

Union Calendar No. 174

106TH CONGRESS
1ST SESSION

H. R. 1867

[Report No. 106-294]

To amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for elections for Federal office, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 1999

Mr. HUTCHINSON (for himself, Mr. HILL of Montana, Mr. HULSHOF, Mr. BRADY of Texas, Mr. MORAN of Kansas, Mr. PETRI, Mr. ENGLISH, Mr. BACHUS, and Mr. COOK) introduced the following bill; which was referred to the Committee on House Administration

AUGUST 5, 1999

Additional sponsors: Mrs. BONO, Mr. BLUMENAUER, and Mrs. EMERSON

AUGUST 5, 1999

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for elections for Federal office, and for other purposes.

1 *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the "Campaign Integrity
3 Act of 1999".

4 **TITLE I—SOFT MONEY AND CON-**
5 **TRIBUTIONS AND EXPENDI-**
6 **TURES OF POLITICAL PAR-**
7 **TIES**

8 **SEC. 101. BAN ON SOFT MONEY OF NATIONAL POLITICAL**
9 **PARTIES AND CANDIDATES.**

10 Title III of the Federal Election Campaign Act of
11 1971 (2 U.S.C. 431 et seq.) is amended by adding at the
12 end the following new section:

13 "BAN ON USE OF SOFT MONEY BY NATIONAL POLITICAL
14 PARTIES AND CANDIDATES

15 "SEC. 323. (a) NATIONAL PARTIES.—A national
16 committee of a political party, including the national con-
17 gressional campaign committees of a political party, and
18 any officers or agents of such party committees, may not
19 solicit, receive, or direct any contributions, donations, or
20 transfers of funds, or spend any funds, which are not sub-
21 ject to the limitations, prohibitions, and reporting require-
22 ments of this Act. This subsection shall apply to any entity
23 that is established, financed, maintained, or controlled (di-
24 rectly or indirectly) by, or acting on behalf of, a national
25 committee of a political party, including the national con-

1 gressional campaign committees of a political party, and
2 any officers or agents of such party committees.

3 “(b) CANDIDATES.—

4 “(1) IN GENERAL.—No candidate for Federal
5 office, individual holding Federal office, or any agent
6 of such candidate or officeholder may solicit, receive,
7 or direct—

8 “(A) any funds in connection with any
9 Federal election unless such funds are subject
10 to the limitations, prohibitions and reporting re-
11 quirements of this Act;

12 “(B) any funds that are to be expended in
13 connection with any election for other than a
14 Federal office unless such funds are not in ex-
15 cess of the amounts permitted with respect to
16 contributions to Federal candidates and polit-
17 ical committees under section 315(a)(1) and
18 (2), and are not from sources prohibited from
19 making contributions by this Act with respect
20 to elections for Federal office; or

21 “(C) any funds on behalf of any person
22 which are not subject to the limitations, prohi-
23 bitions, and reporting requirements of this Act
24 if such funds are for the purpose of financing
25 any activity on behalf of a candidate for elec-

1 tion for Federal office or any communication
2 which refers to a clearly identified candidate for
3 election for Federal office.

4 “(2) EXCEPTION FOR CERTAIN ACTIVITIES.—

5 Paragraph (1) shall not apply to—

6 “(A) the solicitation or receipt of funds by
7 an individual who is a candidate for a non-Fed-
8 eral office if such activity is permitted under
9 State law for such individual’s non-Federal
10 campaign committee; or

11 “(B) the attendance by an individual who
12 holds Federal office or is a candidate for elec-
13 tion for Federal office at a fundraising event
14 for a State or local committee of a political
15 party of the State which the individual rep-
16 resents or seeks to represent as a Federal of-
17 ficeholder, if the event is held in such State.

18 “(c) PROHIBITING TRANSFERS OF NON-FEDERAL
19 FUNDS BETWEEN STATE PARTIES.—A State committee
20 of a political party may not transfer any funds to a State
21 committee of a political party of another State unless the
22 funds are subject to the limitations, prohibitions, and re-
23 porting requirements of this Act.

24 “(d) APPLICABILITY TO FUNDS FROM ALL
25 SOURCES.—This section shall apply with respect to funds

1 of any individual, corporation, labor organization, or other
2 person.”.

3 **SEC. 102. INCREASE IN AGGREGATE ANNUAL LIMIT ON**
4 **CONTRIBUTIONS BY INDIVIDUALS TO POLIT-**
5 **ICAL PARTIES.**

6 (a) IN GENERAL.—The first sentence of section
7 315(a)(3) of the Federal Election Campaign Act of 1971
8 (2 U.S.C. 441a(a)(3)) is amended by striking “in any cal-
9 endar year” and inserting the following: “to political com-
10 mittees of political parties, or contributions aggregating
11 more than \$25,000 to any other persons, in any calendar
12 year”.

13 (b) CONFORMING AMENDMENT.—Section
14 315(a)(1)(B) of such Act (2 U.S.C. 441a(a)(1)(B)) is
15 amended by striking “\$20,000” and inserting “\$25,000”.

16 **SEC. 103. REPEAL OF LIMITATIONS ON AMOUNT OF CO-**
17 **ORDINATED EXPENDITURES BY POLITICAL**
18 **PARTIES.**

19 (a) IN GENERAL.—Section 315(d) of the Federal
20 Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is
21 amended by striking paragraphs (2) and (3).

22 (b) CONFORMING AMENDMENTS.—Section 315(d)(1)
23 of such Act (2 U.S.C. 441a(d)(1)) is amended—
24 (1) by striking “(d)(1)” and inserting “(d)”;
25 and

(2) by striking “, subject to the limitations contained in paragraphs (2) and (3) of this subsection”.

3 SEC. 104. INCREASE IN LIMIT ON CONTRIBUTIONS BY
4 MULTICANDIDATE POLITICAL COMMITTEES
5 TO NATIONAL POLITICAL PARTIES.

6 Section 315(a)(2)(B) of the Federal Election Cam-
7 paign Act of 1971 (2 U.S.C. 441a(a)(2)(B)) is amended
8 by striking “\$15,000” and inserting “\$20,000”.

TITLE II—INDEXING CONTRIBUTION LIMITS

11 SEC. 201. INDEXING CONTRIBUTION LIMITS.

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

15 “(3)(A) The amount of each limitation established
16 under subsection (a) shall be adjusted as follows:

17 “(i) For calendar year 2001, each such amount
18 shall be equal to the amount described in such sub-
19 section, increased (in a compounded manner) by the
20 percentage increase in the price index (as defined in
21 subsection (c)(2)) for each of the years 1999
22 through 2000.

23 (ii) For calendar year 2005 and each fourth
24 subsequent year, each such amount shall be equal to
25 the amount for the fourth previous year (as adjusted

1 under this subparagraph), increased (in a com-
2 pounded manner) by the percentage increase in the
3 price index for each of the four previous years.

4 “(B) In the case of any amount adjusted under this
5 subparagraph which is not a multiple of \$100, the amount
6 shall be rounded to the nearest multiple of \$100.”.

7 **TITLE III—EXPANDING DISCLO-
8 SURE OF CAMPAIGN FINANCE
9 INFORMATION**

10 **SEC. 301. DISCLOSURE OF CERTAIN COMMUNICATIONS.**

11 (a) IN GENERAL.—Any person who expends an ag-
12 gregate amount of funds during a calendar year in excess
13 of \$25,000 for communications described in subsection (b)
14 relating to a single candidate for election for Federal office
15 (or an aggregate amount of funds during a calendar year
16 in excess of \$100,000 for all such communications relating
17 to all such candidates) shall file a report describing the
18 amount expended for such communications, together with
19 the person’s address and phone number (or, if appro-
20 priate, the address and phone number of the person’s prin-
21 cipal officer).

22 (b) COMMUNICATIONS DESCRIBED.—A communica-
23 tion described in this subsection is any communication
24 which is broadcast to the general public through radio or
25 television and which mentions or includes (by name, rep-

1 presentation, or likeness) any candidate for election for
2 Senator or for Representative in (or Delegate or Resident
3 Commissioner to) the Congress, other than any commu-
4 nication which would be described in clause (i), (iii), or
5 (v) of section 301(9)(B) of the Federal Election Campaign
6 Act of 1971 if the payment were an expenditure under
7 such section.

8 (c) DEADLINE FOR FILING.—A person shall file a re-
9 port required under subsection (a) not later than 7 days
10 after the person first expends the applicable amount of
11 funds described in such subsection, except that in the case
12 of a person who first expends such an amount within 10
13 days of an election, the report shall be filed not later than
14 24 hours after the person first expends such amount. For
15 purposes of the previous sentence, the term “election”
16 shall have the meaning given such term in section 301(1)
17 of the Federal Election Campaign Act of 1971.

18 (d) PLACE OF SUBMISSION.—Reports required under
19 subsection (a) shall be submitted—

20 (1) to the Clerk of the House of Representa-
21 tives, in the case of a communication involving a
22 candidate for election for Representative in (or Dele-
23 gate or Resident Commissioner to) the Congress;
24 and

1 (2) to the Secretary of the Senate, in the case
2 of a communication involving a candidate for elec-
3 tion for Senator.

4 (e) PENALTIES.—Whoever knowingly fails to—

5 (1) remedy a defective filing within 60 days
6 after notice of such a defect by the Secretary of the
7 Senate or the Clerk of the House of Representatives;
8 or

9 (2) comply with any other provision of this sec-
10 tion,

11 shall, upon proof of such knowing violation by a prepon-
12 derance of the evidence, be subject to a civil fine of not
13 more than \$50,000, depending on the extent and gravity
14 of the violation.

15 **SEC. 302. REQUIRING MONTHLY FILING OF REPORTS.**

16 (a) PRINCIPAL CAMPAIGN COMMITTEES.—Section
17 304(a)(2)(A)(iii) of the Federal Election Campaign Act of
18 1971 (2 U.S.C. 434(a)(2)(A)(iii)) is amended to read as
19 follows:

20 “(iii) monthly reports, which shall be filed
21 no later than the 20th day after the last day of
22 the month and shall be complete as of the last
23 day of the month, except that, in lieu of filing
24 the reports otherwise due in November and De-
25 cember of the year, a pre-general election report

1 shall be filed in accordance with clause (i), a
2 post-general election report shall be filed in ac-
3 cordance with clause (ii), and a year end report
4 shall be filed no later than January 31 of the
5 following calendar year.”.

6 (b) OTHER POLITICAL COMMITTEES.—Section
7 304(a)(4) of such Act (2 U.S.C. 434(a)(4)) is amended
8 to read as follows:

9 “(4)(A) In a calendar year in which a regularly
10 scheduled general election is held, all political committees
11 other than authorized committees of a candidate shall
12 file—

13 “(i) monthly reports, which shall be filed no
14 later than the 20th day after the last day of the
15 month and shall be complete as of the last day of
16 the month, except that, in lieu of filing the reports
17 otherwise due in November and December of the
18 year, a pre-general election report shall be filed in
19 accordance with clause (ii), a post-general election
20 report shall be filed in accordance with clause (iii),
21 and a year end report shall be filed no later than
22 January 31 of the following calendar year;

23 “(ii) a pre-election report, which shall be filed
24 no later than the 12th day before (or posted by reg-
25 istered or certified mail no later than the 15th day

1 before) any election in which the committee makes
2 a contribution to or expenditure on behalf of a can-
3 didate in such election, and which shall be complete
4 as of the 20th day before the election; and

5 “(iii) a post-general election report, which shall
6 be filed no later than the 30th day after the general
7 election and which shall be complete as of the 20th
8 day after such general election.

9 “(B) In any other calendar year, all political commit-
10 tees other than authorized committees of a candidate shall
11 file a report covering the period beginning January 1 and
12 ending June 30, which shall be filed no later than July
13 31 and a report covering the period beginning July 1 and
14 ending December 31, which shall be filed no later than
15 January 31 of the following calendar year.”.

16 (c) CONFORMING AMENDMENTS.—(1) Section 304(a)
17 of such Act (2 U.S.C. 434(a)) is amended by striking
18 paragraph (8).

19 (2) Section 309(b) of such Act (2 U.S.C. 437g(b))
20 is amended by striking “for the calendar quarter” and in-
21 serting “for the month”.

22 **SEC. 303. MANDATORY ELECTRONIC FILING FOR CERTAIN**
23 **REPORTS.**

24 (a) IN GENERAL.—Section 304(a)(11)(A) of the Fed-
25 eral Election Campaign Act of 1971 (2 U.S.C.

1 434(a)(11)(A)) is amended by striking the period at the
2 end and inserting the following: “, except that the Com-
3 mission shall require the reports to be filed and preserved
4 by such means, format, or method, unless the aggregate
5 amount of contributions or expenditures (as the case may
6 be) reported by the committee in all reports filed with re-
7 spect to the election involved (taking into account the pe-
8 riod covered by the report) is less than \$50,000.”.

9 (b) PROVIDING STANDARDIZED SOFTWARE PACK-
10 AGE.—Section 304(a)(11) of such Act (2 U.S.C.
11 434(a)(11)) is amended—

12 (1) by redesignating subparagraph (C) as sub-
13 paragraph (D); and
14 (2) by inserting after subparagraph (B) the fol-
15 lowing new subparagraph:

16 “(C) The Commission shall make available without
17 charge a standardized package of software to enable per-
18 sons filing reports by electronic means to meet the require-
19 ments of this paragraph.”.

20 **SEC. 304. WAIVER OF “BEST EFFORTS” EXCEPTION FOR IN-**
21 **FORMATION ON OCCUPATION OF INDIVIDUAL**
22 **CONTRIBUTORS.**

23 Section 302(i) of the Federal Election Campaign Act
24 of 1971 (2 U.S.C. 432(i)) is amended—

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

4 (2) by adding at the end the following new
5 paragraph:

6 “(2) Paragraph (1) shall not apply with respect to
7 information regarding the occupation or the name of the
8 employer of any individual who makes a contribution or
9 contributions aggregating more than \$200 during a cal-
10 endar year (as required to be provided under subsection
11 (c)(3)).”.

12 **TITLE IV—EFFECTIVE DATE**

13 **SEC. 401. EFFECTIVE DATE.**

14 This Act and the amendments made by this Act shall
15 apply with respect to elections occurring after January
16 2001.

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