F) in the case of a request made by, or on behalf of, a candidate, the name of the candidate, the authorized committee of the candidate, and the treasurer of such committee; and

''(G) in the case of any other request, the name of the person purchasing the time, the name, address, and phone number of a contact person for such person, and a list of the chief executive officers or members of the executive committee or of the board of directors of such person.

''(3) TIME TO MAINTAIN FILE.—The information required under this subsection shall be placed in a political file as soon as possible and shall be retained by the licensee for a period of not less than 2 years.''.

H.R. 2356

OFFERED BY: MS. CAPITO

[Shays Substitute]

AMENDMENT NO. 10: Add at the end of title III the following new section:

SEC. 320. MODIFICATION OF INDIVIDUAL CONTRIBUTION LIMITS FOR HOUSE CANDIDATES IN RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.

(a) INCREASED LIMITS.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by inserting after section 315 the following new section:

''MODIFICATION OF CERTAIN LIMITS FOR HOUSE CANDIDATES IN RESPONSE TO PERSONAL FUND EXPENDITURES OF OPPONENTS

''SEC. 315A. (a) AVAILABILITY OF INCREASED LIMIT.—

''(1) IN GENERAL.—Subject to paragraph (3), if the opposition personal funds amount with respect to a candidate for election to the office of Representative in, or Delegate or Resident Commissioner to, the Congress exceeds $350,000—

''(A) the limit under subsection (a)(1)(A) with respect to the candidate shall be tripled;

''(B) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to the candidate if the contribution is made under the increased limit allowed under subparagraph (A) during a period in which the candidate may accept such a contribution; and

''(C) the limits under subsection (d) with respect to any expenditure by a State or national committee of a political party on behalf of the candidate shall not apply.

''(2) DETERMINATION OF OPPOSITION PERSONAL FUNDS AMOUNT.—

''(A) IN GENERAL.—The opposition personal funds amount is an amount equal to the excess (if any) of—

''(i) the greatest aggregate amount of expenditures from personal funds (as defined in subsection (b)(1)) that an opposing candidate in the same election makes; over

''(ii) the aggregate amount of expenditures from personal funds made by the candidate with respect to the election.

''(B) SPECIAL RULE FOR CANDIDATE'S CAMPAIGN FUNDS.—

''(i) IN GENERAL.—For purposes of determining the aggregate amount of expenditures from personal funds under subparagraph (A), such amount shall include the gross receipts advantage of the candidate's authorized committee.

''(ii) GROSS RECEIPTS ADVANTAGE.—For purposes of clause (i), the term 'gross receipts advantage' means the excess, if any, of—

''(I) the aggregate amount of 50 percent of gross receipts of a candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held, over

''(II) the aggregate amount of 50 percent of gross receipts of the opposing candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held.

''(3) TIME TO ACCEPT CONTRIBUTIONS UNDER INCREASED LIMIT.—

''(A) IN GENERAL.—Subject to subparagraph (B), a candidate and the candidate's authorized committee shall not accept any contribution, and a party committee shall not make any expenditure, under the increased limit under paragraph (1)—

''(i) until the candidate has received notification of the opposition personal funds amount under subsection (b)(1); and

''(ii) to the extent that such contribution, when added to the aggregate amount of contributions previously accepted and party expenditures previously made under the increased limits under this subsection for the election cycle, exceeds 100 percent of the opposition personal funds amount.

''(B) EFFECT OF WITHDRAWAL OF AN OPPOSING CANDIDATE.—A candidate and a candidate's authorized committee shall not accept any contribution and a party shall not make any expenditure under the increased limit after the date on which an opposing candidate ceases to be a candidate to the extent that the amount of such increased limit

is attributable to such an opposing candidate.

''(4) DISPOSAL OF EXCESS CONTRIBUTIONS.—

''(A) IN GENERAL.—The aggregate amount of contributions accepted by a candidate or a candidate's authorized committee under the increased limit under paragraph (1) and not otherwise expended in connection with the election with respect to which such contributions relate shall, not later than 50 days after the date of such election, be used in the manner described in subparagraph (B).

''(B) RETURN TO CONTRIBUTORS.—A candidate or a candidate's authorized committee shall return the excess contribution to the person who made the contribution.

''(b) NOTIFICATION OF EXPENDITURES FROM PERSONAL FUNDS.—

''(1) IN GENERAL.—

''(A) DEFINITION OF EXPENDITURE FROM PERSONAL FUNDS.—In this paragraph, the term 'expenditure from personal funds' means—

''(i) an expenditure made by a candidate using personal funds; and

''(ii) a contribution or loan made by a candidate using personal funds or a loan secured using such funds to the candidate's authorized committee.

''(B) DECLARATION OF INTENT.—Not later than the date that is 15 days after the date on which an individual becomes a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, the candidate shall file a declaration stating the total amount of expenditures from personal funds that the candidate intends to make, or to obligate to make, with respect to the election that will exceed $350,000.

''(C) INITIAL NOTIFICATION.—Not later than 24 hours after a candidate described in subparagraph (B) makes or obligates to make an aggregate amount of expenditures from personal funds in excess of $350,000 in connection with any election, the candidate shall file a notification.

''(D) ADDITIONAL NOTIFICATION.—After a candidate files an initial notification under subparagraph (C), the candidate shall file an additional notification each time expenditures from personal funds are made or obligated to be made in an aggregate amount that exceeds $10,000. Such notification shall be filed not later than 24 hours after the expenditure is made.

''(E) CONTENTS.—A notification under subparagraph (C) or (D) shall include—

''(i) the name of the candidate and the office sought by the candidate;

''(ii) the date and amount of each expenditure; and

''(iii) the total amount of expenditures from personal funds that the candidate has made, or obligated to make, with respect to an election as of the date of the expenditure that is the subject of the notification.

''(F) PLACE OF FILING.—Each declaration or notification required to be filed by a candidate under subparagraph (C), (D), or (E) shall be filed with—

''(i) the Commission; and

''(ii) each candidate in the same election and the national party of each such candidate.

''(2) NOTIFICATION OF DISPOSAL OF EXCESS CONTRIBUTIONS.—In the next regularly scheduled report after the date of the election for which a candidate seeks nomination for election to, or election to, Federal office, the candidate or the candidate's authorized committee shall submit to the Commission a report indicating the source and amount of any excess contributions (as determined under subsection (a)) and the manner in which the candidate or the candidate's authorized committee used such funds.

''(3) ENFORCEMENT.—For provisions providing for the enforcement of the reporting requirements under this subsection, see section 309.''.

(b) CONFORMING AMENDMENT.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 304(a), is amended by striking ''subsection (i),'' and inserting ''subsection (i) and section 315A,''.

H.R. 2356,

OFFERED BY: MR. GREEN OF TEXAS

[Shays Substitute]

AMENDMENT NO: 11. Strike section 305.

In section 306(a), strike the subsection designation and all that follows through ''CONTENT OF BROADCASTS.—'' and insert the following:

(a) IN GENERAL.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) by striking ''(b) The charges'' and inserting the following:

''(b) CHARGES.—

''(1) IN GENERAL.—The charges'';

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following:

''(2) CONTENT OF BROADCASTS.—

In section 306(a), strike ''or (2)'' each place such term appears.

In section 306(b), strike ''(3)'' and insert ''(2)''.

H.R. 2356,

OFFERED BY: MR. WAMP

[Shays substitute]

AMENDMENT NO. 12. In section 315(a)(1)(A) of the Federal Election Campaign Act of 1971, as proposed to be amended by section 308(a)(1) of the bill, strike ''(or, in the case of a candidate for Representative in or Delegate or Resident Commissioner to the Congress, $1,000)''.

H.R. 2356

OFFERED BY: MR. ARMEY

[Amendment in the Nature of a Substitute]

AMENDMENT NO. 13. Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Ban it All, Ban it Now Act''.

TITLE I—SOFT MONEY ACTIVITIES OF PARTIES AND CANDIDATES

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

''SEC. 323. SOFT MONEY OF POLITICAL PARTIES.

''(a) NATIONAL COMMITTEES.—

''(1) IN GENERAL.—A national committee of a political party (including a national congressional or Senatorial campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.— The prohibition established by paragraph (1) applies—

''(A) to any such national committee, any officer or agent acting on behalf of such a national committee, and any entity that is directly or indirectly established, financed, maintained, or controlled by such a national committee; and

''(B) to all activities of such committee and the persons described in subparagraph (A), including the construction or purchase of an office building or facility, the influencing of the reapportionment decisions of a State, and the financing of litigation relating to the reapportionment decisions of a State.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—Any amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(c) FUNDRAISING COSTS.—An amount spent by a person described in subsection (a) or (b) to raise funds that are used, in whole or in part, for expenditures and disbursements for a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional or Senatorial campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to—

''(1) an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section) and that makes expenditures or disbursements in connection with an election for Federal office (including expenditures or disbursements for Federal election activity); or

''(2) an organization described in section 527 of such Code (other than a political committee, a State, district, or local committee of a political party, or the authorized campaign committee of a candidate for State or local office).

''(e) FEDERAL CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or an individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of 1 or more candidates or individuals holding Federal office, shall not—

''(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

''(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

''(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1), (2), and (3) of section 315(a); and

''(ii) are not from sources prohibited by this Act from making contributions in connection with an election for Federal office.

''(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual described in such paragraph who is also a candidate for a State or local office solely in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law and refers only to such State or local candidate, or to any other candidate for the State or local office sought by such candidate, or both.

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

''(4) LIMITATION APPLICABLE FOR PURPOSES OF SOLICITATION OF DONATIONS BY INDIVIDUALS TO CERTAIN ORGANIZATIONS.—In the case of the solicitation of funds by any person described in paragraph (1) on behalf of any entity described in subsection (d) which is made specifically for funds to be used for activities described in clauses (i) and (ii) of section 301(20)(A), or made for any such entity which engages primarily in activities described in such clauses, the limitation applicable for purposes of a donation of funds by an individual shall be the limitation set forth in section 315(a)(1)(D).

''(f) STATE CANDIDATES.—

''(1) IN GENERAL.—A candidate for State or local office, individual holding State or local office, or an agent of such a candidate or individual may not spend any funds for a communication described in section 301(20)(A)(iii) unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) EXCEPTION FOR CERTAIN COMMUNICATIONS.—Paragraph (1) shall not apply to an individual described in such paragraph if the communication involved is in connection with an election for such State or local office and refers only to such individual or to any other candidate for the State or local office held or sought by such individual, or both.''.

SEC. 102. DEFINITIONS.

Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

''(20) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); or

''(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate).

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A); or

''(iii) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

''(21) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means a campaign activity that promotes a political party and does not promote a candidate or non-Federal candidate.

''(22) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing, or telephone bank to the general public, or any other form of general public political advertising or political advertising directed to an audience of 500 or more people.

''(23) MASS MAILING.—The term 'mass mailing' means a mailing by United States mail or facsimile of more than 500 pieces of mail matter of an identical or substantially similar nature within any 1-year period.

''(24) TELEPHONE BANK.—The term 'telephone bank' means more than 500 telephone calls of an identical or substantially similar nature within any 1-year period.''.

TITLE II—SOFT MONEY ACTIVITIES OF CORPORATIONS AND LABOR ORGANIZATIONS

SEC. 201. BAN ON USE OF SOFT MONEY FOR NONPARTISAN VOTER REGISTRATION AND GET-OUT-THE-VOTE ACTIVITIES.

Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by striking ''(B) nonpartisan registration and get-out-the-vote campaigns'' and all that follows through ''and (C)'' and inserting ''and (B)''.

TITLE III—OTHER SOFT MONEY ACTIVITIES

SEC. 301. BAN ON USE OF SOFT MONEY FOR GET-OUT-THE-VOTE ACTIVITIES BY CERTAIN ORGANIZATIONS.

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

''BAN ON USE OF NONFEDERAL FUNDS FOR GET-OUT-THE-VOTE ACTIVITIES BY CERTAIN ORGANIZATIONS

''SEC. 324. (a) IN GENERAL.—Any amount expended or disbursed for get-out-the-vote activities by any organization described in subsection (b) shall be made from amounts subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) ORGANIZATIONS DESCRIBED.—An organization described in this subsection is—

''(1) an organization that is described in section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section); or

''(2) an organization described in section 527 of such Code (other than a State, district, or local committee of a political party, a candidate for State or local office, or the authorized campaign committee of a candidate for State or local office).''.

SEC. 302. BAN ON USE OF SOFT MONEY FOR ANY PARTISAN VOTER REGISTRATION ACTIVITIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 301, is further amended by adding at the end the following new section:

''BAN ON USE OF NONFEDERAL FUNDS FOR PARTISAN VOTER REGISTRATION ACTIVITIES

''SEC. 325. No person may expend or disburse any funds for partisan voter registration activity which are not subject to the limitations, prohibitions, and reporting requirements of this Act.''.

H.R. 2356

OFFERED BY: MR. NEY

[Amendment in the Nature of a Substitute]

AMENDMENT NO. 14. Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Bipartisan Campaign Finance Reform Act of 2002''.

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

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

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

''SOFT MONEY OF POLITICAL PARTIES

''SEC. 323. (a) NATIONAL COMMITTEES.—

''(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) and any officers or agents of such party committees, shall not solicit, receive, or direct to another person a contribution, donation, or transfer of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.—This subsection shall apply to an entity that is directly or indirectly established, financed, maintained, or controlled by a national committee of a political party (including a national congressional campaign committee of a political party), or an entity acting on behalf of a national committee, and an officer or agent acting on behalf of any such committee or entity.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

''(1) IN GENERAL.—An amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity) for Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); and

''(iii) a communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and is made for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, provided the campaign activity is not a Federal election activity described in subparagraph (A);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention;

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office;

''(v) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of an individual who spends more than 20 percent of the individual's time on Federal election activity) as determined by a regulation promulgated by the Commission to determine the non-Federal share of a State, district, or local party committee's administrative and overhead expenses; and

''(vi) the cost of constructing or purchasing an office facility or equipment for a State, district or local committee.

''(c) FUNDRAISING COSTS.—An amount spent by a national, State, district, or local committee of a political party, by an entity that is established, financed, maintained, or controlled by a national, State, district, or local committee of a political party, or by an agent or officer of any such committee or entity, to raise funds that are used, in whole or in part, to pay the costs of a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to, an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application to the Commissioner of the Internal Revenue Service for determination of tax-exemption under such section).

''(e) CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of one or more candidates or individuals holding Federal office, shall not—

''(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

''(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

''(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1) and (2) of section 315(a); and

''(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office.

''(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual who is a candidate for a State or local office in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law for any activity other than a Federal election activity.

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.''.

SEC. 102. INCREASED CONTRIBUTION LIMITS FOR STATE COMMITTEES OF POLITICAL PARTIES AND AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUALS.

(a) CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year that, in the aggregate, exceed $10,000''.

(b) AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUAL.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking ''$25,000'' and inserting ''$30,000''.

SEC. 103. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 204) is amended by inserting after subsection (e) the following:

''(f) POLITICAL COMMITTEES.—

''(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in paragraphs (2)(A) and (2)(B)(v) of section 323(b).

''(3) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

''(4) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).''.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xv) as clauses (viii) through (xii), respectively.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

SEC. 201. DEFINITIONS.

(a) DEFINITION OF INDEPENDENT EXPENDITURE.—Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

''(17) INDEPENDENT EXPENDITURE.—

''(A) IN GENERAL.—The term 'independent expenditure' means an expenditure by a person—

''(i) for a communication that is express advocacy; and

''(ii) that is not coordinated activity or is not provided in coordination with a candidate or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent.''.

(b) DEFINITION OF EXPRESS ADVOCACY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

''(20) EXPRESS ADVOCACY.—

''(A) IN GENERAL.—The term 'express advocacy' means a communication that advocates the election or defeat of a candidate by—

''(i) containing a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to advocate the election or defeat of one or more clearly identified candidates;

''(ii) referring to one or more clearly identified candidates in a paid advertisement that is transmitted through radio or television within 60 calendar days preceding the date of an election of the candidate and that appears in the State in which the election is occurring, except that with respect to a candidate for the office of Vice President or President, the time period is within 60 calendar days preceding the date of a general election; or

''(iii) expressing unmistakable and unambiguous support for or opposition to one or more clearly identified candidates when taken as a whole and with limited reference to external events, such as proximity to an election.

''(B) VOTING RECORD AND VOTING GUIDE EXCEPTION.—The term 'express advocacy' does not include a communication which is in printed form or posted on the Internet that—

''(i) presents information solely about the voting record or position on a campaign issue of one or more candidates (including any statement by the sponsor of the voting record or voting guide of its agreement or disagreement with the record or position of a candidate), so long as the voting record or voting guide when taken as a whole does not express unmistakable and unambiguous support for or opposition to one or more clearly identified candidates;

''(ii) is not coordinated activity or is not made in coordination with a candidate, political party, or agent of the candidate or party, or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent, except that nothing in this clause may be construed to prevent the sponsor of the voting guide from directing questions in writing to a candidate about the candidate's position on issues for purposes of preparing a voter guide or to prevent the candidate from responding in writing to such questions; and

''(iii) does not contain a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in (year)', 'vote against', 'defeat', or 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of one or more clearly identified candidates.''.

(c) DEFINITION OF EXPENDITURE.—Section 301(9)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)) is amended—

(1) in clause (i), by striking ''and'' at the end;

(2) in clause (ii), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(iii) a payment made by a political committee for a communication that—

''(I) refers to a clearly identified candidate; and

''(II) is for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).''.

SEC. 202. EXPRESS ADVOCACY DETERMINED WITHOUT REGARD TO BACKGROUND MUSIC.

Section 301(20) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(20)), as added by section 201(b), is amended by adding at the end the following new subparagraph:

''(C) BACKGROUND MUSIC.—In determining whether any communication by television or radio broadcast constitutes express advocacy for purposes of this Act, there shall not be taken into account any background music not including lyrics used in such broadcast.''.

SEC. 203. CIVIL PENALTY.

Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(A)—

(i) in clause (i), by striking ''clauses (ii)'' and inserting ''clauses (ii) and (iii)''; and

(ii) by adding at the end the following:

''(iii) If the Commission determines by an affirmative vote of 4 of its members that there is probable cause to believe that a person has made a knowing and willful violation of section 304(c), the Commission shall not enter into a conciliation agreement under this paragraph and may institute a civil action for relief under paragraph (6)(A).''; and

(B) in paragraph (6)(B), by inserting ''(except an action instituted in connection with a knowing and willful violation of section 304(c))'' after ''subparagraph (A)''; and

(2) in subsection (d)(1)—

(A) in subparagraph (A), by striking ''Any person'' and inserting ''Except as provided in subparagraph (D), any person''; and

(B) by adding at the end the following:

''(D) In the case of a knowing and willful violation of section 304(c) that involves the reporting of an independent expenditure, the violation shall not be subject to this subsection.''.

SEC. 204. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) of subsection (c) as subsection (g); and

(3) by inserting after subsection (c)(2) (as amended by paragraph (1)) the following:

''(e) TIME FOR REPORTING CERTAIN EXPENDITURES.—

''(1) EXPENDITURES AGGREGATING $1,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

''(2) EXPENDITURES AGGREGATING $10,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

''(3) PLACE OF FILING; CONTENTS.—A report under this subsection—

''(A) shall be filed with the Commission; and

''(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.''.

(b) CONFORMING AMENDMENT.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)) is amended by striking '', or the second sentence of subsection (c)(2)''.

SEC. 205. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

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

(1) in paragraph (1), by striking ''and (3)'' and inserting '', (3), and (4)''; and

(2) by adding at the end the following:

''(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

''(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, a committee of the political party shall not make both expenditures under this subsection and independent expenditures (as defined in section 301(17)) with respect to the candidate during the election cycle.

''(B) CERTIFICATION.—Before making a coordinated expenditure under this subsection with respect to a candidate, a committee of a political party shall file with the Commission a certification, signed by the treasurer of the committee, that the committee has not and shall not make any independent expenditure with respect to the candidate during the same election cycle.

''(C) APPLICATION.—For the purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

''(D) TRANSFERS.—A committee of a political party that submits a certification under subparagraph (B) with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.''.

SEC. 206. COORDINATION WITH CANDIDATES.

(a) DEFINITION OF COORDINATION WITH CANDIDATES.—

(1) SECTION 301(8).—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(A) in subparagraph (A)—

(i) by striking ''or'' at the end of clause (i);

(ii) by striking the period at the end of clause (ii) and inserting ''; or''; and

(iii) by adding at the end the following:

''(iii) coordinated activity (as defined in subparagraph (C)).''; and

(B) by adding at the end the following:

''(C) 'Coordinated activity' means anything of value provided by a person in coordination with a candidate, an agent of the candidate, or the political party of the candidate or its agent for the purpose of influencing a Federal election (regardless of whether the value being provided is a communication that is express advocacy) in which such candidate seeks nomination or election to Federal office, and includes any of the following:

''(i) A payment made by a person in cooperation, consultation, or concert with, at the request or suggestion of, or pursuant to any general or particular understanding with a candidate, the candidate's authorized committee, the political party of the candidate, or an agent acting on behalf of a candidate, authorized committee, or the political party of the candidate.

''(ii) A payment made by a person for the production, dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign material prepared by a candidate, a candidate's authorized committee, or an agent of a candidate or authorized committee (not including a communication described in paragraph (9)(B)(i) or a communication that expressly advocates the candidate's defeat).

''(iii) A payment made by a person based on information about a candidate's plans, projects, or needs provided to the person making the payment by the candidate or the candidate's agent who provides the information with the intent that the payment be made.

''(iv) A payment made by a person if, in the same election cycle in which the payment is made, the person making the payment is serving or has served as a member, employee, fundraiser, or agent of the candidate's authorized committee in an executive or policymaking position.

''(v) A payment made by a person if the person making the payment has served in any formal policy making or advisory position with the candidate's campaign or has participated in formal strategic or formal policymaking discussions (other than any discussion treated as a lobbying contact under the Lobbying Disclosure Act of 1995 in the case of a candidate holding Federal office or as a similar lobbying activity in the case of a candidate holding State or other elective office) with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made.

''(vi) A payment made by a person if, in the same election cycle, the person making the payment retains the professional services of any person that has provided or is providing campaign-related services in the same election cycle to a candidate (including services provided through a political committee of the candidate's political party) in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including services relating to the candidate's decision to seek Federal office, and the person retained is retained to work on activities relating to that candidate's campaign.

''(vii) A payment made by a person who has directly participated in fundraising activities with the candidate or in the solicitation or receipt of contributions on behalf of the candidate.

''(viii) A payment made by a person who has communicated with the candidate or an agent of the candidate (including a communication through a political committee of the candidate's political party) after the declaration of candidacy (including a pollster, media consultant, vendor, advisor, or staff member acting on behalf of the candidate), about advertising message, allocation of resources, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics, or strategy.

''(ix) The provision of in-kind professional services or polling data (including services or data provided through a political committee of the candidate's political party) to the candidate or candidate's agent.

''(x) A payment made by a person who has engaged in a coordinated activity with a candidate described in clauses (i) through (ix) for a communication that clearly refers to the candidate or the candidate's opponent and is for the purpose of influencing that candidates's election (regardless of whether the communication is express advocacy).

''(D) For purposes of subparagraph (C), the term 'professional services' means polling, media advice, fundraising, campaign research or direct mail (except for mailhouse services solely for the distribution of voter guides as defined in section 431(20)(B)) services in support of a candidate's pursuit of nomination for election, or election, to Federal office.

''(E) For purposes of subparagraph (C), all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.''.

(2) SECTION 315(a)(7).—Section 315(a)(7) (2 U.S.C. 441a(a)(7)) is amended by striking subparagraph (B) and inserting the following:

''(B) a coordinated activity, as described in section 301(8)(C), shall be considered to be a contribution to the candidate, and in the case of a limitation on expenditures, shall be treated as an expenditure by the candidate.

(b) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by striking ''shall include'' and inserting ''includes a contribution or expenditure, as those terms are defined in section 301, and also includes''.

TITLE III—DISCLOSURE

SEC. 301. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following:

''(11)(A) The Commission shall promulgate a regulation under which a person required to file a designation, statement, or report under this Act—

''(i) is required to maintain and file a designation, statement, or report 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 a designation, statement, or report in electronic form or an alternative form, including the use of a facsimile machine, if not required to do so under the regulation promulgated under clause (i).

''(B) The Commission shall make a designation, statement, report, or notification that is filed electronically with the Commission accessible to the public on the Internet not later than 24 hours after the designation, statement, report, or notification is received by the Commission.

''(C) In promulgating a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulation. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.''.

SEC. 302. PROHIBITION OF DEPOSIT OF CONTRIBUTIONS WITH INCOMPLETE CONTRIBUTOR INFORMATION.

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

''(j) DEPOSIT OF CONTRIBUTIONS.—The treasurer of a candidate's authorized committee shall not deposit, except in an escrow account, or otherwise negotiate a contribution from a person who makes an aggregate amount of contributions in excess of $200 during a calendar year unless the treasurer verifies that the information required by this section with respect to the contributor is complete.''.

SEC. 303. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—

(1) by inserting ''(1) IN GENERAL.—'' before ''The Commission'';

(2) by moving the text 2 ems to the right; and

(3) by adding at the end the following:

''(2) RANDOM AUDITS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act. The selection of any candidate for a random audit or investigation shall be based on criteria adopted by a vote of at least four members of the Commission.

''(B) LIMITATION.—The Commission shall not conduct an audit or investigation of a candidate's authorized committee under subparagraph (A) until the candidate is no longer a candidate for the office sought by the candidate in an election cycle.

''(C) APPLICABILITY.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986.''.

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by striking ''6 months'' and inserting ''12 months''.

SEC. 304. REPORTING REQUIREMENTS FOR CONTRIBUTIONS OF $50 OR MORE.

Section 304(b)(3)(A) of the Federal Election Campaign Act at 1971 (2 U.S.C. 434(b)(3)(A) is amended—

(1) by striking ''$200'' and inserting ''$50''; and

(2) by striking the semicolon and inserting '', except that in the case of a person who makes contributions aggregating at least $50 but not more than $200 during the calendar year, the identification need include only the name and address of the person;''.

SEC. 305. USE OF CANDIDATES' NAMES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by striking paragraph (4) and inserting the following:

''(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

''(B) A political committee that is not an authorized committee shall not—

''(i) include the name of any candidate in its name; or

''(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of the committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.''.

SEC. 306. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting after ''SEC. 322.'' the following: ''(a) IN GENERAL.—''; and

(2) by adding at the end the following:

''(b) SOLICITATION OF CONTRIBUTIONS.—No person shall solicit contributions by falsely representing himself or herself as a candidate or as a representative of a candidate, a political committee, or a political party.''.

SEC. 307. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 103(c) and section 204) is amended by adding at the end the following:

''(h) DISBURSEMENTS OF PERSONS OTHER THAN POLITICAL PARTIES.—

''(1) IN GENERAL.—A person, other than a political committee of a political party or a person described in section 501(d) of the Internal Revenue Code of 1986, that makes an aggregate amount of disbursements in excess of $50,000 during a calendar year for activities described in paragraph (2) shall file a statement with the Commission—

''(A) on a monthly basis as described in subsection (a)(4)(B); or

''(B) in the case of disbursements that are made within 20 days of an election, within 24 hours after the disbursements are made.

''(2) ACTIVITY.—The activity described in this paragraph is—

''(A) Federal election activity;

''(B) an activity described in section 316(b)(2)(A) that expresses support for or opposition to a candidate for Federal office or a political party; and

''(C) an activity described in subparagraph (B) or (C) of section 316(b)(2).

''(3) APPLICABILITY.—This subsection does not apply to—

''(A) a candidate or a candidate's authorized committees; or

''(B) an independent expenditure.

''(4) CONTENTS.—A statement under this section shall contain such information about the disbursements made during the reporting period as the Commission shall prescribe, including—

''(A) the aggregate amount of disbursements made;

''(B) the name and address of the person or entity to whom a disbursement is made in an aggregate amount in excess of $200;

''(C) the date made, amount, and purpose of the disbursement; and

''(D) if applicable, whether the disbursement was in support of, or in opposition to, a candidate or a political party, and the name of the candidate or the political party.''.

(b) DEFINITION OF GENERIC CAMPAIGN ACTIVITY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 201(b)) is further amended by adding at the end the following:

''(21) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means an activity that promotes a political party and does not promote a candidate or non-Federal candidate.''.

SEC. 308. CAMPAIGN ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever'';

(ii) by striking ''an expenditure'' and inserting ''a disbursement''; and

(iii) by striking ''direct''; and

(B) in paragraph (3), by inserting ''and permanent street address'' after ''name''; and

(2) by adding at the end the following:

''(c) Any printed communication described in subsection (a) shall—

''(1) be of sufficient type size to be clearly readable by the recipient of the communication;

''(2) be contained in a printed box set apart from the other contents of the communication; and

''(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

''(d)(1) Any communication described in paragraphs (1) or (2) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

''(2) If a communication described in paragraph (1) is transmitted through television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement that—

''(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

''(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

''(e) Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following statement: '_____ is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall also appear 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.''.

TITLE IV—PERSONAL WEALTH OPTION

SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

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

''VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT

''SEC. 324. (a) ELIGIBLE CONGRESSIONAL CANDIDATE.—

''(1) PRIMARY ELECTION.—

''(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible primary election Congressional candidate if the candidate files with the Commission a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

''(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than the date on which the candidate files with the appropriate State officer as a candidate for the primary election.

''(2) GENERAL ELECTION.—

''(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible general election Congressional candidate if the candidate files with the Commission—

''(i) a declaration under penalty of perjury, with supporting documentation as required by the Commission, that the candidate and the candidate's authorized committees did not exceed the personal funds expenditure limit in connection with the primary election; and

''(ii) a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

''(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than 7 days after the earlier of—

''(i) the date on which the candidate qualifies for the general election ballot under State law; or

''(ii) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

''(b) PERSONAL FUNDS EXPENDITURE LIMIT.—

''(1) IN GENERAL.—The aggregate amount of expenditures that may be made in connection with an election by an eligible Congressional candidate or the candidate's authorized committees from the sources described in paragraph (2) shall not exceed $50,000.

''(2) SOURCES.—A source is described in this paragraph if the source is—

''(A) personal funds of the candidate and members of the candidate's immediate family; or

''(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

''(c) CERTIFICATION BY THE COMMISSION.—

''(1) IN GENERAL.—The Commission shall determine whether a candidate has met the requirements of this section and, based on the determination, issue a certification stating whether the candidate is an eligible Congressional candidate.

''(2) TIME FOR CERTIFICATION.—Not later than 7 business days after a candidate files a declaration under paragraph (1) or (2) of subsection (a), the Commission shall certify whether the candidate is an eligible Congressional candidate.

''(3) REVOCATION.—The Commission shall revoke a certification under paragraph (1), based on information submitted in such form and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate violates the personal funds expenditure limit.

''(4) DETERMINATIONS BY COMMISSION.—A determination made by the Commission under this subsection shall be final, except to the extent that the determination is subject to examination and audit by the Commission and to judicial review.

''(d) PENALTY.—If the Commission revokes the certification of an eligible Congressional candidate—

''(1) the Commission shall notify the candidate of the revocation; and

''(2) the candidate and a candidate's authorized committees shall pay to the Commission an amount equal to the amount of expenditures made by a national committee of a political party or a State committee of a political party in connection with the general election campaign of the candidate under section 315(d).''.

SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) (as amended by section 204) is amended by adding at the end the following:

''(5) This subsection does not apply to expenditures made in connection with the general election campaign of a candidate for Senator or Representative in or Delegate or Resident Commissioner to the Congress who is not an eligible Congressional candidate (as defined in section 324(a)).''.

TITLE V—MISCELLANEOUS

SEC. 501. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

''USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

''SEC. 313. (a) PERMITTED USES.—A contribution accepted by a candidate, and any other amount received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

''(1) for expenditures in connection with the campaign for Federal office of the candidate or individual;

''(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

''(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

''(4) for transfers to a national, State, or local committee of a political party.

''(b) PROHIBITED USE.—

''(1) IN GENERAL.—A contribution or amount described in subsection (a) shall not be converted by any person to personal use.

''(2) CONVERSION.—For the purposes of paragraph (1), a contribution or amount shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal officeholder, including—

''(A) a home mortgage, rent, or utility payment;

''(B) a clothing purchase;

''(C) a noncampaign-related automobile expense;

''(D) a country club membership;

''(E) a vacation or other noncampaign-related trip;

''(F) a household food item;

''(G) a tuition payment;

''(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

''(I) dues, fees, and other payments to a health club or recreational facility.''.

SEC. 502. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—

''(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value in connection with a Federal, State, or local election while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

''(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both.''; and

(2) in subsection (b), by inserting ''or Executive Office of the President'' after ''Congress''.

SEC. 503. PENALTIES FOR VIOLATIONS.

(a) INCREASED PENALTIES.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraphs (5)(A), (6)(A), and (6)(B), by striking ''$5,000'' and inserting ''$10,000''; and

(2) in paragraphs (5)(B) and (6)(C), by striking ''$10,000 or an amount equal to 200 percent'' and inserting ''$20,000 or an amount equal to 300 percent''.

(b) EQUITABLE REMEDIES.—Section 309(a)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking the period at the end and inserting '', and may include equitable remedies or penalties, including disgorgement of funds to the Treasury or community service requirements (including requirements to participate in public education programs).''.

(c) AUTOMATIC PENALTY FOR LATE FILING.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

''(13) PENALTY FOR LATE FILING.—

''(A) IN GENERAL.—

''(i) MONETARY PENALTIES.—The Commission shall establish a schedule of mandatory monetary penalties that shall be imposed by the Commission for failure to meet a time requirement for filing under section 304.

''(ii) REQUIRED FILING.—In addition to imposing a penalty, the Commission may require a report that has not been filed within the time requirements of section 304 to be filed by a specific date.

''(iii) PROCEDURE.—A penalty or filing requirement imposed under this paragraph shall not be subject to paragraph (1), (2), (3), (4), (5), or (12).

''(B) FILING AN EXCEPTION.—

''(i) TIME TO FILE.—A political committee shall have 30 days after the imposition of a penalty or filing requirement by the Commission under this paragraph in which to file an exception with the Commission.

''(ii) TIME FOR COMMISSION TO RULE.—Within 30 days after receiving an exception, the Commission shall make a determination that is a final agency action subject to exclusive review by the United States Court of Appeals for the District of Columbia Circuit under section 706 of title 5, United States Code, upon petition filed in that court by the political committee or treasurer that is the subject of the agency action, if the petition is filed within 30 days after the date of the Commission action for which review is sought.'';

(2) in paragraph (5)(D)—

(A) by inserting after the first sentence the following: ''In any case in which a penalty or filing requirement imposed on a political committee or treasurer under paragraph (13) has not been satisfied, the Commission may institute a civil action for enforcement under paragraph (6)(A).''; and

(B) by inserting before the period at the end of the last sentence the following: ''or has failed to pay a penalty or meet a filing requirement imposed under paragraph (13)''; and

(3) in paragraph (6)(A), by striking ''paragraph (4)(A)'' and inserting ''paragraph (4)(A) or (13)''.

SEC. 504. STRENGTHENING FOREIGN MONEY BAN.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: ''CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS''; and

(2) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—It shall be unlawful for—

''(1) a foreign national, directly or indirectly, to make—

''(A) a donation of money or other thing of value, or to promise expressly or impliedly to make a donation, in connection with a Federal, State, or local election; or

''(B) a contribution or donation to a committee of a political party; or

''(2) a person to solicit, accept, or receive such a contribution or donation from a foreign national.''.

(b) PROHIBITING USE OF WILLFUL BLINDNESS AS DEFENSE AGAINST CHARGE OF VIOLATING FOREIGN CONTRIBUTION BAN.—

(1) IN GENERAL.—Section 319 of such Act (2 U.S.C. 441e) is amended—

(A) by redesignating subsection (b) as subsection (c); and

(B) by inserting after subsection (a) the following new subsection:

''(b) PROHIBITING USE OF WILLFUL BLINDNESS DEFENSE.—It shall not be a defense to a violation of subsection (a) that the defendant did not know that the contribution originated from a foreign national if the defendant should have known that the contribution originated from a foreign national, except that the trier of fact may not find that the defendant should have known that the contribution originated from a foreign national solely because of the name of the contributor.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to violations occurring on or after the date of the enactment of this Act.

(c) PROHIBITION APPLICABLE TO ALL INDIVIDUALS WHO ARE NOT CITIZENS OR NATIONALS OF THE UNITED STATES.—Section 319(b)(2) of such Act (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: '', or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).''.

SEC. 505. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 401, is further amended by adding at the end the following new section:

''PROHIBITION OF CONTRIBUTIONS BY MINORS

''SEC. 325. An individual who is 17 years old or younger shall not make a contribution to

a candidate or a contribution or donation to a committee of a political party.''.

SEC. 506. EXPEDITED PROCEDURES.

(a) IN GENERAL.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 503(c)) is amended by adding at the end the following:

''(14)(A) If the complaint in a proceeding was filed within 60 days preceding the date of a general election, the Commission may take action described in this subparagraph.

''(B) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur, the Commission may order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties.

''(C) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.''.

(b) REFERRAL TO ATTORNEY GENERAL.—Section 309(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking subparagraph (C) and inserting the following:

''(C) The Commission may at any time, by an affirmative vote of at least 4 of its members, refer a possible violation of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986, to the Attorney General of the United States, without regard to any limitation set forth in this section.''.

SEC. 507. INITIATION OF ENFORCEMENT PROCEEDING.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking ''reason to believe that'' and inserting ''reason to investigate whether''.

SEC. 508. PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 505, is further amended by adding at the end the following new section:

''PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS

''SEC. 326. (a) IN GENERAL.—Nothing in this Act may be construed to prohibit any individual eligible to vote in an election for Federal office from making contributions or expenditures in support of a candidate for such an election (including voluntary contributions or expenditures made through a separate segregated fund established by the individual's employer or labor organization) or otherwise participating in any campaign for such an election in the same manner and to the same extent as any other individual eligible to vote in an election for such office.

''(b) NO EFFECT ON GEOGRAPHIC RESTRICTIONS ON CONTRIBUTIONS.—Subsection (a) may not be construed to affect any restriction under this title regarding the portion of contributions accepted by a candidate from persons residing in a particular geographic area.''.

SEC. 509. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as amended by section 504(b), is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

''(c) PENALTY.—

''(1) IN GENERAL.—Except as provided in paragraph (2), notwithstanding any other provision of this title any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be more than 10 years, fined in an amount not to exceed $1,000,000, or both.

''(2) EXCEPTION.—Paragraph (1) shall not apply with respect to any violation of subsection (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(22) of the Immigration and Nationality Act).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 510. EXPEDITED COURT REVIEW OF CERTAIN ALLEGED VIOLATIONS OF FEDERAL ELECTION CAMPAIGN ACT OF 1971.

(a) IN GENERAL.—Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

''(d) Notwithstanding any other provision of this section, if a candidate (or the candidate's authorized committee) believes that a violation described in paragraph (2) has been committed with respect to an election during the 90-day period preceding the date of the election, the candidate or committee may institute a civil action on behalf of the Commission for relief (including injunctive relief) against the alleged violator in the same manner and under the same terms and conditions as an action instituted by the Commission under subsection (a)(6), except that the court involved shall issue a decision regarding the action as soon as practicable after the action is instituted and to the greatest extent possible issue the decision prior to the date of the election involved.

''(2) A violation described in this paragraph is a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 relating to—

''(A) whether a contribution is in excess of an applicable limit or is otherwise prohibited under this Act; or

''(B) whether an expenditure is an independent expenditure under section 301(17).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after the date of the enactment of this Act.

SEC. 511. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, and 508, is further amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 327. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, 320, or 325 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code, against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to investigate whether that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an

effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''.

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved.''.

(c) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.''.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

SEC. 512. ESTABLISHMENT OF A CLEARINGHOUSE OF INFORMATION ON POLITICAL ACTIVITIES WITHIN THE FEDERAL ELECTION COMMISSION.

(a) ESTABLISHMENT.—There shall be established within the Federal Election Commission a clearinghouse of public information regarding the political activities of foreign principals and agents of foreign principals. The information comprising this clearinghouse shall include only the following:

(1) All registrations and reports filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) during the preceding 5-year period.

(2) All registrations and reports filed pursuant to the Foreign Agents Registration Act, as amended (22 U.S.C. 611 et seq.), during the preceding 5-year period.

(3) The listings of public hearings, hearing witnesses, and witness affiliations printed in the Congressional Record during the preceding 5-year period.

(4) Public information disclosed pursuant to the rules of the Senate or the House of Representatives regarding honoraria, the receipt of gifts, travel, and earned and unearned income.

(5) All reports filed pursuant to title I of the Ethics in Government Act of 1978 (5 U.S.C. App.) during the preceding 5-year period.

(6) All public information filed with the Federal Election Commission pursuant to the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) during the preceding 5-year period.

(b) DISCLOSURE OF OTHER INFORMATION PROHIBITED.—The disclosure by the clearinghouse, or any officer or employee thereof, of any information other than that set forth in subsection (a) is prohibited, except as otherwise provided by law.

(c) DIRECTOR OF CLEARINGHOUSE.—

(1) DUTIES.—The clearinghouse shall have a Director, who shall administer and manage the responsibilities and all activities of the clearinghouse. In carrying out such duties, the Director shall—

(A) develop a filing, coding, and cross-indexing system to carry out the purposes of this section (which shall include an index of all persons identified in the reports, registrations, and other information comprising the clearinghouse);

(B) notwithstanding any other provision of law, make copies of registrations, reports, and other information comprising the clearinghouse available for public inspection and copying, beginning not later than 30 days after the information is first available to the public, and permit copying of any such registration, report, or other information by hand or by copying machine or, at the request of any person, furnish a copy of any such registration, report, or other information upon payment of the cost of making and furnishing such copy, except that no information contained in such registration or report and no such other information shall be sold or used by any person for the purpose of soliciting contributions or for any profitmaking purpose; and

(C) not later than 150 days after the date of the enactment of this Act and at any time thereafter, to prescribe, in consultation with the Comptroller General, such rules, regulations, and forms, in conformity with the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this section in the most effective and efficient manner.

(2) APPOINTMENT.—The Director shall be appointed by the Federal Election Commission.

(3) TERM OF SERVICE.—The Director shall serve a single term of a period of time determined by the Commission, but not to exceed 5 years.

(d) PENALTIES FOR DISCLOSURE OF INFORMATION.—Any person who discloses information in violation of subsection (b), and any person who sells or uses information for the purpose of soliciting contributions or for any profitmaking purpose in violation of subsection (c)(1)(B), shall be imprisoned for a period of not more than 1 year, or fined in the amount provided in title 18, United States Code, or both.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to conduct the activities of the clearinghouse.

(f) FOREIGN PRINCIPAL.—In this section, the term ''foreign principal'' shall have the same meaning given the term ''foreign national'' under section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as in effect as of the date of the enactment of this Act.

SEC. 513. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(d)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(d)(2)), as amended by sections 504(b) and 509(a), is further amended by inserting after ''United States'' the following: ''or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)''.

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

SEC. 601. ESTABLISHMENT AND PURPOSE OF COMMISSION.

There is established a commission to be known as the ''Independent Commission on Campaign Finance Reform'' (referred to in this title as the ''Commission''). The purposes of the Commission are to study the laws relating to the financing of political activity and to report and recommend legislation to reform those laws.

SEC. 602. MEMBERSHIP OF COMMISSION.

(a) COMPOSITION.—The Commission shall be composed of 12 members appointed within 15 days after the date of the enactment of this Act by the President from among individuals who are not incumbent Members of Congress and who are specially qualified to serve on the Commission by reason of education, training, or experience.

(b) APPOINTMENT.—

(1) IN GENERAL.—Members shall be appointed as follows:

(A) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the Speaker of the House of Representatives.

(B) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the majority leader of the Senate.

(C) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the House of Representatives.

(D) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(2) FAILURE TO SUBMIT LIST OF NOMINEES.—If an official described in any of the subparagraphs of paragraph (1) fails to submit a list of nominees to the President during the 15-day period which begins on the date of the enactment of this Act—

(A) such subparagraph shall no longer apply; and

(B) the President shall appoint three members (one of whom shall be a political independent) who meet the requirements described in subsection (a) and such other criteria as the President may apply.

(3) POLITICAL INDEPENDENT DEFINED.—In this subsection, the term ''political independent'' means an individual who at no time after January 1992—

(A) has held elective office as a member of the Democratic or Republican party;

(B) has received any wages or salary from the Democratic or Republican party or from a Democratic or Republican party office-holder or candidate; or

(C) has provided substantial volunteer services or made any substantial contribution to the Democratic or Republican party or to a Democratic or Republican party office-holder or candidate.

(c) CHAIRMAN.—At the time of the appointment, the President shall designate one member of the Commission as Chairman of the Commission.

(d) TERMS.—The members of the Commission shall serve for the life of the Commission.

(e) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(f) POLITICAL AFFILIATION.—Not more than four members of the Commission may be of the same political party.

SEC. 603. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. In carrying out the preceding sentence, the Commission shall ensure that a substantial number of its meetings are open meetings, with significant opportunities for testimony from members of the general public.

(b) QUORUM.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings. The approval of at least nine members of the Commission is required when approving all or a portion of the recommended legislation. Any member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this section.

SEC. 604. REPORT AND RECOMMENDED LEGISLATION.

(a) REPORT.—Not later than the expiration of the 180-day period which begins on the date on which the second session of the One Hundred Sixth Congress adjourns sine die, the Commission shall submit to the President, the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate a report of the activities of the Commission.

(b) RECOMMENDATIONS; DRAFT OF LEGISLATION.—The report under subsection (a) shall include any recommendations for changes in the laws (including regulations) governing the financing of political activity (taking into account the provisions of this Act and the amendments made by this Act), including any changes in the rules of the Senate or the House of Representatives, to which nine or more members of the Commission may agree, together with drafts of—

(1) any legislation (including technical and conforming provisions) recommended by the Commission to implement such recommendations; and

(2) any proposed amendment to the Constitution recommended by the Commission as necessary to implement such recommendations, except that if the Commission includes such a proposed amendment in its report, it shall also include recommendations (and drafts) for legislation which may be implemented prior to the adoption of such proposed amendment.

(c) GOALS OF RECOMMENDATIONS AND LEGISLATION.—In making recommendations and preparing drafts of legislation under this section, the Commission shall consider the following to be its primary goals:

(1) Encouraging fair and open Federal elections which provide voters with meaningful information about candidates and issues.

(2) Eliminating the disproportionate influence of special interest financing of Federal elections.

(3) Creating a more equitable electoral system for challengers and incumbents.

SEC. 605. TERMINATION.

The Commission shall cease to exist 90 days after the date of the submission of its report under section 604.

SEC. 606. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as are necessary to carry out its duties under this title.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

SEC. 701. PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING.

(a) IN GENERAL.—Chapter 29 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 612. Prohibiting use of meals and accommodations at White House for political fundraising

''(a) It shall be unlawful for any person to provide or offer to provide any meals or accommodations at the White House in exchange for any money or other thing of value, or as a reward for the provision of any money or other thing of value, in support of any political party or the campaign for electoral office of any candidate.

''(b) Any person who violates this section shall be fined under this title or imprisoned not more than 3 years, or both.

''(c) For purposes of this section, any official residence or retreat of the President (including private residential areas and the grounds of such a residence or retreat) shall be treated as part of the White House.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end the following new item:

''612. Prohibiting use of meals and accommodations at White House for political fundraising.''.

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY

SEC. 801. SENSE OF THE CONGRESS REGARDING APPLICABILITY OF CONTROLLING LEGAL AUTHORITY TO FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY.

It is the sense of the Congress that Federal law clearly demonstrates that ''controlling legal authority'' under title 18, United States Code, prohibits the use of Federal Government property to raise campaign funds.

TITLE IX—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY

SEC. 901. REQUIRING NATIONAL PARTIES TO REIMBURSE AT COST FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, 508, and 511, is further amended by adding at the end the following new section:

''REIMBURSEMENT BY POLITICAL PARTIES FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

''SEC. 328. (a) IN GENERAL.—If the President, Vice President, or the head of any executive department (as defined in section 101 of title 5, United States Code) uses Air Force One for transportation for any travel which includes a fundraising event for the benefit of any political committee of a national political party, such political committee shall reimburse the Federal Government for the fair market value of the transportation of the individual involved, based on the cost of an equivalent commercial chartered flight.

''(b) AIR FORCE ONE DEFINED.—In subsection (a), the term 'Air Force One' means the airplane operated by the Air Force which has been specially configured to carry out the mission of transporting the President.''.

SEC. 902. REIMBURSEMENT FOR USE OF GOVERNMENT EQUIPMENT FOR CAMPAIGN-RELATED TRAVEL.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, 508, 511, and 901, is further amended by adding at the end the following new section:

''REIMBURSEMENT FOR USE OF GOVERNMENT EQUIPMENT FOR CAMPAIGN-RELATED TRAVEL

''SEC. 329. If a candidate for election for Federal office (other than a candidate who holds Federal office) uses Federal government property as a means of transportation for purposes related (in whole or in part) to the campaign for election for such office, the principal campaign committee of the candidate shall reimburse the Federal government for the costs associated with providing the transportation.''.

TITLE X—PROHIBITING USE OF WALKING AROUND MONEY

SEC. 1001. PROHIBITING CAMPAIGNS FROM PROVIDING CURRENCY TO INDIVIDUALS FOR PURPOSES OF ENCOURAGING TURNOUT ON DATE OF ELECTION.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, 508, 511, 901, and 902, is further amended by adding at the end the following new section:

''PROHIBITING USE OF CURRENCY TO PROMOTE ELECTION DAY TURNOUT

''SEC. 330. It shall be unlawful for any political committee to provide currency to any individual (directly or through an agent of the committee) for purposes of encouraging the individual to appear at the polling place for the election.''.

TITLE XI—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

SEC. 1101. ENHANCING ENFORCEMENT OF CAMPAIGN FINANCE LAW.

(a) MANDATORY IMPRISONMENT FOR CRIMINAL CONDUCT.—Section 309(d)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended—

(1) in the first sentence, by striking ''shall be fined, or imprisoned for not more than one year, or both'' and inserting ''shall be imprisoned for not fewer than 1 year and not more than 10 years''; and

(2) by striking the second sentence.

(b) CONCURRENT AUTHORITY OF ATTORNEY GENERAL TO BRING CRIMINAL ACTIONS.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

''(4) In addition to the authority to bring cases referred pursuant to subsection (a)(5), the Attorney General may at any time bring a criminal action for a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to actions brought with respect to elections occurring after January 2002.

TITLE XII—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

SEC. 1201. SEVERABILITY.

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

SEC. 1202. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 1203. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect upon the expiration of the 90-day period which begins on the date of the enactment of this Act.

SEC. 1204. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act and the amendments made by this Act not later than 45 days after the date of the enactment of this Act.

H.R. 2356

OFFERED BY: MR. NEY

AMENDMENT NO. 15: Amend section 301(20) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(20) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

''(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

''(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention; and

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

In section 402(b), strike ''At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility.'' and insert the following: ''At no time after such effective date may the committee spend any such funds for activities to defray the costs of the construction or purchase of any office building or facility.''.

H.R. 2356

OFFERED BY: MR. NEY

AMENDMENT NO. 16: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Campaign Reform and Citizen Participation Act of 2002''.

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

TITLE I—SOFT MONEY OF NATIONAL PARTIES

SEC. 101. RESTRICTIONS ON SOFT MONEY OF NATIONAL POLITICAL PARTIES.

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

''SOFT MONEY OF NATIONAL POLITICAL PARTIES

''SEC. 323. (a) PROHIBITING USE OF SOFT MONEY FOR FEDERAL ELECTION ACTIVITY.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value for Federal election activity, or spend any funds for Federal election activity, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) LIMIT ON AMOUNT OF NONFEDERAL FUNDS PROVIDED TO PARTY BY ANY PERSON FOR ANY PURPOSE.—

''(1) LIMIT ON AMOUNT.—No person shall make contributions, donations, or transfers of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party in any calendar year in an aggregate amount equal to or greater than $20,000.

''(2) PROHIBITING PROVISION OF NONFEDERAL FUNDS BY INDIVIDUALS.—No individual may make any contribution, donation, or transfer of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party.

''(c) APPLICABILITY.—This subsection shall apply to any political committee established and maintained by a national political party, any officer or agent of such a committee acting on behalf of the committee, and any entity that is directly or indirectly established, maintained, or controlled by such a national committee.

''(d) DEFINITIONS.—

''(1) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election, unless the activity constitutes generic campaign activity;

''(ii) voter identification or get-out-the-vote activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot), unless the activity constitutes generic campaign activity;

''(iii) any public communication that refers to or depicts a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

''(iv) any public communication made by means of any broadcast, cable, or satellite communication.

''(B) EXCEPTION FOR CERTAIN ADMINISTRATIVE ACTIVITIES.—The term 'Federal election activity' does not include any activity relating to establishment, administration, or solicitation costs of a political committee established and maintained by a national political party, so long as the funds used to carry out the activity are derived from funds or payments made to the committee which are segregated and used exclusively to defray the costs of such activities.

''(2) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means any activity that does not mention, depict, or otherwise promote a clearly identified Federal candidate.

''(3) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, or direct mail.

''(4) DIRECT MAIL.—The term 'direct mail' means a mailing by a commercial vendor or any mailing made from a commercial list.''.

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

SEC. 201. INCREASE IN LIMITS ON CERTAIN CONTRIBUTIONS.

(a) CONTRIBUTIONS BY COMMITTEES TO NATIONAL PARTIES.—Section 315(a)(2)(B) of such Act (2 U.S.C. 441a(a)(2)(B)) is amended by striking ''$15,000'' and inserting ''$30,000''.

(b) AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking ''$25,000'' and inserting ''$37,500''.

SEC. 202. INCREASE IN LIMITS ON CONTRIBUTIONS TO STATE PARTIES.

(a) CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.''.

(b) CONTRIBUTIONS BY COMMITTEES.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.''.

SEC. 203. TREATMENT OF CONTRIBUTIONS TO NATIONAL PARTY UNDER AGGREGATE ANNUAL LIMIT ON INDIVIDUAL CONTRIBUTIONS.

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

(1) by striking ''(3)'' and inserting ''(3)(A)''; and

(2) by adding at the end the following new subparagraph:

''(B) Subparagraph (A) shall not apply with respect to any contribution made to any political committee established and maintained by a national political party which is not the authorized political committee of any candidate.''.

SEC. 204. EXEMPTION OF COSTS OF VOLUNTEER CAMPAIGN MATERIALS PRODUCED AND DISTRIBUTED BY PARTIES FROM TREATMENT AS CONTRIBUTIONS AND EXPENDITURES.

(a) TREATMENT AS CONTRIBUTIONS.—Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking ''a State or local committee of a political party of the costs of'' and inserting ''a national, State, or local committee of a political party of the costs of producing and distributing''.

(b) TREATMENT AS EXPENDITURES.—Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking ''a State or local committee of a political party of the costs of'' and inserting ''a national, State, or local committee of a political party of the costs of producing and distributing''.

SEC. 205. INDEXING.

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

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting ''(A)'' before ''At the beginning''; and

(C) by adding at the end the following:

''(B) Except as provided in subparagraph (C), in any calendar year after 2002—

''(i) a limitation established by subsections (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

''(ii) each amount so increased shall remain in effect for the calendar year; and

''(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

''(C) In the case of limitations under subsections (a) and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.''; and

(2) in paragraph (2)(B), by striking ''means the calendar year 1974'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsections (a) and (h), calendar year 2001''.

SEC. 206. PERMITTING NATIONAL PARTIES TO ESTABLISH ACCOUNTS FOR MAKING EXPENDITURES IN EXCESS OF LIMITS ON BEHALF OF CANDIDATES FACING WEALTHY OPPONENTS.

(a) ESTABLISHMENT OF ACCOUNTS.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following new paragraph:

''(4)(A) Subject to subparagraph (B), the national committee of a political party may make expenditures in connection with the general election campaign of a candidate for Federal office (other than a candidate for President) who is affiliated with such party in an amount in excess of the limit established under paragraph (3) if—

''(i) the candidate's opponent in the general election campaign makes expenditures of personal funds in connection with the campaign in an amount in excess of $100,000 (as provided in the notifications submitted under section 304(a)(6)(B)); and

''(ii) the expenditures are made from a separate account of the party used exclusively for making expenditures pursuant to this paragraph.

''(B) The amount of expenditures made in accordance with subparagraph (A) by the national committee of a political party in connection with the general election campaign of a candidate may not exceed the amount of expenditures of personal funds made by the candidate's opponent in connection with the campaign (as provided in the notifications submitted under section 304(a)(6)(B)).''.

(b) WAIVER OF LIMITS ON CONTRIBUTIONS TO ACCOUNTS.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

''(9) The limitations imposed by paragraphs (1)(B), (2)(B), and (3) shall not apply with respect to contributions made to the national committee of a political party which are designated by the donor to be deposited solely into the account established by the party under subsection (d)(4).''.

(c) NOTIFICATION OF EXPENDITURES OF PERSONAL FUNDS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following new subparagraph:

''(B)(i) The principal campaign committee of a candidate (other than a candidate for President) shall submit the following notifications relating to expenditures of personal funds by such candidate (including contributions by the candidate or the candidate's spouse to such committee and funds derived from loans made by the candidate or the candidate's spouse to such committee):

''(I) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended (or contributed) with respect to an election exceeds $100,000.

''(II) After the notification is made under subclause (I), a notification of each such subsequent expenditure (or contribution) which, taken together with all such subsequent expenditures (and contributions) in any amount not included in the most recent report under this subparagraph, totals $5,000 or more.

''(ii) Each of the notifications submitted under clause (i)—

''(I) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made;

''(II) shall include the name of the candidate, the office sought by the candidate, and the date of the expenditure or contribution and amount of the expenditure or contribution involved; and

''(III) shall include the total amount of all such expenditures and contributions made with respect to the same election as of the date of expenditure or contribution which is the subject of the notification.''.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

SEC. 301. DISCLOSURE OF INFORMATION ON COMMUNICATIONS BROADCAST PRIOR TO ELECTION.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

''(e) DISCLOSURE OF INFORMATION ON CERTAIN COMMUNICATIONS BROADCAST PRIOR TO ELECTIONS.—

''(1) IN GENERAL.—Any person who makes a disbursement for a communication described in paragraph (3) shall, not later than 24 hours after making the disbursement, file with the Commission a statement containing the information required under paragraph (2).

''(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

''(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

''(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

''(C) The amount of the disbursement.

''(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

''(E) The text of the communication involved.

''(3) COMMUNICATIONS DESCRIBED.—

''(A) IN GENERAL.—A communication described in this paragraph is any communication—

''(i) which is disseminated to the public by means of any broadcast, cable, or satellite communication during the 120-day period ending on the date of a Federal election; and

''(ii) which mentions a clearly identified candidate for such election (by name, image, or likeness).

''(B) EXCEPTION.—A communication is not described in this paragraph if—

''(i) the communication appears in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

''(ii) the communication constitutes an expenditure under this Act.

''(4) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to file a statement under this subsection shall be in addition to any other reporting requirement under this Act.

''(5) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.''.

SEC. 302. DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 301, is further amended by adding at the end the following new subsection:

''(f) DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.—

''(1) IN GENERAL.—Any person who makes a disbursement for targeted mass communications in an aggregate amount in excess of $50,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

''(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

''(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

''(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

''(C) The amount of each such disbursement of more than $200 made by the person during the period covered by the statement

and the identification of the person to whom the disbursement was made.

''(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

''(E) The text of the communication involved.

''(3) TARGETED MASS COMMUNICATION DEFINED.—

''(A) IN GENERAL.—In this subsection, the term 'targeted mass communication' means any communication—

''(i) which is disseminated during the 120-day period ending on the date of a Federal election;

''(ii) which refers to or depicts a clearly identified candidate for such election (by name, image, or likeness); and

''(iii) which is targeted to the relevant electorate.

''(B) TARGETING TO RELEVANT ELECTORATE.—

''(i) BROADCAST COMMUNICATIONS.—For purposes of this paragraph, a communication disseminated to the public by means of any broadcast, cable, or satellite communication which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if the communication is disseminated by a broadcaster whose audience includes—

''(I) a substantial number of residents of the district the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

''(II) a substantial number of residents of the State the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Senator.

''(ii) OTHER COMMUNICATIONS.—For purposes of this paragraph, a communication which is not described in clause (i) which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if—

''(I) more than 10 percent of the total number of intended recipients of the communication are members of the electorate involved with respect to such Federal office; or

''(II) more than 10 percent of the total number of members of the electorate involved with respect to such Federal office receive the communication.

''(C) EXCEPTIONS.—The term 'targeted mass communication' does not include—

''(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

''(ii) a communication made by any membership organization (including a labor organization) or corporation solely to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office; or

''(iii) a communication which constitutes an expenditure under this Act.

''(4) DISCLOSURE DATE.—For purposes of this subsection, the term 'disclosure date' means—

''(A) the first date during any calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000; and

''(B) any other date during such calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000 since the most recent disclosure date for such calendar year.

''(5) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

''(6) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.''.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

H.R. 2356

OFFERED BY: ____

AMENDMENT NO. 17: Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to the Second Amendment of the Constitution

SEC. 221. FINDINGS.

Congress finds the following:

(1) The Second Amendment to the United States Constitution protects the right of individual persons to keep and bear arms.

(2) There are more than 60,000,000 gun owners in the United States.

(3) The Second Amendment to the Constitution of the United States protects the right of Americans to carry firearms in defense of themselves and others.

(4) The United States Court of Appeals in *U.S. v. Emerson* reaffirmed the fact that the right to keep and bear arms is an individual right protected by the Constitution.

(5) Americans who are concerned about threats to their ability to keep and bear arms have the right to petition their government.

(6) The Supreme Court, in *U.S. v. Cruikshank* (92 U.S. 542, 1876) recognized that the right to arms preexisted the Constitution. The Court stated that the right to arms ''is not a right granted by the Constitution. Neither is it in any manner dependent upon that instrument for its existence.''.

(7) In *Beard v. United States* (158 U.S. 550, 1895) the Court approved the common-law rule that a person ''may repel force by force'' in self-defense, and concluded that when attacked a person ''was entitled to stand his ground and meet any attack made upon him with a deadly weapon, in such a way and with such force'' as needed to prevent ''great bodily injury or death''. The laws of all 50 states, and the constitutions of most States, recognize the right to use armed force in self-defense.

(8) In order to protect Americans' constitutional rights under the Second Amendment, the First Amendment provides the ability for citizens to address the Government.

(9) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(10) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(11) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(12) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(13) Citizens who have an interest in issues about or related to the Second Amendment of the Constitution have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(14) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning the right to keep and bear arms to their elected officials and the general public.

(15) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO THE SECOND AMENDMENT OF THE CONSTITUTION.

None of the restrictions or requirements contained in this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any person who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to the Second Amendment.

H.R. 2356

OFFERED BY: ____

AMENDMENT NO.18: Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Veterans, Military Personnel, or Seniors

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 42,000,000 men and women have served in the United States Armed Forces from the Revolution onward and more than 25 million are still living. Living veterans and their families, plus the living dependents of deceased veterans, constitute a significant part of the present United States population.

(2) American veterans are black and they are white; they are of every race and ethnic heritage. They are men, and they are women. They are Christians, they are Muslims, they are Jews. They are fathers, mothers, sisters, brothers, sons and daughters. They are neighbors, down the street or right next door. They are teachers in our schools, they are factory workers. They are Americans living today who served in the armed services, and they are the more than 1,000,000 who have died in America's wars.

(3) America's veterans are men and women who have fought to protect the United States against foreign aggressors as Soldiers, Sailors, Airmen, Coast Guardsmen and Marines. The members of our elite organization are those who have discharged their very special obligation of citizenship as servicemen and women, and who today continue to expend great time, effort and energy in the service of their fellow veterans and their communities.

(4) There is a bond joining every veteran from every branch of the service. Whether drafted or enlisted, commissioned or noncommissioned, each took an oath, lived by a code, and stood ready to fight and die for their country.

(5) American men and women in uniform risk their lives on a daily basis to defend our freedom and democracy. Americans have always believed that there are values worth fighting for—values and liberties upon which America was founded and which we have carried forward for more than 225 years, that men and women of this great nation gave their lives to preserve.

(6) It is the sacrifice borne by generations of American veterans that has made us strong and has rendered us the beacon of freedom guiding the course of nations throughout the world. American veterans have fought for freedom for Americans, as well as citizens throughout the world. They have helped to defend and preserve the values of freedom of speech, democracy, voting rights, human rights, equal access and the rights of the individual—those values felt and nurtured on every continent in our world.

(7) The freedoms and opportunities we enjoy today were bought and paid for with their devotion to duty and their sacrifices. We can never say it too many times: We are the benefactors of their sacrifice, and we are grateful.

(8) Of the 25,000,000 veterans currently alive, nearly three of every four served during a war or an official period of hostility. About a quarter of the Nation's population—approximately 70,000,000 people—are potentially eligible for Veterans' Administration benefits and services because they are veterans, family members or survivors of veterans.

(9) The present veteran population is estimated at 25,600,000, as of July 1, 1997. Nearly 80 of every 100 living veterans served during defined periods of armed hostilities. Altogether, almost one-third of the nation's population-approximately 70,000,000 persons who are veterans, dependents and survivors of deceased veterans—are potentially eligible for Veterans' Administration benefits and services.

(10) Care for veterans and dependents spans centuries. The last dependent of a Revolutionary War veteran died in 1911; the War of 1812's last dependent died in 1946; the Mexican War's, in 1962.

(11) The Veterans' Administration health care system has grown from 54 hospitals in 1930, to include 171 medical centers; more than 350 outpatient, community, and outreach clinics; 126 nursing home care units; and 35 domiciliaries. Veterans' Administration health care facilities provide a broad spectrum of medical, surgical, and rehabilitative care.

(12) World War II resulted in not only a vast increase in the veteran population, but also in large number of new benefits enacted by the Congress for veterans of the war. The World War II GI Bill, signed into law on June 22, 1944, is said to have had more impact on the American way of life than any law since the Homestead Act more than a century ago.

(13) About 2,700,000 veterans receive disability compensation or pensions from VA. Also receiving Veterans' Administration benefits are 592,713 widows, children and parents of deceased veterans. Among them are 133,881 survivors of Vietnam era veterans and 295,679 survivors of World War II veterans. In fiscal year 2001, Veterans' Administration planned to spend $22,000,000,000 yearly in disability compensation, death compensation and pension to 3,200,000 people.

(14) Veterans' Administration manages the largest medical education and health professions training program in the United States. Veterans' Administration facilities are affiliated with 107 medical schools, 55 dental schools and more than 1,200 other schools across the country. Each year, about 85,000 health professionals are trained in Veterans' Administration medical centers. More than half of the physicians practicing in the United States have had part of their professional education in the Veterans' Administration health care system.

(15) 75 percent of Veterans' Administration researchers are practicing physicians. Because of their dual roles, Veterans' Administration research often immediately benefits patients. Functional electrical stimulation, a technology using controlled electrical current to activate paralyzed muscles, is being developed at Veterans' Administration clinical facilities and laboratories throughout the country. Through this technology, paraplegic patients have been able to stand and, in some instances, walk short distances and climb stairs. Patients with quadriplegia are able to use their hands to grasp objects.

(16) There are more than 35,000,000 persons in the United States aged 65 and over.

(17) Seniors are a diverse population, each member having his or her own political and economic issues.

(18) Seniors and their families have many important issues for which they seek congressional action. Some of these issues include, but are not limited to, health care, Social Security, and taxes.

(19) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(20) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(21) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(22) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(23) Citizens who have an interest in issues about or related to veterans, military personnel, seniors, and their families have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(24) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning veterans, military personnel, seniors, and their families to their elected officials and the general public.

(25) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO VETERANS, MILITARY PERSONNEL, OR SENIORS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who

is a candidate for congressional or other Federal office, on any matter pertaining to veterans, military personnel, or senior citizens, or to the immediate family members of veterans, military personnel, or senior citizens.

H.R. 2356

OFFERED BY: ____

AMENDMENT NO. 19: Amend section 402 to read as follows:

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect February 14, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a) which remain unexpended as of such date, the committee shall return the funds on a pro rata basis to the persons who provided the funds to the committee.

H.R. 2356

OFFERED BY: ____

AMENDMENT NO. 20. Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Workers, Farmers, Families, and Individuals

SEC. 221. FINDINGS.

Congress finds the following:

(1) There are approximately 138 million people employed in the United States.

(2) Thousands of organizations and associations represent these employed persons and their employers in numerous forms and forums, not least of which is by participating in our electoral and political system in a number of ways, including informing citizens of key votes that affect their common interests, criticizing and praising elected officials for their position on issues, contributing to candidates and political parties, registering voters, and conducting get-out-the-vote activities.

(3) The rights of American workers to bargain collectively are protected by their First Amendment to the Constitution and by provisions in the National Labor Relations Act. Federal law guarantees the rights of workers to choose whether to bargain collectively through a union.

(4) Fourteen percent of the American workforce has chosen to affiliate with a labor union. Federal law allows workers and unions the opportunity to combine strength and to work together to seek to improve the lives of America's working families, bring fairness and dignity to the workplace and secure social and economic equity in our nation.

(5) Nearly three quarters of all United States business firms have no payroll. Most are self-employed persons operating unincorporated businesses, and may or may not be the owner's principal source of income.

(6) Minorities owned fewer than 7 percent of all United States firms, excluding C corporations, in 1982, but this share soared to about 15 percent by 1997. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(7) In 1999, women made up 46 percent of the labor force. The labor force participation rate of American women was the highest in the world.

(8) Labor/Worker unions represent 16 million working women and men of every race and ethnicity and from every walk of life.

(9) In recent years, union members and their families have mobilized in growing numbers. In the 2000 election, 26 percent of the nation's voters came from union households.

(10) According to the 2000 census, total United States families were totaled at over 105 million.

(11) In 2000, there were 8.7 million African American families.

(12) Asians have larger families than other groups. For example, the average Asian family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(13) American farmers, ranchers, and agricultural managers direct the activities of the world's largest and most productive agricultural sectors. They produce enough food and fiber to meet the needs of the United States and produce a surplus for export.

(14) About 17 percent of raw United States agricultural products are exported yearly, including 83 million metric tons of cereal grains, 1.6 billion pounds of poultry, and 1.4 million metric tons of fresh vegetables.

(15) One-fourth of the world's beef and nearly one-fifth of the world's grain, milk, and eggs are produced in the United States.

(16) With 96 percent of the world's population living outside our borders, the world's most productive farmers need access to international markets to compete.

(17) Every State benefits from the income generated from agricultural exports. 19 States have exports of $1 billion or more.

(18) America's total on United States exports is $49.1 billion and the number of imports is $37.5 billion.

(19) By itself, farming-production agriculture-contributed $60.4 billion toward the national GDP (Gross Domestic Product).

(20) Farmers and ranchers provide food and habitat for 75 percent of the Nation's wildlife.

(21) More than 23 million jobs-17 percent of the civilian workforce-are involved in some phase of growing and getting our food and clothing to us. America now has fewer farmers, but they are producing now more than ever before.

(22) Twenty-two million American workers process, sell, and trade the Nation's food and fiber. Farmers and ranchers work with the Department of Agriculture to produce healthy crops while caring for soil and water.

(23) By February 8, the 39th day of 2002, the average American has earned enough to pay for their family's food for the entire year. In 1970 it took 12 more days than it does now to earn a full food pantry for the year. Even in 1980 it took 10 more days—49 total days—of earning to put a year's supply of food on the table.

(24) Farmers are facing the 5th straight year of the lowest real net farm income since the Great Depression. Last October, prices farmers received made their sharpest drop since United States Department of Agriculture began keeping records 91 years ago. During this same period the cost of production has hit record highs.

(25) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(26) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(27) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(28) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people''.

(29) Citizens who have an interest in issues about or related to their lives have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(30) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy.

(31) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO WORKERS, FARMERS, FAMILIES, AND INDIVIDUALS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to any individual.

H.R. 2356

OFFERED BY: ____

AMENDMENT NO. 21. Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Civil Rights and Issues Affecting Minorities

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 70 million people in the United States belong to a minority race.

(2) More than 34 million people in the United States are African American, 35 million are Hispanic or Latino, 10 million are Asian, and 2 million are American Indian or Alaska Native.

(3) Minorities account for around 24 percent of the U.S. workforce.

(4) Minorities, who owned fewer than 7 percent of all U.S. firms in 1982, now own more than 15 percent. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(5) Self-employment as a share of each group's nonagricultural labor force (averaged over the 1991-1999 decade) was White, 9.7 percent; African American, 3.8 percent; American Indian, Eskimo, or Aleut, 6.4 percent; and Asian or Pacific Islander, 10.1 percent.

(6) Of U.S. businesses, 5.8 percent were owned by Hispanic Americans, 4.4 percent by Asian Americans, 4.0 percent by African Americans, and 0.9 percent by American Indians.

(7) Of the 4,514,699 jobs in minority-owned businesses in 1997, 48.8 percent were in Asian-owned firms, 30.8 percent in Hispanic-owned firms, 15.9 percent in African American-owned firms, and 6.6 percent in American Native-owned firms.

(8) Minority-owned firms had about $96 billion in payroll in 1997. The average payroll per employee was roughly $21,000 in the major minority groups and ranged from just under $15,000 to just over $27,000 in various subgroups of the minority population.

(9) African Americans were the only race or ethnic group to show an increase in voter participation in congressional elections, increasing their presence at the polls from 37 percent in 1994 to 40 percent in 1998. Nationwide, overall turnout by the voting-age population was down from 45 percent in 1994 to 42 percent in 1998.

(10) In 2000, there were 8.7 million African American families. The United States had 96,000 African American engineers, 41,000 African American physicians and 47,000 African American lawyers in 1999.

(11) The number of Asians and Pacific Islanders voting in congressional elections increased by 366,000 between 1994 and 1998.

(12) Businesses owned by Asians and Pacific Islanders made up 4 percent of the nation's 20.8 million nonfarm businesses.

(13) Asians tend to have larger families - the average family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(14) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(15) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(16) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(17) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(18) Citizens who have an interest in issues about or related to civil rights have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(19) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning civil rights to their elected officials and the general public.

(20) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO CIVIL RIGHTS AND ISSUES AFFECTING MINORITIES.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to civil rights and issues affecting minorities.

H.R. 2356

OFFERED BY: ____

AMENDMENT NO. 22: Add at the end the following title:

TITLE VI—NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS

SEC. 601. FINDINGS.

Congress finds the following:

(1) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''

(2) The First Amendment affords the broadest protection to such political expression in order ''to assure [the] unfettered interchange of ideas for the bringing about of political and social changes desired by the people. *Roth v. United States*, 354 U.S. 476, 484 (1957).

(3) According to *Mills v. Alabama*, 384 U.S. 214, 218 (1966), there is practically universal agreement that a major purpose of that Amendment was to protect the free discussion of governmental affairs, ''...of course including[ing] discussions of candidates...''.

(4) According to *New York Times Co. v. Sullivan*, 376 U.S. 254, 270 (1964), the First Amendment reflects our ''profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open''. In a republic where the people are sovereign, the ability of the citizenry to make informed choices among candidates for office is essential, for the identities of those who are elected will inevitably shape the course that we follow as a nation.

(5) The First Amendment protects political association as well as political expression. The constitutional right of association explicated in *NAACP v. Alabama*, 357 U.S. 449, 460 (1958), stemmed from the Court's recognition that ''[e]ffective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association.'' Subsequent decisions have made clear that the First and Fourteenth Amendments guarantee ''freedom to associate with others for the common advancement of political beliefs and ideas,'' a freedom that encompasses '''[t]he right to associate with the political party of one's choice.''' *Kusper v. Pontikes*, 414 U.S. 51, 56, 57, quoted in *Cousins v. Wigoda*, 419 U.S. 477, 487 (1975).

(6) In *Buckley v. Valeo*, the Supreme Court stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(7) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(8) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(9) The courts of the United States have consistently reaffirmed and applied the teachings of *Buckley*, striking down such government overreaching. The courts of the United States have consistently upheld the rights of the citizens of the United States, candidates for public office, political parties, corporations, labor unions, trade associations, non-profit entities, among others. Such decisions provide a very clear line as to what the government can and cannot do with respect to the regulation of campaigns. See *Federal Election Comm'n v. Massachusetts Citizens for Life, Inc.*, 479 U.S. 238 (1986); *Federal Election Comm'n v. National Conservative Political Action Comm.*, 470 U.S. 480 (1985); *California Medical Assn. v. Federal Election Comm'n*, 453 U.S. 182 (1981).

(10) The FEC has lost time and time again in court attempting to move away from the express advocacy bright line test of *Buckley v. Valeo*. In fact, in some cases, the FEC has had to pay fees and costs because the theory is frivolous. *See FEC v. Christian Action Network*, 110 F.3d 1049 (4th Cir. 1997), *aff'g* 894 F. Supp. 946 (W.D.Va. 1995); *Maine Right to Life Comm. v. FEC*, 914 F. Supp. 8 (D.Me. 1996), aff'd 98 F.3d 1 (1st Cir. 1996), *cert. denied*, 118 S. Ct. 52 (1997); *Clifton v. FEC*, 114 F.3d 1309 (1st Cir. 1997); *Faucher v. FEC*, 928 F.2d 468, 472 (1st Cir.), *cert. denied*, 502 U.S. 820 (1991); *FEC v. Colorado Republican Federal Campaign Comm.*, 839 F. Supp. 1448 (D. Co.), *rev'd on other grounds*, 59 F.3d 1015 (10th Cir.), vacated on other grounds, 116 S. Ct. 2309 (1996); *FEC v. Central Long Island Tax Reform Immediately Comm.*, 616 F.2d 45, 53 (2d Cir. 1980); *Minnesota Citizens Concerned for Life, Inc. v. FEC*, 936 F. Supp. 633 (D. Minn. 1996), *aff'd* 113 F.3d 129 (8th Cir. 1997), *reh'g. en banc denied*, 1997 U.S. App. LEXIS 17528; *West Virginians for Life, Inc. v. Smith*, 960 F. Supp. 1036, 1039 (S.D.W.Va. 1996); *FEC v. Survival Education Fund*, 1994 U.S. Dist. Lexis 210 (S.D.N.Y. 1994), *aff'd in part and rev'd in part*, 65 F.3d 285 (2nd Cir. 1995); *FEC v. National Organization for Women*, 713 F. Supp. 428, 433–34 (D.D.C. 1989); *FEC v. American Federation of State, County and Municipal Employees*, 471 F. Supp. 315, 316–17 (D.D.C. 1979). Even the FEC abandoned the ''electioneering communication'' standard soon after the 1996 election due to its vagueness.

(11) The courts have also repeatedly upheld the rights of political party committees. As Justice Kennedy noted: ''The central holding in *Buckley v. Valeo* is that spending money on one's own speech must be permitted, and that this is what political parties do when they make expenditures FECA restricts.'' *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 627 (1996) (J. Kennedy, concurring). Justice Thomas added: ''As applied in the specific context of campaign funding by political parties, the anticorruption rationale loses its force. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 105–106 (1987). What could it mean for a party to 'corrupt' its candidates or to exercise 'coercive' influence over him? The very aim of a political party is to influence its candidate's stance on issues and, if the candidate takes office or is reelected, his votes. When political parties achieve that aim, that achievement does not, in my view, constitute 'a subversion of the political process.' *Federal Election Comm'n v. NCPAC*, 470 U.S. at 497. For instance, if the Democratic Party spends large sums of money in support of a candidate who wins, takes office, and then implements the Party's platform, that is not corruption; that is successful advocacy of ideas in the political marketplace and representative government in a party system. To borrow a phrase from *Federal Election Comm'n v. NCPAC*, 'the fact that candidates and elected officials may alter or reaffirm their own positions on issues in response to political messages paid for by [political groups] can hardly be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.' *Id.* at 498. Cf. *Federal Election Comm'n v. MCFL*, 479 U.S. at 263 (suggesting that '[v]oluntary political associations do not . . . present the specter of corruption').''. *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 647 (1996) (J. Thomas, concurring). Justice Thomas continued: ''The structure of political parties is such that the theoretical danger of those groups actually engaging in quid pro quos with candidates is significantly less than the threat of individuals or other groups doing so. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 97–98 (1987) (citing F. Sorauf, *Party Politics in America* 15–18 (5th ed. 1984)). American political parties, generally speaking, have numerous members with a wide variety of interests, features necessary for success in majoritarian elections. Consequently, the influence of any one person or the importance of any single issue within a political party is significantly diffused. For this reason, as the Party's amici argue, see Brief for Committee for Party Renewal et al. as Amicus Curiae 16, campaign funds donated by parties are considered to be some of 'the cleanest money in politics.' J. Bibby, *Campaign Finance Reform*, 6 Commonsense 1, 10 (Dec. 1983). And, as long as the Court continues to permit Congress to subject individuals to limits on the amount they can give to parties, and those limits are uniform as to all donors, *see* 2 U.S.C. section 441a(a)(1), there is little risk that an individual donor could use a party as a conduit for bribing candidates. *Id.*''.

(12) As recently as 2000, the Supreme Court reminded us once again of the vital role that political parties play on our democratic life, by serving as the primary vehicles for the political views and voices of millions and millions of Americans. ''Representative democracy in any populous unit of governance is unimaginable without the ability of citizens to band together in promoting the electoral candidates who espouse their political views. The formation of national political parties was almost concurrent with the formation of the Republic itself.'' *California Democratic Party v. Jones*, 530 U.S. 567 (2000). Moreover, just last year, a Federal court struck down a state law that included a so-called ''soft money ban,'' which in reality was a ban on corporate and union contributions to political parties—which as a factual matter is correct. The *Anchorage Daily News* reported:

(13) A Federal judge says corporations and unions have a constitutional right to give unlimited amounts of ''soft money'' to political parties, so long as none of the money is used to get specific candidates elected. In a decision dated June 11, U.S. District Judge James Singleton struck down a section of Alaska's 1997 political contributions law that barred corporations, unions and other businesses from contributing any money to political candidates or parties. The ban against corporate contributions to individual candidates is fine, Singleton said. Public concern about the corrupting influence or corporate contributions on a specific candidate is legitimate and important enough to somewhat limit freedom of speech and political association, the judge concluded. But contributions to the noncandidate work of a political party do not raise undue influence issues and therefore may not be restricted, the judge concluded.

(14) Sheila Toomey, *Anchorage Daily News* (June 14, 2001) (reporting on *Kenneth P. Jacobus, et al. vs. State of Alaska, et al.*, No. A97–0272 (D. Alaska filed June 11, 2001).

(15) Nor is speech any less protected by the First Amendment simply because the one making the speech contacted or communicated with others. For some time, the Federal Election Commission held the view that such ''coordination'' (an undefined term), even of communications that did not contain express advocacy, somehow was problematic, and subject to the limitations and prohibitions of the Act. This view has been rejected by the courts. *Federal Election Commission v. Christian Coalition*, 52 F. Supp. 2d 45 (D.D.C. 1999). In fact, lower Federal courts have held that even political party committee limits on coordinated expenditures are an unconstitutional restriction on speech. *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 213 F.3d 1221 (10th Cir. 2000). Unless a party committee's expenditure is the functional equivalent of a contribution (and thus not ''coordinated''), it cannot be limited. See Federal Election Commission v. Colo. Republican Fed. Campaign Comm., 150 L.Ed.2d 461, nt. 17, nt. 2 (J. Thomas, dissenting) (2001). As a factual matter, many party committee ''coordinated'' expenditures are not the functional equivalent of contributions. *See* Amicus Curie Brief of the National Republican Congressional Committee, *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 150 L.Ed.2d 461 (2001).

(16) Commentators, legal experts and testimony in the record echoes the need to be mindful of the First Amendment. Whether it is the American Civil Liberties Union, see March 10, 2001 ACLU Letter to Senate (and all cases cited therein) & June 14, 2001 ACLU testimony before the House Administration Committee (and cases cited therein), or the counsel to the National Right to Life Committee and the Christian Coalition, see June 14, 2001 testimony of James Bopp before the House Administration Committee (and cases cited therein), experts across the political spectrum have thoughtfully explained the need to ensure the First Amendment rights of citizens of this country.

(17) Citizens who have an interest in issues have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communication in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(18) This Act contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues to their elected officials and the general public.

(19) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political

speech should be at its most robust and unfettered.

SEC. 602. NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS.

Notwithstanding any provision of this Act, and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that Amendment, specifically the freedom of speech or of the press, or the right of people to peaceably assemble, and to petition the government for a redress of grievances, consistent with the rulings of the courts of the United States (as provided in section 601).

H.R. 2356

OFFERED BY: ____

AMENDMENT NO. 23: Amend section 323(b) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—An amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

Amend section 323(e)(3) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

Amend section 304(e)(2) of the Federal Election Campaign Act of 1971, as proposed to be added by section 103(a) of the bill, to read as follows:

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b) applies shall report all receipts and disbursements made for activities described in section 301(20)(A).

H.R. 2356

OFFERED BY: ____

AMENDMENT NO. 24: Add at the end of title III the following new section:

SEC. 323. BANNING POLITICAL CONTRIBUTIONS IN FEDERAL ELECTIONS BY ALL INDIVIDUALS NOT CITIZENS OR NATIONALS OF THE UNITED STATES.

Section 319(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: '', or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).''.

H.R. 2356

OFFERED BY: MR. NEY

AMENDMENT NO 25: Amend section 301(20) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(20) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

''(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

''(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention; and

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

In section 402(b), strike ''At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility.'' and insert the following: ''At no time after such effective date may the committee spend any such funds for activities to defray the costs of the construction or purchase of any office building or facility.''.

H.R. 2356

OFFERED BY: MR. NEY

[Shays Substitute]

AMENDMENT NO. 26. Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Campaign Reform and Citizen Participation Act of 2002''.

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

TITLE I—SOFT MONEY OF NATIONAL PARTIES

SEC. 101. RESTRICTIONS ON SOFT MONEY OF NATIONAL POLITICAL PARTIES.

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

''SOFT MONEY OF NATIONAL POLITICAL PARTIES

''SEC. 323. (a) PROHIBITING USE OF SOFT MONEY FOR FEDERAL ELECTION ACTIVITY.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value for Federal election activity, or spend any funds for Federal election activity, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) LIMIT ON AMOUNT OF NONFEDERAL FUNDS PROVIDED TO PARTY BY ANY PERSON FOR ANY PURPOSE.—

''(1) LIMIT ON AMOUNT.—No person shall make contributions, donations, or transfers of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party in any calendar year in an aggregate amount equal to or greater than $20,000.

''(2) PROHIBITING PROVISION OF NONFEDERAL FUNDS BY INDIVIDUALS.—No individual may make any contribution, donation, or transfer of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party.

''(c) APPLICABILITY.— This subsection shall apply to any political committee established and maintained by a national political party, any officer or agent of such a committee acting on behalf of the committee, and any entity that is directly or indirectly established, maintained, or controlled by such a national committee.

''(d) DEFINITIONS.—

''(1) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election, unless the activity constitutes generic campaign activity;

''(ii) voter identification or get-out-the-vote activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot), unless the activity constitutes generic campaign activity;

''(iii) any public communication that refers to or depicts a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

''(iv) any public communication made by means of any broadcast, cable, or satellite communication.

''(B) EXCEPTION FOR CERTAIN ADMINISTRATIVE ACTIVITIES.—The term 'Federal election activity' does not include any activity relating to establishment, administration, or solicitation costs of a political committee established and maintained by a national political party, so long as the funds used to carry out the activity are derived from funds or payments made to the committee which are segregated and used exclusively to defray the costs of such activities.

''(2) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means any activity that does not mention, depict, or otherwise promote a clearly identified Federal candidate.

''(3) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, or direct mail.

''(4) DIRECT MAIL.—The term 'direct mail' means a mailing by a commercial vendor or any mailing made from a commercial list.''.

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

SEC. 201. INCREASE IN LIMITS ON CERTAIN CONTRIBUTIONS.

(a) CONTRIBUTIONS BY COMMITTEES TO NATIONAL PARTIES.—Section 315(a)(2)(B) of such Act (2 U.S.C. 441a(a)(2)(B)) is amended by striking ''$15,000'' and inserting ''$30,000''.

(b) AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking ''$25,000'' and inserting ''$37,500''.

SEC. 202. INCREASE IN LIMITS ON CONTRIBUTIONS TO STATE PARTIES.

(a) CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.''.

(b) CONTRIBUTIONS BY COMMITTEES.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.''.

SEC. 203. TREATMENT OF CONTRIBUTIONS TO NATIONAL PARTY UNDER AGGREGATE ANNUAL LIMIT ON INDIVIDUAL CONTRIBUTIONS.

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

(1) by striking ''(3)'' and inserting ''(3)(A)''; and

(2) by adding at the end the following new subparagraph:

''(B) Subparagraph (A) shall not apply with respect to any contribution made to any political committee established and maintained by a national political party which is not the authorized political committee of any candidate.''.

SEC. 204. EXEMPTION OF COSTS OF VOLUNTEER CAMPAIGN MATERIALS PRODUCED AND DISTRIBUTED BY PARTIES FROM TREATMENT AS CONTRIBUTIONS AND EXPENDITURES.

(a) TREATMENT AS CONTRIBUTIONS.—Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking ''a State or local committee of a political party of the costs of'' and inserting ''a national, State, or local committee of a political party of the costs of producing and distributing''.

(b) TREATMENT AS EXPENDITURES.—Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking ''a State or local committee of a political party of the costs of'' and inserting ''a national, State, or local committee of a political party of the costs of producing and distributing''.

SEC. 205. INDEXING.

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

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting ''(A)'' before ''At the beginning''; and

(C) by adding at the end the following:

''(B) Except as provided in subparagraph (C), in any calendar year after 2002—

''(i) a limitation established by subsections (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

''(ii) each amount so increased shall remain in effect for the calendar year; and

''(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

''(C) In the case of limitations under subsections (a) and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.''; and

(2) in paragraph (2)(B), by striking ''means the calendar year 1974'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsections (a) and (h), calendar year 2001''.

SEC. 206. PERMITTING NATIONAL PARTIES TO ESTABLISH ACCOUNTS FOR MAKING EXPENDITURES IN EXCESS OF LIMITS ON BEHALF OF CANDIDATES FACING WEALTHY OPPONENTS.

(a) ESTABLISHMENT OF ACCOUNTS.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following new paragraph:

''(4)(A) Subject to subparagraph (B), the national committee of a political party may make expenditures in connection with the general election campaign of a candidate for Federal office (other than a candidate for President) who is affiliated with such party in an amount in excess of the limit established under paragraph (3) if—

''(i) the candidate's opponent in the general election campaign makes expenditures of personal funds in connection with the campaign in an amount in excess of $100,000 (as provided in the notifications submitted under section 304(a)(6)(B)); and

''(ii) the expenditures are made from a separate account of the party used exclusively for making expenditures pursuant to this paragraph.

''(B) The amount of expenditures made in accordance with subparagraph (A) by the national committee of a political party in connection with the general election campaign of a candidate may not exceed the amount of expenditures of personal funds made by the candidate's opponent in connection with the campaign (as provided in the notifications submitted under section 304(a)(6)(B)).''.

(b) WAIVER OF LIMITS ON CONTRIBUTIONS TO ACCOUNTS.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

''(9) The limitations imposed by paragraphs (1)(B), (2)(B), and (3) shall not apply with respect to contributions made to the national committee of a political party which are designated by the donor to be deposited solely into the account established by the party under subsection (d)(4).''.

(c) NOTIFICATION OF EXPENDITURES OF PERSONAL FUNDS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following new subparagraph:

''(B)(i) The principal campaign committee of a candidate (other than a candidate for President) shall submit the following notifications relating to expenditures of personal funds by such candidate (including contributions by the candidate or the candidate's spouse to such committee and funds derived from loans made by the candidate or the candidate's spouse to such committee):

''(I) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended (or contributed) with respect to an election exceeds $100,000.

''(II) After the notification is made under subclause (I), a notification of each such subsequent expenditure (or contribution) which, taken together with all such subsequent expenditures (and contributions) in any amount not included in the most recent report under this subparagraph, totals $5,000 or more.

''(ii) Each of the notifications submitted under clause (i)—

''(I) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made;

''(II) shall include the name of the candidate, the office sought by the candidate, and the date of the expenditure or contribution and amount of the expenditure or contribution involved; and

''(III) shall include the total amount of all such expenditures and contributions made with respect to the same election as of the date of expenditure or contribution which is the subject of the notification.''.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

SEC. 301. DISCLOSURE OF INFORMATION ON COMMUNICATIONS BROADCAST PRIOR TO ELECTION.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by

adding at the end the following new subsection:

''(e) DISCLOSURE OF INFORMATION ON CERTAIN COMMUNICATIONS BROADCAST PRIOR TO ELECTIONS.—

''(1) IN GENERAL.—Any person who makes a disbursement for a communication described in paragraph (3) shall, not later than 24 hours after making the disbursement, file with the Commission a statement containing the information required under paragraph (2).

''(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

''(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

''(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

''(C) The amount of the disbursement.

''(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

''(E) The text of the communication involved.

''(3) COMMUNICATIONS DESCRIBED.—

''(A) IN GENERAL.—A communication described in this paragraph is any communication—

''(i) which is disseminated to the public by means of any broadcast, cable, or satellite communication during the 120-day period ending on the date of a Federal election; and

''(ii) which mentions a clearly identified candidate for such election (by name, image, or likeness).

''(B) EXCEPTION.—A communication is not described in this paragraph if—

''(i) the communication appears in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

''(ii) the communication constitutes an expenditure under this Act.

''(4) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to file a statement under this subsection shall be in addition to any other reporting requirement under this Act.

''(5) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.''.

SEC. 302. DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 301, is further amended by adding at the end the following new subsection:

''(f) DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.—

''(1) IN GENERAL.—Any person who makes a disbursement for targeted mass communications in an aggregate amount in excess of $50,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

''(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

''(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

''(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

''(C) The amount of each such disbursement of more than $200 made by the person during the period covered by the statement and the identification of the person to whom the disbursement was made.

''(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

''(E) The text of the communication involved.

''(3) TARGETED MASS COMMUNICATION DEFINED.—

''(A) IN GENERAL.—In this subsection, the term 'targeted mass communication' means any communication—

''(i) which is disseminated during the 120-day period ending on the date of a Federal election;

''(ii) which refers to or depicts a clearly identified candidate for such election (by name, image, or likeness); and

''(iii) which is targeted to the relevant electorate.

''(B) TARGETING TO RELEVANT ELECTORATE.—

''(i) BROADCAST COMMUNICATIONS.—For purposes of this paragraph, a communication disseminated to the public by means of any broadcast, cable, or satellite communication which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if the communication is disseminated by a broadcaster whose audience includes—

''(I) a substantial number of residents of the district the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

''(II) a substantial number of residents of the State the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Senator.

''(ii) OTHER COMMUNICATIONS.—For purposes of this paragraph, a communication which is not described in clause (i) which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if—

''(I) more than 10 percent of the total number of intended recipients of the communication are members of the electorate involved with respect to such Federal office; or

''(II) more than 10 percent of the total number of members of the electorate involved with respect to such Federal office receive the communication.

''(C) EXCEPTIONS.—The term 'targeted mass communication' does not include—

''(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

''(ii) a communication made by any membership organization (including a labor organization) or corporation solely to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office; or

''(iii) a communication which constitutes an expenditure under this Act.

''(4) DISCLOSURE DATE.—For purposes of this subsection, the term 'disclosure date' means—

''(A) the first date during any calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000; and

''(B) any other date during such calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000 since the most recent disclosure date for such calendar year.

''(5) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

''(6) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.''.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

H.R. 2356

OFFERED BY: ____

[Shays Substitute]

AMENDMENT NO. 27: Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to the Second Amendment of the Constitution

SEC. 221. FINDINGS.

Congress finds the following:

(1) The Second Amendment to the United States Constitution protects the right of individual persons to keep and bear arms.

(2) There are more than 60,000,000 gun owners in the United States.

(3) The Second Amendment to the Constitution of the United States protects the right of Americans to carry firearms in defense of themselves and others.

(4) The United States Court of Appeals in *U.S. v. Emerson* reaffirmed the fact that the right to keep and bear arms is an individual right protected by the Constitution.

(5) Americans who are concerned about threats to their ability to keep and bear arms have the right to petition their government.

(6) The Supreme Court, in *U.S. v. Cruikshank* (92 U.S. 542, 1876) recognized that the right to arms preexisted the Constitution. The Court stated that the right to arms ''is not a right granted by the Constitution. Neither is it in any manner dependent upon that instrument for its existence.''.

(7) In *Beard v. United States* (158 U.S. 550, 1895) the Court approved the common-law rule that a person ''may repel force by force'' in self-defense, and concluded that when attacked a person ''was entitled to stand his ground and meet any attack made upon him with a deadly weapon, in such a way and with such force'' as needed to prevent ''great bodily injury or death''. The laws of all 50 states, and the constitutions of most States, recognize the right to use armed force in self-defense.

(8) In order to protect Americans' constitutional rights under the Second Amendment, the First Amendment provides the ability for citizens to address the Government.

(9) The First Amendment to the United States Constitution states that, ''Congress

shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(10) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(11) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(12) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ″.

(13) Citizens who have an interest in issues about or related to the Second Amendment of the Constitution have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(14) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning the right to keep and bear arms to their elected officials and the general public.

(15) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO THE SECOND AMENDMENT OF THE CONSTITUTION.

None of the restrictions or requirements contained in this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any person who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to the Second Amendment.

H.R. 2356

OFFERED BY: ____

[Shays Substitute]

AMENDMENT NO. 28: Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Veterans, Military Personnel, or Seniors

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 42,000,000 men and women have served in the United States Armed Forces from the Revolution onward and more than 25 million are still living. Living veterans and their families, plus the living dependents of deceased veterans, constitute a significant part of the present United States population.

(2) American veterans are black and they are white; they are of every race and ethnic heritage. They are men, and they are women. They are Christians, they are Muslims, they are Jews. They are fathers, mothers, sisters, brothers, sons and daughters. They are neighbors, down the street or right next door. They are teachers in our schools, they are factory workers. They are Americans living today who served in the armed services, and they are the more than 1,000,000 who have died in America's wars.

(3) America's veterans are men and women who have fought to protect the United States against foreign aggressors as Soldiers, Sailors, Airmen, Coast Guardsmen and Marines. The members of our elite organization are those who have discharged their very special obligation of citizenship as servicemen and women, and who today continue to expend great time, effort and energy in the service of their fellow veterans and their communities.

(4) There is a bond joining every veteran from every branch of the service. Whether drafted or enlisted, commissioned or noncommissioned, each took an oath, lived by a code, and stood ready to fight and die for their country.

(5) American men and women in uniform risk their lives on a daily basis to defend our freedom and democracy. Americans have always believed that there are values worth fighting for—values and liberties upon which America was founded and which we have carried forward for more than 225 years, that men and women of this great nation gave their lives to preserve.

(6) It is the sacrifice borne by generations of American veterans that has made us strong and has rendered us the beacon of freedom guiding the course of nations throughout the world. American veterans have fought for freedom for Americans, as well as citizens throughout the world. They have helped to defend and preserve the values of freedom of speech, democracy, voting rights, human rights, equal access and the rights of the individual—those values felt and nurtured on every continent in our world.

(7) The freedoms and opportunities we enjoy today were bought and paid for with their devotion to duty and their sacrifices. We can never say it too many times: We are the benefactors of their sacrifice, and we are grateful.

(8) Of the 25,000,000 veterans currently alive, nearly three of every four served during a war or an official period of hostility. About a quarter of the Nation's population—approximately 70,000,000 people—are potentially eligible for Veterans' Administration benefits and services because they are veterans, family members or survivors of veterans.

(9) The present veteran population is estimated at 25,600,000, as of July 1, 1997. Nearly 80 of every 100 living veterans served during defined periods of armed hostilities. Altogether, almost one-third of the nation's population-approximately 70,000,000 persons who are veterans, dependents and survivors of deceased veterans—are potentially eligible for Veterans' Administration benefits and services.

(10) Care for veterans and dependents spans centuries. The last dependent of a Revolutionary War veteran died in 1911; the War of 1812's last dependent died in 1946; the Mexican War's, in 1962.

(11) The Veterans' Administration health care system has grown from 54 hospitals in 1930, to include 171 medical centers; more than 350 outpatient, community, and outreach clinics; 126 nursing home care units; and 35 domiciliaries. Veterans' Administration health care facilities provide a broad spectrum of medical, surgical, and rehabilitative care.

(12) World War II resulted in not only a vast increase in the veteran population, but also in large number of new benefits enacted by the Congress for veterans of the war. The World War II GI Bill, signed into law on June 22, 1944, is said to have had more impact on the American way of life than any law since the Homestead Act more than a century ago.

(13) About 2,700,000 veterans receive disability compensation or pensions from VA. Also receiving Veterans' Administration benefits are 592,713 widows, children and parents of deceased veterans. Among them are 133,881 survivors of Vietnam era veterans and 295,679 survivors of World War II veterans. In fiscal year 2001, Veterans' Administration planned to spend $22,000,000,000 yearly in disability compensation, death compensation and pension to 3,200,000 people.

(14) Veterans' Administration manages the largest medical education and health professions training program in the United States. Veterans' Administration facilities are affiliated with 107 medical schools, 55 dental schools and more than 1,200 other schools across the country. Each year, about 85,000 health professionals are trained in Veterans' Administration medical centers. More than half of the physicians practicing in the United States have had part of their professional education in the Veterans' Administration health care system.

(15) 75 percent of Veterans' Administration researchers are practicing physicians. Because of their dual roles, Veterans' Administration research often immediately benefits patients. Functional electrical stimulation, a technology using controlled electrical current to activate paralyzed muscles, is being developed at Veterans' Administration clinical facilities and laboratories throughout the country. Through this technology, paraplegic patients have been able to stand and, in some instances, walk short distances and climb stairs. Patients with quadriplegia are able to use their hands to grasp objects.

(16) There are more than 35,000,000 persons in the United States aged 65 and over.

(17) Seniors are a diverse population, each member having his or her own political and economic issues.

(18) Seniors and their families have many important issues for which they seek congressional action. Some of these issues include, but are not limited to, health care, Social Security, and taxes.

(19) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(20) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(21) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(22) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(23) Citizens who have an interest in issues about or related to veterans, military personnel, seniors, and their families have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(24) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning veterans, military personnel, seniors, and their families to their elected officials and the general public.

(25) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO VETERANS, MILITARY PERSONNEL, OR SENIORS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to veterans, military personnel, or senior citizens, or to the immediate family members of veterans, military personnel, or senior citizens.

H.R. 2356

OFFERED BY: ____

[Shays Substitute]

AMENDMENT NO. 29. Amend section 402 to read as follows:

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect February 14, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a) which remain unexpended as of such date, the committee shall return the funds on a pro rata basis to the persons who provided the funds to the committee.

H.R. 2356

OFFERED BY: ____

[Shays Substitute]

AMENDMENT NO. 30. Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Workers, Farmers, Families, and Individuals

SEC. 221. FINDINGS.

Congress finds the following:

(1) There are approximately 138 million people employed in the United States.

(2) Thousands of organizations and associations represent these employed persons and their employers in numerous forms and forums, not least of which is by participating in our electoral and political system in a number of ways, including informing citizens of key votes that affect their common interests, criticizing and praising elected officials for their position on issues, contributing to candidates and political parties, registering voters, and conducting get-out-the-vote activities.

(3) The rights of American workers to bargain collectively are protected by their First Amendment to the Constitution and by provisions in the National Labor Relations Act. Federal law guarantees the rights of workers to choose whether to bargain collectively through a union.

(4) Fourteen percent of the American workforce has chosen to affiliate with a labor union. Federal law allows workers and unions the opportunity to combine strength and to work together to seek to improve the lives of America's working families, bring fairness and dignity to the workplace and secure social and economic equity in our nation.

(5) Nearly three quarters of all United States business firms have no payroll. Most are self-employed persons operating unincorporated businesses, and may or may not be the owner's principal source of income.

(6) Minorities owned fewer than 7 percent of all United States firms, excluding C corporations, in 1982, but this share soared to about 15 percent by 1997. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(7) In 1999, women made up 46 percent of the labor force. The labor force participation rate of American women was the highest in the world.

(8) Labor/Worker unions represent 16 million working women and men of every race and ethnicity and from every walk of life.

(9) In recent years, union members and their families have mobilized in growing numbers. In the 2000 election, 26 percent of the nation's voters came from union households.

(10) According to the 2000 census, total United States families were totaled at over 105 million.

(11) In 2000, there were 8.7 million African American families.

(12) Asians have larger families than other groups. For example, the average Asian family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(13) American farmers, ranchers, and agricultural managers direct the activities of the world's largest and most productive agricultural sectors. They produce enough food and fiber to meet the needs of the United States and produce a surplus for export.

(14) About 17 percent of raw United States agricultural products are exported yearly, including 83 million metric tons of cereal grains, 1.6 billion pounds of poultry, and 1.4 million metric tons of fresh vegetables.

(15) One-fourth of the world's beef and nearly one-fifth of the world's grain, milk, and eggs are produced in the United States.

(16) With 96 percent of the world's population living outside our borders, the world's most productive farmers need access to international markets to compete.

(17) Every State benefits from the income generated from agricultural exports. 19 States have exports of $1 billion or more.

(18) America's total on United States exports is $49.1 billion and the number of imports is $37.5 billion.

(19) By itself, farming-production agriculture-contributed $60.4 billion toward the national GDP (Gross Domestic Product).

(20) Farmers and ranchers provide food and habitat for 75 percent of the Nation's wildlife.

(21) More than 23 million jobs-17 percent of the civilian workforce-are involved in some phase of growing and getting our food and clothing to us. America now has fewer farmers, but they are producing now more than ever before.

(22) Twenty-two million American workers process, sell, and trade the Nation's food and fiber. Farmers and ranchers work with the Department of Agriculture to produce healthy crops while caring for soil and water.

(23) By February 8, the 39th day of 2002, the average American has earned enough to pay for their family's food for the entire year. In 1970 it took 12 more days than it does now to earn a full food pantry for the year. Even in 1980 it took 10 more days—49 total days—of earning to put a year's supply of food on the table.

(24) Farmers are facing the 5th straight year of the lowest real net farm income since the Great Depression. Last October, prices farmers received made their sharpest drop since United States Department of Agriculture began keeping records 91 years ago.

During this same period the cost of production has hit record highs.

(25) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(26) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(27) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(28) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ″.

(29) Citizens who have an interest in issues about or related to their lives have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(30) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy.

(31) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO WORKERS, FARMERS, FAMILIES, AND INDIVIDUALS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to any individual.

H.R. 2356

OFFERED BY: ____

[Shays Substitute]

AMENDMENT NO. 31. Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Civil Rights and issues affecting minorities.

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 70 million people in the United States belong to a minority race.

(2) More than 34 million people in the United States are African American, 35 million are Hispanic or Latino, 10 million are Asian, and 2 million are American Indian or Alaska Native.

(3) Minorities account for around 24 percent of the U.S. workforce.

(4) Minorities, who owned fewer than 7 percent of all U.S. firms in 1982, now own more than 15 percent. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(5) Self-employment as a share of each group's nonagricultural labor force (averaged over the 1991–1999 decade) was White, 9.7 percent; African American, 3.8 percent; American Indian, Eskimo, or Aleut, 6.4 percent; and Asian or Pacific Islander, 10.1 percent.

(6) Of U.S. businesses, 5.8 percent were owned by Hispanic Americans, 4.4 percent by Asian Americans, 4.0 percent by African Americans, and 0.9 percent by American Indians.

(7) Of the 4,514,699 jobs in minority-owned businesses in 1997, 48.8 percent were in Asian-owned firms, 30.8 percent in Hispanic-owned firms, 15.9 percent in African American-owned firms, and 6.6 percent in American Native-owned firms.

(8) Minority-owned firms had about $96 billion in payroll in 1997. The average payroll per employee was roughly $21,000 in the major minority groups and ranged from just under $15,000 to just over $27,000 in various subgroups of the minority population.

(9) African Americans were the only race or ethnic group to show an increase in voter participation in congressional elections, increasing their presence at the polls from 37 percent in 1994 to 40 percent in 1998. Nationwide, overall turnout by the voting-age population was down from 45 percent in 1994 to 42 percent in 1998.

(10) In 2000, there were 8.7 million African American families. The United States had 96,000 African American engineers, 41,000 African American physicians and 47,000 African American lawyers in 1999.

(11) The number of Asians and Pacific Islanders voting in congressional elections increased by 366,000 between 1994 and 1998.

(12) Businesses owned by Asians and Pacific Islanders made up 4 percent of the nation's 20.8 million nonfarm businesses.

(13) Asians tend to have larger families - the average family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(14) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(15) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(16) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(17) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(18) Citizens who have an interest in issues about or related to civil rights have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(19) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning civil rights to their elected officials and the general public.

(20) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO CIVIL RIGHTS AND ISSUES AFFECTING MINORITIES.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or

mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to civil rights and issues affecting minorities.

H.R. 2356

OFFERED BY: ____

[Shays Substitute]

AMENDMENT NO. 32: Add at the end the following title:

TITLE VI—NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS

SEC. 601. FINDINGS.

Congress finds the following:

(1) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''

(2) The First Amendment affords the broadest protection to such political expression in order ''to assure [the] unfettered interchange of ideas for the bringing about of political and social changes desired by the people. *Roth v. United States*, 354 U.S. 476, 484 (1957).

(3) According to *Mills v. Alabama*, 384 U.S. 214, 218 (1966), there is practically universal agreement that a major purpose of that Amendment was to protect the free discussion of governmental affairs, ''...of course including[ing] discussions of candidates...''.

(4) According to *New York Times Co. v. Sullivan*, 376 U.S. 254, 270 (1964), the First Amendment reflects our ''profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open''. In a republic where the people are sovereign, the ability of the citizenry to make informed choices among candidates for office is essential, for the identities of those who are elected will inevitably shape the course that we follow as a nation.

(5) The First Amendment protects political association as well as political expression. The constitutional right of association explicated in *NAACP v. Alabama*, 357 U.S. 449, 460 (1958), stemmed from the Court's recognition that ''[e]ffective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association.'' Subsequent decisions have made clear that the First and Fourteenth Amendments guarantee ''freedom to associate with others for the common advancement of political beliefs and ideas,'' a freedom that encompasses '''[t]he right to associate with the political party of one's choice.''' *Kusper v. Pontikes*, 414 U.S. 51, 56, 57, quoted in *Cousins v. Wigoda*, 419 U.S. 477, 487 (1975).

(6) In *Buckley v. Valeo*, the Supreme Court stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(7) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(8) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(9) The courts of the United States have consistently reaffirmed and applied the teachings of *Buckley*, striking down such government overreaching. The courts of the United States have consistently upheld the rights of the citizens of the United States, candidates for public office, political parties, corporations, labor unions, trade associations, non-profit entities, among others. Such decisions provide a very clear line as to what the government can and cannot do with respect to the regulation of campaigns. See *Federal Election Comm'n v. Massachusetts Citizens for Life, Inc.*, 479 U.S. 238 (1986); *Federal Election Comm'n v. National Conservative Political Action Comm.*, 470 U.S. 480 (1985); *California Medical Assn. V. Federal Election Comm'n*, 453 U.S. 182 (1981).

(10) The FEC has lost time and time again in court attempting to move away from the express advocacy bright line test of *Buckley v. Valeo*. In fact, in some cases, the FEC has had to pay fees and costs because the theory is frivolous. *See FEC v. Christian Action Network,* 110 F.3d 1049 (4th Cir. 1997), *aff'g* 894 F. Supp. 946 (W.D.Va. 1995); *Maine Right to Life Comm. v. FEC*, 914 F. Supp. 8 (D.Me. 1996), aff'd 98 F.3d 1 (1st Cir. 1996), *cert. denied*, 118 S. Ct. 52 (1997); *Clifton v. FEC*, 114 F.3d 1309 (1st Cir. 1997); *Faucher v. FEC*, 928 F.2d 468, 472 (1st Cir.), *cert. denied*, 502 U.S. 820 (1991); *FEC v. Colorado Republican Federal Campaign Comm.*, 839 F. Supp. 1448 (D. Co.), *rev'd on other grounds*, 59 F.3d 1015 (10th Cir.), vacated on other grounds, 116 S. Ct. 2309 (1996); *FEC v. Central Long Island Tax Reform Immediately Comm.*, 616 F.2d 45, 53 (2d Cir. 1980); *Minnesota Citizens Concerned for Life, Inc. v. FEC*, 936 F. Supp. 633 (D. Minn. 1996), *aff'd* 113 F.3d 129 (8th Cir. 1997), *reh'g. en banc denied*, 1997 U.S. App. LEXIS 17528; *West Virginians for Life, Inc. v. Smith*, 960 F. Supp. 1036, 1039 (S.D.W.Va. 1996); *FEC v. Survival Education Fund*, 1994 U.S. Dist. Lexis 210 (S.D.N.Y. 1994), *aff'd in part and rev'd in part*, 65 F.3d 285 (2nd Cir. 1995); *FEC v. National Organization for Women*, 713 F. Supp. 428, 433–34 (D.D.C. 1989); *FEC v. American Federation of State, County and Municipal Employees*, 471 F. Supp. 315, 316–17 (D.D.C. 1979). Even the FEC abandoned the ''electioneering communication'' standard soon after the 1996 election due to its vagueness.

(11) The courts have also repeatedly upheld the rights of political party committees. As Justice Kennedy noted: ''The central holding in *Buckley v. Valeo* is that spending money on one's own speech must be permitted, and that this is what political parties do when they make expenditures FECA restricts.'' *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 627 (1996) (J. Kennedy, concurring). Justice Thomas added: ''As applied in the specific context of campaign funding by political parties, the anticorruption rationale loses its force. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities,* 56 Ford L. Rev. 53, 105–106 (1987). What could it mean for a party to 'corrupt' its candidates or to exercise 'coercive' influence over him? The very aim of a political party is to influence its candidate's stance on issues and, if the candidate takes office or is reelected, his votes. When political parties achieve that aim, that achievement does not, in my view, constitute 'a subversion of the political process.' *Federal Election Comm'n v. NCPAC*, 470 U.S. at 497. For instance, if the Democratic Party spends large sums of money in support of a candidate who wins, takes office, and then implements the Party's platform, that is not corruption; that is successful advocacy of ideas in the political marketplace and representative government in a party system. To borrow a phrase from *Federal Election Comm'n v. NCPAC*, 'the fact that candidates and elected officials may alter or reaffirm their own positions on issues in response to political messages paid for by [political groups] can hardly be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.' *Id.* at 498. Cf. *Federal Election Comm'n v. MCFL*, 479 U.S. at 263 (suggesting that '[v]oluntary political associations do not...present the specter of corruption').''. *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 647 (1996) (J. Thomas, concurring). Justice Thomas continued: ''The structure of political parties is such that the theoretical danger of those groups actually engaging in quid pro quos with candidates is significantly less than the threat of individuals or other groups doing so. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 97–98 (1987) (citing F. Sorauf, *Party Politics in America* 15–18 (5th ed. 1984)). American political parties, generally speaking, have numerous members with a wide variety of interests, features necessary for success in majoritarian elections. Consequently, the influence of any one person or the importance of any single issue within a political party is significantly diffused. For this reason, as the Party's amici argue, see Brief for Committee for Party Renewal et al. as Amicus Curiae 16, campaign funds donated by parties are considered to be some of 'the cleanest money in politics.' J. Bibby, *Campaign Finance Reform,* 6 Commonsense 1, 10 (Dec. 1983). And, as long as the Court continues to permit Congress to subject individuals to limits on the amount they can give to parties, and those limits are uniform as to all donors, *see* 2 U.S.C. section 441a(a)(1), there is little risk that an individual donor could use a party as a conduit for bribing candidates. *Id.*''.

(12) As recently as 2000, the Supreme Court reminded us once again of the vital role that political parties play on our democratic life, by serving as the primary vehicles for the political views and voices of millions and millions of Americans. ''Representative democracy in any populous unit of governance is unimaginable without the ability of citizens to band together in promoting the electoral candidates who espouse their political views. The formation of national political parties was almost concurrent with the formation of the Republic itself.'' *California Democratic Party v. Jones*, 530 U.S. 567 (2000). Moreover, just last year, a Federal court struck down a state law that included a so-called ''soft money ban,'' which in reality was a ban on corporate and union contributions to political parties—which as a factual

matter is correct. The *Anchorage Daily News* reported:

(13) A Federal judge says corporations and unions have a constitutional right to give unlimited amounts of ''soft money'' to political parties, so long as none of the money is used to get specific candidates elected. In a decision dated June 11, U.S. District Judge James Singleton struck down a section of Alaska's 1997 political contributions law that barred corporations, unions and other businesses from contributing any money to political candidates or parties. The ban against corporate contributions to individual candidates is fine, Singleton said. Public concern about the corrupting influence or corporate contributions on a specific candidate is legitimate and important enough to somewhat limit freedom of speech and political association, the judge concluded. But contributions to the noncandidate work of a political party do not raise undue influence issues and therefore may not be restricted, the judge concluded.

(14) Sheila Toomey, *Anchorage Daily News* (June 14, 2001) (reporting on *Kenneth P. Jacobus, et al. vs. State of Alaska, et al.*, No. A97–0272 (D. Alaska filed June 11, 2001).

(15) Nor is speech any less protected by the First Amendment simply because the one making the speech contacted or communicated with others. For some time, the Federal Election Commission held the view that such ''coordination'' (an undefined term), even of communications that did not contain express advocacy, somehow was problematic, and subject to the limitations and prohibitions of the Act. This view has been rejected by the courts. *Federal Election Commission v. Christian Coalition*, 52 F. Supp. 2d 45 (D.D.C. 1999). In fact, lower Federal courts have held that even political party committee limits on coordinated expenditures are an unconstitutional restriction on speech. *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 213 F.3d 1221 (10th Cir. 2000). Unless a party committee's expenditure is the functional equivalent of a contribution (and thus not ''coordinated''), it cannot be limited. See Federal Election Commission v. Colo. Republican Fed. Campaign Comm., 150 L.Ed.2d 461, nt. 17, nt. 2 (J. Thomas, dissenting) (2001). As a factual matter, many party committee ''coordinated'' expenditures are not the functional equivalent of contributions. *See* Amicus Curie Brief of the National Republican Congressional Committee, *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 150 L.Ed.2d 461 (2001).

(16) Commentators, legal experts and testimony in the record echoes the need to be mindful of the First Amendment. Whether it is the American Civil Liberties Union, see March 10, 2001 ACLU Letter to Senate (and all cases cited therein) & June 14, 2001 ACLU testimony before the House Administration Committee (and cases cited therein), or the counsel to the National Right to Life Committee and the Christian Coalition, see June 14, 2001 testimony of James Bopp before the House Administration Committee (and cases cited therein), experts across the political spectrum have thoughtfully explained the need to ensure the First Amendment rights of citizens of this country.

(17) Citizens who have an interest in issues have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communication in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(18) This Act contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues to their elected officials and the general public.

(19) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 602. NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS.

Notwithstanding any provision of this Act, and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that Amendment, specifically the freedom of speech or of the press, or the right of people to peaceably assemble, and to petition the government for a redress of grievances, consistent with the rulings of the courts of the United States (as provided in section 601).

H.R. 2356

OFFERED BY: ____

[Shays Substitute]

AMENDMENT NO. 33. Amend section 323(b) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—An amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

Amend section 323(e)(3) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

Amend section 304(e)(2) of the Federal Election Campaign Act of 1971, as proposed to be added by section 103(a) of the bill, to read as follows:

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b) applies shall report all receipts and disbursements made for activities described in section 301(20)(A), unless the aggregate amount of such receipts and disbursements during the calendar year is less than $5,000.

H.R. 2356

OFFERED BY: ____

[Shays Substitute]

AMENDMENT NO. 34. Add at the end of title III the following new section:

SEC. 320. BANNING POLITICAL CONTRIBUTIONS IN FEDERAL ELECTIONS BY ALL INDIVIDUALS NOT CITIZENS OR NATIONALS OF THE UNITED STATES.

Section 319(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: '', or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).''.

H.R. 2356

OFFERED BY: MR. NEY

[Armey Substitute]

AMENDMENT NO. 35: Amend section 301(20) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(20) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

''(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

''(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention; and

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

In section 402(b), strike ''At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility.'' and insert the following: ''At no time after such effective date may the committee spend any such funds for activities to defray the costs of the construction or purchase of any office building or facility.''.

H.R. 2356

OFFERED BY: MR. NEY

[Armey Substitute]

AMENDMENT NO. 36: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Campaign Reform and Citizen Participation Act of 2002''.

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

TITLE I—SOFT MONEY OF NATIONAL PARTIES

SEC. 101. RESTRICTIONS ON SOFT MONEY OF NATIONAL POLITICAL PARTIES.

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

''SOFT MONEY OF NATIONAL POLITICAL PARTIES

''SEC. 323. (a) PROHIBITING USE OF SOFT MONEY FOR FEDERAL ELECTION ACTIVITY.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value for Federal election activity, or spend any funds for Federal election activity, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) LIMIT ON AMOUNT OF NONFEDERAL FUNDS PROVIDED TO PARTY BY ANY PERSON FOR ANY PURPOSE.—

''(1) LIMIT ON AMOUNT.—No person shall make contributions, donations, or transfers of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party in any calendar year in an aggregate amount equal to or greater than $20,000.

''(2) PROHIBITING PROVISION OF NONFEDERAL FUNDS BY INDIVIDUALS.—No individual may make any contribution, donation, or transfer of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party.

''(c) APPLICABILITY.— This subsection shall apply to any political committee established and maintained by a national political party, any officer or agent of such a committee acting on behalf of the committee, and any entity that is directly or indirectly established, maintained, or controlled by such a national committee.

''(d) DEFINITIONS.—

''(1) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election, unless the activity constitutes generic campaign activity;

''(ii) voter identification or get-out-the-vote activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot), unless the activity constitutes generic campaign activity;

''(iii) any public communication that refers to or depicts a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

''(iv) any public communication made by means of any broadcast, cable, or satellite communication.

''(B) EXCEPTION FOR CERTAIN ADMINISTRATIVE ACTIVITIES.—The term 'Federal election activity' does not include any activity relating to establishment, administration, or solicitation costs of a political committee established and maintained by a national political party, so long as the funds used to carry out the activity are derived from funds or payments made to the committee which are segregated and used exclusively to defray the costs of such activities.

''(2) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means any activity that does not mention, depict, or otherwise promote a clearly identified Federal candidate.

''(3) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, or direct mail.

''(4) DIRECT MAIL.—The term 'direct mail' means a mailing by a commercial vendor or any mailing made from a commercial list.''.

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

SEC. 201. INCREASE IN LIMITS ON CERTAIN CONTRIBUTIONS.

(a) CONTRIBUTIONS BY COMMITTEES TO NATIONAL PARTIES.—Section 315(a)(2)(B) of such Act (2 U.S.C. 441a(a)(2)(B)) is amended by striking ''$15,000'' and inserting ''$30,000''.

(b) AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking ''$25,000'' and inserting ''$37,500''.

SEC. 202. INCREASE IN LIMITS ON CONTRIBUTIONS TO STATE PARTIES.

(a) CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.''.

(b) CONTRIBUTIONS BY COMMITTEES.—Section 315(a)(2) of the Federal EElection Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.''.

SEC. 203. TREATMENT OF CONTRIBUTIONS TO NATIONAL PARTY UNDER AGGREGATE ANNUAL LIMIT ON INDIVIDUAL CONTRIBUTIONS.

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

(1) by striking ''(3)'' and inserting ''(3)(A)''; and

(2) by adding at the end the following new subparagraph:

''(B) Subparagraph (A) shall not apply with respect to any contribution made to any political committee established and maintained by a national political party which is not the authorized political committee of any candidate.''.

SEC. 204. EXEMPTION OF COSTS OF VOLUNTEER CAMPAIGN MATERIALS PRODUCED AND DISTRIBUTED BY PARTIES FROM TREATMENT AS CONTRIBUTIONS AND EXPENDITURES.

(a) TREATMENT AS CONTRIBUTIONS.—Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking ''a State or local committee of a political party of the costs of'' and inserting ''a national, State, or local committee of a political party of the costs of producing and distributing''.

(b) TREATMENT AS EXPENDITURES.—Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking ''a State or local committee of a political party of the costs of'' and inserting ''a national, State, or local committee of a political party of the costs of producing and distributing''.

SEC. 205. INDEXING.

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

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting ''(A)'' before ''At the beginning''; and

(C) by adding at the end the following:

''(B) Except as provided in subparagraph (C), in any calendar year after 2002—

''(i) a limitation established by subsections (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

''(ii) each amount so increased shall remain in effect for the calendar year; and

''(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

''(C) In the case of limitations under subsections (a) and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.''; and

(2) in paragraph (2)(B), by striking ''means the calendar year 1974'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsections (a) and (h), calendar year 2001''.

SEC. 206. PERMITTING NATIONAL PARTIES TO ESTABLISH ACCOUNTS FOR MAKING EXPENDITURES IN EXCESS OF LIMITS ON BEHALF OF CANDIDATES FACING WEALTHY OPPONENTS.

(a) ESTABLISHMENT OF ACCOUNTS.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following new paragraph:

''(4)(A) Subject to subparagraph (B), the national committee of a political party may make expenditures in connection with the general election campaign of a candidate for Federal office (other than a candidate for President) who is affiliated with such party in an amount in excess of the limit established under paragraph (3) if—

''(i) the candidate's opponent in the general election campaign makes expenditures of personal funds in connection with the campaign in an amount in excess of $100,000 (as provided in the notifications submitted under section 304(a)(6)(B)); and

''(ii) the expenditures are made from a separate account of the party used exclusively for making expenditures pursuant to this paragraph.

''(B) The amount of expenditures made in accordance with subparagraph (A) by the national committee of a political party in connection with the general election campaign of a candidate may not exceed the amount of expenditures of personal funds made by the candidate's opponent in connection with the campaign (as provided in the notifications submitted under section 304(a)(6)(B)).''.

(b) WAIVER OF LIMITS ON CONTRIBUTIONS TO ACCOUNTS.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

''(9) The limitations imposed by paragraphs (1)(B), (2)(B), and (3) shall not apply with respect to contributions made to the national committee of a political party which are designated by the donor to be deposited solely into the account established by the party under subsection (d)(4).''.

(c) NOTIFICATION OF EXPENDITURES OF PERSONAL FUNDS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following new subparagraph:

''(B)(i) The principal campaign committee of a candidate (other than a candidate for President) shall submit the following notifications relating to expenditures of personal funds by such candidate (including contributions by the candidate or the candidate's spouse to such committee and funds derived from loans made by the candidate or the candidate's spouse to such committee):

''(I) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended (or contributed) with respect to an election exceeds $100,000.

''(II) After the notification is made under subclause (I), a notification of each such subsequent expenditure (or contribution) which, taken together with all such subsequent expenditures (and contributions) in any amount not included in the most recent report under this subparagraph, totals $5,000 or more.

''(ii) Each of the notifications submitted under clause (i)—

''(I) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made;

''(II) shall include the name of the candidate, the office sought by the candidate, and the date of the expenditure or contribution and amount of the expenditure or contribution involved; and

''(III) shall include the total amount of all such expenditures and contributions made with respect to the same election as of the date of expenditure or contribution which is the subject of the notification.''.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

SEC. 301. DISCLOSURE OF INFORMATION ON COMMUNICATIONS BROADCAST PRIOR TO ELECTION.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

''(e) DISCLOSURE OF INFORMATION ON CERTAIN COMMUNICATIONS BROADCAST PRIOR TO ELECTIONS.—

''(1) IN GENERAL.—Any person who makes a disbursement for a communication described in paragraph (3) shall, not later than 24 hours after making the disbursement, file with the Commission a statement containing the information required under paragraph (2).

''(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

''(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

''(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

''(C) The amount of the disbursement.

''(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

''(E) The text of the communication involved.

''(3) COMMUNICATIONS DESCRIBED.—

''(A) IN GENERAL.—A communication described in this paragraph is any communication—

''(i) which is disseminated to the public by means of any broadcast, cable, or satellite communication during the 120-day period ending on the date of a Federal election; and

''(ii) which mentions a clearly identified candidate for such election (by name, image, or likeness).

''(B) EXCEPTION.—A communication is not described in this paragraph if—

''(i) the communication appears in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

''(ii) the communication constitutes an expenditure under this Act.

''(4) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to file a statement under this subsection shall be in addition to any other reporting requirement under this Act.

''(5) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.''.

SEC. 302. DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 301, is further amended by adding at the end the following new subsection:

''(f) DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.—

''(1) IN GENERAL.—Any person who makes a disbursement for targeted mass communications in an aggregate amount in excess of $50,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

''(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

''(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

''(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

''(C) The amount of each such disbursement of more than $200 made by the person during the period covered by the statement and the identification of the person to whom the disbursement was made.

''(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

''(E) The text of the communication involved.

''(3) TARGETED MASS COMMUNICATION DEFINED.—

''(A) IN GENERAL.—In this subsection, the term 'targeted mass communication' means any communication—

''(i) which is disseminated during the 120-day period ending on the date of a Federal election;

''(ii) which refers to or depicts a clearly identified candidate for such election (by name, image, or likeness); and

''(iii) which is targeted to the relevant electorate.

''(B) TARGETING TO RELEVANT ELECTORATE.—

''(i) BROADCAST COMMUNICATIONS.—For purposes of this paragraph, a communication disseminated to the public by means of any broadcast, cable, or satellite communication which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if the communication is disseminated by a broadcaster whose audience includes—

''(I) a substantial number of residents of the district the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

''(II) a substantial number of residents of the State the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Senator.

''(ii) OTHER COMMUNICATIONS.—For purposes of this paragraph, a communication which is not described in clause (i) which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if—

''(I) more than 10 percent of the total number of intended recipients of the communication are members of the electorate involved with respect to such Federal office; or

''(II) more than 10 percent of the total number of members of the electorate involved with respect to such Federal office receive the communication.

''(C) EXCEPTIONS.—The term 'targeted mass communication' does not include—

''(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

''(ii) a communication made by any membership organization (including a labor organization) or corporation solely to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office; or

''(iii) a communication which constitutes an expenditure under this Act.

''(4) DISCLOSURE DATE.—For purposes of this subsection, the term 'disclosure date' means—

''(A) the first date during any calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000; and

''(B) any other date during such calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000 since the most recent disclosure date for such calendar year.

''(5) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

''(6) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.''.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

H.R. 2356

OFFERED BY: ____

[Armey Substitute]

AMENDMENT NO. 37: Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to the Second Amendment of the Constitution

SEC. 221. FINDINGS.

Congress finds the following:

(1) The Second Amendment to the United States Constitution protects the right of individual persons to keep and bear arms.

(2) There are more than 60,000,000 gun owners in the United States.

(3) The Second Amendment to the Constitution of the United States protects the right of Americans to carry firearms in defense of themselves and others.

(4) The United States Court of Appeals in *U.S. v. Emerson* reaffirmed the fact that the right to keep and bear arms is an individual right protected by the Constitution.

(5) Americans who are concerned about threats to their ability to keep and bear arms have the right to petition their government.

(6) The Supreme Court, in *U.S. v. Cruikshank* (92 U.S. 542, 1876) recognized that the right to arms preexisted the Constitution. The Court stated that the right to arms ''is not a right granted by the Constitution. Neither is it in any manner dependent upon that instrument for its existence.''.

(7) In *Beard v. United States* (158 U.S. 550, 1895) the Court approved the common-law rule that a person ''may repel force by force'' in self-defense, and concluded that when attacked a person ''was entitled to stand his ground and meet any attack made upon him with a deadly weapon, in such a way and with such force'' as needed to prevent ''great bodily injury or death''. The laws of all 50 states, and the constitutions of most States, recognize the right to use armed force in self-defense.

(8) In order to protect Americans' constitutional rights under the Second Amendment, the First Amendment provides the ability for citizens to address the Government.

(9) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(10) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(11) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(12) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(13) Citizens who have an interest in issues about or related to the Second Amendment of the Constitution have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(14) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning the right to keep and bear arms to their elected officials and the general public.

(15) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO THE SECOND AMENDMENT OF THE CONSTITUTION.

None of the restrictions or requirements contained in this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any person who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to the Second Amendment.

H.R. 2356

OFFERED BY: ____

[Armey Substitute]

AMENDMENT NO. 38: Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Veterans, Military Personnel, or Seniors

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 42,000,000 men and women have served in the United States Armed Forces from the Revolution onward and more than 25 million are still living. Living veterans and their families, plus the living dependents of deceased veterans, constitute a significant part of the present United States population.

(2) American veterans are black and they are white; they are of every race and ethnic heritage. They are men, and they are women. They are Christians, they are Muslims, they are Jews. They are fathers, mothers, sisters, brothers, sons and daughters. They are neighbors, down the street or right next door. They are teachers in our schools, they are factory workers. They are Americans living today who served in the armed services, and they are the more than 1,000,000 who have died in America's wars.

(3) America's veterans are men and women who have fought to protect the United States against foreign aggressors as Soldiers, Sailors, Airmen, Coast Guardsmen and Marines. The members of our elite organization are those who have discharged their very special obligation of citizenship as servicemen and women, and who today continue to expend great time, effort and energy in the service of their fellow veterans and their communities.

(4) There is a bond joining every veteran from every branch of the service. Whether drafted or enlisted, commissioned or noncommissioned, each took an oath, lived by a code, and stood ready to fight and die for their country.

(5) American men and women in uniform risk their lives on a daily basis to defend our freedom and democracy. Americans have always believed that there are values worth fighting for—values and liberties upon which America was founded and which we have carried forward for more than 225 years, that men and women of this great nation gave their lives to preserve.

(6) It is the sacrifice borne by generations of American veterans that has made us strong and has rendered us the beacon of freedom guiding the course of nations

freedom guiding the course of nations throughout the world. American veterans have fought for freedom for Americans, as well as citizens throughout the world. They have helped to defend and preserve the values of freedom of speech, democracy, voting rights, human rights, equal access and the rights of the individual—those values felt and nurtured on every continent in our world.

(7) The freedoms and opportunities we enjoy today were bought and paid for with their devotion to duty and their sacrifices. We can never say it too many times: We are the benefactors of their sacrifice, and we are grateful.

(8) Of the 25,000,000 veterans currently alive, nearly three of every four served during a war or an official period of hostility. About a quarter of the Nation's population—approximately 70,000,000 people—are potentially eligible for Veterans' Administration benefits and services because they are veterans, family members or survivors of veterans.

(9) The present veteran population is estimated at 25,600,000, as of July 1, 1997. Nearly 80 of every 100 living veterans served during defined periods of armed hostilities. Altogether, almost one-third of the nation's population-approximately 70,000,000 persons who are veterans, dependents and survivors of deceased veterans—are potentially eligible for Veterans' Administration benefits and services.

(10) Care for veterans and dependents spans centuries. The last dependent of a Revolutionary War veteran died in 1911; the War of 1812's last dependent died in 1946; the Mexican War's, in 1962.

(11) The Veterans' Administration health care system has grown from 54 hospitals in 1930, to include 171 medical centers; more than 350 outpatient, community, and outreach clinics; 126 nursing home care units; and 35 domiciliaries. Veterans' Administration health care facilities provide a broad spectrum of medical, surgical, and rehabilitative care.

(12) World War II resulted in not only a vast increase in the veteran population, but also in large number of new benefits enacted by the Congress for veterans of the war. The World War II GI Bill, signed into law on June 22, 1944, is said to have had more impact on the American way of life than any law since the Homestead Act more than a century ago.

(13) About 2,700,000 veterans receive disability compensation or pensions from VA. Also receiving Veterans' Administration benefits are 592,713 widows, children and parents of deceased veterans. Among them are 133,881 survivors of Vietnam era veterans and 295,679 survivors of World War II veterans. In fiscal year 2001, Veterans' Administration planned to spend $22,000,000,000 yearly in disability compensation, death compensation and pension to 3,200,000 people.

(14) Veterans' Administration manages the largest medical education and health professions training program in the United States. Veterans' Administration facilities are affiliated with 107 medical schools, 55 dental schools and more than 1,200 other schools across the country. Each year, about 85,000 health professionals are trained in Veterans' Administration medical centers. More than half of the physicians practicing in the United States have had part of their professional education in the Veterans' Administration health care system.

(15) 75 percent of Veterans' Administration researchers are practicing physicians. Because of their dual roles, Veterans' Administration research often immediately benefits patients. Functional electrical stimulation, a technology using controlled electrical current to activate paralyzed muscles, is being developed at Veterans' Administration clinical facilities and laboratories throughout the country. Through this technology, paraplegic patients have been able to stand and, in some instances, walk short distances and climb stairs. Patients with quadriplegia are able to use their hands to grasp objects.

(16) There are more than 35,000,000 persons in the United States aged 65 and over.

(17) Seniors are a diverse population, each member having his or her own political and economic issues.

(18) Seniors and their families have many important issues for which they seek congressional action. Some of these issues include, but are not limited to, health care, Social Security, and taxes.

(19) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(20) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(21) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(22) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(23) Citizens who have an interest in issues about or related to veterans, military personnel, seniors, and their families have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(24) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning veterans, military personnel, seniors, and their families to their elected officials and the general public.

(25) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO VETERANS, MILITARY PERSONNEL, OR SENIORS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to veterans, military personnel, or senior citizens, or to the immediate family members of veterans, military personnel, or senior citizens.

H.R. 2356

OFFERED BY: ____

[Armey Substitute]

AMENDMENT NO. 39: Amend section 402 to read as follows:

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect February 14, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a) which remain unexpended as of such date, the committee shall return the funds on a pro rata basis to the persons who provided the funds to the committee.

H.R. 2356

OFFERED BY: ____

[Armey Substitute]

AMENDMENT NO. 40: Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Workers, Farmers, Families, and Individuals

SEC. 221. FINDINGS.

Congress finds the following:

(1) There are approximately 138 million people employed in the United States.

(2) Thousands of organizations and associations represent these employed persons and their employers in numerous forms and forums, not least of which is by participating in our electoral and political system in a number of ways, including informing citizens of key votes that affect their common interests, criticizing and praising elected officials for their position on issues, contributing to candidates and political parties, registering voters, and conducting get-out-the-vote activities.

(3) The rights of American workers to bargain collectively are protected by their First Amendment to the Constitution and by provisions in the National Labor Relations Act. Federal law guarantees the rights of workers to choose whether to bargain collectively through a union.

(4) Fourteen percent of the American workforce has chosen to affiliate with a

labor union. Federal law allows workers and unions the opportunity to combine strength and to work together to seek to improve the lives of America's working families, bring fairness and dignity to the workplace and secure social and economic equity in our nation.

(5) Nearly three quarters of all United States business firms have no payroll. Most are self-employed persons operating unincorporated businesses, and may or may not be the owner's principal source of income.

(6) Minorities owned fewer than 7 percent of all United States firms, excluding C corporations, in 1982, but this share soared to about 15 percent by 1997. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(7) In 1999, women made up 46 percent of the labor force. The labor force participation rate of American women was the highest in the world.

(8) Labor/Worker unions represent 16 million working women and men of every race and ethnicity and from every walk of life.

(9) In recent years, union members and their families have mobilized in growing numbers. In the 2000 election, 26 percent of the nation's voters came from union households.

(10) According to the 2000 census, total United States families were totaled at over 105 million.

(11) In 2000, there were 8.7 million African American families.

(12) Asians have larger families than other groups. For example, the average Asian family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(13) American farmers, ranchers, and agricultural managers direct the activities of the world's largest and most productive agricultural sectors. They produce enough food and fiber to meet the needs of the United States and produce a surplus for export.

(14) About 17 percent of raw United States agricultural products are exported yearly, including 83 million metric tons of cereal grains, 1.6 billion pounds of poultry, and 1.4 million metric tons of fresh vegetables.

(15) One-fourth of the world's beef and nearly one-fifth of the world's grain, milk, and eggs are produced in the United States.

(16) With 96 percent of the world's population living outside our borders, the world's most productive farmers need access to international markets to compete.

(17) Every State benefits from the income generated from agricultural exports. 19 States have exports of $1 billion or more.

(18) America's total on United States exports is $49.1 billion and the number of imports is $37.5 billion.

(19) By itself, farming—production agriculture—contributed $60.4 billion toward the national GDP (Gross Domestic Product).

(20) Farmers and ranchers provide food and habitat for 75 percent of the Nation's wildlife.

(21) More than 23 million jobs—17 percent of the civilian workforce—are involved in some phase of growing and getting our food and clothing to us. America now has fewer farmers, but they are producing now more than ever before.

(22) Twenty-two million American workers process, sell, and trade the Nation's food and fiber. Farmers and ranchers work with the Department of Agriculture to produce healthy crops while caring for soil and water.

(23) By February 8, the 39th day of 2002, the average American has earned enough to pay for their family's food for the entire year. In 1970 it took 12 more days than it does now to earn a full food pantry for the year. Even in 1980 it took 10 more days—49 total days—of earning to put a year's supply of food on the table.

(24) Farmers are facing the 5th straight year of the lowest real net farm income since the Great Depression. Last October, prices farmers received made their sharpest drop since United States Department of Agriculture began keeping records 91 years ago. During this same period the cost of production has hit record highs.

(25) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(26) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(27) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(28) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(29) Citizens who have an interest in issues about or related to their lives have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(30) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy.

(31) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO WORKERS, FARMERS, FAMILIES, AND INDIVIDUALS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to any individual.

H.R. 2356

OFFERED BY: ____

[Armey Substitute]

AMENDMENT NO. 41: Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Civil Rights and issues affecting minorities.

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 70 million people in the United States belong to a minority race.

(2) More than 34 million people in the United States are African American, 35 million are Hispanic or Latino, 10 million are Asian, and 2 million are American Indian or Alaska Native.

(3) Minorities account for around 24 percent of the U.S. workforce.

(4) Minorities, who owned fewer than 7 percent of all U.S. firms in 1982, now own more than 15 percent. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(5) Self-employment as a share of each group's nonagricultural labor force (averaged over the 1991-1999 decade) was White, 9.7 percent; African American, 3.8 percent; American Indian, Eskimo, or Aleut, 6.4 percent; and Asian or Pacific Islander, 10.1 percent.

(6) Of U.S. businesses, 5.8 percent were owned by Hispanic Americans, 4.4 percent by Asian Americans, 4.0 percent by African Americans, and 0.9 percent by American Indians.

(7) Of the 4,514,699 jobs in minority-owned businesses in 1997, 48.8 percent were in Asian-owned firms, 30.8 percent in Hispanic-owned firms, 15.9 percent in African American-owned firms, and 6.6 percent in American Native-owned firms.

(8) Minority-owned firms had about $96 billion in payroll in 1997. The average payroll per employee was roughly $21,000 in the major minority groups and ranged from just under $15,000 to just over $27,000 in various subgroups of the minority population.

(9) African Americans were the only race or ethnic group to show an increase in voter participation in congressional elections, increasing their presence at the polls from 37 percent in 1994 to 40 percent in 1998. Nationwide, overall turnout by the voting-age population was down from 45 percent in 1994 to 42 percent in 1998.

(10) In 2000, there were 8.7 million African American families. The United States had 96,000 African American engineers, 41,000 African American physicians and 47,000 African American lawyers in 1999.

(11) The number of Asians and Pacific Islanders voting in congressional elections increased by 366,000 between 1994 and 1998.

(12) Businesses owned by Asians and Pacific Islanders made up 4 percent of the nation's 20.8 million nonfarm businesses.

(13) Asians tend to have larger families—the average family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(14) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(15) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(16) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(17) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(18) Citizens who have an interest in issues about or related to civil rights have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(19) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning civil rights to their elected officials and the general public.

(20) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO CIVIL RIGHTS AND ISSUES AFFECTING MINORITIES.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to civil rights.

H.R. 2356

OFFERED BY: ____

[Armey Substitute]

AMENDMENT NO. 42: Add at the end the following title:

TITLE VI—NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS

SEC. 601. FINDINGS.

Congress finds the following:

(1) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''

(2) The First Amendment affords the broadest protection to such political expression in order ''to assure [the] unfettered interchange of ideas for the bringing about of political and social changes desired by the people. *Roth v. United States*, 354 U.S. 476, 484 (1957).

(3) According to *Mills v. Alabama*, 384 U.S. 214, 218 (1966), there is practically universal agreement that a major purpose of that Amendment was to protect the free discussion of governmental affairs, ''. . . of course including[ing] discussions of candidates . . .''.

(4) According to *New York Times Co. v. Sullivan*, 376 U.S. 254, 270 (1964), the First Amendment reflects our ''profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open''. In a republic where the people are sovereign, the ability of the citizenry to make informed choices among candidates for office is essential, for the identities of those who are elected will inevitably shape the course that we follow as a nation.

(5) The First Amendment protects political association as well as political expression. The constitutional right of association explicated in *NAACP v. Alabama*, 357 U.S. 449, 460 (1958), stemmed from the Court's recognition that ''[e]ffective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association.'' Subsequent decisions have made clear that the First and Fourteenth Amendments guarantee ''freedom to associate with others for the common advancement of political beliefs and ideas,'' a freedom that encompasses '' '[t]he right to associate with the political party of one's choice.' '' *Kusper v. Pontikes*, 414 U.S. 51, 56, 57, quoted in *Cousins v. Wigoda*, 419 U.S. 477, 487 (1975).

(6) In *Buckley v. Valeo*, the Supreme Court stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(7) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(8) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(9) The courts of the United States have consistently reaffirmed and applied the teachings of *Buckley*, striking down such government overreaching. The courts of the United States have consistently upheld the rights of the citizens of the United States, candidates for public office, political parties, corporations, labor unions, trade associations, non-profit entities, among others. Such decisions provide a very clear line as to what the government can and cannot do with respect to the regulation of campaigns. See *Federal Election Comm'n v. Massachusetts Citizens for Life, Inc.*, 479 U.S. 238 (1986); *Federal Election Comm'n v. National Conservative Political Action Comm.*, 470 U.S. 480 (1985); *California Medical Assn. V. Federal Election Comm'n*, 453 U.S. 182 (1981).

(10) The FEC has lost time and time again in court attempting to move away from the express advocacy bright line test of *Buckley v. Valeo*. In fact, in some cases, the FEC has had to pay fees and costs because the theory is frivolous. *See FEC v. Christian Action Network*, 110 F.3d 1049 (4th Cir. 1997), *aff'g* 894 F. Supp. 946 (W.D.Va. 1995); *Maine Right to Life Comm. v. FEC*, 914 F. Supp. 8 (D.Me. 1996), aff'd 98 F.3d 1 (1st Cir. 1996), *cert. denied*, 118 S. Ct. 52 (1997); *Clifton v. FEC*, 114 F.3d 1309 (1st Cir. 1997); *Faucher v. FEC*, 928 F.2d 468, 472 (1st Cir.), *cert. denied*, 502 U.S. 820 (1991); *FEC v. Colorado Republican Federal Campaign Comm.*, 839 F. Supp. 1448 (D. Co.), *rev'd on other grounds*, 59 F.3d 1015 (10th Cir.), vacated on other grounds, 116 S. Ct. 2309 (1996); *FEC v. Central Long Island Tax Reform Immediately Comm.*, 616 F.2d 45, 53 (2d Cir. 1980); *Minnesota Citizens Concerned for Life, Inc. v. FEC*, 936 F. Supp. 633 (D. Minn. 1996), *aff'd* 113 F.3d 129 (8th Cir. 1997), *reh'g. en banc denied*, 1997 U.S. App. LEXIS 17528; *West Virginians for Life, Inc. v. Smith*, 960 F. Supp. 1036, 1039 (S.D.W.Va. 1996); *FEC v. Survival Education Fund*, 1994 U.S. Dist. Lexis 210 (S.D.N.Y. 1994), *aff'd in part and rev'd in part*, 65 F.3d 285 (2nd Cir. 1995); *FEC v. National Organization for Women*, 713 F. Supp. 428, 433–34 (D.D.C. 1989); *FEC v. American Federation of State, County and Municipal Employees*, 471 F. Supp. 315, 316–17 (D.D.C. 1979). Even the FEC abandoned the ''electioneering communication''

standard soon after the 1996 election due to its vagueness.

(11) The courts have also repeatedly upheld the rights of political party committees. As Justice Kennedy noted: ''The central holding in *Buckley v. Valeo* is that spending money on one's own speech must be permitted, and that this is what political parties do when they make expenditures FECA restricts.'' *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n,* 518 U.S. 604, 627 (1996) (J. Kennedy, concurring). Justice Thomas added: ''As applied in the specific context of campaign funding by political parties, the anticorruption rationale loses its force. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 105–106 (1987). What could it mean for a party to 'corrupt' its candidates or to exercise 'coercive' influence over him? The very aim of a political party is to influence its candidate's stance on issues and, if the candidate takes office or is reelected, his votes. When political parties achieve that aim, that achievement does not, in my view, constitute 'a subversion of the political process.' *Federal Election Comm'n v. NCPAC*, 470 U.S. at 497. For instance, if the Democratic Party spends large sums of money in support of a candidate who wins, takes office, and then implements the Party's platform, that is not corruption; that is successful advocacy of ideas in the political marketplace and representative government in a party system. To borrow a phrase from *Federal Election Comm'n v. NCPAC*, 'the fact that candidates and elected officials may alter or reaffirm their own positions on issues in response to political messages paid for by [political groups] can hardly be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.' *Id.* at 498. Cf. *Federal Election Comm'n v. MCFL*, 479 U.S. at 263 (suggesting that '[v]oluntary political associations do not . . . present the specter of corruption').''. *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 647 (1996) (J. Thomas, concurring). Justice Thomas continued: ''The structure of political parties is such that the theoretical danger of those groups actually engaging in quid pro quos with candidates is significantly less than the threat of individuals or other groups doing so. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities,* 56 Ford L. Rev. 53, 97–98 (1987) (citing F. Sorauf, *Party Politics in America* 15–18 (5th ed. 1984)). American political parties, generally speaking, have numerous members with a wide variety of interests, features necessary for success in majoritarian elections. Consequently, the influence of any one person or the importance of any single issue within a political party is significantly diffused. For this reason, as the Party's amici argue, see Brief for Committee for Party Renewal et al. as Amicus Curiae 16, campaign funds donated by parties are considered to be some of 'the cleanest money in politics.' J. Bibby, *Campaign Finance Reform,* 6 Commonsense 1, 10 (Dec. 1983). And, as long as the Court continues to permit Congress to subject individuals to limits on the amount they can give to parties, and those limits are uniform as to all donors, *see* 2 U.S.C. section 441a(a)(1), there is little risk that an individual donor could use a party as a conduit for bribing candidates. *Id.*''.

(12) As recently as 2000, the Supreme Court reminded us once again of the vital role that political parties play on our democratic life, by serving as the primary vehicles for the political views and voices of millions and millions of Americans. ''Representative democracy in any populous unit of governance is unimaginable without the ability of citizens to band together in promoting the electoral candidates who espouse their political views. The formation of national political parties was almost concurrent with the formation of the Republic itself.'' *California Democratic Party v. Jones,* 530 U.S. 567 (2000). Moreover, just last year, a Federal court struck down a state law that included a so-called ''soft money ban,'' which in reality was a ban on corporate and union contributions to political parties—which as a factual matter is correct. The *Anchorage Daily News* reported:

(13) A Federal judge says corporations and unions have a constitutional right to give unlimited amounts of ''soft money'' to political parties, so long as none of the money is used to get specific candidates elected. In a decision dated June 11, U.S. District Judge James Singleton struck down a section of Alaska's 1997 political contributions law that barred corporations, unions and other businesses from contributing any money to political candidates or parties. The ban against corporate contributions to individual candidates is fine, Singleton said. Public concern about the corrupting influence or corporate contributions on a specific candidate is legitimate and important enough to somewhat limit freedom of speech and political association, the judge concluded. But contributions to the noncandidate work of a political party do not raise undue influence issues and therefore may not be restricted, the judge concluded.

(14) Sheila Toomey, *Anchorage Daily News* (June 14, 2001) (reporting on *Kenneth P. Jacobus, et al. vs. State of Alaska, et al.*, No. A97–0272 (D. Alaska filed June 11, 2001).

(15) Nor is speech any less protected by the First Amendment simply because the one making the speech contacted or communicated with others. For some time, the Federal Election Commission held the view that such ''coordination'' (an undefined term), even of communications that did not contain express advocacy, somehow was problematic, and subject to the limitations and prohibitions of the Act. This view has been rejected by the courts. *Federal Election Commission v. Christian Coalition,* 52 F. Supp. 2d 45 (D.D.C. 1999). In fact, lower Federal courts have held that even political party committee limits on coordinated expenditures are an unconstitutional restriction on speech. *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.,* 213 F.3d 1221 (10th Cir. 2000). Unless a party committee's expenditure is the functional equivalent of a contribution (and thus not ''coordinated''), it cannot be limited. See Federal Election Commission v. Colo. Republican Fed. Campaign Comm., 150 L.Ed.2d 461, nt. 17, nt. 2 (J. Thomas, dissenting) (2001). As a factual matter, many party committee ''coordinated'' expenditures are not the functional equivalent of contributions. *See* Amicus Curie Brief of the National Republican Congressional Committee, *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.,* 150 L.Ed.2d 461 (2001).

(16) Commentators, legal experts and testimony in the record echoes the need to be mindful of the First Amendment. Whether it is the American Civil Liberties Union, see March 10, 2001 ACLU Letter to Senate (and all cases cited therein) & June 14, 2001 ACLU testimony before the House Administration Committee (and cases cited therein), or the counsel to the National Right to Life Committee and the Christian Coalition, see June 14, 2001 testimony of James Bopp before the House Administration Committee (and cases cited therein), experts across the political spectrum have thoughtfully explained the need to ensure the First Amendment rights of citizens of this country.

(17) Citizens who have an interest in issues have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communication in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(18) This Act contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues to their elected officials and the general public.

(19) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 602. NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS.

Notwithstanding any provision of this Act, and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that Amendment, specifically the freedom of speech or of the press, or the right of people to peaceably assemble, and to petition the government for a redress of grievances, consistent with the rulings of the courts of the United States (as provided in section 601).

H.R. 2356

OFFERED BY: ____

[Armey Substitute]

AMENDMENT NO. 43: Amend section 323(b) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—An amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

Amend section 323(e)(3) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

Amend section 304(e)(2) of the Federal Election Campaign Act of 1971, as proposed to be added by section 103(a) of the bill, to read as follows:

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b) applies shall report all receipts and disbursements made for activities described

in section 301(20)(A), unless the aggregate amount of such receipts and disbursements during the calendar year is less than $5,000.

H.R. 2356

OFFERED BY: ____

[Armey Substitute]

AMENDMENT NO. 44: Add at the end the following:

TITLE ____—STRENGTHENING FOREIGN MONEY BAN

SEC. ____. STRENGTHENING FOREIGN MONEY BAN.

(a) BANNING ALL DONATIONS TO CANDIDATES AND PARTIES.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: ''CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS''; and

(2) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—It shall be unlawful for—

''(1) a foreign national, directly or indirectly, to make—

''(A) a contribution or donation of money or other thing of value, or to make an express or implied promise to make a contribution or donation, in connection with a Federal, State, or local election; or

''(B) a contribution or donation to a committee of a political party; or

''(2) a person to solicit, accept, or receive a contribution or donation described in subparagraph (A) or (B) of paragraph (1) from a foreign national.''.

(b) EXTENSION OF BAN IN FEDERAL ELECTIONS TO ALL NONCITIZENS.—Section 319(b)(2) of such Act (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: '', or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).''.

H.R. 2356

OFFERED BY: MR. NEY

[Ney Substitute]

AMENDMENT NO. 45: Amend section 301(20) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(20) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

''(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

''(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention; and

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

In section 402(b), strike ''At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility.'' and insert the following: ''At no time after such effective date may the committee spend any such funds for activities to defray the costs of the construction or purchase of any office building or facility.''.

H.R. 2356

OFFERED BY: MR. NEY

[Ney Substitute]

AMENDMENT NO. 46: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Campaign Reform and Citizen Participation Act of 2002''.

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

TITLE I—SOFT MONEY OF NATIONAL PARTIES

SEC. 101. RESTRICTIONS ON SOFT MONEY OF NATIONAL POLITICAL PARTIES.

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

''SOFT MONEY OF NATIONAL POLITICAL PARTIES

''SEC. 323. (a) PROHIBITING USE OF SOFT MONEY FOR FEDERAL ELECTION ACTIVITY.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value for Federal election activity, or spend any funds for Federal election activity, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(b) LIMIT ON AMOUNT OF NONFEDERAL FUNDS PROVIDED TO PARTY BY ANY PERSON FOR ANY PURPOSE.—

''(1) LIMIT ON AMOUNT.—No person shall make contributions, donations, or transfers of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party in any calendar year in an aggregate amount equal to or greater than $20,000.

''(2) PROHIBITING PROVISION OF NONFEDERAL FUNDS BY INDIVIDUALS.—No individual may make any contribution, donation, or transfer of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party.

''(c) APPLICABILITY.— This subsection shall apply to any political committee established and maintained by a national political party, any officer or agent of such a committee acting on behalf of the committee, and any entity that is directly or indirectly established, maintained, or controlled by such a national committee.

''(d) DEFINITIONS.—

''(1) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election, unless the activity constitutes generic campaign activity;

''(ii) voter identification or get-out-the-vote activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot), unless the activity constitutes generic campaign activity;

''(iii) any public communication that refers to or depicts a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

''(iv) any public communication made by means of any broadcast, cable, or satellite communication.

''(B) EXCEPTION FOR CERTAIN ADMINISTRATIVE ACTIVITIES.—The term 'Federal election activity' does not include any activity relating to establishment, administration, or solicitation costs of a political committee established and maintained by a national political party, so long as the funds used to carry out the activity are derived from funds or payments made to the committee which are segregated and used exclusively to defray the costs of such activities.

''(2) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means any activity that does not mention, depict, or otherwise promote a clearly identified Federal candidate.

''(3) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or

tion by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, or direct mail.

''(4) DIRECT MAIL.—The term 'direct mail' means a mailing by a commercial vendor or any mailing made from a commercial list.''.

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

SEC. 201. INCREASE IN LIMITS ON CERTAIN CONTRIBUTIONS.

(a) CONTRIBUTIONS BY COMMITTEES TO NATIONAL PARTIES.—Section 315(a)(2)(B) of such Act (2 U.S.C. 441a(a)(2)(B)) is amended by striking ''$15,000'' and inserting ''$30,000''.

(b) AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking ''$25,000'' and inserting ''$37,500''.

SEC. 202. INCREASE IN LIMITS ON CONTRIBUTIONS TO STATE PARTIES.

(a) CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.''.

(b) CONTRIBUTIONS BY COMMITTEES.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.''.

SEC. 203. TREATMENT OF CONTRIBUTIONS TO NATIONAL PARTY UNDER AGGREGATE ANNUAL LIMIT ON INDIVIDUAL CONTRIBUTIONS.

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

(1) by striking ''(3)'' and inserting ''(3)(A)''; and

(2) by adding at the end the following new subparagraph:

''(B) Subparagraph (A) shall not apply with respect to any contribution made to any political committee established and maintained by a national political party which is not the authorized political committee of any candidate.''.

SEC. 204. EXEMPTION OF COSTS OF VOLUNTEER CAMPAIGN MATERIALS PRODUCED AND DISTRIBUTED BY PARTIES FROM TREATMENT AS CONTRIBUTIONS AND EXPENDITURES.

(a) TREATMENT AS CONTRIBUTIONS.—Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking ''a State or local committee of a political party of the costs of'' and inserting ''a national, State, or local committee of a political party of the costs of producing and distributing''.

(b) TREATMENT AS EXPENDITURES.—Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking ''a State or local committee of a political party of the costs of'' and inserting ''a national, State, or local committee of a political party of the costs of producing and distributing''.

SEC. 205. INDEXING.

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

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting ''(A)'' before ''At the beginning''; and

(C) by adding at the end the following:

''(B) Except as provided in subparagraph (C), in any calendar year after 2002—

''(i) a limitation established by subsections (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

''(ii) each amount so increased shall remain in effect for the calendar year; and

''(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

''(C) In the case of limitations under subsections (a) and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.''; and

(2) in paragraph (2)(B), by striking ''means the calendar year 1974'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsections (a) and (h), calendar year 2001''.

SEC. 206. PERMITTING NATIONAL PARTIES TO ESTABLISH ACCOUNTS FOR MAKING EXPENDITURES IN EXCESS OF LIMITS ON BEHALF OF CANDIDATES FACING WEALTHY OPPONENTS.

(a) ESTABLISHMENT OF ACCOUNTS.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following new paragraph:

''(4)(A) Subject to subparagraph (B), the national committee of a political party may make expenditures in connection with the general election campaign of a candidate for Federal office (other than a candidate for President) who is affiliated with such party in an amount in excess of the limit established under paragraph (3) if—

''(i) the candidate's opponent in the general election campaign makes expenditures of personal funds in connection with the campaign in an amount in excess of $100,000 (as provided in the notifications submitted under section 304(a)(6)(B)); and

''(ii) the expenditures are made from a separate account of the party used exclusively for making expenditures pursuant to this paragraph.

''(B) The amount of expenditures made in accordance with subparagraph (A) by the national committee of a political party in connection with the general election campaign of a candidate may not exceed the amount of expenditures of personal funds made by the candidate's opponent in connection with the campaign (as provided in the notifications submitted under section 304(a)(6)(B)).''.

(b) WAIVER OF LIMITS ON CONTRIBUTIONS TO ACCOUNTS.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

''(9) The limitations imposed by paragraphs (1)(B), (2)(B), and (3) shall not apply with respect to contributions made to the national committee of a political party which are designated by the donor to be deposited solely into the account established by the party under subsection (d)(4).''.

(c) NOTIFICATION OF EXPENDITURES OF PERSONAL FUNDS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following new subparagraph:

''(B)(i) The principal campaign committee of a candidate (other than a candidate for President) shall submit the following notifications relating to expenditures of personal funds by such candidate (including contributions by the candidate or the candidate's spouse to such committee and funds derived from loans made by the candidate or the candidate's spouse to such committee):

''(I) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended (or contributed) with respect to an election exceeds $100,000.

''(II) After the notification is made under subclause (I), a notification of each such subsequent expenditure (or contribution) which, taken together with all such subsequent expenditures (and contributions) in any amount not included in the most recent report under this subparagraph, totals $5,000 or more.

''(ii) Each of the notifications submitted under clause (i)—

''(I) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made;

''(II) shall include the name of the candidate, the office sought by the candidate, and the date of the expenditure or contribution and amount of the expenditure or contribution involved; and

''(III) shall include the total amount of all such expenditures and contributions made with respect to the same election as of the date of expenditure or contribution which is the subject of the notification.''.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

SEC. 301. DISCLOSURE OF INFORMATION ON COMMUNICATIONS BROADCAST PRIOR TO ELECTION.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

''(e) DISCLOSURE OF INFORMATION ON CERTAIN COMMUNICATIONS BROADCAST PRIOR TO ELECTIONS.—

''(1) IN GENERAL.—Any person who makes a disbursement for a communication described in paragraph (3) shall, not later than 24 hours after making the disbursement, file with the Commission a statement containing the information required under paragraph (2).

''(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

''(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

''(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

''(C) The amount of the disbursement.

''(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

''(E) The text of the communication involved.

''(3) COMMUNICATIONS DESCRIBED.—

''(A) IN GENERAL.—A communication described in this paragraph is any communication—

''(i) which is disseminated to the public by means of any broadcast, cable, or satellite communication during the 120-day period ending on the date of a Federal election; and

''(ii) which mentions a clearly identified candidate for such election (by name, image, or likeness).

''(B) EXCEPTION.—A communication is not described in this paragraph if—

''(i) the communication appears in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

''(ii) the communication constitutes an expenditure under this Act.

''(4) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to file a statement under this subsection shall be in addition to any other reporting requirement under this Act.

''(5) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.''.

SEC. 302. DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 301, is further amended by adding at the end the following new subsection:

''(f) DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.—

''(1) IN GENERAL.—Any person who makes a disbursement for targeted mass communications in an aggregate amount in excess of $50,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

''(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

''(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

''(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

''(C) The amount of each such disbursement of more than $200 made by the person during the period covered by the statement and the identification of the person to whom the disbursement was made.

''(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

''(E) The text of the communication involved.

''(3) TARGETED MASS COMMUNICATION DEFINED.—

''(A) IN GENERAL.—In this subsection, the term 'targeted mass communication' means any communication—

''(i) which is disseminated during the 120-day period ending on the date of a Federal election;

''(ii) which refers to or depicts a clearly identified candidate for such election (by name, image, or likeness); and

''(iii) which is targeted to the relevant electorate.

''(B) TARGETING TO RELEVANT ELECTORATE.—

''(i) BROADCAST COMMUNICATIONS.—For purposes of this paragraph, a communication disseminated to the public by means of any broadcast, cable, or satellite communication which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if the communication is disseminated by a broadcaster whose audience includes—

''(I) a substantial number of residents of the district the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

''(II) a substantial number of residents of the State the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Senator.

''(ii) OTHER COMMUNICATIONS.—For purposes of this paragraph, a communication which is not described in clause (i) which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if—

''(I) more than 10 percent of the total number of intended recipients of the communication are members of the electorate involved with respect to such Federal office; or

''(II) more than 10 percent of the total number of members of the electorate involved with respect to such Federal office receive the communication.

''(C) EXCEPTIONS.—The term 'targeted mass communication' does not include—

''(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

''(ii) a communication made by any membership organization (including a labor organization) or corporation solely to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office; or

''(iii) a communication which constitutes an expenditure under this Act.

''(4) DISCLOSURE DATE.—For purposes of this subsection, the term 'disclosure date' means—

''(A) the first date during any calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000; and

''(B) any other date during such calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000 since the most recent disclosure date for such calendar year.

''(5) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

''(6) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.''.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

H.R. 2356

OFFERED BY:____

[Ney substitute]

AMENDMENT NO. 47: Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to the Second Amendment of the Constitution

SEC. 221. FINDINGS.

Congress finds the following:

(1) The Second Amendment to the United States Constitution protects the right of individual persons to keep and bear arms.

(2) There are more than 60,000,000 gun owners in the United States.

(3) The Second Amendment to the Constitution of the United States protects the right of Americans to carry firearms in defense of themselves and others.

(4) The United States Court of Appeals in *U.S. v. Emerson* reaffirmed the fact that the right to keep and bear arms is an individual right protected by the Constitution.

(5) Americans who are concerned about threats to their ability to keep and bear arms have the right to petition their government.

(6) The Supreme Court, in *U.S. v. Cruikshank* (92 U.S. 542, 1876) recognized that the right to arms preexisted the Constitution. The Court stated that the right to arms ''is not a right granted by the Constitution. Neither is it in any manner dependent upon that instrument for its existence.''.

(7) In *Beard v. United States* (158 U.S. 550, 1895) the Court approved the common-law rule that a person ''may repel force by force'' in self-defense, and concluded that when attacked a person ''was entitled to stand his ground and meet any attack made upon him with a deadly weapon, in such a way and with such force'' as needed to prevent ''great bodily injury or death''. The laws of all 50 states, and the constitutions of most States, recognize the right to use armed force in self-defense.

(8) In order to protect Americans' constitutional rights under the Second Amendment, the First Amendment provides the ability for citizens to address the Government.

(9) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(10) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(11) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the

power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(12) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(13) Citizens who have an interest in issues about or related to the Second Amendment of the Constitution have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(14) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning the right to keep and bear arms to their elected officials and the general public.

(15) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO THE SECOND AMENDMENT OF THE CONSTITUTION.

None of the restrictions or requirements contained in this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any person who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to the Second Amendment.

[Ney Substitute] Offered By: ____

AMENDMENT NO. 48: Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Veterans, Military Personnel, or Seniors

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 42,000,000 men and women have served in the United States Armed Forces from the Revolution onward and more than 25 million are still living. Living veterans and their families, plus the living dependents of deceased veterans, constitute a significant part of the present United States population.

(2) American veterans are black and they are white; they are of every race and ethnic heritage. They are men, and they are women. They are Christians, they are Muslims, they are Jews. They are fathers, mothers, sisters, brothers, sons and daughters. They are neighbors, down the street or right next door. They are teachers in our schools, they are factory workers. They are Americans living today who served in the armed services, and they are the more than 1,000,000 who have died in America's wars.

(3) America's veterans are men and women who have fought to protect the United States against foreign aggressors as Soldiers, Sailors, Airmen, Coast Guardsmen and Marines. The members of our elite organization are those who have discharged their very special obligation of citizenship as servicemen and women, and who today continue to expend great time, effort and energy in the service of their fellow veterans and their communities.

(4) There is a bond joining every veteran from every branch of the service. Whether drafted or enlisted, commissioned or noncommissioned, each took an oath, lived by a code, and stood ready to fight and die for their country.

(5) American men and women in uniform risk their lives on a daily basis to defend our freedom and democracy. Americans have always believed that there are values worth fighting for—values and liberties upon which America was founded and which we have carried forward for more than 225 years, that men and women of this great nation gave their lives to preserve.

(6) It is the sacrifice borne by generations of American veterans that has made us strong and has rendered us the beacon of freedom guiding the course of nations throughout the world. American veterans have fought for freedom for Americans, as well as citizens throughout the world. They have helped to defend and preserve the values of freedom of speech, democracy, voting rights, human rights, equal access and the rights of the individual—those values felt and nurtured on every continent in our world.

(7) The freedoms and opportunities we enjoy today were bought and paid for with their devotion to duty and their sacrifices. We can never say it too many times: We are the benefactors of their sacrifice, and we are grateful.

(8) Of the 25,000,000 veterans currently alive, nearly three of every four served during a war or an official period of hostility. About a quarter of the Nation's population—approximately 70,000,000 people—are potentially eligible for Veterans' Administration benefits and services because they are veterans, family members or survivors of veterans.

(9) The present veteran population is estimated at 25,600,000, as of July 1, 1997. Nearly 80 of every 100 living veterans served during defined periods of armed hostilities. Altogether, almost one-third of the nation's population-approximately 70,000,000 persons who are veterans, dependents and survivors of deceased veterans—are potentially eligible for Veterans' Administration benefits and services.

(10) Care for veterans and dependents spans centuries. The last dependent of a Revolutionary War veteran died in 1911; the War of 1812's last dependent died in 1946; the Mexican War's, in 1962.

(11) The Veterans' Administration health care system has grown from 54 hospitals in 1930, to include 171 medical centers; more than 350 outpatient, community, and outreach clinics; 126 nursing home care units; and 35 domiciliaries. Veterans' Administration health care facilities provide a broad spectrum of medical, surgical, and rehabilitative care.

(12) World War II resulted in not only a vast increase in the veteran population, but also in large number of new benefits enacted by the Congress for veterans of the war. The World War II GI Bill, signed into law on June 22, 1944, is said to have had more impact on the American way of life than any law since the Homestead Act more than a century ago.

(13) About 2,700,000 veterans receive disability compensation or pensions from VA. Also receiving Veterans' Administration benefits are 592,713 widows, children and parents of deceased veterans. Among them are 133,881 survivors of Vietnam era veterans and 295,679 survivors of World War II veterans. In fiscal year 2001, Veterans' Administration planned to spend $22,000,000,000 yearly in disability compensation, death compensation and pension to 3,200,000 people.

(14) Veterans' Administration manages the largest medical education and health professions training program in the United States. Veterans' Administration facilities are affiliated with 107 medical schools, 55 dental schools and more than 1,200 other schools across the country. Each year, about 85,000 health professionals are trained in Veterans' Administration medical centers. More than half of the physicians practicing in the United States have had part of their professional education in the Veterans' Administration health care system.

(15) 75 percent of Veterans' Administration researchers are practicing physicians. Because of their dual roles, Veterans' Administration research often immediately benefits patients. Functional electrical stimulation, a technology using controlled electrical current to activate paralyzed muscles, is being developed at Veterans' Administration clinical facilities and laboratories throughout the country. Through this technology, paraplegic patients have been able to stand and, in some instances, walk short distances and climb stairs. Patients with quadriplegia are able to use their hands to grasp objects.

(16) There are more than 35,000,000 persons in the United States aged 65 and over.

(17) Seniors are a diverse population, each member having his or her own political and economic issues.

(18) Seniors and their families have many important issues for which they seek congressional action. Some of these issues include, but are not limited to, health care, Social Security, and taxes.

(19) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(20) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(21) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the

power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(22) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(23) Citizens who have an interest in issues about or related to veterans, military personnel, seniors, and their families have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(24) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning veterans, military personnel, seniors, and their families to their elected officials and the general public.

(25) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO VETERANS, MILITARY PERSONNEL, OR SENIORS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to veterans, military personnel, or senior citizens, or to the immediate family members of veterans, military personnel, or senior citizens.

H.R. 2356

OFFERED BY: ____

[Ney Substitute]

AMENDMENT NO. 49: Amend section 402 to read as follows:

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect February 14, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a) which remain unexpended as of such date, the committee shall return the funds on a pro rata basis to the persons who provided the funds to the committee.

H.R. 2356

OFFERED BY: ____

[Ney Substitute]

AMENDMENT NO. 50: Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Workers, Farmers, Families, and Individuals

SEC. 221. FINDINGS.

Congress finds the following:

(1) There are approximately 138 million people employed in the United States.

(2) Thousands of organizations and associations represent these employed persons and their employers in numerous forms and forums, not least of which is by participating in our electoral and political system in a number of ways, including informing citizens of key votes that affect their common interests, criticizing and praising elected officials for their position on issues, contributing to candidates and political parties, registering voters, and conducting get-out-the-vote activities.

(3) The rights of American workers to bargain collectively are protected by their First Amendment to the Constitution and by provisions in the National Labor Relations Act. Federal law guarantees the rights of workers to choose whether to bargain collectively through a union.

(4) Fourteen percent of the American workforce has chosen to affiliate with a labor union. Federal law allows workers and unions the opportunity to combine strength and to work together to seek to improve the lives of America's working families, bring fairness and dignity to the workplace and secure social and economic equity in our nation.

(5) Nearly three quarters of all United States business firms have no payroll. Most are self-employed persons operating unincorporated businesses, and may or may not be the owner's principal source of income.

(6) Minorities owned fewer than 7 percent of all United States firms, excluding C corporations, in 1982, but this share soared to about 15 percent by 1997. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(7) In 1999, women made up 46 percent of the labor force. The labor force participation rate of American women was the highest in the world.

(8) Labor/Worker unions represent 16 million working women and men of every race and ethnicity and from every walk of life.

(9) In recent years, union members and their families have mobilized in growing numbers. In the 2000 election, 26 percent of the nation's voters came from union households.

(10) According to the 2000 census, total United States families were totaled at over 105 million.

(11) In 2000, there were 8.7 million African American families.

(12) Asians have larger families than other groups. For example, the average Asian family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(13) American farmers, ranchers, and agricultural managers direct the activities of the world's largest and most productive agricultural sectors. They produce enough food and fiber to meet the needs of the United States and produce a surplus for export.

(14) About 17 percent of raw United States agricultural products are exported yearly, including 83 million metric tons of cereal grains, 1.6 billion pounds of poultry, and 1.4 million metric tons of fresh vegetables.

(15) One-fourth of the world's beef and nearly one-fifth of the world's grain, milk, and eggs are produced in the United States.

(16) With 96 percent of the world's population living outside our borders, the world's most productive farmers need access to international markets to compete.

(17) Every State benefits from the income generated from agricultural exports. 19 States have exports of $1 billion or more.

(18) America's total on United States exports is $49.1 billion and the number of imports is $37.5 billion.

(19) By itself, farming-production agriculture-contributed $60.4 billion toward the national GDP (Gross Domestic Product).

(20) Farmers and ranchers provide food and habitat for 75 percent of the Nation's wildlife.

(21) More than 23 million jobs—17 percent of the civilian workforce—are involved in some phase of growing and getting our food and clothing to us. America now has fewer farmers, but they are producing now more than ever before.

(22) Twenty-two million American workers process, sell, and trade the Nation's food and fiber. Farmers and ranchers work with the Department of Agriculture to produce healthy crops while caring for soil and water.

(23) By February 8, the 39th day of 2002, the average American has earned enough to pay for their family's food for the entire year. In 1970 it took 12 more days than it does now to earn a full food pantry for the year. Even in 1980 it took 10 more days—49 total days—of earning to put a year's supply of food on the table.

(24) Farmers are facing the 5th straight year of the lowest real net farm income since the Great Depression. Last October, prices farmers received made their sharpest drop since United States Department of Agriculture began keeping records 91 years ago. During this same period the cost of production has hit record highs.

(25) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(26) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(27) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it

is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(28) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(29) Citizens who have an interest in issues about or related to their lives have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(30) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy.

(31) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO WORKERS, FARMERS, FAMILIES, AND INDIVIDUALS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to any individual.

H.R. 2356

OFFERED BY: ____

[Ney Substitute]

AMENDMENT NO. 51: Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Civil Rights and Issues Affecting Minorities

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 70 million people in the United States belong to a minority race.

(2) More than 34 million people in the United States are African American, 35 million are Hispanic or Latino, 10 million are Asian, and 2 million are American Indian or Alaska Native.

(3) Minorities account for around 24 percent of the U.S. workforce.

(4) Minorities, who owned fewer than 7 percent of all U.S. firms in 1982, now own more than 15 percent. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(5) Self-employment as a share of each group's nonagricultural labor force (averaged over the 1991–1999 decade) was White, 9.7 percent; African American, 3.8 percent; American Indian, Eskimo, or Aleut, 6.4 percent; and Asian or Pacific Islander, 10.1 percent.

(6) Of U.S. businesses, 5.8 percent were owned by Hispanic Americans, 4.4 percent by Asian Americans, 4.0 percent by African Americans, and 0.9 percent by American Indians.

(7) Of the 4,514,699 jobs in minority-owned businesses in 1997, 48.8 percent were in Asian-owned firms, 30.8 percent in Hispanic-owned firms, 15.9 percent in African American-owned firms, and 6.6 percent in American Native-owned firms.

(8) Minority-owned firms had about $96 billion in payroll in 1997. The average payroll per employee was roughly $21,000 in the major minority groups and ranged from just under $15,000 to just over $27,000 in various subgroups of the minority population.

(9) African Americans were the only race or ethnic group to show an increase in voter participation in congressional elections, increasing their presence at the polls from 37 percent in 1994 to 40 percent in 1998. Nationwide, overall turnout by the voting-age population was down from 45 percent in 1994 to 42 percent in 1998.

(10) In 2000, there were 8.7 million African American families. The United States had 96,000 African American engineers, 41,000 African American physicians and 47,000 African American lawyers in 1999.

(11) The number of Asians and Pacific Islanders voting in congressional elections increased by 366,000 between 1994 and 1998.

(12) Businesses owned by Asians and Pacific Islanders made up 4 percent of the nation's 20.8 million nonfarm businesses.

(13) Asians tend to have larger families—the average family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(14) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(15) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(16) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(17) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(18) Citizens who have an interest in issues about or related to civil rights have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(19) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning civil rights to their elected officials and the general public.

(20) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO CIVIL RIGHTS AND ISSUES AFFECTING MINORITIES.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to civil rights and issues affecting minorities.

H.R. 2356

OFFERED BY: ____

[Ney Substitute]

AMENDMENT NO. 52: Add at the end the following title:

TITLE VI—NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS

SEC. 601. FINDINGS.

Congress finds the following:

(1) The First Amendment to the United States Constitution states that, ''Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''

(2) The First Amendment affords the broadest protection to such political expression in order ''to assure [the] unfettered interchange of ideas for the bringing about of political and social changes desired by the people. *Roth v. United States*, 354 U.S. 476, 484 (1957).

(3) According to *Mills v. Alabama*, 384 U.S. 214, 218 (1966), there is practically universal agreement that a major purpose of that

Amendment was to protect the free discussion of governmental affairs, ''...of course including[ing] discussions of candidates...''.

(4) According to *New York Times Co. v. Sullivan*, 376 U.S. 254, 270 (1964), the First Amendment reflects our ''profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open''. In a republic where the people are sovereign, the ability of the citizenry to make informed choices among candidates for office is essential, for the identities of those who are elected will inevitably shape the course that we follow as a nation.

(5) The First Amendment protects political association as well as political expression. The constitutional right of association explicated in *NAACP v. Alabama*, 357 U.S. 449, 460 (1958), stemmed from the Court's recognition that ''[e]ffective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association.'' Subsequent decisions have made clear that the First and Fourteenth Amendments guarantee ''freedom to associate with others for the common advancement of political beliefs and ideas,'' a freedom that encompasses '''[t]he right to associate with the political party of one's choice.''' *Kusper v. Pontikes*, 414 U.S. 51, 56, 57, quoted in *Cousins v. Wigoda*, 419 U.S. 477, 487 (1975).

(6) In *Buckley v. Valeo*, the Supreme Court stated, ''A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(7) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: ''In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(8) In *Buckley*, the Court also stated, ''The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(9) The courts of the United States have consistently reaffirmed and applied the teachings of *Buckley*, striking down such government overreaching. The courts of the United States have consistently upheld the rights of the citizens of the United States, candidates for public office, political parties, corporations, labor unions, trade associations, non-profit entities, among others. Such decisions provide a very clear line as to what the government can and cannot do with respect to the regulation of campaigns. See *Federal Election Comm'n v. Massachusetts Citizens for Life, Inc.*, 479 U.S. 238 (1986); *Federal Election Comm'n v. National Conservative Political Action Comm.*, 470 U.S. 480 (1985); *California Medical Assn. V. Federal Election Comm'n*, 453 U.S. 182 (1981).

(10) The FEC has lost time and time again in court attempting to move away from the express advocacy bright line test of *Buckley v. Valeo*. In fact, in some cases, the FEC has had to pay fees and costs because the theory is frivolous. *See FEC v. Christian Action Network*, 110 F.3d 1049 (4th Cir. 1997), *aff'g* 894 F. Supp. 946 (W.D.Va. 1995); *Maine Right to Life Comm. v. FEC*, 914 F. Supp. 8 (D.Me. 1996), aff'd 98 F.3d 1 (1st Cir. 1996), *cert. denied*, 118 S. Ct. 52 (1997); *Clifton v. FEC*, 114 F.3d 1309 (1st Cir. 1997); *Faucher v. FEC*, 928 F.2d 468, 472 (1st Cir.), *cert. denied*, 502 U.S. 820 (1991); *FEC v. Colorado Republican Federal Campaign Comm.*, 839 F. Supp. 1448 (D. Co.), *rev'd on other grounds*, 59 F.3d 1015 (10th Cir.), vacated on other grounds, 116 S. Ct. 2309 (1996); *FEC v. Central Long Island Tax Reform Immediately Comm.*, 616 F.2d 45, 53 (2d Cir. 1980); *Minnesota Citizens Concerned for Life, Inc. v. FEC*, 936 F. Supp. 633 (D. Minn. 1996), *aff'd* 113 F.3d 129 (8th Cir. 1997), *reh'g. en banc denied*, 1997 U.S. App. LEXIS 17528; *West Virginians for Life, Inc. v. Smith*, 960 F. Supp. 1036, 1039 (S.D.W.Va. 1996); *FEC v. Survival Education Fund*, 1994 U.S. Dist. Lexis 210 (S.D.N.Y. 1994), *aff'd in part and rev'd in part*, 65 F.3d 285 (2nd Cir. 1995); *FEC v. National Organization for Women*, 713 F. Supp. 428, 433–34 (D.D.C. 1989); *FEC v. American Federation of State, County and Municipal Employees*, 471 F. Supp. 315, 316–17 (D.D.C. 1979). Even the FEC abandoned the ''electioneering communication'' standard soon after the 1996 election due to its vagueness.

(11) The courts have also repeatedly upheld the rights of political party committees. As Justice Kennedy noted: ''The central holding in *Buckley v. Valeo* is that spending money on one's own speech must be permitted, and that this is what political parties do when they make expenditures FECA restricts.'' *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 627 (1996) (J. Kennedy, concurring). Justice Thomas added: ''As applied in the specific context of campaign funding by political parties, the anticorruption rationale loses its force. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 105–106 (1987). What could it mean for a party to 'corrupt' its candidates or to exercise 'coercive' influence over him? The very aim of a political party is to influence its candidate's stance on issues and, if the candidate takes office or is reelected, his votes. When political parties achieve that aim, that achievement does not, in my view, constitute 'a subversion of the political process.' *Federal Election Comm'n v. NCPAC*, 470 U.S. at 497. For instance, if the Democratic Party spends large sums of money in support of a candidate who wins, takes office, and then implements the Party's platform, that is not corruption; that is successful advocacy of ideas in the political marketplace and representative government in a party system. To borrow a phrase from *Federal Election Comm'n v. NCPAC*, 'the fact that candidates and elected officials may alter or reaffirm their own positions on issues in response to political messages paid for by [political groups] can hardly be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.' *Id.* at 498. Cf. *Federal Election Comm'n v. MCFL*, 479 U.S. at 263 (suggesting that '[v]oluntary political associations do not...present the specter of corruption').''. *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 647 (1996) (J. Thomas, concurring). Justice Thomas continued: ''The structure of political parties is such that the theoretical danger of those groups actually engaging in quid pro quos with candidates is significantly less than the threat of individuals or other groups doing so. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 97–98 (1987) (citing F. Sorauf, *Party Politics in America* 15–18 (5th ed. 1984)). American political parties, generally speaking, have numerous members with a wide variety of interests, features necessary for success in majoritarian elections. Consequently, the influence of any one person or the importance of any single issue within a political party is significantly diffused. For this reason, as the Party's amici argue, see Brief for Committee for Party Renewal et al. as Amicus Curiae 16, campaign funds donated by parties are considered to be some of 'the cleanest money in politics.' J. Bibby, *Campaign Finance Reform*, 6 Commonsense 1, 10 (Dec. 1983). And, as long as the Court continues to permit Congress to subject individuals to limits on the amount they can give to parties, and those limits are uniform as to all donors, *see* 2 U.S.C. section 441a(a)(1), there is little risk that an individual donor could use a party as a conduit for bribing candidates. *Id.*''.

(12) As recently as 2000, the Supreme Court reminded us once again of the vital role that political parties play on our democratic life, by serving as the primary vehicles for the political views and voices of millions and millions of Americans. ''Representative democracy in any populous unit of governance is unimaginable without the ability of citizens to band together in promoting the electoral candidates who espouse their political views. The formation of national political parties was almost concurrent with the formation of the Republic itself.'' *California Democratic Party v. Jones*, 530 U.S. 567 (2000). Moreover, just last year, a Federal court struck down a state law that included a so-called ''soft money ban,'' which in reality was a ban on corporate and union contributions to political parties—which as a factual matter is correct. The *Anchorage Daily News* reported:

(13) A Federal judge says corporations and unions have a constitutional right to give unlimited amounts of ''soft money'' to political parties, so long as none of the money is used to get specific candidates elected. In a decision dated June 11, U.S. District Judge James Singleton struck down a section of Alaska's 1997 political contributions law that barred corporations, unions and other businesses from contributing any money to political candidates or parties. The ban against corporate contributions to individual candidates is fine, Singleton said. Public concern about the corrupting influence or corporate contributions on a specific candidate is legitimate and important enough to somewhat limit freedom of speech and political association, the judge concluded. But contributions to the noncandidate work of a political party do not raise undue influence issues and therefore may not be restricted, the judge concluded.

(14) Sheila Toomey, *Anchorage Daily News* (June 14, 2001) (reporting on *Kenneth P. Jacobus, et al. vs. State of Alaska, et al.*, No. A97–0272 (D. Alaska filed June 11, 2001).

(15) Nor is speech any less protected by the First Amendment simply because the one making the speech contacted or communicated with others. For some time, the Federal Election Commission held the view that such ''coordination'' (an undefined term), even of communications that did not contain express advocacy, somehow was problematic, and subject to the limitations and prohibitions of the Act. This view has been rejected

by the courts. *Federal Election Commission v. Christian Coalition,* 52 F. Supp. 2d 45 (D.D.C. 1999). In fact, lower Federal courts have held that even political party committee limits on coordinated expenditures are an unconstitutional restriction on speech. *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.,* 213 F.3d 1221 (10th Cir. 2000). Unless a party committee's expenditure is the functional equivalent of a contribution (and thus not ''coordinated''), it cannot be limited. See Federal Election Commission v. Colo. Republican Fed. Campaign Comm., 150 L.Ed.2d 461, nt. 17, nt. 2 (J. Thomas, dissenting) (2001). As a factual matter, many party committee ''coordinated'' expenditures are not the functional equivalent of contributions. *See* Amicus Curie Brief of the National Republican Congressional Committee, *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.,* 150 L.Ed.2d 461 (2001).

(16) Commentators, legal experts and testimony in the record echoes the need to be mindful of the First Amendment. Whether it is the American Civil Liberties Union, see March 10, 2001 ACLU Letter to Senate (and all cases cited therein) & June 14, 2001 ACLU testimony before the House Administration Committee (and cases cited therein), or the counsel to the National Right to Life Committee and the Christian Coalition, see June 14, 2001 testimony of James Bopp before the House Administration Committee (and cases cited therein), experts across the political spectrum have thoughtfully explained the need to ensure the First Amendment rights of citizens of this country.

(17) Citizens who have an interest in issues have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communication in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(18) This Act contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues to their elected officials and the general public.

(19) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 602. NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS.

Notwithstanding any provision of this Act, and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that Amendment, specifically the freedom of speech or of the press, or the right of people to peaceably assemble, and to petition the government for a redress of grievances, consistent with the rulings of the courts of the United States (as provided in section 601).

H.R. 2356

OFFERED BY: ____

[Ney Substitute]

AMENDMENT NO. 53: Amend section 323(b) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—An amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

Amend section 323(e)(3) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

Amend section 304(e)(2) of the Federal Election Campaign Act of 1971, as proposed to be added by section 103(a) of the bill, to read as follows:

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b) applies shall report all receipts and disbursements made for activities described in section 301(20)(A), unless the aggregate amount of such receipts and disbursements during the calendar year is less than $5,000.

H.R. 2356

OFFERED BY: ____

[Ney Substitute]

AMENDMENT NO. 54: Insert at the end of the Act:

STRENGTHENING FOREIGN MONEY BAN

SEC. ___. STRENGTHENING FOREIGN MONEY BAN.

(a) BANNING ALL DONATIONS TO CANDIDATES AND PARTIES; BANNING DISBURSEMENTS FOR CERTAIN COMMUNICATIONS.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: ''CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS''; and

(2) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—It shall be unlawful for—

''(1) a foreign national, directly or indirectly, to make—

''(A) a contribution or donation of money or other thing of value, or to make an express or implied promise to make a contribution or donation, in connection with a Federal, State, or local election;

''(B) a contribution or donation to a committee of a political party; or

''(C) an expenditure, independent expenditure, or disbursement for a communication described in section 304(e)(3) or a targeted mass communication (as defined in section 304(f)(3)); or

''(2) a person to solicit, accept, or receive a contribution or donation described in subparagraph (A) or (B) of paragraph (1) from a foreign national.''.

(b) EXTENSION OF BAN IN FEDERAL ELECTIONS TO ALL NONCITIZENS.—Section 319(b)(2) of such Act (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: '', or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).''.