

106TH CONGRESS  
2D SESSION

# S. 2269

To amend the Federal Election Campaign Act of 1971 to ban soft money donations, increase individual contribution limits to candidates, and increase disclosure for issue advocacy.

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## IN THE SENATE OF THE UNITED STATES

MARCH 22, 2000

Mrs. FEINSTEIN (for herself and Mr. TORRICELLI) introduced the following bill; which was read twice and referred to the Committee on Rules and Administration

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## A BILL

To amend the Federal Election Campaign Act of 1971 to ban soft money donations, increase individual contribution limits to candidates, and increase disclosure for issue advocacy.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. PROHIBITION ON SOFT MONEY OF NATIONAL**  
4       **POLITICAL PARTY COMMITTEES.**

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

1 **“SEC. 323. SOFT MONEY OF POLITICAL PARTIES.**

2 “(a) NATIONAL COMMITTEES.—

3 “(1) IN GENERAL.—A national committee of a  
4 political party (including a national congressional  
5 campaign committee of a political party) and any of-  
6 ficers or agents of such party committees, shall not  
7 solicit, receive, or direct to another person a con-  
8 tribution, donation, or transfer of funds, or spend  
9 any funds, that are not subject to the limitations,  
10 prohibitions, and reporting requirements of this Act.

11 “(2) APPLICABILITY.—This subsection shall  
12 apply to an entity that is directly or indirectly estab-  
13 lished, financed, maintained, or controlled by a na-  
14 tional committee of a political party (including a na-  
15 tional congressional campaign committee of a polit-  
16 ical party), or an entity acting on behalf of a na-  
17 tional committee, and an officer or agent acting on  
18 behalf of any such committee or entity.

19 “(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

20 “(1) IN GENERAL.—An amount that is ex-  
21 pended or disbursed by a State, district, or local  
22 committee of a political party (including an entity  
23 that is directly or indirectly established, financed,  
24 maintained, or controlled by a State, district, or  
25 local committee of a political party and an officer or  
26 agent acting on behalf of such committee or entity)

1 for Federal election activity shall be made from  
2 funds subject to the limitations, prohibitions, and re-  
3 porting requirements of this Act.

4 “(2) FEDERAL ELECTION ACTIVITY.—

5 “(A) IN GENERAL.—The term ‘Federal  
6 election activity’ means—

7 “(i) voter registration activity during  
8 the period that begins on the date that is  
9 120 days before the date a regularly sched-  
10 uled Federal election is held and ends on  
11 the date of the election;

12 “(ii) voter identification, get-out-the-  
13 vote activity, or generic campaign activity  
14 conducted in connection with an election in  
15 which a candidate for Federal office ap-  
16 pears on the ballot (regardless of whether  
17 a candidate for State or local office also  
18 appears on the ballot); and

19 “(iii) a communication that refers to a  
20 clearly identified candidate for Federal of-  
21 fice (regardless of whether a candidate for  
22 State or local office is also mentioned or  
23 identified) and is made for the purpose of  
24 influencing a Federal election (regardless

1 of whether the communication is express  
2 advocacy).

3 “(B) EXCLUDED ACTIVITY.—The term  
4 ‘Federal election activity’ does not include an  
5 amount expended or disbursed by a State, dis-  
6 trict, or local committee of a political party  
7 for—

8 “(i) campaign activity conducted sole-  
9 ly on behalf of a clearly identified can-  
10 didate for State or local office, provided  
11 the campaign activity is not a Federal elec-  
12 tion activity described in subparagraph  
13 (A);

14 “(ii) a contribution to a candidate for  
15 State or local office, provided the contribu-  
16 tion is not designated or used to pay for a  
17 Federal election activity described in sub-  
18 paragraph (A);

19 “(iii) the costs of a State, district, or  
20 local political convention;

21 “(iv) the costs of grassroots campaign  
22 materials, including buttons, bumper stick-  
23 ers, and yard signs, that name or depict  
24 only a candidate for State or local office;

1           “(v) the non-Federal share of a State,  
2           district, or local party committee’s admin-  
3           istrative and overhead expenses (but not  
4           including the compensation in any month  
5           of an individual who spends more than 20  
6           percent of the individual’s time on Federal  
7           election activity) as determined by a regu-  
8           lation promulgated by the Commission to  
9           determine the non-Federal share of a  
10          State, district, or local party committee’s  
11          administrative and overhead expenses; and

12           “(vi) the cost of constructing or pur-  
13          chasing an office facility or equipment for  
14          a State, district or local committee.

15          “(C) GENERIC CAMPAIGN ACTIVITY.—The  
16          term ‘generic campaign activity’ means an ac-  
17          tivity that promotes a political party and does  
18          not promote a candidate or non-Federal can-  
19          didate.

20          “(c) FUNDRAISING COSTS.—An amount spent by a  
21          national, State, district, or local committee of a political  
22          party, by an entity that is established, financed, main-  
23          tained, or controlled by a national, State, district, or local  
24          committee of a political party, or by an agent or officer  
25          of any such committee or entity, to raise funds that are

1 used, in whole or in part, to pay the costs of a Federal  
2 election activity shall be made from funds subject to the  
3 limitations, prohibitions, and reporting requirements of  
4 this Act.

5       “(d) TAX-EXEMPT ORGANIZATIONS.—A national,  
6 State, district, or local committee of a political party (in-  
7 cluding a national congressional campaign committee of  
8 a political party), an entity that is directly or indirectly  
9 established, financed, maintained, or controlled by any  
10 such national, State, district, or local committee or its  
11 agent, and an officer or agent acting on behalf of any such  
12 party committee or entity, shall not solicit any funds for,  
13 or make or direct any donations to, an organization that  
14 is described in section 501(c) of the Internal Revenue  
15 Code of 1986 and exempt from taxation under section  
16 501(a) of such Code (or has submitted an application for  
17 determination of tax exempt status under such section).

18       “(e) CANDIDATES.—

19               “(1) IN GENERAL.—A candidate, individual  
20 holding Federal office, agent of a candidate or indi-  
21 vidual holding Federal office, or an entity directly or  
22 indirectly established, financed, maintained or con-  
23 trolled by or acting on behalf of one or more can-  
24 didates or individuals holding Federal office, shall  
25 not—

1           “(A) solicit, receive, direct, transfer, or  
2 spend funds in connection with an election for  
3 Federal office, including funds for any Federal  
4 election activity, unless the funds are subject to  
5 the limitations, prohibitions, and reporting re-  
6 quirements of this Act; or

7           “(B) solicit, receive, direct, transfer, or  
8 spend funds in connection with any election  
9 other than an election for Federal office or dis-  
10 burse funds in connection with such an election  
11 unless the funds—

12                   “(i) are not in excess of the amounts  
13 permitted with respect to contributions to  
14 candidates and political committees under  
15 paragraphs (1) and (2) of section 315(a);  
16 and

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

20           “(2) STATE LAW.—Paragraph (1) does not  
21 apply to the solicitation, receipt, or spending of  
22 funds by an individual who is a candidate for a  
23 State or local office in connection with such election  
24 for State or local office if the solicitation, receipt,  
25 or spending of funds is permitted under State law

1 for any activity other than a Federal election activ-  
 2 ity.

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

7 **SEC. 2. INCREASE IN INDIVIDUAL CONTRIBUTION LIMIT.**

8 (a) INCREASE IN INDIVIDUAL CONTRIBUTION  
 9 LIMIT.—Section 315(a)(1)(A) of the Federal Election  
 10 Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(A)) is  
 11 amended by striking “\$1,000” and inserting “\$3,000”.

12 (b) INDEX OF AMOUNT.—Section 315(c) of the Fed-  
 13 eral Election Campaign Act of 1971 (2 U.S.C. 441a(c))  
 14 is amended—

15 (1) in paragraph (1)—

16 (A) by striking the second and third sen-  
 17 tences;

18 (B) by inserting “(A)” before “At the be-  
 19 ginning”; and

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

21 “(B) In any calendar year after 2001—

22 “(i) a limitation established by subsection  
 23 (a)(1)(A), (b), or (d) shall be increased by the per-  
 24 cent difference determined under subparagraph (A);  
 25 and

1           “(ii) each amount so increased shall remain in  
2 effect for the calendar year.”; and

3           (2) in paragraph (2)(B), by striking “means the  
4 calendar year 1974” and inserting “means—

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

7           “(ii) for purposes of subsection (a)(1)(A),  
8 calendar year 2000”.

9           (c) EFFECTIVE DATES.—

10           (1) SUBSECTION (a).—The amendment made  
11 by subsection (a) shall apply with respect to elec-  
12 tions occurring after December 31, 2000.

13           (2) SUBSECTION (b).—The amendments made  
14 by subsection (b) shall apply to calendar years be-  
15 ginning after December 31, 2001.

16 **SEC. 3. DISCLOSURE OF ELECTIONEERING COMMUNICA-**  
17 **TIONS.**

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

21           “(d) ADDITIONAL STATEMENTS ON ELECTION-  
22 EERING COMMUNICATIONS.—

23           “(1) STATEMENT REQUIRED.—Every person  
24 who makes a disbursement for electioneering com-  
25 munications in an aggregate amount in excess of

1       \$10,000 during any calendar year shall, within 48  
2       hours of each disclosure date, file with the Commis-  
3       sion a statement containing the information de-  
4       scribed in paragraph (2).

5               “(2) CONTENTS OF STATEMENT.—Each state-  
6       ment required to be filed under this subsection shall  
7       be made under penalty of perjury and shall contain  
8       the following information:

9               “(A) The identification of the person mak-  
10       ing the disbursement, of any entity sharing or  
11       exercising direction or control over the activities  
12       of such person, and of the custodian of the  
13       books and accounts of the person making the  
14       disbursement.

15              “(B) The State of incorporation and the  
16       principal place of business of the person making  
17       the disbursement.

18              “(C) The amount of each disbursement  
19       during the period covered by the statement and  
20       the identification of the person to whom the  
21       disbursement was made.

22              “(D) The elections to which the election-  
23       eering communications pertain and the names  
24       (if known) of the candidates identified or to be  
25       identified.

1           “(E) If the disbursements were paid out of  
2 a segregated account to which only individuals  
3 could contribute, the names and addresses of all  
4 contributors who contributed an aggregate  
5 amount of \$3,000 or more to that account dur-  
6 ing the period beginning on the first day of the  
7 preceding calendar year and ending on the dis-  
8 closure date.

9           “(F) If the disbursements were paid out of  
10 funds not described in subparagraph (E), the  
11 names and addresses of all contributors who  
12 contributed an aggregate amount of \$3,000 or  
13 more to the organization or any related entity  
14 during the period beginning on the first day of  
15 the preceding calendar year and ending on the  
16 disclosure date.

17           “(G) Whether or not any electioneering  
18 communication is made in coordination, co-  
19 operation, consultation, or concert with, or at  
20 the request or suggestion of, any candidate or  
21 any authorized committee, any political party or  
22 committee, or any agent of the candidate, polit-  
23 ical party, or committee and if so, the identi-  
24 fication of any candidate, party, committee, or  
25 agent involved.

1           “(3) ELECTIONEERING COMMUNICATION.—For  
2 purposes of this subsection—

3           “(A) IN GENERAL.—The term ‘election-  
4 eering communication’ means any broadcast  
5 from a television or radio broadcast station  
6 which—

7           “(i) refers to a clearly identified can-  
8 didate for Federal office;

9           “(ii) is made (or scheduled to be  
10 made) within—

11           “(I) 60 days before a general,  
12 special, or runoff election for such  
13 Federal office; or

14           “(II) 30 days before a primary or  
15 preference election, or a convention or  
16 caucus of a political party that has  
17 authority to nominate a candidate, for  
18 such Federal office; and

19           “(iii) is broadcast from a television or  
20 radio broadcast station whose audience in-  
21 cludes the electorate for such election, con-  
22 vention, or caucus.

23           “(B) EXCEPTIONS.—Such term shall not  
24 include—

1           “(i) communications appearing in a  
2 news story, commentary, or editorial dis-  
3 tributed through the facilities of any  
4 broadcasting station, unless such facilities  
5 are owned or controlled by any political  
6 party, political committee, or candidate; or

7           “(ii) communications which constitute  
8 expenditures or independent expenditures  
9 under this Act.

10           “(4) DISCLOSURE DATE.—For purposes of this  
11 subsection, the term ‘disclosure date’ means—

12           “(A) the first date during any calendar  
13 year by which a person has made disbursements  
14 for electioneering communications aggregating  
15 in excess of \$10,000; and

16           “(B) any other date during such calendar  
17 year by which a person has made disbursements  
18 for electioneering communications aggregating  
19 in excess of \$10,000 since the most recent dis-  
20 closure date for such calendar year.

21           “(5) CONTRACTS TO DISBURSE.—For purposes  
22 of this subsection, a person shall be treated as hav-  
23 ing made a disbursement if the person has con-  
24 tracted to make the disbursement.

1           “(6) COORDINATION WITH OTHER REQUIRE-  
2           MENTS.—Any requirement to report under this sub-  
3           section shall be in addition to any other reporting  
4           requirement under this Act.”.

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